

7. The planning of tourism

Learning objectives

At the end of this chapter the reader will be able to:

- Understand why a tourism destination should have a development plan.
- Identify the components of a tourism development plan.
- Realize the importance of basing a plan on objective data and identify how that data can be collected.
- Define and correctly use the following terms: allocentrics, midcentrics, psychocentrics, product life cycle curve, integrated planning, secondary research, primary research, representative sample.

Why plan?

The impacts of a lack of planning on a destination have been documented in the literature. They include the following:¹⁷

Physical impacts

- damage or permanent alteration of the physical environment
- damage or permanent alteration of historical/cultural landmarks and resources
- overcrowding and congestion
- pollution
- traffic problems

Human impacts

- less accessibility to services and tourist attractions for local residents that result in local resentment
- dislike of tourists on the part of local residents
- loss of cultural identity
- lack of education of tourism employees in skills and hospitality
- lack of awareness of the benefits of tourism to the destination area

Organizational impacts

- fragmented approach to the marketing and development of tourism
- lack of cooperation among individual operators
- inadequate representation of tourism's interests
- lack of support from local public authorities
- failure to act upon important issues, problems, and opportunities of common interest to the community

Other impacts

- inadequate signs
- lack of sufficient attractions and events

¹⁷ Robert Christie Mill and Alastair M. Morrison, *The Tourism System: An Introductory Text* (Englewood Cliffs, N.J.: Prentice Hall, 1985), p. 288.

7. The planning of tourism

- high seasonality and short lengths of stay
- poor or deteriorating quality of facilities and services
- poor or inadequate travel information services

Consequences of unplanned growth

Allocentrics. Stanley Plog offered a widely used model of what can happen to a destination without adequate plans for the future. The model is shown in Exhibit 45. Plog believes that destination areas have a life cycle as they go through a process of appealing to different segments of the market.

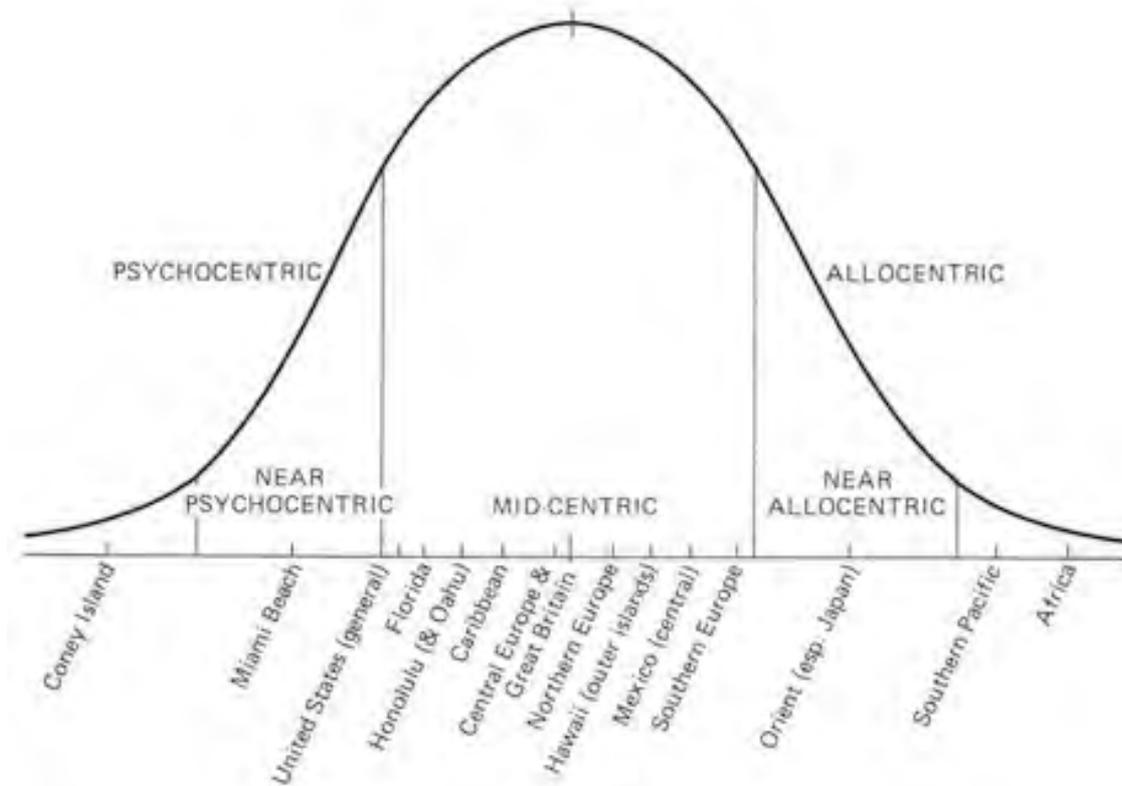


Exhibit 45: Why destination areas rise and fall in popularity. (Source: Stanley G. Plog, "Why Destination Areas Rise and Fall in Popularity," *Cornell Hotel and Restaurant Administration Quarterly*, February 1974, p. 14.)

As a new destination is discovered it appeals to what Plog calls the allocentrics. Allocentrics are self-confident, frequent travelers who prefer to fly. They also prefer destinations that are uncrowded and where they can seek out experiences that are novel. They are very interested in meeting people and exploring new cultures. This is similar to innovators, people who are the first to buy a new product just because it is new. Africa would be an example of a destination appealing to the allocentric.

As word of the destination gets out, more tourists are attracted. However, these early adopters are not as pioneering as the allocentrics. Called the near-allocentrics, they remain interested in the culture but demand more services. The Orient might be in this category.

Midcentrics. As more and more people visit the area, the allocentrics move on to discover new destinations. Those who do come exhibit midcentric characteristics. More and more of the familiar is desired. At the same time,

however, there are more midcentrics in the population than near-allocentrics or allocentrics. Most of Europe falls into this category.

At this point the destination has gone through several stages of what in marketing is called the "product life cycle curve". It has been introduced into the marketplace, has established a place for itself, and has gone through a period of growth. Plog warns that destination areas carry the seeds of their own destruction.

Psychocentrics. Left unchecked, destination areas can begin to appeal to psychocentrics. Psychocentrics are unsure of themselves and have relatively low socioeconomic status. They do not travel much, preferring to go by car when they do and seek the familiar in the destinations they choose. They prefer tours and types of restaurants that they are accustomed to at home. Miami Beach in the United States is an example of a destination appealing to this group. As more development occurs the destination begins to resemble the area the tourist lives in. At the same time the size of the market declines. The rate and extent of development has turned off even the midcentrics. The destination is into the maturity stage of the product life cycle. Businesses and destinations can tell when this is occurring. In the growth stage of the life cycle, sales rise at an increasing rate each year, 5 per cent one year, 7 per cent the next, 8 per cent the next, etc. In the maturity stage of the life cycle, sales are increasing but at a decreasing rate, 5 per cent one year, 4 per cent the next, 2 per cent the next, etc.

Without drastic action, the destination moves into decline. Overdeveloped, it appeals to the relatively small number of pure psychocentrics. Coney Island in the US might be in this category. This is an example of a destination that has gone through all of the stages. Once appealing to sophisticated visitors, its former glory days are gone.

Such changes are probably inevitable if development is allowed to occur without any thought as to the future. However, life cycles can be extended if the changes are anticipated and steps taken to adapt to the changes. One destination that has gone through many of these stages is Atlantic City, also in the US. Once a proud resort town, it had become run down. The city is hoping that the legalization of gambling there will help reverse the process that began many years ago. One of the functions of planning is to provide the framework that will allow the destination to cope with change.

What is planning?

Role of planning

Much tourism development has occurred without a comprehensive tourism plan. We have seen in the previous chapter that, left to chance, tourism can have negative economic, social, cultural and environmental effects on the destination. Additionally, investing in tourism without a plan to guide one's actions can be disastrous for private companies and public agencies. The answer is an integrated plan.

Integrated planning. An integrated plan for tourism destination development is important for several reasons. First, tourism is interdependent. Facilities cannot be viable unless there are attractions to pull tourists into the region. Yet we have also seen that, just as the demand for lodging can create supply (hotel rooms), so the opposite is true. Having hotel rooms for tourists to stay in is necessary before visitors will come. A comprehensive approach taking all of the elements of tourism into account is necessary to ensure that all the pieces fit together.

An integrated planning approach will help ensure that the type of development that results will be one suited to the community. The needs and wishes of the community should be taken into account as part of the planning

7. The planning of tourism

process. The result will be a type of tourism that is unique to the region (and to the tourist) and one that will tend to be supported by the locals.

As noted earlier, one of the economic benefits of tourism is that it encourages the development of small family businesses. Yet these types of businesses are most likely to have high rates of failure because they lack the management and financial skills of larger concerns. By themselves they have neither the time, money, nor expertise necessary to plan effectively. They can, however become part of a larger umbrella approach to planning.

When banks or government agencies are approached for funding they will want to see some evidence that the proposed project will be successful.



Exhibit 46: Avila, Spain. Planning is necessary to protect a country's attractions. (Courtesy National Tourist Office of Spain.)

The process of planning and the resulting analysis might be the documentation necessary to obtain such funds. Certainly it will be impossible to get financing without evidence of a plan.

Components of planning

While the process and the output of tourism plans vary, they do tend to have certain components.

Definition of needs. When a destination decides to develop tourism it is generally for a reason. It may be to bring in jobs, obtain foreign-exchange earnings, help stabilize population declines, or to improve local amenities and the quality of life. It is important that the needs of the destination be the focal point for any plan, for this will determine the type of tourism that should be developed. Identifying the needs of the area will not only determine the type and intensity of tourism to develop but also which market segments to go after. When a course of action is in doubt, the ultimate question should be: "Will doing this help solve the needs of the destination?"

Assessment of potential. It is all very well to identify the problems that we wish tourism to solve. However, we must next identify whether or not the community has the potential to attract, keep and satisfy tourists. Such an assessment should begin with a determination of the extent of existing tourism. This provides a point of reference for growth potential. Assessment of a region's potential should include an identification of the area's tourism resources and their quality. It should include such factors as:

- man-made resources: rooms, restaurants
- natural resources: lakes, mountains, beaches, historic sites, etc

- infrastructure: roads, airports
- transportation
- general resources: human, technological, cultural, leadership potential

Community support. Successful long-term development of a community requires the support of the people in that community. It is very important to take the feelings of the locals into account before embarking on a major project. Often the negative aspects of tourism such as noise, congestion and rising prices are more visible than are the benefits. Gauging community support will serve to identify potential problems later on.

Legal environment. Laws can either ease development, as in the case of grants, or constrain it, as in the case of zoning. The laws and regulations particular to a destination must be known.

Scheduling. Destination development requires many separate activities, some happening at the same time, some which must proceed or follow others. They are organized by means of a schedule. There may be a short-term and a long-term phase. Generally speaking, short-term activities take place over a year; long-term phase activities are those that occur over a longer period of time.

Short-term plans seek to maximize the productivity of existing facilities. Funds are needed for operations while the marketing strategy emphasizes advertising and public relations. The marketing objective is to increase use by the present market, whereas within the local community there is an emphasis on gaining community support and increasing local awareness of the benefits of tourism.

Long-term plans are more concerned with developing new potential facilities. The need is for investment funds while the marketing strategy is on product development. The marketing objective is to attract new markets, whereas in the community the emphasis is on encouraging local entrepreneurs and investors and providing training to upgrade employee skills.

Experience. Ultimate leadership will likely fall to people in the community. Thus, it is vital that they be identified early on in the planning process and heavily involved in the process. Not only will they be able to offer sound advice but they will also be more committed to achieving the objectives of the plan because they have been involved with it.

Measurement. It is not enough to do a good job. People have to know that a good job has been done. The way this can be achieved is through some measurement of the various effects of tourism. By measuring, before and after, such factors as the economic impact of tourism, the number of tourists, and the amount of investments attracted as well as community attitudes, the results of the effort can be determined.

Flexibility. The objective in planning is not to end up with a plan, a finished, bound book that planners can proudly point to. The objective is to set a course for a community. Plans are not static. As situations change, so must the plan. Planning is a continuous process. It may be, in fact, that the major benefit of planning comes from going through the process rather than preparing a written document.

Barriers to planning

A number of problems are associated with planning for tourism. Many people, especially those in free-enterprise economies, are against planning in principle. They feel that tourism planning is an encroachment on individual businesses. A second concern is cost. Properly executed plans depend upon extensive research that must be funded. The public sector is usually called upon to fund extensive projects. A third difficulty relates to the extent of business

7. The planning of tourism

activities associated with tourism. Because of the many businesses and activities involved in both the private and the public sector, it is difficult to get a unified approach to tourism planning.

Importance of data collection

In planning something as important as the development of tourism within a region or destination, it is vital that decisions be based on scientific data rather than guesses or hunches.

Types of data collection

Secondary research. In collecting data we can collect it ourselves or collect it from previously published sources. Primary research is the term used for collecting data firsthand; secondary research or literature review are the terms used when identifying data already collected. A variety of organizations collect and publish data on tourism. The major sources of such information are given in Appendix A. The United States Travel Data Center can provide, for example, the following tourist-impact information by county:

- level of expenditure
- business receipts
- employment
- payroll
- federal, state, and local taxes
- receipts by standard industrial classification code for the following industries, which account for 90 per cent of tourist expenditures:

Classification number	Industry
581	Eating and Drinking
701	Hotels, Tourist Courts, Motels
554	Gasoline Service Stations
794	Sports Promotion, Amusements, Recreation Services
599	Retail Stores Not Classified Elsewhere
783	Motion Picture Theaters
793	Theatrical Producers, Bands, Entertainers
702	Rooming and Boarding Houses
721	Laundries
703	Trailer Parks and Camps

Secondary research is relatively easy to collect, both in terms of time and money. However, it is generally not as specific as that required for a particular project.

Primary research

Although more costly than is secondary research, primary research enables the planner to collect data specific to the project at hand. It can take several forms.

Direct observation. This method consists of observing people to determine what they like or dislike. It may involve the use of observers at a site or television or photographic recordings. People communicate more with nonverbal gestures than with the words they actually speak. This can be picked up by direct observation. This method will tell what people do but will not identify the reasons for the behavior.

Counting. An accurate count of facility usage can be obtained by counting the visitors. Gate receipts, turnstile readings, counters on roadways, and the number of parking spaces used can give numbers of patrons. One limitation is that roads and facilities may be used by both tourists and locals, and thus it may be difficult to adjust the numbers accordingly. Ideally, counting should be done on a regular basis to give accurate data.

Surveys. The most important aspect of conducting survey research is the statement of the problem. Too often data is collected because it seems "good to know this" and an attempt to make sense of it comes later.



Exhibit 47: Collecting data
in Rotorua, New Zealand.
(Courtesy New Zealand
Tourist & Publicity Office.)

The objective of the project, namely, what we need to know, should be carefully outlined first. The following guidelines are suggested for developing a survey:

- Review what other researchers have done. If the objectives are similar it may be possible to use or adapt the previous questionnaire.
- If a new questionnaire has to be constructed, write down, on index cards, the information desired. Because the order of asking questions is often important, putting the questions on separate cards allows easy substitution of the order.

7. The planning of tourism

- Think in advance of how the data will be presented in final form. Draw up the tables the way they will be presented; fill in hypothetical data. Ask yourself: "Does this format tell me what I want to know?" The final format of tables will help decide how questions should be worded.
- Begin with exploratory research on a sample group of people. By asking several representative people general questions about why they visit an area, what is important and unimportant to them, it is possible to develop appropriate categories of items for more widespread data collection later.
- It is not necessary to interview everyone. Researchers survey a representative sample of the target market. This might involve surveying every tenth person, for example. Another technique is to use random samples. A statistics book generally can provide a list of numbers generated randomly by a computer. These numbers indicate the people who should be interviewed (the second, seventh, twenty-third, etc., person to pass the interviewer, for example).
- Make sure to take bias into account. Bias may occur in several ways. Interviewers may survey more male than female tourists; they may ask biased questions that are ambiguous to the tourist (testing the survey on a small group of people can help eliminate this). Bias can also occur when people are interviewed; if different types of tourists visit each season, the results will be biased if the answers from one season are expanded to give a picture of the entire year.
- Consider the various forms of surveying such as registration methods (such as hotels do), suggestion boxes, informal surveys by mingling and talking with people, or using questionnaires.
- Questionnaires may be self-administered, done by telephone, or face-to-face encounters. Self-administered questionnaires are either given out, filled in and collected on site, or handed out to be mailed back later. On-site questionnaires are easy to administer and are inexpensive. Participation rate is usually high. Mail-return questionnaires have lower response rates and have higher costs associated with having to provide postage. Using the telephone allow the researcher to cover a wide geographic area at a relatively low cost. If the tourist had just returned from a satisfying trip the response rate will probably be good. Face-to-face interviews are relatively expensive. It is important that a place be selected that is conducive to the tourist. Few people will stop for an interview if they are on their way somewhere else; on the other hand, tourists waiting in line may be glad of the opportunity to answer some questions as a way of helping pass the time.

The various characteristics of these methods are contrasted in Exhibit 46.

In summary, a solid plan, based on data appropriate to the destination, is necessary before the development of tourism can occur.

Type of method	Design			Usefulness			Cost			Administration		
	E	M	D	L	M	H	L	M	H	E	M	D
Informational surveys	X				X		X			X		
Suggestion boxes	X			X			X			X		
Direct observation		X			X				X			X
Counting methods	X				X		X			X		
Registration	X				X		X			X		
Questionnaires												
Telephone			X		X				X			X
Self-administered			X		X			X			X	
Face-to-face			X			X			X			X
E = Easy; M = Medium; D = Difficult; L = Low; H = High.												
<p><i>Source:</i> The University of Missouri, <i>Assessing Your Product and the Market</i>, Tourism USA., Volume II: Development (Washington, D.C.: United States Department of Commerce, 1978), p. 9.</p>												

Exhibit 48: Methods of collecting tourism data.

Study questions

- Describe Plog's life cycle of a destination.
- What are the stages of the product life cycle curve?
- Why is integrated planning important to a destination?
- What are the components of an integrated tourism plan?
- What are the characteristics of a short-term plan?
- What are the characteristics of a long-term plan?
- List the barriers to planning.
- What are the common forms of primary research?
- Identify some guidelines to improve survey research.
- List the various methods of survey research.

Discussion questions

- Discuss why a plan is necessary for the development of tourism.
- What are the components of a tourism plan for a destination? Why are they important?
- Compare and contrast secondary and primary tourism research.
- Evaluate the design, usefulness, cost, and administration of the various methods of collecting tourism data.