Tourism Product Development and Marketing Strategies in the COMCEC Region
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Presentation

Tourism Product Development in the COMCEC Region

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  ➔ Characteristics
  ➔ Influences and Determinants
  ➔ Fundamental Issues

• COMCEC Member Approaches to Tourism Product Development
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  ➔ Policies, Planning Strategies and Systems
  ➔ Product Types
  ➔ Challenges and Obstacles
  ➔ Future Tourism Prospects and Implications

• Conclusions

• Recommendations
A Tourism Product is comprised of three responses from the tourist:

1. **EXPERIENTIAL**  
   Festivals, activities, community, dining, entertainment etc.

2. **EMOTIONAL**  
   Human, cultural and history, hospitality

3. **PHYSICAL**  
   Infrastructure, natural resources, accommodation, restaurants, shops

The study defines Tourism Product Development as:

*The Process by which the resources of a destination are shaped to meet the requirements of international and domestic customers.*
Complex Characteristics of Tourism Destinations

**FRAMEWORK FOR TOURISM PRODUCT DEVELOPMENT**

- **Travel Organisation and Booking**
  - In origin
- **Transportation**
  - In transit destinations
  - Car Rental
  - Bus Co/Informal Buses
  - Taxi Companies
- **Accommodation**
  - Hotels
  - Apartments
  - Guesthouses
  - Itinerant Food Shops
- **Food and Beverage**
  - Bars and Restaurants
  - Night Clubs
  - Craft Men
  - Kiosks
  - Food Souvenirs
- **Handicrafts**
  - Handcraft Shops
- **Tourism Assets in Destinations**
  - Cultural assets: Archaeology, communities, ethnics, museums, tourism attractions, intangible cultural assets (music, legends etc., festivals etc.)
  - Natural assets: lakes, rivers, reefs, and mountains, forests, species of flora and fauna etc.
- **Leisure, Excursions and Tours**
  - Shows
- **Support Services**
  - Information Centres

**Value Chain Phases**
- Planning
- Development
- Operations

**Infrastructure Support**
<table>
<thead>
<tr>
<th>Influences and Determinants</th>
<th>FRAMEWORK FOR TOURISM PRODUCT DEVELOPMENT</th>
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<tbody>
<tr>
<td>Factors that have continuing influence on tourism</td>
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<tr>
<td>• <strong>ECONOMIC</strong> 2.5% growth in travel spend for each 1% growth in GDP</td>
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<td>• <strong>TECHNOLOGICAL</strong> Instant communication access; social media influencing travel choices</td>
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<td>• <strong>POLITICAL</strong> Barriers to travel reduced through withdrawal of visa requirements</td>
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<td>• <strong>DEMOGRAPHIC</strong> Ageing of industrialized populations</td>
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<td>• <strong>OTHER FACTORS</strong> i.e. Growing environmental awareness; globalization and localization</td>
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Three primary stages necessary for destination authorities in establishing a framework for tourism product development

• **INSTITUTIONAL STRUCTURES** – For planning, development, administration and marketing

• **A SYSTEM OF COORDINATION AND INTEGRATION** – Between all levels of government, government agencies

• **PLANNING SYSTEM** – and procedures that provide guidance, encourage innovation, and stimulate investment.
### Principles and Procedures of Tourism Product Development (1)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Purpose</th>
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<tr>
<td>Market Research</td>
<td>Understand profile, characteristics, tasks and trends of markets and segments</td>
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<tr>
<td>Market: Product Matching</td>
<td>Identify products and services to be developed in line with market requirements</td>
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<td>Tourism/Product Development Areas</td>
<td>Identify areas within the overall destination appropriate for specific types of product development</td>
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<td>Stakeholder Consultation and Collaboration</td>
<td>Ensure the opinions and aspirations of all relevant stakeholders – local, national, international – are canvassed and taken into account in the tourism product development plans prepared</td>
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<td>Flagships/Hubs</td>
<td>Identify outstanding features within one or more tourism/product development areas where major products can be developed to constitute ‘hubs’ to attract tourists</td>
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<tr>
<td>Activity</td>
<td>Purpose</td>
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<td>Clusters, Circuits and Events</td>
<td>Create the ‘spokes’ fed through the ‘hubs’ by bundling together a range of attractions and activities, creating tourism routes, and organising festivals and events</td>
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<td>Product Portfolio and Investment Plan</td>
<td>Formulate the various tourism product development opportunities into a cohesive and integrated development plan, and prepare and disseminate a product investment portfolio for prospective investors</td>
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<td>Human Resource Development</td>
<td>Create vocational training and managerial educational programmes that produce the level and caliber of personnel needed by the planned tourism product developments</td>
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<tr>
<td>Marketing and Promotion</td>
<td>Feature the tourism product developments in the positioning of individual tourism development areas as part of the overall destination branding.</td>
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**COMCEC MEMBER COUNTRIES’ APPROACHES TO TOURISM PRODUCT DEVELOPMENT**

- All COMCEC countries have a government ministry or department responsible for tourism.

- Role and range of responsibilities vary:
  - Administration/Regulation
  - Policy/Strategy/Planning
  - Management of tourism sector
  - Marketing

- COMCEC member countries with highly developed tourism (e.g., Turkey, Malaysia) have fully integrated ministries handling **ALL** aspects of tourism.

- Half of COMCEC Countries’ tourism administrations provide **clear directions for the future development of tourism**.
A range of organizational arrangements have been put in place by COMCEC countries:

- National Tourism Offices

- Tourism Development Corporation
  - To undertake tourism development/facilitate private investment

- Destination marketing
  - Specialist bodies involving private sector

- MICE/Exhibition and Convention Centres
Survey of COMCEC NTAs indicates emphasis on:

- **Sustainable and responsible development**
  - Environmental protection
  - Avoiding socio-cultural disruption

- **Diversification of products and markets**
  - Avoid over-dependence
  - Reduce seasonality

- **Innovation and authenticity in types of product being developed**

- **Regional tourism development**
  - Spreading the socio-economic benefits
• **TOURISM AREA LIFE CYCLE** – Variations in priorities and objectives
  
  ➤ *Countries with major tourism sectors* – Diversification; Regions; Development
  
  ➤ *Countries at growth stage* – Commitment to a controlled approach to tourism development
  
  ➤ *Countries in early stage of development* – Focus on small scale developments; emphasis on community

• **THE PLANNING APPROACH**
  
  ➤ Tourism Master Plans commonly used in COMCEC Countries
  
  ➤ Framework and Guidelines for Tourism Planning

• **FULL STAKEHOLDER CONSULTATION**

• **ATTRACTING INVESTMENT**
Product Types and Categories

- Clear trend – All COMCEC countries share requirement for their tourism product developments to be **sustainable** (i.e. economically, environmentally, and socio-culturally).

- 10 broad tourism product categories that COMCEC member countries are seeking to facilitate:
  - Nature/Eco-tourism
  - Cultural Heritage
  - Community-based/Rural
  - Sports and Activities
  - Urban/City
  - Business & MICE
  - Medical, Health & Wellness
  - Events and Festivals
  - Cruise and Inland Waterways
  - Beach and Marine
• Overall challenges faced by COMCEC member countries:
  
  ➔ Technical know-how and weak promotional activities  
  ➔ Insufficient tourism-related infrastructures  
  ➔ Insufficient tourism investment  
  ➔ Lack of consistent tourism strategies and plans  
  ➔ Lack of tourism diversification  
  ➔ Lack of tourism safety
Challenges and Obstacles (2)

- Obstacles relating to tourism markets and distribution systems:
  - Government support – *Lack of Government support for the new tourism products is a serious obstacle in many COMCEC Countries*
  - Border formalities
  - Human Resources
  - Transport access and infrastructure
Challenges and Obstacles (3)

- Market Control
- Local Society Awareness
- Land
- Finance
- Economic Leakage
- Image and Perception
Overall Approach to
Tourism Product
Development

The planning of tourism development requires incorporation of a wider range of factors than is the case for other economic sectors:

- The tourism system of demand, supply and distribution
- The values of the destination community and of visitors
- The relationships and inter-linkages between stakeholders in the three interest groups:
  - Government and other authorities
  - Private sector investors, developers and operators
  - Local Communities
- The prevailing planning goals and regulations
- The issues of scale i.e. carrying capacity
- The requirement for tourism development to meet sustainable development goals
Implications for Destinations Arising from Changing Patterns of Tourism Demand

- A greater **volume** and **range** of tourism products are needed
- Product development focused on the **natural** and **cultural heritage** of destinations
- Increased focus on product development at two extremes:
  - High end attractions – ‘Flagships’
  - Local community – development and activities
- Need to take environment and social implications into account.
Taxonomic Development International

Lessons from the Case Studies

• Creating awareness
• Stakeholder support and collaboration
• Technical expertise
• Regulatory management
• Cross-administration collaboration
• Commitment to implementation
• Maintaining the momentum
• Role of outside agencies

CONCLUSIONS
Sustainable tourism development necessitates tourism product development that is:

- Original and authentic
  - Reflecting special attributes of the destination
  - Differentiated from competitors
- Supported by the people
- Respectful of the natural and socio-cultural environment
- Of sufficient scale to make meaningful contribution
Recommended actions for COMCEC Countries (1):

- Establish effective **institutional structures** for tourism
- Planning systems and procedures
- Tourism Product Development Strategy
  - Market research and information exchange (between COMCEC Member Countries)
  - Market opportunity – 1.6 billion citizens in COMCEC Countries
  - ‘Flagship’ and Cluster development
  - Events and Festivals
  - Human Resource Development
  - Quality Standards
RECOMMENDATIONS

Recommended actions for COMCEC Countries (2):

• Funding/Investment
• Infrastructure
• Facilitation of travel
• Adoption of modern marketing techniques
Recommendations – COMCEC Countries with large/rapidly developing tourism sectors:

• Product development and diversification
  ➔ Designation of tourism/product development areas or zones
  ➔ New types of tourism product/experience
  ➔ Investment in marketing/e-marketing
Recommendations – Least developed COMCEC countries

- Tourism awareness campaigns
- Tourism technical knowledge
- Development funds and agencies
- Tourism institutions
- Natural and cultural resources
- Flagship development
- Value chain analysis
- Human resource programmes
Thank You