TOURISM POLICIES AND FASHION, ART AND FOOD INDUSTRIES

Tourism Policy: Structure, Content and Process

Lecture 14

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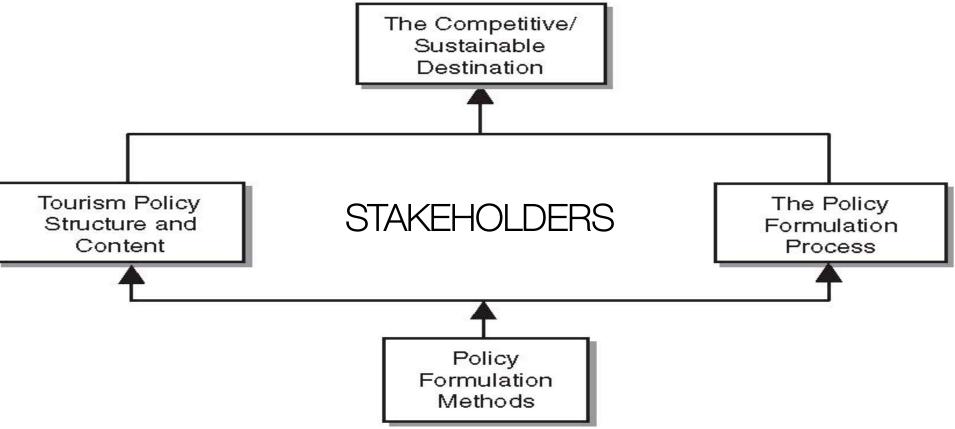


Learning Objectives

- Highlight the relevant role of stakeholders in the tourism industry.
- Demonstrate critical importance of tourism policy to competitiveness and sustainability of a tourism destination.
- Provide some example of general policies affecting the tourism industry.
- ✓ Outline the structure and content of a typical tourism policy formulation.

The competitive/sustainable tourist destination: a managerial framework

From the traditional master-planning to the effective stakeholders engagement...



Tourism policy: a definition

Tourism policy can be defined as:

a set of regulations, rules, guidelines, directives, and development/promotion objectives and strategies that provide a framework within which the collective and individual decisions directly affecting tourism development and the daily activities within a destination are taken.

Stakeholder theory in Tourism

- Sustainable tourism development cannot be achieved without regarding the stakeholders' interests
- A stakeholder is identified as any group or individual who can affect or is affected by tourism development in an area (Freeman, 1984).
- Stakeholder theory is all about the way in which stakeholders should be taken into account when making business decision (stakeholder analysis).

Example of Stakeholders in Tourism



Policy Instruments

| | Public | Interactive |
|---------------|----------------------|-------------------|
| | governance | governance |
| Legal | - Technical | - Negotiated |
| instruments | requirements | agreements (or |
| | - Performance | Covenants) |
| | standards | |
| Economic | - Taxes | - Smart subsidies |
| instruments | - Subsidies (or Tax | - Procurement |
| | exemptions) | auctions |
| | | |
| | | |
| Communicative | - Public information | |
| instruments | campaigns | |
| | | |
| | | |

PAUSE

Elements of successful Tourism Destination Management

| COMPETITIVENESS (Resource Deployment) Business/Economic Management Skill | SUSTAINABILITY (Resource Stewardship) Environmental Management Capabilities |
|--|---|
| Marketing | Waste Management |
| Financial Management | Water Quality Management |
| Operations Management | Air Quality Management |
| Human Resources Management | Wildlife Management |
| Information Management | Forest/Plant Management |
| Organization Management | Visitor Management |
| Strategic Planning | Resident/Community Management |
| Project Development | Commemorative Integrity |
| Management | Recycling |
| | Site Protection |

Information Management

| Destination | Monitoring |
|-------------|------------|
|-------------|------------|

Destination Research

General Economic and Social Policies affecting Tourism

- Taxation affects costs and profitability
- Interest Rate Policy affects costs and profitability
- **Bilateral Air Agreements** determine foreign visitor access
- Environmental Policy limits growth and access to attractive, but sensitive areas
- Customs and Immigration Policy can facilitate or hinder international visitation
- Communications Policy

General Economic and Social Policies affecting Tourism

- Minimum Wage Policy can affect labor markets
- Welfare Policy can influence nature, behavior of work force
- Education Policy can affect quality of workforce
- Cultural Policy can affect preservation and promotion of national heritage
- Foreign Investment Policy/Regulations can affect availability of investment capital

General Economic and Social Policies affecting Tourism

- National/Provincial/Local Policy are: funding support for major public facilities (e.g., stadiums, convention centers, museums, parks) – can drastically affect destination attractiveness
- Infrastructure Policy can make destination safer for visitors, or restrict resident travel to foreign destinations
- Currency/Exchange Rate Policies directly affects destination cost competitiveness
- Legal System determines consumer/visitor
 protection legislation

The process of Tourism Policy: Strategy formulation and Implementation

Definitional Phase

Definition of tourism destination system

Explication of a tourism philosophy

Crafting of a destination vision

Objectives and constraints

Internal Analysis

Review of existing policies and

Analytical Phase

programs

Resource audit

Strategic impact analysis

External Analysis

- Macrolevel analysis of current and future demand
- Microlevel analysis of current and future demand and behaviors
- Review of competitive and supportive tourism development and promotion policies

The process of Tourism Policy: Strategy formulation and Implementation

| Operational Phase | Implementation Phase |
|--|--|
| Identification of strategic conclusions | Implementation of strategy for destination of development, promotion, and stewardship |
| Implications of conclusions for supply and demand development Policy/program recommendations | Allocation of responsibilities for recommendation implementation |
| | Identification of sources of funding to support competitive initiatives and stewardship programs |
| | Specification of timing for recommendation implementation |
| | Monitoring and evolution of the results |

Monitoring and evaluation of the results

Contacts and office hours

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