

## **MALTA: A PERMANENT PROCESS OF INNOVATION IN TOURISM**

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The Malta Tourism Authority, set up by an Act of Parliament on 1 September 1999, has undertaken an in-depth evaluation of the Malta Tourism offer. The conclusion was that Malta was no longer competitive in the basic sun and sea package, due to the much extended offers by larger and often newer destinations which could handle much larger volumes. Given that the basic sun and sea product is highly price competitive because it is a volume business, Malta could not stand its own ground. It was clear therefore that what had basically fuelled the growth of the Maltese industry in the last decades could no longer sustain the growth and development of the industry. Malta therefore had to think creatively and to innovate in order to rejuvenate the Malta tourism offer.

### **Malta: A unique value proposition**

Malta had to base its product on something different from the basic availability of sun and beautiful sea which will always feature in our product. Malta's history has been influenced by happenings in the Mediterranean and subjected to many varied cultural influences. Malta in fact has the oldest freestanding man-made structures in stone anywhere in the world and can pride itself on 23 known pre-historic temple sites as well as a whole chain of other structures, remains and buildings. The Maltese have a cross cultural profile with an Arab based language. Malta is located exactly in the middle of the Mediterranean Sea equidistant between east and west and acting as an interface between north and south. Malta has also the uniqueness of having two official languages Maltese and English. Malta also features in the Acts of the Apostles as an island that was converted to Christianity in AD 60 which is documented in the said Acts of the Apostles.

### **Promoting Malta as an experience**

Malta therefore could claim to have a number of unique features that in combination and in varied mixes could amount to a unique value proposition that could lead to a whole series of specific products that can appeal to various segments of the market as well as to specific niche markets that are looking for something particular to do in visiting a particular destination. The size of the island and the high density of population imply that tourists visiting Malta would indeed be visiting a country and not frequenting a resort. As a consequence, visitors are getting absorbed in the local culture and day-to-day life where in fact the population becomes a part of the product. This is tantamount to saying that visiting the destination amounts to an exposure that is much broader than the limited interest that one might have started with in choosing Malta for a destination. Therefore, we should no longer promote Malta as a destination but we should start promoting it as an experience. This implies that the value provided to the visitor derives from the experience and not just from the services consumed. Promoting Malta as an experience has therefore become an essential part of the process of branding Malta and giving it a distinct feature that differentiates Malta from any other product.

## **An active co-operation with all actors of the Maltese tourism industry**

This process of course entailed not only reviewing the product offer but also an effort to solicit the operators in the market to redesign and repackage their product. This is a continuing process which entails active interfacing with all stakeholders. Both local suppliers, as well as international distributors in the market, have to be convinced and won over to the change of philosophy. This is being achieved but this process is long and is nowhere near complete. The change also implied an active dialogue with the local community in order to encourage them to really act as part of the Malta product. The argument is that the local community is the host and the visitor is the guest and the relationship between them will have to be characterised by open and genuine hospitality that goes beyond the basic transactions undertaken. The public authorities are being integrated in this process. A public awareness campaign has been run by the Malta Tourism Authority since 2000 and regular meetings are organised with the public authorities, both local and central. This process is under permanent development and in fact it needs to be intensified and constantly repackaged to ensure support.

## **Revisiting the distribution model**

The distribution element is very important. The specialised Malta tour operators tend to be more responsive than the traditional large and global operators. Therefore, we are seeking to associate more special interest travel that is often organised in clubs, societies and organization that may be particularly interested in the experience that Malta has to offer. Malta has developed a Web site that is very user friendly and which is being increasingly used by a large number of visitors. Currently [www.visitmalta.com](http://www.visitmalta.com) is visited by 4 000 persons per day, who on average download ten pages each. A corporate Web site has been created at [mta.com.mt](http://mta.com.mt) to be the instrument for managing our relations with our stakeholders.

## **A permanent process of innovation**

There is no doubt that this is a process of innovation. Malta had outrun the basic product it had in tourism. The product had to be redesigned, the distribution had to be revisited and the product had to be repackaged and repositioned on the market. However, tourism is a service. Tourism is a people industry and people actually travel to receive the service that they pay for. Because Malta is working on the basis of turning its tourism product into an experience the social dimension is very fundamental. Not only are people involved as suppliers and as clients but the whole social aura actually provides the context within which the product can be designed and the delivery determined. The soft element of the infrastructure is therefore of absolute importance. The process was started in 1999 but it is still very much in progress. Malta is currently facing a problem of a mismatch between what we manage to promote and what we manage to deliver. Clearly this innovative process has not yet taken root and the social dimension of innovation has not yet been fully understood. Malta is actively working on obtaining as much synergy as possible among the various stakeholders in the tourism industry. The Malta Tourism Authority is providing leadership by developing the strategy. A main objective is to seek to engage in as much education and motivation as possible to ensure that this innovative process and the management of change required does take root. The challenge is great but the change is necessary. There is one thing that I would like this audience to keep in mind when we are talking of tourism. We may at times drift away into a technical discussion that may lead us to forget that tourism is the hospitality industry and that for tourism to thrive and to grow we must keep hospitality at the heart of the industry.