



DESTINATION DEVELOPMENT, GOVERNANCE AND MANAGEMENT

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Structure:

- Brief on “World Tourism”
- Introduction to Destination Management concepts and roles (UNWTO Definitions)
- Principles and Process:
 - Destination Management / Value Chain
 - DMO Options
 - Strengths and weaknesses of tourism governance models

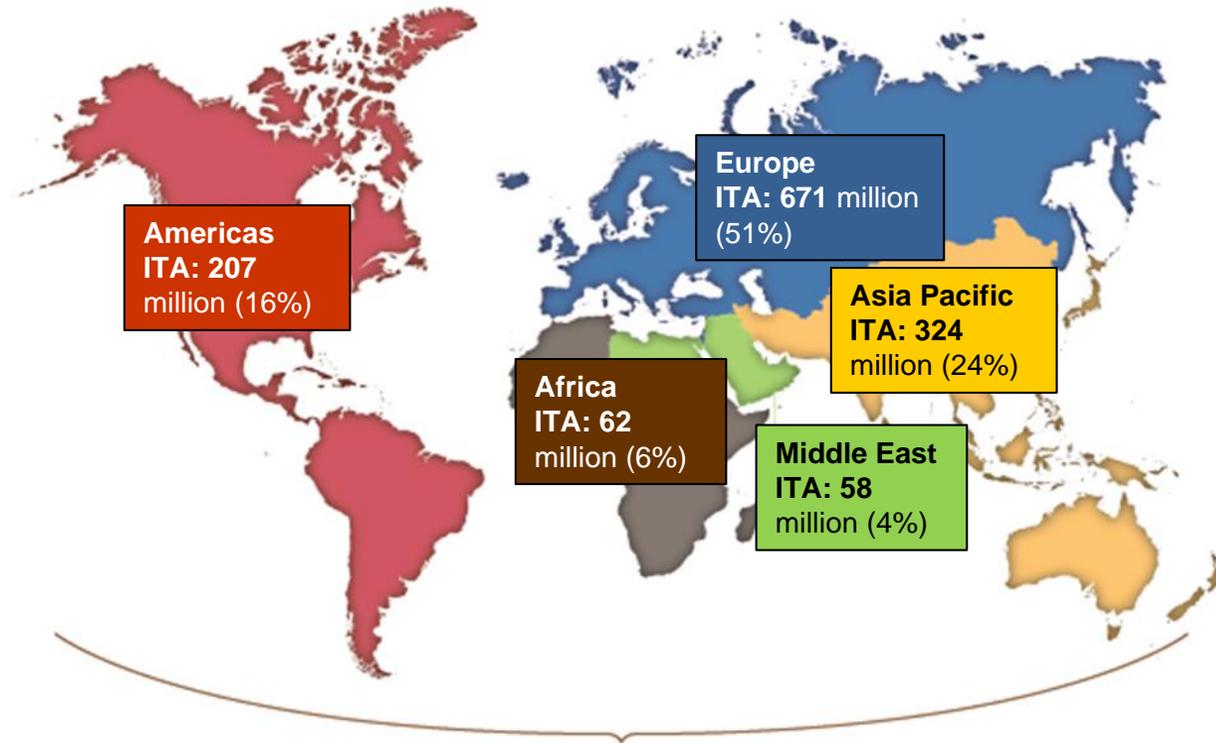
Structure:

- Framework for a Destination Management Strategy
(A Strategic Planning Model)
- Tourism Product Development Process
- A Model for Destination Competitiveness
- Keys to success



INTERNATIONAL TOURISM 2017

International tourist arrivals (ITA): 1.322 million



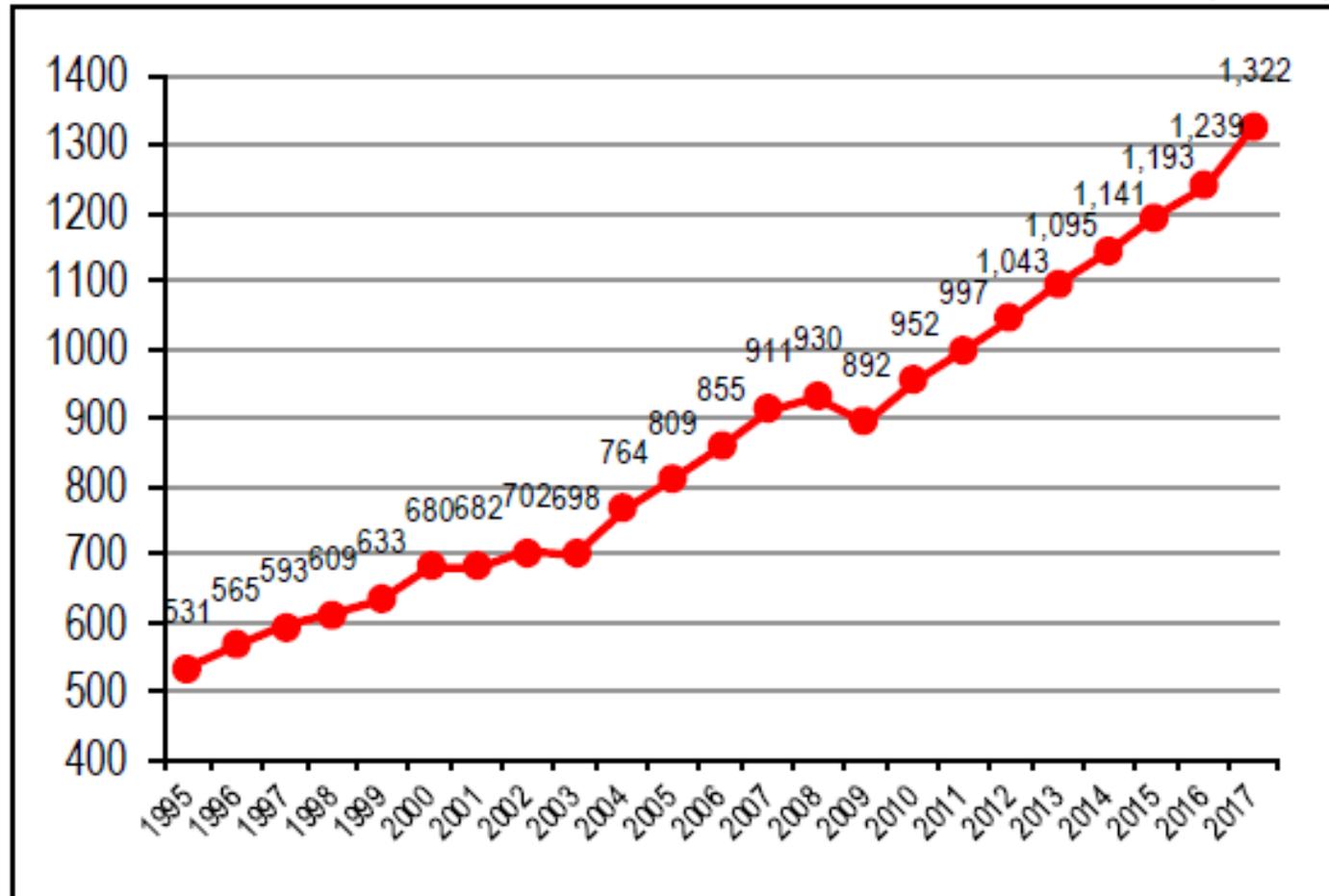
WORLD: 1,322 MILLION

2017 International Tourist Arrivals

World: Inbound Tourism

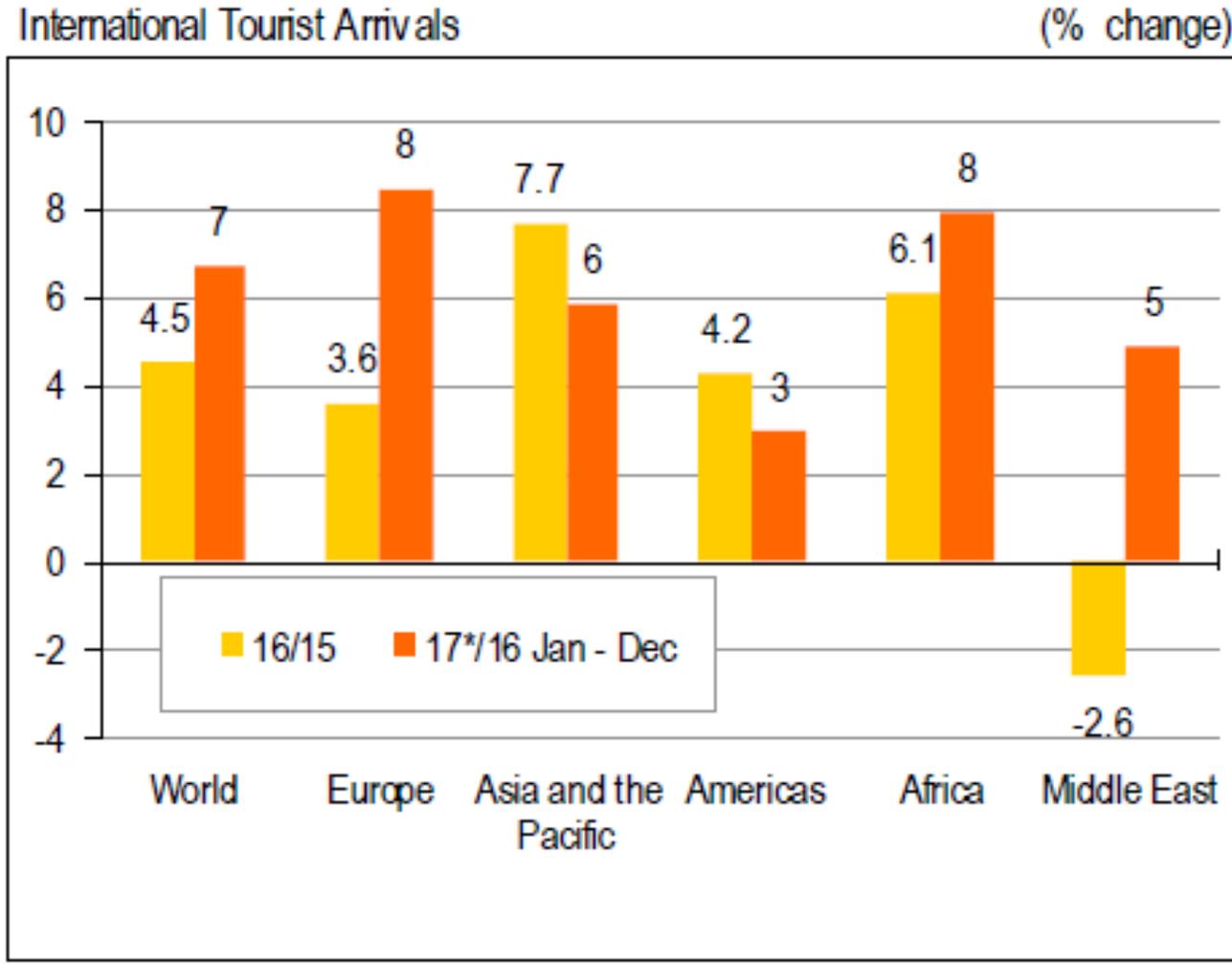
International Tourist Arrivals

(million)



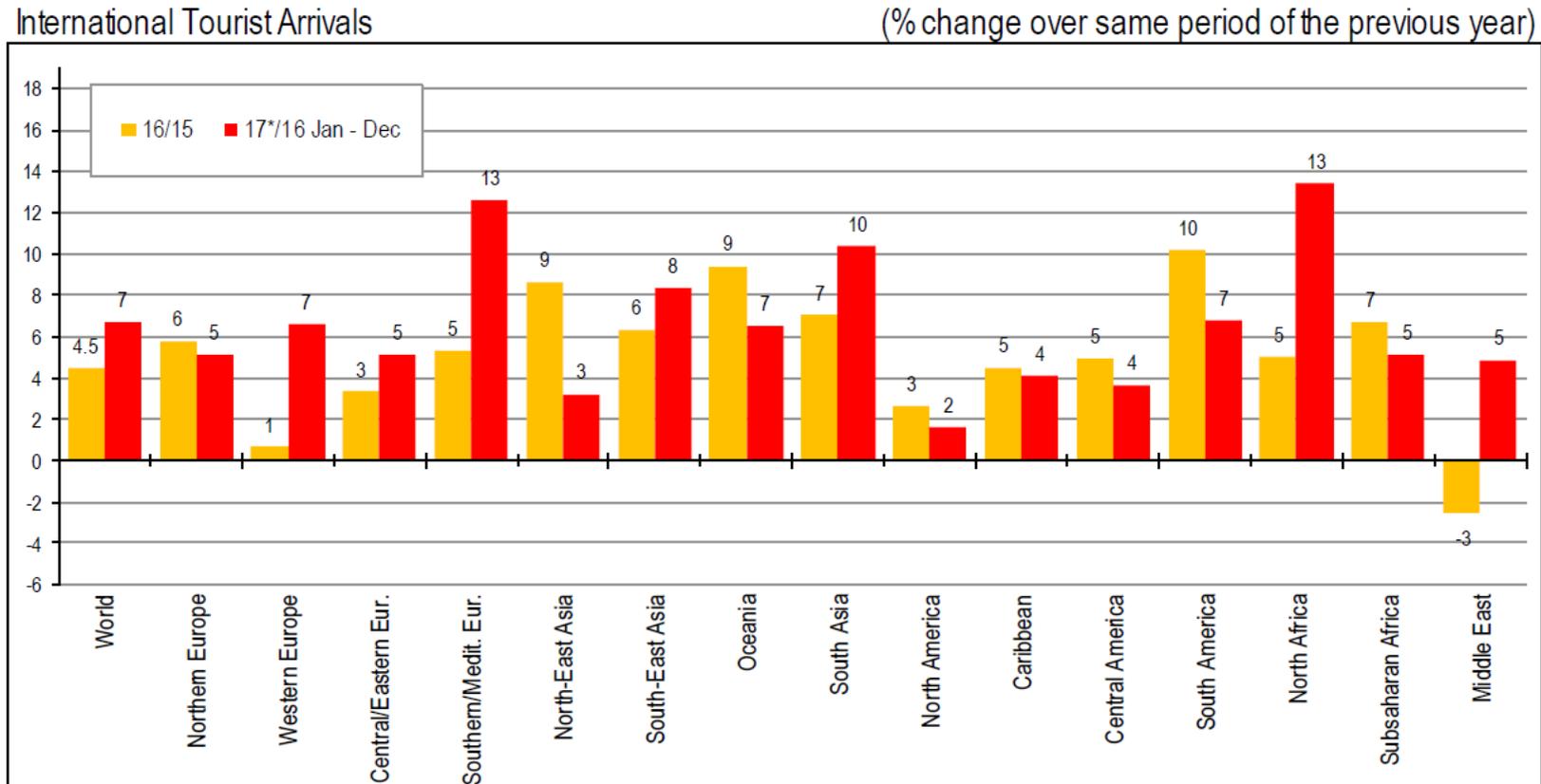
Source: World Tourism Organization (UNWTO) ©

2016 and 2017 by region



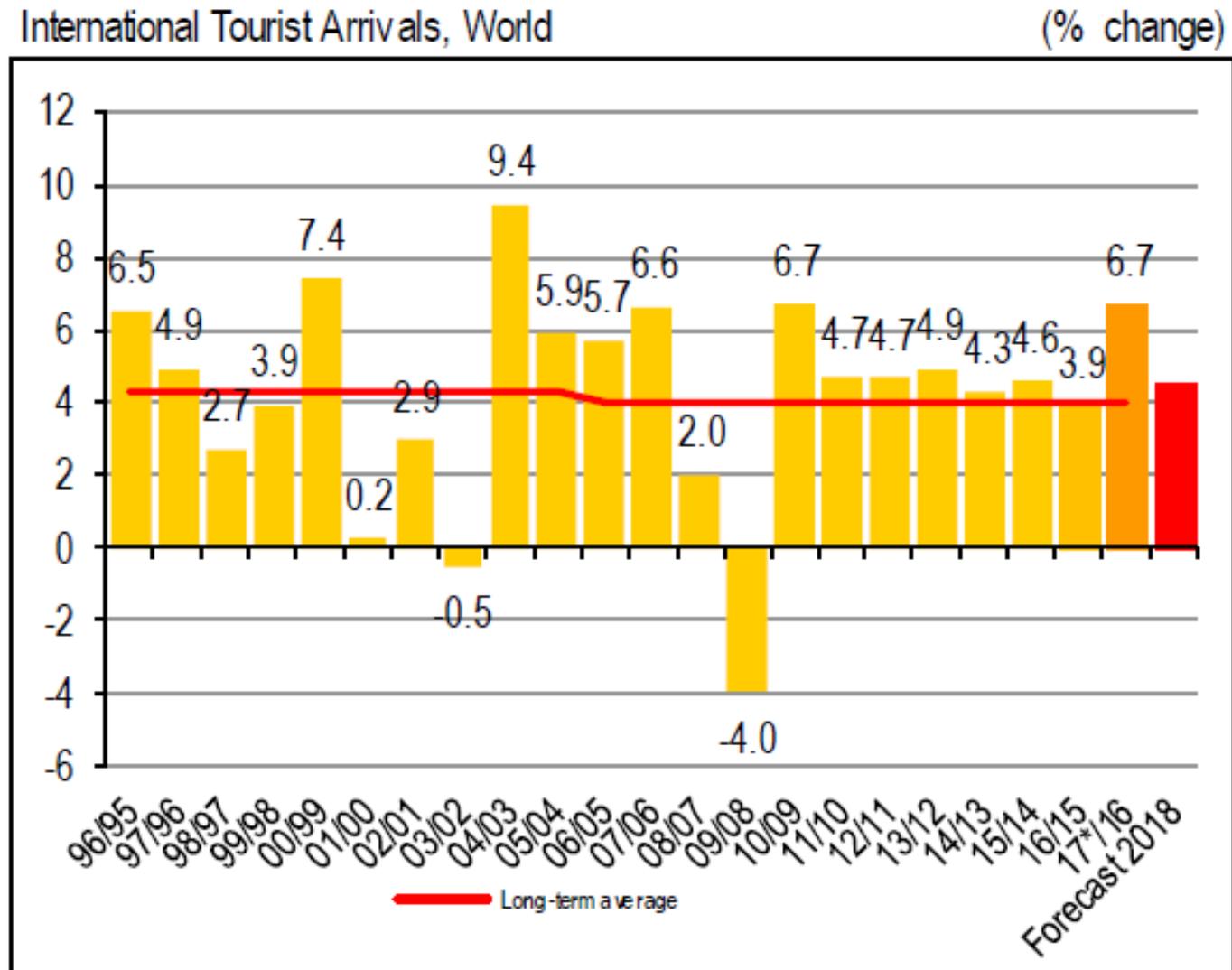
Source: World Tourism Organization (UNWTO) ©

2016 and 2017 by subregion

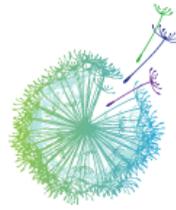


Source: World Tourism Organization (UNWTO) ©

International Tourist Arrivals



Source: World Tourism Organization (UNWTO) ©

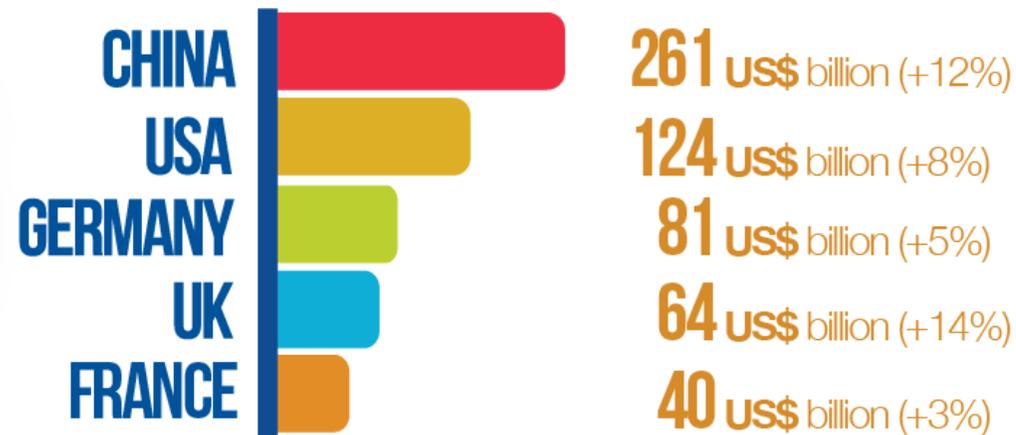


2017
INTERNATIONAL YEAR
OF SUSTAINABLE TOURISM
FOR DEVELOPMENT

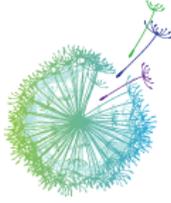


WORLD'S TOP TOURISM SPENDERS

INTERNATIONAL TOURISM EXPENDITURE 2016



Source: © Highlights 2017 - World Tourism Organization (UNWTO), July 2017

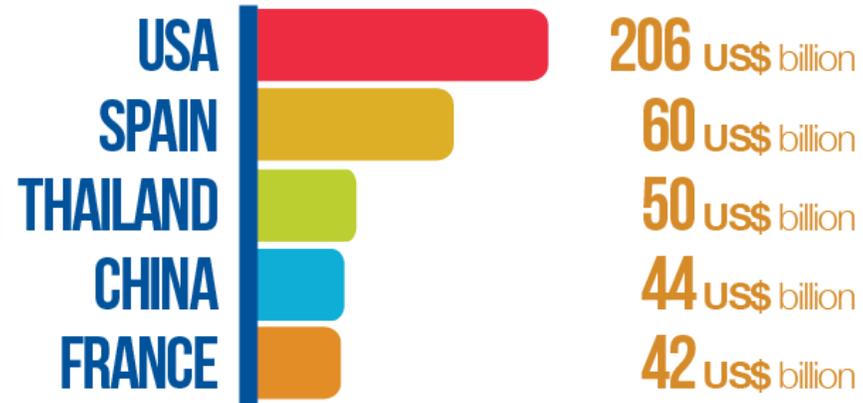


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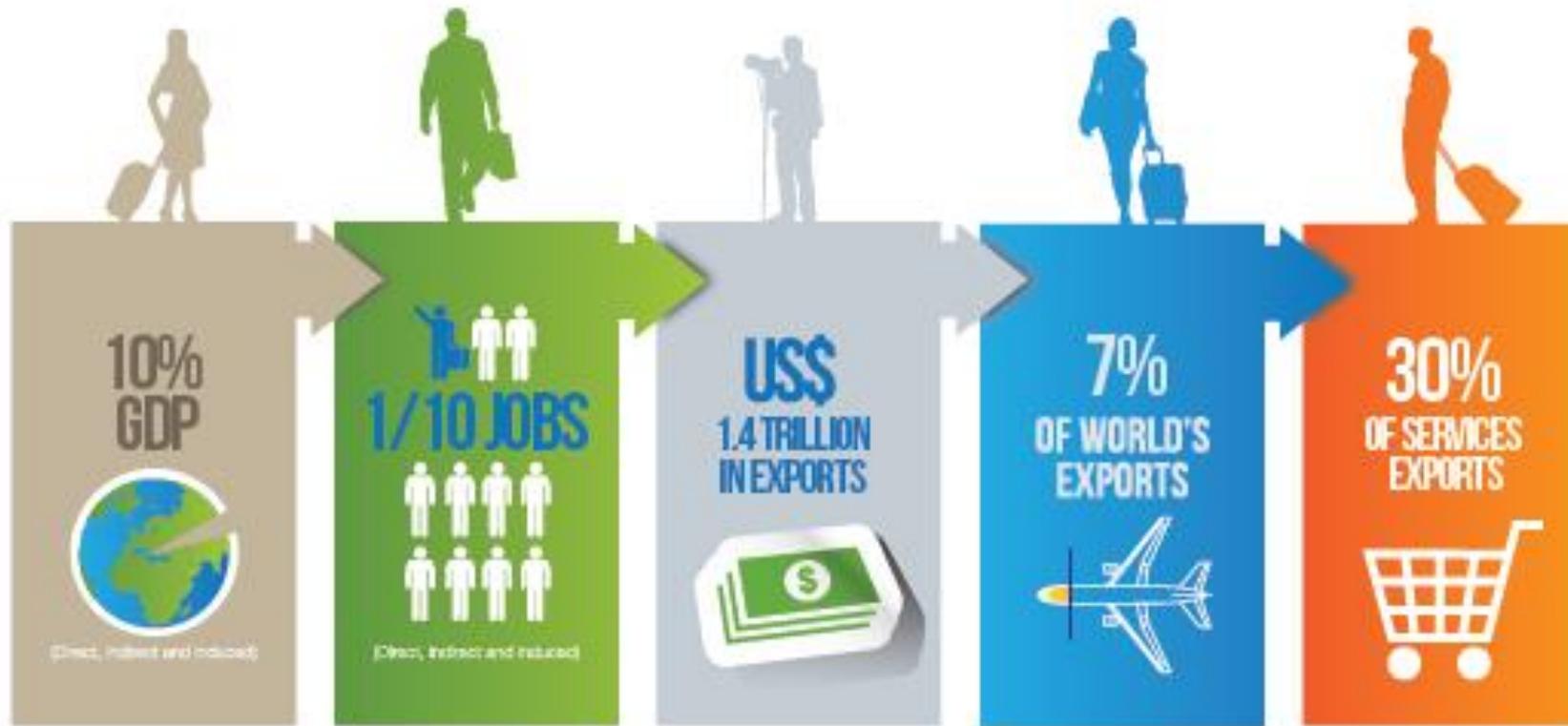
WORLD'S TOP TOURISM EARNERS

INTERNATIONAL TOURISM RECEIPTS 2016



Source: © Highlights 2017 - World Tourism Organization (UNWTO), July 2017

THE IMPORTANCE OF TOURISM



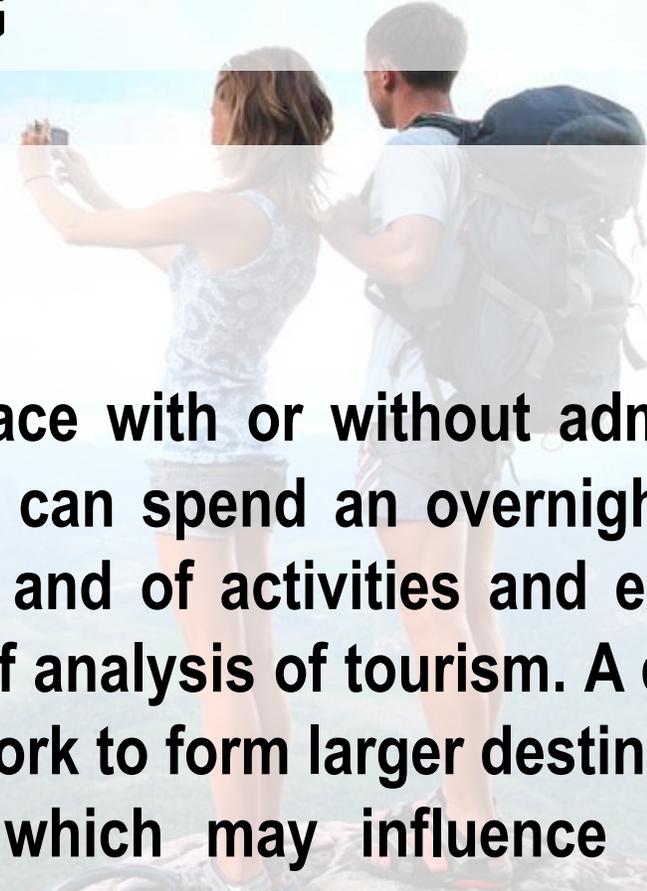
WHY TOURISM MATTERS

© World Tourism Organization (UNWTO) July, 2017

INTRODUCTION TO DESTINATION MANAGEMENT AND MARKETING

Concepts & Definitions:

A TOURISM DESTINATION is a physical space with or without administrative and/or analytical boundaries in which a visitor can spend an overnight. It is the cluster (co-location) of products and services, and of activities and experiences along the tourism value chain and a basic unit of analysis of tourism. A destination incorporates various stakeholders and can network to form larger destinations. It is also intangible with its image and identity which may influence its market competitiveness.



INTRODUCTION TO DESTINATION MANAGEMENT AND MARKETING

A DESTINATION MANAGEMENT/ MARKETING ORGANIZATION (DMO): is the leading organizational entity which may encompass the various authorities, stakeholders and professionals and facilitates tourism sector partnerships towards a collective destination vision. The governance structures of DMOs vary from a single public authority to a public/private partnership model with the key role of initiating, coordinating and managing certain activities such as implementation of tourism policies, strategic planning, product development, promotion and marketing and convention bureau activities.

The functions of the DMOs may vary from national to regional and local levels depending on the current and potential needs as well as on the decentralization level of public administration. Not every tourism destination has a DMO.



INTRODUCTION TO DESTINATION MANAGEMENT AND MARKETING



A TOURISM PRODUCT: is a combination of tangible and intangible elements, such as natural, cultural and man-made resources, attractions, facilities, services and activities around a specific center of interest which represents the core of the destination marketing mix and creates an overall visitor experience including emotional aspects for the potential customers. A tourism product is priced and sold through distribution channels and it has a life-cycle.



INTRODUCTION TO DESTINATION MANAGEMENT AND MARKETING

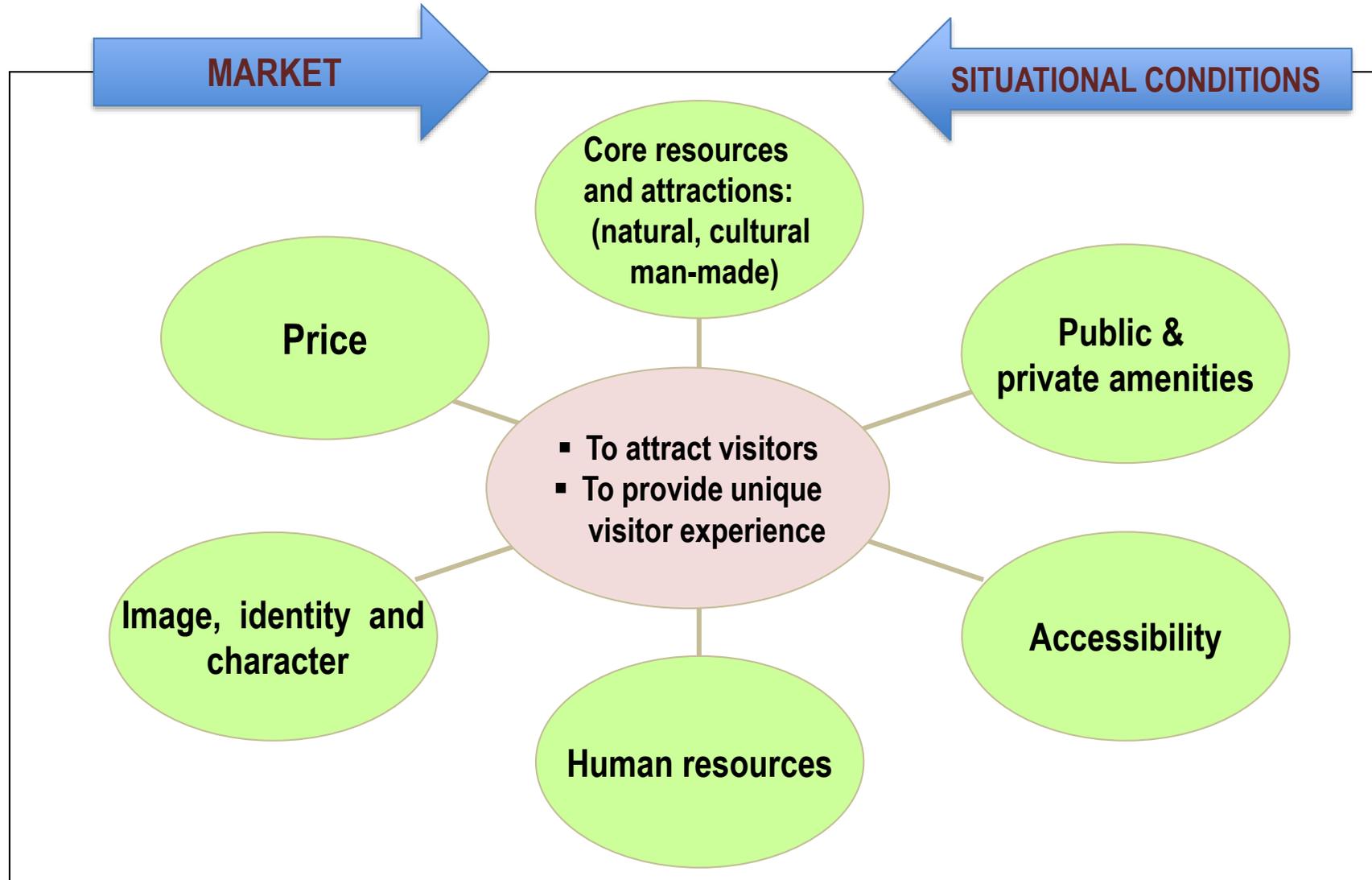
TOURISM VALUE CHAIN: is the sequence of primary and support activities which are strategically fundamental for the performance of the tourism sector. Linked processes such as policy making and integrated planning, product development and packaging, promotion and marketing, distribution and sales and destination operations and services are the key primary activities of the tourism value chain.

Support activities involve transport and infrastructure, human resource development, technology and systems development and other complementary goods and services which may not be related to core tourism businesses but have a high impact on the value of tourism.

DESTINATION MANAGEMENT & TOURISM VALUE CHAIN



DESTINATION MANAGEMENT & TOURISM VALUE CHAIN



DESTINATION MANAGEMENT / MARKETING ORGANIZATIONS

OPTIONS FOR DM /GOVERNANCE:

- Single public authority,
- Partnership of public authorities, serviced by partners,
- Public authority(ies) outsourcing delivery to private companies,
- Public-private partnership in funding and operations,
- 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,

DMO STAKEHOLDERS:

- National, regional and /or provincial government,
- Economic development agencies,
- Local authorities /municipality,
- City Centre management organizations,
- Institutions representing commercial activities (e.g. chambers of commerce)
- Convention bureaus,
- National Park authorities,
- Transport providers,
- Attractions, events and cultural stakeholders,
- Accommodation providers,
- Restaurant, leisure and retail operators,
- Intermediaries (tour operators, travel agencies),
- Local tourism consortia and partnerships,
- Skill development institutions, etc.

DESTINATION MANAGEMENT / MARKETING ORGANIZATIONS

PUBLIC SECTOR - STRENGTHS:

- Long – term strategic planning
- Destination awareness
- Public administration
- SME Support
- Quality assurance

PRIVATE SECTOR -STRENGTHS:

- Short-term tactic bussiness approach
- Marketing and sales approach
- Customers Relationship Management
- Market opportunity awareness
- Fast decision-making
- Local community involvement

DESTINATION MANAGEMENT / MARKETING ORGANIZATIONS

PUBLIC SECTOR - WEAKNESSES:

- Lack of interest in new business & innovation,
- Weak in generating commercial income
- Reluctancy to take risks
- Tolerates bad results,
- Slow decision making,
- Lack of confidence in the private sector and profit motive

PRIVATE SECTOR -WEAKNESSES:

- Lack of concern for the general public
- Limited interest for long-term planning
- Limited /inadequate resources
- Lack of confidence in the public sector/ conflictive interests

A FRAMEWORK FOR DEVELOPING A DESTINATION MANAGEMENT STRATEGY

(A STRATEGIC PLANNING MODEL)

1 **SITUATION ASSESSMENT** (where are we now?)

2 **A STRATEGIC FRAMEWORK** (where would we like to be?)

3 **AN INTEGRATED, MULTI-YEAR IMPLEMENTATION PLAN** (how do we get there?)

4 **INSTITUTIONAL & PERFORMANCE MANAGEMENT ARRANGEMENTS – GOVERNANCE** (what are the institutional arrangements for performance?)

1. SITUATION ASSESSMENT

(WHERE ARE WE NOW?)

- ✓ A macro environmental appraisal: political, economic, social and technological opportunities and threats,
- ✓ A market analysis and assessment: market share and performance, market trends, customer profiles,
- ✓ Tourism resources and services audit: 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, current and future competitors, synergies with other destinations, local institutional collaboration.

2. A STRATEGIC FRAMEWORK (WHERE WOULD WE LIKE TO BE?)

- ✓ 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 competitors,
- ✓ 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 target markets,
- ✓ An assessment of critical success factors for destination positioning .

3. AN INTEGRATED, MULTI-YEAR IMPLEMENTATION PLAN (HOW DO WE GET THERE?)

✓ A tourism development programme and implementation plan:

- A sustainable growth policy,
- Land use plan : Zoning, spatial nodes and routes, regulations and standards;
- Critical infrastructure,
- Tourism information systems,
- New product development,
- Quality
- SME development, support infrastructure and services,
- Community involvement,
- Safety and security, etc.

✓ A tourism marketing programme and implementation plan:

- Must support the brand ,
- Must focus on target markets,
- Must use information technologies,
- Must include monitoring mechanisms,

4. INSTITUTIONAL AND PERFORMANCE MANAGEMENT ARRANGEMENTS - GOVERNANCE

A Suitable Destination Management structure /model which:

- ✓ Performs on the findings, the strategy and the implementation plan,
- ✓ Complements other initiatives and structures (e.g. national, regional policies and frameworks,
- ✓ Is based on public – private partnerships,
- ✓ Includes monitoring and evaluation mechanisms to measure and evaluate strategic performance.

KEY PRINCIPLES IN TOURISM PRODUCT DEVELOPMENT (TPD)

TPD must be:

- An integral part of overall tourism development strategic planning
- Authentic and responsible (natural and socio-cultural environment)
- Differentiated from competitors,
- Of a sufficient scale to make economic contribution to the destination,
- In line with market trends, needs and interests, (specific products for clearly identified segments)

Central, regional and local authorities must:

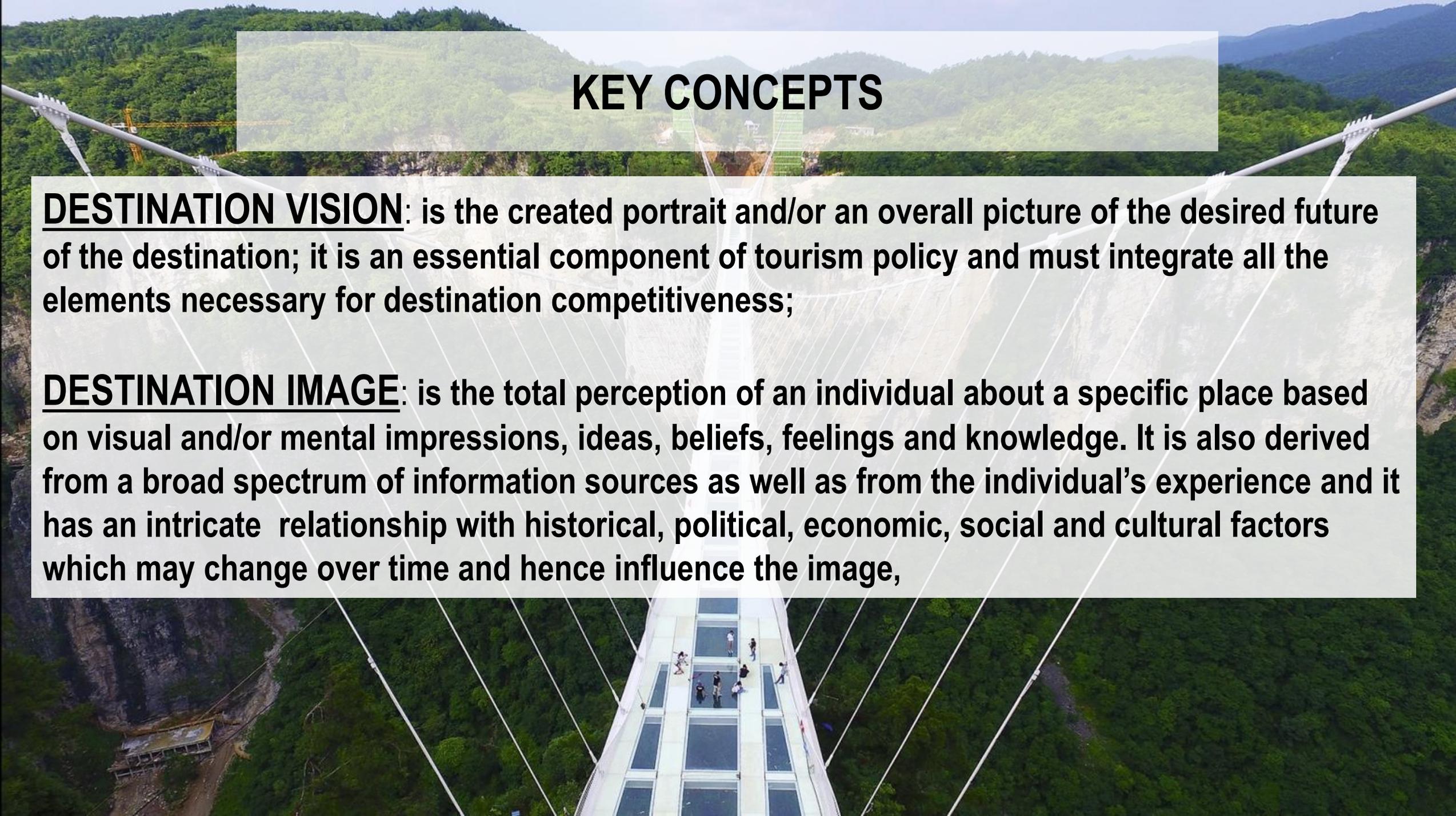
- Identify and disseminate information about opportunities,
- Plan and designate tourism development areas,
- Facilitate incentives and support the private sector,



KEY PRINCIPLES IN TOURISM PRODUCT DEVELOPMENT (TPD)

Important steps:

- Continuous consultation, coordination and collaboration with all the stakeholders, public, private and local community.
 - Long term vision, mid-term strategy and planning, short-term action plans,
 - Separate TPD zones depending on the strengths of each region,
 - Consider TPD as a set of experiences for the visitor based on themes or location,
 - Achieve the highest quality standards,
 - Achieve a blend of i) a major/flagship hub , ii) clusters and circuits of attractions and activities.
- 
- A hand in a white shirt cuff and dark suit sleeve holds a silver pen. The hand is positioned on the right side of the slide, pointing towards the text. In the background, there is a large, semi-transparent circular arrow graphic composed of several overlapping curved arrows in shades of pink, red, yellow, and teal, suggesting a continuous cycle or process.

An aerial view of a glass-bottomed suspension bridge spanning a deep, forested valley. The bridge's walkway is made of large glass panels, and several people can be seen walking across it. The surrounding landscape is lush green with dense trees and rolling hills in the distance. The sky is clear and blue.

KEY CONCEPTS

DESTINATION VISION: is the created portrait and/or an overall picture of the desired future of the destination; it is an essential component of tourism policy and must integrate all the elements necessary for destination competitiveness;

DESTINATION IMAGE: is the total perception of an individual about a specific place based on visual and/or mental impressions, ideas, beliefs, feelings and knowledge. It is also derived from a broad spectrum of information sources as well as from the individual's experience and it has an intricate relationship with historical, political, economic, social and cultural factors which may change over time and hence influence the image,

KEY CONCEPTS

DESTINATION BRAND: is a combination of tangible and intangible characteristics of a tourism destination which highlights the unique competitive identity and the distinctive personality of the destination and differentiates it from its competitors. The destination brand is not only a trademark (logo, symbol or icon) but an experience, image and a promise which signals a value system and positioning.



KEY CONCEPTS

DESTINATION POSITIONING is the perception of the destination in the marketplace by the actual and potential visitors in terms of the experience it provides *relative to competing destinations*.

• **DIFERENTIATION:**



MODEL FOR DESTINATION COMPETITIVENESS

DESTINATION COMPETITIVENESS:

The Competitiveness of a Tourism Destination is the ability of the destination to use its natural, cultural, human, man-made and capital resources efficiently to develop and deliver quality, innovative, ethical and attractive tourism products and services in order to achieve a sustainable growth within its overall vision and strategic goals, increase the added value of the tourism sector, improve and diversify its market components and optimize its attractiveness and benefits both for visitors and the local community in a sustainable perspective.

A SIMPLE DESTINATION COMPETITIVENESS MODEL

(Quantitative and qualitative factors for destination competitiveness)

Factors related to governance, management and the market dynamics

- i. Sustainable tourism policy and regulations,
- ii. Strategic planning,
- iii. Public Private Partnership + vertical cooperation
i.e. national-regional-local levels,
- iv. Governance structure,
- v. Safety and security,
- vi. Hygiene and health facilities,
- vii. Investment and entrepreneurship policy,
- viii. Promotion strategies and tools,
- ix. Economic impact,
- x. Entry visa facilitation,
- xi. Labour productivity in tourism services and human resources development,
- xii. Budget allocated to support the tourism sector,
- xiii. Volume of accommodation facilities + related and supportive facilities,
- xiv. Demand trends and patterns (number of visitors, length of stay, tourism revenues, tourism expenditure, seasonality, etc.)
- xv. Use of information technologies,
- xvi. Knowledge management and research,
- xvii. Capacity for innovation in tourism,
- xviii. Accessible tourism
- xix. Political and economic stability
- xx. Others

Factors related to destination appeal, attractors, products and supply

- i. Geographical location and connectivity,
- ii. Natural resources,
- iii. Cultural resources (tangible, intangible),
- iv. Public and private amenities,
- v. Infrastructure,
- vi. Quality,
- vii. Local community awareness, hospitality,
- viii. Authenticity,
- ix. Seasonality,
- x. Ethical and responsible tourism products and services,
- xi. Destination image,
- xii. Destination brand,
- xiii. Positioning in the domestic market,
- xiv. Positioning in the international market,
- xv. Innovative products and services,
- xvi. Price competitiveness,
- xvii. Others

QUALITY ATTRIBUTES OF DESTINATIONS



ACCESSIBILITY, COMMUNICATION AND SIGNPOSTING

(connectivity, transport capacity, accessibility FOR ALL to tourist attractions, frequency, scheduling, safety, signposting, etc.)



SOCIAL ENVIRONMENT AND LOCAL HOSPITALITY

(authenticity, respect for the visitor, other service suppliers, banks, cultural attractions, shops etc.)



INTEGRATED QUALITY APPROACH

(accommodation facilities, food and beverage)

QUALITY ATTRIBUTES OF DESTINATIONS



LEGAL ENVIRONMENT AND CONSUMER PROTECTION

(regulation of tourism activities, professional skills of providers, price transparency)



POLITICAL ENVIRONMENT AND INSTITUTIONAL SUPPORT

(consistency with tourism development objectives, growth strategies, public services, human resources etc.)



COMPETITIVE ENVIRONMENT

(geographical location, climate, scale of the destination,

KEYS FOR SUCCESS

1. ***Vision*** and leadership for a sustainable and competitive tourism,
2. Knowledge and understanding of the needs of our target markets and the “new tourist”,
3. Connectivity and infrastructure,
4. Ensuring destination quality performance,
5. Legal framework and incentives for sustainable growth,
6. Positioning and differentiating our destination and “image management”,
7. Improvement of collecting reliable data and competent analysis of the data,
8. Improvement of the competitiveness of the destination, providing “through the chain”, positive visitor experience,
9. Product innovation and management,
10. Capitalizing on the opportunities provided by new technologies,
11. Greater professionalism in service levels and overall HR management,
12. Synergy between all the stakeholders in creating the destination vision,
13. Public-private sector partnership in the key areas of management and marketing,
14. Continuously adapting to the dynamically changing macro, competitive and market environments.



THANK YOU

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