

Tourism Master Planning

What?

Why?

How?

Who?

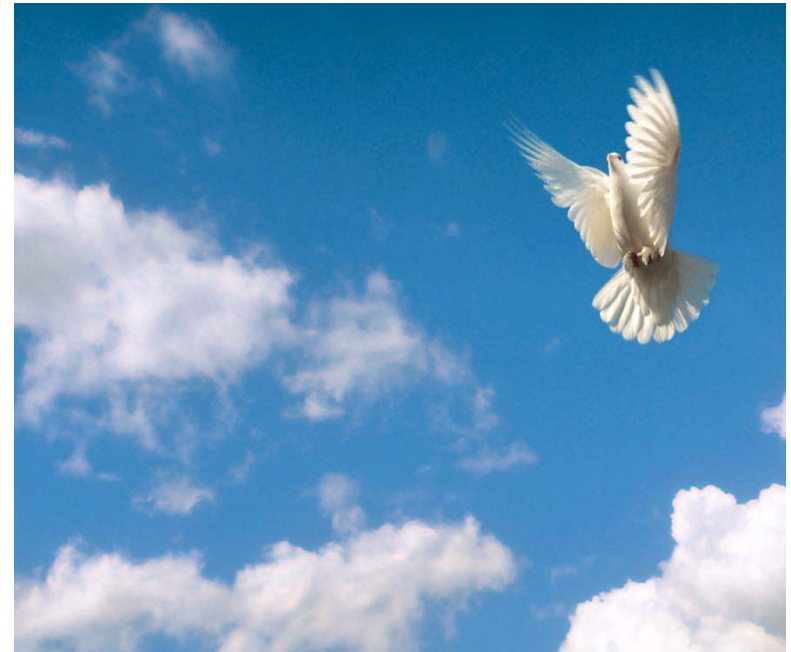
Sofia, 10-11th January 2007.



Hotel, Tourism and Leisure

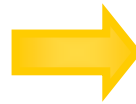
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WHAT?



WHAT ?

Tourism Master Plan
as a consensus on
key development
questions



- Vision and tourism development model
- Competitiveness programmes
- Investment programmes
- Marketing plan
- Implementation



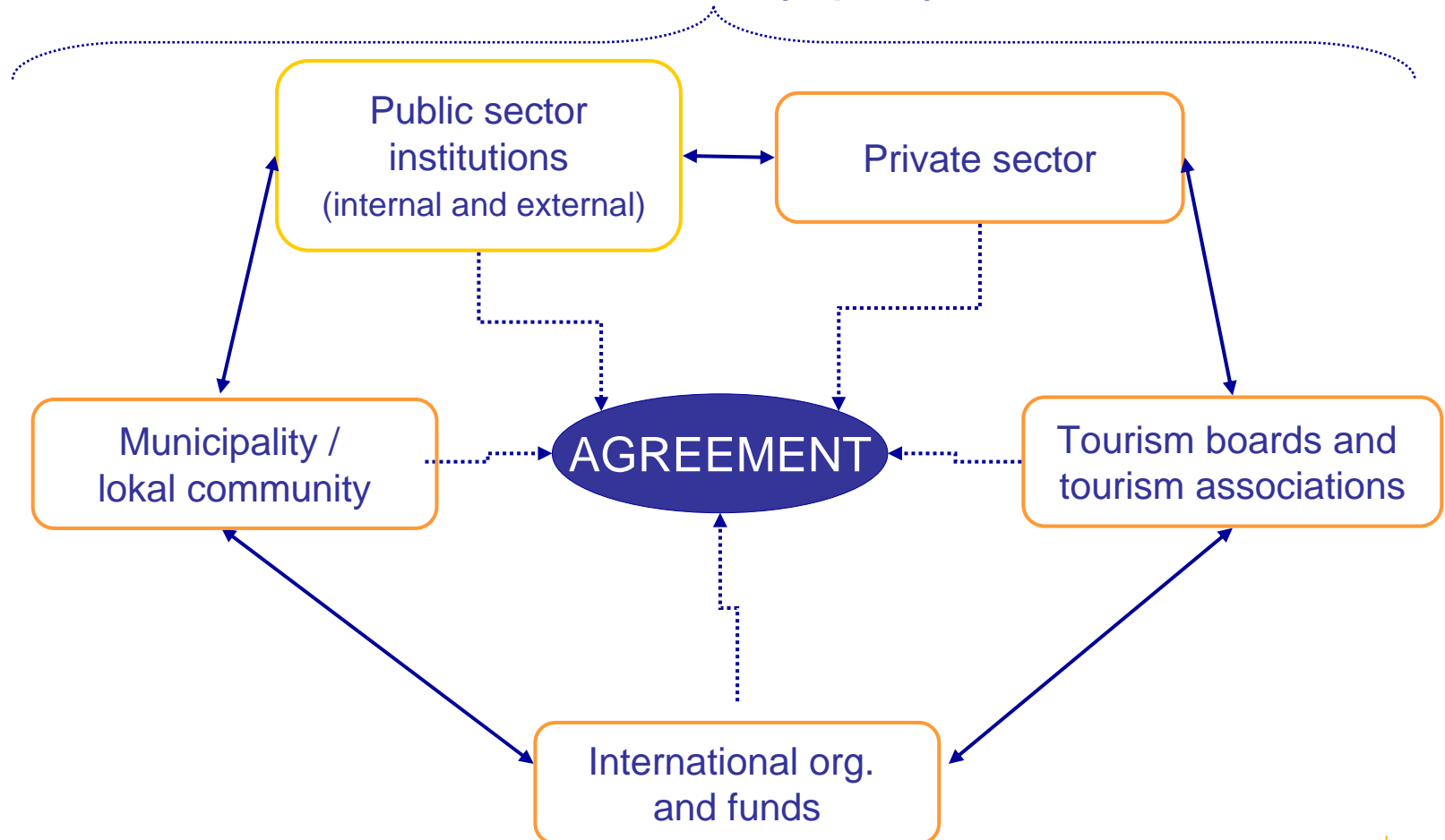
- ✓ **Tourism Master Plan is an agreement between key individuals on a small number of key questions**
- ✓ **Tourism Master Plan represents a framework for new entrepreneurship based on the public-private partnerships**

WHY

?

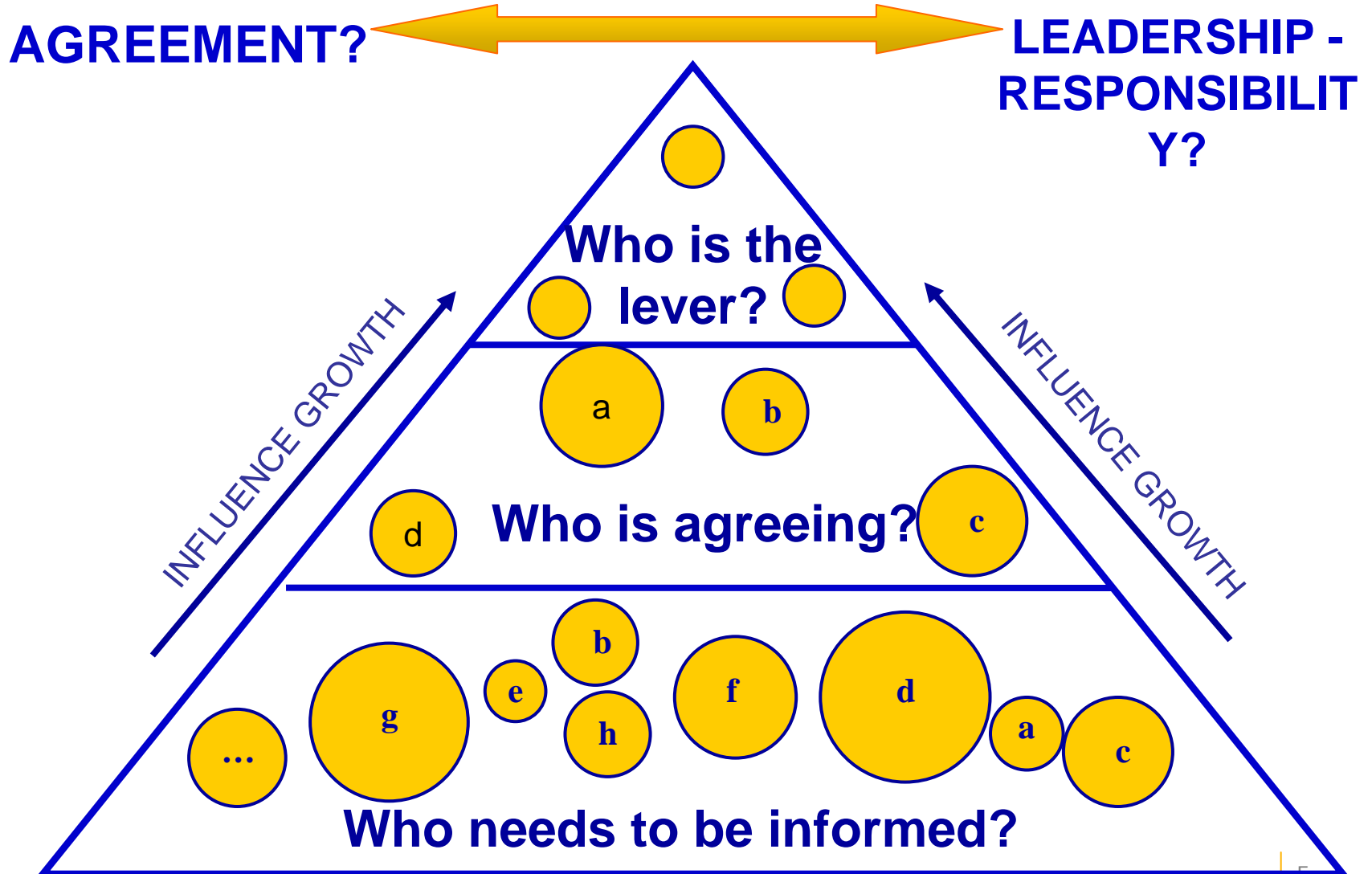
Because Tourism is stakeholders economy

Who are the key players?



WHY

There are different stakeholders structures within different destinations



WHY

?

Need for harmonisation of stakeholders' interests

AGREEMENT PROCESS

CHOOSING THE SUSTAINABLE DEVELOPMENT MODEL

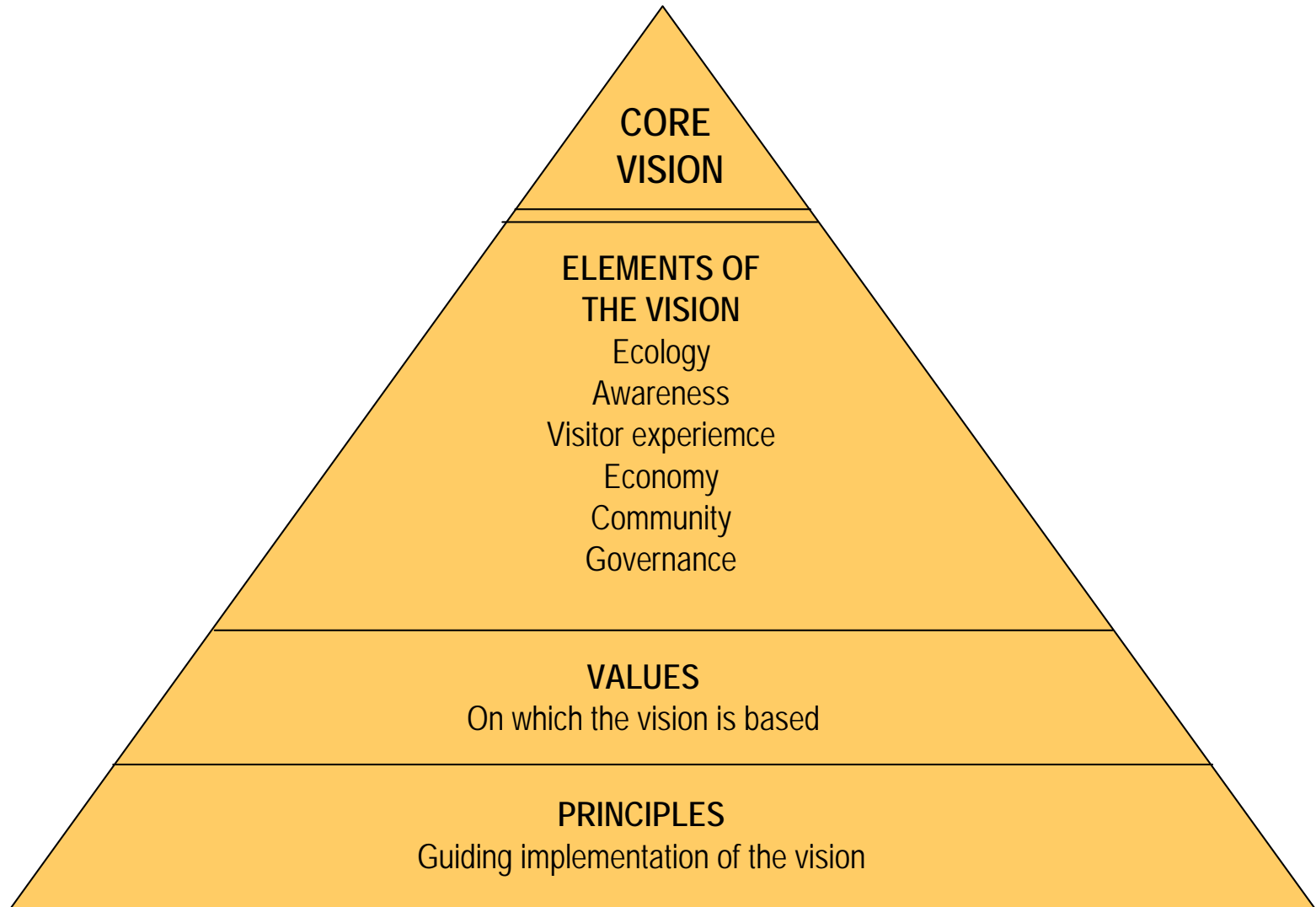
Vision and market positioning

Concept, strategy, structuring, products, etc.

Destination management

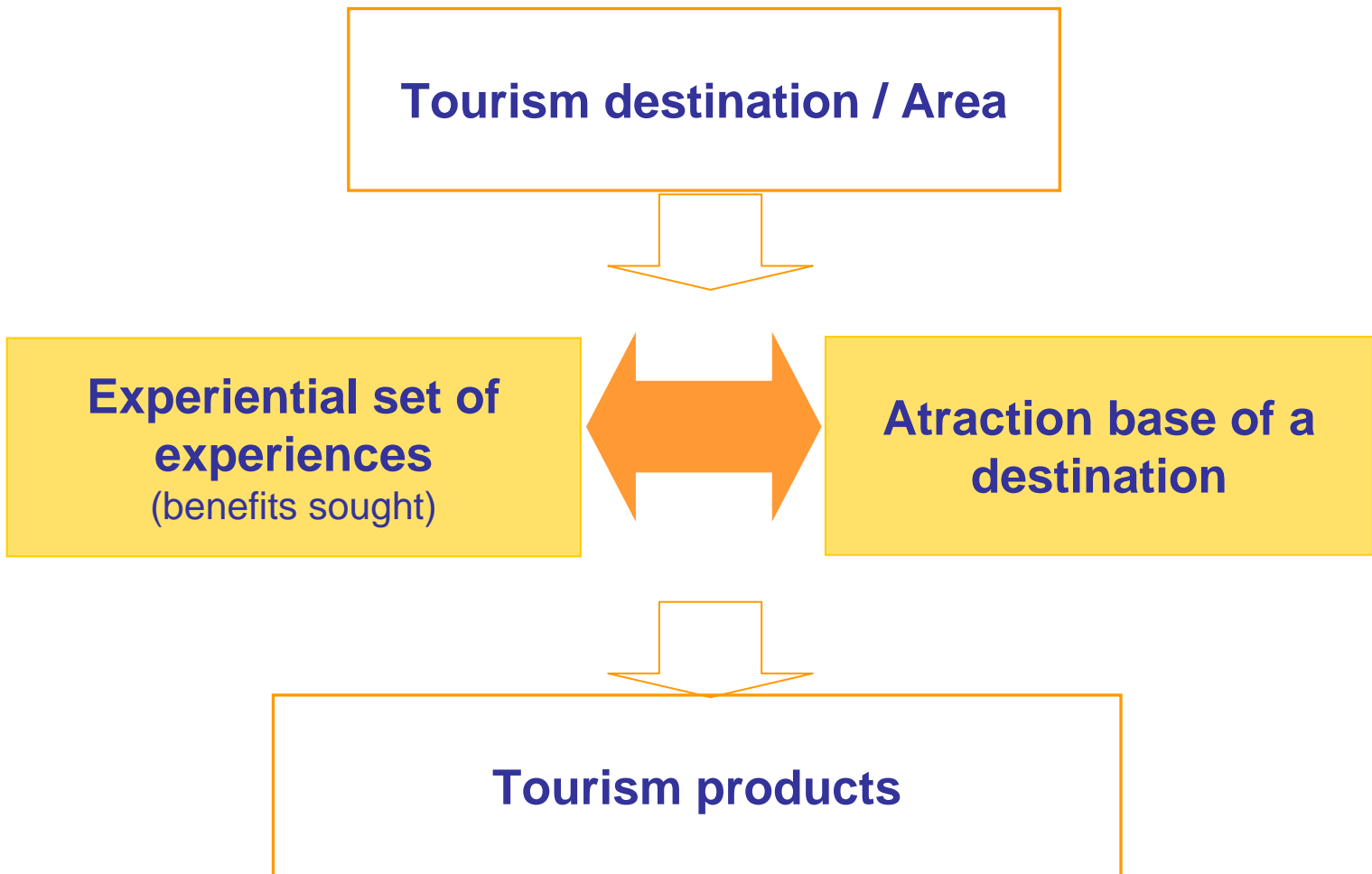
HOW?

By structuring and achieving a realistic vision



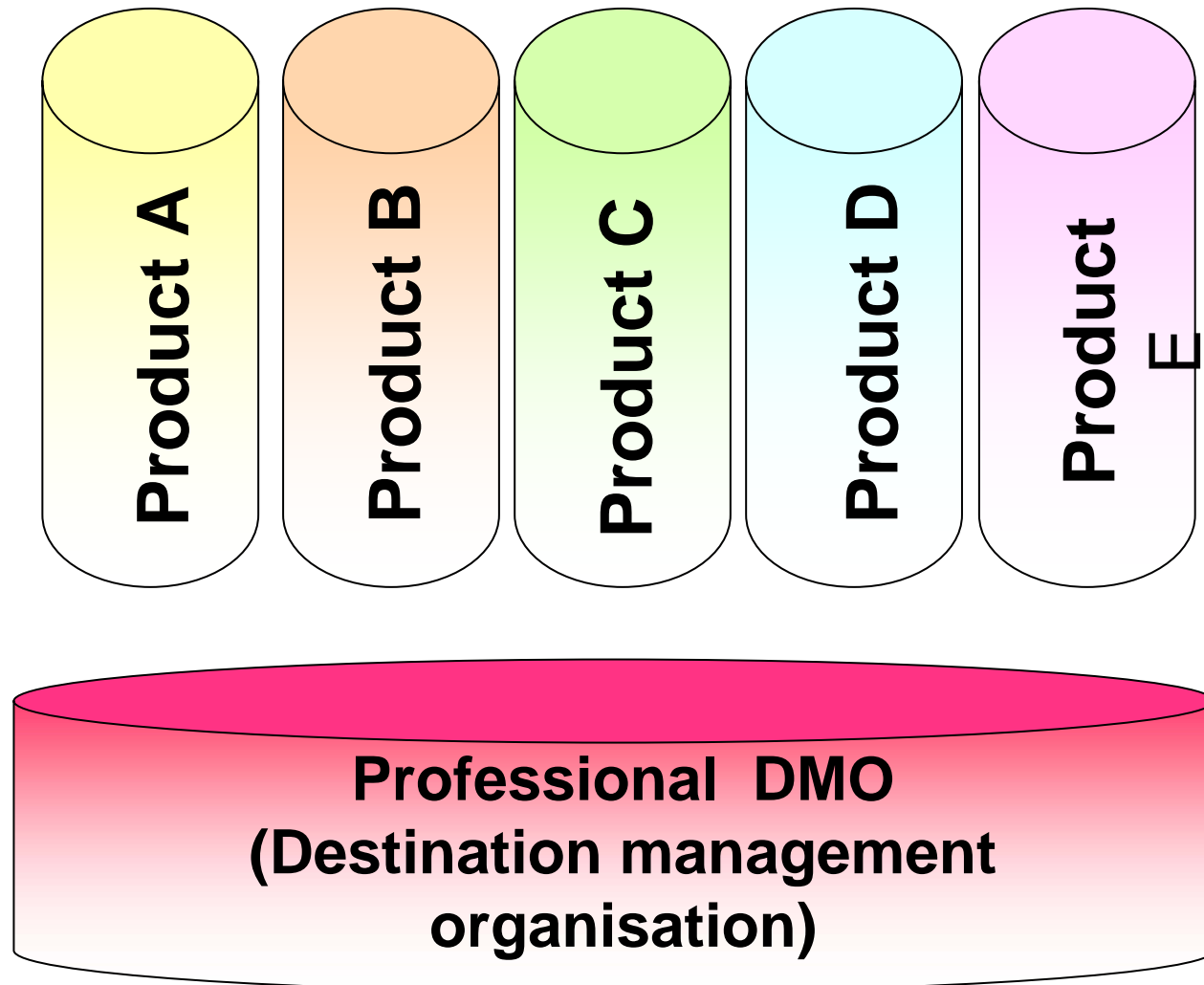
HOW?

By experiential structuring of tourism destinations
and / or their areas



HOW?

By relying on key pillars/competitive products/business sectors



HOW?

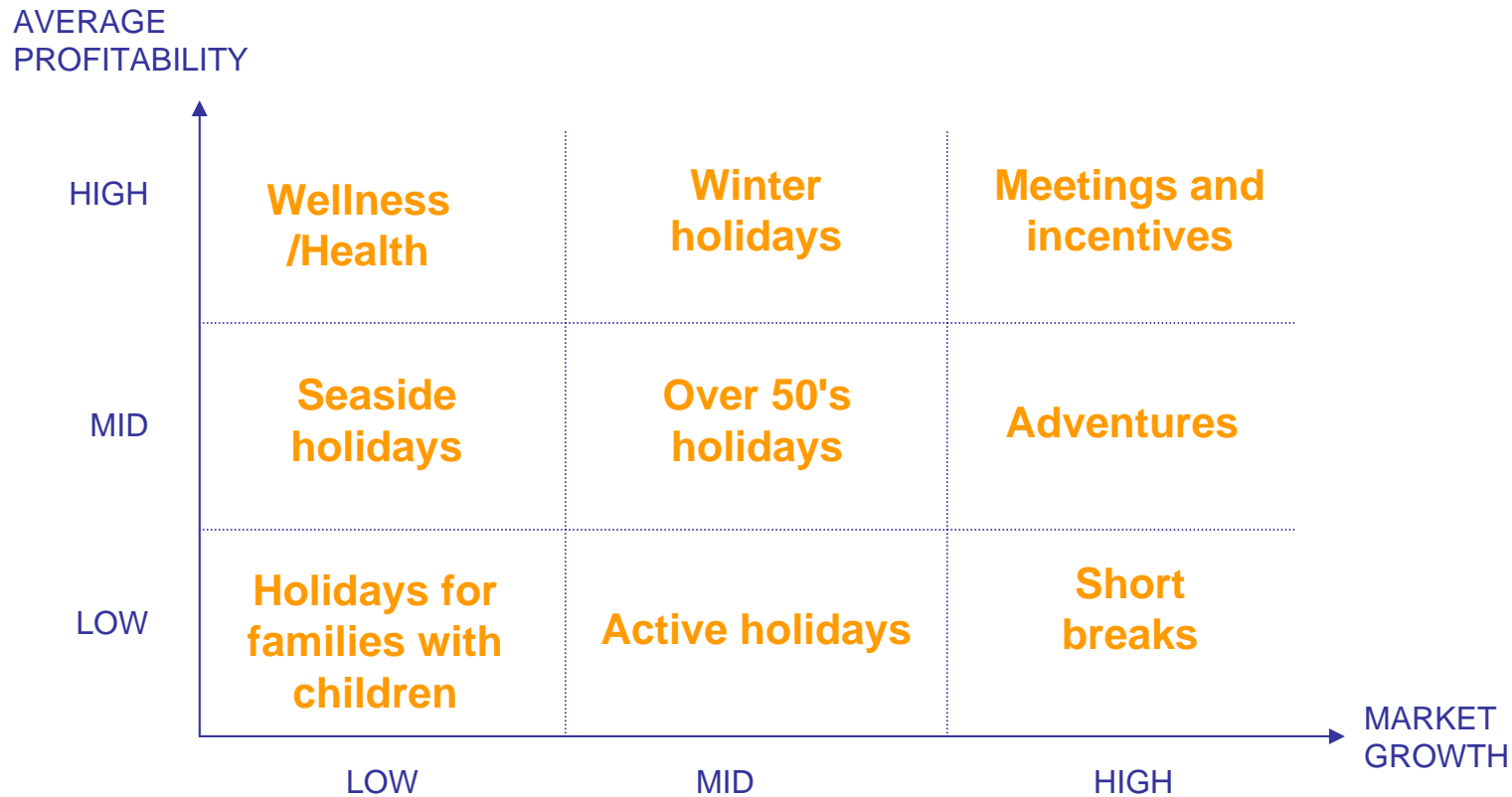
It is not possible to be competitive within tourism, but only within the business sector

There are more than 60 tourism sectors competing globally:

- **Seaside tourism**
- **Eco tourism**
- **Mountain holidays**
- **Meetings and incentives (MICE)**
- **Wellness**
- **Rural tourism**
- **Adventure tourism**
- **...**

HOW?

Each sector has its own specific profitability (product growth cycle) and a system of value for money exchange (effort)



→ **FOCUS** on attractive sectors with potential

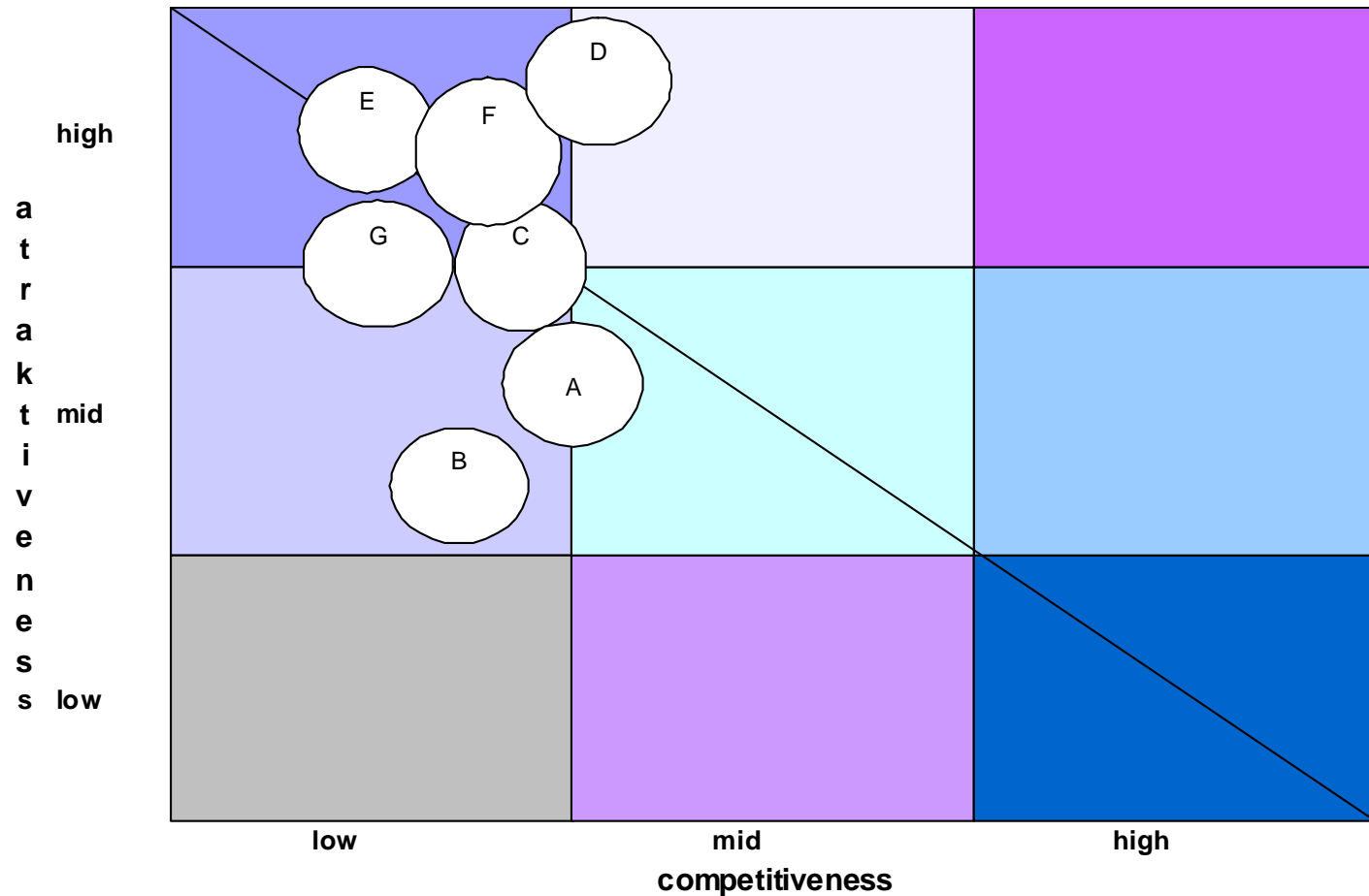
HOW?

Evaluation of product's potential / attractiveness

Threat of new competitors entry	The higher the threat, the larger is the pressure on a selling price, whilst the attractiveness of a product is lower
Substitutes threat	The higher the threat, the larger is a possibility to lose a part of demand, whilst the attractiveness of a product is lower
Rivalry (competition) intensity	The higher the intensity, the larger is the pressure on a selling price, whilst the attractiveness of a product is lower
Buyers negotiating power	The higher the power, the larger is the pressure on a selling price, whilst the attractiveness of a product is lower
Suppliers negotiating power	The better the organisation and strength of suppliers, the greater are material costs, whilst the attractiveness of a product is lower
Destination image creation	Attractiveness of a product is greater in case it contributes to the positive image creation of a destination
Demand volume	The higher the number of potential buyers of a product, the attractiveness of a product is greater
Demand growth potential	The higher the growth rate of potential buyers of a product, the attractiveness of a product is greater
Speed of attracting investments	The higher the potential of a product to attract development capital, the attractiveness of the product is greater
Amount of investments needed	The higher the level of needed investments in relation to development and commercialisation of a product, the lower is its attractiveness
Technical and managerial complexity	The greater the complexity (material, financial and organisational obstacles that need to be overcome in order to offer a product on the market), the attractiveness of a product is lower

HOW?

Development / commercialisation priorities for key products



HOW?

Development / commercialisation priorities for key products by area

Products	Area 1	Area 2	Area 3	Area 4	Area 5
A	Low priority	High priority	High priority	High priority	Mid priority
B	High priority	High priority	Mid priority	Mid priority	Low priority
C	Low priority	High priority	High priority	Low priority	Low priority
D	Mid priority	Low priority	High priority	High priority	High priority
E	Low priority	Mid priority	Mid priority	Mid priority	High priority
F	High priority	Mid priority	High priority	High priority	High priority
G	Low priority	Mid priority	Mid priority	Mid priority	High priority

 High priority  Mid priority  Low priority

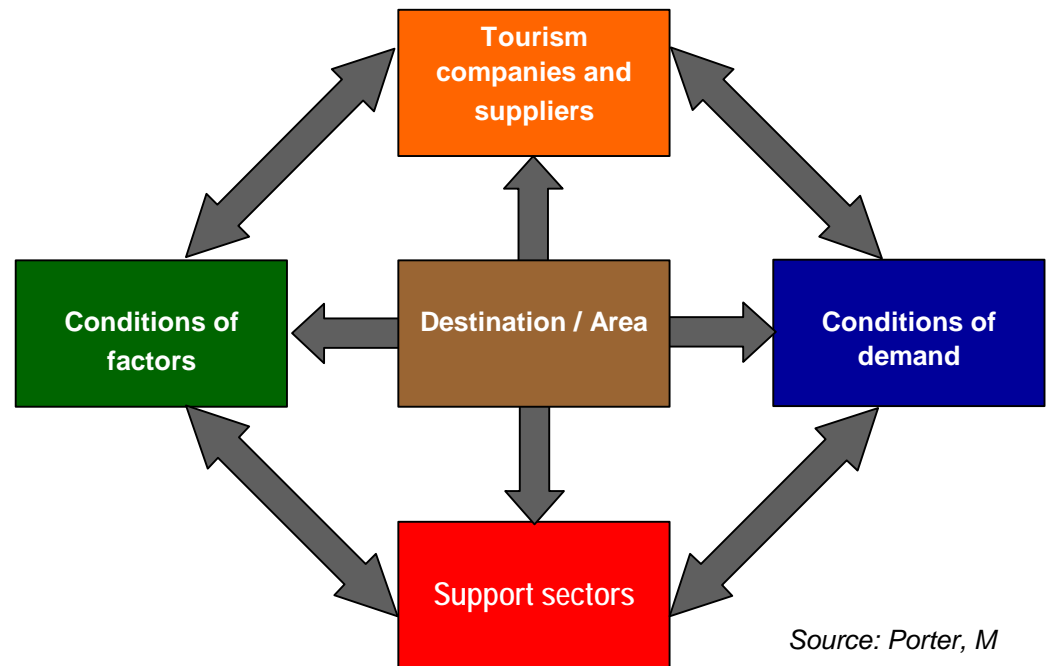
HOW?

Within a realistic/competitive Product portfolio

Product portfolio in terms of segments, suprastructure / infrastructure and distribution and promotion			
Product	Product segments	Tourism suprastructure / infrastructure	Promotion and distribution
PRODUCT A	<ul style="list-style-type: none"> ● Segment A ● Segment B ● Segment C ● Segment D ● Segment E 	<ul style="list-style-type: none"> ● Airport ● Hotels ● Shopping ● Restaurants, bars, disco 	<ul style="list-style-type: none"> ● Meeting planners ● Web page ● Meeting associations ● Publications ● Advertising
PRODUCT B	<ul style="list-style-type: none"> ● Segment A ● Segment B ● Segment C ● Segment D ● Segment E 	<ul style="list-style-type: none"> ● Airport ● Hotels ● Shopping ● Restaurants, bars, disco 	<ul style="list-style-type: none"> ● Touroperator brochures ● Travel agencies ● Web page ● Publications ● Advertising ● Global distribution systems
PRODUCT C	<ul style="list-style-type: none"> ● Segment A ● Segment B ● Segment C ● Segment D ● Segment E 	<ul style="list-style-type: none"> ● Airport ● Hotels ● Shopping ● Restaurants, bars, disco 	<ul style="list-style-type: none"> ● Tourism agencies ● Touroperators ● Reservation systems ● Direct marketing ● Publications ● Advertising ● Press trips
PRODUCT D	<ul style="list-style-type: none"> ● Segment A ● Segment B ● Segment C ● Segment D ● Segment E 	<ul style="list-style-type: none"> ● Airport ● Hotels ● Shopping ● Restaurants, bars, disco 	<ul style="list-style-type: none"> ● Specialised agencies ● Touroperators ● Web page ● Publications ● Advertising ● Press trips

HOW?

By assessing Competitiveness



Source: Porter, M

Tourism companies and suppliers: relates to structure and condition of accommodation facilities, norms and laws, level of competencies between companies, etc.

Conditions of demand: relates to the demand characteristics, requirement level, motivation, socio-economic level, tourist behaviour, tourist image of a destination/area, client satisfaction, etc.

Conditions of Factors: relates to the human resources, infrastructure, resources and attractions, technology, financing issues, R+D+I (research, development and innovation), etc.

Support sectors: relates to complementary activities: shops, travel agents, activity organisers, food & beverage establishments, attractions such as a theme parks, etc.

HOW?

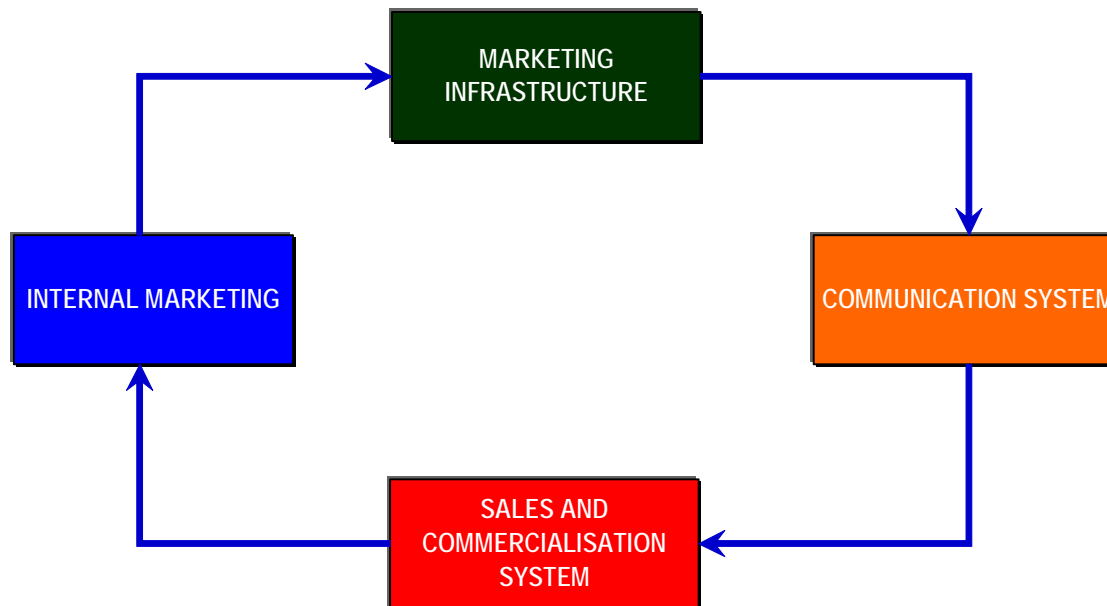
With a realistic investment plan

INVESTMENT PLAN SUMMARY

INVESTMENT	Investment type	Capacity (keys)	Investment per unit (EUR)	Total Investment (EUR)	Source of Investment			Investment priority		
					Private	Public	Private/Public	3 - 4 y	5 - 7 y.	8 - 10 y.
1. HOTELS AND OTHER ACCOMMODATION										
Hotel A	new	x	xx.xxx,xx	xx.xxx,xx						
Hotel B	reconstruction	x	xx.xxx,xx	xx.xxx,xx						
Hotel C	new	x	xx.xxx,xx	xx.xxx,xx						
Hotel D	new	x	xx.xxx,xx	xx.xxx,xx						
TOTAL		x		0,00						
2. FOOD AND BEVERAGE OUTLETS										
Outlet x				xx.xxx,xx						
Outlet y				xx.xxx,xx						
Outlet z				xx.xxx,xx						
TOTAL										
3. ATTRACTIONS AND TOURISM INFRASTRUCTURE										
a	new			xx.xxx,xx						
b	new			xx.xxx,xx						
c	new			xx.xxx,xx						
d	new			xx.xxx,xx						
e	new			xx.xxx,xx						
TOTAL										
4. OTHER										
a	new			xx.xxx,xx						
b	new			xx.xxx,xx						
c	new			xx.xxx,xx						
d	new			xx.xxx,xx						
e	new			xx.xxx,xx						
TOTAL										
TOTAL INVESTMENT				xxx.xxx,xx						

HOW?

With a creative Marketing Plan



PROGRAMMES OF MARKETING INFRASTRUCTURE - technological support for servicing a marketing system

COMMUNICATION SYSTEM - right products to right markets/segments

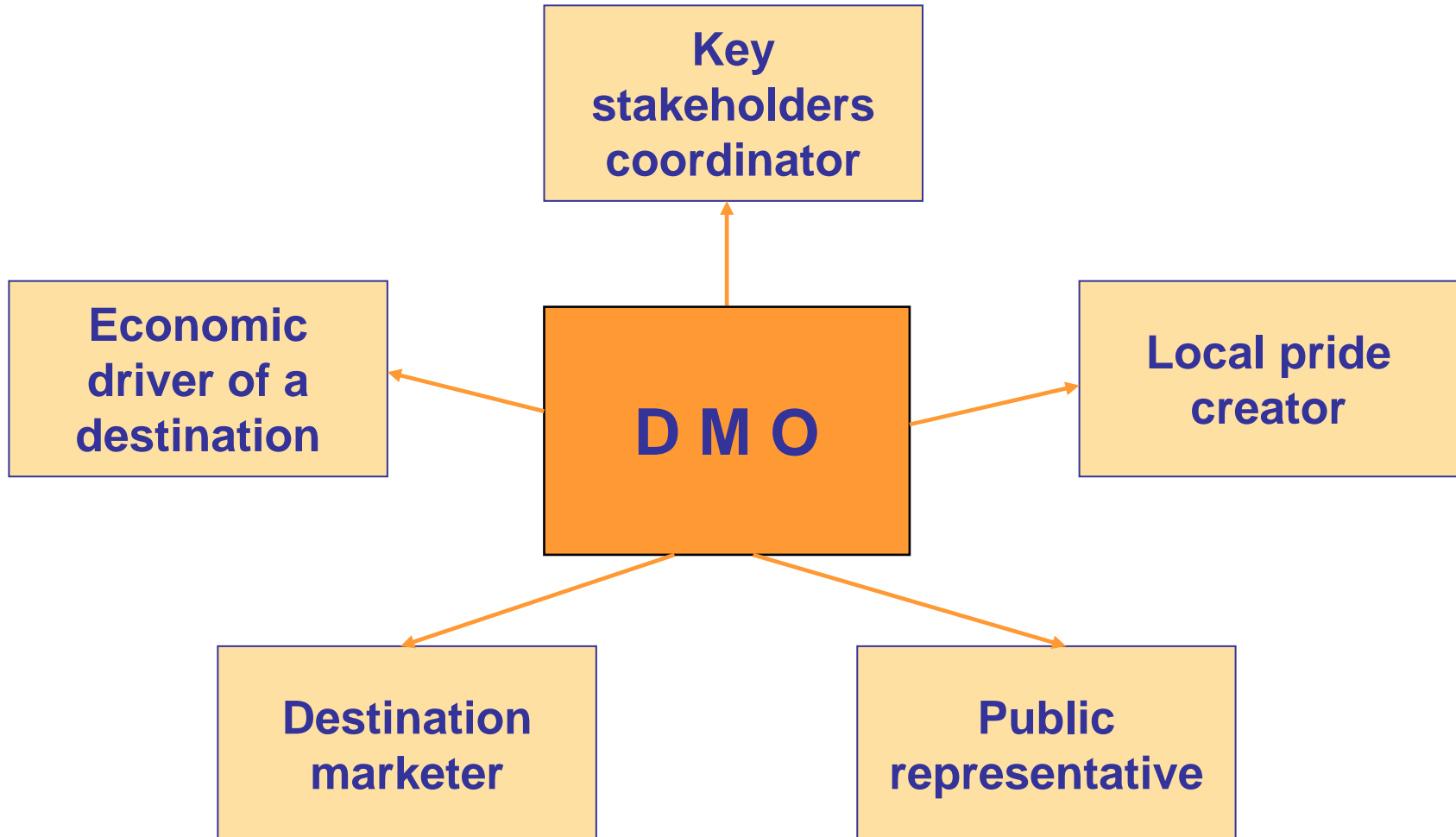
SALES AND COMMERCIALISATION SYSTEM - proactive approach to sales and commercialisation of a destination

INTERNAL MARKETING - marketing efforts focused on professionals as well as on the public

WHO?

Destination Management Organisation (DMO)

Primary functions



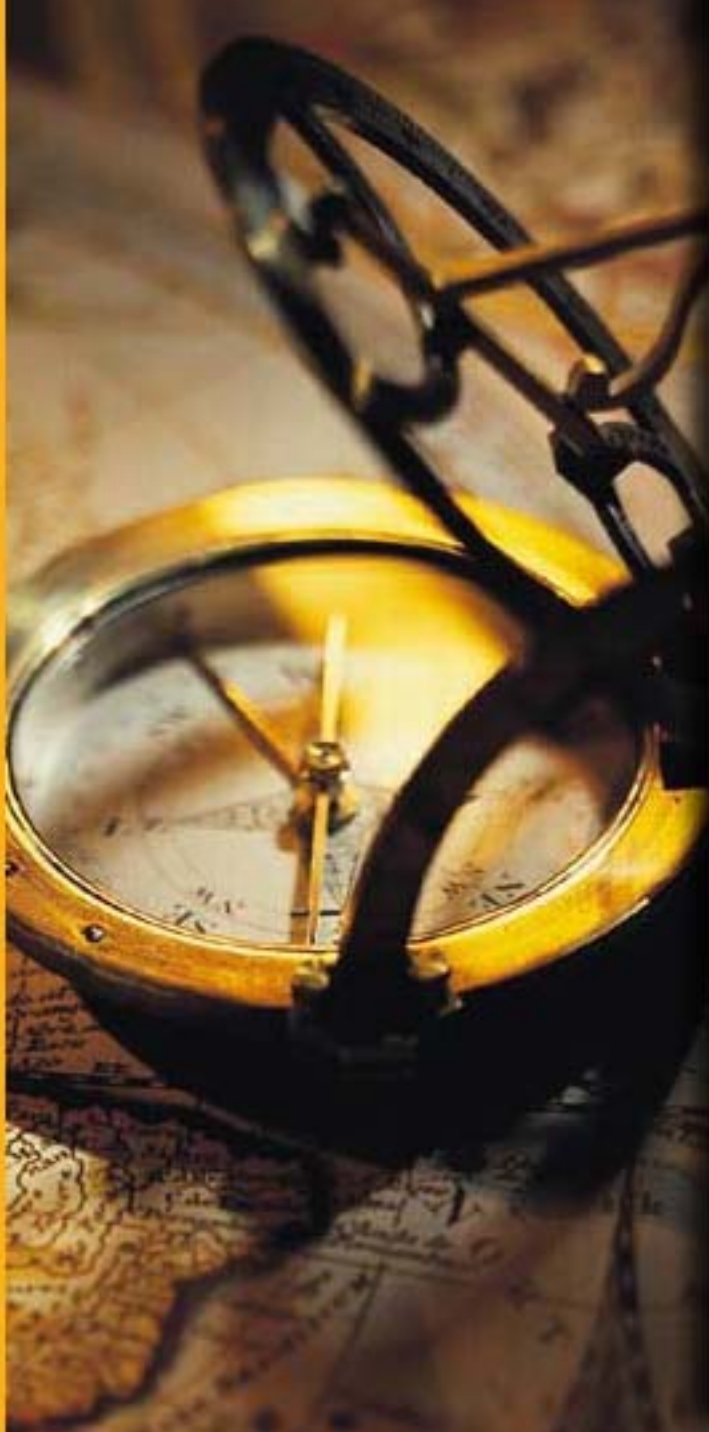
DMO MISSION

External destination marketing activities

- Internet marketing
- Events, conferences, festivals
- Cooperative programmes (buyers)
- Direct mail
- Direct sales
- Sales Blitzes
- Tourism fairs
- Promotion
- Familiarisation trips
- Brochures and publications

Internal destination development activities

- Visitors management system
- Information / research
- Coordination of tourism interest groups
- Crisis management
- Human resources development
- Attracting financial and investment capital
- Resources protection and conservation
- Creation of experiences for visitors
- Business activities



Thank you!

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