2017
INTERNATIONAL YEAR
OF SUSTAINABLE TOURISM
FOR DEVELOPMENT

UNWTO

WTCF
世界旅游城市联合会
World Tourism Cities Federation

WTCF
FRAGNANT HILLS TOURISM SUMMIT
19 – 21 September, 2017 , Los Angeles, USA

CITY TOURISM PERFORMANCE

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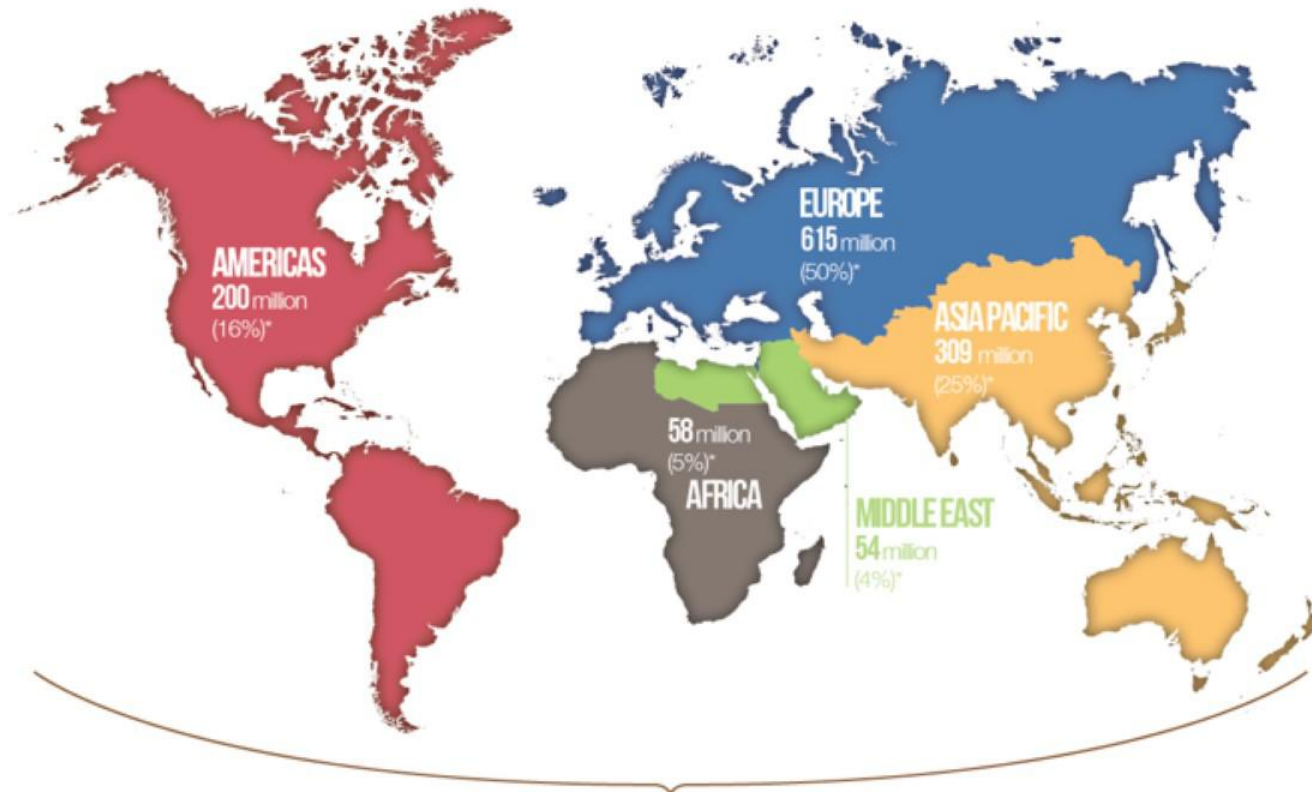
UNWTO
Membership

- 157 Member States
- 6 Territories
- 2 Permanent Observers
- 500 Affiliate Members

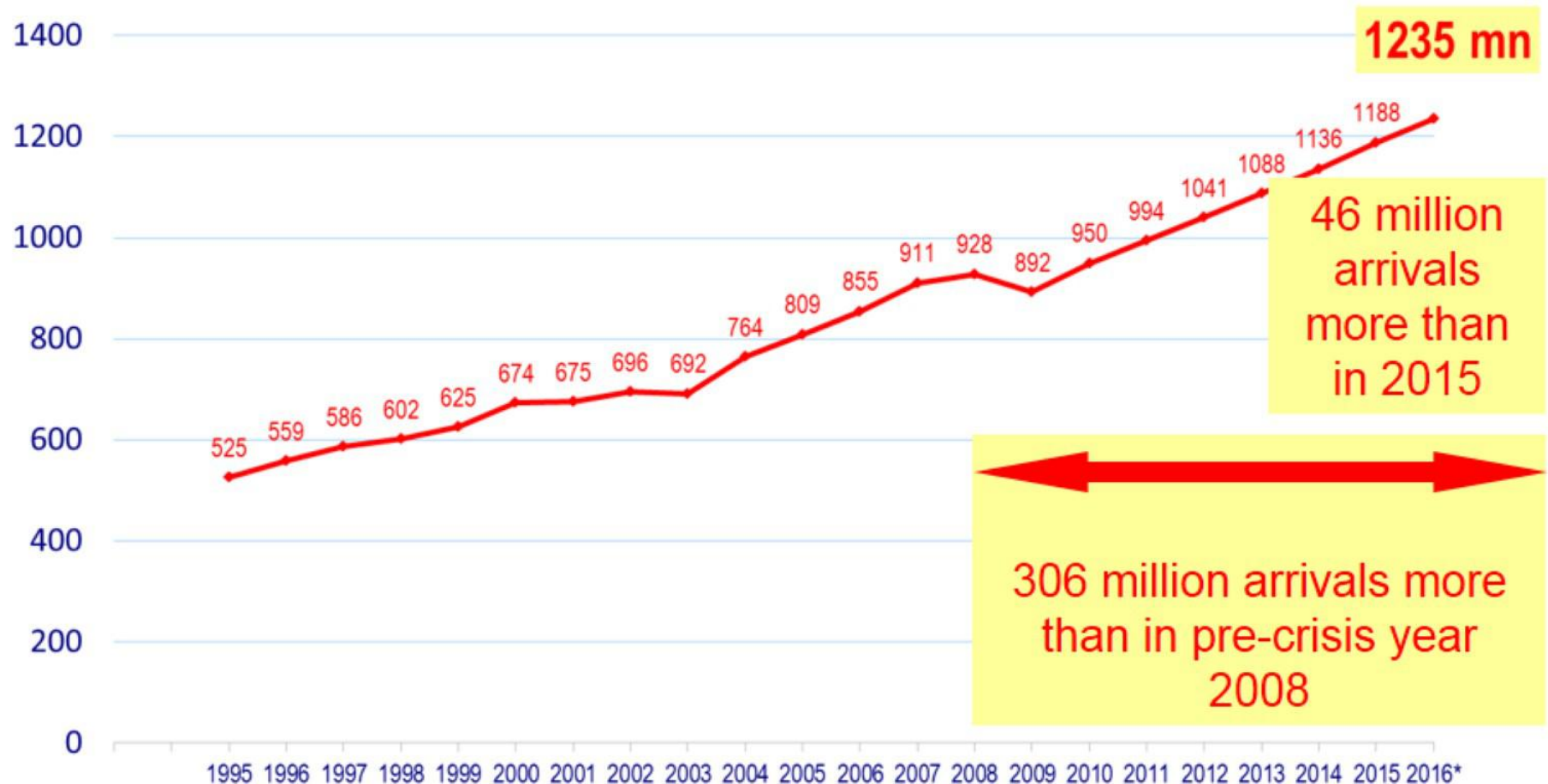# INTERNATIONAL TOURIST ARRIVALS 2016

*Share (%)

AMERICAS
200 million
(16%)*

EUROPE
615 million
(50%)*

ASIA PACIFIC
309 million
(25%)*

58 million
(5%)*
AFRICA

MIDDLE EAST
54 million
(4%)*

WORLD: 1,235 MILLION

INBOUND TOURISM IN THE WORLD

International tourist arrivals (million)

1235 mn

1188

1136

1088

1041

994

950

928

892

911

855

809

764

692

696

675

674

625

602

586

559

525

46 million arrivals more than in 2015

306 million arrivals more than in pre-crisis year 2008

1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016*

1400 1200 1000 800 600 400 200 0

INBOUND TOURISM IN THE AMERICAS (REGION)

International tourist arrivals (million)

200 mn

24 million arrivals

52 million arrivals more than in pre-crisis year 2008

Source: World Tourism Organization (UNWTO)

INBOUND TOURISM IN NORTH AMERICA

International tourist arrivals (million)

131 mn

Source: World Tourism Organization (UNWTO)

TOP WORLD DESTINATIONS (2016)

By Int. Tourist Arrivals
(million)

1. France   83
2. USA   77 (2015)
3. Spain   76
4. China   59
5. Italy   52
6. UK   36
7. Germany   36
8. Mexico   35
9. Thailand   33
10. Turkey   n/a
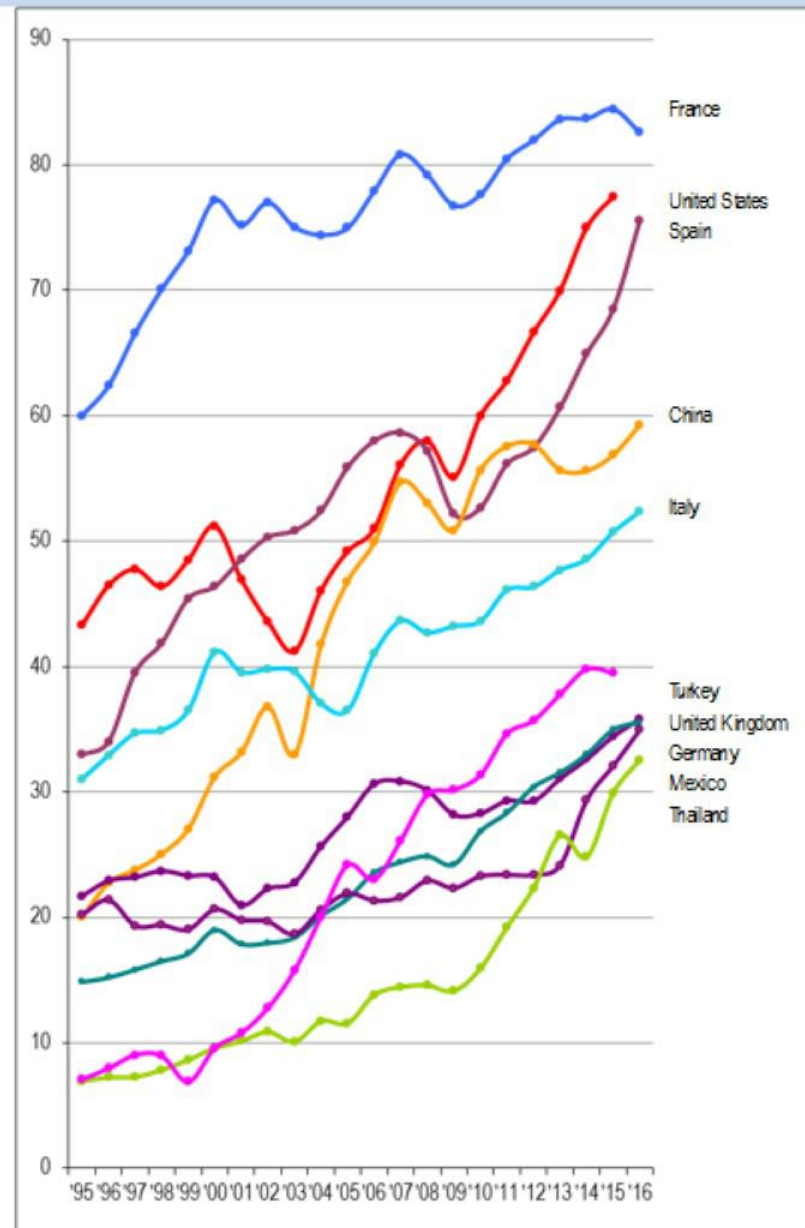
TOP WORLD DESTINATIONS (2016)

By Int. Tourist Arrivals
(million)

1. France — 83
2. USA — 77 (2015)
3. Spain — 76
4. China — 59
5. Italy — 52
6. UK — 36
7. Germany — 36
8. Mexico — 35
9. Thailand — 33
10. Turkey — n/a

Int. Tourism Receipts
(US$ billion)

1. USA — 206
2. Spain — 60
3. Thailand — 50
4. China — 44
5. France — 42
6. Italy — 40
7. UK — 40
8. Germany — 37
9. HK (China) — 33
10. Australia — 32

THE IMPORTANCE OF TOURISM

10%
GDP
(Direct, Indirect and Induced)

1/10 JOBS
(Direct, Indirect and Induced)

US$
1.4 TRILLION
IN EXPORTS

7%
OF WORLD'S
EXPORTS

30%
OF SERVICES
EXPORTS

WHY TOURISM MATTERS

© World Tourism Organization (UNWTO) July, 2017

Source: World Tourism Organization (UNWTO)

URBAN / CITY TOURISM

Urban/City Tourism:

A type of tourism activity which takes place in an urban space with its inherent attributes characterized by non-agricultural based economy such as administration, manufacturing, trade and services and by being nodal points of transport. Urban/city destinations offer a broad and heterogeneous range of cultural, architectural, technological, social and natural experiences and products for leisure and business. (UNWTO definition)

URBAN/CITY TOURISM PERFORMANCE
(UNWTO/WTCF RESEARCH PROJECT)

1.<u>OBJECTIVES</u> :

➢ Create a platform to exchange information, experience and expertise among leading urban destinations across the globe;

➢ Provide an instrument to benchmark and develop indicators for measuring performance;

➢ Collect data and showcase good practices as well addressing the current and future challenges;

➢ Key Performance Areas (KPAs):

- ✓ Destination Management
- ✓ Economic Perspective
- ✓ Social & Cultural Perspective
- ✓ Environmental Perspective
- ✓ Technology & New Business Models

URBAN/CITY TOURISM PERFORMANCE
(UNWTO/WTCF RESEARCH PROJECT)

2. METHODOLOGY and EXPECTED OUTPUT :

➤ In situ interviews by selected experts with the DMOs & related stakeholders

➤ Reports with empirical data & observations of the experts

➤ 2 Technical workshops
- ➤ Tianjin (China)
- ➤ Buenos Aires (Argentina)

➤ Publication with the summary of reports

➤ Recommendations for the city DMOs

➤ Online platform with case studies

Partner cities

KEY PERFORMANCE AREAS (KPAS)

CITIES	KPAs
1. Antwerp	Destination Management, Social and Cultural Perspective, Technology
2. Berlin	Destination Management, Economic Perspective, Environmental Perspective
3. Beijing	Destination Management, Economic Perspective
4. Bogotá	Destination Management, Social and Cultural Perspective
5. Buenos Aires	Social and Cultural Perspective, Destination Management, Technology
6. Cape Town	Destination Management, Social and Cultural Perspective, Environmental Perspective
7. Copenhagen	Environmental Perspective
8. Hangzhou	Social and Cultural Perspective

KEY PERFORMANCE AREAS (KPAS)

CITIES	KPAs
9. Kuala Lumpur	*Report pending*
10. Linz	Destination Management, Social and Cultural Perspective
11. Marrakech	Destination Management , Social and Cultural Perspective
12. Sapporo	Innovation ,Technology and New Bussiness Models
13. Seoul	Environmental Perspective, Innovation and Technology
14. Tianjin	Destination Management, Economic Perspective
15. Tokyo	Economic Perspective
16. Turin	Destination Management, Economic Perspective

1. ANTWERP (BELGIUM)

STRENGHTS:

- Connectivity
- Well organized transport network and infrastructure
- Efficient governance model and structure
  (vertical /horizontal coordination)
- Long term strategic planning
- Integrated marketing approach
- Positive local community approach and engagement
- Tourism sector involved in urban development and planning

- Quality management (regulations and monitoring practises)
- Efficient IT use
- Authenticity
- Accessibility and social inclusiveness
- Environmental sustainability monitored (congestion management, public space, energy efficiency, green house gas emmision,etc)

2. BEIJING (CHINA)

STRENGHTS:

- Rich cultural heritage - well protected
- Steady growth in demand and revenue (domestic and international markets)
- Connectivity (new airport 2019)
- Urban public transport
- Diversified accomodation
- Culinary experience (diverse gastronomy as an attraction)
- Government and management structure under Municipal Government and Tourism
- Commission- multi agency effort
- Strategic planning (5 year development plan, policy measures and action plans- tourism is a priority)
- Introduction of sustainable tourism initiatives in the plan

- The structure allows for an integrated approach for tourism development and vertical and horizontal coordination with the stakeholders at city level (resource deployment, zoning, business development, promotion &marketing, legislation and regulations, quality management , safety and security, training
- (2016-2020) institutional reform- DMO to be put in place
- Strong and systematic government support (land allocation, taxation, finance, infrastructure, public services, SME support, incentives for innovation,

3. BERLIN (GERMANY)

STRENGHTS:

- Tourism benefits from other important sectors (life sciences, transportation, IT, media&music, advertising &design, biotechnology, environmental services, construction, e-commerce, retail, etc).
- Advanced transport infrastructure and potential for connectivity
- Diversified accomodation
- Diversified urban tourism products
- Strong brand identity (place brand)

- Efficient governance model and strong horizontal/vertical PPP
- Sustainable practices reflected in marketing efforts
- High economic impact of tourism
- Highly developed meetings industry (demand/supply)
- Visitor satisfaction monitoring
- Market inteligence

4. BOGOTÁ (COLOMBIA)

STRENGHTS:

- Tourism is the second export industry (after oil)
- Connectivity at regional level
- Cultural tourism is the key priority
- Environmental friendly urban mobility, e.g. bicycle routes
- Hinterland use- for complementary attractions and nature based tourism
- Gastronomy tourism
- Potential for bussiness tourism and meetings industry
- Unique selling point: product diversity and local people

- Public incentives (e.g. tax exemption) helps accomodation capacity to grow
- DMO (IDT) is a public authority with specific legal status, administrative and financial autonomy- collaborated with the private stakeholders- in charge of product development , promotion and marketing
- A comprehensive strategic and action tourism plan (2017-2020) focuses on innovation, inclusiveness, smart tourism, authenticity ,sustainablity and quality
- Quality management procedures put in place: e.g. certification

5. BUENOS AIRES (ARGENTINA)

STRENGHTS:

- High economic impact of tourism
- Steady and strong growth of demand
- Great potential for the meetings industry (regional &international)
- Strong demand from the LGTB market (no 1 destination in the region)
- Shopping tourism
- Health and wellness tourism
- Efficient DMO structure (public but in good collaboration with the private partners)
- Long term strategic destination management plan
- Efficient use of digital platforms and social media

- Visitor satisfaction monitoring
- Market intelligence
- Initiatives put in place for local community engagement
- Initiatives put in place to improve safety&security
- Authenticity & unique selling point
- Local initiatives to enhance environmental sustainibility
- Connectivity
- Smart city initiatives

6. CAPE TOWN (SOUTH AFRICA)

STRENGHTS:

- Rich and diversified natural, cultural resources
- Multicultural character as a competitive factor
- Well developed tourism infrastructure
- Well developed transport network
- High professionalism in the tourism industry
- Diversified tourism products for different market segments
- Strong and steady growth in tourism demand
- Efficient DMO structure (PPP)

- Strategic plan involves a long term policy and vision, monitored and updated regularly
- A legal framework and action plans for sustainable growth and management (including climate change issues, energy efficiency and inclusiveness)
- Visitor satisfaction monitored
- Institutional support to SMEs
- Research is key
- Innovation in promotion and marketing
- Community involvement and authenticity – key competitive factors

7. COPENHAGEN (DENMARK)

STRENGHTS:

- Economic power and competitiveness (40% GDP, 85% foreign investment, 75 % employment)
- "Sustainable City" brand is a competitive advantage in promotion and marketing
- Ambitious climate policy- first carbon neutral capital
- Environmental friendly urban mobility- extensive bicycle use and routes
- Well developed public transport infrastructure
- Cruise destination
- City DMO: Efficient vertical coordination with the DMO at national level

- City brand is based *on:architecture and design, sustainable city, healthy food, tolerance , small scale big city*
- Revised strategic plan with new objectives (*sustainable and liveable city,smart city, professionalism and talent development, local resident involvement in decision making*)
- Sustainable practices: e.g. Eco-certification in accomodation, organic food, environmental friendly urban mobility

8. HANGZHOU (CHINA)

STRENGHTS:

- Tourism is a priority on the urban policy agenda
- Steady growth in arrivals and revenue
- Diversifed and highly developed tourism attractions and accomodation
- Significant historical, cultural character (main competitive advantage)
- Relaxing life style, "story telling of living culture" (competitive advantage in the marketplace)
- Innovation in tourism product
- Its destination brand promises the experience

- Tourism product is diversified to meet leisure, events(sports, cultural events, fairs and exhibitions) and business tourism
- No seasonality issue
- Major local community involvement
- Authenticity

9. KUALA LUMPUR (MALAYSIA)

STRENGHTS:

Report pending
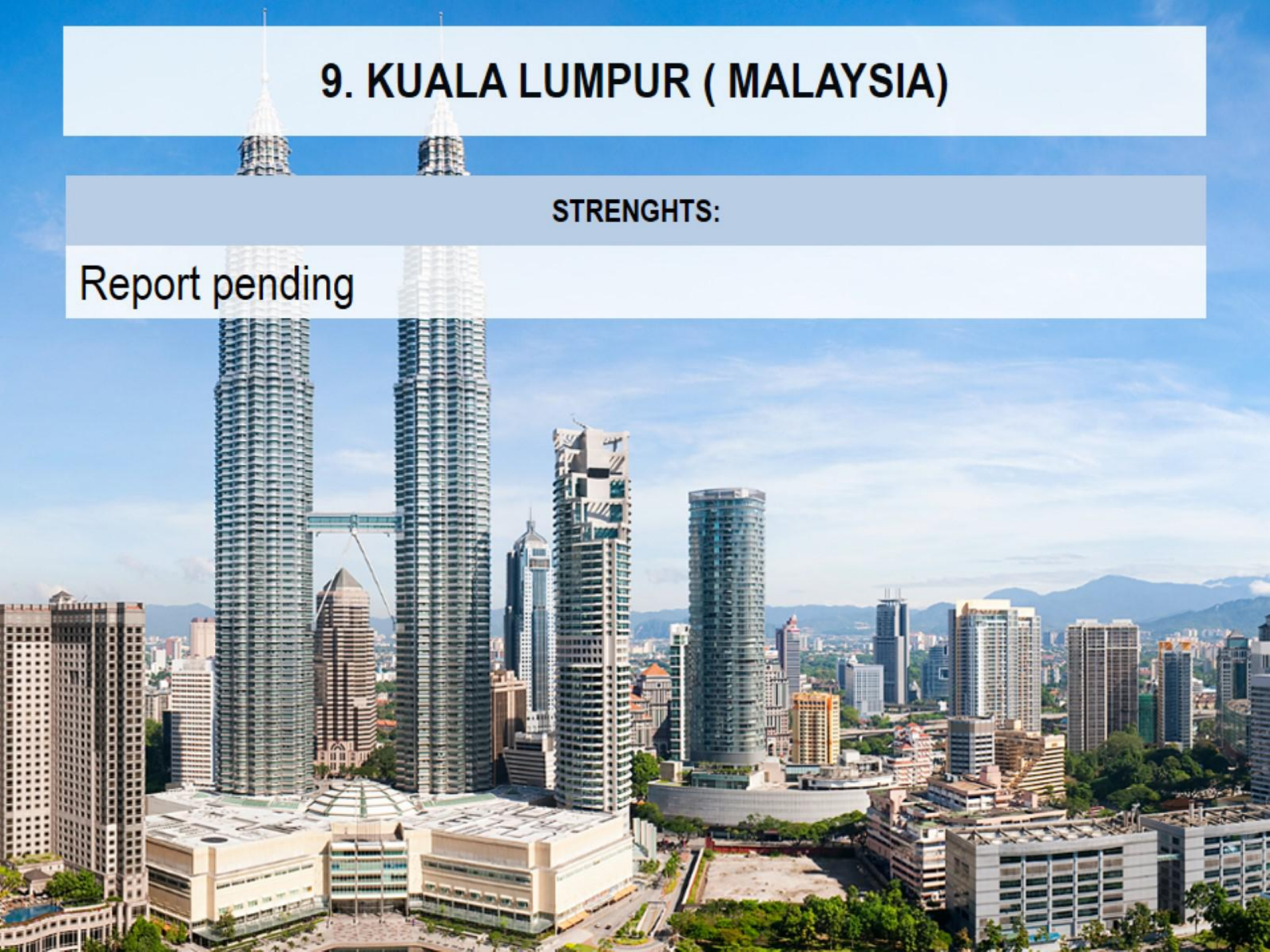
10. LINZ (AUSTRIA)

STRENGHTS:

- Industry and commerce supports the economic advantage of tourism
- Cultural development plan
- High quality of life for the local community improves the tourism image
- Smart city and innovative "hard product development- space for art, culture, etc.
- Connectivity
- Transformation from an industrial urban area to a tourism destination (spatial and imagewise)
- European Capital of Culture (2009) was a critical factor for transformation local community engagement, internationalization and innovation)

- UNESCO-City of Media Arts (2014) improved the image and positioning – visionary and progressive city)
- Stable DMO structure –minimized risk of budgetary and legal issues
- Innovative soft product development and tourism lab.
- Strong and steady tourism growth

11. MARRAKECH (MORROCCO)

STRENGHTS:

- Diverse attractions and tourism types (cultural tourism, golf, wellness, meetings)
- Tourism is given the priority in the <u>regional development program</u> for economic growth and competitiveness
- The development plan and the urban plan both set out strategic objectives for: i) authenticity, ii) diversification of economic activities and sectorial plans, iii) local community benefits
- Initiatives for a sustainable, smart and competitive city are put in place

- Adequate capacity for hosting bussiness tourism and meetings
- National, regional and international profile cultural events create a competitive advantage
- Incentives and training is provided to enhance SMEs and particularly local crafts
- Governance structure is quite decentralized and the private sector is higly represented
- Tourism observatory at national level helps to monitor data at local level

12. SAPPORO (JAPAN)

STRENGHTS:

- Urban Tourism combined with mountain tourism
- Rich natural /cultural resources/attractions
- Well developed infrastructure for mega-events
- Environmental friendly public space allocation
- Efficient public transport
- Academic institutions contribute to research and the enhancement of IT use in tourism (PPAP)

- Monitoring mechanisms put in place to measure the impact on environment
- Smart initiatives launched for visitor information

13. SEOUL (REPUBLIC OF KOREA)

STRENGHTS:

- Rich and diversified natural and cultural resources (well protected)
- Urban hinterland is largely used for nature-based tourism; decentralization of attractions to avoid congestion and local community development
- Strong and steady growth in demand
- A careful balance between nature & technology and ancient & modern
- Connectivity and well developed public transport infrastructure
- Higly developed digital technology, digital social innovation, smart city both for the local residents and the visitors
- Urban planning and design alligns with tourism product development

- A strong global city brand e.g. city of design
- Culinary experience as a motivation for the customer
- Public investment in cultural heritage conservation and infrastructure, urban re-generation and pedestrial routes
- High potential for the Meetings Industry
- Authenticity is a priority in local tourism management
- Affirmative social inclusiveness policy in decision making process: gender equality, involvement of elderly, disabled, traditional merchants, foreigners, small bussinesses, art circles ,etc.
- Safety and security

14. TIANJIN (CHINA)

STRENGHTS:

- Connectivity- railway and cruise (regional and national level)
- Rich natural and cultural resources,
- Diverse accomodation facilities and complementary activities
- High potential to develop meetings industry (inms of demand and supply)
- Source market for domestic and international tourism- social profile and economic potential
- Strong domestic market

- Stratic plan (2016-2020) focuses on developing products for cultural tourism, rural toutrism and industrial tourism- bussiness tourism needs to be included)
- Initiatives on environmental and cultural heritage improvement

15. TOKYO (JAPAN)

STRENGHTS:

- One of the largest metropolitan areas with a very high GDP, cultural interaction, livability, environment and connectivity
- Combination of diversified traditional attractions with ultra modern , innovative and smart products/attractions
- High tech and efficient transport infrastructure (national, regional and international)
- Successful crisis management strategy

- No seasonality issue
- Relevant market intelligence-used for strategy
- Growing bussiness tourism and meetings industry
- Tourism generates a substantial number of jobs at local level
- Quality assessment in governance

16. TURIN (ITALY)

STRENGHTS:

- Strategic plan for tourism development
- Tourism has had a huge impact regarding the transformation process: (from industrial city to tourism destination)
- Physical/spatial
- Cultural
- Innovative
- Efficient governance/management structure (PPP)
- Improved quality of life of local inhabitants (spatial, economic and social re-generation) through tourism

- Differentiation: Unique selling point
- Cultural heritage and architecture
- Enogastronomy
- Industrial heritage
- Innovation
- Resources and attractions are fully used

MAJOR CHALLENGES:

1. **Lack of relevant quantitative and qualitative data (comparable) at city level;**
2. **Lack of adequate tools to measure data at tourism sub-sector level and to set monitoring mechanisms for the impact of actions and initiatives;**
3. **Environmental issues related to the city (not necessarily caused by tourism) and inadequate data to measure the impact. e.g.**
   - Congestion
   - Public space
   - Energy efficiency
   - Greenhouse emission reduction
   - Air quality
   - Landscape and bio diversity protection
4. **Mobility performance (urban public transport);**

MAJOR CHALLENGES:

5. Connectivity (needs to be diversified – alternative modes and infrastructure;
6. Lack of SME support;
7. Tourism is not included in the urban growth policies;
8. Need for product diversification;
9. Improvement of the "city brand "by including the community concept;
10. Need for improved public amenities and services;
11. Seasonality;
12. Lack of "quality management systems" at urban destination level:
13. Limited quality accommodation capacity to meet the demand;
14. Need to develop responsible cruise tourism;
15. Ensure on-going innovation and creativity;

MAJOR CHALLENGES:

16. Lack of long-term political stability;
17. Safety and security;
18. Price competitiveness;
19. Lack of legal framework for " new digital platforms" (so-called sharing economy);
20. Long-term marketing strategy;
21. Congestion and carrying capacity issues caused by tourism;
22. Social reaction to immediate inconveniences: cultural issues - overuse of public amenities, visitor-resident tension, competition for space, crime, etc;
23. Detrimental effects: "tourism can destroy tourism", turistification and erosion of quality visitor experience;
24. Authenticity;
25. Need for more flexible governance/management structures.

NEW PLATFORM TOURISM SERVICES
(OR THE SO-CALLED SHARING ECONOMY)

OBJECTIVES:

- Assess the relevance and impact of the so - called 'sharing economy' worldwide

- Identify the various issues it raises and how are these issues being addressed by destinations

- Pinpoint the opportunities and challenges at stake

- Contribute to the way forward regarding how to adapt to the new situation

NEW PLATFORM TOURISM SERVICES
(OR THE SO-CALLED SHARING ECONOMY)

METHODOLOGY:

- Data collection from December 2016 to March 2017

- UNWTO Member states, Affiliate Members and a selection of cities were invited to participate in an online survey

- 114 answers submitted from all around the world

NEW PLATFORM TOURISM SERVICES
(OR THE SO-CALLED SHARING ECONOMY)

RESULTS:

- An initial discussion paper was prepared and shared alongside the survey

- The preliminary results were presented during an event at ITB Berlin 2017

- The final report: at the 22nd Session of the UNWTO General Assembly in Chengdu, China

NEW PLATFORM TOURISM SERVICES
(OR THE SO-CALLED SHARING ECONOMY)

RESULTS:

KEY PILLARS TO BE ADDRESSED:

- Fair competition
- Consumer Protection
- Work Conditions
- Planning and sustainability aspects

NEW PLATFORM TOURISM SERVICES
(OR THE SO-CALLED SHARING ECONOMY)

RESULTS:

3 MAIN DIRECTIONS:

Better understanding and monitoring of the phenomenon is needed to assess the market volume and structure,

Regulation and protection measures need to be put in place to avoid risks for consumers, service providers (goods and services) and digital platforms.

4C Approach to be adopted:
- Communication
- Collaboration
- Cooperation
- Coordination

> Stakeholders

THANK YOU

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