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Tourism Development on the Viking Trail: Can Information Technology Make it Sustainable?



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Tourism Development on the Viking Trail: Can Information Technology Make it Sustainable?

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Key Concepts/Terms

- Tourism
 - Development
 - Sustainability
 - Information Technology
 - The Viking Trail

Tourism: Three Perspectives/Definitions



A process involving travel from a place of normal residence to a destination for at least 24 hours but less than a year; the purpose of travel could be business or pleasure (including VFR) or both (UNWTO)

Criteria


Origin/Destination


Purpose of travel

Duration of trip

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?

Tourism: Three Perspectives/Definitions

-  A vast worldwide industry which includes the transportation, lodging, feeding and entertainment of tourists.

-  An industry consisting of organizations, both public and private, that are involved in the development, production, and marketing of products/services to meet the needs of travelers.

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



Tourism

Multisectoral: Four Perspectives

Key Players/Participants

- Tourists
- Businesses/Enterprises/Principals
 - Private, Public, NGOs/Non-profit
- Host community/Destination
- Host government(s)

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



Tourism

Multisectoral: Four Perspectives



Trade Sectors

- Transportation
- Accommodation/Lodging
- Attractions
- Food service
- Events and Meetings
- Adventure and Recreation
- Travel Trade
- Tourism Services

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



Tourism

Multisectoral: Four Perspectives



Travel Distribution System

- Suppliers
- Intermediaries
- Consumers

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



Tourism

Multisectoral: Four Perspectives

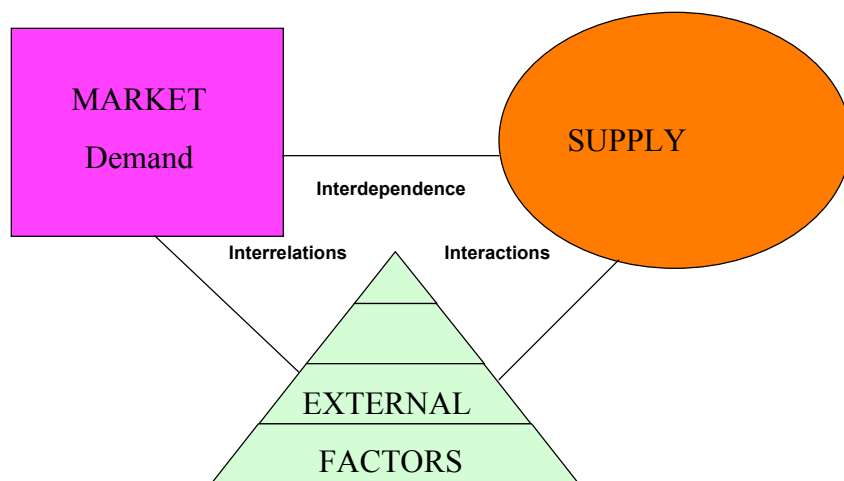
The Systems Model

- Suppliers
- Market/Demand
- External Factors/Environment

How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



The Tourism System



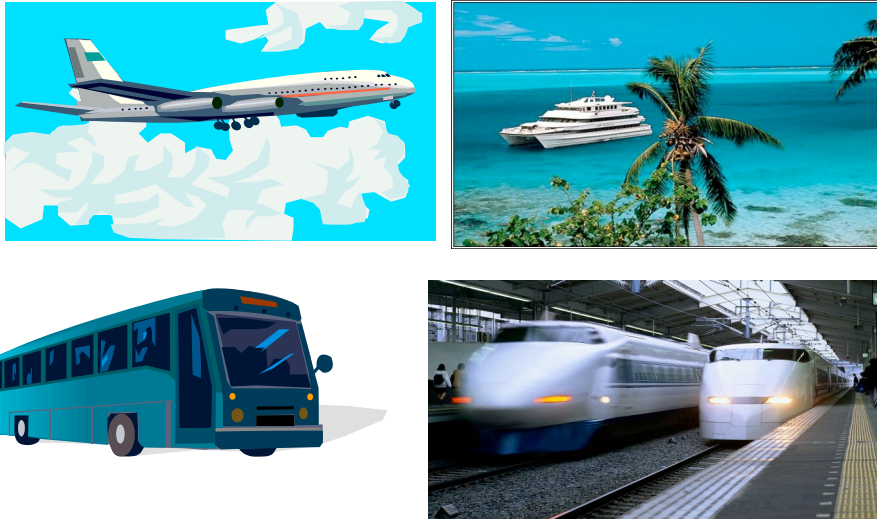
How does this perspective relate to the Viking Trail and tourism on the Northern Peninsular?



1. The Tourism Market/Demand



2. Tourism Suppliers: Transportation



2. Tourism Suppliers



3. External Factors

- The market and supply components of a tourism system are influenced by external factors:
 - Natural resources
 - Cultural resources
 - Public policies
 - Organizational leadership
 - Finance/Economy
 - Labor
 - Entrepreneurship
 - Community
 - Competition

How do these factors affect web site development and electronic marketing of the Viking Trail?



Resources for Tourism Development

■ Physical/Natural Resources

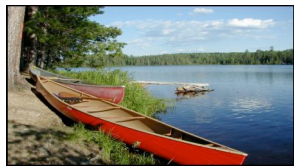
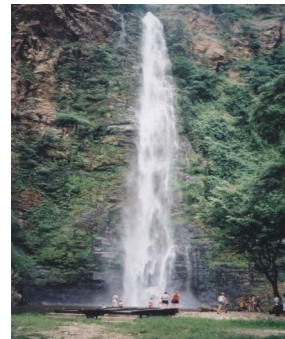
Water
Topography
Vegetation
Wildlife
Climate

■ Human/Cultural Resources

Prehistory, Archaeology
History
Heritage
Ethnicity, Lore, Education
Industry, Trade
Entertainment, Religion, Sports



Natural Resources



Cultural Resources










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Characteristics of Travel/Tourism Products

- Location/destination specific
- Intangible
- Perishable
- Seasonal
- Price and income elastic
- Package
- Sales volatility
- Purchase and consumption at location

How do these characteristics affect web site development and electronic marketing of the Viking Trail?



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Travel & Tourism: Growth Factors

- Economic prosperity (GDP)
- Increasing Disposable Incomes
- Efficient transportation systems
- More leisure time
- Globalization of Businessess - International Trade and Transnational Corporations
- More meetings, conventions and expositions

How do these factors affect tourism development on the Viking Trail or the Northern Peninsular?



Travel & Tourism: Growth Factors

- Advanced information technology and communication systems (ITCs)
- More educated/internet literate tourists
- More international sports and recreation activities
- Social tourism
- Demographic and psychographic changes
- More roles by tourism organizations
- Increasing interest in cultural tourism

How do these factors affect tourism development on the Viking Trail or the Northern Peninsular?



Development

“A **desirable** socio-economic, cultural, institutional and **technological** change for developing human and natural resources, and for raising the standards of living of all people. The process of change requires the interaction of people, institutions and governments” (FAO, 1978).

How does this perspective affect web site design and electronic marketing of the Viking Trail?



Tourism Development

“A desirable socio-economic, cultural, institutional and technological change for developing human and natural resources, and for raising the standards of living of all people **who are directly or indirectly affected by the tourism industry**. The process of change requires the interaction of people, institutions and governments” (Addo, 2007).

How does this perspective affect web site development and electronic marketing of the Viking Trail?



Tourism Development

- All components/sectors of the industry must be considered in desirable, appropriate and feasible proportions
- The components/sectors are:
 - Interdependent
 - Interrelated
 - Interactive

How does this perspective affect web site design and electronic marketing of the Viking Trail?



Tourism Development/Impacts

- Economic
- Social
- Cultural
- Environmental/Physical

Direct

Indirect

Induced/Multiplying Effect

What impacts do web site development and electronic marketing have on the Viking Trail?



Sustainable Development

- “Management of all resources in such a way that we can fulfill economic, social, and aesthetic needs while maintaining cultural integrity, essential ecological processes, biological diversity and life support systems”.

Based on the Bruntland report, *Our Common Future*.

What definition of sustainable development is applicable to the Viking Trail and the Northern Peninsular?



Sustainable Tourism Development

- “Meeting the needs of present tourists and host regions while protecting and enhancing opportunities for the future”.






Bruntland report, *Our Common Future*.

The Tourism Stream Action Strategy Committee's
Draft of an Action Strategy for Sustainable Development
March 1990, Conference on Sustainable Development, Vancouver,
Canada

What definition of sustainable development is applicable to the Viking Trail and the Northern Peninsular?



Goals of Sustainable Tourism Development

-  To develop greater awareness and understanding of the significant contributions that tourism can make to the environment and the economy
-  To promote equity in development
-  To improve the quality of life of the host community
-  To provide a high quality of experience for the visitor
-  To maintain the quality of the environment on which the goals 1-4 listed above depend

What are the goals of sustainable development on the Viking Trail and the Northern Peninsular?



Sustainable Tourism Development

- Sustainable **tourism** development is aimed at:
 - Protecting and enhancing the environment
 - Meeting basic human needs
 - Promoting current and intergenerational equity
 - Improving the quality of life of all people

What is sustainable development on the Viking Trail or the Northern Peninsular aim at?



Resources for Sustainable Tourism Development

■ Physical/Natural Resources

Water
Topography
Vegetation
Wildlife
Climate

■ Human/Cultural Resources

Prehistory, Archaeology
History
Heritage
Ethnicity, Lore, Education
Industry, Trade
Entertainment, Religion, Sports

What resources are available for sustainable development on the Viking Trail/Northern Peninsular?



Sustainable Tourism Development: Economic Impact Assessment

Types of Impacts

- Jobs
- Tax Revenue
- Infrastructure development
- Superstructure development
- Multiplying effect
- Housing/Real estate development
- Migration rates
- Crime rates
- Demographic changes and work patterns
- Psychographic changes and work patterns

Evaluation of Impacts

- No impact
 - Minor impact
 - Moderate impact
 - Serious impact
- (Quantitative and/or qualitative)

How are economic impacts assessed on the Viking Trail? What information is available electronically?



Sustainable Tourism Development: Environmental Impact Assessment

Types of Impacts

- Air quality
- Surface water quality
- Ground water quality
- Road traffic
- Noise levels
- Solid waste disposal system
- Archaeological and historic sites
- Visual amenities
- Natural vegetation
- Wildlife: Ground animals, Birds and insects

Evaluation of Impact

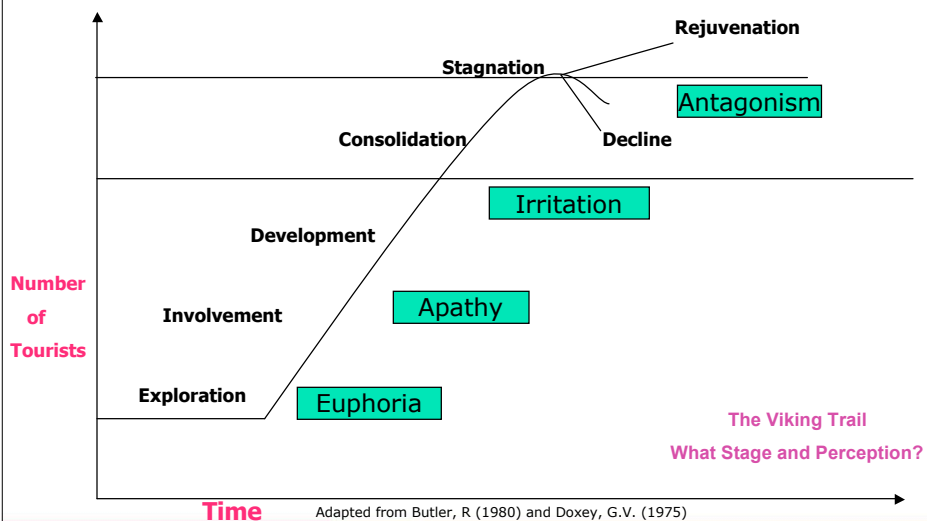
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How are environmental impacts assessed on the Viking Trail? What information is available electronically?

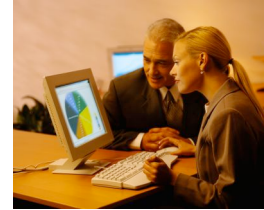


Phases in Destination Development & Local Perceptions



Information Technology (IT) and Tourism

Information Technology (IT)



the “collective term given to the most recent developments in mode (electronic) and the mechanisms (computers and communication technologies) used for the acquisition, processing, analysis, storage, retrieval, dissemination and application of information”.

Poon, A. *Tourism Technology and Competitive Strategies*. CAB International, Oxford, 1993



Information Technology (IT) and Tourism

IT plays crucial roles in tourism

- Marketing
- Distribution
- Promotion
- Co-ordination
- Database development



What roles does IT play in tourism on the Viking Trail and the Northern Peninsular?



IT and Tourism



- Information is the lifeblood of tourism
- Competing organizations and destinations need to compute
- IT provides both opportunities and challenges
- Developments in IT revolutionize both economies and enterprises
- Continuous re-engineering ensures business survival
- Only creative and innovative suppliers will be able to survive the competition

What opportunities and challenges does IT provide to the Viking Trail? How competitive are the Viking Trail and Northern Peninsular in provincial, national and global tourism?



Information Technology (IT) and Tourism

Three Waves of Technological Development:

- Computer Reservation Systems (CRS) in the 1970s
- Global Distribution Systems (GDSs) in the 1980s
- The Internet in the 1990s



Technologies operate both separately and jointly, controlling different functions and target markets

Which wave(s) applies/apply to the Viking Trail and the Northern Peninsular?



Information Technology (IT) and Tourism

Computer Reservation Systems (CRSs)

- SABRE
- Worldspan
- Amedus
- Galileo
- Apollo



- Reservations/bookings (flight, car rentals, lodging, PNRs, STARS), information storage and usage, travel directions, attractions, financial information (exchange rates)

Information Technology (IT) and Tourism

Advantages of CRSs

- Principals control, promote and sell products globally
- Facilitate yield management
- Integrate a range of business functions
- Capacity alterations (supply and demand
- Flexible pricing; competitive rates
- Reduction of communication costs
- Provide intelligence information on partners and competitors
- Operational and strategic management



Information Technology (IT) and Tourism

Global Distribution Systems (GDSs) - Electronic Travel Supermarkets

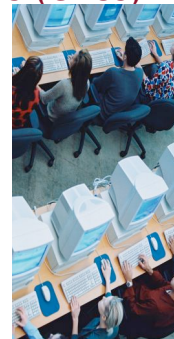
- Expansion of geographical coverage
- Horizontal integration of principals - New Interfaces
 - THISCO & WIZCOM - interconnectivity
 - Standardization of processes and products
 - Consumer purchase of products on-line
- Vertical integration - incorporating the entire range of tourism products and services (accommodation, car rentals, trains and ferry ticketing, entertainment, etc)
- Galileo, Amedus, SABRE, Worldspan dominate the market

Is the Viking Trail or Northern Peninsular involved with any of these GDSs?



Advantages of Global Distribution Systems (GDSs)

- Offer both leisure and business products globally
- Provide information and allow reservations for:
 - Theatre tickets
 - Holiday packages
 - Tourism destinations
- Development of Destination Management Systems
 - Representation of small and medium sized tourism enterprises
- Principals distribute and manage reservations globally (matching consumer demand tourism supply)
 - cost, market, government, competitive drivers



Internet and the World Wide Web (www)

The Internet: the 'Information Superhighway'

- Increases the interactivity between
 - Consumers and suppliers
- Electronic marketing is normally associated with Internet marketing
- Two of the media for direct marketing
 - Internet using e-mails
 - CD ROMs with hyperlinks to the Internet



Internet and the World Wide Web (www)

The two phenomena underlying electronic business are:

Digitalization

- Converting text, data, sound, and image into a stream of bits that can be dispatched at incredible speeds from one location to another

Connectivity

- Involves building networks and expresses the fact that much of the world's business is carried over networks connecting people and companies.



Internet and the World Wide Web (www)

Intranets

- When networks connect people within a company

Extranets

- When networks connect a company with its suppliers and consumers

Internet

- When networks connect users to an amazingly large 'information superhighway.'



Using the Web to Market Tourism Destination

Create a Portal Site providing information on four core areas:

- How to get there (what mode or modes of transportation?)
- Getting around (what mode or modes of transportation?)
- Places to stay (lodging facilities or services)
- Things to do (places to see, dinning, shopping, shows and events)

Develop a web site to include several sections

- IFITT, tiscover

Concerns about Internet and WWW

- security of transmissions
- credibility of information
- intellectual property and copyrights
- bandwidth and speed limitations
- user confusion and dissatisfaction
- lack of adequate trained specialists
- equal access and pricing

Reasons for Internet Purchases/Sales

- **Convenience**
 - Purchases made from any place at any time
 - **Information**
 - Customers gain information about travel and destinations
 - **Price**
 - Consumers feel they get a better price
 - Price comparison is also easy
-
- **Effective/Efficient Selling and Communication**
 - Hotels, cruise, airline, tour companies.

IT and Tourism Demand

UNWTO

“The key to success lies in the quick identification of consumer needs and in reaching potential clients with comprehensive, personalized and up-to-date information”.



Success Stories of Electronic Marketing

- Papua New Guinea - Destination in SE Asia
- Aruba
- Breezy Point Resort, MN, USA
- M Plaza Hotel, Accra, Ghana
- Golden Beach Hotels, Ghana
- Hyatt Regency Atlanta on Peachtree Street, Atlanta, GA USA
- Atlantis, Paradise Island, Bahamas
- Hawaii Convention Center- The Power of Aloha



Success Stories of Electronic Marketing

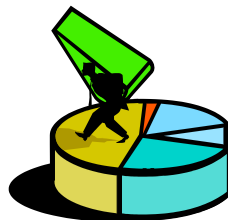
- American Airlines: Web Chat
- LowAirfare.com: Working with live agents
- Dunkin Donuts: Long distance delivery of donuts and coffee
- Red Lobster: Sale of live lobsters and complete lobster bakes
- Cheeseburger in Paradise on Maui: Web camera
- Hyatt Hotels: Types, reservation, special offers, gift certificates, visual tour
- Courtyard: visual tour of different hotels - classic, downtown, vacation
- Meeting Planning: Meeting Matrix, Optimum Settings, Room Viewer
- Ghana: M Plaza, La Palm Beach Resort
- Hard Rock Café: Hard Rock Café, Hard Rock Hotels and Casinos, Hard Rock Concert Venues; Partnership with CKS Advertising - Interactive Agency.



Success Stories of Electronic Marketing

Important Considerations

- Market Research
 - Property Analysis
 - Competition Analysis
 - Marketplace Analysis
- Market Segmentation, Targeting, Property Positioning, Objectives and Action Plan
- Evaluation/Assessment
 - Quantitative and/or Qualitative



Success Stories of IT and Tourism

International Federation for IT and Travel & Tourism (IFITT)
Innsbruck, Austria

- The leading independent global community for the discussion, exchange and development of knowledge about the use and impact of new information and communication technologies (ICTs) in the travel and tourism industry (<http://homes.tiscover.com>)
- Provides the Journal of Information Technology & Tourism (ITT) to IFITT members



Success Stories of IT and Tourism

International Federation for IT and Travel & Tourism (IFITT)

- Strategic Partnership with selected organizations such as the UNWTO
- Marketing Partnership and Sponsorships with other global and national associations, both within the travel and tourism industry, as well as within the TMT (Technology, Media and Telecommunication) sectors.
- IFITT Corporate and Discounted Members
 - Corporate and discounted members have their company logos appear in this section of the site.
 - Tiscover (<http://www.tiscover.com/home>)
 - Travel Technology initiative
 - Travelmole.com
 - Destination, anet, EC3, Egyptian Tourist Board, WTM



Success Stories of IT and Tourism

International Federation for IT and Travel & Tourism (IFITT)

<http://www.tiscover.com/home/index.htm>



Internet and the World Wide Web (www)

- The Internet can strengthen the marketing and communication functions of remote, peripheral and insular destinations as well as small and medium-sized enterprises

Question

- Can IT/the internet/electronic marketing help make the tourism industry of the Northern Peninsular more sustainable?

Answer

- YES, if some prerequisites/conditions are met.

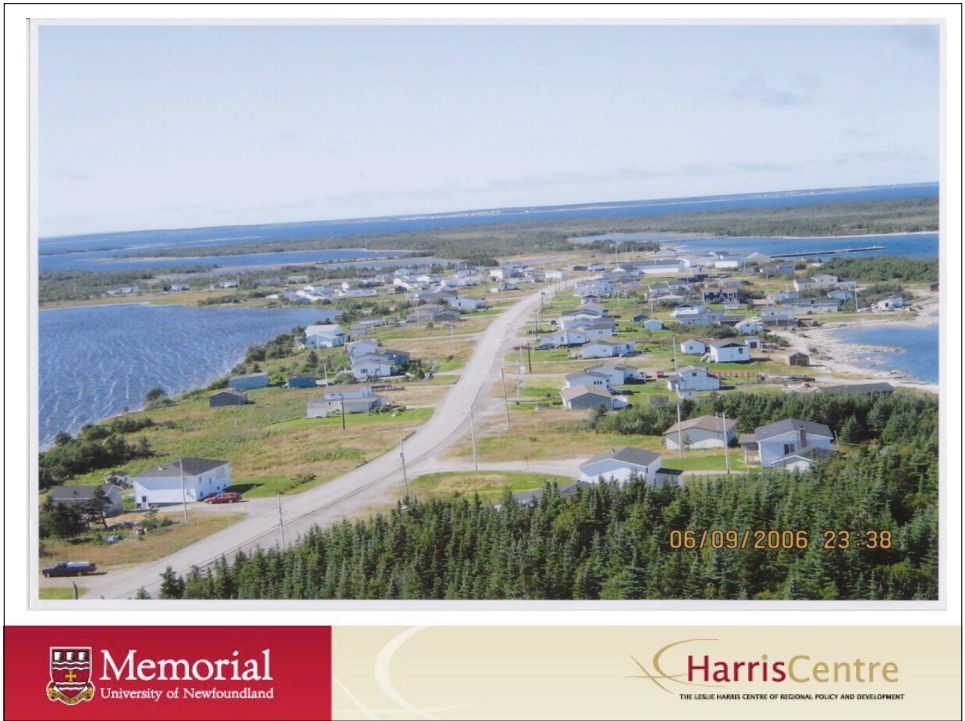


Development and Successful Application of IT in Tourism

Prerequisites

- Long-term planning and strategy
- Innovative business process re-engineering
- Top management commitment
- Training throughout an enterprise's hierarchy
- Appropriate public policy
- Community commitment
- Customer loyalty
- Design, development of an effective web site







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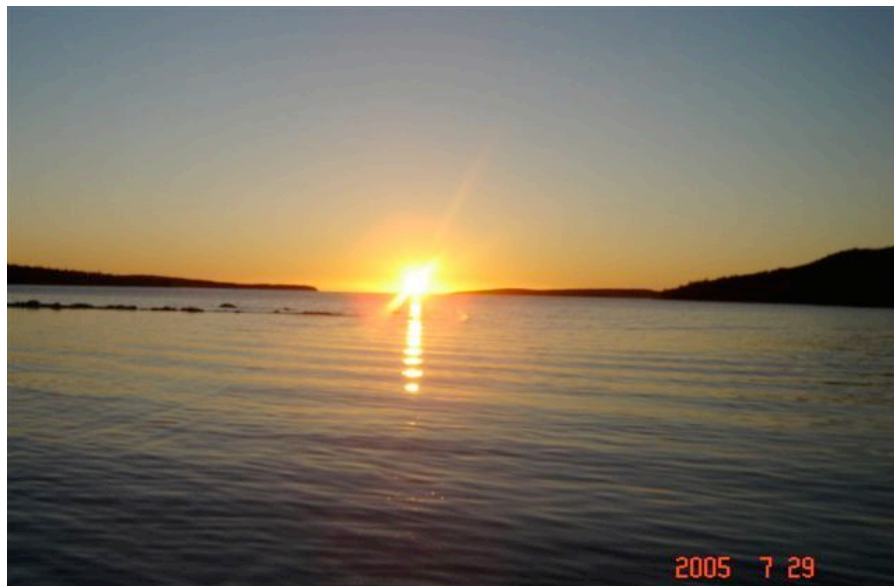


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Using the Web to Market Tourism Destination: The Northern Peninsular

Develop a web site to include several sections:

- About the DMO (Destination Marketing Organization)
- Tourism Products/Services
- FAQ
- On-line Ordering
- Interactive Request Form, Guest Book or Survey
- What's New
- Giveaways



IT and Tourism: The Northern Peninsular

Macroeconomic Level

- Instrumental in the development and prosperity of regions

Microeconomic Level

- Permeates all functions of strategic (long-term) and operational (tactical) management
 - Impels competitiveness of enterprises



IT and Tourism: The Northern Peninsular

Satisfying Consumer Needs/Demands

- Convenient access to transparent and easy-to-compare information
- Variety of choices
 - travel, lodging, food and leisure services
 - Destinations
 - Holiday packages
- Availability of services/products and display of actual prices
- Immediate provision of reservations
- Flexibility to book at the 'last minute'.

Empowerment through information and booking systems increase personal efficiency by creating tailor-made products independently



IT and Tourism: Trends

Take advantage of the enhancement in IT and increase in computing speed which have resulted in:

- Decrease in equipment size
- Reduction in cost of hardware and software
- Improvement in the reliability of, compatibility and interconnectivity of numerous terminals and applications
- More powerful and complicated, but more user-friendly and inexpensive equipment
 - Enabling more people and companies to take advantage



IT and Tourism: Trends

The tourism industry is continuously affected by IT revolution

Destinations and Enterprises/Suppliers/Principals

- Adopt innovative methods (i.e., re-engineering)
- Enhance their competitiveness

The Demand Side/Consumers/Tourists

- Sophisticated, IT knowledgeable and very demanding
- Requires flexible, specialized, accessible, interactive products and communication with suppliers



IT and Tourism Industry: Trends

A major contributor to competitiveness and competitive advantage

- Creation of new industries
- Restructuring of existing industries
- Changes the way regions and enterprises/firms compete
- Link consumers and suppliers
- Add value to organization's products
- Information is a source of power in negotiations with partners
- Affects competitive advantage



IT and Tourism: Trends

Strategic application and Competitive advantages

- Lowering cost
- Improving customers' perception of the quality of products
- Differentiation of offerings (products/supplies)

Using IT as a stand-alone initiative is inappropriate (later expatiated)

IT and the Tourism Industry

Competitive advantage

- Establishing entry barriers
- Differentiating products/services
- Limiting access to distribution channels
- Ensuring competitive pricing
- Decreasing supply costs and easing supply
- Increasing cost efficiency
- Using information as a product itself
- Building closer relationships with suppliers and customers

IT and Tourism Demand: Summary

- New sophisticated, demanding travelers seek information about more exotic destinations and authentic experiences
- Destinations and Principals need new methods to serve the new types of demand
- Requirement to interact with suppliers in order to satisfy their specific needs and wishes
- Travelers to access reliable information and make reservations in a fraction of the time, cost and inconvenience required by conventional methods
- Improvement in service quality contributes to higher guest/traveler satisfaction

Concluding Statement

IT/the internet/electronic marketing can help make the tourism industry of the Northern Peninsular more sustainable

Develop an efficient web site to include several sections and pertinent business information

END OF PRESENTATION

Comments or Questions?

Thank You



Database of the Northern Peninsular: Sources

- I thought that these links may also be useful to you:
- <http://www.communityaccounts.ca/communityaccounts/onlinedata/accountselectionpage.asp?profile=yes&comval=zone6&geogtype=zone&showbar=1&menucomval=zone6#profile>
- <http://www.communityaccounts.ca/communityaccounts/onlinedata/accountselectionpage.asp?profile=yes&comval=zone7&geogtype=zone&showbar=1&menucomval=zone7#profile>



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