Session 4: Effective Governance & Policy Instruments – Success Stories

Tracing Malta’s Recent Successes as a Tourism Destination

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Performance 2009-2014

Inbound Tourists

2009: 1,182,490
2010: 1,338,841
2011: 1,415,018
2012: 1,443,414
2013: 1,582,153
2014: 1,689,809
Performance 2009-2014

Tourist Guest-nights

<table>
<thead>
<tr>
<th>Year</th>
<th>Guest-nights</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>9,949,378</td>
</tr>
<tr>
<td>2010</td>
<td>11,147,898</td>
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<tr>
<td>2011</td>
<td>11,241,472</td>
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<tr>
<td>2012</td>
<td>11,859,521</td>
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<tr>
<td>2013</td>
<td>12,890,268</td>
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<tr>
<td>2014</td>
<td>13,522,112</td>
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</tbody>
</table>
Performance 2009-2014

Tourist Expenditure € (000s)

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>924,927</td>
</tr>
<tr>
<td>2010</td>
<td>1,131,987</td>
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<tr>
<td>2011</td>
<td>1,221,321</td>
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<tr>
<td>2012</td>
<td>1,326,474</td>
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<td>2013</td>
<td>1,440,379</td>
</tr>
<tr>
<td>2014</td>
<td>1,528,765</td>
</tr>
</tbody>
</table>
Performance 2009-2014

Performance Index

Tourists

Expenditure
Ingredients for success

• Tourism very high on national agenda
• Cross-party Parliamentary support and commitment ensures continuity
• Existence of a dedicated Ministry for Tourism and a strong presence in Cabinet
• Ministry also responsible for Aviation, Industry HR Development and Film Industry
• Strong Tourism Authority backed by adequate funding, modern legislative framework and professional human resources.
• The paradox of a country which is the size of a city: complex but not complicated. The distinction between macro and micro is not that clear giving rise to “the best of both worlds” situations.
Policy as a framework

• Tourism Policy provides the framework which gives a structure to all that we carry out.
• It ensures that our different actions pertain to a purpose which has a set of clear objectives.
• It links tourism with the rest of the economy
• It helps in the setting of a national priorities agenda (e.g. infrastructure, education, EU funding) by giving a clear voice to tourism
Vision to 2030

The Policy is guided by a Tourism Vision which extends to 2030 based on the following three principles:

- The need to plan and **manage visitor numbers** by targeting more balanced year round capacities to improve value added and optimize economic returns.

- The **delivery of quality** tourism products and services along the entire tourism value chain.

- **Reducing seasonality** by attracting off-peak growth.
From Vision to Policy

- There is a clear distinction between **Vision 2030** and the **Tourism Policy 2015 -2020**.

- Vision is a medium-term macro-framework based on the three guiding principles.

- Tourism Policy gives strategic direction for the shorter term, i.e. – next 5 years.

- Implementation process will follow the approved policy via the execution of a Strategic Tourism Development Framework which links with business plans and budget allocations.
Four Main Policy Pillars

• Connectivity: evolving air and sea connectivity in line with developing market trends and requirements
• Marketing the Maltese Islands: including branding and positioning the destination in a range of core, secondary and new markets on the basis of motivational segmentation aimed at extending destination appeal all year round.
• Managing the supply side: matching tourism product and service to current and future tourism demands
• Positioning the island of Gozo as a distinct tourism destination: breaking a small destination into smaller, distinct components to be able to attract different streams of tourism demand.
Synergies and Networking

• Managing tourism in Malta requires a very high level of synergising and networking. Hence the need for interaction with and involvement of:
  – The Ministry for Tourism and the Malta Tourism Authority
  – Government in general
  – The Travel Trade
    • The Airport and Airlines
    • Hotels and Restaurants
    • Travel Agents and Destination Management Companies
    • English Language Schools
    • Scuba Diving Schools
    • Cruise ship operators
    • Tourist Guides
    • Attraction operators including Heritage and Entertainment
  – Civil Society and NGOs
Competing Successfully in a Big World

• In the big world out there, the lion’s share of business will always be attracted by the big players.
• But there is plenty left for smaller destinations, if they know where and how to look for it.
• At the end of the day, in typical island fashion, it is all about resourcefulness, creativity and adaptability.
Competing with Attitude

• Success in tourism also depends a lot on attitude.
• You have to recognise your territory’s fragility and limitations.
• But you cannot let such limitations inhibit your attitude!
Does size matter?

• In Malta, we are aware of the fact that our very small size theoretically prevents us from being successful in tourism.
• But we make up for this shortcoming by “thinking big”.
• We do not benchmark ourselves against similarly sized micro-destinations, but against giants like Spain, Italy, Greece.
Act Small, Think Big

• This does not mean that we try to be everything to everyone, but it does mean that we are noticed in those areas on which have focused.
• Malta has learned to act small but think big.
• With the right attitude and the right planning, tourism can help small destinations become more known and visited, to generate a greater socio-economic contribution to the host population.
Concluding thoughts

• Tourism is a growing industry but international growth is not an automatic guarantee for destination success.
• Being in possession of clear, long-term objectives, establishing adequate institutional synergies and placing tourism high in a country’s agenda are important pre-requisites for success.
• We can only claim real Success when performances are sustained year after year to create the perfect environment for investment, innovation and faith in a destination’s tourism industry.