Policy Approaches to Diversifying Tourism

Professor Chris Cooper
The University of Queensland
Sofia, Bulgaria
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• The policy advantages of diversification
• International policy approaches to diversification
• The way forward
Supply-Side Advantages

*Policy for Diversification addresses:*

- Seasonality
- Geographical concentration
- Mass tourism/overdeveloped resorts
- Low yield and occupancy
- Product uniformity
- Competitiveness
Demand-Side Advantages

Policy for Diversification addresses

- Market diversification
- Low yielding visitors
- Adding value
- Over-dependence on tour operators
But, diversification must be part of an overall policy and strategy for tourism. Alternative tourism cannot be developed as a stand alone sector.
So how has this been successfully achieved in other destinations?
Firstly, Some General Tourism Policy Imperatives

Tourism policy delivers

- Competitiveness
- Sustainable growth

Achieved by

- Partnerships
- Communication
- Cohesion across government
- Long-term horizons
Some Examples of Contemporary Tourism Policy Approaches

- **Macro Scale**
  - Australia
  - Finland

- **Micro Scale**
  - Canada
  - Scotland
  - British Columbia
I Macro Scale Approaches
Australian Tourism Policy

- Managed by the Department of Industry, Tourism and Resources
- Led by the Minister for Small Business and Tourism
Australian Tourism Policy

• Economic driver
• Driver of regional growth
• Policy designed to deliver sustainable growth in 21st Century environment
• Flexible and responsive sector
• Aware of the new consumer
Australian Tourism Policy

- Structural Reform - Tourism Australia as umbrella organization in 2005
- States and local government also play a strong role
- Tourism Australia - marketing, intelligence and forecasting
- Partnership philosophy
  - Intergovernmental framework
  - Consultation
Australian Tourism Policy

- Lifting the capability of the industry
- Quality, value and variety
- Accreditation
- Niche markets/alternative tourism
- Market access (aviation)
- Cross government - consultation
Australian Tourism Policy

Niche markets include:
- Indigenous tourism
- Cycling
- Backpackers
- Business tourism
- Events

- Caravanning
- Cruise
- Food and wine
- Cultural tourism
- Sports tourism
- Senior tourism
Australian Tourism Policy delivers:

- Environmentally sustainable tourism
  - Sustainable tourism plan/Ecotourism strategy
- Experience-based products
- Diverse, sustainable enterprises
- High yield products
- Investment attraction
- Support for skilled workforce/flexibility
- Innovative business practices/technology
  - Experiences kit
  - Market intelligence for all
A very strong emphasis upon, and support for, alternative tourism, but embedded within the overall policy framework and linked to other areas of government such as SME support.
Rural Tourism Policy in Finland

- Rural Policy Committee
- Cross Governmental approach
- Harmonizes all rural development policy
- Theme group on rural tourism
- In other words, rural tourism is under the broader umbrella of rural policy
Theme Group on Rural Tourism

- Long term strategy
- Collaboration
- Communication
- Knowledge
- Structures
- Entrepreneurs and products based upon the resources of the countryside
Micro Scale Approaches
Actions to Encourage Innovation, Clusters and Learning Destinations

A key issue for diversifying into alternative tourism is to foster product innovation and cooperation across stakeholders at the destination level.
Actions to Encourage Innovation, Clusters and Learning Destinations

- Canadian Product Clubs
- Scottish Tourism Innovation Group
- British Columbia Centre for Tourism Leadership and Innovation
Canadian Product Clubs

- Innovation partnerships
- Product development
- Combination of CTC and entrepreneur know how
- Focused on priority product clusters
- Boosts competitiveness and innovation
- Delivers market ready tourism products
Canadian Product Clubs

• Stimulated by:
  - Community
  - Market
  - Extension

• Phases
  - Product development
  - Market testing
  - Market transition
Canadian Product Clubs

• Success factors are:
  - Clear focus and vision
  - Partnership with a champion
  - Clear lines of responsibility
  - Clear expectations
  - Response to a market opportunity
  - Long term commitment
  - Financially committed partners
Tourism Innovation Group, Scotland

- Private sector initiative with public sector support
- Aims to foster innovation, competitiveness and quality products
- Works by
  - Team based approach
  - Project centred approach
  - Use of support mechanisms - tourism innovation toolkit; facilitated workshops
British Columbia Centre for Tourism Leadership and Innovation

- Partnering of colleges and the tourism sector
- Colleges deliver research knowledge
- BCTLI communicates knowledge to the sector
- Aims:
  - Workforce development and professionalism
  - Community tourism development
British Columbia Centre for Tourism Leadership and Innovation

Actions include:

- Developing learning destinations
- Case study competitions
- Research exchange
- Tourism Online Resource Centre (TORC)
British Columbia Centre for Tourism Leadership and Innovation

Learning destinations facilitated by:

- Sector specific meetings and workshops
- Brainstorming with local groups
- Development of long term community tourism plans
So What are the Lessons?

- A multi-layered policy approach - national to local
- Diversification is part of an overall strategy
- Long-term vision
- Collaboration and partnerships
- Innovation
In Conclusion

• There is a huge agenda here
• Diversification is not an option, it is an imperative
• Is Bulgaria up to this challenge?
• We think so!