Craft a Winning Tourism Action Plan

Tourism Strategy Workbook

2013

Prepared by:

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

TABLE OF CONTENTS

SECTION 1: INTRODUCTION

This workbook has been prepared to empower the communities across Ukraine seeking to forge proactive economic development strategies, integral to advancing the quality of life through comprehensive community development initiatives. Tailored specifically for small communities lacking dedicated Economic Development functions or substantial resources—both financial and human—this resource serves as a beacon of guidance. Even for communities equipped with economic development functions, this workbook serves as a compass, charting the course for identifying paramount priorities and fostering robust discussions on strategic direction.

What is Tourism?

Tourism is generally defined as the act of travelling for recreational or business purposes, coupled with the provision of services to support travel. As defined by the World Tourism Organization, a tourist is someone who travels at least fifty miles (92km) from home.

A sector-driven definition would be that tourism is a service industry comprising several tangible and intangible components. The tangible elements include transport systems (air, rail, road, water); hospitality services (accommodation, food and beverages, tours and souvenirs); and, related services (such as banking, insurance, safety and security). The intangible elements include those that provide rest and relaxation, culture, and, escape and adventure through new and different experiences. Many types of tourism exist and include:

- Leisure;
- Heritage;
- Health;
- Recreational or amateur sports;
- Business events and meeting travel;
- Stopover (tourists who stay for more than one night);
- Cruises;
- Day tourists;
- Adventure and ecotourism, and;
- Working holidays among others.

What resources are required?

In terms of getting started in the tourism sector, it begins with an understanding of how tourism will serve the broader municipal development agenda. Is the community seeking broader sources of cash influx into the community, increased employment opportunities, expanded recreation facilities, better educational programs and a higher quality of life? How can tourism contribute to these objectives? If tourism is identified as a means of serving broader community goals, it makes sense to develop plans with more specific tourism development objectives. These are generally defined through a continuing process in which various groups and organizations in a community work together toward common goals. A local planning authority, chamber of commerce, visitor's bureau or similar group could assume a leadership role to develop an initial plan and obtain broad involvement of tourism interests

in the community. Public support for the planning process and the LED plan is also important. After the tourism vision and goals have been defined, other elements of the planning process might include: identifying the tourism system (should the community's tourism plan include day visitors, conventioneers, business travellers, people visiting friends and relatives, people passing through or seasonal residents?); identifying resources, organizations, tourism products and markets; generating alternatives for tourism in the community; evaluating those alternatives; and, selecting, implementing, monitoring and evaluating.

How does this benefit the municipality?

Tourism stands out as a powerful tool for wealth redistribution, injecting money into local economies from both domestic and international sources. It infuses income into communities that might otherwise struggle to earn it. The economic advantages stemming from tourism are manifold:

Job Creation: Tourism brings about direct employment opportunities, ranging from tour guide and managerial roles to supporting industries like food production and retail suppliers.

Increased Spending: The influx of visitors and tourism-related businesses leads to heightened spending within the community. This spending, whether directly or indirectly, bolsters the viability of local businesses, fueling economic growth.

Economic Diversification: Tourism operators serve as champions for the broader prosperity that tourism can usher into a community. Their presence fosters a deeper appreciation for the economic benefits of tourism, which in turn promotes economic diversification. For many communities, this diversification serves as an insurance policy during challenging economic times. By uncovering an additional revenue stream, tourism can provide vital support when traditional industries face financial strain, especially in communities overly reliant on a single sector.

Citizen Attraction: Tourism showcases the unique attractions and charms of a community, drawing attention not only from visitors but also from potential residents. The exposure generated by tourism can spark interest among individuals seeking to relocate, attracted by the community's vibrancy and appeal.

Inbound Investment: A thriving tourism industry signals to investors that the community is dynamic and attractive. The influx of visitors creates opportunities for investment in hospitality, infrastructure, and amenities, further enhancing the local economy and quality of life.

Community Pride: Tourism fosters a sense of pride among residents as they witness their community being celebrated and appreciated by visitors. The recognition of local landmarks, traditions, and cultural heritage instills a sense of belonging and reinforces community identity.

In essence, tourism not only contributes to economic prosperity but also plays a vital role in shaping the social fabric of a community, attracting new citizens, stimulating investment, and fostering a collective sense of pride and identity.

What are the challenges and risks?

To prosper, the tourism industry needs to operate in environments that are attractive to tourists. The industry needs a relatively well-educated work force, functioning health systems and relatively good transport, communications, and most often water and energy infrastructure. These services and facilities are also valuable to local communities. Local government provides most of the infrastructure and many of the services essential to tourism development, including highways, public parks, law enforcement, water and sewer, garbage collection and disposal. Tourism decisions need to be evaluated with a clear understanding of the capacity of the local infrastructure and services relative to anticipated needs, and take into account both the needs of local populations and tourists

What's Unique about Tourism Development?

Developing a tourism industry within rural communities and associated businesses presents a distinct set of challenges and considerations compared to more typical retail or service operations. Here are some of the unique facets of tourism development:

Fluid Target Market: Unlike other industries, the target market for tourism is subject to ever-changing trends, making it challenging to define and predict.

Seasonality: Demand for tourism experiences fluctuates with the seasons, leading to peaks and troughs in visitor numbers throughout the year.

Weather Uncertainty: The unpredictability of weather adds another layer of complexity, as it can significantly impact tourist activities and preferences.

Consumer Expectations: Tourists have diverse expectations, requiring businesses to tailor their offerings to meet varied preferences and needs.

Vulnerability to Disasters: Tourism businesses face heightened risks from natural disasters, crises that can disrupt travel patterns and consumer confidence.

Longer-Term Market Development: It often takes time for new tourism businesses to reach their full potential, requiring patience and long-term planning.

High Fixed Costs: Many tourism enterprises incur substantial fixed costs, such as infrastructure and facilities, which can pose financial challenges, especially during lean periods.

Cooperative Competition: Tourism businesses in the same destination often collaborate to promote the area collectively, recognizing the mutual benefit of attracting visitors.

Asset Utilization: Accommodation facilities, in particular, may have limited alternative uses, emphasizing the importance of maximizing their potential.

Capital Intensive: Significant upfront investment is often required to establish and operate tourism businesses, posing barriers to entry for potential entrepreneurs.
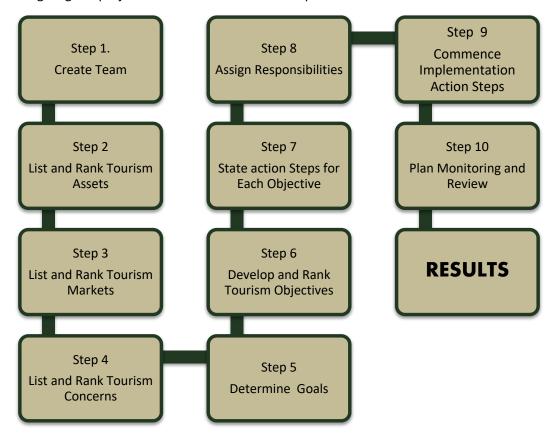
In addition to these factors, tourism development frequently occurs in remote or less populated areas to capitalize on the region's natural beauty. This necessitates thorough evaluation of access and infrastructure requirements, which may be unconventional or challenging.

This guide is designed to assist you in navigating the complexities of tourism industry development, providing insights and strategies to assess, plan, and implement effective initiatives tailored to rural communities.

Tourism Development Planning Process

The first step towards establishing a sustainable tourism industry is planning. A clearly defined, a properly researched industry development plan has a much greater chance of success. This guide sets out a series of ten (10) steps to help assess the planning process. Developing your community's tourism industry also means you must make decisions as to how many resources (human, equipment, and financial) your community can realistically allocate. Collaboration is the foundation on which any strategy successfully gets designed and implemented. It will be necessary to evaluate your activities on a regular basis. The most impactful strategies are both proactive (taking the time to plan in advance) as well as being reactive (adjusting activities to the ever changing environment of the marketplace and the realities of our communities). It is normal and expected that we will at any step in our implementation to revise the identified objectives and/or tasks. Such as the concept of tourism products for a specific market, look for a different tourism sites, look for different partners or alternative means of resourcing our activities. Making these kinds of changes along the way indicates that you are giving the project the critical evaluation it requires.

Step 1. Create Team	Step 8 Assign Responsibilities	Step 9 Commence Implementation Action Steps
Step 2 List and Rank Tourism Assets	Step 7 State action Steps for Each Objective	Step 10 Plan Monitoring and Review
Step 3 List and Rank Tourism Markets	Step 6 Develop and Rank Tourism Objectives	**RESULTS**
Step 4 List and Rank Tourism Concerns	Step 5 Determine Goals	

SECTION 2 – GETTING READY

Step 1 - Create Team

As with any planning and in particular the implementation of an effective strategy, tourism development requires a broad base of skills, abilities, networks and resources. It is critical that a team be developed that well represents the tourism industry in the area. This Team could include tourism/industry business leaders, community development associations, the municipality, major attractions and other key partners. Five factors to consider when selecting Team members: 1) knowledge of the destination area; 2) commitment to tourism; 3) ability to work in the Team; 4) commitment to invest time on the Team; and, 4) overall reliability. Establishing your Team could involve expansion of an existing LED committee, or creation of a new committee under an existing organization. Note: you don't want to adversely affect the momentum of anyone already doing similar work.

TEAM MEMBER	SKILLS/CONTRIBUTION

SECTION 3 – COMMUNITY CONTEXT

Step 2 – Identify and Rank Your Tourism Assets (High, Low, Medium)

ASSETS - TOURISM ATTRACTIONS

Examples: Famers' Market, hiking trail network, or agricultural tourism such as farms

ASSETS	RANK

ASSETS - TOURISM PROMOTIONS

Example: local website, regional tourism brochures, Facebook accounts, TripAdvisor

ASSETS	RANK

ASSETS - TOURISM INFRASTRUCTURE

Examples: Churches and community directional signage

ASSETS	RANK

ASSETS - TOURISM HOSPITALITY

Example: Friendly and knowledgeable merchants, welcoming residents.

ASSETS	RANK

ASSETS - TOURISM SERVICES

Examples: Translators, tour operators and coffee shops

ASSETS	RANK

Step 3– Identify and Rank Your Potential Tourism market segments

What makes a good fit? Or target?

Target markets for any product service need to meet three critical measures.

1. Are they *READY* to come?
2. Are they *WILLING* to come?
3. Are they **ABLE** to come?

(1 Being Target Market 2 being secondary and so on)

Domestic Market Possibilities:

POSSIBLE EXTERNAL TOURISM MARKETS	RANK

International Market Possibilities:

POSSIBLE EXTERNAL TOURISM MARKETS	RANK

Step 4 – Indentify and Rank Your Tourism Concerns

(1 being most critical concern)

CONCERNS - TOURISM ATTRACTIONS

Example: Lack of cohesion among attractions/businesses/communities

CONCERNS	RANK

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

CONCERNS - TOURISM PROMOTIONS

Example: Local merchants and residents are not aware of all local attractions and services

CONCERNS	RANK

CONCERNS - TOURISM INFRASTRUCTURE

Example: Town entrance requires improvement

CONCERNS	RANK

CONCERNS - TOURISM HOSPITALITY

Example: Lack of availability of suitably trained/knowledgeable tourism labour

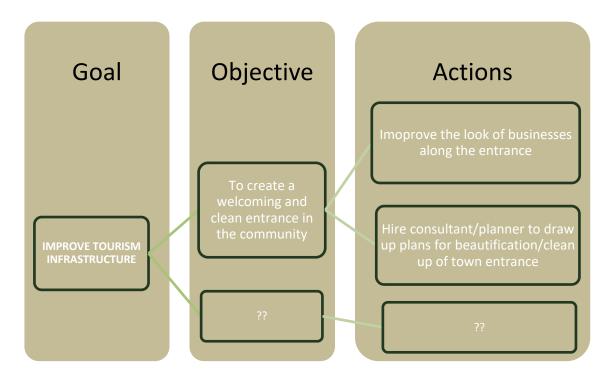| CONCERNS	RANK

CONCERNS - TOURISM SERVICES

Example: Need for restaurant/teahouse

CONCERNS	RANK

Section 3 – The Road Ahead

Goal	Objective	Actions
IMPROVE TOURISM INFRASTRUCTURE	To create a welcoming and clean entrance in the community	Imoprove the look of businesses along the entrance
		Hire consultant/planner to draw up plans for beautification/clean up of town entrance
	??	??

Step 5 – Set Tourism Development Goals

Typically the goals of a tourism development strategy will fall under five themes. It is no accident that these five these are the same five we have been assessing in Section 3 - Assessing Community Context portion of the workbook.

GOAL 1:   **TO IMPROVE ATTRACTIONS**

GOAL 2:   **TO IMPROVE TOURISM PROMOTIONS**

GOAL 3:   **TO IMPROVE TOURISM INFRASTRUCTURE**

GOAL 4:   **TO IMPROVE TOURISM HOSPITALITY**

GOAL 5:   **TO IMPROVE TOURISM SERVICES**

You can alter or make your own if you like.

Goal 1 _____

Goal 2 _____

Goal 3 _____

Goal 4 _____

Goal 5 _____

Step 6 – Set Tourism Objectives Development Goals

Develop objectives for each of the tourism development goals.

GOAL 1 TO IMPROVE ATTRACTIONS	RANK
OBJECTIVES	

GOAL 2 TO IMPROVE PROMOTIONS	RANK
OBJECTIVES	

GOAL 3 TO IMPROVE INFRASTRUCTURE	RANK
OBJECTIVES	

GOAL 4 TO IMPROVE HOSPITALITY	RANK
OBJECTIVES	

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

GOAL 5 TO IMPROVE SERVICES	RANK

Step 7 State action Steps for Each Objective

Step 8 Assign Responsibilities

Step 9 Commence Implementation Action Steps

The following is an example form a Tourism Area Action Plan

Goal: **Improve Tourism Hospitality**	Objective: **To create a welcoming and friendly community**	**Immediate** (Implementation Priority)
Action: TO ESTABLISH A PROGRAM TO ENSURE THAT RESIDENTS HAVE "PRIDE IN COMMUNITY" AND THE NEED TO BE FRIENDLY AND COURTEOUS TO VISITORS VIA BE A TOURIST IN YOUR OWN COMMUNITY PROGRAM		**Level of Risk** **Low**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1. Requires significant buy-in from the community
2. Requires community wide awareness of the importance of tourism to the economic fabric of the community.

Expected Results (Why we are doing it?)
1. Helps to create community buy-in
2. Improved reputation of Bon Accord as a friendly community
3. Increased community pride
4. Stronger business community resulting in increased revenues and employment.

Actions Required	Lead Champion	Partners
1. Create inventory of tourism assets; 2. Work with tourism operators and articulate the benefits of targeting local residents in promotional efforts to increase awareness and pride for residents of local assets; 3. Create promotions for local residents (example: romantic dinning, or sports packages); 4. Have each tourist operator write a one paragraph description of their attraction; 5. Create a Facebook page linking all the assets; 6. Create calendar of promotional activities; 7. Develop information on the importance of tourism and hospitality and feature it on the Town website. 8. Create list of media sources and approach them to gain their support; 9. Weekly provide press releases to local media sources highlighting the weeks targeted tourism activity; 10. Remind residents of the importance of tourism and of being courteous and hospitable to visitors through regular insertions in the Community Newsletter.	Action Team, Economic Development Office	Business Community (Chamber of Commerce), Service Groups, Regional Tourism Agency, Oblast Ministry

Budget:$0.00	Yr 1: $0.00	Yr 2:$0.00	Yr 3: $	Yr 4: $	Yr 5: $

Goal: To Improve Attractions

Goal: **Improve Tourism Attractions**	Objective:	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

Goal: **Improve Tourism Attractions**	**Objective:**	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
    1.
    2.
    3.

Expected Results (Why we are doing it?)
    1.
    2.
    3.

Actions Required	Lead **Champion**	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

Goal: **Improve Tourism Attractions**	Objective:	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

GOAL: To Improve Tourism Infrastructure

Goal: **Improve Tourism Infrastructure**	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead **Champion**	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: Improve Tourism Infrastructure	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
- - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: **Improve Tourism Infrastructure**	**Objective:**	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
  1.
  2.
  3.

Expected Results (Why we are doing it?)
  1.
  2.
  3.

Actions Required	Lead **Champion**	Partners
- - - - - - - - - -		
Budget:$	Yr 1: $ Yr 2:$ Yr 3: $	Yr 4: $ Yr 5: $

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

GOAL: To Improve Tourism Hospitality

Goal: Improve Tourism Hospitality	Objective:	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
-		
-		
-		
-		
-		
-		
-		
-		
-		
-		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: **Improve Tourism Hospitality**	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
   1.
   2.
   3.

Expected Results (Why we are doing it?)
   1.
   2.
   3.

Actions Required	Lead **Champion**	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT
CONSULTANTS

Goal: **Improve Tourism Hospitality**	Objective:	
		(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
    1.
    2.
    3.

Expected Results (Why we are doing it?)
    1.
    2.
    3.

Actions Required	Lead Champion	Partners
-		
-		
-		
-		
-		
-		
-		
-		
-		
-		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

GOAL: To Improve Tourism Services

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: **Improve Tourism Services**	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
-		
-		
-		
-		
-		
-		
-		
-		
-		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: Improve Tourism Services	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead Champion	Partners
- - - - - - - - - -		

Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Goal: **Improve Tourism Services**	Objective:	(Implementation Priority)
Action:		**Level of Risk**

Key Considerations and Risks (Potential challenges (financial, economic, social, political) in undertaking this objective)
1.
2.
3.

Expected Results (Why we are doing it?)
1.
2.
3.

Actions Required	Lead **Champion**	Partners
- - - - - - - - - -		
Budget:$	Yr 1: $	Yr 2:$	Yr 3: $	Yr 4: $	Yr 5: $

LMC
LOCHAVEN MANAGEMENT CONSULTANTS

Step 9 Commence Implementation Action Steps Continued

Unquestionably in tourism development it is the proper execution and implementation of strategy that determines success. In an effort to further assist in implementation of the indentified strategy and actions developed in the previous steps a compilation of critical success factors have been identified for the tourism developers to keep in mind and guide your decisions associated actions:

▶ **Responsibility** – Assigning responsibility to actions ensures it is clear who is accountable for the elements of the plans implementation. Research has proven that when there is assignment of responsibility and someone is held accountable to the implementation 95% of plans are actually implemented.

▶ **Detail Plan** – The creation of a detailed plan ensures that a clear set of direction are set and eliminates the issues with people assigned with implementation not know what to do and articulates what is expected of them.

▶ **Allocated Resources** – It is critical that resources (human equipment and financial) are both identified and assigned to tasks identified within the Action Plan. Of special note plans and activity can be accomplished on modest budgets. Lack of financial resources is often an excuse for not planning and implementing. However, it is has been proven that a plan and actions that takes into consideration the resource available is the most effective plan. It does require strategy developers and implementation team to be creative in how they find resources.

▶ **Resolve** – The value of proper planning is that the team and community reach the point of resolve. In that, the development of a collective vision has been made and as a group we can agree on the course of action.

▶ **Commitment** – Collaborative planning results in commitment by the stakeholders. This will improve the likelihood of assignment resources and actually conducting the tasks required.

▶ **Long-term thinking** – Planning by its very nature requires long-term thinking. When a group can always keep in mind the long-term goal it helps eliminate some short-term obstacles and distractions.

Step 10 Plan Monitoring and Review

Effective implementation requires communities to be flexible and opportunistic. The broad challenge of achieving success today is to define and align practical strategies and make them relevant in a dynamic and rapidly changing competitive environment. Quite obviously in a time of dynamic markets rigid and staid approaches are at best inappropriate and at worse detrimental. The ability to be flexible and responsive will largely decide whether the service offerings will be successful.

Below are some insights regarding effective monitoring and review activities the following best practices have been identified:

▶ Know what success is. Too many plans are created and then during implementation the answer to 'why' are we doing this activity gets lost or forgotten. It is important to define what success is and describe it in both qualitative and quantitative descriptors.

▶ Commit to reviewing and sharing. Often implementers do not want to review effectiveness and share results especially if they do not meet with the desired goals of the strategic plan. However, it is a reality that not all activities designed will be completely be successful. If strategists do not evaluate and be honest about results they cannot adjust their activities to be successful. Remember that a good strategy is partially reactive to the ever changing marketplace. In fact id a plan is not adjusted during implementation it will be considered that it was ill-conceived.

▶ Celebrate Successes! Do not focus on the negative.   The creation of a sustainable tourism industry is a difficult and challenging task. Effective implantation is undertaken by human beings. Focusing on negatives has proven to paralyze activities and lessens commitments to the ultimate goals as defined to articulate success. However, celebrating success and small wins has proven to act as a highly effective motivational tool and is suggested that you share your successes with all stakeholder groups and the public.