



CONTEMPORARY STRATEGIC TOURISM MANAGEMENT

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Abstract

The present article examines the issues and concerns of strategic tourism management in the present times. Strategic tourism management is required to stimulate and ensure systematic tourism development through conducting adequate tourist planning and strategic performance on the tourist market. The characteristics and types of hospitality and tourism organizations can impact on strategic management practices, particularly in strategic analysis, decision making, resource allocation, and creating and maintaining a competitive advantage. The various stakeholders of tourism development like policy makers, entrepreneurs, scientists, local governments, NGOs, media, educational institutions and others should implement the strategic projects to promote tourism and enhance the status of economic development at regional, national and international levels. In the new millennium, tourism development has become a thrust area of national development. Specific operational or tactical activities should result from strategic plans in the age of competitive tourism management. Modern strategies should be based on reliable analyses of the internal potential and the environment of a destination by making use of a complete SWOT analysis. Strategic tourism management should be regarded as a systematic approach to sustainable tourism development. The stakeholders of strategic tourism management are required to develop strategic options on the basis of scientific evaluation in order to make the right strategic choice.

Preamble

Strategic management is a field of study that involves the process through which firms define their missions, visions, goals and objectives, as well as craft and execute strategies at various levels of the firms' hierarchies to create and sustain a competitive advantage. The subject of strategic management is an important aspect of tourism development. The subject has been systematically taught across the world. Strategic tourism management has emerged as an important aspect of research in modern times. It is based on the perfect understanding of stakeholder needs and expectations which are paramount in the development, implementation and success of tourism industry's strategy. The contemporary strategic tourism management has been analyzed in this article on the basis of qualitative research method.

Strategic Tourism Management

Strategy making has become an important aspect of contemporary management. The subject of strategic management has become a new discipline in management. There are classical approaches to the study of strategic management. A strategy can be explored from a variety of different perspectives which provide holistic understanding of strategy formulation and implementation in all walks of life including management. Strategic implementation is concerned with the issues which are considered to be necessary for the successful execution of strategy.

A tourism strategic planning is fundamental for product positioning, image creation and demand management. In a deliberate strategic process, strategic implementation would be carried out only after an organization has gathered sufficient information on its internal and external environments. The evaluation of these options is followed by the selection of the most appropriate option.

Services in the hospitality and tourism industry are undergoing a shift from service to experience. This requires changing the mindset of many managers and employees in their strategic thinking and daily actions. In order to achieve this shift, there is an essential need to know both the hospitality and tourism context and how this strategic change can be achieved in that context. To better prepare and respond to these trends and keep redefining strategic management practices, hospitality and tourism organizations need to have a clear knowledge about strategic management theories and apply them in the relevant context (Pine and Gilmore, 1998:16).

A great degree of innovation is incorporated in hardware, software and network developments, whilst intellect becomes a critical asset in ITs' management. The emergent information society and the knowledge-based economic powers will therefore redefine the ability of regions and enterprises to prosper in the new millennium. Inevitably the tourism industry is also affected by the technological revolution. Both tourism destinations and enterprises increasingly need to adopt innovative methods and to enhance their competitiveness. Tourism enterprises need to understand, incorporate and utilize information



technologies strategically in order to be able to serve their target markets, improve their efficiency, maximize profitability, enhance services and maintain long term prosperity for both themselves and destinations. The future success of tourism organizations and destinations will be determined by a combination of innovative management and marketing, intellect and vision, as well as strategic use of advanced information technologies (Buhalis, 1998:05). Strategic tourism management is an integrated process which demands several inputs including application of information technologies.

Strategic management is necessary in all sectors of development in the new millennium. There is ever growing need for strategic management in every country in order to organize developmental activities in a successful manner. The process of strategic management has become relevant in the new age of competitive business management. Strategic management is indeed an all pervasive activity which boosts the economy on sound ideas, guidelines and strategies. Strategic management is required to effectively organize the resources, utilize the resources and accomplish the tasks in all sectors of development. Most strategies necessitate some degree of internal change and this process of change will need to be managed. Put simply, successful strategy selection and implementation relies upon the pre-supposition that the organization has carried out a meaningful strategic analysis.

Tourism is an important generator of growth and development of the economy in many countries. The development of tourism provides an increase in revenue, stimulates the development of new tourism enterprises, encourages the development of various activities, encourages local producers and service providers, opens new markets, improves the life standards, allows an employee to acquire new knowledge and skills and increases funds that will be offered for environmental protection and national development (Eagles et al., 2002:07).

Strategic Management is a whole chain which consist independent parts and in general each of them creates organizational success. In most cases the process is divided into four parts such as strategic analysis, strategy formulation, strategy implementation and strategy control. Every section is connected to each other and providing feedback is the key success factor for every phase. Strategic tourism management depends on meaningful collaboration among various groups since strong interconnection makes better performance (Alkhafajai, 2003:01).

Tourism is a business that requires extensive planning, marketing and investment in products and services. At the same time tourism relies on the host communities in which it occurs. The attitudes of local people, the quality of the environment and the availability of desired products and services are all factors in whether tourism will be a success. Without a solid understanding of the business and community aspects of tourism, resources can be squandered on inappropriate tourism developments that fail to meet the expectations of either the host community or the tourists. Strategic tourism management is useful both domestically and internationally in modern times in order to achieve the goal of tourism development (Murphy and Murphy, 2004:13).

The strategic tourism management is an act of identifying long-term objectives and conditions for development, and making decisions on the allocation of resources needed to meet the objectives (Struzycki, 2004:17). Basically, strategic tourism management deals with the major and fundamental managerial issues that directly affect the future of hospitality and tourism organizations. The stakeholders of strategic tourism management should be equipped with necessary vision, skills and competence to achieve the goal of tourism development. The stakeholders should successfully prepare for its future and responds to changes and developments in its external and internal environment proactively. Strategic tourism management can secure its survival and develop sustainable competitive advantages. It is also essential to emphasize that even successful organizations face problems and may end up making irrational investments in the absence of strategic tourism management.

Tourism development based on the philosophy of sustainability has emerged as one of the most comprehensive and accepted approaches to strategic tourism management. A number of different planning approaches have evolved to meet the changing tourism development needs. Tourism planning generally involved detailed surveys and appraisals of the physical resources of the country or region. The sustainable approach to tourism planning developed from broader international concerns over ecological issues. A further prerequisite for a sustainable tourism planning approach is the use of strategic planning to supersede conventional planning approaches.

Product design, market segmentation, franchising, real estate investment trusts, and new product concepts are some of the strategic driving forces that cause the industry to be very dynamic. All of these trends and developments require the organizations in the hospitality and tourism industry to keep redefining their strategic management practices through a continuous process (Nykiel, 2005:14).



Tourism management is a process of meeting objectives, using human, material, natural and information resources, and involving activities connected with planning, organization, motivation and control. In the past the spontaneous approach to tourism management was followed since it brought about a spontaneous development of tourism and tourism products. In the present times strategic tourism management concept has appeared as an alternative to the old method which failed to deliver goods in modern times. The strategic management of tourism destinations is an extension of traditional planning methods. In the literature there are various definitions of strategic management. The key aim of the strategic management of a given territorial unit is to maintain its presence on the market and maintain opportunities for development (Goranczewski and Puciato, 2010:09). A tourism destination may be considered as a cluster of interrelated stakeholders embedded in a social network that interact, jointly meeting visitor needs and producing the experience that the travelers consume (Baggio et al., 2010:04).

Macro trends such as changes in legislations, regional and global economic and political crises, socio-cultural trends, sophistication of customers, stiff competition, terrorism, security, global warming, multiculturalism, globalization, mergers and acquisitions, labor shortage, and advanced technological developments all pose important challenges to the management strategies of hospitality and tourism organizations. Applying strategic management principles and theories can certainly be helpful not only in overcoming failures in decision making and resource allocations but also in turning the organization around and making it successful provides a number of important areas in which strategic management can help hospitality and tourism organizations. It is worth emphasizing that strategic management is not only important to hospitality and tourism organizations but also to all organizations, regardless of their size and type. They not only need to develop new products and service concepts as an ongoing basis, but they also need to control their costs and manage their human resources wisely (Okumus et. al. 2010:15).

Strategic management is a proactive process of achieving long-term compatibility of the corresponding area in planned tourism. This means that the management imposes control through which it is perceived how successful one operation is running. Furthermore, the support for strategic management and looking at the fact that it is always a long-term oriented. Generally, as in tourism development strategy refers to achieving the goals that extend for a period longer than one year, strategic operational management has the task to move all operations from the current position to the desired, future position. Strategic management is the engine of tourism activity in the age of increasing competition and globalization. The dynamics and development of tourism is increasingly intensified on the basis of strategic management. The importance of strategic and operational management is important, because without successful operations parts, the development of the tourism component is threatened. Therefore, the use of leisure time should be arranged in a certain way, with travel, especially leisure travel, to bring the development of the tourism phenomenon to unforeseen limits (Kirovska, 2011:12).

Strategic management is a framework for analyzing the environment, for coordinating the company's activities, for creation and adaptation innovations, and for creating value both in the present and in the future. It is the process that creates the value for consumers, owners, and for all stakeholders of a firm. And, after going into depth of concept we can find out that strategic management is short-term and long-term process that involves plans and actions at the same time. Strategic management is a highly developed discipline, with a fundamental logic and framework. It can be translated in some measure to every firm, every industry, and every setting (Amason, 2011:02). The importance of strategic management has been realized in all walks of life including tourism sector. The stakeholders of tourism development need strategic management to guide how to achieve objectives and how to pursue the organization. Strategic tourism management includes specific strategies relating to reaching out to target groups, outcompeting rivals, setting competitive advantage, strengthening the long-term business position of tourism industry.

Tourism still plays an important role in the national GDP. This sector has historic, artistic, cultural and economic dimensions since billions of people travelled for tourism domestically and internationally. Tourism is also rightly considered as the engine for national economic growth if the country addresses the necessary efforts to bring to the surface his hidden potential. The Strategic Plan is a precise and accurate analysis of weaknesses and strengths in the tourist sector and indicates precise steps for the government's agenda, putting forward a strategy that can be implemented over a period of time (Angeloni, 2013:03). Tourism offers valuable opportunities for adding value to national heritage across the globe. Hence, strategic tourism plan assumes great significance in modern times.

Tourism development is basically interdisciplinary by nature and contributes to the development of other sectors and industries. Tourism also notably contributes to the activation of society and development of entrepreneurship and social activity. Tourism is also an instrument of regional policy, which allows the equalization of socioeconomic differences. The



development of tourism in a region leads to an increase in demand for local products, increase in the number of tourist facilities, as well as positively affects regional infrastructure, employment and ecology. Tourism is an effective means of development of market mechanisms, generating revenues to regional and local budgets and affecting job creation. The use of strategic management tools enables the preparation of long-term plans for the development of provinces and the country that set directions for future development and its financing sources (Ejdys and Szpilko, 2013:08)

Tourism industry has several challenges and opportunities. The stakeholders of tourism development are required to understand the competitive tourism environment in order to formulate suitable strategies that enable a strategic advantage to be gained over competitors. An understanding of stakeholder needs and expectations is crucial for effective tourism management under the existing challenging circumstances. The tourism organizations should be guided by a clear strategic direction. Strategic tourism management primarily involves systematic analysis of an organization's physical, human, intellectual, financial and reputational resources. Adequate mobilization of resources and effective utilization of resources for tourism development depends upon perfect understanding of competencies and core competencies of an organization.

Strategy utilization level is considerably high in each kind of businesses. The importance of external economic, social, political, technical and market forces for organization's development is always truly considerable. Thus, the relations between the internal management and external environment have also great value. There are several factors and players associated with strategic tourism management. The tourist organizations are required to take decisions concerning the future with a greater consciousness of their implications and also indicate how the performance can be achieved. Strategic tourism management can be distinguished as the destination of success and organizational performance (Gvantseladze and Rehak (2014:10).

The tourism organization can formulate strategies in pursuit of a competitive advantage on the basis of scientific analysis of macro and micro tourism environment. The organizers should also develop appropriate resource based approach and the relational approach in determining competitive advantage within tourism firms. Suitable corporate strategies should be designed on the basis of understanding of suitability, acceptability and feasibility of resources and opportunities for tourism development. Strategic evaluation and implementation of tourism promotions strategy assumes great significance in modern times.

By applying the techniques of strategic management it is possible to perform an exhaustive analysis that will give a realistic picture of the current development tourism sector. Furthermore, market research, supply and demand, makes determination of a proper development guide lines and development strategy possible. The awakening of environmental awareness among domicile as well as entrepreneurs is the most difficult task that depends on the state of the entire system. All future development planning concerning tourism must be in accordance with existing plans and strategies. Special attention must be given to vision creation that should be sublimated by the majority to perform it easily. Without a right vision there is no progress. The application of strategic management, quality management and appropriate marketing would enrich the process of tourism development (Bulatovic and Markovic, 2015:06).

The cultural ethos, tourism environment and orientation of tourism organization are important components of strategic management of tourism. Strategic tourism development covers a wide range of management issues. The process of strategic tourism management includes macro and micro environmental analysis, stakeholder analysis, formulation of objectives, resource planning, strategic implementation, strategic risk management and strategic leadership development in tourism organizations. The factors involved in the evaluation and implementation of systematic tourism development strategies should also be considered by the organizers and promoters.

Strategic tourism management is required to stimulate and ensure systematic tourism development through conducting adequate tourist planning and strategic performance on the tourist market. The stakeholders should ensure undertaking of marketing activities and application of state of the art marketing tools with a view to design the suitable strategic developmental guidelines for future development of tourism (Ivanovic et. al. 2016:11). The importance of context to strategy making means that the preceding argument holds across all industrial sectors and not just hospitality and tourism. All issues related to the strategy process and the strategy content must always be framed in that specific context. The characteristics and types of hospitality and tourism organizations can impact on strategic management practices, particularly in strategic analysis, decision making, resource allocation, and creating and maintaining a competitive advantage.

Proper management of tourism should not be limited only to the solutions at the central level. The important role in tourism is played by management bodies of regional and local levels, which include local governments. There are certain drawbacks



and limitations in the present process of tourism development. The concept of foresight shows the relationship with strategic management of tourism which supports the strategic activities by providing alternative scenarios for policy-makers. The various stakeholders of tourism development like policy makers, entrepreneurs, scientists, local governments, NGOs, media, educational institutions and others should implement the strategic projects to promote tourism and enhance the status of economic development at regional, national and international levels.

Conclusion

In the new millennium, tourism development has become a thrust area of national development. Specific operational or tactical activities should result from strategic plans in the age of competitive tourism management. Modern strategies should be based on reliable analyses of the internal potential and the environment of a destination by making use of a complete SWOT analysis. Strategic tourism management should be regarded as a systematic approach to sustainable tourism development. The stakeholders of strategic tourism management are required to develop strategic options on the basis of scientific evaluation in order to make the right strategic choice.

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