

After the Assessment...

Destination Management and Tourism Product Development

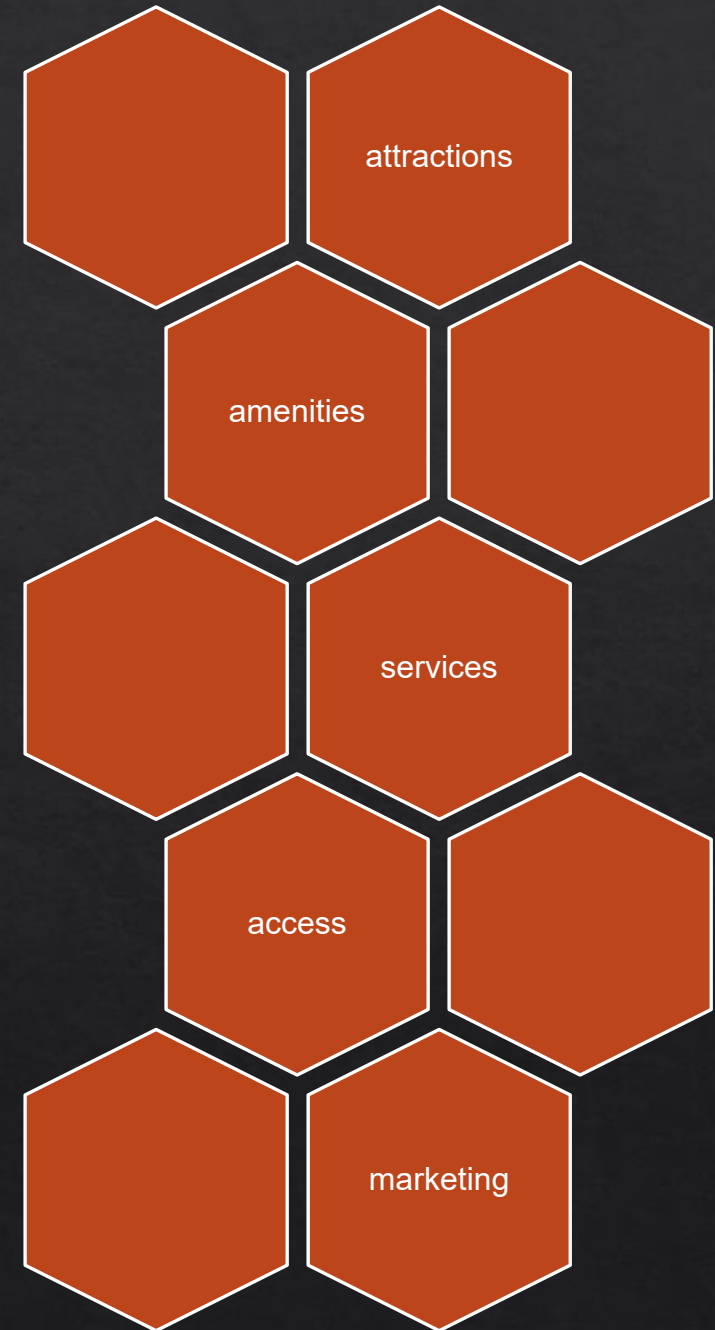
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Destination Management

Destination Management

- ◆ Tourism destination management is the coordinated oversight of all the elements that make up a destination
- ◆ Destination management involves linking these fragmented entities through coordination and cooperation



Destination Management Goal

- ◇ To enhance the effectiveness of the interactions between and among organizations to benefit individual stakeholders and ultimately the collective by:
 - ◇ Spreading benefits of tourism
 - ◇ Increasing tourism spending
 - ◇ Establishing a competitive edge
 - ◇ Ensuring tourism sustainability



Destination Management Organizations (DMOs)

- Enable **coordination among different stakeholders**
- Facilitate **destination strategy, planning, partnerships and policy**
- Gather **statistics, monitor**, and evaluate impacts
- **Secure financing and investment**
- **Create opportunities/foster product development**
- Cohesive destination **marketing and market research**
- **Facilitate training**
- **Communicate to traveler**

How are DMOs structured?

- ◇ Mostly nonprofit
- ◇ Financed through:
 - ◇ Tax revenues and levies
 - ◇ Sponsorships/partnerships
 - ◇ Service fees
 - ◇ Sales commissions
 - ◇ Membership dues
 - ◇ Direct government budget allocations
 - ◇ Events
 - ◇ Merchandise
 - ◇ Cooperative marketing
- ◇ Best as public-private partnerships

OFFICE OF TOURISM

Transient Lodging Tax Rates: Arizona Communities

Community	County	Tax Rates				
		Bed	City	County	State	Total
Parker	La Paz	4.0%	2.0%	2.2%	5.5%	13.70%
Patagonia	Santa Cruz	3.0%	3.0%	1.10%	5.5%	12.60%
Payson	Gila	5.0%	2.12%	1.10%	5.5%	13.72%
Peoria	Maricopa ²	3.8%	1.8%	1.77%	5.5%	12.87%
Phoenix	Maricopa ²	3.0%	2.3%	1.77%	5.5%	12.57%
Pima	Graham	0.0%	2.0%	1.05%	5.5%	8.55%
Pinetop-Lakeside	Navajo	3.0%	2.5%	0.55%	5.5%	11.55%
Prescott	Yavapai	3.0%	2.0%	0.825%	5.5%	11.325%
Prescott Valley	Yavapai	2.83%	2.83%	0.825%	5.5%	11.985%
Quartzsite	La Paz	0.0%	5.5%	2.2%	5.5%	13.20%
Queen Creek ¹	Maricopa ² /Pinal	3.0%	2.25%	1.77%/1.198%	5.5%	12.52%/11.948%
Safford	Graham	5.0%	2.5%	1.05%	5.5%	14.05%
Sahuarita	Pima ³	2.0%	2.0%	0.55%	5.5%	10.05%
St. Johns	Apache	3.0%	3.0%	0.55%	5.5%	12.05%
San Luis	Yuma	0.0%	4.0%	1.21%	5.5%	10.71%
Scottsdale	Maricopa ²	5.0%	1.65%	1.77%	5.5%	13.92%
Sedona	Coconino/Yavapai	3.5%	3.0%	1.4%/0.825%	5.5%	13.4%/12.825%
Show Low	Navajo	0.0%	2.0%	0.55%	5.5%	8.05%
Sierra Vista	Cochise	0.0%	5.5%	0.55%	5.5%	11.55%
Snowflake	Navajo	4.0%	2.0%	0.55%	5.5%	12.05%
Somerton	Yuma	0.0%	3.3%	1.21%	5.5%	10.01%
South Tucson	Pima ³	2.0%	3.5%	0.55%	5.5%	11.55%
Springerville	Apache	2.0%	3.0%	0.55%	5.5%	11.05%
Star Valley	Gila	0.0%	2.0%	1.10%	5.5%	8.60%
Superior	Pinal	0.0%	4.0%	1.198%	5.5%	10.698%
Surprise	Maricopa ²	4.52%	2.2%	1.77%	5.5%	13.99%
Taylor	Navajo	2.0%	2.0%	0.55%	5.5%	10.05%

How Does/Would This Apply In Your Community?

- Leadership?
- Roles and responsibilities?
- Decision making process?
- Community engagement?
- Representation?
- Partnerships?

DMO Case Study: Margaret River Busselton Tourism Association (MRBTA)

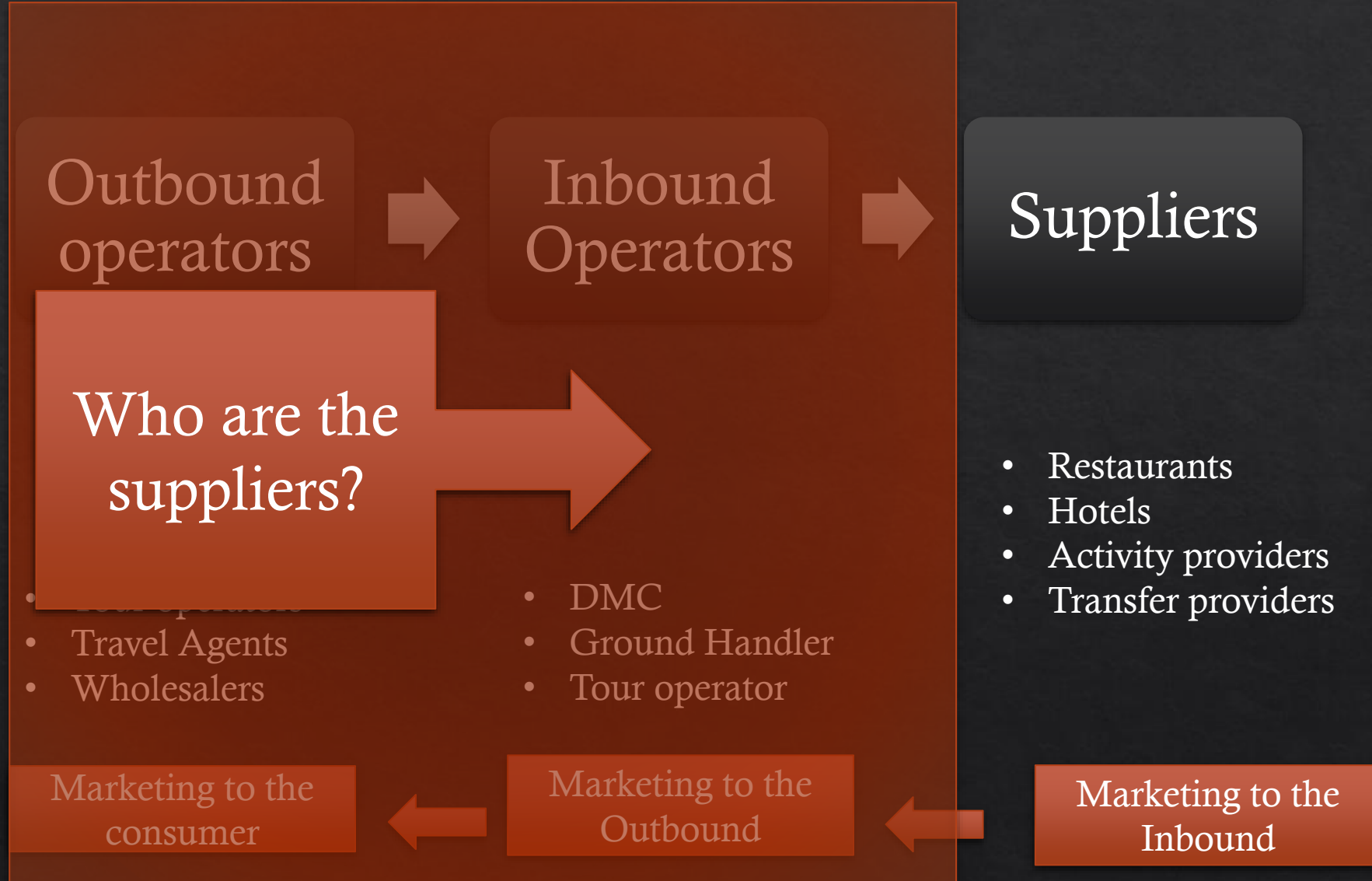
- ◆ Not for profit incorporated association with more than 700 members
- ◆ Governed by a board of nine directors
- ◆ MRBTA operates six tourist attractions
- ◆ With the funds generated, it operates 4 visitor centres and markets the destination to visitors.



Tourism

Product Development

Definitions : Basic Supply Chain



The suppliers in the tourism industry

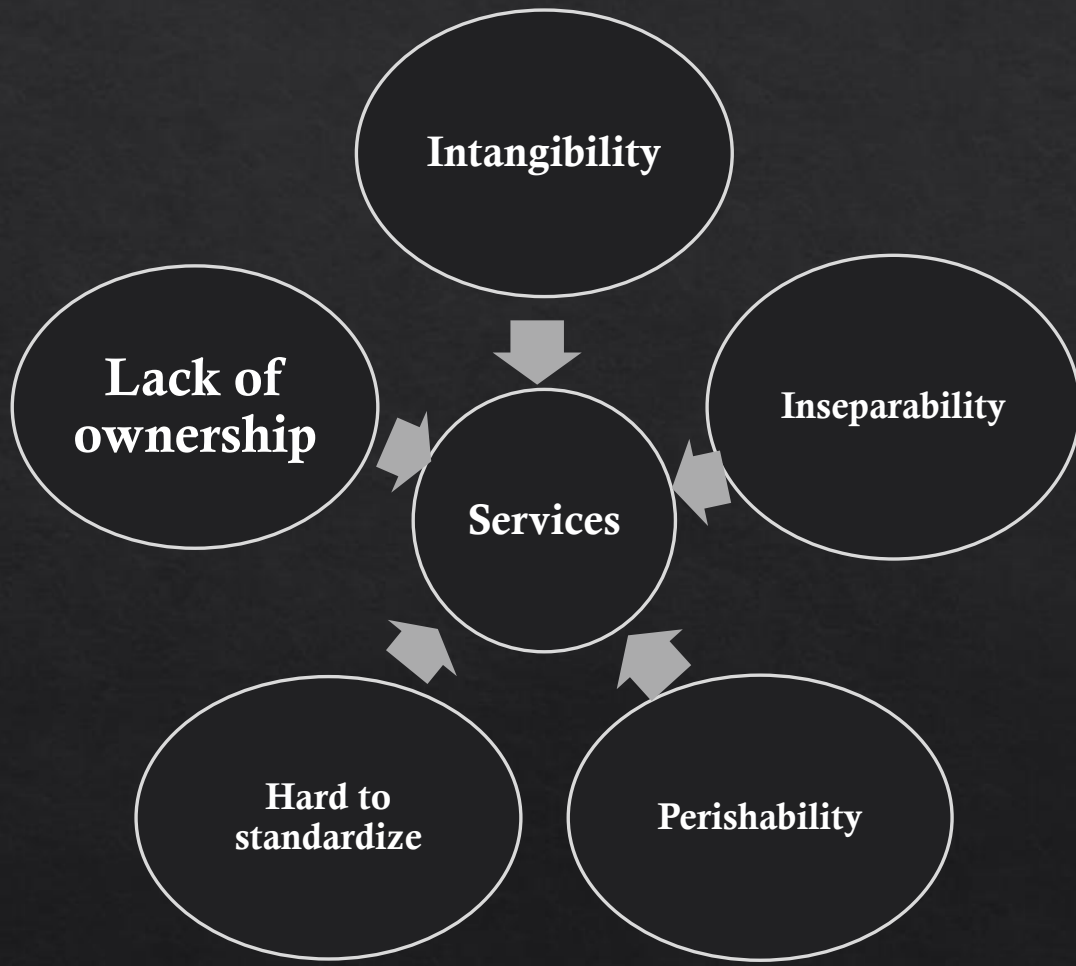
- ◇ The **accommodation** sector: hotels, bed and breakfast, self-catering camp sites, etc.
- ◇ The **attraction** sector: museums, galleries, theme parks, festivals, etc.
- ◇ The **transportation** sector: railway, cruise lines, ferry companies, airlines, etc.
- ◇ The **restaurant sector**
- ◇ The **airline sector**: domestic and international airlines

The total combination of all these services
becomes a tourism product

What is a tourism product?

- ◆ When a tourist buys a 'tourism product' it is likely to be a total itinerary
- ◆ Therefore, the tourism product is a combination of different **products** and **services**, often owned by a variety of different parties.
- ◆ The tourism product is something that the prospective buyer cannot often experience before buying.

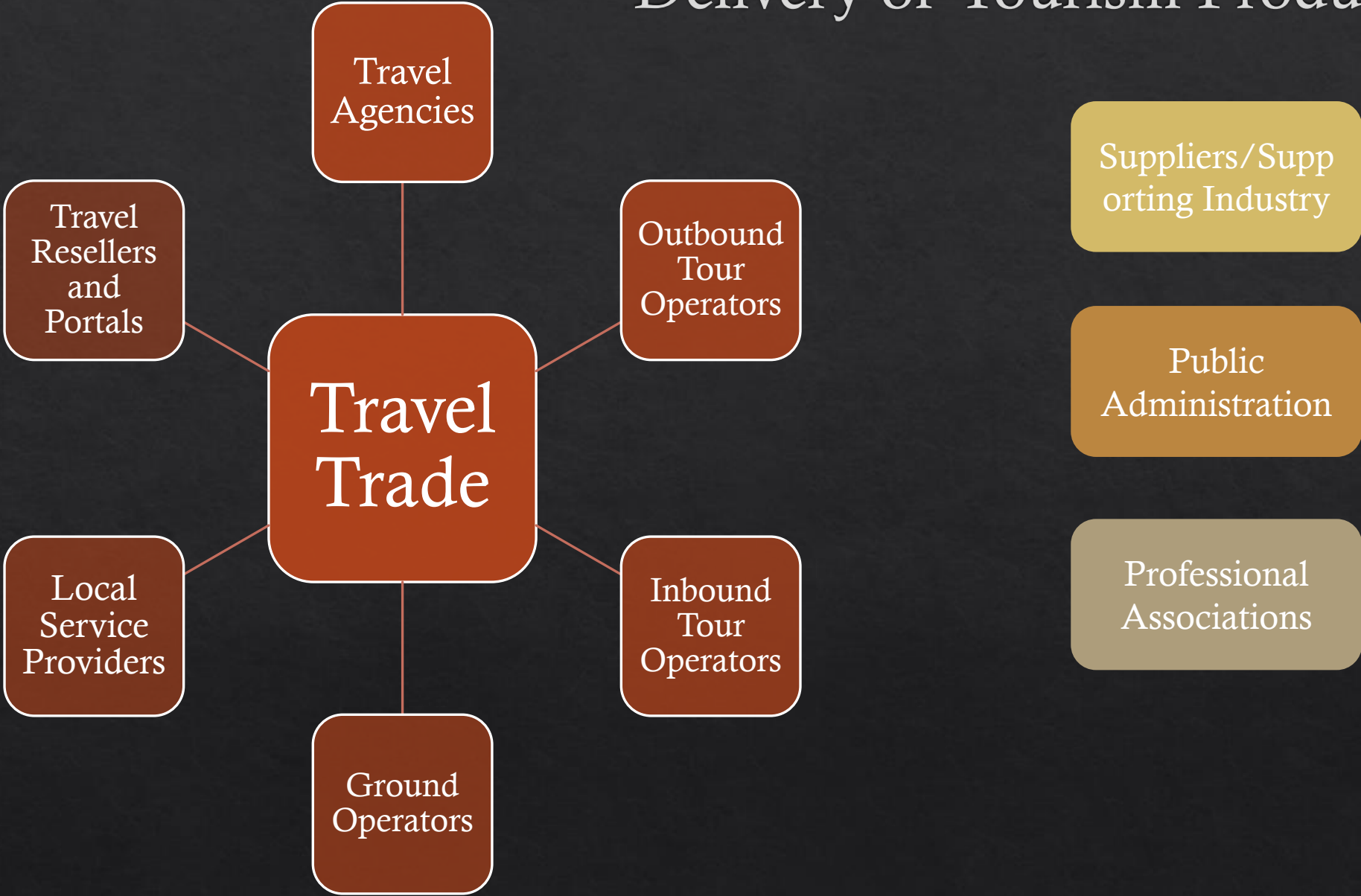
The Nature of the Product



What Does the Consumer see?

- ◆ **Tourists perceive the destination as a brand comprising of a collection of suppliers and services.**
- ◆ Before visiting they develop an image about destinations as well as a set of expectations based on previous experience, word of mouth, press reports, advertising, and common beliefs.
- ◆ Tourists' overall experience is composed of numerous small encounters with a variety of tourism principals,
- ◆ Their overall impression develops their image of a destination **after their visitation.**
- ◆ As a consequence there is much overlapping between strategic marketing of the destination as a whole and of each individual supplier at the region.
- ◆ Hence, the competitiveness of each player is often interrelated and almost indistinguishable from one another

Delivery of Tourism Products



Tourism Products

Products in tourism are the places and experiences identified, created and marketed to visitors.

Resources &
Attractions

Facilities &
Infrastructure

Services

Activities

Images

Who develops products?

- ◆ While almost all destinations undertake destination marketing, a relatively small number of destination authorities are actively involved in shaping the tourism products developed and offered.
- ◆ Tourism product development to the private sector.
- ◆ There is room for collaboration, because marketing agencies know what works and what doesn't work.

Product Planning- Basic Elements

- ◆ The most basic decision a tourism organization has to make is deciding what business it is in and what product mix is appropriate to it.
- ◆ The **product mix** is the portfolio of products that an organization offers to one market or several. To know what product mix a destination should select, its important to know who the target is:
 - ◆ - Leisure Travellers
 - ◆ - Business Travellers
 - ◆ - MICE (Meetings, Incentives, Conferences and Events)
 - ◆ - Religious tourism
 - ◆ - Domestic Tourism

Product Development

Can tourism products be developed through testing?

The best method of developing a successful product is through intensive product research and testing. In marketing of physical products there are well established methods and procedures for doing this. This procedure is rarely possible in tourism for a number of reasons.

- As intangibles tourism products cannot be pre-tested
- The potential for differentiation in product design is often limited for tourism products.
- Individual tourism marketers rarely control the whole product as delivered to the consumer

Shared Economy

- ◇ Airbnb
- ◇ Airbnb Experiences
- ◇ Feastly.com
- ◇ Showaround.com



FOR YOU HOMES EXPERIENCES

The screenshot displays five experience cards on the Feastly website. Each card includes a photograph, a price, a title, a description, and a star rating with the number of reviews.

- \$25** Explore a true forest without leaving Portland city...
★★★★★ 17 reviews
- \$75** Demystifying the art of oil painting
- \$68** Sewing for novices! Handcraft a canvas bag with ...
★★★★★ 2 reviews
- \$48** Embrace being a maker and create an easy-sew zipp...
★★★★★ 5 reviews
- \$110** Insider access to Portland's beer & cider scene.
★★★★★ 2 reviews

Packaging

In order to sell your product, it must be easy to buy.

Packaging can improve business and provide customers with well priced, attractive and convenient travel options.

A package is defined as two or more tourism products that would otherwise be marketed separately, either by the same supplier or in cooperation with other suppliers, but are offered as a single product at a package price.

(Coltman, 1989)

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Day 2: BEIJING (8A) - Morning Pao and Beijing city and shopping tour, visit Tiananmen square, Forbidden City, Wangfujing shopping street, Silk and Pearl Factory, Silk Factory and Lushan Peacock camp. Free Lunch at local restaurant, check out and fly to the next.
Day 3: BEIJING (8A) - Whole day free all joint leisure.
Day 4: BEIJING-SHANGHAI (8A) - Free and transfer to airport.

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Package Benefits

- **Customer convenience:** Packages reduce the time and money spent looking for key product and booking information on a destination.
- **Savings:** Packages reduce the cost of products and services and provide greater discounts and better value for money.
- **Ease of payment and planning:** Travel arrangements are generally pre-paid and confirmed prior to travel or handled by tour staff or guides.
- **Low stress** Packages relieve travel anxiety for new and older travelers, satisfying their need for security, reliability and companionship

Examples of Packages

- ◇ Resort hotels that offer meals included in the price of the room
- ◇ A resort hotel that packages a stay at the hotel with a tennis course
- ◇ A restaurant that packages a meal at the restaurant with a ticket at an adjacent theater
- ◇ A sightseeing bus tour company that packages a sightseeing trip with an entry to an attraction en route
- ◇ A casino that packages a discounted airline ticket with accommodation to bring people into gamble
- ◇ A trekking itinerary that includes hotel stays, a guide, all meals and domestic flights.
- ◇ A self-drive itinerary, where the rental company provides the car and makes the bookings but there is no guide.

Package Pricing

Disguised Pricing

This method disguises the exact cost of individual components and also the extent of discount provided by individual operators. In general, a minimum of three elements should be included to disguise pricing.

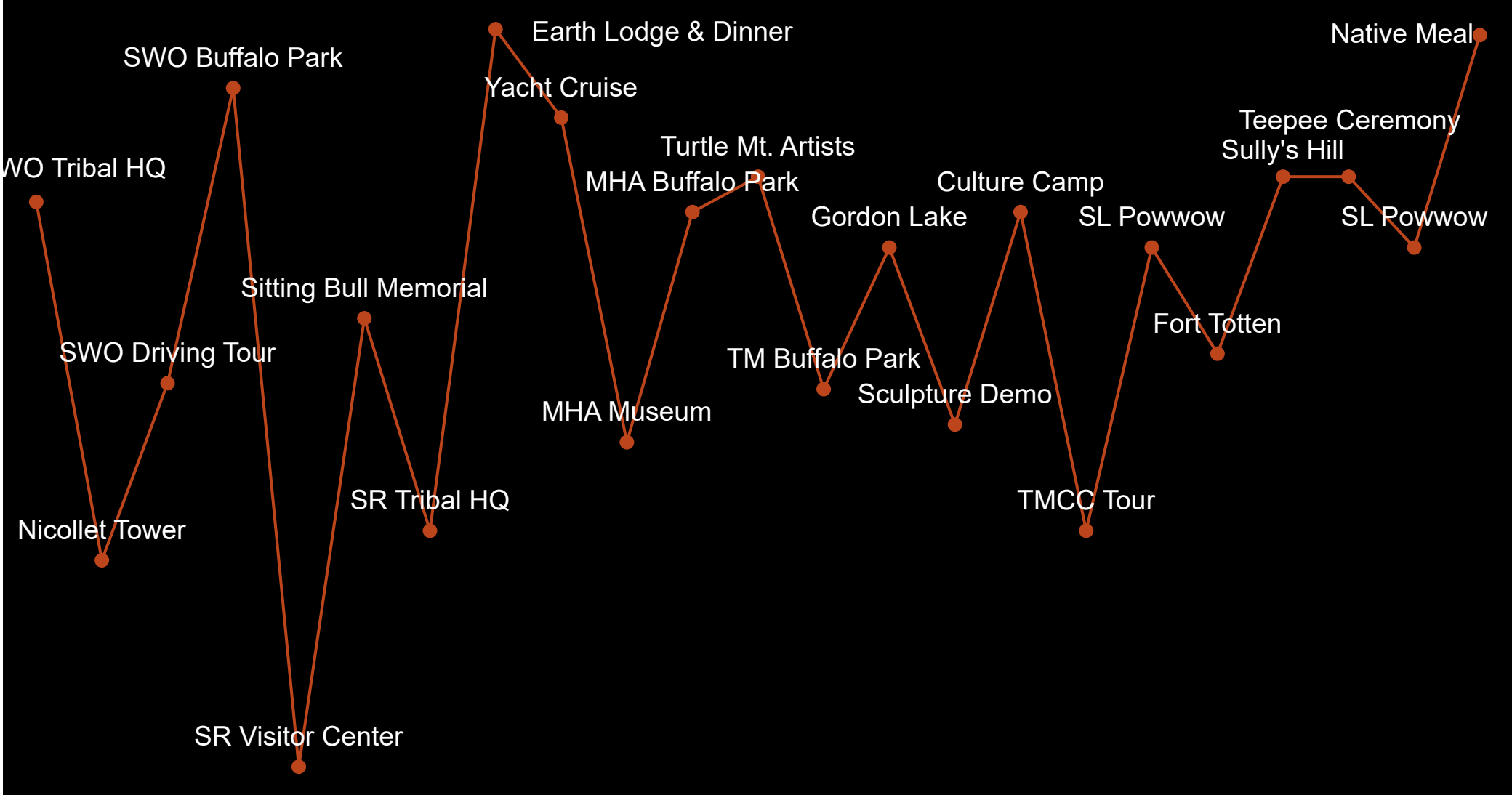
Visible Pricing

By offering a range of activities, attractions and options with each component costed at its full price, the final package cost may be too expensive to be appealing. This can be overcome by offering a flexible package with each component priced separately and available for purchase individually. The customer is then able to select their preferred package components according to their travel preferences and budget.

Marketing Products and Packages

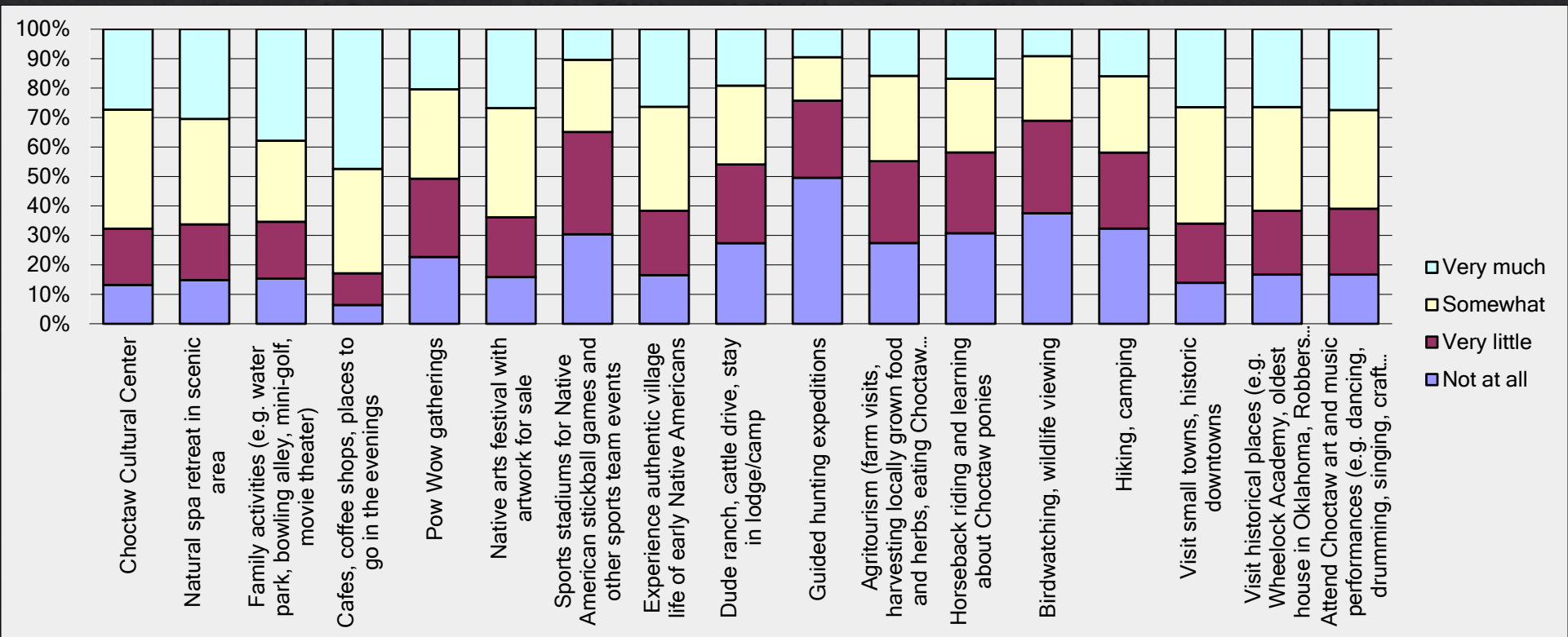
- ◇ In our roles as marketers – we work with product development professionals, but are responsible for marketing their packages
- ◇ We understand the market and can make recommendations about how to package and how to price
- ◇ We must understand the packages and the products, and know what is available in our destination
- ◇ We can't market what we don't know – and must experience it as the tourist does
- ◇ We understand who will buy the products and how to reach them through effective marketing

NDNTA Product Assessment

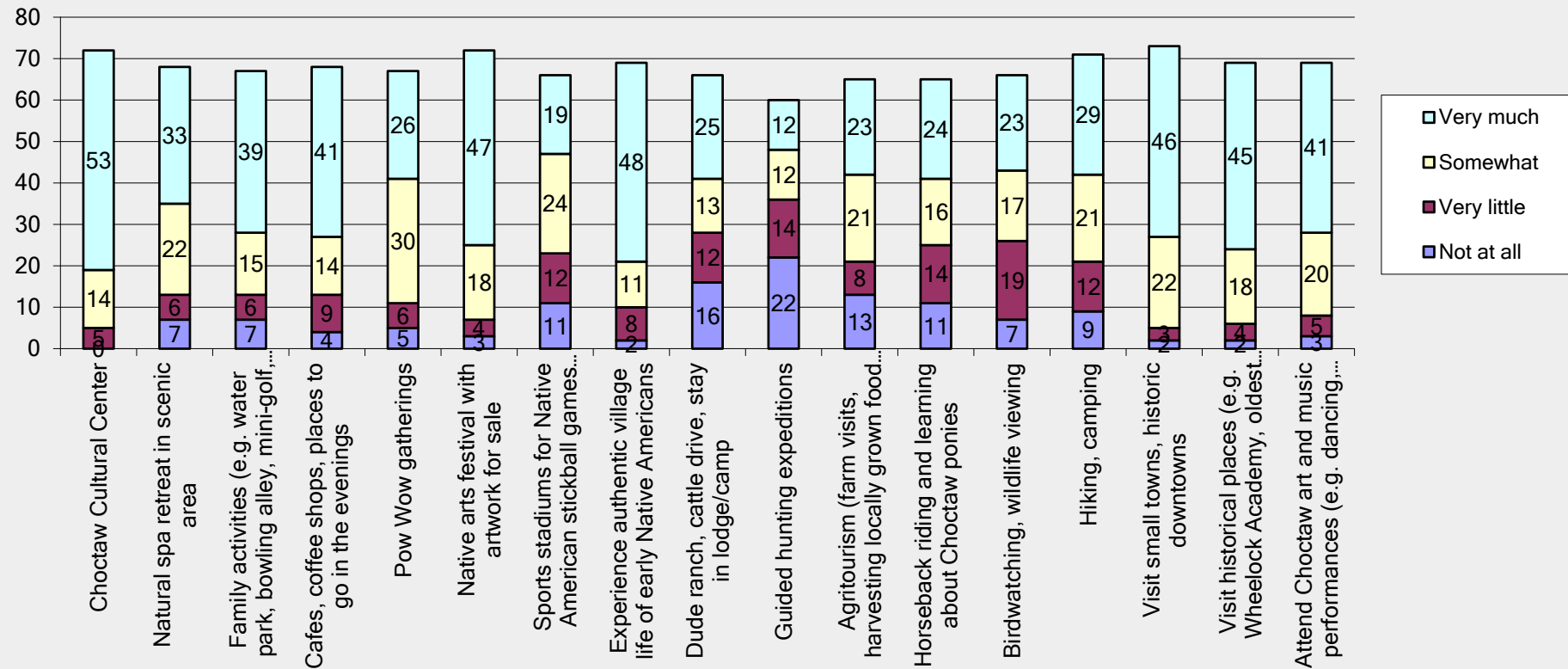


Activities casino visitors would like to participate in:

- ◇ “Very much” or “Somewhat”:
- ◇ Cafes/coffee shops/places to go in evenings (82.85%) - #2 on Residents Survey
- ◇ Cultural Center (67.7%) - #3 on Residents Survey



Tourist Interests: #1 Cultural Center, #2 Choctaw Village, #3 Native Arts Festival



Summary of Survey Findings:

- Cultural Center is most desired by all groups
- A Visitor's Center and dedicated website were highly desired by all types of visitors
- The majority of visitors want things to do that involve Native American culture
- Visitors love Oklahoma, casino guests spend around 2 nights, and all (including residents) are looking for more things to do

Opportunities for Entrepreneurship & Cultural Preservation

- ◆ Traditional Huts
- ◆ Food
- ◆ Music/Dance
- ◆ Cultural Events
- ◆ Horse Culture



Interpretation as product development

Interpretation...what is it?

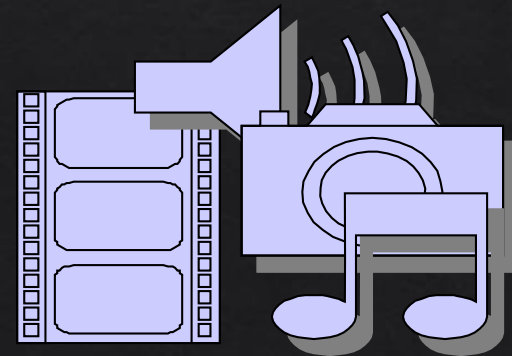
- ◆ Interpretation is the means by which tour guides turn factual information into something more meaningful for a visitor



Interpretation – what is it?

- ◇ “An educational activity which aims to reveal meanings and relationships through the use of original objects, by firsthand experience, and by illustrative media, rather than simply to communicate factual information.”

Freeman Tilden – *Interpreting Our Heritage*



Interpretation – what is it?

- ◆ *Interpretation is...*an explanation of the natural, cultural or historic values attached to places. It enables visitors to gain insights and understanding about the reasons for conservation and ongoing protection of heritage.



The Audience

- ◇ Tourism audiences are special – why?
 - ◇ They are participating of their own free will
 - ◇ In their own time
 - ◇ They want to see something in a new way
 - ◇ They are seeking inspiration and recreation



Principles of Interpretation

- ◆ What is the difference between information and interpretation?
 - ◆ A sound knowledge of factual information is required for interpretation but...it is more than just facts.
 - ◆ Interpretation gives facts, context, elaborates on them and weaves them into stories.
- Information is only a part of the interpretation. It should enlighten the audience and involve all the senses and styles of learning.



Principles of Interpretation

For example:

◆ **Information** (facts)

- ◆ The Southern Alps have formed along a tectonic plate boundary and are eroded by weather. The erosion rate and the uplift rate are very similar...

◆ **Interpretation** (revelation)

- ◆ Colliding plates on the earth's surface created the Southern Alps. Just as when you push two pieces of paper together they buckle, fold and rise, so does the earth. Weather is working to slow the rise of the mountains, by tearing away at them with wind, rain and snow. As much as the Southern Alps get pushed up each year, the weather wears them back down again so they stay a fairly constant height.

Principles of Interpretation

- ◇ The materials may be scientific, historical or architectural (all of which can be taught)
- ◇ However interpretation should stimulate, provoke and inspire...how?
- ◇ By being...
 - ◇ Being relevant and interactive
 - ◇ Satisfying visitor curiosity
 - ◇ Creating meaning
 - ◇ Providing entertainment
 - ◇ Provoking thought



Benefits for visitors

- ◇ Interpretation enhances **visitor** experiences by:
 - ◇ Being relevant and interactive
 - ◇ Fulfilling their curiosity
 - ◇ Creating meaning
 - ◇ Entertaining
 - ◇ Provoking thought



Benefits for destinations:

- ◇ Interpretation may enhance experiences, which leads to more satisfied customers who are more likely to:
 - ◇ Promote your destination through word of mouth
 - ◇ Create repeat business
 - ◇ Purchase something as a memory of the place
 - ◇ Stay longer



Benefits for destinations

- ◆ Tours based on an interpretive approach can also help:
 - ◆ Attract higher customer numbers
 - ◆ Distinguish your destination as offering something different
 - ◆ Encourage actions to protect the environment your destination is based on



Different types of **personal** interpretation

- ◇ Guided Tours
 - ◇ Guide takes group on a tour and offers interpretation

Strengths

- ◇ Person to person communication
- ◇ Can ask questions and get answer
- ◇ Can be easily adapted, updated and changed

Weakness

- ◇ Tour must move at the pace of the speaker
- ◇ Difficult for hearing impaired
- ◇ Language barrier



Different types of **personal** interpretation

- ◇ *Presentations*
 - ◇ Talk, static or moving
 - ◇ Visual presentation or audio recording
- ◇ *Demonstrations*
 - ◇ Showing how something is done, usually involves the audience
- ◇ *Living history*
 - ◇ Living portrayal or characters or events includes dress, dialect, objects or artefacts and acting

Different types of **personal** interpretation

- ◇ *Interactive*
 - ◇ Engaging an audience with the interpreter or some device or resource
- ◇ *Lecture or talk*
 - ◇ Oral presentation usually with visual aids
- ◇ *Drama*
 - ◇ Using theatre to provide the interpretation – role plays, theater, puppets

Different types of **non personal** interpretation

- ◇ *Print*
 - ◇ Brochures, books, posters
- ◇ *Self guiding*
 - ◇ Programmes, signs, interpretive panels, use of audio tapes
- ◇ *Exhibits*
 - ◇ Displays, collections, museums and galleries
- ◇ *Visitor Centres*
 - ◇ Combination of media, displays, guides etc
- ◇ *Museum*
 - ◇ Paintings, sculptures, buildings – through the use of objects



Cultural Site Interpretation

Refers to the full range of potential activities intended to **heighten public awareness** and **enhance understanding of cultural heritage sites**. These can include guided tours, print and electronic publications, museums and interpretive centers, public lectures, on site and off site installations, educational programs, and community activities...amongst others.