

European Project

“Cross national skills development SME’s in the tourism industry”

Erasmus+ projeto: 2017-1-DK01-KA202-034262



Professional SMEs in tourism – transnational development of skills acquisition



Co-funded by the Erasmus+ Programme of the European Union

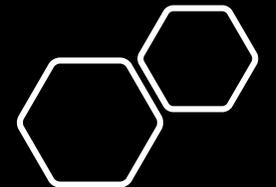


# Marketing and sustainable tourism challenges

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ECEO

March, 2020

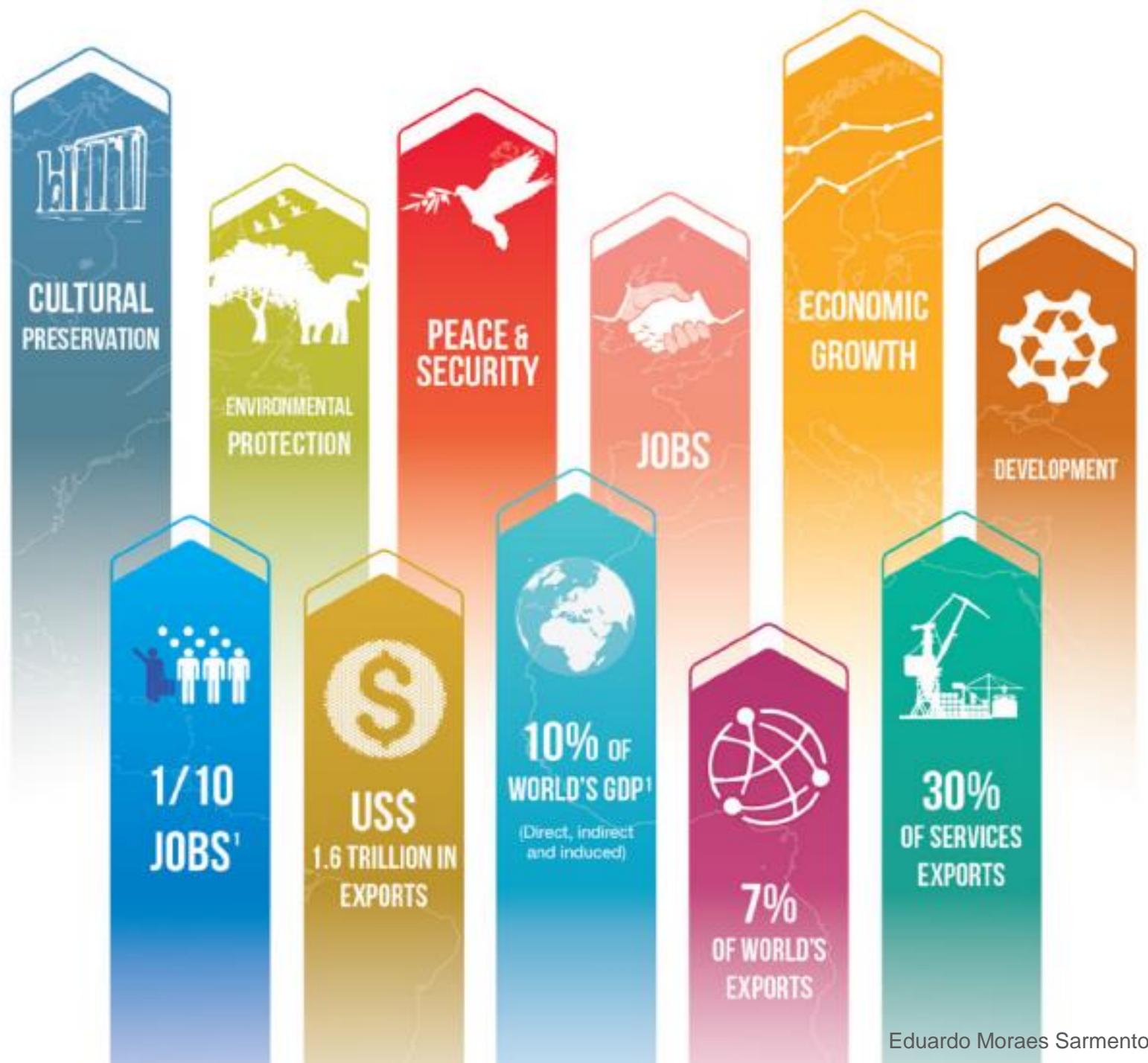


# Structure

- ✓ Tourism international evolution
- ✓ Challenges and case studies
- ✓ Conclusions

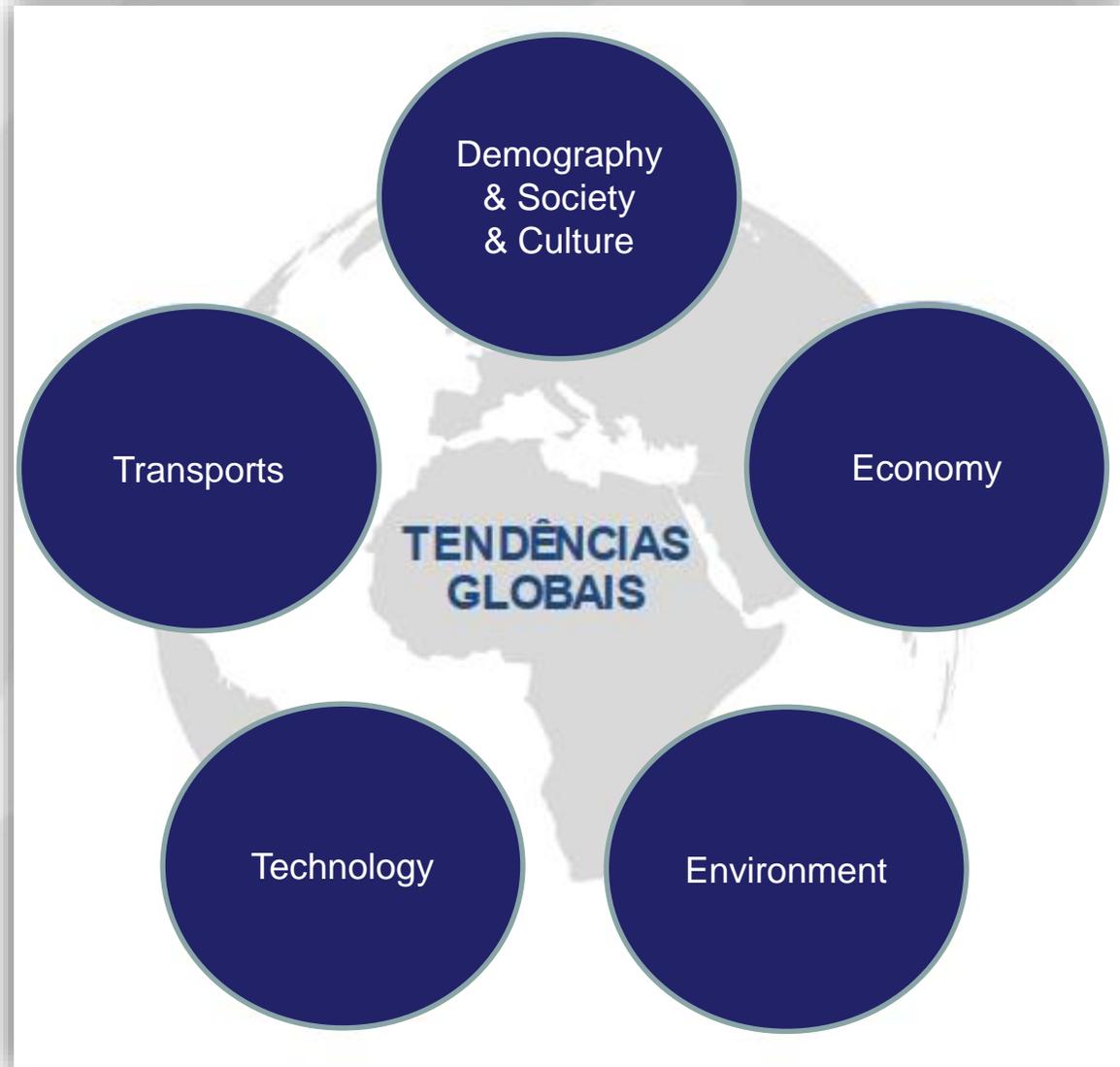


# Tourism Importance?

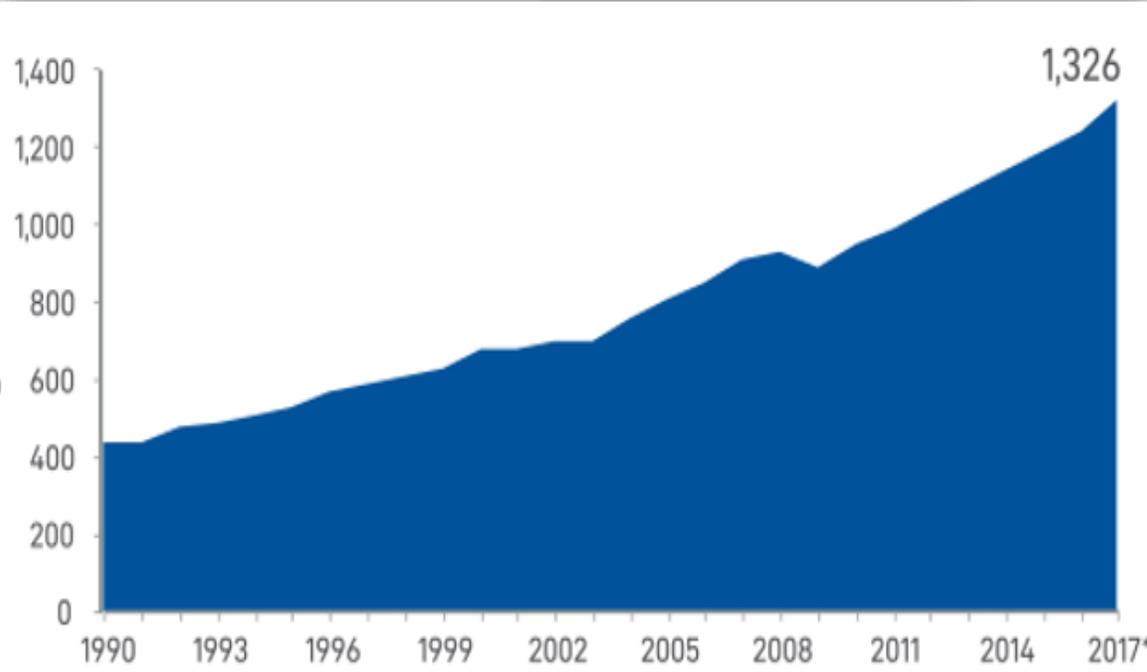


Source: WTTC (2018)

# Major tendencies that affect tourism

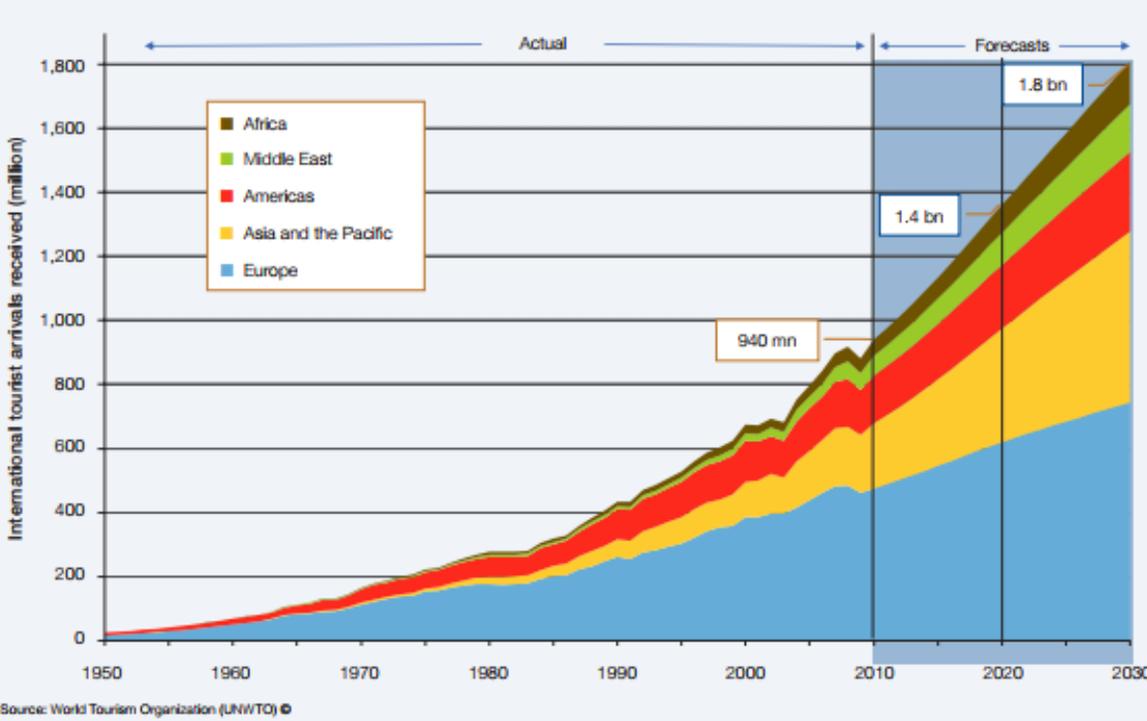


# International tourism arrival (millions)



Source: WTTC (2018)

# Tourism world tendencies

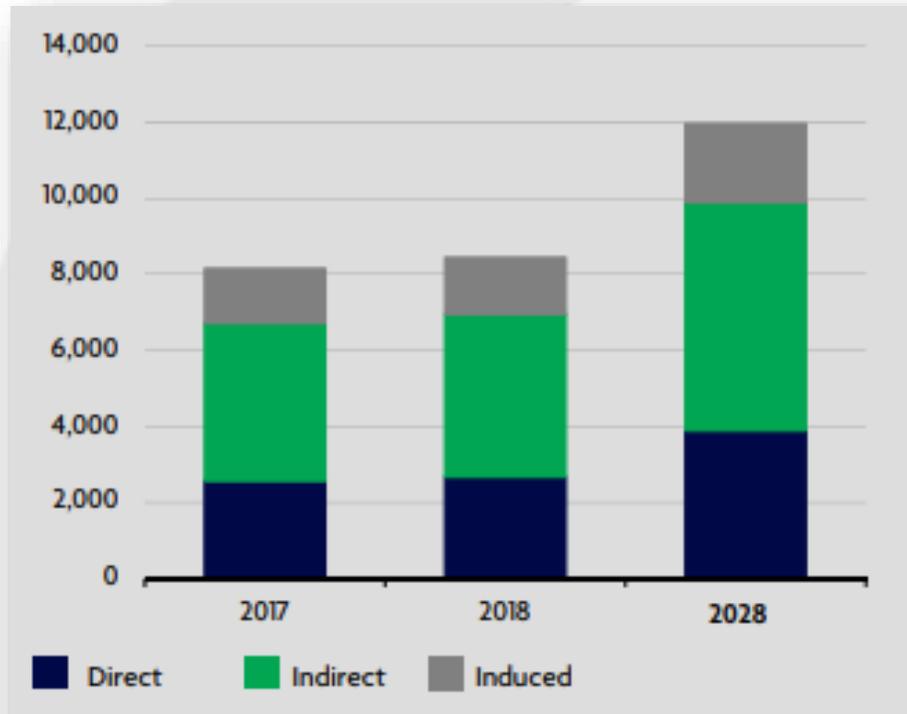


WTO (2019)

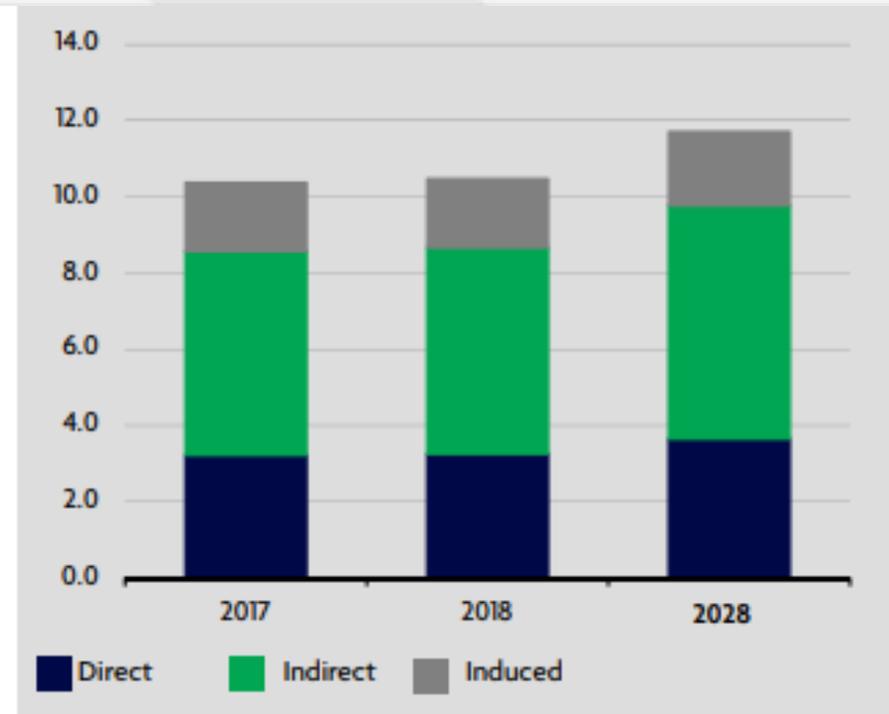
# Tourism: economic impacts 2017-2028

## Total contribution of Travel & Tourism to GDP

Constant prices of 2017 (USD Bn)



% total economy GDP

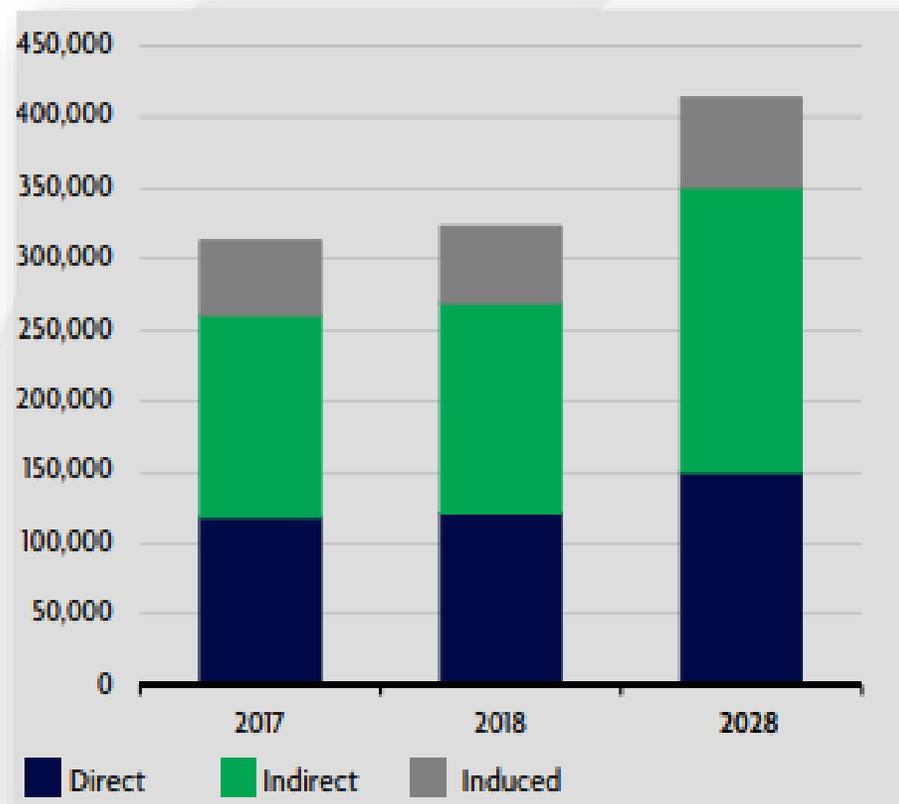


<sup>1</sup> All values are in constant 2017 prices & exchange rates

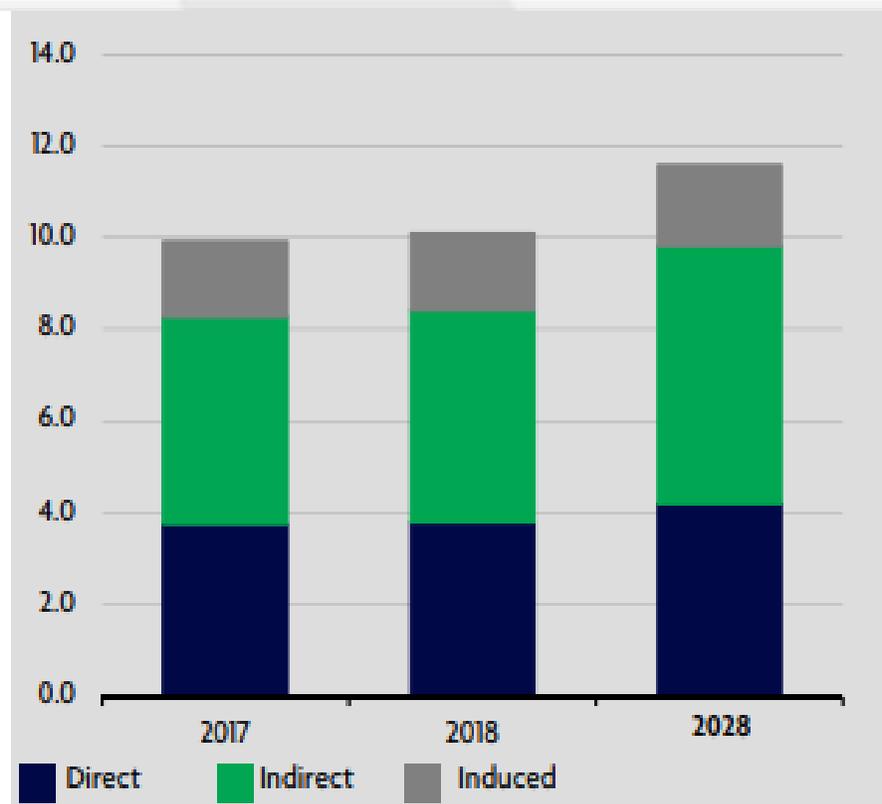
# Tourism: economic impacts 2017-2028

## Total contribution of Travel & Tourism to employment

'000 jobs

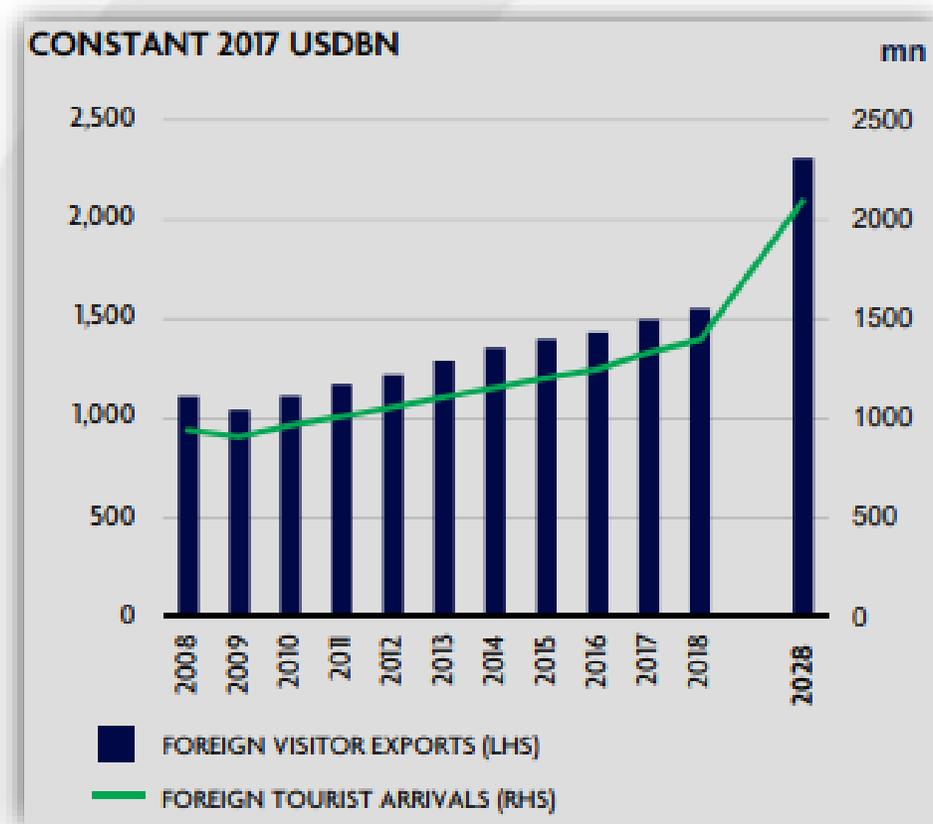


% total employment

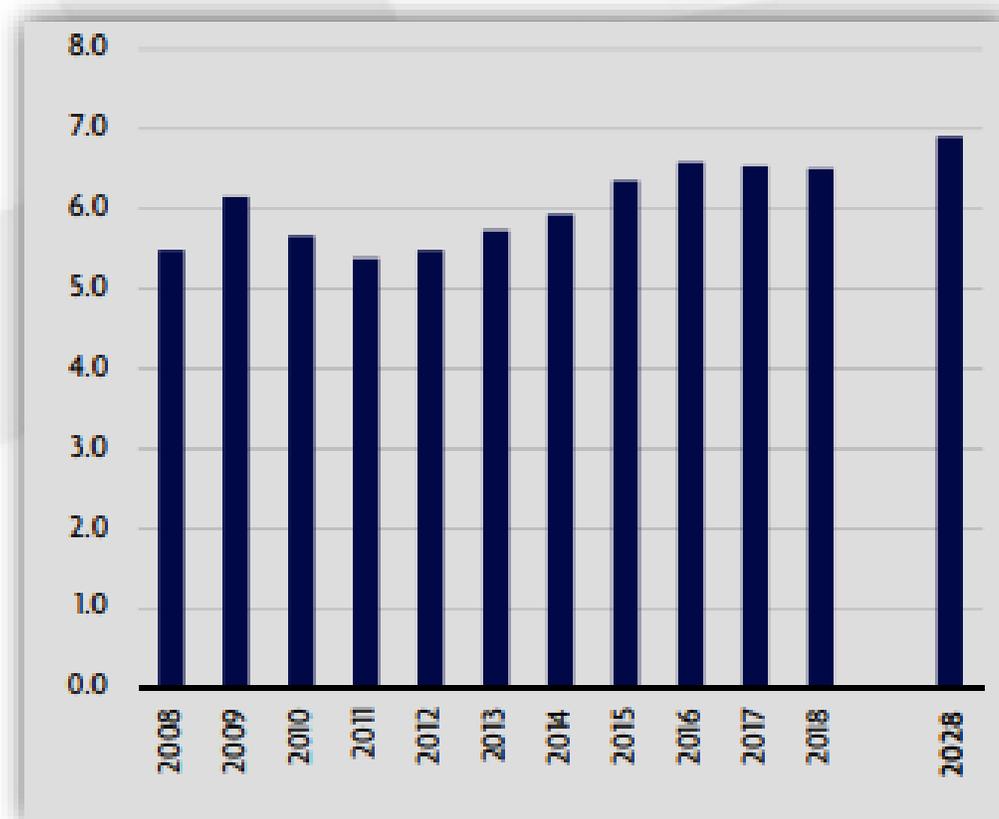


# Tourism: economic impacts 2017-2028

Total contribution of total exports (tourists spendings)

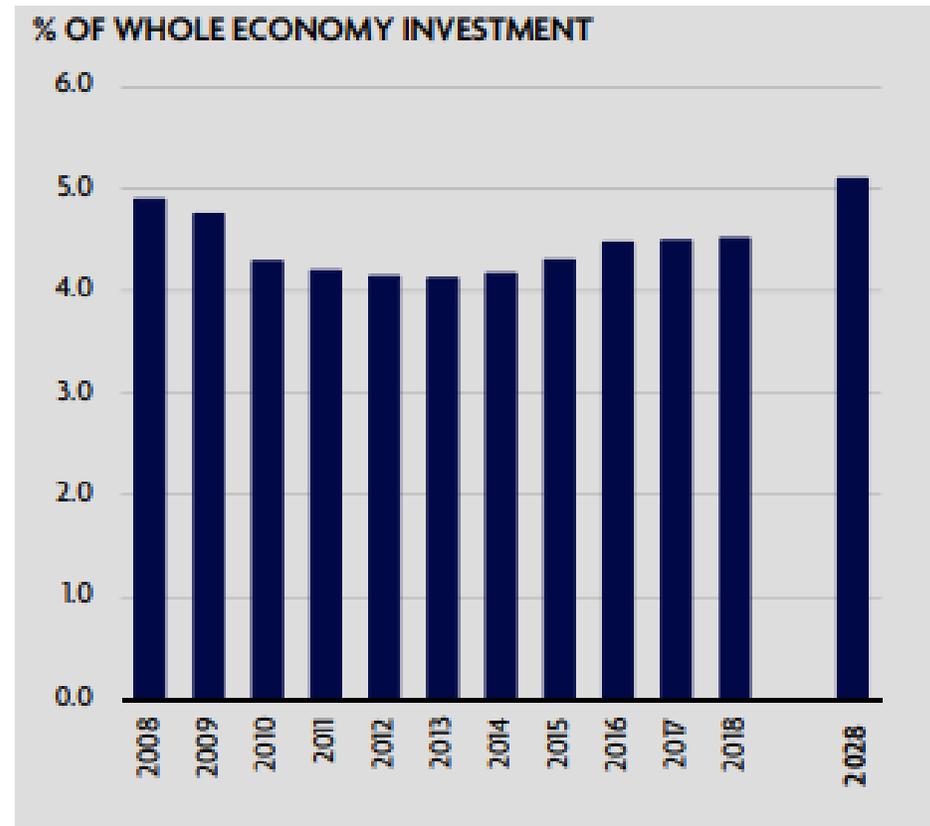
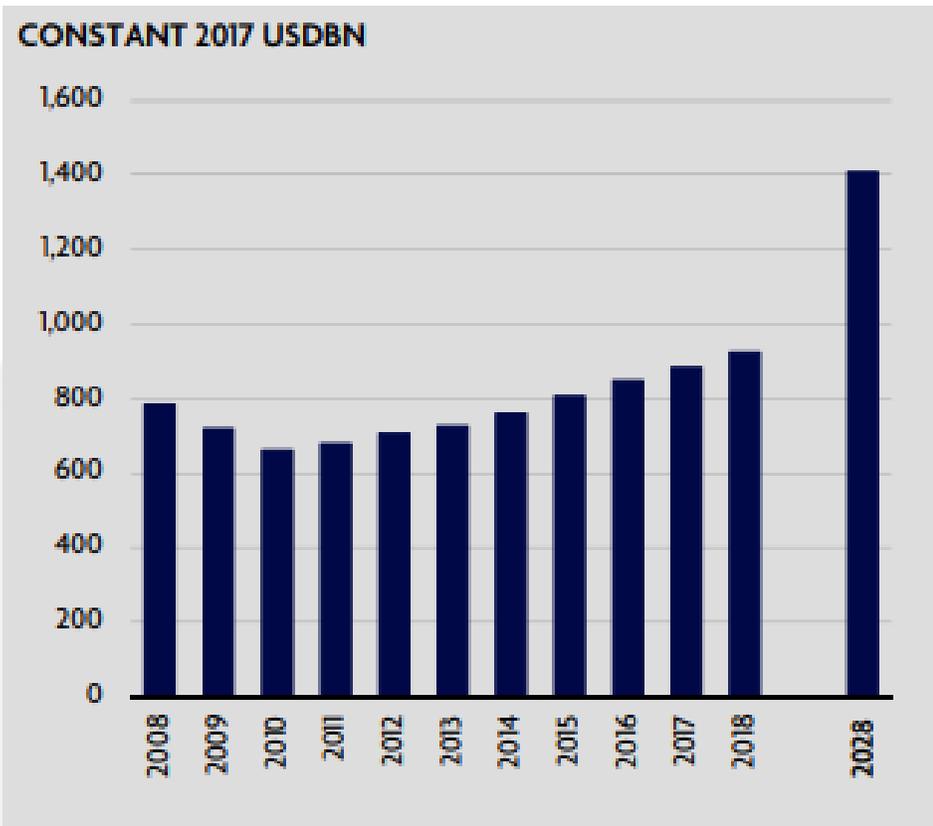


Visitor exports as % total exports



# Tourism: economic impacts 2017-2028

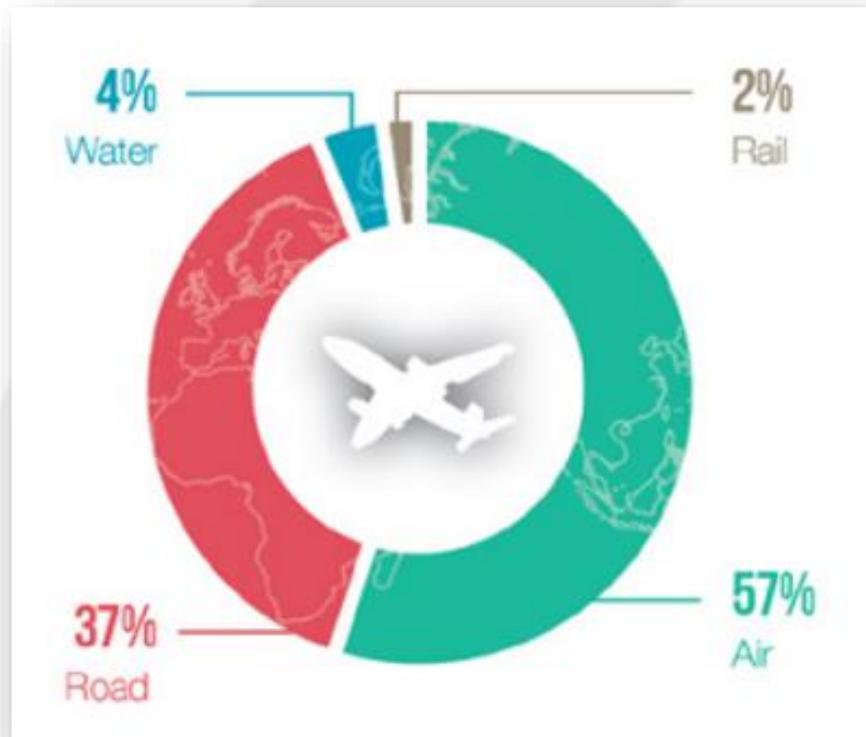
## Investment total contribution



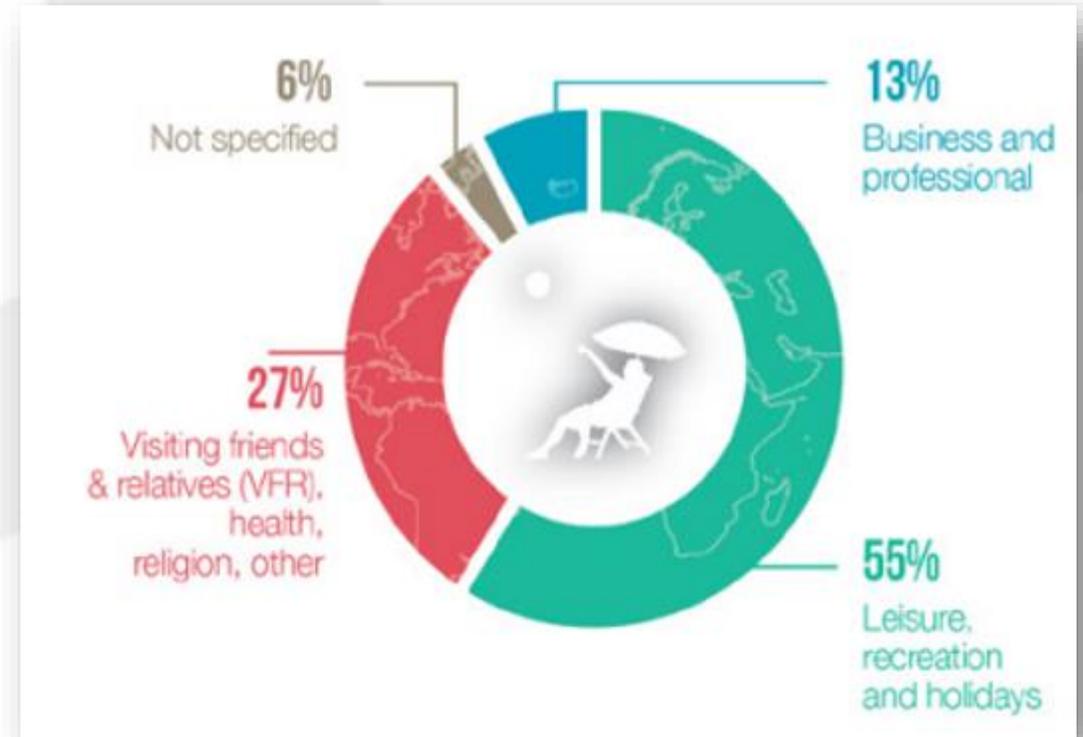
<sup>1</sup> All values are in constant 2017 prices & exchange rates

# Tourism by mode and visit goal in 2017

## Transportation mode



## Visit purpose



# International tourist arrivals by sub-region

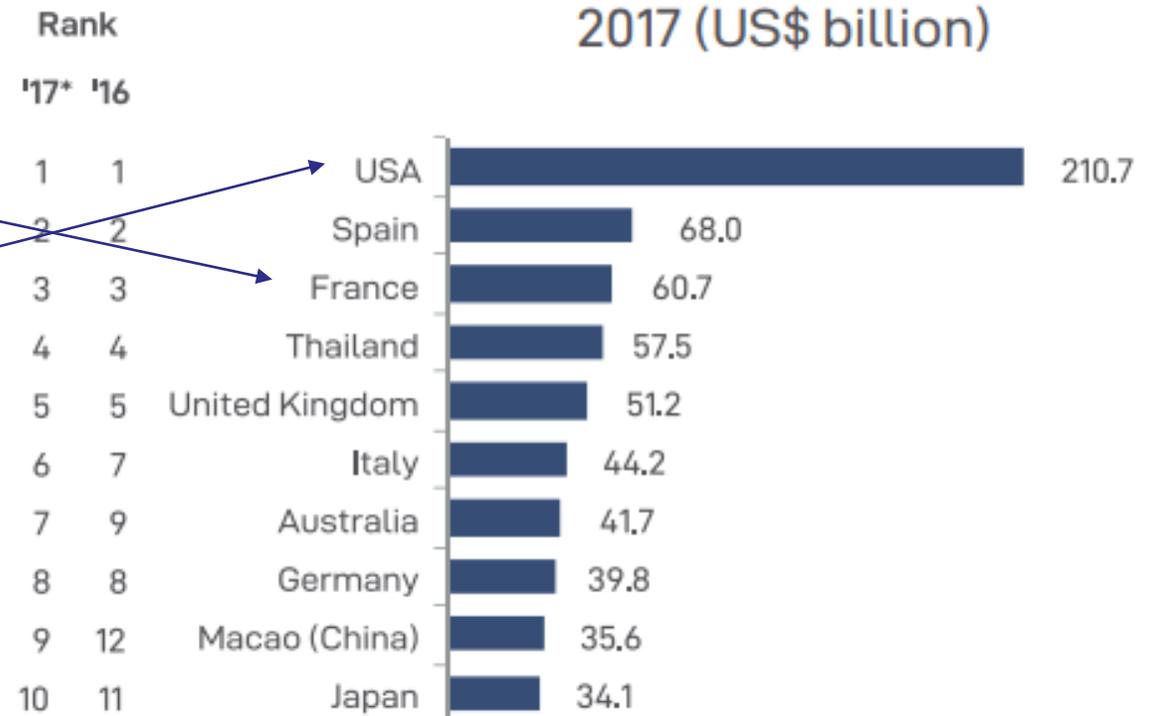
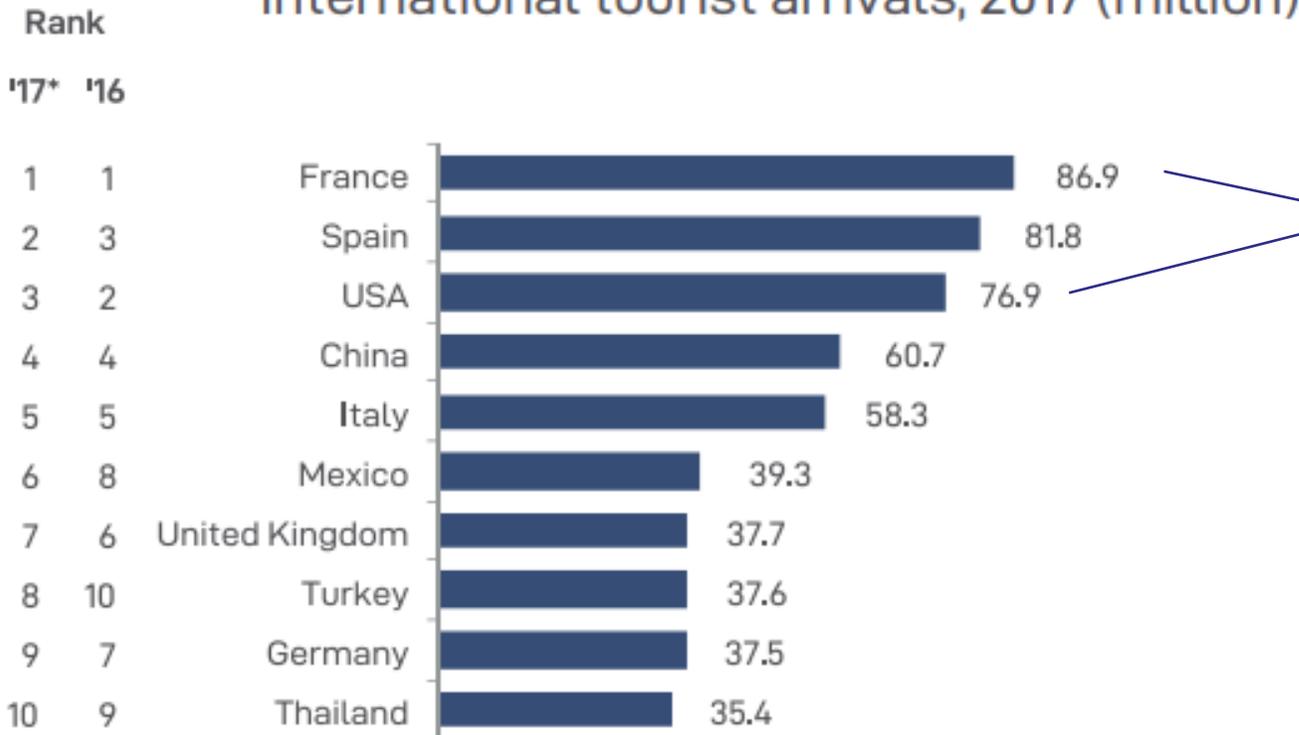
	International Tourist Arrivals (million)							Market share (%)	Change (%)		Average annual growth (%)
	1995	2000	2005	2010	2015	2016	2017*	2017*	16/15	17*/16	2005-'17*
<b>World</b>	<b>531</b>	<b>680</b>	<b>809</b>	<b>952</b>	<b>1,195</b>	<b>1,240</b>	<b>1,326</b>	<b>100</b>	<b>3.8</b>	<b>7.0</b>	<b>4.2</b>
<b>Advanced economies<sup>1</sup></b>	<b>342</b>	<b>430</b>	<b>469</b>	<b>515</b>	<b>655</b>	<b>686</b>	<b>730</b>	<b>55</b>	<b>4.8</b>	<b>6.3</b>	<b>3.7</b>
<b>Emerging economies<sup>1</sup></b>	<b>189</b>	<b>250</b>	<b>339</b>	<b>437</b>	<b>540</b>	<b>554</b>	<b>597</b>	<b>45</b>	<b>2.5</b>	<b>7.8</b>	<b>4.8</b>

# Main tourist destinations

# International tourist receipts

International tourist arrivals, 2017 (million)

International tourism receipts, 2017 (US\$ billion)



\* = Provisional figure or data

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Source: World Tourism Organization (UNWTO) ©

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## European Project

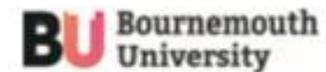
### “Cross national skills development SME’s in the tourism industry”

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#### Professional SMEs in tourism – transnational development of skills acquisition



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- 
- In-depth study of digital marketing by tourism SMEs in the UK, Denmark and Portugal
  - **Aim:** to address these low levels of technology adoption and to facilitate Destination Marketing Organisations (DMOs) in the three countries to support their SME partners.
  - The Internet has the potential to transform small and medium enterprise (SME) marketing and offers many advantages, including multi-channel marketing, the availability of data to inform and measure marketing practice which enhances the targeting of consumers. However, according to the European Tourism Forum in 2016, the adoption and integration of digital marketing by SMEs remains low.





**Survey results: # 550 SMEs**

**219 (40%) from Bornemouth**



**177 (32%) from Alentejo**



**154 (28%) from Ringkobing.**

Eduardo Moraes Sarmiento



## Short term results

During the project's lifetime this project will result in:

- a Digital Transformation ‘ladder’ which will enable the benchmarking of tourism SMEs;
- a Digital Transformation questionnaire ;
- a competency-building programme that is fit-for-purpose for the SME ;
- face-to-face to and online interventions that will enable tourism SMEs in the three participating regions to develop their digital competencies;
- an online platform containing the Digital Transformation questionnaire and related materials.



## Long term results

- SME's motivated for continued education and acquiring digital skills
- Digitally competent tourist SME's
- Higher service - higher quality, creating happier tourists and thus higher income and employment for the SME's
- More robust SME's
- To continually develop and test the Digital Transformation diagnostic tool, with a view to further implementation within the three countries and further in Europe;
- The project will be locally implemented in the three countries
- The methodology can, due to its flexibility and co-creational aspect, be adopted by any cooperation between an educational system and a DMO (Destination Marketing Organisations) or tourism associations all over Europe



## 1. Profile of SMEs

What is particularly striking is the young age of the firms that responded.

Overall, the majority of SMEs in the study are 3 years old (median average).

Nearly half of the respondents were micro firms employing 2-9 people with the remaining half split fairly evenly between self-employed and small to medium sized firms employing between 10-249 (Figure 1).

Figure 1: Firm Types

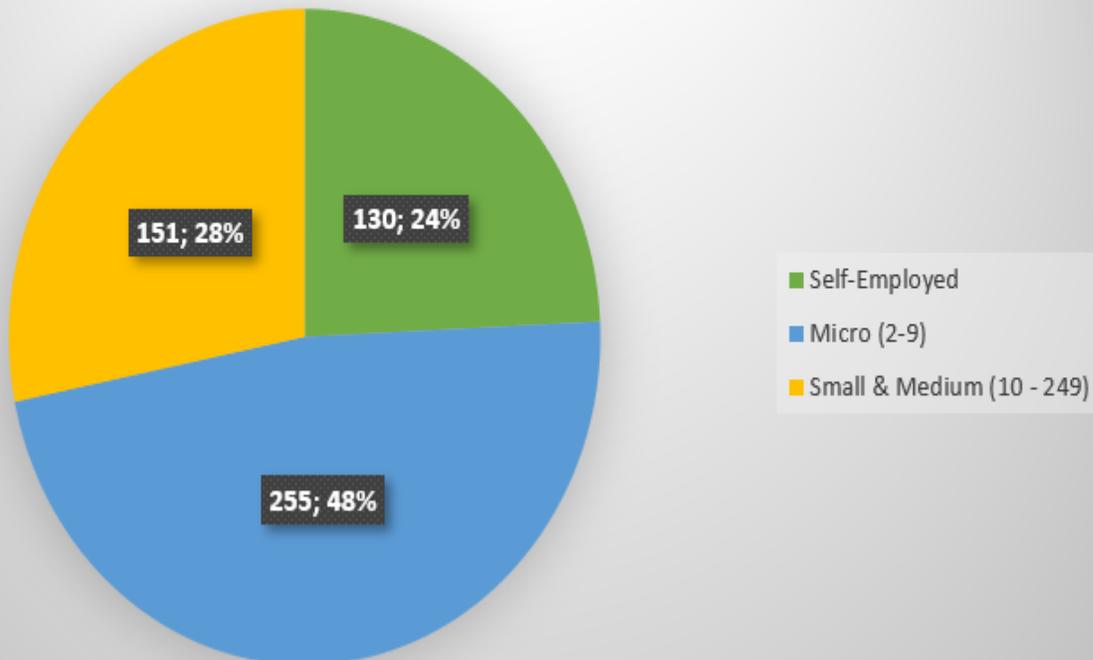
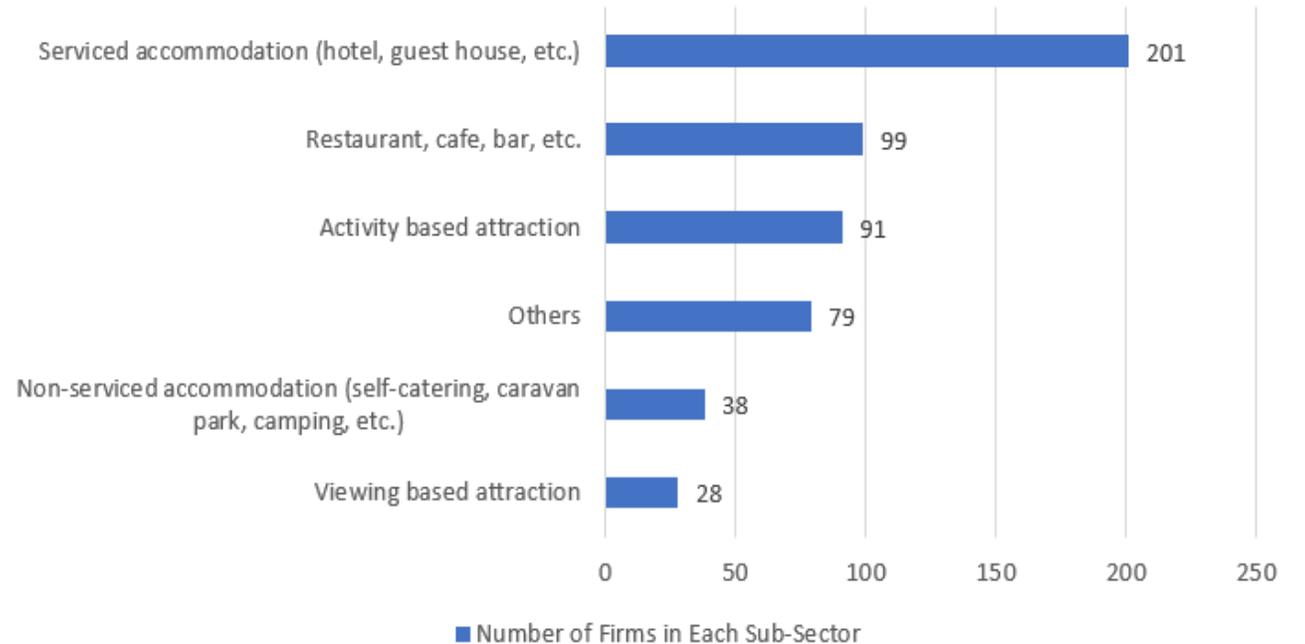


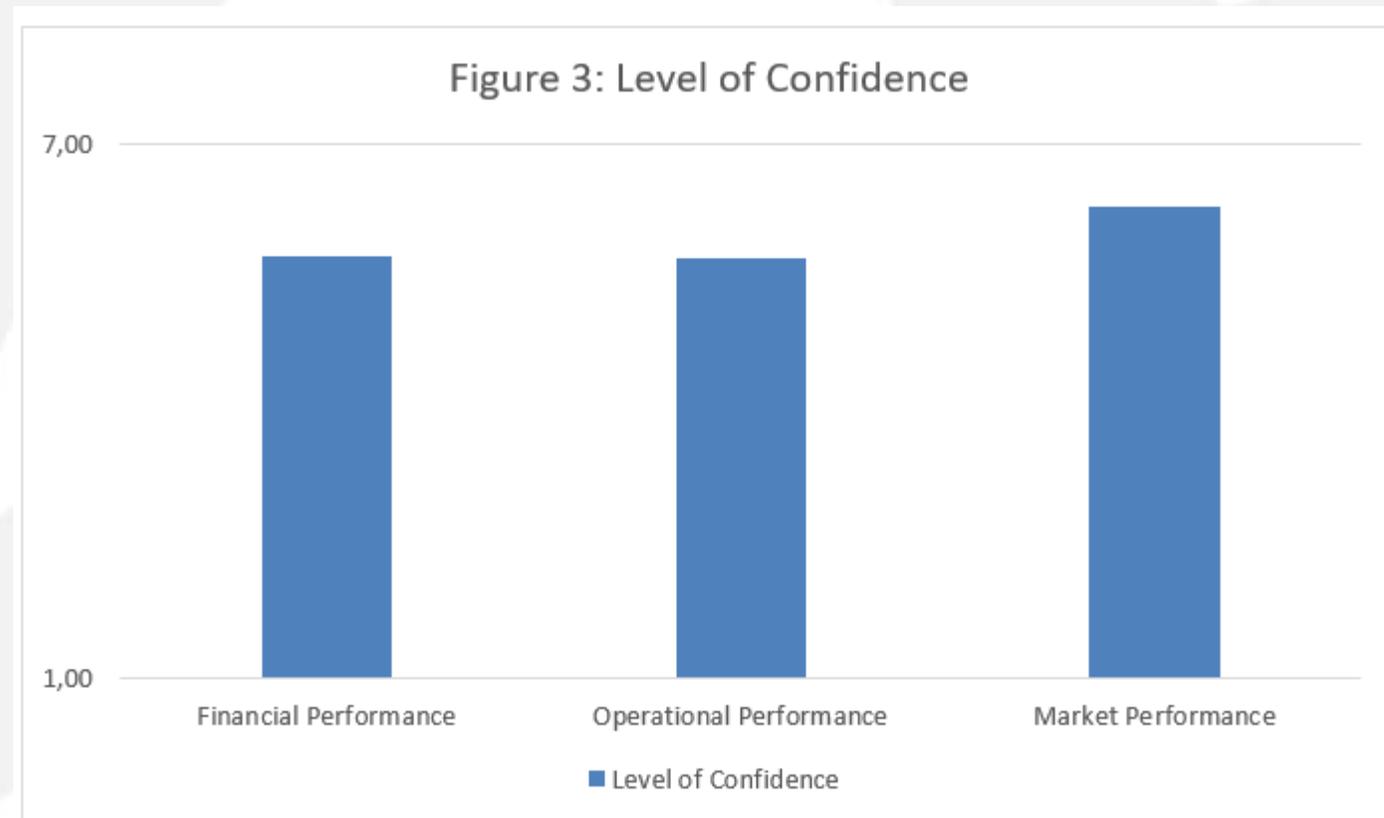
Figure 2: Tourism Sub-Sectors





## 2. Business performance

Respondents were asked how confident they were that their performance had exceeded that of the competition over the preceding three years from a financial, operational and marketing perspective. Respondents were relatively cautious in their responses and, while the overwhelming majority thought they were above the mid-point of 3.5 (on a scale of 1-7) in terms of finance and operations (self-ranking at 5), it was only in marketing where respondents perceived themselves to be at an appreciably higher level than competitors (self-ranking at 6) (Figure 3).

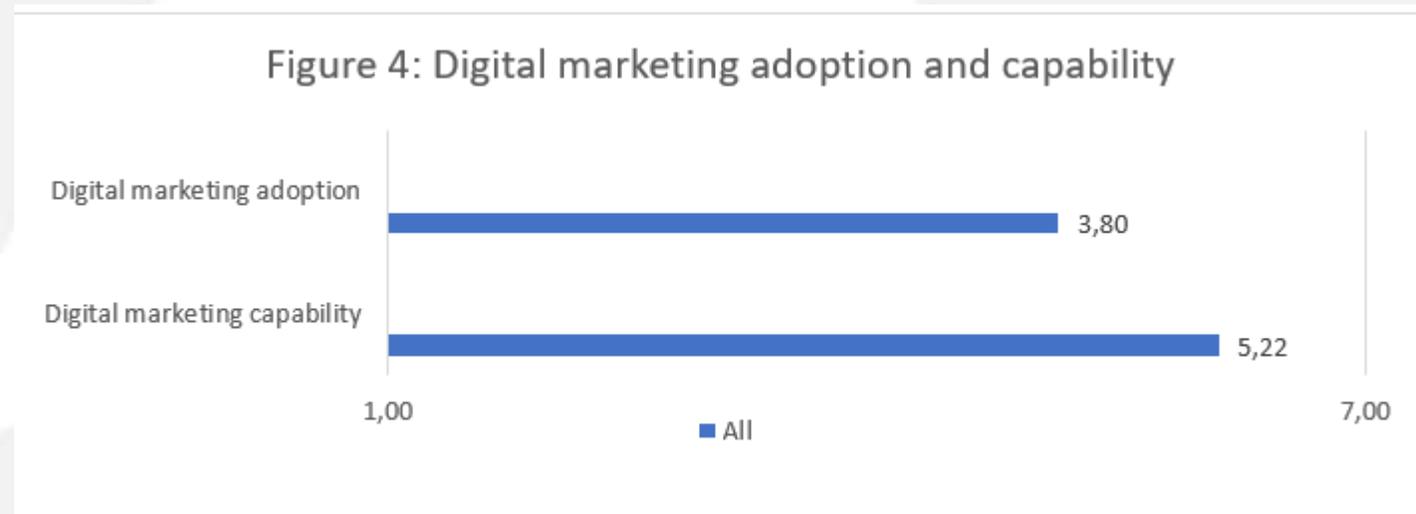




### 3. Digital marketing adoption and capability

Based upon respondents replies to a range of questions, Figure 4 shows:

- SMEs ranked their adoption of digital marketing at 3.8 (where 1 = never and 7 = always) and
- SMEs digital marketing capability at 5.22 (where 1 = strongly disagree to 7 strongly agree).





### 3. Digital marketing adoption and capability

#### 3.1 Digital marketing technologies adopted

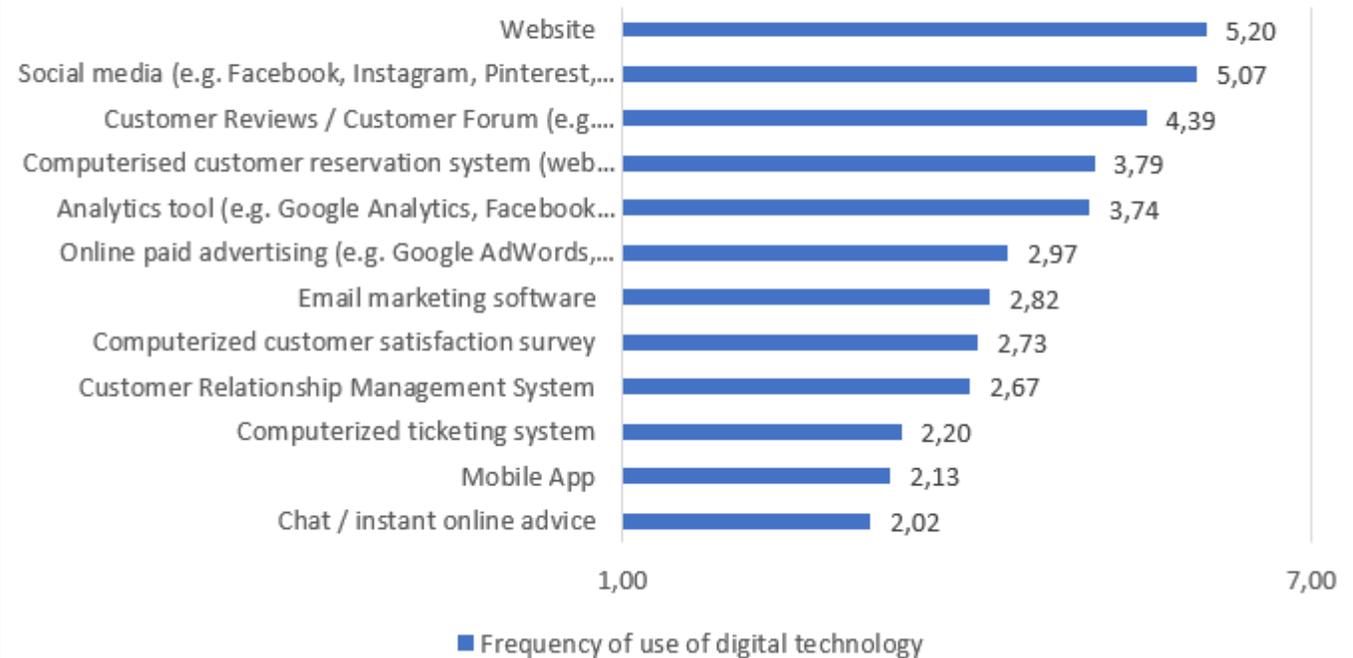
The results (Figure 5) reveal that those technologies being used more than the average (3.5) are the website, social media, customer reviews, web booking systems, and analytics tools.

The common thread that links these 5 technologies was:

- comparatively low or no cost,
- effectiveness can be monitored at a basic level with minimal skill and time,
- enhance a two-way dialog with customers.

It is encouraging that SMEs are increasingly using analytics as part of their digital marketing as these offer businesses the ability to effectively plan and evaluate their marketing approaches.

Figure 5: Frequency of use of digital technology





### 3. Digital marketing adoption and capability

#### 3.2 Digital marketing capability

This has been measured according to respondents' agreement to the following statements (ranked on a scale of 1-7, where 1 = strongly disagree to 7 strongly agree). The following factors were identified as being statistically most significant in relation to digital marketing capability. It is clear that the overriding theme is the role played by digital marketing, when adopted and integrated effectively, in enhancing customer communication, relationship-building and satisfaction.

#### Digital marketing:

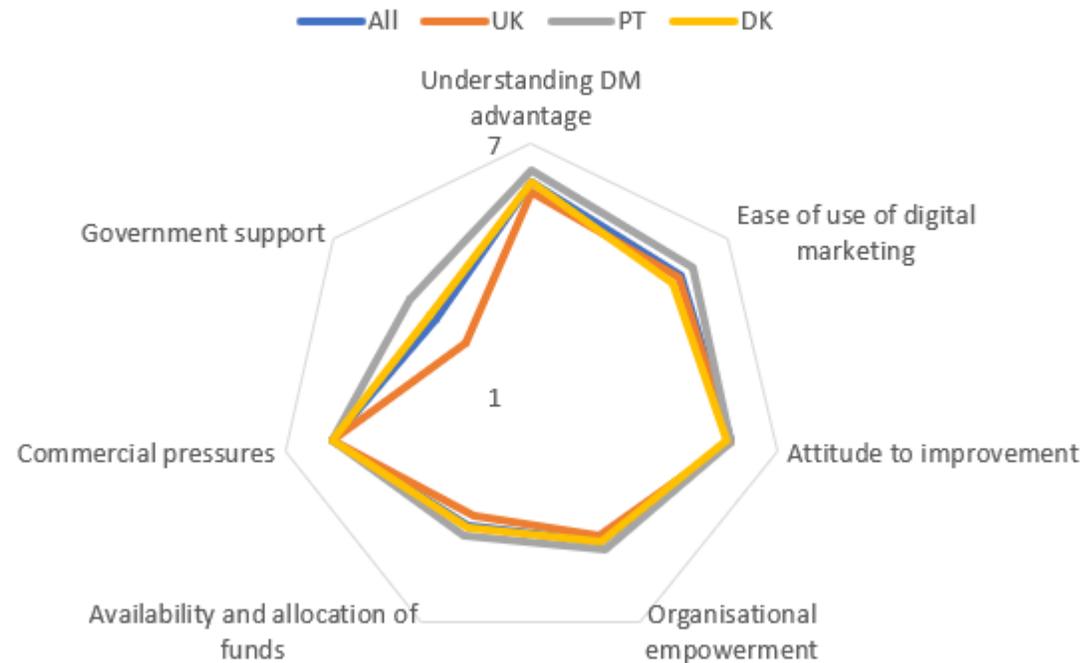
- Speeds up the delivery of our products and services
- Offers high value to our customers
- Creates solutions to address our customer wants and needs
- Provides customer feedback to improve our products and services
- Enhances customer experience
- Enhances customer satisfaction
- Improves access to our products and services
- Enhances after sales service
- Improves customer communications
- Personalizes customer communications
- Attracts customers
- Increases interactive communication with our customers



#### 4. Influences on adoption of digital marketing

An important element of the study is to find out, not only what digital marketing technologies are being used by businesses, but also to identify factors that are influencing technology adoption. The study explores a wide range of factors, which have been sourced through academic research and industry best practice, that influence the adoption of digital marketing. The analysis of the data reveals that 7 factors have a particularly significant impact on the adoption of digital marketing (Figure 6).

Figure 6: The Determinants of Digital Marketing

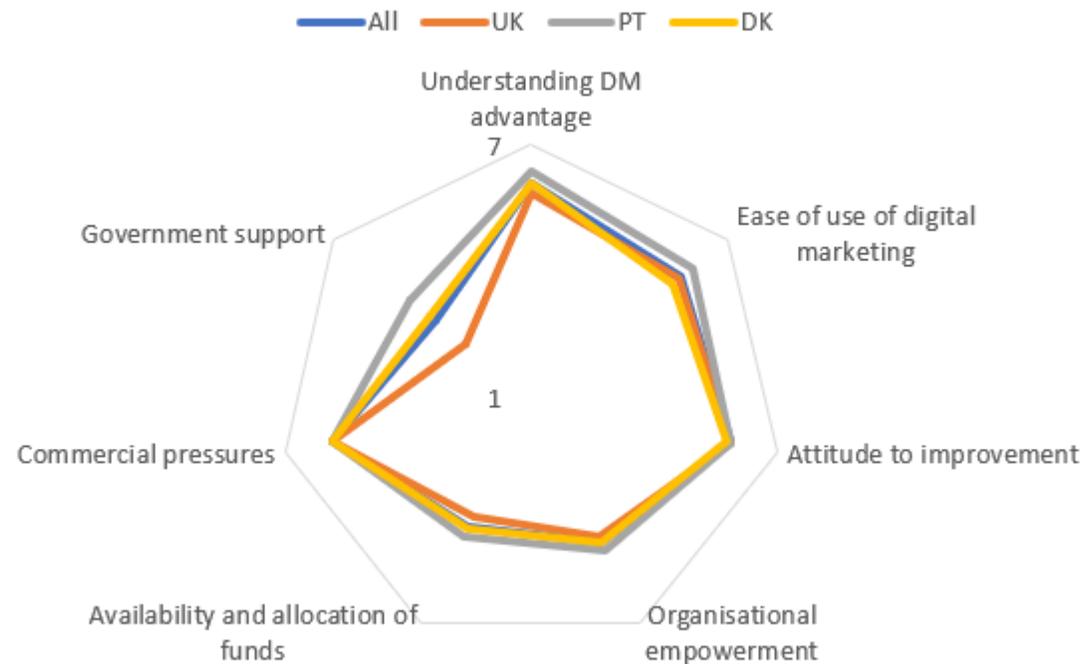




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Figure 6: The Determinants of Digital Marketing



### **Phase 3: Development of digital transformation case study materials**

The final phase is to:

- help to ensure the longer term sustainability and
- wider impact of the project through the production and dissemination of online materials in the form of tourism SME digital transformation case studies.

This will run in parallel with Phase 2 as the materials will be developed in consultation with the SMEs.

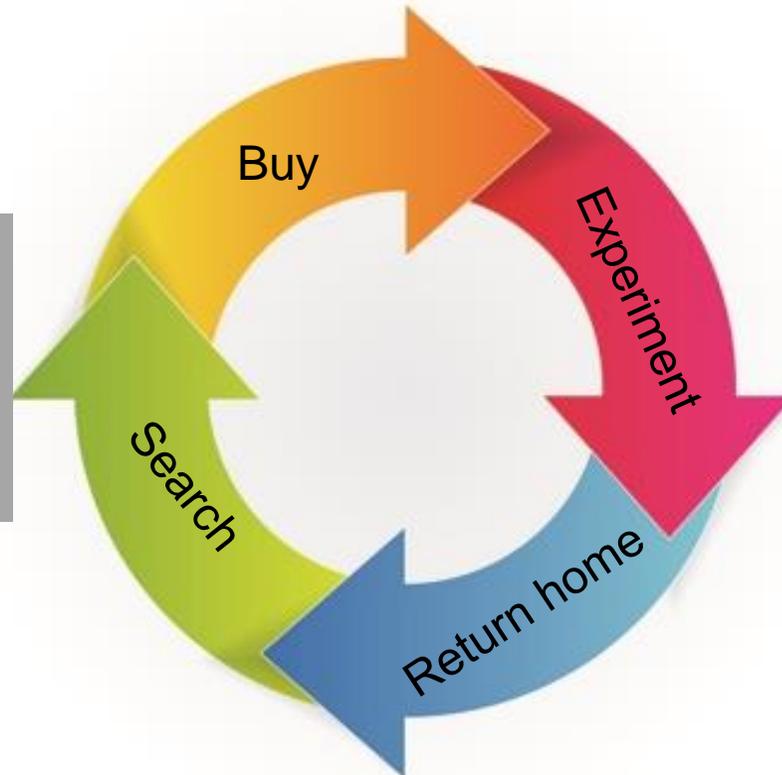
Lusófona University will lead on the development of the online platform that will host these case studies and related materials.

# Priorities | Digital



## First digital wave

Using digital tools to search and buy (apps, hotel websites, recommendations, etc.)

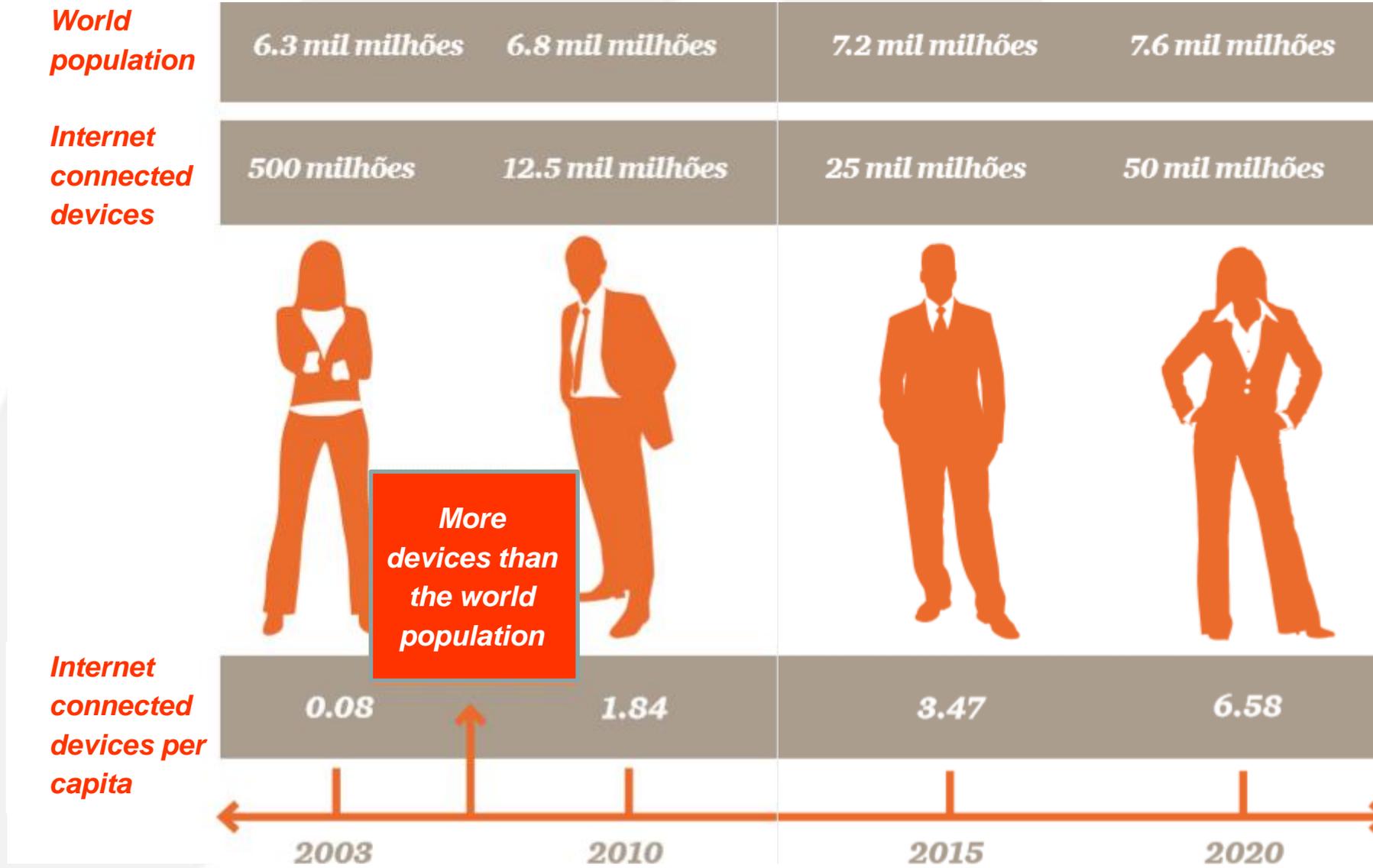


## Second digital wave

Using digital tools to innovate on the experiences (social media, websites, etc.)



# Priorities | internet of things



# Angola



# Provinces





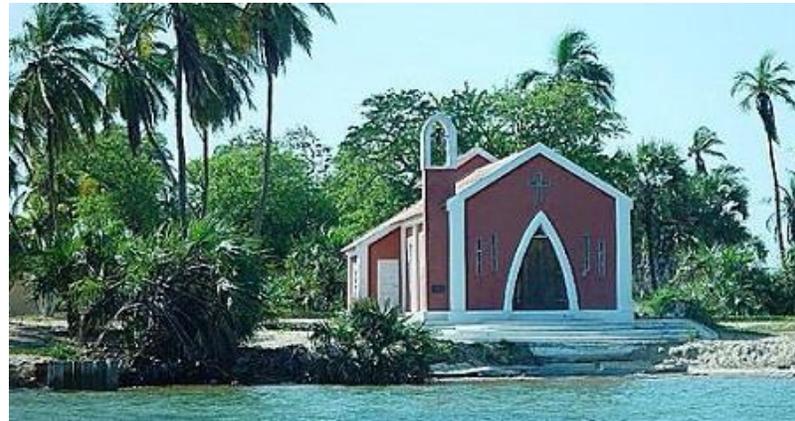
# Luanda

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# Luanda

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# Mussulo Island

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# Mussulo Island

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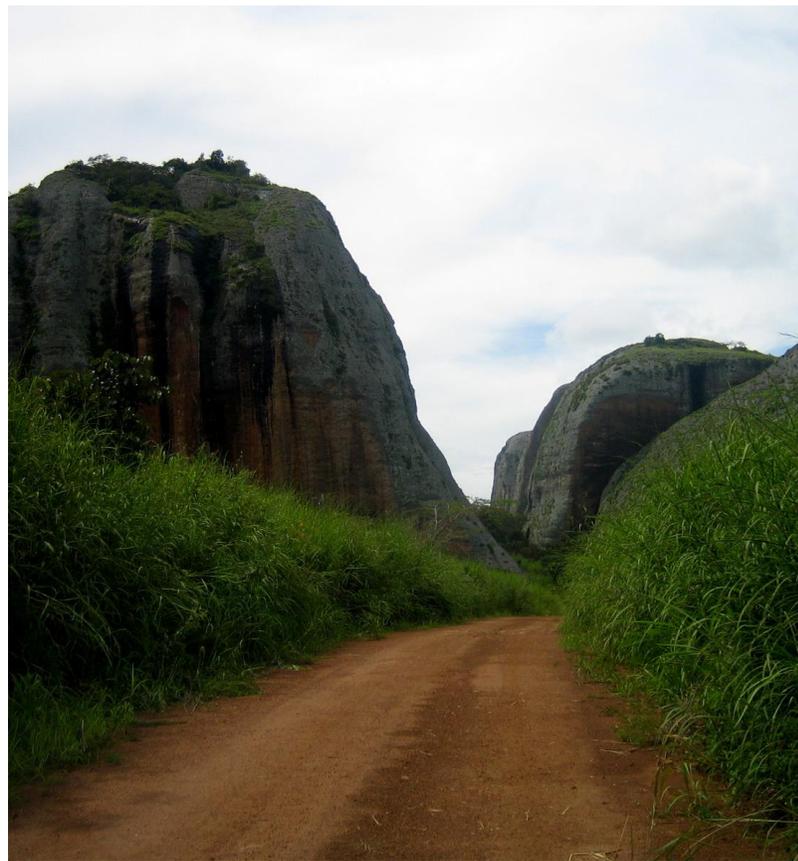
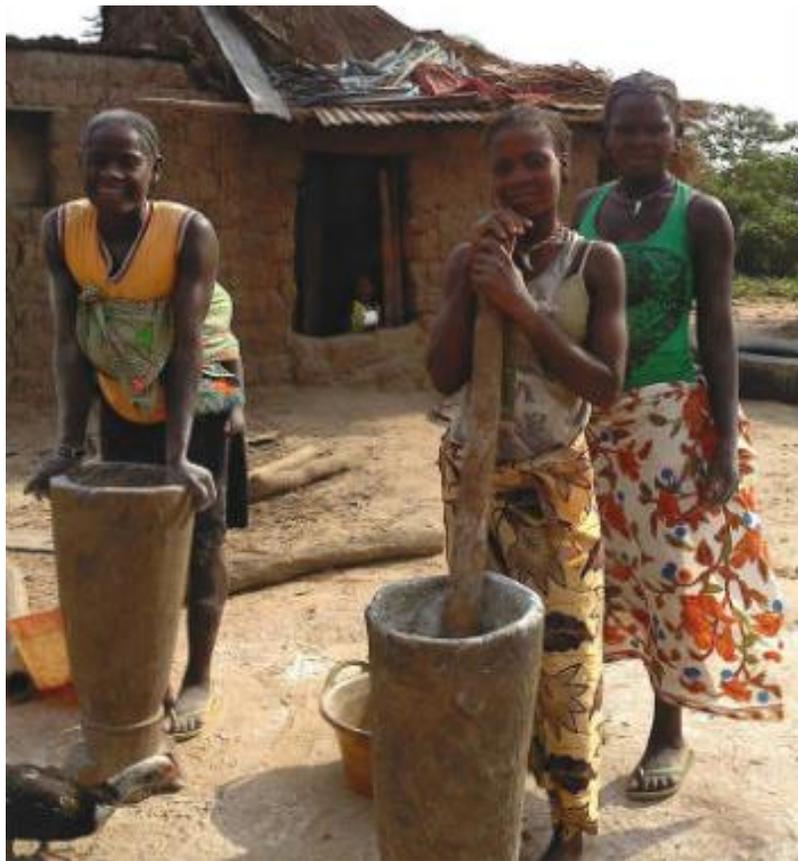
# Cabo Ledo + Sangano + Moçâmedes



# Cabo Ledo / National Park Quiçama

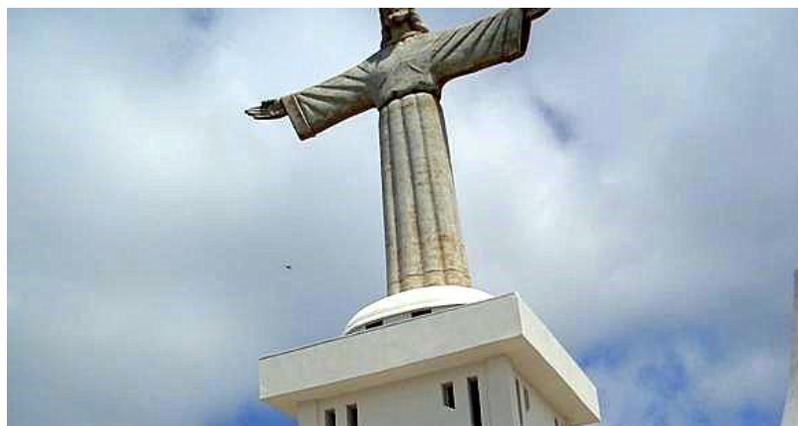
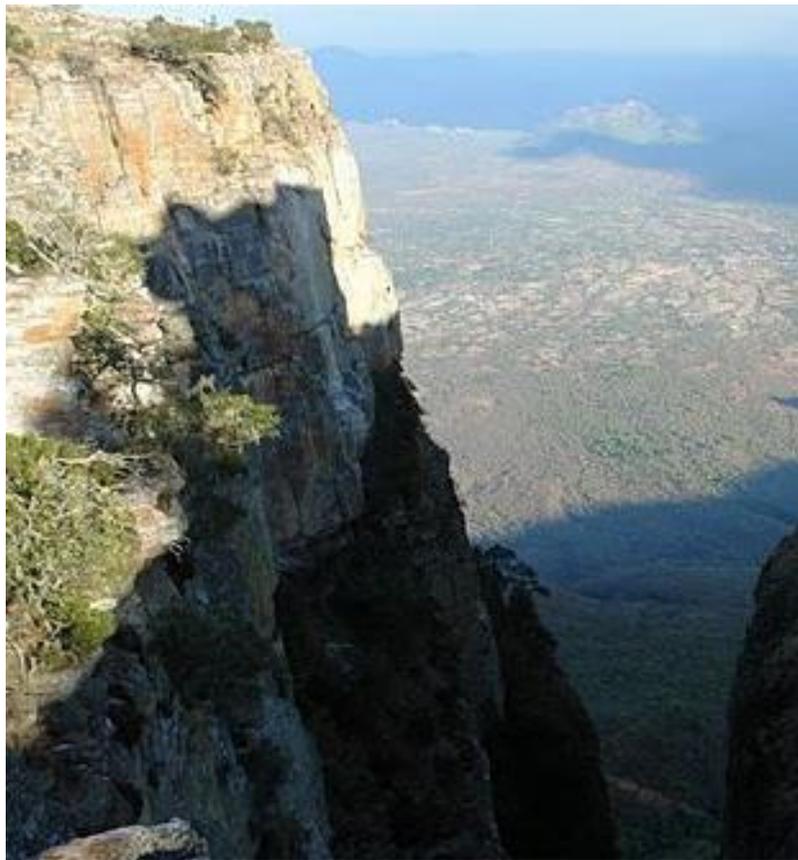
# Cuanza Norte





# Malange

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# Huíla

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# Namibe

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# A glance at Angola

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## • A GLANCE AT ANGOLA

- Land property (State)
- Sanitation
- Electrification
- Potable water
- Lack of Investment
- Money circulation
- Informal sector
- Poverty

## • A GLANCE AT ANGOLA

- Visa entrance
- Money (credit card)
- Sobas dominance
- Insecurity
- Marketing

Thank you  
very much!

