

THE FUTURE OF TOURISM IN THE MEDITERRANEAN

6th INTERNATIONAL CONFERENCE ON DESTINATION MANAGEMENT

Report

On 16 and 17 April 2012 in Djerba, Tunisia, the World Tourism Organization held the 6th International Conference on Destination Management, devoted to the future of tourism in the Mediterranean. The objectives of the conference were:

- to offer a platform for dialogue to Mediterranean destinations and to all the relevant partners in order to allow them to address together the current and potential challenges and opportunities for the tourism competitiveness of the region
- to provide the participants with an overview of current tourism policies and strategies, and to explore the possibilities of creating synergies to improve "coopetition" in the region.

The conference consisted of four parts. First it was opened with inaugural speeches by high-level political representatives of the region and the Secretary-General of the UNWTO. The first and second sessions subsequently established the thematic framework of the conference. Then, three geographic workshops allowed experts to address the specific issues of each part of the Mediterranean space (North, South and East). Lastly, in a third session, a strategic reflection on the future of Mediterranean tourism was carried out. The conference concluded with the adoption of the Djerba Declaration.

I. Institutional perspective

In their inaugural speeches, the high-level political representatives and the UNWTO Secretary-General highlighted the economic virtues of tourism development in terms of generating employment and wealth. They also recalled that tourism leads to openness to the world and fosters cultural exchanges, and as such, it plays a fundamental role in promoting peace.

Two major challenges were identified by the institutional speakers. The first concern is the diversification of products, which should make it possible to complement the "sun & beach" offerings which constitute the basis of Mediterranean tourism. The second challenge is to manage to capture flows coming from new generating markets, with a view to reinforcing the Mediterranean tourism market and continuing its development.

In order to implement these different projects, the region needs to be able to rely on close collaboration among the different countries of the Mediterranean basin. The creation of a Mediterranean network of training institutes, the implementation of a programme against illegal trafficking of historical artefacts and the promotion of intra-regional and domestic tourism in the region could constitute the foundations of this strengthened cooperation.

With regard to "North-South" partnerships, it is first of all necessary to deepen bilateral agreements relating to tourism, as in the case between Italy and Tunisia, for example. At the multilateral level, two fundamental objectives should guide future common actions: respect for individual freedoms and assisting the ecological transition.

II. Thematic overview

The first and second sessions then brought the thematic elements of the conference into focus. First, it was recalled that the Mediterranean represents, in terms of both international arrivals and tourism expenditure, the world's top tourism destination. This performance is based on the diversity of natural and cultural assets of the region, but is nevertheless threatened by changes in international tourism that oblige the Mediterranean countries to deploy strategies to strengthen their tourism competitiveness and to adapt to new demands.

These strategies have a quantitative dimension and a qualitative dimension. At the quantitative level, they consist in capturing new source markets where outbound tourism is booming, such as for example in the BRIC countries (Brazil, Russia, India and China), but also in enhancing domestic and South-South flows, which have experienced positive development over the past years. At the qualitative level, the aim is to adapt to the new forms of commercialization and marketing (Internet, social networks, mobiles).

The principal actors of the tourism value chain went on to give their point of view regarding the changes to promote. With regard to new technologies, first and foremost there is the need to change the entire mechanism that allows the tourism products promoted to be brought to market. As for air transport, the liberalization of the sector has been presented as a major opportunity to foster an increase in tourism flows, but it was also noted that this liberalization would require preparation and strategy that would minimize collateral damage, in particular, for national airlines of the South. Lastly, the tour operators pointed out the interactivity and interdependence of the actors of the tourism value chain, which form an "ecosystem" based on value and knowledge.

III. Geographic workshops

The experts who took part in the geographic workshops addressed the issues specific to each of the three differentiated parts of the Mediterranean space: the north coast, the south coast and the east coast.

The main difficulty faced by the countries of the **north coast** is that of successfully rejuvenating their offerings in order to overcome the problem of the maturity of their destinations, which is

characterized by weak growth in tourism arrivals, dwindling investment, higher operating costs and ever stronger competition by rivals in the same segments. Overcoming the ageing of the hotel base, upgrading existing capacity and promoting the resumption of investment in a difficult economic context are some of the principal challenges that have to be overcome by these countries. In order to achieve this, a number of innovative solutions exist, such as the generalization of public-private partnerships in tourism and constant adaptation to the specificities of the market. It also requires carrying out rigorous investment strategies, which entails integrating the maintenance of quality effectively in tourism projects and mobilizing the necessary financial resources. Lastly, tourism projects should be conceived on the basis of operating strategies with a comprehensive vision of all segments (resorts, for example), ranging from distribution to seasonality and including the study of source markets.

The challenge for the countries of the **south coast** is to seize the growth opportunities that are open to them. For many countries of this region, there exist serious socio-economic concerns, aggravated by a (short-term) crisis in the wake of the Arab Spring. In order to tackle this imperative of the highest order, the countries of this region have the possibility of utilizing the immense tourism potential which has so far been underexploited. The structuring of this market requires that these countries take into account social and environmental issues in order to create a positive knock-on effect for the entire economy linked to tourism. Considering the positive medium-term effect of the Arab Spring, these countries should ensure the long-term viability of their tourism industries by improving the land-use, labour and administrative conditions of the sector. Another powerful means for lasting growth consists of increasing productivity on the basis of the beneficial impact of social dialogue and training. These countries now have the opportunity to call on investors, especially counter-cyclical institutional investors, to financially reinforce their tourism sector in particular. They also have the obligation to review their paradigms of tourism development in order to find a balance between a "horizontal" orientation that uses up a great deal of land and is environmentally problematic, and a "vertical" approach, which for its own part has shown its limitations especially on the north coast of the Mediterranean basin. Lastly, the countries of the south coast have to face the challenge of improving their offerings through professionalization and the adoption of higher standards. This competitive upgrading also entails carrying out a diversification and differentiation of product offerings, including their adaptation to changes in flows (South-South, domestic, etc.).

The challenge for the **east coast** of the Mediterranean consists of reinforcing the key factors of success that have enabled the countries of this area to experience remarkable tourism performance over the past years. The most important of these factors are found in the proactive strategies that these countries have implemented, which are characterized by long-termism, the active role of the state, concern for the environment and the importance given to branding. Today, the challenge for these countries is to not rest on their laurels and to stay the course going forward, by maintaining their long-term policies and continuing the professionalization of the sector. The realization of these objectives entails honing tourism strategies and modifying the institutional framework in such a way as to ensure the continuity in this region of the dissemination of good practices in the area of land use, infrastructure and accessibility (agile visa issuance, open skies), as well as in the field of quality of service and environmental conservation. Enhanced involvement of the local populations should also be promoted in tourism policies.

IV. Strategic focus

The third and final session of the conference was devoted to providing an overview of certain basic ideas of destination marketing and to subsequently studying whether or not it would be suitable to create a "Mediterranean" tourism brand.

First, the basic principles of any branding and product-positioning strategy were presented. It is the crucial role of consumers and their perception that has been placed at the core of this strategy. The brand must be identifiable and differentiable by consumers, and elicit desire and loyalty in them. It must also, by virtue of its attributes, "have a story to tell" to consumers. Lastly, the brand should transmit an implicit commitment, based on a promise of added value, that the consumer will find in the branded product what it brandishes (A promise is a promise!).

A reflection process on the possible creation of a "Mediterranean" brand was then undertaken. From the point of view of consumers, the Mediterranean is perceived as a geographical space, for tourists from far-flung markets, and as a set of conceptual representations for tourists who live in the region (lifestyle, culture, etc.). In these conditions, the most suitable technique to build a Mediterranean brand is probably that of a "House of Brands", which would consist in federating, under a single generic brand, a set of sub-brands taking account of the conceptual and geographical specificities of the region. However, this technique does not resolve the question of how to conceptualize the sub-brands, nor how to maintain them with a view to long-term tourism marketing.

In any case, the strategic objective of creating a Mediterranean brand entails on the part of the institutions responsible for it a lasting commitment, a sufficient operating budget and the mobilization of experts on the subject. Above all, given the size of the Mediterranean region and the multitude of tourism challenges it faces, no Mediterranean brand should be created without prior exchange, discussion and buy-in among all the stakeholders.