

UNIVERSITY OF WORLD AND NATIONAL ECONOMY

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# TOURISM DESTINATIONS

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The following course focuses on the basic aspects of the tourism destinations development, their characteristic features, specific development and management, as well as on their positioning and promoting. DMOs have particular significance in the terms of modern requirements to destination management, their models and management practices are essential for the development of tourism at the meso and macro level. Because the focus of the training course are the economic universities where tourism is studied, attention is not paid on highlighting the natural and anthropogenic resources of the destinations, but on the good practices in the management as a prerequisite for the development of tourism in the receptive tourist destinations. Tourism destinations are discussed through illustrative case studies and effective practical approaches for various facets of destination management, providing a comprehensive view to planners, policymakers, and destination managers who attempt to ensure a sustainable future for those communities, in an innovative way.

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## Introduction

With its content and role, tourism is a well established industry, a highly important component of the economical and social environment of more and more countries. Worldwide a growing interest is taken in a deeper understanding of its multiple economic, social, cultural and political implications, its active role within the society, respectively its dynamics and mechanisms.

Tourism is one of the world's largest industries with an estimated 940 million international arrivals in 2010 and more than US\$ 919 billion revenues, or 30% of the world's export services. In the last years, the industry is expanding at an average rate of 4% annually (except 2009). Moreover, in the first half of 2011, international tourist arrivals are estimated to have grown by 4.5%, after a 6.6% increase in 2010 (UNWTO, 2010).

Tourism can bring a number of benefits, including the enhancement of economic opportunities by creating more jobs for local residents, increasing incomes and by the stimulation or creation of local and regional markets. Tourism can also help to protect natural and cultural heritage, preserve the values through education and interpretation, and help to support research and development of good environmental practices. Tourism can also help to enhance quality of life through improved infrastructures, enhanced intercultural understanding and the valuation by local people of their culture, their heritage and traditions.

The new challenges for the tourism industry are focused on the choice between the traditional mass tourism activities and on the creating conditions for development of innovative local tourism supply. The researches on the tourism impacts are indicator for the increasing demand of the responsible tourism products as a process for enhancing the economic and environmental characteristics of the destination<sup>1</sup>.

The tourism destination is a link between all parts of the tourism industry, maintains and propels these parts, is a complex and specific element of the tourism industry and is a topic of numerous researchers. The management of the tourism destination is a concept widely utilized in the theory and practice, while the image of the destination is an important point of interest for the researchers, as well as for the people managing the tourism industry.

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<sup>1</sup> Тадаръков, Д., „Актуални промени на туристическия пазар през XXI век”, Предизвикателства пред туризма през XXI век, София, 2012 г., стр. 10

# CHAPTER 1

## Content and Specifics of the Tourism Destinations

### 1.1 Tourism Destination – definitions and elements

The importance of tourism, the benefits and the harms of its development determine the actual need of strategic activities and coordination of the participants on the market. **The main goal of the strategic planning on macro level is achieving the goals and answering to the demands of the market.** *The reasons for that have objective nature and are driven by the need of general vision; the need of long-term determination of social, cultural and ecological influence of that progress; the problems with resource provision in different territories; the development of the destination with the increasing competition and market dynamism<sup>2</sup>.*

*Destinations are not a single product, but composite products consisting of a bundle of different components including: accommodation and food establishments, tourist attractions, arts establishments and cultural venues, and the natural environment<sup>3</sup>. It is a combination of tangible physical attributes (such as product, facilities, location and accessibility) and less tangible attributes (such as service, experience and community attitude). Destinations are places towards which people travel and where they choose to stay for a while, are places with personality and with consistent tourist product<sup>4</sup>, so the perceived attractiveness and the competitiveness of destination are the most important issues to study.*

*A local tourism destination is a physical space in which a tourist spends at least one overnight. It includes tourism products such as support services and attractions and tourist resources within one day's return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations.*

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<sup>2</sup> Ianeva, M., Aspects of consultancy management in tour operators' business, Infrastructure & Communications, Sofia, January 2014, p. 36

<sup>3</sup> Pop, C., Cosma, S., Negrușă, A., Ionescu, C. & Marinescu, N. (2007). *Romania as a Tourist Destination and the Romanian Hotel Industry*, Cambridge Scholars Publishing, ISBN 1-84718-268-2, ISBN 13: 9781847182685, 2007

<sup>4</sup> Suarez, G., M. A. (2009). Turismo enlatado. Centro de Iniciativas y Turismo de Santa Cruz de Tenerife, Spain, TF-673/07

Destinations could be on any scale, from a whole country (e.g. Australia), a region (such as the Spanish ‘Costas’) or island (e.g. Bali), to a village, town or city, or a self-contained centre (e.g. Center Parc or Disneyland).

There are few terms and concepts that often haunt the tourism literature. Here we present several to avoid confusion. Their definitions and support material come from the World Heritage Center (2007).

*The market ultimately decides the boundaries of a **destination**, influenced by marketing, as well as physical and cultural limits.* Thus the market may perceive an entire country as a destination (as marketed by a tourism ministry) or a single national park, such as Iguazu National Park in Argentina. ***The term site overlaps significantly with destination but tends to center on a particular place bound by physical or cultural characteristics.*** Many sites often inhabit a single destination such as the principal temples of Tikal National Park, or multiple historical buildings in the Historic Center of Vienna.

***Destinations are amalgams of tourism products, offering an integrated experience to consumers.*** Traditionally, destinations are regarded as well-defined geographical areas, such as a country, an island or a town. However, it is increasingly recognised that a ***destination can also a perceptual concept, which can be interpreted subjectively by consumers, depending on their travel itinerary, cultural background, purpose of visit, educational level and past experience***<sup>5</sup>. For example, London can be a destination for a German business traveller, whilst Europe may be the destination for a leisure Japanese tourist who packs six European countries in a two week tour. Some travellers will consider a cruise ship to be their destination, while others on the same cruise may perceive the ports visited during the trip as their destination.

*Often destinations are artificially divided by geographical and political barriers, which fail to take into consideration consumer preferences or tourism industry functions.* An example of that is the Alps shared by France, Austria, Switzerland, Italy by often perceived and consumed as part of the same product by skiers.

For the purpose of this paper **destinations are considered to be a defined as geographical region which is understood by its visitors as a unique entity, with a political and legislative framework for tourism marketing and planning. This definition enables Destination Management Organisations (DMOs) to be accountable for the planning**

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<sup>5</sup> Buhalis, D., Marketing the competitive destination of the future, Tourism Management Special Issue: The Competitive Destination, London

and marketing of the region and to have the power and resources to undertake action towards achieving its strategic objectives.

**Destinations offer an amalgam of tourism products and services, which are consumed under the brand name of the destination.** *Destinations are places towards which people travel and where they choose to stay for a while in order to experience certain features or characteristics-a perceived attraction of some sort*<sup>6</sup>. Cooper et al (1998) define *destinations as the focus of facilities and services designed to meet the needs of the tourists*<sup>7</sup>.

**Destinations contain a number of basic elements** which attract the visitor to the destination and which satisfy their needs on arrival. *These basic elements can be broken down into attractions (the ‘must sees’ or ‘must dos’) and the other remaining elements*<sup>8</sup>. The provision and quality of these elements will be influential in the visitor’s decisions to make their trip. *Destination appeal and experiences offered are shaped by:*

- **Attractions** (natural, man-made, artificial, purpose built, heritage, special events);
- **Accessibility** (entire transportation system comprising of routes, terminals and vehicles);
- **Private and Public Amenities** (accommodation and catering facilities, retailing, other tourist services);
- **Human Resources;**
- **Image and Character;**
- **Price.**<sup>9</sup>

**Attractions** are often the focus of visitor attention and may provide the initial motivation for the tourist to visit the destination. *These can be categorised as natural* (e.g. beaches, mountains, parks, weather), *built* (e.g. iconic buildings such as the Eiffel tower, heritage monuments, religious buildings, conference and sports facilities), *or cultural* (e.g. museums, theatres, art galleries, cultural events). They could be in the public realm such as a nature park, cultural or historical sites or could be community attractions and services such as

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<sup>6</sup> Leiper, N., 1995, Tourism Management, RMIT Press, Melbourne.

<sup>7</sup> Cooper, C., Fletcher, J., Gilbert, D., Shepherd, R., Wanhill, S., (eds), 1998, Tourism: Principles and Practices, 2nd ed, Addison Wesley Longman, England.

<sup>8</sup> Cho, B. H. (2000), ‘Destination’, in J. Jafari (Ed.), *Encyclopaedia of Tourism*, Routledge, London and New York.

<sup>9</sup> WTO, Practical Guide for Tourism Destination Management, Madrid, Spain, 2007, p. 14



culture, heritage or lifestyle. Other, less tangible factors, such as uniqueness and emotional or experiential triggers are also attracting tourists to destinations.

An **attraction** is any object, person, place, or concept that draws people either geographically or through remote electronic means so that they might have an experience. The experience can be recreational, spiritual, or otherwise. An attraction is an outstanding example (for whatever criteria used) of a resource which includes all the elements in a particular class.

Ultimately the market — not tourism experts or magazines — decide what is an attraction among its much wider resource class. If people spend time and money to experience a particular resource, then that resource is also an attraction.

*Traditionally, people divide up attractions between cultural and natural. Cultural should, but does not always, include historical attractions as well. Public Use Planning effort of the **World Heritage Center** uses another categorization, perhaps more refined, consisting of four categories:*

- **Geophysical-landscape-aesthetic.** Includes mountains, gorges, big rocks, rock formations, caves, rivers, water bodies, scenic views, overlooks of forests (when the attraction is merely seeing and not interacting more directly with the forest), unusual cloud formations, unusual meteorological conditions (high velocity or unusual wind behavior, light hitting or passing through geological formations in strange ways), thermal waters, volcanic activity, or even unusual celestial events such as the Northern Lights, Perseid Meteor Showers, or exceptionally clear night views for star-gazing.
- **Ecological-biological.** Includes any and all organisms, their parts, their behaviors, aggregations, or associations in communities with other organisms. It also includes ecological events or processes that include the participation of organisms, such as decomposition, reproduction, predation, migration, and fossil remains (though one could categorize these as geophysical as well).
- **Cultural-historical.** Includes all human constructions, practices, and remains (archaeological). It includes all manifestations of human evolution and cultural expression. In some cases, it includes ideas of particular individuals or events that are interpreted through objects and places like a house or a person's possession, like some famous philosopher's eyeglasses or the house of a military commander.

- **Recreational.** These include all attractions built by humans for the specific purpose of entertainment or education. This includes theme parks, botanical gardens, sports fields, motion-based attractions (such as roller coasters), zoos, museums, theatres, shopping malls, etc. In the context of protected areas, this resource category is normally not considered, since the purpose of protecting sites is to preserve and exhibit natural and cultural attractions, not artificial human-based attractions like Disney World. This is not to speak badly of this type of attraction, but since such attractions are normally incompatible with and compete with protected sites, they sometimes can be left out of protected area attraction inventories. If they do exist in a site, they can be classified as existing services, designed to support the experience of the protected resources.

***Amenities are the wide range of services and facilities which support the visitors' stay and include basic infrastructure such as utilities, public transport, and roads as well as direct services for the visitor such as accommodation, visitor information, recreations facilities, guides, operators and catering and shopping facilities.***

**Accessibility.** The destination should be accessible to a large population base via road, air passenger services, rail or cruise ships. Visitors should also be able to travel with relative ease within the destination. Visa requirements, ports of entry, and specific entry conditions should be considered as part of the accessibility of the destination.

**Image.** A unique character or image is crucial in attracting visitors to the destination. It is not sufficient to have a good range of attractions and amenities if potential visitors are not aware of this. Various means can be used to promote the destinations image (e.g. marketing and branding, travel media, emarketing). The image of the destination includes uniqueness, sights, scenes, environmental quality, safety, service levels, and the friendliness of people.

**Price.** Pricing is an important aspect of the destination's competition with other destinations. Price factors relate to the cost of transport to and from the destination as well as the cost on the ground of accommodation, attractions, food and tour services. A tourist's decision may also be based on other economic features such as currency exchange.

**Human Resources.** Tourism is labour intensive and interaction with local communities is an important aspect of the tourism experience. A well-trained tourism workforce and citizens who are equipped and aware of the benefits and responsibilities associated with tourism growth are indispensable elements of tourism destination delivery and need to be managed in accordance with the destination strategy.

## 1.2 Destination Management

The approach of tourist destination management is done through strategic management and marketing, taking into consideration specific theories, models, techniques, principles and strategies. Planning and implementing strategies means to involve all internal and external stakeholders, in order to assure brand equity and a good tourist experience. Marketing of destinations should balance the strategic objectives of all stakeholders as well the sustainability of local resources, for the optimisation of tourism impacts.<sup>10</sup>

Competition among tourism destinations continues to intensify on the international market; in these conditions, competitiveness of a destination is analyzed in terms of variable factors of influence. *A destination is competitive if it can attract and satisfy potential tourists and this competitiveness is determined both by tourism-specific factors and by a much wider range of factors that influence the tourism service providers.*<sup>11</sup>

*Competitive advantage requires the ability to effectively manage all components of the tourism system to ensure success is achieved. To assist in achieving this objective, many destinations have created a destination management organization (DMO) to provide leadership for the management of tourism in the destination.*<sup>12</sup> The roles of the DMO have been explored in many scientific publications, but it still remains to research how the DMO can be more effectively structured and operated, in order to make the destination more competitive and successful.

*Destination's image is the perception by the tourists of what could be experienced at the destination; is a composite of various products (attractions) and attributes woven into a total impression.* The combination of material elements and services acquires a meaning as a product only when the potential tourist creates a mental image of it<sup>13</sup>. Image plays a fundamental role in the success of tourist destinations, since tourist image, seen as a mental picture formed by a set of attributes that define the destination, exercises a strong influence on consumer behaviour in the tourism sector.

Findings from many studies in this field suggest that both personal variables, such as

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<sup>10</sup> Buhalis, D. (2000). Marketing the competitive destination of the future. *Tourism Management*, Volume 21, Issue 1, February 2000, pp.97-116, ISSN: 0261-5177

<sup>11</sup> Enright, M. J. & Newton, J. (2004). Tourism destination competitiveness: a quantitative approach. *Tourism Management*, Volume 25, Issue 6, December 2004, pp.777-788, ISSN: 0261-5177

<sup>12</sup> Bornhorst, T., Ritchie, B. J.R. & Sheehan, L. (2010). Determinants of tourism success for DMOs & destinations: An empirical examination of stakeholders' perspectives. *Tourism Management*, Volume 31, Issue 5, October 2010, pp. 572-589, ISSN: 0261-5177

<sup>13</sup> Tsonev, N, Marketing in tourism, Издателски комплекс – УНСС, София, 2014, p. 118

demographics, culture, and familiarity, as well as attributes of the visual, such as physical features, are relevant to image assessment.<sup>14</sup> More than that, the destination's image is influenced by tourist motivations, the experience of travel has a significant relationship with cognitive and affective images, and the socio-demographic characteristics influence the cognitive and affective assessment of image.<sup>15</sup>

For tourist destinations, the differentiation on international market become critical, given the strong present competition, when tourists can choose from a wide variety of destination often substitutable. So the destination must be identified and differentiated from alternatives in the minds of the target market. *In this way, branding is considered beneficial from both the supply and demand perspectives.* It can generate advantages for products and services, such as increased purchase intent, lower costs, increased sales, price premiums, and customer loyalty. *In the same time, branding could give advantages for destination marketing organisations, including increased potential to differentiate against similar destinations, increased destination loyalty and increased yield for local tourism businesses and tour operators.* Benefits for the traveller include ease of decision making through reduced search costs, reduced risk, and possibly enhanced brag value.<sup>16</sup>

*In the near future marketing will most likely be understood exclusively in the sense of "branding".* Nowadays, most goods and services are not perceived as being sold, but rather as being purchased. Branding to large extent facilitates this process. It sells the good or service "preemptively" which is a more efficient way of doing business<sup>17</sup>.

Under the brand umbrella, destinations have to design the appropriate market strategies. Umbrella branding refers to the linkages and synergies in the development of strategies at the national authority level but also at the DMO and stakeholders levels and that means a strong involvement of the local community.

In that context *destination management and destination marketing are relatively new phenomena in tourism professional practice and in the tourism literature. They have now, however, become recognized as being integral to the success of a tourism destination. Destination management is the coordination and integration of all of the elements of the destination mix in a particular geographic area based upon a defined tourism strategy and*

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<sup>14</sup> MacKay, K. J. & Fesenmaier, D. R. (1997). Pictorial Element of destination in Image Formation. *Annals of Tourism Research*, Volume 21, Issue 3, pp. 537-565, ISSN: 0160-7383

<sup>15</sup> Beerli, A. & Martin, J. D. (2004). Tourists' characteristics and the perceived image of tourist destinations: a quantitative analysis—a case study of Lanzarote, Spain. *Tourism Management*, Volume 25 (2004), pp. 623-636, ISSN: 0261-5177

<sup>16</sup> Pike, S. (2009). Destination brand positions of a competitive set of near-home destinations, *Tourism Management*, Volume 30 (2009), pp. 857-866, ISSN: 0261-5177

<sup>17</sup> Tsonev, N., Product policy in tourism, Infrastructure & Communications, Sofia, January, 2014, p. 91

*plan. The destination mix elements are the attractions and events, facilities (hotels, restaurants, etc.), transportation, infrastructure, and hospitality resources (Mill and Morrison, 2012). In addition, **destination management encompasses the image-making, branding, and marketing and communications of all that the place has to offer to tourists.***

*Destination management is the co-ordinated management of all the elements that make up a destination (attractions, amenities, access, marketing and pricing). Destination management takes a strategic approach to link-up these sometimes very separate entities for the better management of the destination.*

**Destination management is an ongoing process in which tourism, industry, government and community leaders plan for the future and manage a destination<sup>18</sup>.** The process of destination management doesn't happen in isolation. It involves a range of sectors, stakeholder groups and delivery partners – such as *government agencies, communities and business groups* – working collaboratively to deliver their part of the picture. A holistic **destination management approach** should be taken in order to **include planning, implementation, regular reviews and assessment**. The unique natural environments should be considered and managed, as well as the cultural attributes and the community.

***The destination management has to ensure better communication and coordination between key destination stakeholders and decision makers.*** This in turn will help to facilitate the ongoing delivery of quality tourism products and visitor experiences. *Destination Management is a holistic process that ensures tourism adds value to the economy, social fabric and ecology of our communities.* Tourism can be an economic driver, generating jobs and contributing vibrant lifestyle benefits to our communities. But equally tourism needs to be managed to ensure that it leaves a positive legacy for current and future generations. Importantly the tourism sector needs to ensure that it is considered in the broader context of regional development and that it is recognised for its overall contribution and economic value to the region.

*To be effective, planning, development and marketing activity must be based on research and the needs of the consumer. **The Destination Management Process will integrate both demand (the visitor or consumer needs) and supply (the product or experience).***

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<sup>18</sup> Guide to Best Practice Destination Management, Tourism 2020 project, funded by the Australian Standing Committee on Tourism (ASCOT) and coordinated through the Destination Management Planning Working Group.

Adopting a holistic destination management approach to tourism will ensure that industry objectives are planned and managed to meet the needs and aspirations of the communities of interest and the particular context unique to each destination. Importantly, one of the key outcomes of holistic destination management is a strong resilient tourism industry with dynamic and adaptive product and experience offerings, that adapt to the needs of the visitor and the community as the destination evolves and matures.

The use of primary and secondary research to inform both planning and implementation will help to keep a well-managed destination that has fresh and relevant product offerings. *Through good destination management you will foster a viable and vibrant tourism business sector which will open up new opportunities across the economy for growth investment, job creation, cultural and lifestyle outcomes and potential income sources to manage and maintain cultural and natural heritage assets of the destination.* Tourism, if well managed, can leverage other sectors of the economy to open up new markets for the products and services on offer.

**Destination management is designed to guide sustainable growth and help ensure the viability of the tourism industry, enabling it to become resilient to external shocks and changes in a dynamic and competitive market.**

There is no single template or one size fits all approach to Destination Management. Destinations vary in size, type, structure and aspiration for their tourism future. However, there are some common processes and fundamental concepts that Destination Managers will need to consider. These include:

- Defining the destination as part of the destination management process by drawing notional boundaries and points of access;
- Understanding the market (customers /visitors) and the offering (key product or experiences);
- Adapting or creating a strong community based vision for the future of the destination;
- Developing a destination management structure with a clear communication process that links all relevant stakeholders and seeks their engagement in the delivery of the vision.

#### **In summary, Destination Management**

- is an *ongoing process* that engages delivery partners in a strong collaborative network *to deliver on a clear vision* for the future.

- occurs when *all stakeholders* take a collaborative and holistic approach to *developing and marketing the tourism offering* using the *Destination Management Platform* to consider the best process, the place to which it relates, the people involved and the product on offer – all determined by the needs and expectations of those who will visit.
- is based on a *Destination Management Framework that integrates five key delivery areas: research and analysis, consultative planning, product development, marketing and evaluation.*

These guiding principles are an important shift in thinking. Traditional approaches to tourism are focused on destination marketing. This *destination management* approach *identifies the product or experience* available, *understands the visitor* and *engages* more broadly with *community and other industry sectors* and then *markets the offering*. It's important to maximise resources and to integrate some of these external processes into the destination management process so that they benefit tourism.

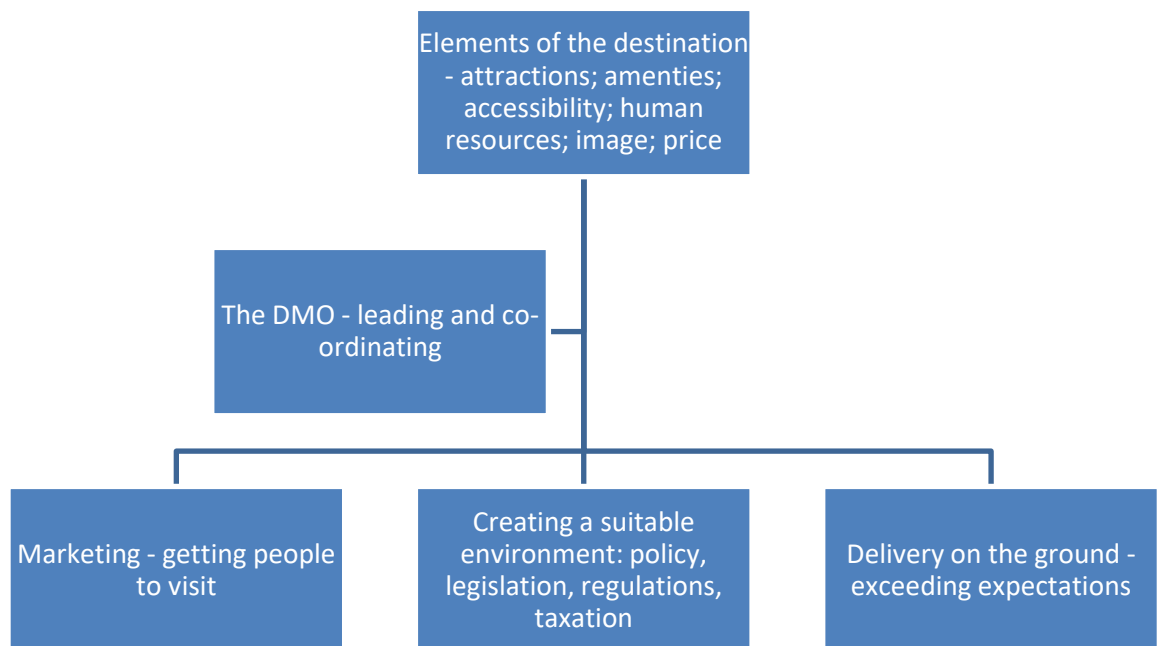
Joined up management can help to avoid duplication of effort with regards to promotion, visitor services, training, business support and identify any management gaps that are not being addressed.

There are various options for destination management governance as follows:

- Department of single public authority;
- Partnership of public authorities, serviced by partners;
- Partnership of public authorities, serviced by a joint management unit;
- Public authority(ies) outsourcing delivery to private companies;
- Public-private partnership for certain functions – often in the form of a non-profit making company;
- Association or company funded purely by a private sector partnership and/or trading – again for certain functions.

Destination management can be summarised as follows:

*Figure 1.2 Destination management*<sup>19</sup>



Source: World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007

The elements of the destination are supported by marketing to get people to visit in the first place and delivery of services on the ground to ensure that expectations are met at the destination. Underlying these activities is the need to ensure a suitable environment, (physical, social and economic) in which to develop tourism. The Destination Management Organisation should lead and co-ordinate these different aspects of the destination.

**Creating a suitable environment.** *This is the foundation of destination management on which the marketing of the destination and the delivery of the experience are dependent.* Before the visitor is attracted by marketing or arrives at the destination the right social, economic and physical environment in which to develop tourism must exist. A strong and authoritative DMO will be necessary to provide the leadership and to drive and co-ordinate this process. Creating the right environment includes:

- Planning and infrastructure;
- Human resources development;

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<sup>19</sup> World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007



- Product development;
- Technology and systems development;
- Related industries and procurement.

**Marketing.** *Destination marketing should face outwards to attract visitors to the area.* It should promote what is most attractive to potential visitors and most likely to persuade them to come. The key functions are:

- Destination promotion, including branding and image;
- Campaigns to drive business, particularly to SMMEs (Small medium and micro enterprises);
- Unbiased information services;
- Operation/facilitation of bookings;
- CRM (Customer Relationship Management).

Promotion need not necessarily follow public sector boundaries and indeed may often cut right across them to represent many regions or destinations, although individual regions may also be responsible for their own marketing.

**Delivery on the ground.** Ensures the quality of every aspect of the visitor's experience once they arrive at the destination. This includes:

- Destination coordination and management for visitor 'quality of experience', especially the public realm;
- Product "start-ups";
- Events development and management;
- Attractions development and management;
- Training and education;
- Business advice;
- Strategy, research and development.

Destination management tends to be most easily organised on public sector boundaries at the subregional, provincial or state level because the public sector is the deliverer of much of this infrastructure. However, destinations may also need to be managed across political or administrative boundaries. Destination could also be organised around a distinct attraction, such as a river valley or a stretch of coastline or a unique natural or cultural attraction. Destinations are individually responsible for managing the delivery of the tourist's experience once they arrive.

**The stakeholders.** There are many public and private sector stakeholders who are engaged in fulfilling the functions of destination management:

- National and regional/provincial government;
- Economic development agencies;
- Local authorities/government;
- Town centre management organisations;
- National Park authorities;
- Transport providers; Attractions, events and cultural organisations;
- Accommodation providers;
- Restaurant, leisure and retail operators;
- Intermediaries (for example tour operators and conference organisers);
- Destination representation agencies;
- Media;
- Local tourism consortia and partnerships;
- Business support agencies;
- Skills development organisations.

**Mechanisms for co-ordination and co-operation.** The following mechanisms may be used for coordination and co-operation between stakeholders:

- A tourism development and management partnership/liaison group (perhaps called a Tourism Action Group), overseeing:
  - ✓ Joint strategy development.
  - ✓ Joint destination management planning.
  - ✓ Implementation on a coordinated basis.

And/or

- Integrated product development and promotion projects.
- Bringing together partners for focused project planning (including investment planning) and implementation over specific timescale.

**The process.** The Destination Management Plan (DMP) is a key instrument for building partnership and commitment. As a document it should set out clearly the plan of action and the rationale for the programme. As a process it should be a prime opportunity to:

- Integrate the actions of separate organisations;

- Confirm and strengthen the link between strategy and action;
- Apply the DMO's knowledge and expertise to the project planning of other organisations;
- Foster an evidence-based and learning approach to destination promotion and management.

The role of governance in tourism is undergoing a shift from a traditional public sector model, delivering government policy, to one of a more corporate nature emphasising efficiency, return on investments, the role of the market and partnership between public and private sectors. Regarding the last of these, there has been a greater emphasis on partnership working in recent years. Such partnerships may cover a range of different levels of involvement from informal through to more contractual obligations including:

- Good working relationships (including regular liaison) between two or more partners.
- Intermittent coordination or mutual adjustment of policies and procedures of partners to achieve common objectives.
- Ad hoc or temporary arrangements to accomplish a specific task or project.
- Permanent or regular coordination through a formal arrangement to undertake a specific programme of activity.
- A jointly funded organisation, which is a legal entity (e.g. a company), established to deliver an ongoing programme of work, with clear defined purpose and objectives.

Partnerships may be formed for economic, social or environmental purposes. They may occur on many different levels, for example between different government agencies (e.g. national parks authorities, transport agencies), between different levels of government (local, regional, national, provisional), between members of the private sector (such as market clusters), or as a collaboration across sectors (including government, private sector, educational groups, the community and so on).

Increasingly the role of the DMO is to assist in the development and maintenance of these partnerships, particularly to facilitate the planning and delivery of destination management to ensure a quality of experience for visitors.

Tourism is an extremely competitive industry and to compete effectively destinations have to deliver excellent value to visitors. This depends on many aspects working together in

unity. From the time that the visitor arrives at the destination, until he/she leaves, visitor value is affected by many services and experiences including a range of public services, private products and community interactions and hospitality.

It is vital that the various components of the visitor's stay are managed and coordinated to maximise customer value throughout the visit. Effective destination management allows destinations to maximise tourism value for visitors while ensuring local benefits and sustainability. Some **advantages of effective destination management** are outlined below:

**Establishing a competitive edge.** *It is necessary to specify that competitive advantage is obtained, when a certain firm provides a better service in comparison with their competitors and manages to emphasize it through specific functions that are perceived by the clients and are important to them and are difficult to copy by the competition, thus making them long-term*<sup>20</sup>. Two **requirements** are critical **for destinations to achieve a competitive advantage** over their rivals, namely:

- *Establishing a strong and unique positioning*, i.e. offering a different kind of experience compared to other destinations, by developing the destination's attractions and resources in a way that highlights its unique characteristics.
- *Delivering excellent quality experiences and superior value for money*, by ensuring that all aspects of the visitor experience are of the highest standard are co-ordinated.

Both these success factors require a coordinated management approach based on a collective vision and strong partnerships.

**Ensuring tourism sustainability.** Sustainable tourism development with proper management and planning ensures that the destination maintains its environmental integrity and the resources and character that made it attractive in the first place are protected. Good management can also help to avoid social and cultural conflicts and prevent tourism from affecting local lifestyles, traditions and values adversely.

**Spreading the benefits of tourism.** Tourism expenditure and consequent benefits could be spread e.g. by supporting the development of community based products and experiences, advancing rural and experiential tourism, promoting small business development, exploring the potential of arts and crafts industries, etc.

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<sup>20</sup> Velikova, E., Quality as a strategic asset in wellness tourism, Infrastructure & Communications, Sofia, January, 2014, p. 48

**Improving tourism yield.** Through focused spatial development and targeted marketing, destinations could lengthen the average visitor length of stay, increase per capita visitor expenditure and reduce unwanted seasonality in visitor arrivals; all contributing to an improved return on investment and yield per visitor.

**Building a strong and vibrant brand identity.** DMOs are increasingly realising the value and power of strong destination brands. By consistently delivering excellent value, brand loyalty increases and visitors return to the destination on a regular basis.

### **1.3 Sustainable tourism development**

As, tourism is a big and strong industry that brings substantial income and provides employment for the labor force in the areas where it is developed, it needs both quality resources – natural and anthropogenic, and suitable climate<sup>21</sup>. In popular destinations, the increasing visitation offers both challenges and opportunities. Destinations that hope to become popular face a choice: traditional tourism or a more sustainable approach.

The tourism industry is among the largest and fastest growing economic sectors and is often described as the "industry of the future". In the recent past, tourism was seen as a "white industry," harmless to the environment in which it develops. However, practice shows that the sector has a huge potential to destroy the environment and their own capital. In recent years, the increased attention appears to improve the environmental performance of tourism. The main reason to mitigate the negative impact of tourism on the environment results from the inseparable relationship that exists between tourism product and nature. Supporters of the idea believe that environmental protection is in the interest of the tourism industry, as it has the advantage that with proper planning and management, tourism development impacts minimally on the environment, while it can be a catalyst for conservation.

As Toncheva states tourism is a big industry and in some countries it could be a considerable source of employment and income. It may not dominate the national or regional but in almost every country or province there is some site that attracts visitors who provide money income and need for seasonal or year-round employment.<sup>22</sup>

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<sup>21</sup> Toncheva, T., Environmental impact on tourism, Infrastructure & Communications, Sofia, May, 2014, p. 251

<sup>22</sup> Toncheva, T., ENVIRONMENTAL IMPACT ON TOURISM, Infrastructure & Communications Journal, May 2014, p. 251

The road from the idea of environmental sustainability to responsible action requires a fundamental change in the industry as a whole, in cooperation with government authorities, local communities, international development agencies, NGOs and international tourism organizations. This idea aims to review the environmental sustainability of tourism, considering the approaches and methods to reduce the impact on the environment, suitable for both private and public sector, responsible for creating and implementing adequate and effective tourism policy. In order to avoid negative impacts of tourism on the environment, it has evolved, etc. green or sustainable tourism. Or an environmentally friendly sustainable tourism aims to provide minimizing phase of stagnation, to continuously strengthen regeneration. This feature applies mostly to ecotourism.

Sustainable tourism aims not only to influence tourists during their trip, but to form a culture of conservation in the more tourist-valued issuing centers. This evolution in tourism integrates the interests of visitors (tourists) to those of the representatives of the host community.

Sustainable tourism implies all activities in the area and mean to comply with the marginal capacity of natural resources, ie to respect the principle of optimal and economical usage of resources.

To create a more complete picture of the evolution of the theoretical essence of sustainable tourism, as well as guidelines for its development help definitions adopted by major organizations which activities are directly or indirectly relevant to it. These definitions describe sustainable tourism as it should be, and in most cases rarely is achieved consistency between results and goals, as it doesn't create the necessary conditions and prerequisites to follow up applications optimal model of behavior of participants in ecotourism.

One of the first ecotourism organizations in the world is the International Ecotourism Society<sup>23</sup>, founded in 1990. Functioning as a non-profit organization, it focuses its efforts on defining guidelines and standards, training, evaluation of projects, studies and publications to promote the development of ecotourism. In 1991 the company provided the following definition of ecotourism: "Ecotourism is a responsible travel to natural areas to protect the environment and to contribute to the wellbeing of local residents."<sup>24</sup> In this organization the main characteristics of this type of tourism are:

1. Minimizing the negative impacts on nature and culture, which may cause damage to a destination;

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<sup>23</sup> [www.ecotourism.org](http://www.ecotourism.org)

<sup>24</sup> [www.ecotourism.org/what-is-ecotourism](http://www.ecotourism.org/what-is-ecotourism)

2. Informing the traveler about the need to preserve the environment; Stressing the importance of responsible business that must take place in cooperation between local authorities and people to meet local needs and maximize the benefit to the conservation of the environment;
3. Directing the proceeds to conservation and management of the nature and protection which contributes directly to the biodiversity;
4. Highlighting the need for regional tourism zoning and management planning visits to the region as well as natural areas which are to be included in the list of eco destinations;
5. Performing basic research in the field of the environment and society, as well as developing long-term monitoring programs to assess and minimize adverse impacts;
6. Maximizing the economic benefits to the host country, local businesses and people, especially for people living near or in a natural and protected areas;
7. Economic support for communities through training and employment of local people, buying goods from local manufacture and promotion of the initiative to acquire property by locals or participation in joint ventures with external business partners and NGOs;
8. Ensuring that tourism development doesn't exceed the limits of possible social changes set by research in cooperation with the local population;
9. Using infrastructure created in harmony with the environment: reducing the use of harmful fuels, conservation of local flora and fauna and merging with the natural and cultural environment.

As eco-tourism aims mostly to reduce the negative environmental impacts and to ensure the socio-economic development and employment for the host community<sup>25</sup>. So it can be used as a form of tourism which contributes to the sustainability of the industry. When these aspects of the eco-tourism are taken into account in the business activities, this is called the “triple bottom line” approach<sup>26</sup>.

Sometimes it is referred to as “doing well by doing good.” It means creating tour packages in such a way that it doesn't destroy the resources – natural, cultural, or economic – on which the business depends. In fact, a business that is run in this way can enhance all three

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<sup>25</sup> Тадаръков, Д., Моделиране на туристическите комплекси, Университетско издателство – Стопанство, 2008 г., стр.44

<sup>26</sup> Triple Bottom Line, The Economist, 17.11.2009  
<http://www.economist.com/node/14301663>

aspects and continue to operate profitably, while benefiting its surrounding natural areas and communities.

Ecotourism is one kind of sustainable tourism, based on nature, and usually following a distinct set of principles and good practices. A major problem for true ecotourism businesses is a practice called greenwashing. This term refers to a business that presents itself as “sustainable”, ‘ecological’, ‘green’, ‘responsible’, ‘ecotourist’, etc., when it doesn’t comply with generally accepted standards, or worse, it is in contradiction with them. For those who are really trying to do their best to comply with all ecotourism standards, the businesses that falsely use the term ‘ecotourism’ compete unfairly and damage the credibility of the whole industry. One way of determining which businesses are truly practicing ecotourism (or sustainable tourism in other market segments) is certification.

Certification is a way of ensuring that an activity or a product meets certain standards. Within the tourist industry, different organizations have developed certification programs measuring different aspects of tourism such as quality, for the entire tourist industry, sustainability, also for all sectors, and ecotourism, for sustainable tourism that takes place in natural, protected, or fragile ecosystems, that may include indigenous communities, and that conforms to the definition above.

As a part of the eco-tourism ethnographic tourism is becoming more popular in recent times. At the heart of this area stands the desire of people (tourists) to learn about the customs and traditions of the local population, which for thousands of years lived in perfect harmony with the surrounding nature. Its driving force is the genetic memory of mankind and the realization of the fact that the ethnic diversity of the planet decreases at a rate comparable to the rate of loss of biodiversity.

A part of the eco-tourism is the volunteer tourism as well. According to Toncheva (2014) it is one of the new forms of tourism. It is a form of the eco-tourism in which people are going to the „working holiday“ giving voluntary labor for worthy causes.<sup>27</sup>

Some specific activities of eco-tourism should be mentioned. They can be applied into the Bulgarian tourism industry to develop eco-tourism products.

### ***3.1 Travels with naturalists***

During these trips is offered a wide variety of eco-routes, with the special participation of scientists-naturalists. Botanical tours provide introduction to the flora of the tropics, forests,

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<sup>27</sup> Toncheva, T., THE VOLUNTEER TOURISM – THE NEW ECO TOURISM, Infrastructure & Communications Journal, January 2014, p. 82



steppes, tundra. There are also special excursions to explore certain plant species endemic to a particular region. As the Bulgarian nature is characterised with its biodiversity those forms can be used to enhance the travel experience and increase the demand for eco-tourism products. The interest of practicing the hobby of bird watching is growing constantly, underlying the ornithological tours, and specialized clubs in ornithology. That kind of tours are offered in Bulgaria as well. The most famous regions for birdwatching actively visited by tourists are:

- The rainforests of Costa Rica;
- One of the islands of the Western Archipelago – Estonia
- Mediterranean forests in the province of Extremadura - Spain;

### ***3.2 Travelling with bicycles***

Interest in cycling is explained by ecology as a mean of transport and the need of idle urban dweller from the daily physical training. Usually cycling journeys are long and filled with risk through cross-country, they themselves tourists luggage and equipment. But the demand of that form of the eco-tourism can be increased in the domestic tourism market in order to ensure the sustainability of tourism development in Bulgaria.

### ***3.3 Travel on horseback***

Saddle and pack animals are widely used in tourism movement of tourists and freight. Equestrian tourism is one of the most common types of tourism. Its popularity is increasing worldwide - campsites were built to serve riders and their horses, develop new horse routes. The variety of these routes is huge.

It should be noted that holidays and accommodation must be provided with food and water for both riders and horses, but also to ensure the duty shift of the participants in the route. In equestrian travel applies hippotherapy - treating diseases by horse riding (such as autism and cerebral injuries among children respond very positively after a period horse riding under the care of specialized therapists). So the target segments of that form of eco-tourism are plenty and Bulgarian nature has the resource to offer it. So that it can significantly contribute to the sustainable tourism goals. Among equestrian trails, enjoying worldwide fame should be noted:

- Russia has excellent prospects for development of equestrian tourism - nowadays recover routes, created in the 70s of last century in Upper Altai, Bashkortostan, Chuvashia, Kamerovska District, Krasnoyarsk region, Southern Urals, the Caucasus, Crimea, etc. .

- Besides horses enjoy eco-routes and other animals. The National Park "chhitva" in Nepal offers a journey with an elephant.

When discussing the opportunities which eco-tourism brings to the sustainable development the demand of those products and the importance of the certification should be taken into account. Consumers continue to view safety, cost, weather, accessibility, and quality of facilities as paramount when planning vacations. However, their demand for ethical products, social investment, and eco-labels is growing. On the other hand tour operators are increasingly aware of the demand for socially and environmentally responsible tourism, and are exploring certification programs as a way to market their ecotourism products. To create a current snapshot of the trends that are shaping the eco-tourism demand I analyzed a range of recent studies from the U.S., Europe, Costa Rica, and Australia. The following introduction summarizes my findings:

- More than half (53%) of the tourists surveyed agree that they have a better travel experience when they learn as much as possible about their destination's "customs, geography, and culture."<sup>28</sup>
- More than three in four (78%) package vacation travelers reported that the inclusion of social and environmental information in tour operators' brochures is important to them. Over half (52%) of respondents indicated that they are interested in finding out more about local social and environmental issues before booking a trip.<sup>29</sup>
- The opportunity to "learn about the environment" was the motivation most frequently cited by those choosing to patronize ecotourism operations.<sup>30</sup>
- More than two-thirds of travelers consider active protection of the environment, including support of local communities, to be part of a hotel's responsibility. According to a 2002 survey, these travelers are more likely to patronize hotels with a "responsible environmental attitude."<sup>31</sup>
- More than three-quarters of travelers "feel it is important their visits not damage the environment," according to a 2003 study.<sup>32</sup>

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<sup>28</sup> Travel Industry Association of America (TIA) and National Geographic Traveler (NGT), "The Geotourism Study: Phase 1 Executive Summary," 2002. Based on 4300 responses to a survey of 8000 U.S. adults, of which 3300 had taken a trip in the past three years.

<sup>29</sup> Goodwin, Harold, "Responsible Tourism and the Market," Unpublished. 2001. Available at [www.haroldgoodwin.info](http://www.haroldgoodwin.info).

<sup>30</sup> IHEI, 2002.

<sup>31</sup> TIA and NGT, 2003.

<sup>32</sup> Tearfund, 2000.

- Most of the travelers said that they had placed importance on the fact that their last trip “had been specifically designed to cause as little damage as possible to the environment.”<sup>33</sup>
- An overwhelming majority of domestic tourists, (71.1%) and more than half of the <sup>34</sup>foreign tourists (59.5%) agree that an environmental label for tourism is useful.
- About half of all tourists (52.8%) would use an eco-label, if available, in the choice of a vacation.<sup>35</sup>
- In a 2002 travel survey of nearly 8000 Germans, 14.2% (8.5 million) said that “easy access to information on all tourism products in Europe with certified environmental quality (Ecolabels)” was “of peculiar importance” to them. Most of the travelers reported they would pay at least 5% more to use certified businesses.<sup>36</sup>

The analyse of the data shows the increase in the demand of eco-tourism products. The certification programs offer practical tools for achieving sustainable tourism goals and they are important for the consumer when they take decision for choosing a holiday. So the Bulgarian tourism enterprises can use them to increase the demand for eco-tourism products. And even more through offering the eco-tourism products they can get higher rates of profits.

Intergrating the consumers research data with the different forms of eco-tourism producs can be achieved the goals of sustainable tourism by ensuring social and economic benefits for the host community and protecting the environment. As our country has a huge potential to develop eco-tourism it has a potential to ensure its sustainable development as well.

If in the long run does not create conditions for the protection of the environment, then sooner or later a tourist destination will become a low attractive one, and will lose their visitors for tourism. Not only those involved in the supply of tourist product market are actors on the issue of environment protection. Tourists should take care as anthropogenic and natural resources. This is due to the promotion and education of tourists by the local population for a particular destination.

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<sup>33</sup> Tourtellot, Jonathan B., “The Hidden Clout of Travelers,” National Geographic Traveler, May/June 2002.

<sup>34</sup> Hildebrand, Christian, “Probleme, und Tendenzen bei der Entwicklung eines einheitlichen Umweltgutezeichens fur das Hotel, und Gaststattendewerbe, Diplomarbeit, Fachhochshule Munchen, Studiengang Tourismus,” Mai 2000. Zusammenarbeit mit Herbert Hamele, “ECOTRANS,” unpublished. 2000. Referenced in FEMATOUR, 2000.

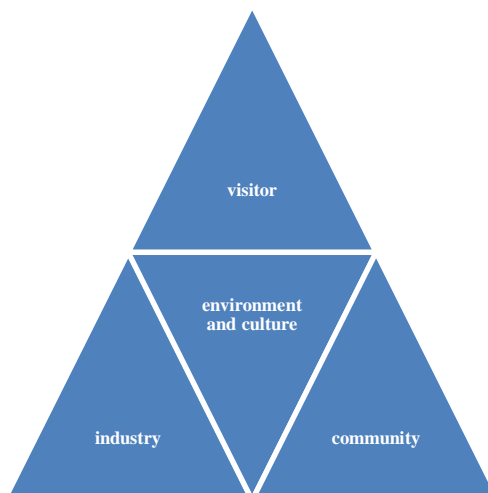
<sup>35</sup> Ecotrans, “Holiday 2002.”

<sup>36</sup> Enhance Management, “NEAP Consumer Survey,” 2000

Without proper planning or management tourism can damage the destination's environment; cause social and cultural conflict and alienate the communities that host tourism. Sustainable tourism development manages the impacts of tourism on the destination's environment, economy and community and maintains and enhances the destination's resources for the present and future needs of both tourists and the communities that host them. Striking the appropriate balance to protect and enhance resources while still meeting the needs of all stakeholders (present and future) is a complex task. The VICE model<sup>37</sup> accommodates these requirements and gives a framework which destinations planners and managers can use to ensure their actions are sustainable.

The VICE model illustrated in Figure 1.3 presents destination management as the interactions between the **visitors**, the **industry** that serves them, the **community** that hosts them and the **environment** where this interaction takes place. The last of these, the environment, can be understood in its broadest sense to include built and natural resources on which many tourism products are based.

*Figure 1.3 VICE model*<sup>38</sup>



Source: World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007

According to this model, it is the role of destination managers to work through partnerships and a joint destination management plan in order to:

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<sup>37</sup> From English Tourist Board and Tourism Management Institute (2003), *Destination Management Handbook*.

<sup>38</sup> World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007

- ✓ Welcome, involve and satisfy Visitors;
- ✓ Achieve a profitable and prosperous Industry;
- ✓ Engage and benefit host Communities;
- ✓ Protect and enhance the local Environment and Culture.

The model can be used as a quick check of the sustainability of a proposed plan or action. Four questions should be asked:

1. How will this decision affect the visitors?
2. What are the implications for industry?
3. How does this affect the community?
4. What will be the impact on the destination's environment and/or culture?

If positive answers cannot be given for all four questions, then the right balance has not been found and the proposition is unlikely to be sustainable.

The principles of sustainable tourism development should be borne in mind and destinations managers should adopt the VICE model, considering all stakeholders, throughout the various processes of destination management.

The principles of responsible tourism encourage tourism operators to grow their businesses whilst providing social and economic benefits to local communities and respecting the environment.

***The following guidelines could assist in maximising the positive impacts of tourism:***

- ✓ Economic guidelines.
- ✓ Assess economic impacts before developing tourism;
- ✓ Maximise local economic benefits by increasing linkages and reducing leakages;
- ✓ Ensure communities are involved in and benefit from tourism;
- ✓ Assist with local marketing and product development;
- ✓ Promote equitable business and pay fair prices.
- ✓ Social guidelines.
- ✓ Involve local communities in planning and decision making;
- ✓ Assess social impacts of tourism activities;
- ✓ Respect social and cultural diversity;
- ✓ Be sensitive to the host culture.
- ✓ Environmental guidelines.
- ✓ Reduce environmental impacts when developing tourism;

- ✓ Use natural resources sustainably;
- ✓ Maintain biodiversity.

***The following process could be followed to develop a responsible tourism plan.***

- ✓ Select a portfolio of appropriate responsible tourism practices;
- ✓ Choose realistic objectives and targets;
- ✓ Use clear benchmarks to measure and report on your progress;
- ✓ Work with trade associations, local people and government to achieve your objectives;
- ✓ Use responsible tourism as part of your marketing strategy;
- ✓ Show your progress to staff and clients.

***The Tools for Managing Resources include the following:***

**Concessions and leases.** Concessions allow commercial enterprises to build and operate tourism facilities and services within a designated conservation area or national park. Those who are entitled to run the concessions (concessionaires) are required to pay fees for the benefit of obtaining commercial or other benefits from public land. These fees may be charged as a percentage of the gross revenue; per mile/kilometre of land, per head or per trip charge; a fixed fee; or a combination of these depending on the activity and the market rates. The right to operate could also be paid for by an annual fee based on the percentage of turnover agreed during the tender process. Concessions may run for a limited period, after which operators must re-bid for the concession. As well as payment for the concessions, concessionaires must fulfil specified obligations regarding the stewardship of the resource they are using. If this is not observed the concessions may be terminated.

**Public-private-partnerships.** Conservation areas and areas which may require specific management of cultural or environmental resources, do not always fit within legislative boundaries. Take, for example, the European Alps. The Alps are perceived as a tourist destination in their own right, yet they straddle the boundaries of six countries. Partnerships will be particularly instrumental in the management of such resources. Those who lead the partnerships (governments, tourist boards or trade associations) can take a number of steps to ensure their success as outlined in Agenda 21 for the Travel and Tourism Industry<sup>39</sup>.

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<sup>39</sup>World Tourism Organization, World Travel and Tourism Council and Earth Council, *Agenda 21 for the Travel and Tourism Industry* (1996) (Online), available: [http://www.destinationmarketing.org/web\\_images/DMAIspecialreport2006.pdf](http://www.destinationmarketing.org/web_images/DMAIspecialreport2006.pdf) (11-04-07).

**Local Agenda 21 tourism groups.** Local Agenda 21 (LA21) is an international planning process. A local community defines, through consultation, a sustainable development strategy and an action programme to be implemented. This is usually initiated by the provincial government, which provides leadership for the process. LA21 initiatives can also be developed for the context of tourism. The DMO is well placed to work with local government to represent the views of its members for the ongoing development, marketing and management of tourism in destinations. At the same time, they are appropriately positioned to ensure their commercial members understand the sustainable, environmental and community concerns of tourism development.

**Certification.** Tourism certification programmes cover a wide range of initiatives and provide a logo to those organisations that exceed a baseline standard which should be assessed and reviewed at regular intervals. There is a proliferation of such certification programmes. For example:

- ✓ The Blue Flag programme [www.blueflag.org](http://www.blueflag.org), a programme which assesses environmental standards of beaches.
- ✓ Green Globe 21 [www.greenglobe.org](http://www.greenglobe.org) a programme aimed at businesses to improve their environmental performance.
- ✓ AAA Tourism Green STAR assessment is a green endorsement for properties which indicates that certain criteria of environmental ‘good practice’ standards have been met.
- ✓ Green Tourism Business Scheme [www.green-business.co.uk](http://www.green-business.co.uk), the largest and most successful environmental accreditation body of tourism related businesses in Europe.

Certification may encourage businesses to raise their standards of environmental performance. It also allows certified businesses or destinations to demonstrate their environmental credentials to consumers.

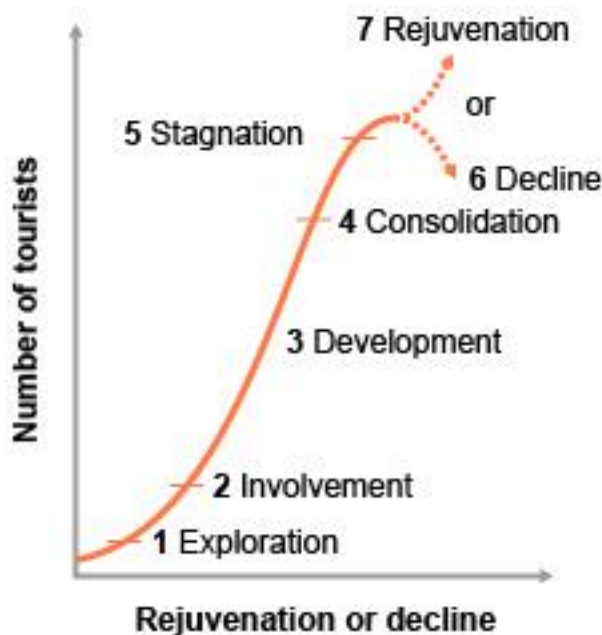
**Sustainable Tourism Indicators.** In the context of sustainable tourism development, indicators are information sets which are formally selected for regular use to measure changes in assets and issues that are important for the tourism development and management of a given destination. UNWTO has been promoting the use of sustainable tourism indicators since the early 1990s, as essential instruments for policy-making, planning and management processes at destinations. The Guidebook on Indicators of Sustainable Development for

Tourism Destinations, published in 2004, is the most comprehensive resource on this topic, the result of an extensive study on indicator initiatives worldwide. The publication describes over 40 major sustainability issues, ranging from the management of natural resources (waste, water, energy, etc.), to development control, satisfaction of tourists and host communities, preservation of cultural heritage, seasonality, economic leakages, or climate change. For each issue, indicators and measurement techniques are suggested with practical information sources and examples. The publication also contains a procedure to develop destination-specific indicators, their use in tourism policy and planning processes, as well as applications in different destination types (e.g. coastal, urban, ecotourism, small communities).

## 1.4 Destination Life Cycle

Tourism destinations are constantly changing, they rise and fall in popularity and their success can often be influenced by changes in fashion or to external influences outside the control of the destination. This process can be understood in terms of a life cycle as explained by the Tourism Area Life Cycle (TALC) model in Figure 1.4.

Figure 1.4 Tourism Area Life Cycle<sup>40</sup>



<sup>40</sup> Butler, R. W. (1980), 'The Concept of a Tourist Area Cycle of Evolution' Implications for Management of Resources', *Canadian Geographer*, 14, pp. 5-12.



*This model postulates that tourism destinations tend to experience five distinct stages of growth: **exploration, involvement, development, consolidation and stagnation** outlined below.*

**Exploration.** During this stage small numbers of visitors are attracted by natural or cultural attractions; visitor numbers are limited and few tourist facilities exist; visitors may come from nearby towns.

**Involvement.** During this stage there is limited involvement by local residents who provide some facilities for visitors; recognisable tourist seasons and market areas begin to emerge; visitors may travel from within the state or region.

**Development.** During this stage large numbers of tourists arrive and external organisations such as hotel chains and tour operators take more of a key role; tourists may travel from all parts of the nation or internationally.

**Consolidation.** During this stage tourism becomes a major part of the local economy and of increasing political importance, with politics perhaps taking more of a central role. Rates of visitor growth may have levelled off and some facilities may be in need of upgrading.

**Stagnation.** During this stage the number of visitors has peaked; the destination may no longer be considered fashionable and there may be a high turnover of business properties. Depending on the response of destination managers to the onset of stagnation, various scenarios are then possible, including decline, stabilisation, or rejuvenation and re-invention. It is at the stage of consolidation and stagnation that managers need to intervene and take action to avoid decline.

The stages of destination growth as it's seen are closely related to the number of the tourist. On that base one of the main tasks of the destination management is to ensure the tourist's experience. But a large part of the tourist's experience is dependent on support factors at the destination that cannot be affected, controlled or packaged by any individual player in the industry. In order to analyse and understand exactly where and how value is added to the destination experience at each stage we need to design a value model that is clearly focused on the consumer's requirements and activities.

The traditional business value chain is controlled from a factory or office environment and adds value through the various stages of manufacturing and service provision. From a destination perspective visitor value is added as the visitor prepares, travels to, experiences and returns from the destination.

The DMO plays a key role in coordinating and tacking the activities of the wide variety of service providers involved in maximising visitor value. However, it is useful to look at the elements here, as a whole, to give an overview of the activities in which destination managers should be involved. Both these **primary and foundation activities** are critical to ensure an excellent visitor experience and are discussed in the following sections.

**Primary activities directly involve the packaging, promotion and delivery of the tourism experience to the visitor.** The public and private sector tourism industries consider these primary activities their core business and the missions and objectives of tourism product and service suppliers, intermediaries (agents/operators) and destination marketing organisations are largely tied to these primary activities including:

***Product development.*** This is of key importance to ensuring constant rejuvenation of the destination offering. There are two different parts that make up the product. Firstly attractions such as natural, cultural and man-made products that provide the major reasons for travellers wanting to visit and experience the destinations and plant such as accommodation, catering and transportation which is mainly developed in support of the attractions of a destination and does not act as a primary motivator for travel. It is therefore of utmost importance that the attractions are constantly improved and expanded in accordance with new trends and developments in the marketplace. Product development involves the following:

- New airlines alliances and destinations;
- Development of environmental and cultural resources;
- Upgrading and development of visitor services and facilities;
- Exploiting new markets and market segments;
- New routes, themes, etc.;
- Quality (standards) management and assurance systems;
- Improved service delivery and visitor management.

***Destination and product packaging.*** The intangible tourism product should be packaged as conveniently, attractively and accessibly as possible. Packages consist of a range of attractions, experiences, products and services and can be offered according to theme, suggested itineraries or geographical locations. Destination and product packaging includes the activities of:

- Producing marketing materials;
- Collectively packaging attractions of sites, areas and regions;
- Negotiating commissions and pricing contracts with suppliers;
- Wholesale packaging.

**Promotion.** The destination needs to be promoted to the marketplace either directly to the consumer or to the intermediaries (travel agents and tour operators) using a range of promotional methods which consists of:

- Consumer advertising, PR and promotions;
- Trade exhibitions, workshops, sales visit;
- Marketplace representation;
- Familiarisation trips;
- Media liaison/educational.

**Distribution and sales.** Generic and commercial information should be distributed through the most appropriate channels. These include consumer enquiry lines, mailing services to distribute destination information, brochure display facilities, retail travel agency networks to quote, sell and make reservations, arranging insurances as well as payment and ticketing systems. Distribution and sales includes the following activities:

- Enquiry and info mail services;
- Distributing destination information;
- Brochure display;
- Tour operators alliances;
- Retail (travel agency) sales;
- E-business;
- Reservations;
- Payment and ticketing;
- Insurance;
- Seat pricing and scheduling.

**In and outbound logistics.** Ease and speed of access, especially for long-haul destinations, is increasingly having an influence on destination choice. Choices to visit can be influenced by convenience factors such as availability and cost of flights, visa and passport provision, airport facilities and services, VAT reclaim facilities, emigration services, check in and gate operation, baggage handling, in-flight services, seat pricing and scheduling, etc. The in and outbound logistics activities consists of:

- Visa and passport provision;
- Airport facilities and services
- VAT reclaim;
- Emigration services;
- Check in and gate operation;

- Baggage handling
- In-flight services

***Destination operations and services.*** The largest part of the tourist experience happens at the destination and this has a determining effect on the enjoyment levels and value experienced by the visitor. These include all aspects of the tourists visit including transfers, taxis and public transportation, visitor services and centres; accommodation, food/catering, tours, attractions, car and car rentals, entertainment, health and beauty services, sport and recreation, etc. The destination operations and services involve:

- Airport transfers;
- Taxi services;
- Public transport;
- Visitor centres;
- Accommodation;
- Catering;
- Tours;
- Attractions;
- Car rentals;
- Entertainment;
- Health and beauty;
- Sport and recreation;

***Aftercare.*** Client care and follow-up is essential to establish loyalty and positive attitudes among clients. Aftercare services include establishing, managing and maintaining databases of client information, tracking consumer attitudes and profiles and conducting industry feedback and follow-up programme. Aftercare activities are:

- Database management;
- Consumer and client tracking and feedback
- Industry feedback and follow-up.

**The foundation activities** are those where the value delivery is indirect and supports the visitor experience e.g. infrastructure, planning, human resources development, technology and related industries such as construction, retail, etc. The provision of these foundation activities is especially challenging, since they are delivered by a range of public and private agencies that do not have tourism as their core businesses.

The efficient delivery of these activities and their performance are a fundamental foundation for building a tourism destination and as such are vital to the destination's success. The destination must live up to its brand promise, otherwise there will be high levels of dissatisfaction. Ensuring these foundation activities are in place requires strong leadership from the DMO. Such delivery can only occur within the framework of *public/private partnerships and strategic alliances and effective institutional coordination* among the various players in the value chain. These activities are summarised as follows:

***Destination planning and infrastructure.*** The physical image, environment integrity and infrastructure of the destination are key determinants of the quality of the visitor's experience. The industry will not be able to function without transport infrastructure, such as an appropriate and operational transportation network (e.g. public transport, roads, airports) as well as *bulk infrastructure* such as telecommunications, water, electricity, recreation and access to communication channels. Operational public toilets must be provided for visitors and clean, safe drinking water is also essential. Where safe drinking water cannot be provided through the destination's infrastructure, drinkable bottled water should be available for visitors. The threat of diseases such as Aids, malaria, etc. put pressures on destinations to provide high quality basic infrastructures and services. The effective provision of *safety and security services* is of utmost importance to a successful tourism experience and is clearly one of the main 'levers' of tourism movement on the globe. The destination planning and infrastructure consist of:

- Public transport systems, roads, airports, rail, ports, public toilets, etc.;
- Bulk infrastructure telecoms, water, electricity, recreation, etc.;
- Destination planning, design, layout and land-usage;
- Energy, water and resource management;
- Aesthetic, environmental and social quality enhancement;
- Safety and security management;
- Road signage, information networks and other navigation;
- Public/private partnerships, strategic alliances, mergers and acquisitions;
- Institutional coordination and business deregulation.

***Training and skills development.*** Tourism is a service industry and the quality of the visitor experience is largely determined by the quality of service and personal interaction experienced at the destination. Therefore, the development of quality interactions with the

people tourists encounter at the destination is an important element of the tourism value chain.

Training and skill development involves the activities of:

- Community tourism awareness and acceptance;
- Skills training and education;
- Personnel management – recruitment, motivation, incentives, etc.;
- Customer care, hospitality culture;
- Career pathing, staff development, staff stability;
- Labour relations and negotiations;
- Job creation and intensifying projects.

***Technology and systems development.*** Technology is increasingly becoming a driving force in support of the value chain. Global reservations systems are key levers of competitive advantage for airlines, hotels, car rental companies, etc. Recently substantial developments have occurred with regard to Internet based reservation services and there is no doubt that these will revolutionise the concept of online reservations by providing access to a far greater number of destination product. Operational and management information systems are also of major importance. In *addition information and communication systems* are the lifeblood of an increasingly globalised consumer market. Electronic conferencing and constant contact with the global marketplace are not only important to the tourism industry, but may have a determining effect on the visitor's experience. Technology and system development includes:

- Computerised reservation systems;
- Market research and intelligence;
- Management systems and procedures;
- Security systems;
- Information systems and communication.

***Related industries and buying local produce.*** Primary tourism industry activities such as accommodation, transportation, catering, entertainment and recreation are underpinned by a wide range of related enterprises that supply services to the industry sectors. These are an integral part of the tourism “cluster” and the success of the value chain is highly dependent upon the effective provision of these services and products. These include equipment and component supplies, fuel, food and drink, contracted services, professional services, real estate/buildings, etc. Related industries and procurement include:

- Equipment and component supplies;

- Fuel, food and beverages;
- Contracted services;
- Professional services;
- Other services;
- Real estate/buildings.

## **CHAPTER 2**

### **Strategic Foundations of Destination Management**

#### **2.1 The Strategy Destination Plan**

The 1990s saw the continued development of tourism planning. The dominant view was controlling activity to maximise benefits and eliminate significant problems<sup>41</sup>. The major issues relating to tourism planning at that time were the 'centre stage' position of the physical environment; recognition of the limits to development, with both physical and social carrying capacities; community involvement; cultural diversity; changing tourist and demographic trends; the shift to market-driven economies; the need to be proactive; and increasing privatisation and deregulation<sup>42</sup>. In addition to the variety of interests within tourism operations, numerous aspects of a tourism destination are managed by non-tourism specific businesses, local bodies and government agencies, and some aspects are simply not managed<sup>43</sup>. The lack of tourism knowledge amongst some of these bodies, combined with the level of diversity and fragmentation of the industry, and the difficulties of coordinated planning continues to result in instances of unplanned and inappropriate tourism.

However, it was understood that tourism planning and management needed to be integrated with the planning and management of other economic sectors, as many of the key resources on which tourism depends are managed by others or affected by the actions of others, for example, forestry, fishing, hunting, manufacturing, and agriculture. The barrier to such integration is that in most countries, these aspects of tourism are managed by a number of different government departments. Integration for tourism is therefore more difficult than for other industries. Consequently, tourism cannot be planned for in isolation. Yet there continues to be increasing expectation placed on tourism, with the decline in many traditional industries<sup>44</sup>.

Ultimately tourism planning models need to incorporate the level of complexity inherent in tourism destinations. History has shown that planning concepts and methods need

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<sup>41</sup> Inskeep, E 1991, *Tourism Planning: An Integrated and Sustainable Development Approach*, Van Nostrand Reinhold, New York.

<sup>42</sup> Hawkins, DE 1991, 'Series Foreword', in E Inskeep (ed.), *Tourism Planning: An Integrated and Sustainable Development Approach*, Van Nostrand Reinhold, New York, pp. xi-xiii.

<sup>43</sup> Leiper, N, 1995, *Tourism Management*, RMIT Press, Melbourne.

<sup>44</sup> Gunn, CA & Var, T 2002, *Tourism Planning: Basics, Concepts, Cases*, 4th edn, Routledge, New York.



to vary according to **geographic scale, resulting in planning for the regional level, which incorporates national, state, and provincial areas; the destination level; and the site level, for specific projects**<sup>45</sup>.

The main difficulties that still face tourism planners are due to the complexity of tourism; the abstract nature of tourism; the lack of overall control by one individual; numerous, significant and unknown external affects; multiple stakeholders; the range of goals and objectives for tourism; the reliance on voluntary travel and travel preferences; changing environmental conditions; unpredictable entrepreneurial activity; the effects of acculturation; and the limited understanding of tourism by local peoples<sup>46</sup>.

Significant changes and events that affect tourism, such as unexpected terrorism attacks, emphasise the ongoing need for tourism planning. In achieving ‘better’ tourism development, Clare Gunn and Turgut Var (2002) propose **four goals: *enhanced visitor satisfactions; improved economy and business success; sustainable resource use; and community and area integration.***

*The strategic planning model could be summarized in order to be used for devising a strategy for effectively managing the destination. It includes the following steps:*

1. **Situation assessment (Where are we now?)** regarding the tourism competitiveness of the destination, including:
  - A macro-environmental appraisal, including political, economic, social and technological opportunities and threats that need to be taken into account when planning for tourism in the destination.
  - A market analysis and assessment, including the destination’s tourism market share and performance, market trends and customer profiles.
  - An audit and assessment of tourism resources and services, including tourism attractions, services, routes and nodes.
  - An assessment of supportive infrastructure and services in the tourism value chain.
  - An analysis and assessment of the industry structure and rivalry including benchmarking and comparison with current and future competitors, synergies with other destinations, relationships with the travel trade channel and the nature and extent of local institutional collaboration.

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<sup>45</sup> Gunn, CA & Var, T 2002, *Tourism Planning: Basics, Concepts, Cases*, 4th edn, Routledge, New York.

<sup>46</sup> Gunn, CA & Var, T 2002, *Tourism Planning: Basics, Concepts, Cases*, 4th edn, Routledge, New York.

- Based on the above, a summarised assessment of key tourism challenges, delivery gaps, opportunities and levers for tourism growth.
2. **A strategic framework (Where would we like to be?)** for future tourism growth based on the findings of the situation analysis, including:
- A tourism vision, growth objectives and targets, core goals in pursuit of the vision .
  - Key strategies to achieve these goals.
  - A distinctive positioning and branding strategy to differentiate the destination from competitor destinations.
  - A target market strategy to identify and profile the most appropriate and lucrative market segments, their profiles and preferences.
  - A suitable product portfolio to match the target markets .
  - An assessment of critical success factors and destination capabilities required in support of the positioning strategy and target markets.
3. **An integrated, multi-year Implementation Plan (How do we get there?)** with specific programmes and projects, budget indicators and monitoring mechanisms to implement the strategic framework, including:
- A tourism development programme and implementation plan relating to e.g. spatial nodes and routes, critical infrastructure, tourism information systems, new product development and packaging, investment promotion, human resource development and awareness, SMME development, support infrastructure and services, safety and security, etc.
  - A tourism marketing programme and implementation plan that supports the brand and focuses on attracting target markets through an integrated marketing mix, i.e. product packaging, distribution channels (travel trade, Internet, visitor network, etc.) and promotional activities (PR and media, advertising, promotions, etc.).
4. **Institutional and performance management arrangements (How do we organise ourselves to get there and measure success?)** including:
- A suitable organisational system for the future management and execution of tourism in the destination, that:
    - ✓ Is based on the findings the strategy and implementation plan;

- ✓ Complements other initiatives and structures e.g. national and regional/provincial tourism institutional policies and frameworks;
- ✓ Is based on the public/private partnerships.
- Monitoring and evaluation mechanisms to measure and evaluate strategic performance.
- Cooperative mechanisms with other complimentary sectors and industries such as arts, heritage, events, business promotion, etc.

During this stage the impact of the strategy would have to be evaluated. This would be likely to cover a number of differing factors (e.g. growing the economic benefits, spreading seasonality or levelling demand, securing investment, raising quality, etc.) depending on the priorities of the strategy. Different research methods will be required to assess different types of impact but they can be broadly divided into two categories:

- Assessment of macro impacts through destination wide research such as national surveys, occupancy surveys etc.
- Assessments of the impacts of individual programme – e.g. campaign evaluations.

In assessing its strategic ability the destination management organisation/team should check whether it has:

- Clarity regarding the potential for tourism growth and the economic and employment benefits associated with various growth scenarios;
- A thorough understanding and assessment of the key gaps and opportunities in tourism demand, supply, supportive infrastructure and industry structure;
- A good database and intelligence system to evaluate and track tourism market performance, visitor profiles, product quality and service levels, etc.;
- A forward competitive strategy that includes a vision, growth targets, key levers for tourism growth, core tourism goals to be achieved, and appropriate strategies to achieve these;
- Clarity and agreement with regard to the competitive positioning of the destination and guidelines of how it could be translated into a viable destination brand;
- Clarity and agreement on a portfolio of target markets and matching product segments and how these should be prioritised for implementation;

- An inspiring brand proposition and identity that resonates well with potential target markets;
- An understanding of the critical success factors and destination capabilities that are required to realise the chosen positioning and product-market mix;
- An integrated action framework containing practical programmes, projects, indicative budgets and success indicators to implement the competitive strategy and evaluate progress;
- Proposals for a suitable, sustainable institutional system to drive the implementation, monitoring and evaluation of the strategy.

At the outset of the strategic planning process it is important for the DMO to lay solid foundations for the future by assessing the current tourism situation and setting a inspiring vision and goals for the future. First of all market and competitive research and analysis should be made. During the situation analysis phase a thorough assessment should be made of the destination's competitiveness, by using a SWOT (strength, weaknesses, opportunities and threats) method. And at the end comes the development of destination vision, goals and actions.

The research should initially be market-orientated and in many respects is part of the marketing process referred to earlier and should:

- **Identify potential market opportunities for the destination;**
- **Make a realistic assessment of the destination's resources;**
- **Include an analysis of other destinations to allow competitive analyses to be undertaken.**

Conducting a proper situation analysis requires an investment in high quality research to examine the dimensions of tourism performance. This could include questions such as:

- How is the tourism product performing?
- What are the overall dimensions of tourism demand and impact?
- Market performance – e.g. occupancy, visitor numbers.
- Yield and profitability.
- Peaks and troughs in demand, and periods of mismatch in supply and demand.

Potential sources for this information include occupancy surveys, attractions surveys etc. In terms of the overall dimensions of tourism demand, this would look at the volume of trips and nights, market segments and volumes attracted and the economic impact of tourism

in terms of expenditure and potentially jobs supported. Different dimensions could be examined – e.g. scale of domestic and overseas visitors, scale by different purposes of visit. Potential sources for this information could include:

- National Tourism Surveys on domestic and inbound visitors.
- Tourism Satellite Accounts (TSAs).
- Local Economic Impact models.

The following elements<sup>47</sup> should be considered during the situation analysis:

**The Macro environment.** Political, economic, socio-demographic, technological trends that could impact on the destination's competitiveness.

**Destination resources.** Including tangible (facilities, attractions, infrastructure, etc.), intangible (image, reputation, culture, etc.) and human (skills, motivations, service levels, etc.).

**Destination Markets.** Existing and potential market performance, trends, demand seasonality, segments, etc.

**Supporting industries.** The ability of support industries such as construction, retail, transport, etc. To deliver.

**Industry structure.** Industry co-operation, organisation, strategic planning, etc.

Tourism destination managers are faced by two realities, namely:

- The environment in which the tourism industry operates is changing at an escalating rate;
- Most of what happens in the macro environment is largely outside the control of the destination marketer.

The challenge is to continuously scan and evaluate the trends in the macro environment including ***economic*** (*exchange rates, interest rates, economic stability, inflation, fuel prices, aviation costs, privatisation, currency re-evaluations*), ***socio-demographic*** (*demographic trends, health threats, lifestyle and value trends, new tastes and social trends, leisure orientation, sport, health and fitness, globalization, impact of the media*), ***ecological*** (*environmental strain on popular destinations, market concern for responsible travel (triple bottom line), species awareness, increased focus on values, sustainability and ethics*),

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<sup>47</sup> World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007, p. 40

*technological* (Global distribution systems, Internet and CD Rom marketing, transport innovations, virtual reality, video and teleconferencing) and *political/governmental* (global/regional conflicts, regional relations, changes in power structures, occurrence of extreme events, legal restrictions, positive political developments) **changes**.

The implications of these changes for the tourism industry should be assessed as external influences on the strategy.

**Maximising the destination's tourism resources** and turning the inherent resources into competitive advantages is critical to the success of the destination strategy.

**Tourism resources** could be defined as those factors that make it possible to produce a tourism experience and include the following:

- **Tangible resources.** With a particular focus on the basic key tourism resources such as:
  - ✓ *The key “attractors” in a destination.* This includes tourist attractions, historic sites, beaches, national parks, events, cultural facilities, sporting activities etc. These attractions will be important initially in motivating a visitor to travel to the destination.
  - ✓ *Accommodation stock* in the destination. This includes accommodation which suits the potential visitor in terms of location, price, quality and type and must be found before the decision to visit is confirmed. This is because some 50% of visitor expenditure is on accommodation and accommodation is difficult to walk away from during the actual visit if it is unsuitable. If suitable accommodation is not found the destination could well not be visited and alternatives considered.
  - ✓ *Transport.* For example main roads, rail, sea and air links. Even if the destination has quality attractions and accommodation, visitors will be deterred from visiting if good transport links do not exist.
  - ✓ *Other resources.* For example conference facilities which will be important in attracting business visitors.
- **Intangible resources** including:
  - ✓ *The reputation* of the destination regarding value for money, service quality, hospitality, etc.
  - ✓ *The image* of the destination concerning safety and security, uniqueness of experiences on offer, readiness to receive tourists, etc.

- ✓ *The culture of the destination e.g. welcoming of tourists, hospitality, lifestyles, etc.*
- **Human resources** including:
  - ✓ *Skills, qualifications and experience.*
  - ✓ *Work ethic.*
  - ✓ *Training systems and schemes.*
- **Financial resources:**
  - ✓ *Investment capital*
  - ✓ *Public capital for services, infrastructure, etc.*
  - ✓ *Finances to develop and market tourism, etc.*

A number of dimensions should be analysed and identified in relation to these tourism resources, and questions that should be covered include:

- The scale of the tourism product;
- The key motivation themes and their relative strengths, particularly in relation to potential competitor destinations – the unique selling points (USPs);
- The capacity of tourism resources to cater for different types of visitors;
- The quality of tourism resources;
- Current and potential investment in the product.

The third aspect to be addressed in the situation analysis is **market performance**. A market performance evaluation of the destination should include an evaluation of the destination's performance relative to its competitors, in relation to the following aspects:

- **Market trends.** Global movements, demand consistency and fluctuations, seasonal variations, price sensitivity, sales and reservation channels, market preferences, etc.
- **Source markets and segments**, including:
  - ✓ Profile – who, how many, from where, how, when, for how long;
  - ✓ Potential – current performance, expansion potential, emerging markets, future opportunities;
  - ✓ Yield – length of stay, local spend, return visitation;
  - ✓ Local (domestic) market performance;
  - ✓ Consumer segments – common behavioral, demographic, activity and lifestyle segments.

- **Market gaps.** Where/when/in which segments do we not get our rightful share and what are the reasons.
- **Market impact.** On key aspects such as job creation, investment, aviation, environment, social, etc.

In analysing market performance and competitiveness there is often too little investment in market analysis, forecasting and segmentation. The market analysis should involve rigorous looking at both ***total potential and current markets***:

**Total Market Review.** Undertake desk-based research to pull together information on the global tourism market and how it is changing and any visitor studies or market research which has been done specifically for the region, country or destination in question. This will give a broad overview of the marketplace within which to look at potential markets.

**Current Market Review.** It is important to know who is coming now. A number of sources can be used for this, the most obvious are:

- Visitor survey. A dedicated survey of visitors is one of the best routes. This involves interviewing visitors in the destination and finding out who they are (in as much detail as possible), where they come from and why they come.
- Database analysis. If destinations have a database of those who have enquired for information or visited then this can be analysed. The value of this depends on the data that has been captured. At the very least it should provide postal region data).

Destination tourism competitiveness depends heavily on the ability of **related industries** such as public and private transport, retail, manufacturing suppliers to the tourism industry such as furniture, fittings, vehicles, etc., construction, professional services, etc. The ability of these sectors to deliver on the demands of the tourism industry should be assessed and gaps identified.

The ability of the tourism industry to be at the cutting edge of tourism innovation should be evaluated, including:

- Institutional “thickness” and competitive maturity – the ability of industry players to join forces in the interest of developing and promoting the destination while competing with one another;
- The price competitiveness of the industry;
- Innovation and diversity of facilities and services;



- The quality and standards of facilities and services;
- Technological astuteness and the ability of the industry to capitalise on the power of new technologies.

While it could be argued that all tourism destinations compete for a slice of the global tourism market it is true that competition between certain specific destinations is a lot fiercer, depending on a range of criteria. These could include similar source markets, similar products and experiences, similar target market segments, similar distance from key source markets, similar growth performance in source markets and similar peak tourism seasons. Competitors could be ranked by scale-rating potential competitor destinations according to these and other criteria.

Effective competitor evaluation and benchmarking requires valid and reliable information and knowledge of competitors. There is often a perception that tourism intelligence and knowledge is extremely expensive and difficult to find and extract. Some information is costly and conducting your own primary research can become very expensive. This is mostly suited for large DMOs with substantial budgets. However, the Internet has made it possible for DMOs to obtain extremely valuable market and competitor research free of charge or at a very limited cost.

Benchmarking is an essential element of measuring destination's progress and performance. Such comparison and measurement could fulfil various objectives e.g.:

- Tracking destination performance over time, especially before and after strategic interventions, campaigns, etc.;
- Comparing destination's performance against other destinations and especially competitors;
- Justifying and demonstrating the application of public resources;
- Evaluating whether tourism strategy is working and how well it is in achieving the targets.

Some typical measurements used for benchmarking purposes include the following:

- The volume (numbers) and value (spend) of tourists;
- Market share of key source markets;
- Annual average % growth compared to competitors;
- Accommodation capacity growth and occupancy rates;
- Tourism seasonality and geographical spread.

## 2.2 Setting a Vision, Goals, Objectives and Core Strategies

A vision is an exciting picture of a destination's desired future intended to motivate stakeholders to work together to achieve this future. Visioning is most successful when it is participatory and creates an image that integrates all the separate visions of stakeholders. In order for a vision to mobilize resources — ultimately the purpose of a vision — it must find common, higher ground in which each stakeholder sees part of their future. A strong vision then can motivate disparate stakeholders to work together to achieve what otherwise might be unachievable. Unfortunately all too common, many efforts simply write too short, bland, under motivating admixtures of key words contributed by different stakeholders. As a result, no one can identify with the sterile statement and it fails as a project development tool.

**Tourism vision**, in particular, involves the elaboration of the style of tourism the destination would like to host (ecotourism, culinary, cruise port, a allowable ship size, voluntourism, etc.), and the target market of the destination. The vision may also include elements of a shared strategy, although the how rather than the what often falls to the mission, objectives, and strategies elements of a process.

Since a vision is only as strong as those who share it, the assessment team will want the broadest possible participation from a divers a set of community representatives.

Ideally **visioning** is an on-going effort since both in dividual and collective visions continually evolve and the process must capture that evolution in order to avoid turning sterile (Senge, 2006) the following process incorporates one destination-wide meeting and a month to gather local responses to a draft vision revised and adopted at a final meeting, as a means to get started. The process, though short, is an essential element in establishing tourism development goals.

***Goals are realistic, measurable targets for the destination's tourism vision.*** That is, every goal must be consistent with the vision established in the prior section.

*For example:*

- How many inbound tourists does the destination want to attract?
- What alliances do they want to create?
- How many jobs, for whom, at what pay scales, and for what seasons?
- What is the anticipated percentage increase of income for local residents?
- How many tourists are too many?

As mentioned above with vision, a participatory process should result in greater resolve and commitment to implement the goals. It also produces a broader range of ideas during the initial brainstorm. As such a group process composed of all stakeholders, at least all those in the foreseen value chain, should identify and prioritize project goals followed by small group work to agree on specific targets for each goal.

Once goals are agreed upon, the **destination can identify actions, timelines, and responsible parties to achieve them**. *Furthermore, if managers set up a monitoring system and they have the capacity to learn from the data that system generates, then they can adapt their strategy — including the goals and even the vision — based on their experience pursuing these goals.*

The destination vision should be a shared dream of a future destination, based on desired position. It should be a foundation and reference point for strategic direction and a leading light when times are tough, reminding the destination stakeholders of where they would like to head.

The vision should be:

- Inspiring, imaginative and speak to aspirations of stakeholders;
- Achievable and consistent – it should be an anchor and hook to hang strategies on;
- Formulated with broad stakeholder participation, using participatory methods.

The goals should:

- Break the vision into defined outcomes;
- Be medium/long term focused;
- Address key levers identified in competitive and macro analysis;
- Be a realistic and consistent guide to action;
- Build upon the destination's strengths and take the best of the available growth opportunities;
- Eliminate the weaknesses whilst also guarding against the threats in the external environment.

Based on the goals a range of specific objectives can be formulated. A good set of objectives should adhere to the SMART principle, i.e. they should be:

- **Specific.** Objectives should *specify* what exactly you want to achieve;
- **Measurable.** You should be able to *measure* if you met your objectives;

- **Achievable.** Are the objectives you set *achievable*?
- **Realistic.** Can you *realistically* achieve them with the resources you have?
- **Timebound.** In what *time-scale* do you want to achieve the objectives?

Examples of objectives are:

- Increase the *value* of tourism to the economy by X% by the year Y;
- Increase the *volume* of tourist arrivals to X by the year Y (this can be broken up into specific segments, depending on the strategy);
- Generate an average of US\$ X million worth of *additional* tourism receipts each year;
- Generate X thousand additional *jobs* in tourism by the year Y;
- Create an *additional* X thousand bed-spaces by the year Y.

*The goals and objectives should be supported by core strategies, which should be directives for achieving the destination goals.*

The Vision and Goals will not be delivered by simply defining them: they will require actions to be pursued. ***Therefore the actions that result in developing the vision and goals will also need to be identified.*** *These should initially be related to the strategic goals and to the DMO structure to allow the organisation to play its part in the delivery process.*

The process of identifying these actions should be inclusive. It should involve as many of the DMO and wider tourism community stakeholders as possible. This is important, not only because of the contributions stakeholders can make, but also because engagement is important to ownership and ownership is vital to delivery. Those involved in delivering the agreed actions must be able to relate to them – which they will do if they have been involved in identifying them.

Preparation of the action/investment plan follows the development of the strategy. Where the strategy identifies broad priorities and potential approaches, the action and investment plan needs to translate this into specifics. As such, it will typically cover a finite time period – say one to three years. The development of the action/investment plan should involve appropriate stakeholders or key players. This is applicable for an action plan that covers just one organisation or multiple organisations in the destination. This could take a number of forms from simple internal meetings to the establishment of a steering group (with representation from a range of different sectors and interests) and a number of working groups

with more specific interests and roles (such as marketing and promotion, visitor management etc.).

*The action/investment plan itself needs to address a number of elements including:*

- **The scope of the plan** – its timescale and remit;
- **The process and the partners** – who is the plan for and who is involved in its development and implementation;
- **Strategic direction** – i.e. what the plan is broadly trying to achieve;
- **Specific objectives and targets;**
- **Action programmes** relating to, for example:
  - ✓ *Tourism Marketing;*
  - ✓ *Information and Visitor Services;*
  - ✓ *Activities, Attractions and Experiences;*
  - ✓ *Tourist Accommodation;*
  - ✓ *Business and Workforce Development;*
  - ✓ *Integrated Transport Infrastructure;*
  - ✓ *Planning and the Environment.*
- **Implementation processes;**
- **Monitoring and review.**

In relation to the action programmes, the plan needs to identify:

- Projects/programmes of activity;
- A description of those programmes and what they will involve;
- The lead agency with responsibility for delivery;
- Other partners involved in delivery of funding;
- Funding- amount and sources;
- Timescales for delivery, and possibly key milestones;
- Targets and monitoring where relevant.

## **2.3 Destination Management Platform**

The Destination Management Platform is a practical foundation to guide the most appropriate best practice approach to destination management in a particular situation. It translates tourism-focused thinking and language into a context more easily understood by key

delivery partners in other disciplines such as planning, community or economic development. The Destination Management Platform is designed to focus consideration of:

- **The place in which it relates;**
- **The people involved**
- **The product or output;**
- **The best process/es required.**

*“The place to which it relates”*

The visitor will determine in their mind what they perceive the destination to be. However from a destination management perspective, the destination can be defined by a geographical attribute such as the Snowy Mountains (Great Dividing Range) or the Great Barrier Reef. It could be the geographical indications such as those that determine a wine region. Most often it is determined by geopolitical boundaries, such as Local Government Areas (LGA) and regional or state boundaries. Not every community that receives visitors can be regarded as a destination in the destination management context. A region may be the core attraction or the centre of a destination; a community may be part of a broader destination; or it may be part of the journey to get to a destination.

*“Who will visit?”*

To gain an understanding of the visitor the following questions should be asked:

- Who is currently visiting the destination?
- Where are they coming from? And how are they getting to the destination?
- Are they coming as singles, couples without children, couples with children?
- How long are they staying?
- What are they looking for in an experience? (dealt with in product)

*“Who are the key partners and relationships”*

At first it might seem a simple task to identify the tourism partners in a region. But in reality it is needed to engage and communicate more broadly including some stakeholders not directly/traditionally involved in tourism. Consider external delivery partners not currently engaged in tourism who directly or indirectly impact upon the tourism product and experience. They might be responsible for the planning or delivery of components of the destination management process. For example, there may be stakeholders who work for a local council who are responsible for the planning or delivery of components of the destination management process with whom you may not have previously engaged.

*Some questions could be:*

- Who is the community of interest?
- Who are the key destination management delivery partners and stakeholders; and do they understand their role in destination management?

The relevance of a person or an agency may not always be obvious within the Destination Management context. As the new potential partners are met the following questions should be asked:

- Does/do:

land use planning and development assessment  
 natural resource management  
 economic development planning and activity  
 recreation facilities and services  
 community services  
 the arts, events and cultural heritage agencies  
 the environment and sustainability

relate to support or impede the destination management goals?

- Who are the key staff in a business; and have they got the right skills and experience for their destination management role?

Once a partner agency, area or discipline has been identified the common ground or a shared interest as a basis for a productive and mutually beneficial relationship with this key contact should be found? Through this process a map of the key relationships and delivery partnerships that might be involved in destination management in the region is done.

*“What is the offering or output”*

The “tourism product” is what the customer buys, the “tourism experience” is what they remember. Tourism products - accommodation, attractions and tours that tourists purchase, participate in or consume. Tourism Experiences - the emotional feeling or personal achievement a tourist derives from the purchase, participation or consumption of the tourism products.

A broader perspective in what destination is offering and can it deliver on the expectations of the visitor give the following:

- What experience does the region offer? What have been promised in the marketing collateral?

- What do the visitors expect to see and do in the region; what are the core attractions or the reasons visitors come to the destination?
- How do visitors get to the destination?
- Do visitors travel in family groups, special interest groups, couples or singles?
- Where do visitors stay?
- What do visitors eat and drink?
- What do they spend their money on?
- How do they move around?
- What do visitors do and experience?
- Does it deliver on expectations?
- Are the visitors happy and satisfied with the destination?

First of all should be understood what the destination is offering, its tourism product or experience, particularly from the visitor`s perspective. An experience doesn`t have to be a product. It might be the excellent customer service and quality presentation of the destination.

#### *The Process*

The core elements of “Place, People and Product” have to be considered in order to be determined *the best processes for* achieving best practice Destination Management. However, there are processes and fundamental concepts that destination managers will need to consider at every step.

The best process to employ is one that will help to focus on the product and experience and compare it to the visitor expectations and community aspiration or vision. Thereby any gaps should be identified in service delivery and mechanisms for measuring quality and visitor satisfactions should be considered. Access to and the availability of the product and experience offering need to be considered in the mix as well.

Like any management process, destination management involves a constant and ongoing process of planning, implementation, review and assessment to ensure that the vision is optimised and objectives achieved. For this reason best practice approaches to destination management have been designed to foster collaborative approaches with key delivery partners. Working together within the context of the Destination Management Platform these approaches can apply effort relative to the size, scope and scale of tourism in each particular destination context.

The Destination Management Framework is based on four interlinked areas of effort:

- ***Inform – Research, Analysis & Evaluation***



- ***Plan – Consultative Planning***
- ***Develop – Destination Development***
- ***Communicate – Marketing***

Research and Analysis and Consultative Planning inform all parts of the best practice destination management process. They inform and show how the traditional delivery areas of destination development and marketing can yield tangible results that develop products and experiences in a destination; and communicate the results to visitors. To drive a collaborative approach, it is important to establish a clear language commonly understood by all stakeholders.

### **Destination Research and Analysis**

Research and analysis, monitoring and evaluation are an ongoing part of the destination management process. They inform planning and implementation and enable critical assessment of success or failure to service initiatives. Importantly, they help to explain how and why service quality and customer satisfaction can be improved.

***The destination management process involves*** four key delivery areas:

- ***Research & Monitoring*** – Investigate both supply (what the destination has to offer) and demand (what the market is demanding). Analyse the supply/demand balance & determine the best market fit for the destination. Work out the best way to monitor performance. Monitoring performance, and evaluating and reviewing outcomes should be a constant component of the destination management process. It should include on-going reporting and communication, a process for assessing its impact and a program of review and renewal.
- ***Consultative Planning*** – Contemporary tourism planning needs to engage a broad cross section of destination stakeholders. These include community groups, industry associations, all levels of government and the media.
- ***Destination (Experience & Product) Development*** – Is about creating and maintaining visitor experiences, saleable products and services that meet visitor needs and expectations, reflect the destination brand and facilitate the elements of a journey within a destination. Development may not be restricted to hard infrastructure such as transport, accommodation and attractions. A destination might require investment in soft infrastructure such as interpretation to make experiences more accessible to and interesting for the

visitor. Consider existing products and experiences; identify gaps in the tourism product and experience offering; and discover opportunities to attract investment to develop new or to enhance existing product or experiences.

- **Marketing & Promotion** – Is about growing visitor and community awareness and demand for the destination in line with the destination brand. It involves clearly and effectively communicating what's on offer, the unique proposition both before visitors arrive and once they are in the destination. Marketing and promotion are also about providing a sales opportunity for the destination. Importantly, marketing should include communication with internal stakeholders and community. This ensures that tourism remains in focus; the destination management process remains a priority; and destination managers can keep abreast of their progress.

### **Consultative Destination Planning**

Consultative planning is about communities working together to share knowledge and ideas about creating a sustainable tourism destination, defining what they can offer, and agreeing on what their values are. These values should be expressed in the tourism vision and brand. They should underpin decision making in other destination management aspects. Often the community vision and values have already been established and documented by state and/or local governments during community, cultural, environment or economic development planning processes. Adapt these visions and values to the tourism context rather than simply duplicating the process or creating a vision in conflict with the existing community vision. The key is to communicate how tourism can deliver on the community's own vision for the future.

### **Destination Development**

Destination development is about creating and maintaining visitor experiences, saleable products and services that meet visitor's needs and expectations and facilitate their travel and stay within a destination. Traditionally this focus has been on assets and products. Increasingly visitors are looking to enjoy unique and fulfilling experiences that bring a destination to life and make it memorable. The most authentic visitor experiences may be developed outside the regular tourism offering. These will provide opportunities for visitors to experience the landscape, people, way of life, culture and food enjoyed by the local community. Make sure to invest in soft infrastructure rather than just hard infrastructure such as transport, accommodation and transport.

## **Destination Marketing**

The purpose of Destination Marketing is to: Grow visitor awareness and demand for the destination and its products.

- ✓ Clearly and effectively communicate with visitors to better understand their needs and wants.
- ✓ Communicate the destination's unique offering and value proposition both before visitors arrive and once they are in the destination.
- ✓ Develop and communicate your destination's vision and values via a clear brand statement that is then reflected in how you market and promote your destination and communicate what is on offer.

Importantly, marketing should include communication with internal stakeholders and the community to ensure that tourism remains in focus. Marketing spans traditional, electronic and social media to attract and inform visitors and key stakeholders. It may include events and other interactive public relation activities as part of an awareness raising and engagement strategy. Importantly, customer service delivered by industry may positively or negatively impact upon a destination's brand and reputation.

Marketing tourism from a destination perspective is a two-way street, with approaches that focus on external and internal audiences. In both cases you need to ensure that your audiences are engaged and have the ability to interact with you and to provide feedback:

- ✓ External communication is with customers to attract their attention and ultimately their business through visitation.
- ✓ Internal communication is about ensuring stakeholders and communities are engaged and aware of tourism and the destination management process in their community.

## CHAPTER 3

### Positioning and Branding the Destination

#### 3.1 Positioning the Destination

*Lovelock describes positioning as the process of establishing and maintaining a distinctive place in the market for an organisation and/or its individual product offerings<sup>48</sup>.*

Positioning a destination presents a number of challenges, two of which are inherent in marketing a service “product”, namely *intangibility and inseparability*. Intangibility leads to consumer uncertainty. Unlike a good which Lovelock describes as an „object, a device, a thing,“ the service product can be more aptly described as „a deed, a performance, an effort.“ When considering destination marketing, the word “experience” could be added, as the destination marketer is effectively selling tourist experiences. The tourist has a degree of control over the purchase, in that he/she can dictate their level of involvement with different elements of the service, for example destination attributes, activities and people. In this way the tourism purchase differs from, say, a retail service situation.

Despite this higher level of consumer participation in the tourism purchase, the holidaymaker will still perceive an element of risk during the initial buying process. In her study of the consumer evaluation process, Zeithaml hypothesised that consumers perceive greater risks when buying services than when buying goods<sup>49</sup>.

It needs to be added however that the degree of perceived risk is dependent on the price of the purchase, the benefits which the consumer expects to derive from the purchase, and whether or not the consumer has purchased the same or a similar service in the past. According to marketing theory derived from the 1960s (eg Sheth), if the price of the service is low then the perceived risk of financial loss is low. It is arguable however in the case of tourism that the cost of the purchase cannot be measured in financial terms alone - even a short break holiday requires the expenditure of valuable leisure time, at a time when there are ever increasing demands on disposable leisure time. Therefore, although this short break may involve relatively little financial outlay, the level of expectation may be quite high. Zeithaml supports her study of risk with two additional hypotheses: consumers adopt innovations in services more slowly than they adopt innovations in goods; and consumers seek and rely more

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<sup>48</sup> Lovelock, Christopher H. (1991). *Services Marketing*. 2nd ed., Prentice- Hall.

<sup>49</sup> Zeithaml, Valarie A. (1990). *Delivering Quality Service: Balancing Customer Perceptions and Expectations*, New York: Free Press.

on information from personal sources than from non personal sources when evaluating services prior to purchase. Consumers are naturally more cautious when purchasing something which they cannot touch, experience, test, or experiment with and which is unlikely to come with a guarantee or warranty.

The challenge posed by intangibility is compounded by the lack of consistency in buyer behaviour within market segments. Visitor expectations can vary radically. For example two families on an identical short break package may record very different levels of satisfaction with the holiday, because they had different expectations and were looking for different benefits from the package. This is in contrast to most consumer goods where the product has a given set of attributes and customers' expectations can be more readily identified.

The second challenge relates to the inseparability of the service production and consumption processes. This can result in inconsistencies in the quality of the product and its delivery. The supplier of manufactured goods can put the product through a rigorous test period before distribution and consumption. This helps to avoid costly mistakes arising from customer dissatisfaction with the product. The tourism supplier does not have this opportunity as the production and consumption of the product take place simultaneously. This potential for inconsistency in delivering the destination product is compounded by the high level of human involvement in the production process.

The challenge posed by inseparability is arguably stronger for the destination marketer than for the service product marketer, due to the lack of control which is exercised over the many suppliers of the tourism product. The multitude and diversity of tourism suppliers in the destination makes quality control and cohesion a difficult task. Many of these suppliers are small to medium-sized enterprises, often family run and with little formal training.

With tourism being increasingly recognised as a key economic opportunity around the world competition among countries and regions for a share of global tourism expenditure is increasing by the day. Potential tourists are faced with a wide range of holiday and business travel choices. To be recognised and to attract their rightful share of the global tourism market it is of critical importance for destinations to establish a recognised and valued tourism position and brand image in the market. This chapter deals with the concepts of differentiation and brand development, which are cornerstones of the destination strategy.

*There are three broad approaches companies or destinations can follow to establish an advantage over competitors, namely<sup>50</sup>:*

- **Cost leadership.** Consistently controlling and reducing costs and improving efficiency of operations, thereby out-pricing competitors
- **Focus.** Becoming specialists in a very focused area of activity
- **Differentiation.** Offering clients a product, service or experience that has a unique value and is different to those alternatives offered by competitors.

The above-mentioned concepts of cost and differentiation advantages are of paramount importance to the notion of destination positioning. They provide the basis for the primary distinction between tourism destinations in the world, namely that of mass-market destinations versus differentiated, experience-based destinations.

Since the travelling costs to a destination is one of the key costs associated with tourism travel, it would be extremely difficult for long-haul destinations to establish a cost advantage in the primary tourism-generating markets of the world, i.e. North America, Western Europe, etc. Apart from its product features and resource advantages a destination such as South Africa would find it almost impossible to compete on a cost basis in markets such as the United Kingdom and Germany. The cost of accessing South Africa from these markets is high, compared to that of accessing the Spanish South Coast, France, etc. Therefore, South Africa and other long-haul destinations need to differentiate themselves from their competitors in order to secure a strong competitive position.

The differences between cost leadership and differentiation could be summarised on the **basis of competition**.

**The key strategy elements of the cost leadership** are investment in scale-efficient plant; design of products for ease of operation; control of overheads; R&D (research and development) and avoidance of marginal customer accounts. **Resource and organisational requirements** refer to the access to capital; process engineering skills; frequent reports; tight cost control; structured organisation and responsibilities; incentives relating to quantitative targets.

**The key strategy elements of the focus** are specialisation in a particular product or service; focused and niche and highly segmented marketing; consistent product innovation and cutting edge technology. The **resource and organisational requirements** include

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<sup>50</sup> Grant, R. M. (1995) *Contemporary Strategy Analysis: Concepts, Techniques, Applications*. 2<sup>nd</sup> Edition, Blackwell Publishers, Massachusetts.

customer relationship management; market leadership through product specialization and expertise; consistent innovation and product engineering; copyright, concessions and patent ownership.

**The key strategy elements of the differentiation** are emphasis on branding and brand advertising, design, service and quality. The **resource and organisational requirements refer to** marketing abilities; product engineering skills; creativity; capability in basic research; subjective rather than quantitative measurement and incentives and strong interfunctional coordination.

*While consumer choices of transport modes and booking channels are increasingly affected by cost, **their choices of destinations and experiences are increasingly affected by differentiated product.*** Consumers will consider how destinations are tailored to their needs and how unique these are in relation to other destinations and experiences.

One of the most effective ways of differentiating products is based on product attributes, i.e. characteristics that are “owned” by the product. Destinations must also establish a competitive advantage to out-compete other destinations. In the words of Jack Trout, the originator of the positioning concept: “Competition is not a battle of products or services, it is a battle of perceptions in the customer’s mind”.

The destination may offer the best products and experiences, but unless it is able to create a perception in the minds of potential travellers that it offers something different, better and more appealing than other destinations it may not be in a position to convince travellers to visit.

The selected positioning strategy to differentiate the destination from its competitors could be regarded as the cornerstone of the destination’s competitive strategy. This selected positioning will have a profound effect on aspects of destination strategy design and execution. In conclusion, as air travel becomes more affordable and travel information and arrangements become more accessible through the Internet, consumers will be able to select their travel destinations from a growing pool of destination options. The challenge facing destinations will increasingly be one of differentiation and demonstrating their unique value proposition.

The substitutability of tourism destinations allows tourists in search of most types of experiences a wide range of choices. As a result the need for destinations to create a unique identity so as to differentiate themselves from competitors is more critical than ever.

## 3.2 Destination Branding

In marketing terms a brand represents a unique combination of product characteristics and added values, both functional and non-functional, which have taken on a relevant meaning which is inextricably linked to that brand, awareness of which may be conscious or intuitive.

Brand managers differentiate their products by stressing attributes they claim will match their target markets' needs more closely than other brands and then they create a product image more consistent with the perceived self-image of the targeted consumer segment. There is an increased focus among marketers on differentiation through loyalty and emotional appeal of brands, rather than through discernable, tangible benefits.

Competition for tourists in a highly competitive destination marketplace is increasingly being fought over minds and emotions rather than physical features and price. The destination brand communicates and signals the competitive positioning. Since DMOs are mandated to manage the destination's image, effective branding could be an extremely valuable and powerful tool in their hands.

*A brand could be defined as a unique combination of product characteristics and added values, both tangible and non-tangible*<sup>51</sup>. The characteristics have a relevance that is inextricably linked to the destination and awareness of this may be conscious or intuitive. The brand is not only a trademark (logo, strapline or icon), but an experience and image that signals a value system and positioning. In short, it is a PROMISE. It establishes the kind of experience that the visitor can expect from the destination.

**Branding challenges for tourism destinations** are:

**Budget limitations.** Most tourism destinations do not have the financial resources to go head-on with commercial products for a share of discretionary consumer spend. The challenge is therefore one of "outsmarting" rather than "outspending".

**Political interference.** Destination brands signal the personality of nations and as a result politicians often find it difficult to accept a rational and scientific approach to brand development without interfering with the brand strategy.

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<sup>51</sup> World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007, p. 57



**An often volatile external environment.** While destination brands can be defined and developed in a particular timeframe and context, external events (conflicts, disasters, etc.) can impact heavily on the brand's credibility and progress.

**Delivery challenges.** Delivering on the brand promise can be hampered by a lack of human capacity, infrastructure and a range of other delivery factors.

**Corruption.** The brand strategy and values could be undermined by corrupt visitor practices and services such as bribery at immigration points, security check points, etc.

**Differentiation challenges.** Brand delivery has to be consistent over time and the actual experience has to support the image created, making the brand believable and relevant – this depends on the cooperation and buy-in of a range of stakeholders.

As with products, creating a unique identity has become more critical than ever for destinations and it has in many respects become the basis for survival and growth within a globally competitive marketplace. The following are some of the major **benefits of effective destination branding**:

**Destination awareness and demand creation.** An exciting brand could persuade customers to take note of the destination and to add it to their tourism “shopping list”. In addition the media could find a publicity and news angle in the brand, thereby enhancing its celebrity value.

**Customer loyalty.** A key prime objective of branding is to establish loyal relations with customers, i.e. getting customers to strongly associate with the values, tangible assets and emotional benefits offered by the destination and becoming promoters and ambassadors for the destination.

**Commercial value.** Once the destination brand is established it could become extremely valuable as a catalyst for travel conversion. This means that the DMO is able to retain and defend its brandloyal customer base and can reduce its spend on generic awareness in favour of tactical sales and conversion.

**A base from which to co-ordinate private sector efforts.** A visionary and well-consulted brand can become a vehicle for coordination – if key public and private sector stakeholders ascribe to the same brand “family” and use the same brand identity and values in association with a basis for their own products it is clearly more efficient than individual efforts by separate players.

**A basis for establishing “seamlessness” between communication tools.** One of the key challenges in tourism destination management is the fragmentation and proliferation of marketing collateral and imagery. An exciting brand design that has the backing of key

stakeholders can become the footprint according to which all destination promotions and materials creates an association and support for the destination “mother brand”.

**Image enhancement wider than tourism.** An exciting and encompassing brand could serve as an endorsement and “seal of origin” for other industries and products, especially export industries such as film production, agricultural exports, wine production, etc.

A successful destination brand represents a major asset to any destination, but the **key factors for success** of a destination include:

**Brand credibility.** The brand promises the customer a particular value and experience and thus automatically creates an expectation. The experience has to live up to the expectation created for the destination to retain a positive image.

**Deliverable.** One of the golden rules of branding is never to over-promise and under-deliver. Brands designs should be tested to ensure effective, on-the-ground delivery of the brand promise.

**Differentiating.** Destinations have to avoid the “me too” trap at all costs. The brand should signal the differentiated positioning and not try to emulate other successful designs or strategies.

**Conveying powerful ideas.** Branding is all about the hearts and minds of customers and destinations brands will only be truly successful if they convey concepts, values and destination personality traits that speak powerfully to the mind of the marketplace.

**Enthusing for trade partners.** The DMO alone will not be able to roll out and communicate the brand proposition. In successful destinations the private sector is the driver of tourism, under government destination leadership. A winning brand should be strongly endorsed and used by the private sector in the destination.

**Resonating with the consumer.** Lastly, it speaks for itself that even an award-winning creative brand design will not be truly successful unless the brand resonates with the consumer, encouraging him or her to visit and converting “lookers” to “bookers”.

To develop a successful brand, destinations initially need to fully understand their targeted customer. A destination may have many different experiences and products to offer, each of which will appeal to different markets. However, **the branding process should focus attention on their key target markets.** *Therefore research is required to fully identify and understand the primary target markets. The aim should be to make a major impact on this key target segment – and benefit from a ripple effect that will affect other segments.*

Market research should be undertaken to identify the targeted customer's needs and wants, both in terms of tangible products such as accommodation and attractions and intangible experiences such as fun, relaxation or adventure. Increasingly, people are motivated by emotion far more than reason, especially in leisure travel. In the past, market research has focused on finding out what the visitor wants, and not on finding out why?

*While a variety of processes and models have been used and applied to develop and implement brand strategies, the following outline encompasses the spectrum of brand elements and sets out a process for developing a brand strategy.*

*Before embarking on a **brand building process** it is important for destination managers to clearly establish a strategic direction for the destination, i.e. agreeing on an inspiring future vision and a fundamental market positioning, i.e. on what basis will the destination differentiate itself from its competitors in the client's mind?*

**The following are five key phases of building the brand:**

- ***Image investigation, analysis and strategic recommendations;***
- ***Brand identity development;***
- ***Brand design;***
- ***Brand launch and communication;***
- ***Brand management.***

It should be clear that, while the brand team should contain strong strategic and creative capabilities throughout the brand building process, the priority skills and expertise will differ during the various stages. During the **brand building and strategy phases** (*determining the strategic direction, assessing the destination's image assessment and developing the brand identity*) the contributions and input required are of a strategic nature and should involve destination managers, researchers, marketers, researchers, etc. During **brand activation phases** (*designing and promoting the brand*) the key skills and capabilities should be of a creative and advertising nature and should involve designers, producers, copywriters, etc.

*This also implies that the strategic brand direction should preferably come from within the destination management team (e.g. DMO and industry), while the brand design and promotion activities could be fruitfully outsourced to specialists once the strategy has been agreed.*

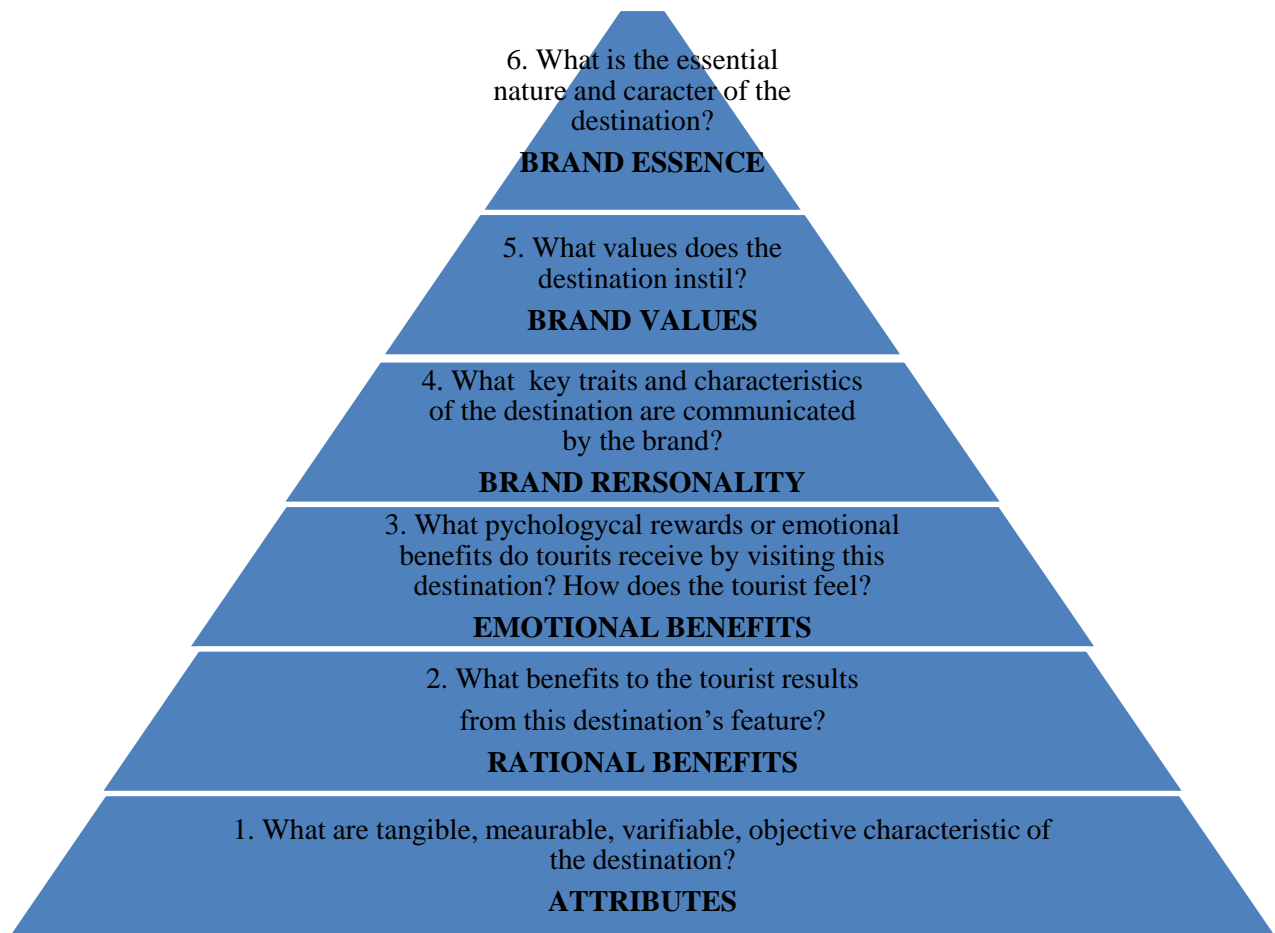
All too often destination branding is left to advertising agencies that are strong on design and creative expertise but less capable when it comes to brand strategy. *A brand's*

*personality has both a head and a heart – its head refers to the logical brand features, while its heart refers to its emotional benefits and associations. Brand propositions and communications can be based around either a brand's head or its heart: head communications convey a brand's rational values, while heart communications reveal its emotional values and associations.*

Using the research, brand builders are able to ascertain what particular benefit pyramids consumers associate with the destination in question. The benefit pyramid can be instrumental in helping to distil the essence of a destination brand's advertising proposition. This refers to the point at which consumers' wants and destination's benefits and features intersect – any brand communication should then encapsulate the “spirit” of the brand.

The brand pyramid has as its foundation the tangible and measurable attributes of the destination, which result in key rational and emotional benefits to the visitor. As summarised pointers and guidelines for communicating brand benefits and the destination's differentiated position in the marketplace a brand personality, values and a brand essence should be defined.

Figure 3.2 Brand Pyramid<sup>52</sup>



Source: World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007

**Brand architecture should reflect all the key components of a destination brand including its positioning, its rational (head) and emotional (heart) benefits and associations, together with its brand personality.** *A brand's architecture is in essence the blueprint which should guide brand building, development and marketing and is a device which can be used by all destination brand managers.* More and more tourism destinations are looking to establish their brand architecture in order to put themselves ahead of competitors. Of course, when they are whole countries, destinations are often composite brands (being composed of many different places).

Consumer research which reveals and establishes a destination's brand architecture should enable marketers to clearly see the elements and contributions of these various

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<sup>52</sup> World Tourism Organization, **A Practical Guide to Tourism Destination Management**, Madrid, Spain, 2007, p. 61

composite brands. It is a device critical to the development of destination supra-brands and sub-brands. Thus, Britain is a destination supra-brand and the *sub-brands* (England, Scotland, Wales, and London) are both part of, and at the same time, distinct from it.

For the brand to be authentic and deliver on its promise the local community and stakeholders should believe in it and live it. It is a well-known fact that our best brand champions are our citizens, but they could also be our worst enemies, especially if they do not subscribe to brand essence. *Thus, a special effort is required to communicate and advocate the brand internally.* These could include practical ways of instilling the brand values within the community, such as schools awareness programmes, brand pride competitions e.g. a brand song, art competitions, etc.

One of the most important vehicles for internalising the brand is to capacitate and enthuse leadership figures (political, business and societal leaders) to be brand ambassadors and infuse the brand values within the broader society.

# CHAPTER 4

## Developing Destination Products

### 4.1 Product Strategies

As has already been stated the “product” is a key element of the destination marketing mix and refers to the attractions, experiences, facilities and amenities offered to potential travellers. The concept “product development” in destination terms implies a variety of actions by the destination management organisation, including:

- Creating planning frameworks and strategies for the development and improvement of new attractions, experiences, facilities and amenities by the public and private sector.
- Actual development and improvement of public attractions, experiences, facilities and amenities.
- Promoting and facilitating private sector investment in tourism attractions, experiences, facilities and amenities.
- Promoting and facilitating the establishment and improvement of Small, Medium and Micro Enterprises (SMME’s) in tourism to ensure that tourism ownership is spread as widely as possible.
- Packaging and presentation of tourism attractions, experiences, facilities and amenities to ensure easy planning and enjoyment of these by travellers.

The following chapter touches on these issues.

A number of **key factors relating to product development** have been identified in earlier sections:

**The destination “product” is the combination of elements that creates the total experience which can be offered to potential customers. The tourism experience extends throughout the value chain, e.g. when the tourist “buys” an adventure experience, this includes investigating it, booking it, access to it, the actual activity, onsite facilities, environmental integrity of the area, safety features, adventure instructors and guides, feedback afterwards, etc.**

**The on-the-ground destination experiences include intangible features (unique happenings, sights and scenes, environmental quality, service levels, people friendliness,**

**etc.) as well as tangible aspects such as public infrastructure, private products and services, public attractions and services, community lifestyles, attractions and services.**

*One weak element in the combination of product components is capable of reducing overall customer satisfaction significantly. A seamless approach to delivering quality is essential.*

The implications of these factors for the DMO are substantial and include the following:

- The entire destination could be regarded as a “tourism factory”, creating an overall tourism experience, consisting of a variety of ingredients, packaged together seamlessly.
- In essence the DMO could be regarded as the “factory coordinator”, with the following key responsibilities:
  - ✓ Providing leadership and instilling a destination vision among stakeholders.
  - ✓ Planning for the development and promotion of the destination.
  - ✓ Promoting the destination in association with other public and private partners and being the destination brand “custodian”.
  - ✓ Initiating joint mechanisms and tools (e.g. organisation structures, collective brand identity, financial assistance, co-op marketing, destination collateral, new technologies, etc.) to ensure that all the ingredients come together for an optimal experience.
- However, the DMO most often does not own any of the components that make up the tourism experience – neither the “plant” (accommodation, vehicles, theme parks, etc.), nor the raw materials (natural features, cultural features) and the labour involved in producing it.

The following product-related questions need to be addressed by destination management organisations:

- How can the DMO identify, guide and direct the main components of the region’s product mix?
- How can the DMO work with partner organisations and interest groups to improve the product strategy in a co-coordinated, market-oriented way?
- How can the DMO effectively assist and participate in launching new tourism products?



- What variations in marketing strategies are called for to address the consumer at different stages in the destination product life cycle(s)?

Some of the product-related goals of the DMO could include:

- Delivering an exceptional tourism experience to chosen market segments, based on their particular expectations, demands and requirements.
- Delivering on the brand promise – there is nothing worse for the destination brand than the actual experience not living up to expectations.
- “Gearing” the experience to deliver in accordance with the DMO’s targets and objectives e.g. increasing length of stay, extracting spend, spreading tourism, smoothing out seasonality, etc.

## 4.2 Managing the Destination Product Life Cycle

**A destination’s tourism product mix comprises all those product lines and product items that are made available to tourists in the region<sup>53</sup>.**

**A tourism product line is a group of tourism products that are closely related, either because they offer the same benefits or are positioned to the same target markets, e.g. *cultural products* (historic buildings, museums, monuments), *outdoor-related products* (hiking, fishing, scuba diving), *entertainment-related products* (casinos, nightclubs and theme parks), etc.**

**A product item is a distinct unit within a product line that is distinguishable by size, appearance or other attributes (e.g. Table Mountain).**

**Tourism product lines and product items, like manufactured products, pass through life stages that progress from birth to death. The tourism product is launched, grows to maturity, levels off and then gradually declines.** If identified in time, refurbishing and re-introducing the product under another guise, or with a fresh injection of publicity may avert the decline.

The life cycle could be extended by:

- Promoting more frequent use of the tourism offerings in the destination among current tourists which often requires targeted sales and promotion drive.

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<sup>53</sup> Heath, E.T. and Hall, G., (1992), *Marketing Tourism Destinations*, John Wiley and Sons, USA.

- Developing and promoting more varied uses of products among current markets by packaging existing products more effectively – new features, experiences, etc. (market penetration).
- Creating new uses and experiences by developing new attractions or redeveloping existing experiences (product development).
- Finding new tourists by expanding the market and keeping track of new emerging market segments and their needs (market development). This may require a focused approach by the government authorities and tourism bodies to encourage the development of specific product niches to cater for growing segments and effective market research in order to gain an improved understanding of market requirements and growth trends.
- Overhauling of older attractions, together with the development of new combinations – modify existing product offering and range to appeal to new market segments, e.g. tourism routes, themes and niche products (product diversification).

The destination product is a key element of the destination market mix (product, promotion, price and place), which is built around selected target markets. The goal with devising a destination product portfolio is to develop, expand and improve those experiences that appeal to the selected destination target markets.

In devising product portfolios the following process may be followed:

- Segmenting the destination experiences based on one or more characteristics e.g:
  - ✓ Physical and intangible features e.g. adventure, eco, culture, themes and entertainment, etc.
  - ✓ Relative uniqueness and attractiveness e.g. key attractions segmented as unique/one of a kind, exceptional etc.
  - ✓ Product length (extent of experiences) and depth (intensity of experiences) e.g. adventure experiences graded by difficulty, extent of activities, etc.
  - ✓ Scope to accommodate tourists (including quality of infrastructure and services) e.g. high volume to low volume.
  - ✓ Quality and performance e.g. star grading, customer grading etc.

- The segmentation could be used to create experience clusters that appeal to a similar target market e.g. water-based adventure and to rate such experiences and cluster as flagship experiences, core experiences, ancillary experiences, etc.
- Using the product and market segmentation profiles to construct an experience-market-matrix which evaluates the extent to which experience segments match the needs of target market segments, e.g. by using a 5-point scale with 1 = little/no appeal to market segment and 5 = exceptional appeal to market segment.
- The matrix could also be used to identify gaps in experiences and capabilities to satisfy market requirements and to identify market opportunities to maximise product potential.
- Based on product analysis and segmentation, product portfolio models could provide guidance regarding which experiences to invest in, which to adapt, etc. A portfolio based on the principles of Boston Consulting Group's growth-share matrix (see Figure 23) could identify products or product clusters that display:
  - ✓ High share of the available market, with high growth in demand for product = "Star" – strategy: Invest and grow.
  - ✓ High share of the available market, with low growth in demand for product = "Cow" – strategy: "Milk" and harvest.
  - ✓ Low share of the available market, with high growth in demand for product = "Question mark" – strategy: Analyse and Investigate to see whether they can become stars.
  - ✓ Low share of the available market, with Low growth in demand for product = "Dog" – strategy: Divest and withdraw.

The basic process for developing new products starts with **generating the idea**, **screening it** for baseline feasibility, **evaluating it** by testing the concept with potential customers and conducting more detailed financial analysis, **developing a concept prototype**, **testing it in the marketplace** and **adapting it** where necessary and then fully **commercialising and implementing it**.

The actions of the five phases of new product development process can be summarized as follows:

1. **Idea Generation** – Ideas from customers, market research, competitors, destination stakeholders, intermediaries;
2. **Screening** – Strengths and weakness, fit with goals, brand and target market needs, rough ROI and other financials, is it sustainable;
3. **Idea Evaluation** – Concept testing, reaction from customers, rough estimate of costs, revenues, profits and cash flows;
4. **Development R&D** – Development model or service prototype, test in marketing mix, revise plans, finalise ROI projections;
5. **Commercialisation** – Finalise product and operate, implement marketing plan, “roll out” in select markets, conclude ROI.

### 4.3 Promoting Tourism SMME Development

One of the common characteristics and advantages of the tourism sector is that it supports a relatively large number of small, medium and micro enterprises (SMME). Worldwide experience with small enterprises and their critical role in developing economies suggests that these firms can only play a dynamic, growth-inducing role if basic SMME-support mechanisms are in operation (i.e. the necessary business-development services are provided). These services are usually viewed in generic terms – the supply of improved “access to” information, finance, markets, training, know-how, etc. Yet, looking at the needs in a more careful, sector-focused way it becomes clear that these needs differ widely between various economic sectors, with the tourism sector one of those who require very specific business-development services.

It would be ideal to be able to identify one organisation which is willing and able to address most of these support areas. Yet, this may be unrealistic as the task is huge and a variety of role-players should play their part. These could include:

- Small-business development agencies, NGO’s with a business development focus, Ministry of Tourism and/or the DMO, tourism business chambers, inter-company support (larger tourism companies linking up with SMMEs’), SMME co-operatives and external donors and development agencies.
- Since tourism is one of many SMME sectors supported by the majority of these organisations the DMO, as a dedicated tourism agency, should play a strong policy leadership and coordination role to ensure a coordinated and well-directed effort in providing the widest possible range of support services to tourism SMME’s.

A few more specific initiatives can be mentioned here as an indication that action in the SMME-support area in the tourism sector is both challenging and potentially rewarding.

### **Tourism incubators**

Based on the worldwide revival of small-enterprise incubators (or hives) it could be argued that awareness about the different activities related to this sector might be strengthened by bringing together a cluster of tourism-related small enterprises within a particular building.

This could include a travel agency, one or more tour operators' offices, booking offices for accommodation, a number of self-catering accommodation units, a craft outlet, a restaurant, a sports- or tour-equipment retailer, an Internet cafe and a tourism-information point. Ideally such a cluster would also attract one or more small-enterprise consultants and/or private training facilities (including the hospitality sector) and possibly even a financial institution (in the near vicinity).

In line with the incubator principles one would hope that the proximity of these establishments and certain business services would help individual tenants to draw on a support network and share and exchange services to reduce costs and improve efficiency. Ideally, the infrastructure for such a project and some of its managerial nucleus would (initially) be funded via foreign donor aid or mixed corporate-donor sponsorships.

### **Tourism-information network or help desks**

The establishment of a tourism-Information network as a set of multipurpose marketing, information and advice centres established in a cost-effective decentralised way across destinations could provide easier access to business support services and advice for cash-strapped entrepreneurs. If properly funded and managed the grid might effectively address several of the SMME-support issues and also help local communities to market their attractions to visitors. It could also help to spread information among visiting foreigners who might want to become investors in local (joint) ventures.

### **Preferential procurement**

The preferential involvement and contracting of SMME's to provide services to major events, conferences and exhibitions may offer smaller companies an excellent effort of entering the market, while offering cost advantages to organisers. Similarly it should be recognised that the Government is usually a major consumer of travel services. The DMO could advance an initiative for government departments and agencies to procure travel and tourism services from registered SMME's.

### **Involvement of local communities in tourism efforts**

The DMO should place great emphasis on the involvement of local communities in the planning of new tourism facilities and their involvement in subsequent add-on activities like the supply of craft products, transport services, the establishment of camping places or caravan parks in the area or the supply of home-stay facilities.

In terms of the approach presented in this section these efforts are very important and call for effective steps as part of the full spectrum of SMME support. Existing or new support suppliers should liaise closely with local communities to fully understand opportunities, obstacles and feasible approaches, and they should then design creative policies to facilitate these processes.

### **Destination and product clusters**

Tourism businesses can also be clustered together by similar technology or geographic concentration, or products linked by specialist supply chains, training, finance and research facilities. Destination clusters should encourage co-operation among a range of providers across the value chain, including both the attractions and activities that bring tourists to the destination (such as food and drink providers, accommodation providers, retail, transport and the inbound tour agencies) as well as the foundation elements on which the sector is built (such as the public sector, conservation, the physical infrastructure, workforce development, business skills and facilities and finance institutions). SMMEs rather than viewing like businesses as competition can benefit significantly from clustering, by networking and sharing information. Clustering provides SMMEs with benefits that would be unavailable or only available at greater cost to non-clustering members thereby giving SMMEs similarly competitive advantages as those accessible to larger firms. Tourism businesses can build on the coordination of complementary assets at the destination and cooperatively manage their resources and marketing. Benefits include:

- Providing access to research or contribution to market data;
- Effective for lobbying and collective action for trade-focused activity;
- Better business opportunities;
- Marketing support.

### **Focused centres of excellence**

Focussed centres of excellence are hubs for research, technology, training, teaching and development. They offer business the benefits of a skilled workforce and provide ongoing

training for those wishing to upgrade their skills. This skilled workforce in turns attracts more business, providing more jobs.

### **Women's Employment and Participation in Tourism**

The tourism sector provides various entry points for women's employment and opportunities for creating self-employment in small and medium sized income generating activities, thus creating paths towards the elimination of poverty of women and local communities in developing countries. However, there are a number of conditions under which this potential can be used more effectively. This requires collaboration of all stakeholders – governments and intergovernmental bodies, local government, industry, trade unions, local communities and their different member groups, NGOs, community based tourism initiatives, etc.

Community based tourism initiatives, particular of local women's groups and co-operatives, can be an accessible and suitable entry point for women into the paid workforce. They seem to generate more long-term motivation than initiatives from outside. There are numerous examples where women and women's groups have started income generating activities on their own. These activities help to create financial independence for local women and challenge them to develop the necessary skills and improve their education. Research has shown that financial independence and good education lead to improved self-esteem of women and more equitable relationships in families and communities.

Marketing seems to be a key constraint for the expansion of community based tourism. Independent initiatives need more information about markets and potential customers. Tourists need to be provided with more information about the benefits of buying locally and using local services. Creating opportunities for income generating activities as well as effective marketing depend upon access to information about tourism related planning and decision-making in a community area. Access to information is provided at best by involving all stakeholders in planning and decision-making. In addition, gender specific information about tourists' needs and interests helps to serve women customers.

## **4.4 Events as Major Potential Tourism Stimulators**

Sport, culture and other events can play a critical role in implementing the strategic product development directives. Events can fulfil the following important tourism functions:

**Events as brand builders.** Major events could play a vital role in building and re-enforcing the destination brand. The fact that the destination is capable of bidding for and hosting major events is an indicator of the destination's capability and provides global exposure via print and televised media. By investing in an appropriate portfolio of events that compliment the brand image, the destination can re-enforce the brand in the marketplace.

**Events as indirect stimulators of business growth.** Carefully selecting and supporting a portfolio of appropriate events in accordance with the economic growth strategy of the destination, events could act as stimulants for sectoral business growth. An example of this is the opportunities for boat building that could arise from stopovers of major ocean races. Similarly major film or fashion events could stimulate the development and expansion of these market sectors.

**Events as tactical levers, e.g. to offset seasonality.** Events that are appropriately positioned could act as catalysts to offset fluctuations in demand due to seasonality and other factors. In addition they could serve as magnets for tactical marketing drives – e.g. a Whale Festival as lever for a whale-watching package, flower festival, as levers for botanical travel packages, etc.

**Events as direct generators of tourism business.** A portfolio of major events could draw substantial numbers of new visitors to a destination. Each visitor that attends an event spends a considerable amount in the destination and such expenditure permeates through the local economy resulting in indirect and induced economic benefits.

**Events as vehicles for local pride and community building.** Local events can provide opportunities for rallying community pride and ensure enjoyment and involvement of local citizens.

The following outline classification may be of value in devising a DMO portfolio of events:

- **DMO-led events.** The DMO may regard a particular event(s) as so important to their strategies that they are prepared to be a primary sponsor in the establishment and/or continuation of the event. In such cases the DMO should agree and exercise particular rights to ensure the closest possible tie to the destination strategy, e.g. having naming rights, ensuring that the destination brand has a direct bearing on the event brand, and play an active part in the planning and execution of the event.
- **DMO-supported events.** Some events could be of major value in supporting the DMO strategy, but the DMO may have neither the resources, nor the



inclination to play a primary role in staging them. In such cases the DMO may decide to support a portfolio of key events that are of strategic importance to the destination strategy. Such support could be in the form of a cash contribution (sponsorship) or in kind (trade-exchange format). The rules and agreements for supporting such events should be set up-front, e.g. the time frame for support, DMO branding and other rights, DMO participation in the event, guest invitations, etc.

- **DMO-promoted events.** While various other events may not be of such strategic value that the DMO prioritises them as having DMO-led or supported status, events are an important component of the destination product portfolio and DMOs should provide mechanisms and channels for publicising and promoting the broad spectrum of events occurring in the destination. This could be done through including the events in the DMO's events calendar to be promoted on the DMO website, at travel fairs, through the DMO visitor information offices, in DMO media and PR programmes, etc.

The following criteria could be considered for establishing, evaluating and supporting major events in accordance with the strategy:

- Events of a world scale, e.g. world championships in sport and cultural disciplines should be considered for support and should be evaluated based on their branding value, financial implications and potential return on investment. The strategic relevance and investment in national and local events could be evaluated according to the following criteria: potential return on investment, job-creation, visitor spend, media exposure, etc.
- The following should also be considered:
  - ✓ To what extent the event compliments the unique attractions of the destination and is in accordance with the product and attractions portfolio.
  - ✓ Whether the event falls within low-season periods.
  - ✓ Whether the event supports and compliments a year-round calendar of events.
  - ✓ The community benefits associated with the event and potential spread of economic benefits to disadvantaged areas and the hinterland.

- A multi-year (5-10 years) events strategy and action plan should be formulated to clearly identify proposed events, DMO resources required and the marketing implications associated with their development.

### **Packaging Experience**

While destination managers are not primarily in the business of packaging and selling commercial travel products the growing sophistication and diversity of consumer segments and demand patterns require of destination managers to present experiences in a user-friendly format.

**Route packaging.** *Given the growing trend towards independent and experiential travel, the development and packaging of tour routes (e.g. Route 66, Silk Route, Inka Route, etc.) coordinate experiences along a travel circuits and provide visitors with achievable and easily accessible travel experiences.* Routes may be developed for touring by car, hiking/trekking, cycling, pony-trekking and other forms of transport. Route developments are excellent mechanisms of bringing together experiences that compliment the destination positioning, e.g. its unique cultural, natural, lifestyle and other experiences.

**Theme packaging.** To capitalise on unique experiences and appeal to special interest segments special travel themes can also be presented in a coordinated manners e.g. birding opportunities, golf, culture and heritage, outdoor and adventure, etc.

The route and theme concepts can also be merged by packaging theme routes e.g. flower route, whale route, wine route, castles route, etc.

## **4.5 Tourism Management of Natural, Cultural and Indigenous Heritage**

“Heritage is our legacy from the past, what we live with today, and what we pass on to future generations. Our cultural and natural heritage are both irreplaceable sources of life and inspiration. Places as unique and diverse as the wilds of East Africa’s Serengeti, the Pyramids of Egypt, the Great Barrier Reef in Australia and the Baroque cathedrals of Latin America make up our world’s heritage.”<sup>54</sup>

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<sup>54</sup> UNESCO World Heritage Centre [www.whc.unesco.org](http://www.whc.unesco.org)

**The term heritage then covers both natural and cultural sites** and could equally be applied to a built site such as the Taj Mahal, or a natural one, such as the Galapagos Islands. As for indigenous people; these are the original people of the land such as the Aborigines in Australia or the Quechua Indian in South America. **Indigenous heritage refers to all aspects of traditional lifestyle, from things which are made such as arts and handicrafts, to things which can be experienced like dance or ritual, to the beliefs and values held by the people.** Though the specifics may be different, the management of these different types of heritage has overlap and is discussed in this section.

*Heritage resources are often the main motivators for stimulating travel to destinations.* The world's most visited attractions are natural features, national parks, World Heritage Sites and other heritage resources. In theory, treating such assets as products for tourism consumption is reasonable and logical, in practice, however, this may be hard to achieve in a responsible manner. Unlike products specifically developed for tourism, most heritage attractions were not originally intended for tourist use and therefore require sympathetic product development and management strategies.

**Managers of heritage sites must meet the requirements of conserving and maintaining the area within the limitations of financial resources as well as providing the service of visitor access.** Sites must be managed to protect them from over-use, misuse and wear and tear from visitor footfall. If heritage sites are poorly managed and interpreted then there will be a loss in quality of both the heritage resource and the visitor's experience. Visitors, who are increasingly discerning, may stop coming.

**Indigenous tourism in particular can be criticised for turning culture into a commodity and native people should be involved and consulted as to which parts of their culture they are willing to share. As for the demand, tourists are increasingly looking for 'authentic' experiences, or those which are genuine and meaningful. The success of tourism based on indigenous heritage will be dependent upon the ongoing support of the community and maintaining the integrity and cultural property rights while meeting the expectation of the visitors with a quality and repeatedly reliable experience, easily identified within the market as unique.**

Many significant heritage sites throughout the world are designated World Heritage Sites by UNESCO – raising awareness of the site and fostering conservation. However, sites that are not designated still require careful management.

Developing heritage sites for tourism can be beneficial. It can raise awareness of the value and significance of the site and increase local pride and protection of the area. Visitors

may also provide some income for the maintenance of the site and make further economic contributions by purchasing gifts, food and drink, transport and accommodation. Developing indigenous heritage for tourism can also promote pride in traditional ways and tourist interest in aspects of indigenous lifestyle can ensure that certain practices do not die out.

**Visitor management of heritage sites should be based on principles of sustainability and commercial viability. While conservation and protection should be the primary objective, economic contributions ensure the continuity of commercial services and employment in the area** (e.g. accommodation, tour guides, restaurants, shops, taxis etc.). *In addition infrastructure should be developed to ensure ease of access, effective interpretation and environmental management. There also needs to be visitor facilities and services such as interpretation centres, ablution facilities, water and sanitation and restaurants or cafes.*

The vital ingredient to successful management of heritage is to have good relationships between all the stakeholders at and around the site:

- Those who provide the infrastructure (usually the local, provincial or national government).
- Those who manage the attractions (usually government, religious groups, voluntary organisations or commercial companies).
- Those who manage the supporting infrastructure services (e.g. tourist police, waste disposal, street cleaning, health services, communications transmitters) and the range of commercial operations (e.g. accommodation providers, shops, restaurants, tour operators, guides, taxi drivers).

In terms of the attraction itself, there are some positive steps which can be taken. In particular the visitor management process can be used to identify the objectives of the destination and ensure all stakeholder requirements are met. **The visitor management process consists of audit of the site, visitor management plan and a review of visitor impacts and management response.**

**The audit of the site** needs to answer the following questions:

- What are the existing policies and strategies?
- Who visits what?
- What are the visitors' motivations, needs and travel patterns?
- How many visitors and what do they spend?
- What about potential visitors?

- Who are the stakeholders and what are their concerns?
- What are the restrictions of the site or carrying capacity? What is at stake?
- Who manages the site and why?
- What should be accessible and what “off-limits”?

**The visitor management plan** has the following objectives:

- Selective/strategic marketing to attract most appropriate visitors;
- Employ range of tools to manage visitors to site;
- Implement plan through partnerships with appropriate stakeholders.

There are many tools available to managers of sensitive sites to guide and control visitor behaviour<sup>55</sup>:

- **Selective marketing** – Promotion of one site over a neighbouring one to ease the load on a site, aim promotion at specific and most desirable markets;
- **Selective provision of strategic information** – Information omits certain sites/areas, information omits certain experiences at a site;
- **Information** – Educate users and provide interpretation regarding appropriate behaviour, interpretation boards at the site entrance and around the site can be used to explain the meaning of the site and to explain and promote environmental or conservation aims
- **Implementation and enforcement of regulations** – Limit length of stay or overall numbers per day, use timed ticketing, ban certain activities detrimental to the resource such as camping or lighting fires (natural sites) or taking photographs (heritage sites), impose fines, issue permits;
- **Pricing and funding** – Limit access through pricing, charge different fees by zone or season, have tiered pricing system to facilitate access by local community, donations can be encouraged at the site or through websites
- **Access** – Restrict access to vulnerable areas by physical means such as zoning, fencing, natural barriers and clearly defined paths, work out the best route to reduce concentrations in certain areas (e.g. a one-way walk), improve, or not, parking, by road and paths. This can be used to facilitate access or to limit numbers, harden (with walkways or paving) certain parts of the site

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<sup>55</sup> Adapted from Hall, C. and McArthur, S. (1993), *Heritage Management in New Zealand and Australia*, Oxford University Press, Oxford and Manning, R. E. (1999), *Studies in Outdoor Recreation*, Oregon State University Press, Oregon.

- **Selective maintenance** – Allow site to fall into disrepair, maintain one site at higher standard than other

There are numerous congestion strategies focussing on managing demand at both the destination and the sites. At the level of site management this includes<sup>56</sup>:

- Establishing administrative responsibility for congestion management;
- Establishing consultative mechanisms for tourism congestion issues;
- Introducing a comprehensive communications policy;
- Improving responsive measures for peak periods;
- Developing tourism operator licences;
- Including congestion issues in the management plan;
- Improving coordination of arriving groups;
- Introducing different options for site entry;
- Improving site entry Management;
- Improving tour guide management on site;
- Controlling the numbers of visitors in certain areas;
- Managing the movement of visitors in sensitive areas;
- Managing crowds;
- Introducing special modes of travel on site;
- Controlling aerial tours over large scale sites;
- Improving site access, arrivals and departure area;
- Improving the entry precinct;
- Improving visitor movement patterns around site;
- Minimising difficult access routes;
- Improving access for the physically impaired;
- Improving visitor movement past viewing locations;
- Minimising disruption from retail and food outlets;
- Improving visitor facilities and facilities management.

At the level of destination this includes<sup>57</sup>:

- Establishing administrative responsibility for congestion management;
- Improving local traffic management;

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<sup>56</sup> World Tourism Organization (2004), *Tourism Congestion Management at Natural and Cultural Site*, UNWTO, Madrid.

<sup>57</sup> World Tourism Organization (2004), *Tourism Congestion Management at Natural and Cultural Site*, UNWTO, Madrid.

- Improving peak activity management of special events;
- Improving physical capacity of local road systems;
- Improving directional signage and information;
- Improving physical capacity of local infrastructure.

*Interpretation is the art of communicating with visitors which explains the meaning or significance of a place; an experience; or the people.* Good interpretation has the following benefits:

- It can enrich the visitor's stay by making it more meaningful and enjoyable and can enhance the visitor's appreciation and understanding of what they see.
- For certain cultures and sites which may have sensitivities regarding particular behaviours, interpretation can explain to the visitor things which they should, and should not be doing. For example some types of clothing and behaviour may be considered inappropriate and offensive when visiting places of worship or certain behaviours can damage vulnerable environments. It is important to inform the tourist of these requirements, both for the benefit of the visitor and out of respect for the community, or place being visited.
- Finally interpretation can accomplish management objectives and can promote public understanding of heritage management organisations and their programmes.

Interpretation can be delivered through personal interaction or non-personal communication:

- Personal interaction would include guided walks, talks and story telling, staffed stations, drama or music or interactive learning experiences in which tourists can participate.
- Non-personal communication would include publications, brochures and leaflets, signs, displays, self-guided activities using written or audio guides, artwork and visitor centres.

The choice of which of these is used will depend on available resources and the number of visitors. The important thing is to consult widely with relevant stakeholders to identify the key messages and deliver these consistently to the visitor. For example, Aborigines in Australia want to interpret the significance of a Dreaming place to ensure

culturally appropriate behaviour of visitors. This message can be reinforced through several of the media mentioned above.

**Visitor stewardship schemes engage the tourist in achieving the destination's strategy and maintaining a quality experience for present and future residents and visitors.** Tourists are often only seen in terms of the problems they create whilst the positive contributions they can make to the environment or communities they visit may be overlooked and untapped. It is also often presumed that visitors are not particularly interested in their destinations beyond having an enjoyable vacation. However, recent research has shown that tourists do take an active and responsible interest in their destinations for example:

A Tearfund survey of UK vacationers reports<sup>58</sup>:

- 52% would be more likely to book a vacation with a company that had a written code of conduct to guarantee good working conditions, protect the environment and support local charities.
- 65% would like information on how to support the local economy, preserve the environment and behave responsibly when they go on vacation.

Ways in which visitor stewardship can be fostered are presented here.

Activity vacations with hands-on involvement have recently been identified by the European Travel Commission as a developing trend. Rather than passively passing through places, tourists increasingly want to become involved with the community and assist with local projects. DMOs can play a role by facilitating links between local conservation or cultural organisations and operators that provide volunteer tourism.

**Information for visitors.** Information can make the visitor aware of the values and goals of the destination and can be significant in guiding appropriate visitor behaviour. Information can be delivered in a number of ways, e.g. leaflets, codes of conduct and interpretation and these can be placed in visitor information centres, visitor attractions and public buildings/places or with accommodation providers. Chosen themes or messages should be consistently delivered pre visit on the website and during the visit throughout the destination.

**Visitor Payback Schemes<sup>59</sup>.** Visitor payback schemes give the tourists the opportunity to make a direct financial contribution to the communities and environment they

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<sup>58</sup> Tearfund (2001), *Putting Ethics into Practice: A Report on the Responsible Business Practices of 65 UK-based Tour Operators*, Tearfund, London.

<sup>59</sup> From English Tourist Board and Tourism Management Institute (2003), *Destination Management Handbook*.



visit to raise revenue for specified environmental or community projects. There are several ways in which such funds can be collected:

- **Supplements.** This involves adding a nominal supplement voluntarily paid by the tourist to the cost of a tourism service, such as accommodation or visitor attraction. For example the Angsana Resort in Bintan, Indonesia, adds USD1 per night of stay to every bill which goes towards its environmental charity.
- **Percentage of fees.** This is similar to supplements, however the percentage is automatically set in the cost of the product and the business donates a certain percentage to a specified fund.
- **Collections.** Collections provide opportunities for tourists to make a donation using collection boxes or donation envelopes.
- **Membership.** Visitors may be persuaded to contribute through membership fees to support a given cause.

The drawback of these schemes is the administration required for them may in itself be costly and time consuming.

Attracting foreign direct investment (FDI) and, by implication, gaining experienced tourism entrepreneurs to help expand, diversify, deepen and upgrade the tourism sector is a major challenge for developing tourism destinations. While the investment promotion focus is most often on attracting foreign investors it should also be directed at local (larger) investors and most investment incentives should apply to foreign as well as domestic enterprises.

While the concept of FDI implies attracting “investors” to the destination, various types of foreign involvement could be distinguished including:

- The sourcing and attracting of foreign investment or capital.
- The attraction of experienced and motivated entrepreneurs or hospitality and travel managers.
- The attraction of international hotel, hospitality, touring or other chains or franchises so that the destination’s attractions can be properly marketed and developed in the global tourism context.

In practice it is the latter two of these three approaches which need the main focus, whereas the search for capital may be more of a challenge for local entrepreneurs who are newly entering the sector or want to expand their activities.

Experience clearly shows that global investors searching for “the best returns on investments in new markets” are very sensitive about the business environment in new areas. In contrast, investors already acquainted with the business scene in countries or regions may be far better able to see and appreciate positive developments in destinations.

Thus, while determined efforts to improve the investment climate (and establish significant incentive packages) cannot be over emphasised, the background of investors and their past links to the destination should not be underrated as factors in this process. Investment-promotion activities often include specific tax and other types of incentives as an important component. This practice is based on two assumptions:

- Investors compare profitability levels in different countries or areas, often giving preference to those with highest returns, which are influenced by the nature and level of the incentives.
- In order to ease or facilitate the process of project investment and development, specific incentives may sometimes be of considerable help to entrepreneurs.

Incentive packages usually contain a range of elements, with tax reductions, low-interest loans, rebates on import duties and accelerated depreciation often the key elements. In designing these incentives it is important:

- Not to make the loss of government revenue too high, thereby hampering the fiscal balance of a country.
- Not to make the administration of the system too difficult or leave scope for fraudulent practices for arbitrary decisions of bureaucrats.
- To use incentive packages to cluster investment momentum (for example in special development areas, demarcated for tourism development).
- Not to discriminate unduly against local investors who may actually need more support due to their lack of experience and a poorer capital base.
- To limit the time frame for incentives, i.e. formulate incentives to apply during the start-up (marketfailure) years of new investments and not to continue as artificial “crutches” after a reasonable start-up period when the business should be operating feasibly and in a market driven manner.

It should be noted that while investment incentives are important, it is yet more important to ensure that the overall “investment climate” of a country or region is attractive. The risks and negative cost elements of problems related to political instability, public-sector corruption, high crime levels, poor residential, commercial and industrial infrastructure

facilities, erratic ICT links and bureaucratic delays can be serious. Thus, while incentives may be effective “as the cherry on the top” of negotiated projects it should not be expected that they can perform miracles if the other preconditions (“the investment climate”) are not right or not addressed in an open and determined way.

A major part of the perceived success and impact of any incentive package lies in its implementation and the effectiveness and impartiality of its administration. To achieve this:

- It is crucial that the organisation responsible for implementing incentives establishes and maintains the staff and administrative capacity to sift applications, prepare for decisions, administer (or supervise) the implementation of the incentives and monitor their effectiveness.
- Since much will depend on the learning process evolving around the implementation of incentives, there should be regular (half-yearly) monitoring of the process and the actual impact of the incentives, with a report (by the secretariat) discussed by a technical task team and with inputs requested from other stakeholders like business and (sub-) sector associations active in the field.
- Clarity should be obtained regarding the types of activities covered by incentives, their level of turnover and which markets they target.
- It is important for the creation of agglomeration effects in tourism destinations that developments are encouraged to cluster in certain priority tourism development areas (TDAs). Criteria for selecting such TDA's may include un(der)developed tourism potential, socio-economic needs, new market expansion, etc. Special incentives could stimulate the development of tourism in these areas.
- The packaging, promotion and facilitation of investment opportunities is a challenging task that often requires innovative approaches. If incentives are implemented they have to become a central part of the overall marketing of tourism-development opportunities in the destination.

Public authorities such as the DMO or an investment agency are expected to package and present investment opportunities in an easily digestible format, often at special investor

conferences. In the case of developing destinations this approach may cause a number of challenges:

- Given the limited strategic significance of many developing countries they have little hope of really attracting significant numbers of potential investors to such conferences.
- Tourism opportunities are mostly diverse and individually adjustable and standard project proposals are often of limited value. The destination's tourism potential becomes persuasive via the actual contact between potential investors, entrepreneurs or operators and the scenes of the venture.
- Since the close interaction between an (external) investor and local communities (or local small enterprises) is so crucial for new tourism enterprise development, such "neutral", packaged documents cannot really bridge the human gap between investor and community.

An alternative approach, which is challenging but may be a lot less costly, is the preparation of a broad range of business opportunities, combined with plenty of photos and reflections on the local communities and their interaction with outsiders. These profiles should not pretend to clarify rates of return and investment risks but rather lure investors to look for themselves and to prepare their own version of a wide range of possible project permutations, while coming up with their own solutions to local risk factors or infrastructure gaps.

Effective and efficient communication channels are important to disseminate investment opportunities to potential investors. In general three channels can be distinguished.

- Inclusion of investment opportunities in the DMO's portfolio of marketing collateral, web-pages and media fact sheets. References to investment opportunities should address the business climate and socio-political stability issues.
- Supplying existing tourism operators with information about the DMO's investment strategy and proper steps to start further enterprises.
- Using conventional investment-marketing channels like tourism trade fairs, trade journals and investment consultants. Here again it may be more important to address the potential and flexibility of projects (and the pragmatism of local and government authorities) rather than to present firm project proposals.
- Once investors have been "hooked" on a project it is important that some public authority (e.g. the DMO or investment agency) or local business

advisors/partners help the external investor manoeuvre through the complexity of local business regulations, restrictions, traditions and other potential obstacles.

At the same time stronger emphasis on the need to combine local and foreign business partners in new ventures may help to solve many of the practical problems in the FDI sphere.

## CHAPTER 5

### Ensuring the Quality of the Visitors' Experience

#### 5.1 Ensuring Quality and Standards

Although many industries sell products with considerable experience components (restaurants, gymnasiums, car sales, professional sports), perhaps tourism depends more than others on the customer experience. A strong understanding of place combined with a strong understanding of market affords the tourism planner material to create experience opportunities that very specifically target the needs, desires, and expectations of particular **market segments** (Pine & Gilmore, 1999).

**One can divide the realization of a tourist experience into four phases: *Dreaming of Travel – Choosing the Destination – Taking The trip – Reviewing a trip*** (Hawkins, 2005)

A **visitor profile** (or market segment) describes a variety of characteristics about a certain **type of visitor**, often including demographic information (age, mode of travel, group size, nationality), psychographic information (values, benefits pursued, desired experience, beliefs), and spending patterns (daily expenditures, types of purchases made, even form of payment). Each profile then provides important baseline information necessary in not only designing tourism products but strategies throughout the tourism value chain, such as economic impact and kinds of infrastructure that might be needed to accommodate certain profiles.

Visitor data is often gathered through visitor questionnaires, although other sources may be even more apt for following visitation trends such as immigration statistics, economic studies, and statistics submitted by hotels and other service providers. *Questionnaires normally ask:*

- Which types of people visit the destination (demographics)
- How long they stay (demographics)
- What they do (demographics)
- How much they spend (spending patterns)
- How they found out about the destination (demographics)
- Their perception of the site (psychographics)

Now we have studied the **tourism supply and the market demand**, what remains are community perceptions of tourism. Since residents often first feel the impacts of tourism, they represent a vital stakeholder. When done correctly, tourism provides opportunities to generate wealth and conserve natural and cultural resources that might otherwise be destroyed or lost. Tourism can also evoke a sense of pride in local culture. The local population, however, can suffer at the hands of tourist encroachment. Once a resident survey provides baseline information on attitudes, the DMO can then monitor and manage those perceptions by influencing the tourism development. A successful resident attitude survey ascertains resident experiences with tourism earnings, employment, infrastructure, site access, food and water access, safety, destination stewardship, cost of living, and overall quality of life. Community demographics in terms of race, gender, ability, and education should also be captured and monitored. These indicators could red flag potential alienation of at-risk populations. Results also could influence tourism development to improve environmental, social, and economic issues.

The very same community research can also serve to educate the community not only about tourism benefits and risks, but inspire them to take pride in their heritage.

Many research studies have demonstrated that the satisfied customer is the best form of promotion, through the powerful effect of ‘word of mouth’. In the age of ‘social networking’, this is truer than ever. It is equally the case that dissatisfied customers can cause great harm to a tourism business or a destination as a whole; indeed, they are likely to tell far more people about their experiences than satisfied customer. It follows that quality management and assurance systems are fundamental to a healthy and growing tourism industry.

Quality assurance of tourism facilities and services must be market orientated and involve the private sector in maintaining standards as well as being flexible in terms of market requirements.

**Quality begins with the start of the visitor journey.** *When people are planning travel they need information that matches their needs as far as possible, allied to images which (honestly) sell the appeal of the destination.* The more that is known about customer needs, the better destinations can provide the right services for them, so the increased likelihood of converting interest into a decision to visit increases.

A pre-requisite of confirming the decision to visit will be finding suitable accommodation that matches customer needs in terms of location, accommodation type, price and *quality*. Here, recognised quality assurance schemes are invaluable. These should be

internationally recognisable (e.g. Michelin) or be administered by the national tourist board. Such schemes have credibility and reassurance that locally or privately-run schemes will find difficult to match. *The focus of this scheme should be on the quality of facilities and service, rather than the quantity of the facilities provided.*

*Ease of booking the accommodation is an important aspect of quality. In this case customer choice is important in that both central booking and booking direct with the accommodation operator should be easily available to the consumer.* Sometimes, national agencies will provide the central booking agency but this can interfere with the broader role of the national agency and its relationship with the tourism community as a whole. In addition, many visitors may need to talk to the accommodation provider, even after extensively using the Internet in narrowing down the choice of accommodation. Barriers should not be placed in the way of this direct communication.

Official accreditation schemes may not be enough to ensure the whole experience is positive. It is of primary importance to ensure the overall quality of the destination (the public realm) – the quality and availability of public toilets, clean and safe streets and a clean environment. The quality of natural resources and cultural resources as well as the host communities can be sustained and enhanced by programmes such as Geotourism.

Tourism business operators can play their part in ensuring overall quality of destination experience for their guests. For example, they can operate informal networks between quality providers to ensure that guests are guided towards facilities or services of a consistently high standard. Thus an accommodation provider may provide guests with a list of recommended tourist attractions and a tour operator may recommend cafes or restaurants that they know serve consistently high quality food.

Transport providers such as taxis, tuk tuks and ferry drivers must also be considered. These are often the visitor's first and last impression of the destination. Some destinations have training schemes to ensure that drivers are welcoming and knowledgeable about the destination.

Staff retention and morale has also been improved through schemes such as the Fair Trade in Tourism South Africa certification programme.

It is important for visitors that the quality of food and drink establishments is assured, with inspection covering factors such as hygiene and safety, as well as quality of food and service.

*Measurement of customer satisfaction is vital. Results should be benchmarked within and between destinations to provide a consistent driver of quality improvement and a general*



*raising of standards as more and more of the poorer providers are frozen out of the numerous quality networks that will be created – examples of best practice should be promoted to stimulate operators' thinking.* This process needs to be facilitated by the DMO: it simply will not happen if left to the industry on its own. Individual operators will tend naturally to focus only on their own businesses rather than the wider destination. If effective co-ordination with and between operators can be achieved, the DMO should then play a leading role in ensuring that all of the businesses involved in the 'quality network' benefit from special marketing support and business-to-business referral arrangements.

## **5.2 Workforce Development**

Within the destination, the essentially local nature of the tourism industry comes to the fore. *It is about face-to-face interactions between a customer and the person providing a service. Tourists come into contact with a range of service providers and their staff at the 'frontline' of the tourism industry;* at accommodation, attractions, shops, restaurants, taxis and information centres. These individual encounters will be many and unique to each tourist and will colour the tourist's opinion of their stay and of the destination, affecting both repeat visits and word of mouth recommendations.

*Action to ensure that they are of a consistently high standard represents a major training challenge. It is important that staff understand the profound importance of customer satisfaction and are encouraged to exceed the expectations of the visitors they serve.* A skilled workforce is valuable in building quality tourism businesses and, though the tourist may never see the 'back-stage' staff, (e.g. kitchen staff, housekeepers), their contribution in terms of quality delivery is nevertheless an important one. Training can also be instrumental in achieving the overall business goals and objectives of the destination.

*Tourism businesses are typically SMMEs who may be too under-resourced to focus on staff training or may not appreciate its importance. DMOs can play a role by emphasising the importance of staff training and promoting and facilitating such training and business development to SMMEs. DMOs can also provide strategic direction to ensure consistent, quality training is ongoing.* It may be particularly relevant for communities heavily reliant on tourism to ensure that training and education about the importance of tourism is offered in schools and colleges. Apprenticeships and work shadowing can also be useful. With regards to training and skills development the following should be considered:

- *Special skills training and education initiatives* are required to ensure that the workforce is equipped to provide tourists with the services required. The establishment of a range of qualifications standards, from lower level skills through to management development, is crucial to ensuring consistency in service quality.
- Appropriate *personnel management practices* with incentives and career development planning are vital to the positioning of tourism as a career opportunity for participants in the industry. Consistency of service quality levels is severely disrupted by high staff turnover and migration to other sectors of the economy. It is important that tourism is regarded as a career option and not as a stopgap during pre-career periods. *Staff development and overall staff stability* are important outcomes of such practices.
- *Customer care and hospitality* are strongly linked to the notion of tourism awareness. While customer care and hospitality in the tourism industry is often fairly well developed, services on the periphery of the industry such as immigration, transport, retail, etc. often lag behind in this respect and require special attention if the destination aims are becoming a global tourism force.
- *Labour relations and negotiations* are of major relevance to the tourism industry. Suppliers in the industry value chain often require workers to work long and unsocial hours. The seasonality of the industry and the itinerant nature of part of the workforce creates a particular challenge to ensuring appropriate employment contracts and conditions.
- The labour intensive nature of the industry means that it is regarded as a primary mechanism for *fast tracking job creation*, especially in countries with unemployment problems. While special action can be taken to increase the employment offered by the industry to local people, it is important for governments to recognise that because tourism is highly market driven, employment growth is largely dependent upon the ability of the destination to grow its market share.

### 5.3 Working with the Community

The overall experience of the tourist at the destination is often affected by the attitudes of the local residents towards tourism and tourists. The brief encounters between visitors and the communities that host them can make or break the experience for the visitor and positive interactions are an important part of their overall satisfaction with the destination. The residents themselves, therefore, are part of the marketing promise.

However, if the community are not involved in the management of the destination for visitors, and do not benefit from it economically, they may not understand its importance. They may undervalue the economic contribution of tourism or feel that they are negatively impacted by it. Such attitudes and misunderstandings can cause the community to view tourism as an intrusion. This can result in unfriendly or even aggressive behaviour towards visitors.

Developing new destinations where the citizens have generally not participated in travel and tourism represents a particularly big challenge in this regard and many have launched special programmes to instil a “culture” of tourism within the population. One way to maximise a positive local attitude towards tourism is to raise awareness and understanding in the community of the role and function of tourism.

The DMO can communicate what a visitor or tourist bureau does, particularly in areas which are not typically seen as leisure tourism destinations. Business tourism in particular may be important to a destination yet this may not be fully realised by the community. The DMO can highlight attractions or amenities that are sources of local pride and which add to the residents’ quality of life in the following ways:

- Organising special occasions or offers enabling local people to enjoy the tourism facilities and services of the area at advantageous rates;
- Distribution of informative publications giving details of local attractions and amenities and which can be useful for local residents;
- Mailing (or e-mailing) of up-to-date events information (‘What’s On?’) to local people;
- Promotion of things to see and do in the area on local radio, podcasts or on websites.

Raising awareness of tourism has a number of benefits:

- It can heighten the community's appreciation of various resources supported by tourism spending, such as natural or cultural attractions, and can increase their sense of ownership and stewardship towards these resources.
- It can make the community aware of the significant economic contribution of tourism.
- This in turn, can help develop the community's sense of pride in the area's resources, increase support in general for tourism and improve the relationship between tourists and the wider community.
- Residents can become informal ambassadors for the destination.

Community partnerships which ensure that economic benefits and ownership remain with the community are often fostered through small-scale, locally owned, community-based facilities such as homestays, small hotels or guest houses and catering facilities. Residents should also be involved in decisions regarding the development of tourism in their area and work with other stakeholders to enhance opportunities within the tourism sector.

The work of community partnerships should be driven by regular face-to-face meetings of all the participants. These are beneficial on a number of levels:

- To promote discussion and collective responsibility for the direction of tourism;
- For negotiation and ownership of joint decision making;
- To facilitate the sharing and exchanging of knowledge, experience and other resources.

There are various practical steps which can be taken by the DMO or local authorities to foster community participation<sup>60</sup>, for example:

- Work with local communities, small, medium and micro-enterprises and emerging entrepreneurs to develop new products that provide products that tourism enterprises can give to guests on a complimentary basis.
- Develop partnerships and joint ventures in which communities have a significant stake, and, given appropriate capacity building, a role in management.
- Assist the development of local communities and emergent entrepreneurs with visitor feedback on their products.

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<sup>60</sup> From Department of Environmental Affairs and Tourism, Departement Van Omgewingsake En Toerisme (2002), *National Responsible Tourism Development Guidelines for South Africa*, South Africa.

- Facilitate access to training, managerial support and market information.
- Foster the development of community-based tourism products by providing marketing and mentoring support.
- Encourage visitors to spend more money in the local economy, and to visit local bars and restaurants and participate in tours to local areas, bringing business to local communities. Where appropriate treat this as part.
- Sell local crafts and food products through visitor centres and facilitate distribution through mainstream tourism enterprises.
- Encourage tour operators be more innovative in their itineraries, by for example including community run attractions, local museums, arts and craft shops and local ethnic restaurants in their tour itineraries, and by doing so encourage visitor spend.

## **5.4 Getting to the Destination**

The development of the route networks of the low cost carriers and of new airline alliances and agreements is having a major impact on the development of many tourism destinations, particularly provincial towns and cities, through improved ease of access and highly competitive pricing.

Every airport represents a key gateway for visitors arriving at a tourist destination. Usually, they are the first encounter the tourist has with the destination, hence the need to provide a good impression. Ideally, the airport should achieve the International Civil Aviation Authorities standards (see [www.icao.int](http://www.icao.int)).

International tourists, may arrive at airports with jetlag, without the ability to speak the local language and needing to exchange money. To welcome them effectively, it is crucial to provide the key services in a user friendly way. In order to achieve this, more and more airports are being transformed into shopping and leisure centres for travellers. They provide restaurants and fast-food chains, bookstores, spas and business centres. Some airports, such as Singapore, have a swimming pool, outdoor gardens and a sightseeing tour for transit passengers.

Other possibilities are ‘meeters and greeters’ giving out local maps, sweets or locally made gifts. Official customer service desks offering information, accommodation booking, currency exchange and metered taxi bookings are also vital in helping visitors to prepare

themselves for their onward journey. Internet access at point of arrival is increasingly a requirement of visitors.

Airport authorities around the world have different ownership and management arrangements, ranging from local non-profit organisations (e.g. Vancouver International Airport) to national private entities (like BAA in the UK). Regardless of the situation, DMOs should have a good relationship with them, so that they can encourage and influence good customer service on arrival.

Although airports are the gateways most commonly associated with international tourists arrivals, destinations should also consider the welcome on offer at sea and rail terminals.

Since the events of 11 September 2001, passing through immigration and customs has become one of the most stressful parts of an international trip. Apart from the enforcement of the immigration rules, more and more security procedures have been added in order to enter a country. In some places, notably the USA, the screening programme at passport control can require fingerprinting and posing for a digital photograph employing biometric methods to establish identity. In general, tourists feel very anxious during this part of the trip, especially after so many media stories about travellers who were not allowed to enter a country. Even though DMOs can do little to change this situation, it is always useful to work together with Immigration Authorities to create an environment that is more welcoming for visitors.

Obtaining visas through a consulate in the tourist's home country can be time-consuming, expensive and exasperating – one that can affect the consumer's decision on whether to travel to the destination at all. Obtaining a visa on arrival is easier, although often significant improvements to the process are required, not least because it has to be purchased before passport control, where travellers often do not have the local currency or US dollars. The most user-friendly system is on-line visa purchase e.g. Australia's ETA (electronic travel authority) <http://www.eta.immi.gov.au/>.

## **5.5 Getting Around the Destination**

Tourists may travel about the destination and between destinations by a variety of means using private or hire cars/vans/motorbikes or various means of public transport such as taxis, tuk tuks, public buses, trains, ferries and so on. From a tourism perspective, it is important that the public authorities fulfil properly their responsibility to ensure safety and

efficiency of these means of transport and their termini or interchanges, as part of destination management.

The European Travel Commission has reported that more than 70% of tourism trips in industrialised countries are by car – either private or hire. This proportion will vary by market segment, destination type and trip type.

In general, tourists are unfamiliar with the roads they are travelling on and, in many instances, the language and format of basic road signs. An element of improving traffic management, and thus visitor satisfaction, is the development of road signing schemes, specifically for tourists.

Key elements of tourism road signing schemes include:

- Development of signs with a brand and colour that is distinctive from normal road traffic signs. The signs will have a consistent format – effectively an “official marque”. Ideally, signs will be as far as possible non-language based and utilise easily recognisable and standardised symbols.
- Signs will include all tourism facilities that are of potential interest to visitors. This will include airports/ferry ports, information centres, attractions, recreational sites, accommodation etc.
- Facilities that are signed should fulfil an agreed set of criteria. These may be based on a number of factors such as facility type, visitor numbers, facility quality, opening times etc. Different criteria may apply for different roads – for example, on primary routes only significant facilities may be signed.
- Schemes need to be easy to follow for the potential visitor and a proliferation of signs avoided. In some instances, this may mean signing to a distinct area (e.g. a ‘quarter’ within a city) or to a parking area, and then directing the visitor on foot. Information boards in car parks, at main rail stations and at key pedestrian concentration points are of equal importance. In other instances it may mean that some concentrated facilities, such as accommodation, are not necessarily signed.
- Administration of tourism signage schemes may vary from area to area. In many destinations, the transport authority may be wholly responsible. Elsewhere, transport and tourism bodies may be responsible jointly, with the tourism organisation responsible for checking the need for signage from the visitor’s perspective (e.g. the scale of demand and the quality of the tourism

facility); and the transport authority responsible for assessing need and design from the traffic management perspective.

- Schemes will be partly or wholly self-financing, where the tourism facility or attraction makes a payment for the manufacture, erection and maintenance of 'its' signs.

Public transport systems will differ from one place to another so it is crucial to provide tourists with information explaining how to use the system. There are three types of information required by visitors, preferably in their own language – i.e. relating to:

**The transport network.** To understand routes, locations, transport and interchange options.

**The timetable.** To plan journeys, knowing the arrival and departure times at each stop.

**The fare structure.** To understand the fare structure and the possible methods of payment. Some fare systems can be complicated: for example, the London Underground has several fare zones, whilst buses in New York do not provide change for passengers. In other destinations like Rome it is compulsory to have a travel card to pay for the bus ride. Special offer tickets, like day-travel card or multiple day cards may also be available.

Tourists generally represent only a small proportion of the traffic using public transport systems, so transport authorities often have limited interest in meeting the special information needs of visitors. In this situation, the DMO has a key role to play, either in providing such information itself or persuading the transport authority to do so.

There are several ways to provide visitors with information about public transport systems. They range from information desks at transport terminals to brochures available at hotels, tourist attractions and tourist information centres. Pocket route maps can be useful to help tourists find their way in a destination. Information provided on the DMO/destination website can also help tourists to plan their trips, at the time of arrival in the destination, or to travel around the destination.

Timetable information is best provided electronically. The destination website should provide a seamless link to the public transport provider site for such information. Such information sources should also be promoted heavily by DMOs to visitors in the destination, for them to access from handheld smart phones or PDAs.

In most tourism destinations, tourists represent a significant part of the demand for taxi services, so it is very important that taxi services are encouraged and assisted to fulfil visitor



needs in the best possible way. In particular, taxi drivers have an important role in welcoming visitors to the destination. It is essential that the taxi driver can communicate with the visitor and understand where they need to be taken. By providing them with information, product knowledge and customer care training, the DMO can help to ensure that taxi drivers provide a good service and a warm welcome – even to the point of acting as informal tourist guides. Often it is the role of DMOs to deal with complaints about taxi services, notably over charging. It is important that the DMO should work with taxi owners associations to use such complaints to bring about improvements.

## **5.6 The Role of Visitor Information Centres**

Before and during their visit to a destination, the visitor requires a number of information services. In the more advanced tourism nations these services have traditionally been provided by visitor or tourist information centres. Although the availability of electronic information before and during a visit is having an impact on the use of such centres, there is a continuing need to provide such services in locations of high visitor concentration.

The visitor information centre is the showcase for the destination and must set the standard in terms of quality, integrity and customer care which other industry operators can follow.

Key roles include:

**Information prior to the visit.** First contact with a visitor information centre is often pre-visit, by phone or e-mail. Visitors research the destination on the website or in a printed brochure and may telephone or e-mail the local centre to ask specific questions about travel, accommodation or events. The service and answers that the centre gives may play a large part in the prospective visitor's decision to visit. However, visitors wish to access different types of information through different channels at different times. It is cheaper to disseminate information electronically than physically through brochures or visitor centres. The Internet also has the advantage of being accessible 24/7. Consequently, there is reducing demand for this type of service.

**Information and welcome at the visitor centre.** Today's destination information centres are more about service during the visit. Visitors arriving in a destination have different levels of knowledge. Many do not know exactly where their accommodation is located, which places they should visit and where they can eat and shop. Most will be seeking some level of

‘on the ground’ information and the opportunity to meet a friendly local person who can help them. As the primary role of the visitor centre is to provide accurate and up-to-date information, it is essential that staff have local knowledge and the skills to communicate it effectively. In the case of Singapore, multi-lingual options are offered by telephone, via website and in the visitor centres.

**Information and welcome beyond the visitor centre.** There has been a shift in many countries to distribute ‘on the ground’ information outwards (taking information to the visitors) rather than trying to draw visitors inwards to a single built centre. Common methods include ‘meeters and greeters’ on the street, information boards or interpretation boards at arrival points and key pedestrian junctions, leaflet racks in accommodation reception areas and at visitor attractions and electronic information kiosks. Such activity may be complemented in the future by providing digital information via mobile devices, digital guided trails and through channels such as hotel TVs. A number of destinations are now also training people who work in the different sectors of tourism in the destination e.g. hotel staff, attractions admissions staff, taxi drivers, shop assistants and caffè owners, so that they can offer visitors high quality information as well.

**Commercial activities.** Because of commercial funding pressures, many visitor centres may become involved in commercial activities for which a commission or fee is charged, such as booking accommodation, selling tickets for events, tours and travel, retailing maps, multi-lingual guide books and local souvenirs, etc. They enhance the information provision service of the centre, as well as providing revenue to the centre. Further services such as providing quality accredited guided tours, bicycle hire, Internet access and luggage storage facilities are other ways for the visitor centre to earn revenue.

**A central point for local stakeholders.** The information centre is often seen as the focal point for local tourism industry stakeholders. It provides them with an opportunity to advertise their products and services and a channel for taking bookings.

**Increase visitor spend.** Many information centres have an overall aim to ‘increase visitor spend and length of stay’ in order to maximise the wider benefit of the centre to the economy of the destination. To achieve this, staff should be trained to quickly understand the visitor’s overall needs, to provide information on how and where those needs can best be met within the area and to proactively sell destination services where the centre is able to do so. The past decade has seen a revolution in access to information through the Internet, through multiple TV travel channels, travel sections in newspapers, or via phones and other mobile devices. Visitor information centres of the past are not going to be the model for the centres of

the future. DMOs around the world are currently reviewing this situation – particularly to ensure that the centres of the future are cost-effective in meeting real visitor needs and have the flexibility to adapt to changing requirements.

Many DMOs are asking themselves the questions such as:

**What type of visitor centre should the destination have?**

Some countries are categorising visitor centres, and identifying the best fit for each of their destinations. For example New South Wales in Australia is developing a 3-tier system with differentiation between the main, central visitor centre; ‘gateway’ visitor centres, and provincial centres. Each tier has a different purpose and differing combination of objectives. Fáilte Ireland is looking at the potential for a few ‘super tourist information offices’ in key areas and a larger number of seasonal offices, supported by ‘technology-only’ information points. A number of DMOs in the UK are looking at the ‘hub and satellite’ model i.e. a strategic hub centre, which is responsible for managing the delivery of visitor services of all types in the surrounding area.

**Who should run the visitor information centre?**

There are various options:

- A national level DMO;
- A mix of national and provincial DMOs;
- Separate regional, provincial or local DMOs; this type of arrangement appears to be in the majority, more because many NTOs do not consider ‘on the ground’ information provision to be their job and/or are not willing to fund such provision;
- A public-private sector DMO, of which there are good examples in many countries;
- A company set up specifically for the purpose of operating a network of centres;
- Private sector outsourcing. Such outsourcing should be under a service level agreement with explicit operational criteria and contractual obligations.

It is very important that the visitor centre is seen as objective and independent and may benefit from being part of a public-private sector partnership.

There is a strong advantage in having an integrated network of information centres across a country or region, for three reasons:

- To ensure that services are provided in the most strategic locations according to consistent and rational criteria;
- To more easily implement a single data or knowledge management system;
- To provide consistency in service delivery.

At the same time, it is vital that information centres play a strong role in the local community, are responsive to local needs, have local support, operate entrepreneurially and offer in depth knowledge of the area. Achieving these things within the framework of an integrated national or regional network represents a significant challenge, which is being faced in both Scotland and Ireland where most centres have been brought under the direct control of a national public sector agency. An alternative is for local or area DMOs to work together to form larger networks, perhaps with assistance from national, provincial or regional DMOs.

#### **What should the visitor information centre do?**

The range of roles and functions has been addressed within Section 6.6.2. The mix of activity will vary between centres, depending substantially on the type of centre:

- Strategic centres and hubs (national, provincial, regional) are likely to be centres of excellence in service delivery and also to manage the central database, contribute to customer relationship management, administer training programmes and lead on commercial activities.
- Gateway visitor centres will deliver services to specific geographical markets and/or serve particular destination areas within a country.
- Area or local centres will be primarily about provision of local services for visitors and residents alike. Often there may be a large level of use by local resident, leading to the concept of a ‘onestop-shop’, which meets the needs of local residents, visitors and smaller local businesses.

Whatever the purpose of the visitor centre, they should all operate in a welcoming, professional and efficient manner which fulfils a focused business plan and positively adds value to the experiences of visitors and to the economy of the destination.

## **6.7 Access for All**

The importance of destinations being ‘accessible for all’ is being recognised increasingly. In a narrow sense, this may mean providing access for visitors with mobility,

audio or visual impairments, but destination managers should also think more broadly of the requirements of the elderly and families (particularly single parent families). Extending 'access' within destinations makes sound business sense. It enhances the overall quality of the product on offer, provides facilities which can also be used for the local community, ensures visitor satisfaction and potentially reaches out to a larger market.

Managers should have a clear idea of who they are providing access for and what their specific requirements might be. These requirements should be considered in every aspect of the visitor stay: promotion, transport to and around the destination, attractions and amenities such as accommodation and restaurants. The APEC Best Practices in Tourism Accessibility for Travellers with Restricted Physical Ability report identifies these key areas where accessibility can be supported:

**Transportation.** To ensure accessible transport at gateways and access points as well as making public transport within the destination more accessible and providing suitable parking spaces.

**Physical planning and accessibility.** To improve and integrate access and improve and provide facilities at attractions, accommodation, public buildings, public spaces and other amenities such as toilets; and to implement accessibility accreditation programmes for these facilities.

**Research and development.** To understand the needs and requirements of visitors with access difficulties and to identify what is already available.

**Information.** To inform visitors, information providers and inbound operators regarding the accessibility of accommodation and attractions; provide information and guidance to tourism operators/providers about how to best cater for tourists with access requirements. Information for visitors should be in a suitable format, Braille, acoustic or written in large print.

**Staff training.** To create awareness of needs of visitors with access requirements; awareness of available facilities and to develop appropriate knowledge and skills to assist guests.

Responsibility for all of the above points may well be outside the remit of a DMO but it is important that the DMO be an advocate for these issues and to broker partnerships with relevant organisations. It is also important that access issues be considered in the facilities which are directly provided by the DMO. The following case studies demonstrate how tourist boards are able to facilitate access for all through information, research and training.

## **CHAPTER 6**

### **Destination Management Organizations**

#### **6.1 Roles and Responsibilities in Destination Management and Marketing**

DMOs market the destination and coordinate individual businesses and organizations. A major DMO function is to create a master management plan and destination marketing strategy. Typically, local-level DMOs operate tourism information office, frequently with a retail shop. Some forms of regional-level DMOs are heavily involved in regional promotion and destination management. In some cases destinations may be covered by several DMOs at various levels, each sharing information with one another for different audiences.

DMOs work closely with the tourism businesses and organizations interested in the destination, including hotels, attractions, parks, travel agencies, tour operators and guides, outfitters, restaurants, retail outlets, and conference venues.

DMOs should meet the needs of destinations, whether marketing, coordinating stakeholders, influencing business climate, or assisting human resource development. The DMO should heavily influence the destination's final export — the visitor experience.

Common characteristics of a DMO include:

- Being an independent, non-profit organization;
- A membership-based organization comprised of a mixture of public, private, non-profit, and academic tourism stakeholders from the region;
- Governed by a board of directors or executive committee reflective of the membership and the composition of the destination;
- Comprehensive and detailed set of regulations and by-laws published and available to any interested party;
- Diverse set of revenue streams: membership dues, hotel taxes, retail opportunities, online booking commissions, advertising in publications and websites;
- Services mostly provided free to end users;

High-quality statistics allow a DMO to make strategic changes to programming and maximize resources. Often, government agencies collect baseline tourism statistics about

arrivals and revenues as part of immigration and tax collection systems. A DMO can gather data from a variety of sources to provide a better understanding of tourism supply and demand at the destination and beyond.

DMOs can use tourism statistics to inventory destination products, assess capacity, monitor changes, and better ensure market positioning by ensuring that rates and availability are commensurate with the competition. The most common means to collect industry data is through a survey, either online or in person.

Common industry indicators include:

- Hotels
- Available rooms
- Occupancy rate:  $\frac{\text{Number of room-nights booked}}{\text{Number of rooms} \times \text{Number of days in a month}} \times 100$
- Average Daily Rate (ADR):  $\frac{\text{Total revenue earned by the provider}}{\text{number of rooms sold that day}}$
- Revenue per available room (RevPAR):  $\frac{\text{Revenue from rooms}}{\text{total number of rooms available}}$
- Number of tour operators
- Personal trips:  $\frac{\text{number of excursions led} \times \text{number of people in attendance}}{\text{number of excursions}}$
- Average daily excursion rate:  $\frac{\text{cost of one excursion}}{\text{days on the excursions}}$

The **tourism industry** has a vested interest in the well-being of the environment, quality of life of the people, and the preservation of cultural elements that create the basis for visitation. The DMO works with local partners such as non-profit organizations and educational institutions to identify potential threats and improvements for the destination's assets.

DMOs can also provide training to members to improve destination management, business practices, and community interaction. For example, in January 2010 the Jordan Inbound Tour Operators Association (a destination management company) in collaboration with USAID sponsored The George Washington University International Institute of Tourism Studies to teach a two-week course on destination management, with emphasis on minimizing tourism impacts, preserving heritage, and optimizing tourism contributions to economic development of host communities. The program targeted destination managers and marketers, hotel developers, tour operators, business owners, government officials, and others concerned with the long-term sustainability and competitiveness of tourism destinations.

**Destination residents** have a large stake in the tourism industry. Not only can economic revenue drive growth, but the way in which tourism is managed can have serious impacts on everyday lives. In urban environments, highly-visited tourism sites during peak season can generate additional vehicle traffic and cause transportation difficulties for residents. In some cases, the development of new tourism facilities may compete for local resources such as electricity and water. In order to maintain a positive relationship between the tourism industry and local residents, the DMO can:

- Invite residents and community leaders to participate in the DMO's executive council or board of directors
- Regularly solicit resident feedback on a website or at strategic locations such as civic centers and government buildings
- Hold regular forums to discuss salient topics

Local residents that own businesses can also:

- Create a space within the DMO's offices and to place marketing material
- Advertise within DMO publications and on the website
- Develop cooperative advertising agreements
- Create a "friends of" program that allows residents and businesses to express their commitment to tourism
- Create online affinity contests that ask residents to tell travelers about sites in the destination
- Hold regular conversations about the tourism value chain and how local businesses can better communicate and cooperate in order to provide local goods and services to the tourism industry
- Use the social media to gather input and share stories.

There are many different and varied roles and responsibilities in destination management and marketing. These are handled in different ways in different countries, but typically are split between **national, provincial/regional and local levels**. *Normally the national level is responsible for the more strategic roles while the local level will have responsibility for the more operational elements.*

**The typical roles and responsibilities in destination management and marketing at national level are:**

- **Destination promotion, including branding and image;**



- **Campaigns to drive business, particularly to SMMEs;**
- **Unbiased information services;**
- **Strategy, research and development.**

**The typical roles and responsibilities in destination management and marketing at provincial/regional level are:**

- **Destination promotion, including branding and image;**
- **Campaigns to drive business, particularly to SMMEs;**
- **Unbiased information services;**
- *Training and education;*
- *Business advice;*
- *Product “start-ups”;*
- **Strategy, research and development.**

**The typical roles and responsibilities in destination management and marketing at local level are:**

- **Campaigns to drive business, particularly to SMMEs;**
- **Unbiased information services;**
- Operation/facilitation of bookings;
- Destination coordination and management;
- Visitor information and reservations;
- *Training and education;*
- *Business advice;*
- *Product “start-ups”;*
- Events development and management;
- Attractions development and management;
- **Strategy, research and development.**

## **6.2 Vertical and Horizontal Linkages: The Co-ordinating Role of the Regional DMO**

At a regional level, or (in some countries) sub-regional level, the DMO should actively engage all its various stakeholders. The private sector in particular is attracted by the DMO's

marketing role, which should be a significant one. In performing this role, the DMO will have its own marketing budget but it will also be a bridge between the national agencies and the industry on the ground. This is an important role; whilst the national tourism authority will almost certainly be the single most significant tourism marketer, the collective spend of the industry will be much greater. If the regional DMO can bring together public and private resources so that they are mutually reinforcing within a common strategic approach, much more can be achieved for the same amount of money.

When the regional DMO fully engages the tourism businesses in its programmes, it is in a position to play a co-ordinating role in tourism activity at the local level. To this end, the DMO will need to develop strong local roots, through the mechanism of local tourism action groups. Such groups should bring together the wide range of organisations that have a role to play in managing the destination to deliver a high quality of experience.

The regional or sub-regional DMO should co-ordinate and facilitate the work of its partners through preparation of a joint Destination Management Plan and by overseeing implementation of related tourism action plans at a local level. In doing so, the DMO should listen to the views of local stakeholders and embrace them in the planning and implementation process.

The DMO co-ordinating role is therefore about listening and adding value, and establishing the structures to allow a “*top-down-bottom-up*” equilibrium to be achieved. We refer to this as “listening leadership”. If it is real the DMO will be successful; if it is not the sunflower head is unlikely to bloom to its full potential.

There are a number of options for the governance of destination management, as follows:

- Department of single public authority;
- Partnership of public authorities, serviced by partners;
- Partnership of public authorities, serviced by a joint management unit;
- Public authority(ies) outsourcing delivery to private companies;
- Public-private partnership for certain functions – often in the form of a non-profit making company;

Association or company funded purely by a private sector partnership and/or trading – again for certain functions. Clearly both public and private sectors have much to offer. The public sector provides a holistic and longer term strategic role to ensure quality while the private sector acts swiftly and tactically to develop its business. These strengths and

weaknesses emphasise the importance of partnerships and to develop synergies where the whole is greater than the sum of its individual parts.

There are various ways in which the private sector may relate to and support destination management and marketing. Though the functions of destination management and marketing extend well beyond the role of the DMO, the DMO has a crucial leadership role. A holistic approach to destination management and marketing requires partnerships between different levels of government; between different organisations within the public sector; and between public and private sectors. This can provide challenges in that the DMO on one level will need to be local enough to allow its tourism stakeholders to identify with its aims and purposes but large enough to be effective in the market place through being able to call upon a reasonable collective budget.

The organisation structure may therefore require to be multi-dimensional – one that is effective in the market-place, but with more locally based action groups which are responsible for delivery of consistency quality of experience “on the ground”.

**In the most general sense, the DMO’s main role should be to oversee the development and implementation of the agreed tourism strategy. This role requires it to enable the public, private and third sector players to work together through the whole process.**

The concept of the Destination Management Plan is a key mechanism for joint planning and budgeting. This plan should be the primary output of the strategy – a joint plan for action by all the organisations involved, over a three to five year period. There will be a need for a partnership mechanism, involving all such organisations, public and private, to develop and deliver both the strategy and the destination management plan. This might be called, for example, a ‘Tourism Planning and Development Group’.

The tourism strategy and destination management plan provide the starting point and framework for the DMO’s Business Plan. As noted above, the functions of destination management and marketing extend well beyond the role of the DMO, but the DMO has a crucial leadership role to play in achieving a holistic approach and it has a key role to play in implementation of activities.

The Business Plan should answer the standard business planning questions:

- Where are we now?
- Where do we want to get to?
- How will we get there?
- How will we know when we have arrived?

Public sector enabling agencies normally contribute core funding for the DMO. In some cases, they seek an “exit route”, after which the DMO is expected to be self-sustaining in financial terms. Such an expectation is generally both unrealistic and unreasonable. Whilst it is entirely reasonable to expect the private sector to pay for destination marketing activities, the DMO’s broader strategic and enabling role – driving the long term development of tourism and helping the private and public sectors to deliver a consistently excellent visitor experience at all stages of the visitor journey – is totally appropriate for public sector funding.

One approach is for the public sector to meet the basic establishment costs of the organisation – i.e. core staff and office costs. Those activities designed to benefit the private sector directly should be paid for through contributions towards marketing activities (advertising on Web and in publications, attendance at exhibitions, etc), commercial activities (including commission/fees for bookings) and membership fees, where a membership structure is considered appropriate.

Agreement on basic principles of this type should underpin the DMO business planning and budgeting process. Provided the establishment costs are met by the public sector in return for strategically important activity – which should be clearly defined in a Service Level Agreement – the DMO should be able to concentrate on delivering the required service rather than constantly being hampered by searching for money – which is the fate of many tourism organisations.

The DMO should be enabled and encouraged to ensure that it is itself soundly managed and that it not only meets its Service Level Agreement targets but also “delivers” the strategy and action plan for the destination through effectively engaging with all its tourism communities, to their ultimate benefit and the benefit of their visitors. DMOs can be accredited to assure standards for different aspects of their operations. For example, Destination Marketing Association International (DMAI) has established universal standards for DMO operations through their Destination Marketing Accreditation Program (DMAP). DMAP is an international accreditation program which provides a platform for official destination marketing organisations to assure their stakeholders that they have achieved certain standards<sup>61</sup>.

Similarly, the UNWTO.Sbest Certification of Excellence focuses on models of good governance in tourism and provides benchmarking examples of tourism governance institutions at local, regional and national level. By meeting the rigorous UNWTO.Sbest

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<sup>61</sup> <http://www.destinationmarketing.org/page.asp?pid=114>

standards, certified governance institutions can take their place as leaders in excellence worldwide, with the consequent branding enhancement. Tourism as a tool for development is a key aspect of the UNWTO.Sbest Certification. The overall objective of this certification scheme is to assist tourism governance institutions in achieving and promoting good practices in governance. Improvement in good practices in tourism can have a positive effect on how national tourism administrations operate, and indeed can also serve as a model for other areas of government. Good governance practices also have a positive impact on the private sector and civil society. To ensure that tourism governance institutions meet the UNWTO.Sbest standards of excellence, an audit is carried out by independent organisations. The audit process checks for quality gaps in different areas of governance such as:

- The institution's relationship with civil society;
- Its relationship with key stakeholders;
- Strategic and corporate management;
- Programme development and implementation;
- Human resource management;
- Other resources (financial and infrastructural).

#### **UNWTO.Sbest Certification granted to six governance institutions**

The first Tourism Governance Organisations to achieve certification under the UNWTO.Sbest scheme are the Blackstone River Valley (USA), the State of Tabasco (Mexico), San Mart n de los Andes (Argentina), KwaZulu-Natal (South Africa), the City of Valencia (Spain) and Cancun (Mexico). These organisations have achieved the award amongst other things, for:

- Enhancing sustainable tourism;
- Self improvement and development projects;
- Promoting active involvement with all stakeholders;
- Involving the local community;
- Good practices in terms of financial resources and infrastructure management;
- Investment in human capital and training.

Evaluation of past activities is important to learn the lessons by adjusting future action. Evaluations should be positive: they should help projects being assessed to develop rather than simply being critical appraisals of historical activities.

Being positive is essential to the evaluation process. Evaluations which are positive will be seen by those being evaluated both as less threatening and helpful to their efforts to

improve their projects. As a consequence their co-operation will be given to the evaluator which is extremely important if the evaluation is to be successfully completed.

The evaluation, of course, must also be objective. Given this, it will inevitably be critical – and if necessary very critical – of projects or particular parts of them. If the process is positive and transparent, however, it is likely that fair criticisms will be accepted and absorbed by the project sponsors.

The evaluation process should be applied by the DMO in not only assessing its own programmes but also those of its stakeholders. If applied positively, evaluation can clearly be beneficial to all concerned and help the DMO to establish itself at the centre of the whole destination management process, which is why, after all, it was established in the first place.

### **6.3 Destination Management Systems**

**Destination Marketing Organisations (DMOs) can act as facilitators to achieve the strategic objectives of the destination. Buhalis<sup>62</sup> addressed these as enhancing the long-term viability of the local population, provision of visitor satisfaction and maximising profits for Small Medium-Sized Tourism Enterprises (SMTEs).** With new information technologies having escalated over the last decade it is of paramount importance DMOs re-engineer their business process, develop new business models and take advantage of these new tools<sup>63</sup>. Destination Management Systems (DMS) can be described as the IT infrastructure of the DMO<sup>64</sup>. DMS should be able to act as an enabling mechanism to integrate the different services and products from the tourism industry. They should not only be capable of handling both pre-trip, post arrival information requests, but they should also integrate an availability and booking service too<sup>65</sup>. DMS can increase visitor traffic, attract the right market segment with the provision of an accurate and up to date comprehensive electronic database<sup>66</sup>. DMS may also create more efficient internal and external networks, which can have long-term positive effects on the local economy in achieving competitive

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<sup>62</sup> Buhalis, D., 2000, Marketing the Competitive Destination of the Future, *Tourism Management*, 21 (1), 97-116.

<sup>63</sup> Gretzel, U., Yuan, Y.L. and Fesenmaier, D.R., 2000, Preparing for the New economy: Marketing Strategies and Change in Destination Marketing Organisations, *Journal of Travel Research*, 39, 146-156.

<sup>64</sup> Sheldon, P., 1997, *Tourism Information Technology*, CAB International: New York.

<sup>65</sup> Buhalis, D., 1997, Information Technology as a Strategic Tool for Economic, Social, Cultural & Environmental Benefits Enhancement of Tourism at Destination Regions, *Progress in Tourism and Hospitality Research*, 7 (3), 71-93.

<sup>66</sup> Pollock, A., 1995, The impact of information technology on destination marketing, *Travel and Tourism Analyst*, 22 (3), 66-83.

advantage<sup>67</sup>. DMOs can also support the wide distribution of destination information online. WTO<sup>68</sup> (2001) has indicated that a number of new electronic distribution channels are emerging through online travel agencies, search directories and destination portals. Therefore an important technical consideration in the design of DMS is the development of open systems so that links can be developed with alternative distribution channels (ADCs)<sup>69</sup>. ADCs are required to support DMS to interface and distribute information through websites, TICs, call centres, kiosks and traditional marketing channels<sup>70</sup>. Therefore DMOs need to realise that DMS can act as an enabler in sustaining competitive advantage<sup>71</sup>.

The financial viability and profitability is becoming more of an important issue for DMOs as they often determine their success. **The two types of DMS business models, which are available to DMOs, namely non-revenue generating/information only or revenue generating/fully transactional DMS.** There are several factors, which influence this, namely:

- *funding and finance;*
- *industry links;*
- *technology expertise;*
- *availability of technology.*

DMS can be implemented at national, regional or local level. The majority of DMS are often funded publicly, by DMO budgets or EU supported programs<sup>72</sup> with few being privately owned<sup>73</sup>. This has implications as according to Archdale<sup>74</sup> (1994) those DMS that are totally dependent on public funding may be at a particularly high risk for failure because of ownership issues and technology.

The future for DMOs implementing either type of DMS business model is seen as a challenging one, as funding constantly being reduced, which leads to an increased onus on

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<sup>67</sup> Fischer, D., 1998, Virtual Enterprise – Impact and challenges for Destination Management, Presentation at ENTER Conference 1998, Istanbul.

<sup>68</sup> World Tourism Organisation, 2001, E-Business for Tourism, Practical Guide for Destinations and Businesses, World Tourism Organisation Business Council, (WTOBC), Madrid.

<sup>69</sup> Sheldon, P.J., 1993, Destination Information Systems, *Annals of Tourism Research*, 20, (4), 633-649.

<sup>70</sup> O'Connor, P., 2002, The Changing Face of Destination Management Systems, *Travel and Tourism Analyst*, No.2, April, 1-25.

<sup>71</sup> Gretzel, U., Yuan, Y.L. and Fesenmaier, D.R., 2000, Preparing for the New economy: Marketing Strategies and Change in Destination Marketing Organisations, *Journal of Travel Research*, 39, 146-156.

Lewis, R.D., 2002, Modelling Tourism impacts using IT based DMS, Fesenmaier, D, Klein, S & Buhalis, D., (eds.) *Information and Communication Technologies in Tourism*, Springer Wien-New York, 97- 104.

<sup>72</sup> O'Connor, P., and Rafferty, J., 1997, Gulliver – Distributing Irish Tourism Electronically, *Electronic Markets*, 7 (2), 40-46.

<sup>73</sup> Baker, M., Hayzelden, C., and Sussmann, S., 1996, Can Destination Management Systems give you competitive advantage? *Progress in Tourism & Hospitality Research*, 1(3), 89–94.

<sup>74</sup> Archdale, G., 1993, Computer reservation systems and public tourist offices, *Tourism Management*, 14 (1), 3-14.

DMS to raise their own revenue<sup>75</sup>. However, a solution to this is to encourage the private sector to provide capital for the development and implementation of DMS as higher returns on investment may be achieved (WTO, 2001).

Moreover, efficient partnerships and co-operation between the public and private sector is critical for DMS to become effective, efficient and dynamic reservation systems. By offering reservation facilities on their own platform the transformation from eMarketing to eCommerce is realised<sup>76</sup>. However, this can also result in the strategic direction of the DMOs changing from one of sustaining economic regional development to being a commercial entity. This type of DMS may not be as accurate and as fully comprehensive as non-commercial DMS<sup>77</sup>. Potential problems may also arise if the private sector is not provided with evidence of prospective tangible benefits<sup>78</sup>. DMOs, which are operating commercially also need to ensure that conflict is avoided with the local industry who may see this as unfair competition<sup>79</sup>.

Although several business models gradually emerge in the global marketplace for DMS, there is still uncertainty on the most appropriate one. Therefore DMOs around the world adopt a combination of commercial and non-commercial features that fit best their funding and operational requirements. It is evident that EU supported funding (36%) funds the majority of DMS. A significantly high percentage allocated this funding (34%) implemented a transactional DMS. Private sector funding is critical, particularly for the development of transactional DMS. However the results indicate that no funding has been allocated to DMOs for any type of DMS development. This may be attributed to the fact that investors from this sector want immediate commercial benefits.

Funding allocated to DMOs from the public and private sector enabled both types of business models to be developed. It is critical that DMS are self-funded for their establishment and growth. Therefore it is highly unlikely DMOs will obtain funding for the operational costs incurred by DMS. DMOs therefore have to generate revenue to supplement these costs.

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<sup>75</sup> Connell, J. and Reynolds, P., 1999, The implications of technological developments on Tourist Information Centres, *Tourism Management*, 20(4), 501-509

<sup>76</sup> Werthner, H., and Klein, S., 1999, *Information Technology and Tourism, A Challenging Relationship*, Austria, Springer, Wien New York.

<sup>77</sup> Buhalis, D., & Spada, A. 2000, Destination Management Systems: criteria for success an exploratory research, *Information Technology in Tourism*, 3, 41-58.

<sup>78</sup> Frew, A.J., and O'Connor, P., 1998, "A Comparative Examination of the Implementation of Destination Marketing System Strategies: Scotland and Ireland" in Buhalis, D., and Schertler, W., (eds), *Information and Communication Technologies in Tourism* Springer Wien, New York.

<sup>79</sup> Tunnard, C.R., and Haines, P., 1999, Destination Marketing Systems – A new role for tourist board marketing in the information age, *Journal of Vacation Marketing*, 1 (4).



A significant number of DMOs are not outsourcing DMS regardless of the advantages that can be gained. The majority of DMOs still prefer to purchase the system and few proceed to build their own DMS, lack of funding and technological expertise are seen as two of the major barriers. DMS require the support of the local industry in order to operate a comprehensive system. However, it seems there is still a lack of co-operation between DMOs and accommodation providers as the results showed that accommodation providers are still reluctant to give allocation to DMS.

The analysis also indicated that real-time online reservations on DMS are still not fully explored. Hence DMS are not being used to their full capability. However, various issues may account for this, which may also be related to the lack of infrastructure, required to perform real time inventory searches and to have an accurate picture of availability on a real time basis. Secondly, training DMO employees on how to effectively use DMS may be another issue. It could also be that customer's still research online and use off- line reservation techniques.

The analysis has also demonstrated that the local industry is still using the traditional methods for updating information. Therefore training is required to assist the local industry in utilising information technology. DMOs need to better communicate the benefits and justification of implementing DMS to funding bodies and the local industry. It is also evident that closer collaboration is also required with the private sector and DMOs to obtain funding to finance DMS implementation.

More transactional DMS business models have been implemented than non-transactional, which indicates that DMOs are moving their strategic direction to that of a commercial entity. Interestingly those DMOs who have not implemented transactional DMS state that it is because technology has not yet been proven. It is evident they are still in the early stages of the evolutionary steps of DMS development. Alternatively they do realise that the technology is available but they do not yet have the adequate funding to implement transactional DMS or lack the expertise required, but blame the technology.

However most DMOs appreciate that consumers require these information and reservation services and are therefore keen to provide them. Utilisation of one-to-one or general e-mail campaigns would be more useful for customer relationship marketing (CRM) and would enable DMOs to identify more specific target market segments. DMS are perhaps the most important technological tool for the future of DMOs and destinations. Therefore it is critical for DMOs to realise this and work in partnership with all stakeholders towards the successful development and implementation of DMS.

It is no longer necessary to praise the internet for the travel and tourism industry. It has become indispensable for travelers to investigate travel options, compare prices and offers, make reservations, and share the experience with others after the completion of the journey. Consequently it has become indispensable for destination, tour operators, and other service providers. And it has become lethal for middle men such as travel agencies whose services travelers increasingly bypass as the internet allows them to communicate directly with destinations.

Thus a destination web portal should be an integral component of the marketing strategy. Destination websites generally act as the main gateway for tourism information, but can provide a number of services such as promote local attractions and activities, list local tourism businesses, suggest itineraries, and provide relevant regional history and geography. Perhaps most important, the website marks, for many travelers, the beginning of their travel experience.

In destinations with a significant number of SMEs or with poor internet connection, the website may offer the only opportunity for certain tourism businesses to market their products. Through collective accommodations listings and centralized booking systems hosted on the DMO web portal, SMEs can access a much larger market than they ever could dream of by themselves. By centralizing resources, whether convenient online lodging reservations or links to other regional and municipal websites, the portal can become an integral extension of the destination itself. In the digital age, a sense of place is no longer restricted to the physical landscape.

Depending on DMO capacity, an official website may be as simple as a single page or house an online booking system, live streams, interactive advertising, and intranet for local stakeholders. A website can be the most dependable salesperson for the destination. However, a poorly designed and managed website can damage the destination's brand.

Key website elements:

- Timely written content;
- Positive images of the destination;
- Easy-to-use;
- Appealing to target markets;
- Professional feel;
- Useful information to convert interest into sales.

For those DMOs with additional resources, there are sophisticated tools and platforms that help monitor social media conversations by the minute, including keyword searches about competitors. These tools can be costly, but if social media are tools to reach the DMO's target market, there may be value. Successful destination websites provide as complete an experience as possible, enticing travelers with interesting stories, providing logistical information, and including the capacity to make bookings. Website design and development is a long process best aided by a highly skilled professional. Online marketing and social media must fully integrate into a destination's marketing plan. Thorough planning for the generation of high-quality, relevant content development is essential. Online strategies should frequently be measured to determine the return on investment.

In modern societies, tourism development in all economic, social and cultural dimensions has interested public and private planners in all national, regional and international areas. And all countries came to the conclusion that tourism makes substantial foreign exchange earning to the economy of a country<sup>80</sup>. So that it should be managed in order to ensure the benefits for all the stakeholders into the tourism destination.

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<sup>80</sup> Tsonev, N, Marketing in tourism, Издателски комплекс – УНСС, София, 2014, p. 184

## Conclusion

Destinations that are well managed will be more likely to generate ‘wise growth’ in their visitor economy, and are more likely to maximise the benefits of that growth in long term additional income and jobs. The best managed destinations are also likely to excel in attracting new investment, in keeping value-added jobs, in bringing in new talent and in stimulating innovation. Great destinations are great places to live and work as well as to visit.

Effective management of the visitor economy at a destination level not only contributes to a positive visitor experience but can enhance and protect the environment while supporting the interests of the communities and businesses within it.

Understanding who visits and why is essential to the effective strategic management of all destinations; whether the aim is to manage high numbers of visitors, to generate growth in visitor expenditure, or to encourage visitors to the destination out of season.

Successful destinations make the most of their appeal to deliver benefits to the whole community, and they do this by having a clear, strategic sense of why their place attracts visitors and what investment it needs to sustain or enhance that appeal. Successful destinations have a destination development and management plan, and mechanisms in place to deliver that plan.

Destination management and destination marketing have become “mainstream” topics in the tourism research literature since the year 2000. Today these two concepts are also integral to professional practice in tourism destinations; they now represent the platform for achieving excellence in tourism destinations. It is especially important that destination management organizations (DMOs) perform all of their roles with balanced intensity and that a systematic and research-based marketing planning process be followed.

As tourist resources are practically inexhaustible, tourism represents one of the industry sectors with real long-term development perspectives. The complex capitalizing and exploitation of tourist resources, accompanied by an efficient promotion strategy on the international market may constitute a valuable source for foreign currency income for the country, thus contributing to the balancing of the external debt.

Tourism represents a safe market for the workforce and for re-distributing the unemployed resulting from other economic sectors undergoing a restructuring process. Tourism, through its multiplying effect, acts as a catalyst for the global economic system, generating specific demand for goods and services which further generate supplementary

increase in their respective productivity and contributing, in turn, to diversifying the national economy sectors.

A harmonious development of tourism throughout the national territory contributes to economic and social growth and a lessening of inequalities between various areas, constituting an important source for increasing the level of income of the local population. Despite the big tourist potential, Bulgaria faces many problems related to the tourism contribution in national economy, quality of services and products, the image as a tourism destination, competitiveness, and strategies' continuity. Although marketing and planning efforts were significant in recent years, adopting different strategies on various market segments, the expected results in terms of revenues or number of tourists were never reached. Furthermore, it noted the lack of synergies in the national economy, that supposed to help tourism sector. Lack of application of the destination management concept is also visible in the field of tourist activities management both at central and local level.

Adopt a new brand strategy must be supported by an improvement in the quality of general and tourist infrastructure, by the attraction of new segments / markets, development of competitive products, services, and destinations, pragmatic and effective regional and local tourism planning and management, all for creating travel experiences related to promised brand and generating further economic benefits.

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