



**Kyung Hee**  
University

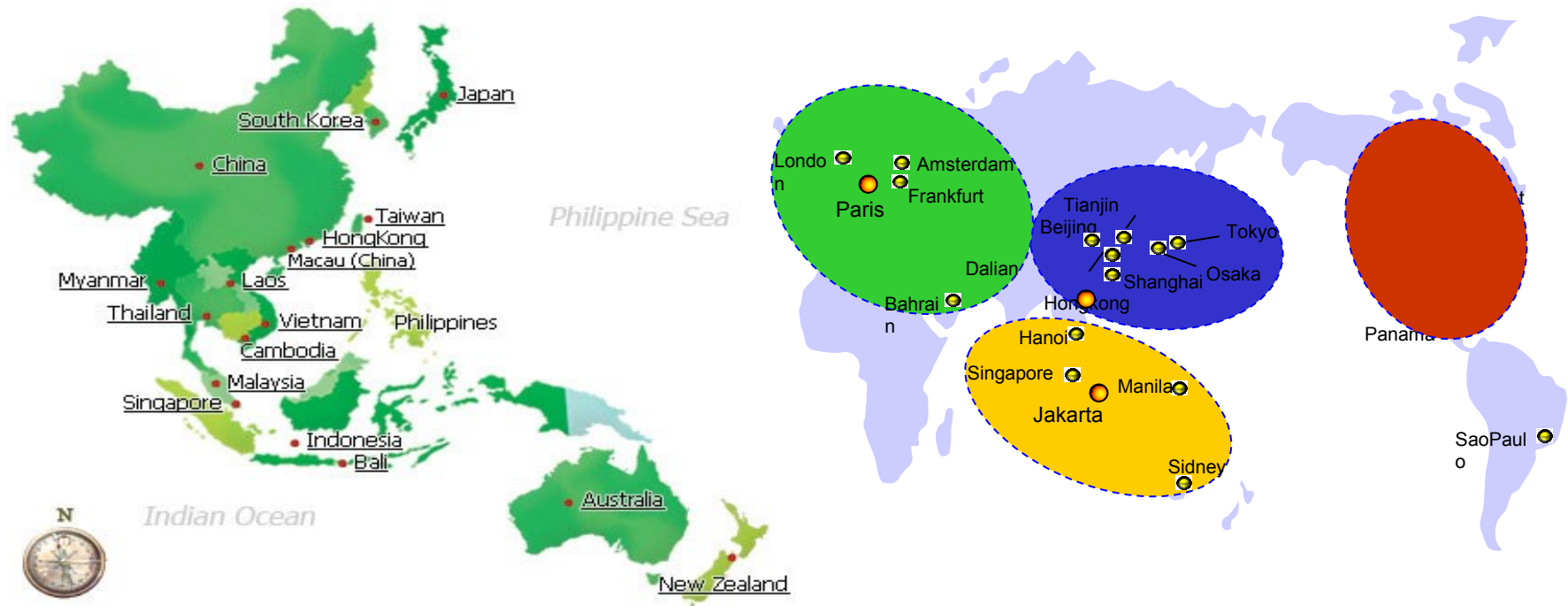
The 7<sup>th</sup> UNWTO/PATA Forum on TOURISM TRENDS AND OUTLOOK

# Development of Regional Tourism Competitiveness Framework in the Asia and the Pacific

October 21, 2013

# The Asia and the Pacific Region

•Asia-Pacific Region is the part of the world in or near Western Pacific Ocean. The region varies in size depending on context, but it typically includes at least much of East Asia, Southeast Asia, and Oceania (Wikipedia).



# Definition of Regional Tourism

## Definition of Regional tourism

- a phenomenon in which the `region' (as opposed to the `nation') is the focus of tourism attention, and where `regionalization' (as opposed to `national development') is the objective of growth (Chang, 2001).

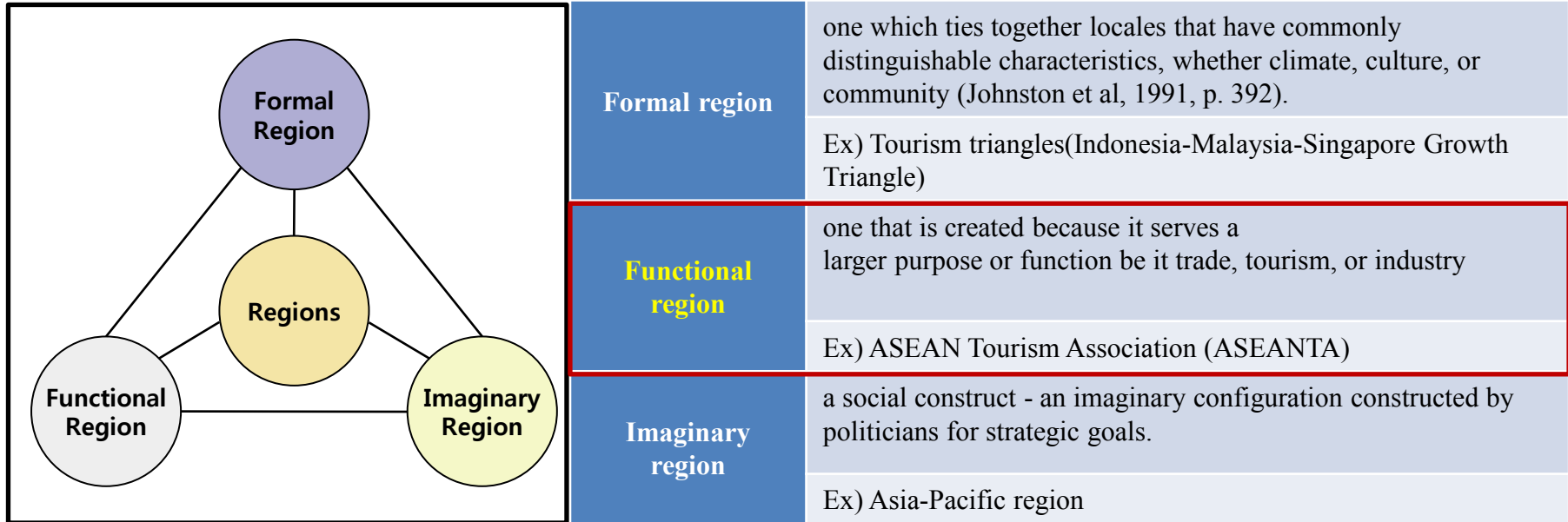
## Region vs. Regionalization

Regionalization	Region
an integration process	the linking together of different locales, cities, or countries

Source: Chang (2001)

Chang, T.C. (2001). Configuring new tourism space: exploring Singapore's regional tourism forays. *Environment and Planning A*, 33(9), 1597–1619.

# Three Types of Region



Source: Chang (2001)

☞ In tourism, functional region can be divided by urban, rural, island, echo, shopping, quality, adventure, culture, medical, MICE, and so on.

# Classified Tourism Group by Functional Region (sample)

**Shopping  
tourism**



**Medical  
tourism**



**MICE  
tourism**

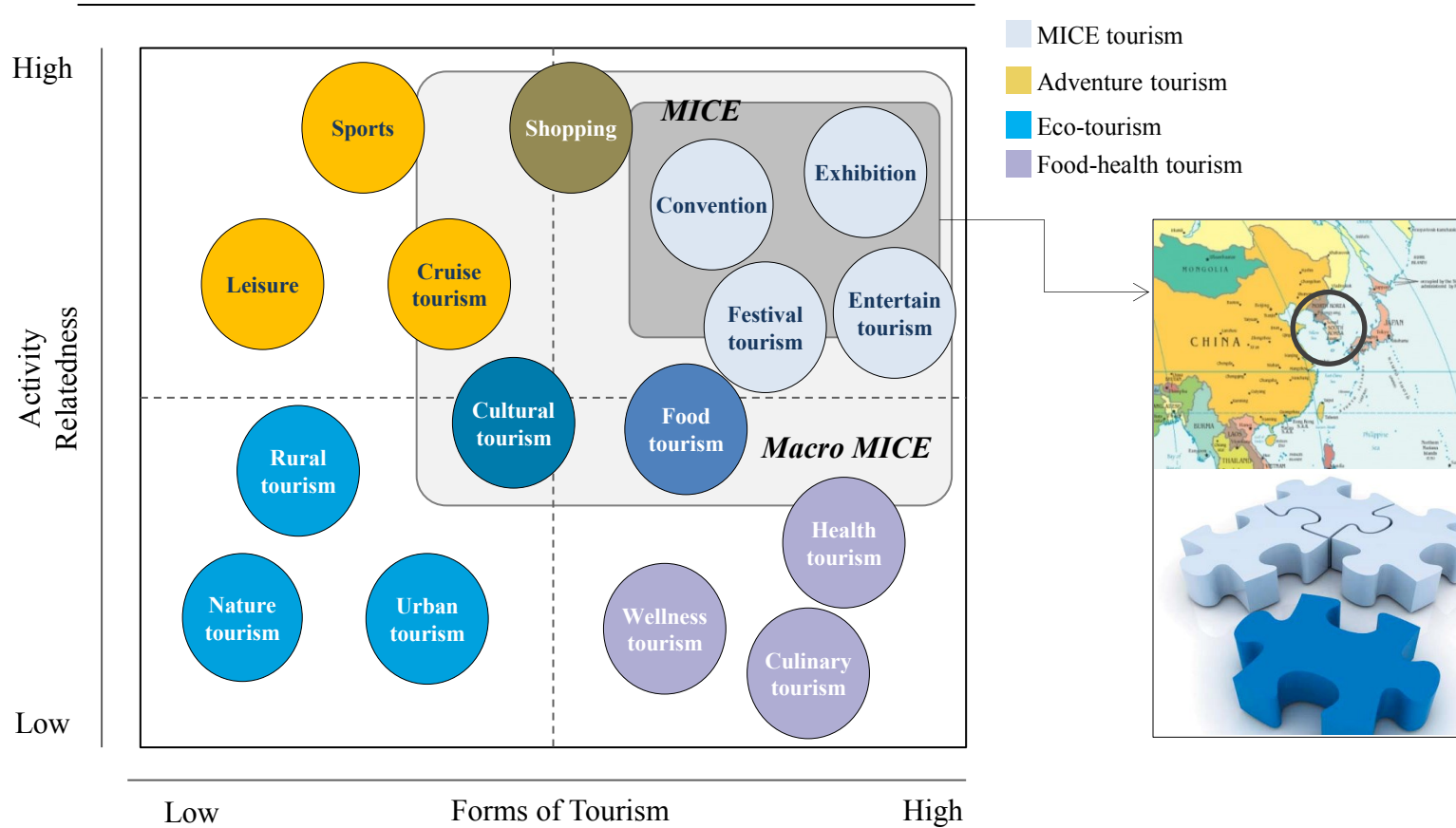


**Island  
tourism**



# Regional Tourism Matrix: Forms of Tourism/Activity Relatedness

Functional Tourism Matrix



# Definition of Competitiveness

## Definitions

---

### Competitiveness

Competitiveness is measured by the ability of the organization to stay in business and to protect the organization's investments, to earn a return on those investments, and to ensure jobs for the future.

### Destination Competitiveness

A general concept that encompasses price differentials coupled with exchange rate movements, productivity levels of various components of the tourist industry and qualitative factors affecting the attractiveness or otherwise of a destination.

### The Travel and Tourism Competitiveness Index

The TTCI provides a basis for implementing policies to improve destination competitiveness on a country by country basis.



# Characteristics of Destination Competitiveness

- Tourist destinations are the central elements of the tourism system. Features of destinations can be classified under two main headings.
- Primary features include climate, ecology, culture and traditional architecture. Secondary destination features are those developments introduced specifically for tourism such as hotels, catering, transport and entertainment.
- Together these two main groups of features contribute to the overall attractiveness of a tourist destination.
- Destination competitiveness can be evaluated both quantitatively and qualitatively.

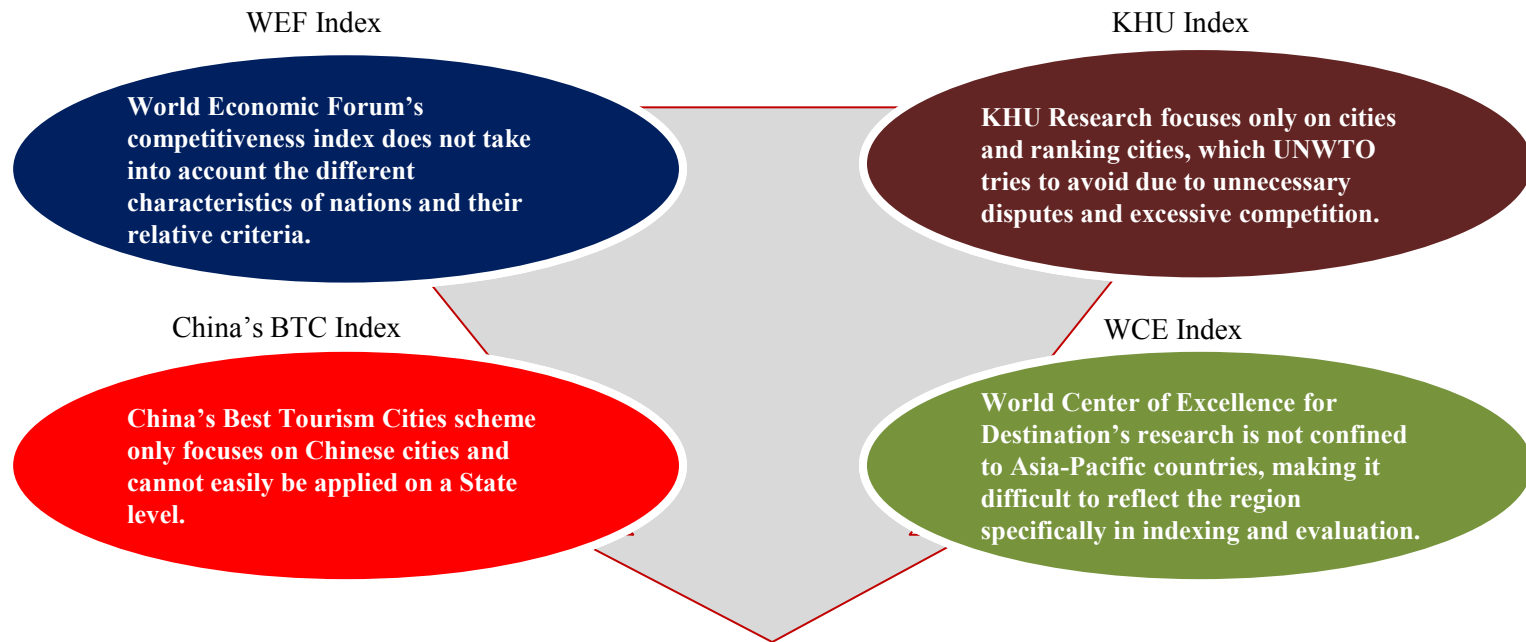


# Types of Competitiveness Levels

Types of Competitiveness Level Categorization

Levels Prior studies	National/City Competitiveness	Regional Competitiveness	Tourism Destination
<ol style="list-style-type: none"> <li>1. WEF -World Economic Forum</li> <li>2. IMD-International Institute for Management Development</li> <li>3. Simmie and Carpenter</li> <li>4. Rovdrt Huggins Associates</li> <li>5. WTTC-World Travel and Tourism Council</li> </ol>	<ul style="list-style-type: none"> <li>• National Competitiveness Assessment</li> <li>• National Competitiveness Assessment</li> <li>• City Competitiveness and Sustainability</li> <li>• City Competitiveness Assessment</li> <li>• International Monitoring Tourism Competitiveness</li> </ul>		<ol style="list-style-type: none"> <li>1. Tourism Destination Competitiveness Assessment (Dwyer &amp; Kim)</li> <li>2. Tourism Destination Competitiveness &amp; Sustainability Assessment (Ritchie &amp; Crouch)</li> </ol>
<p><b>Outcomes</b></p>	<p>WEF Index WCE Index KHU Index China's BTC Index</p>		<p>System of Measures for Excellence in Destinations (SMED).</p>

# Review on Tourism Competiveness Study



*Even though various Competitiveness Indexes of Tourism by different organizations are well developed, it does **not fully conform to UNWTO's regional goals due to their limited focus and drawbacks.***

- Theoretical Implication-** the collaboration of various experts and organizations in the region, a reliable regional competitiveness index for tourism of UNWTO can be developed.
- Practical Implication-making** it easy to reflect and applicable for a specific region in indexing and evaluation and useful feedback to the required from urban cities

# Needs for Developing RTC Framework

Background of 『Development of Regional Tourism Competitiveness Framework in Asia and the Pacific』

1

UNWTO has two important areas of focus in advancing tourism throughout the world: tourism **sustainability** and tourism “**competitiveness**”.

2

Although there have already been many attempts to design a set of criteria for measuring tourism competitiveness, **none of these are 100% effective** or conform adequately with the UNWTO’s purpose.

# **RTCI (Regional Tourism Competitiveness Index) Development**



# Procedure

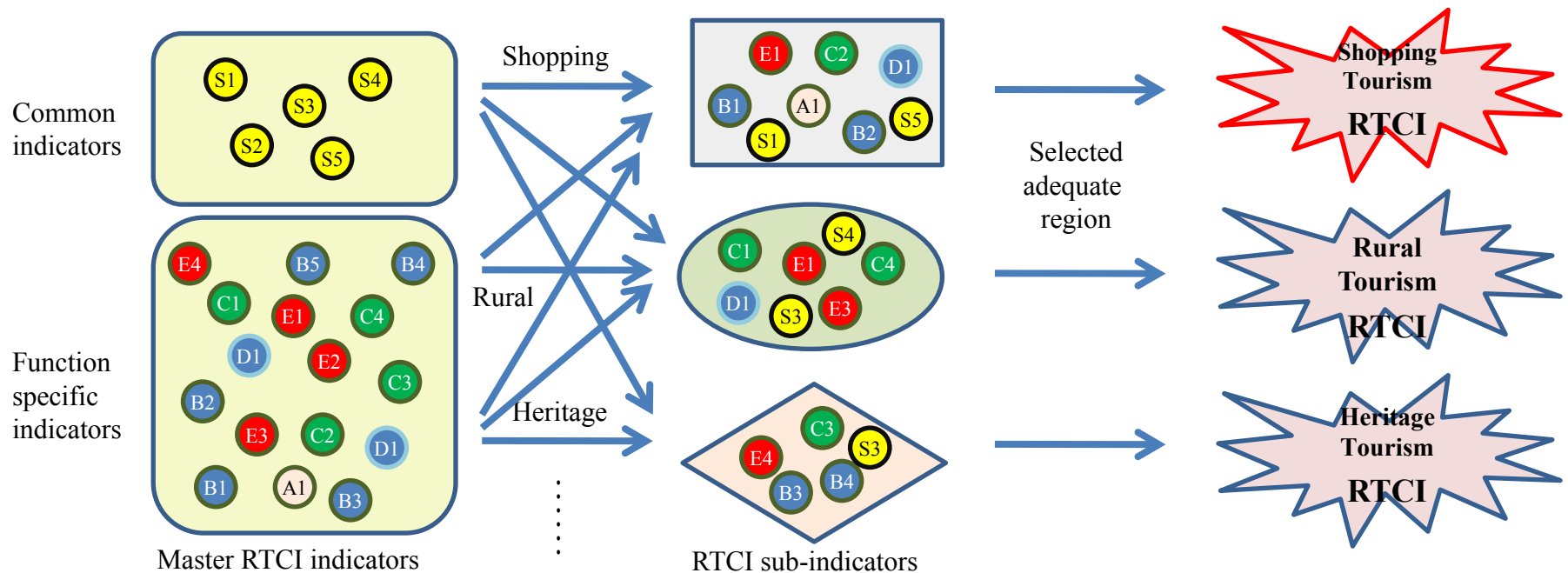
- 1) Reviewing previous research of work done on the development of competitiveness indicators
- 2) Conducting surveys and interviews towards stakeholders in the region
- 3) Identifying the hurdles and the support
- 4) Identifying cases and drawing implications
- 5) Developing Tourism Competitiveness Model, which can be applied to the region
- 6) Holding forums and conferences and providing policy implications for the region at the Global Economy Tourism Forum

# Check Points to Developing RTCI

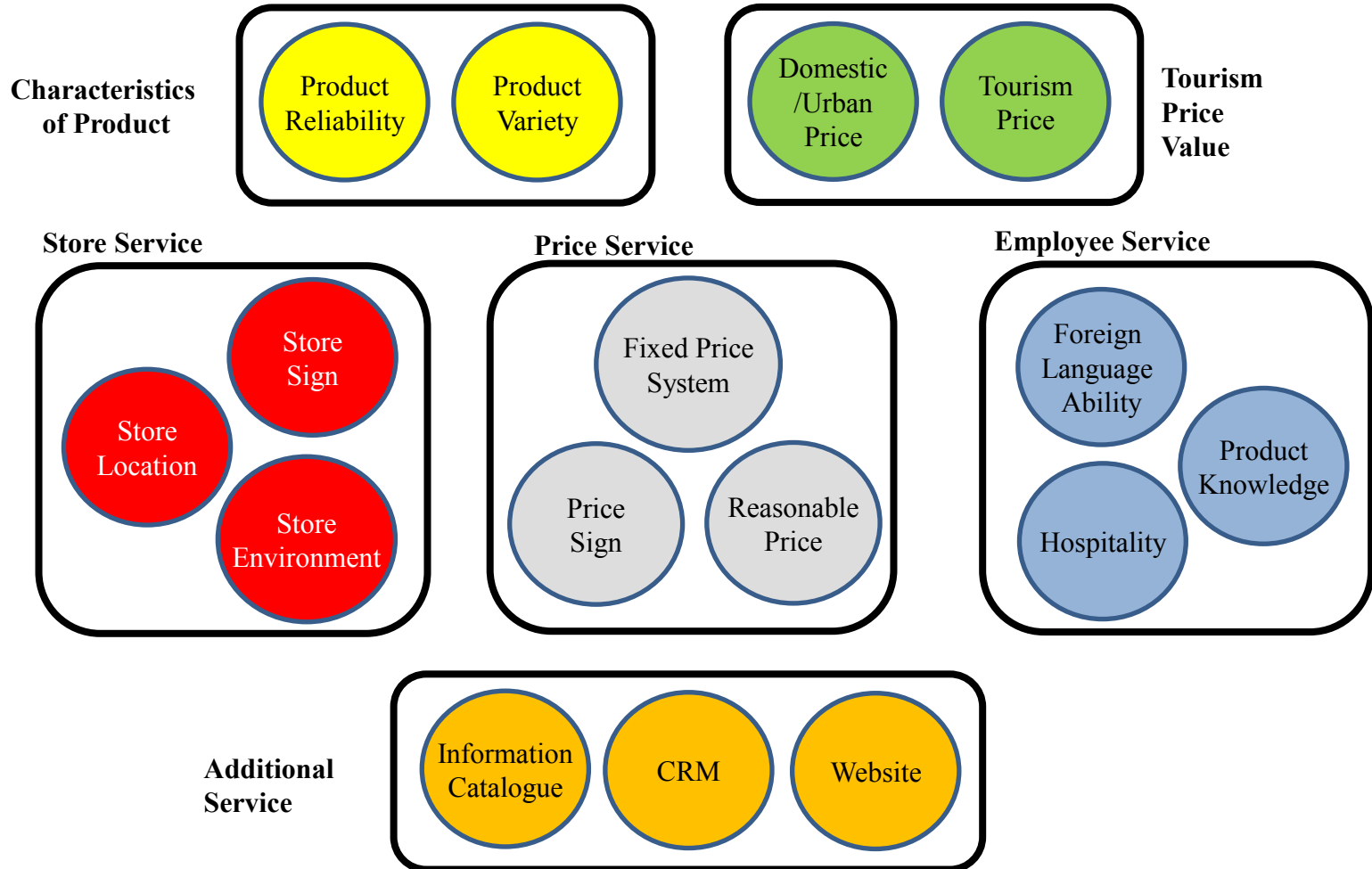
- Competitiveness is a very broad construct encompassing all social, cultural, and economic variables affecting the performance of a nation in international markets. Reflecting this macro perspective (OECD, 1997).
- The index include all relevant indicators and these indicators should be given adequate weighting based on their contribution to the development of tourism.
- The indicators developed should take into account the advancement of developing countries.
- An assessment of competitiveness consider the current circumstances of each country.

# Identifying Common Indicators for RTCI (Example)

- Each different sub-indicators are subset of master RTCI indicators.
- For example, the shopping RTCI requires a unique indicator that is likely to be a subset of master RTCI indicators.
- Reuse the RTCI indicators overcome many of the problems of traditional approach.

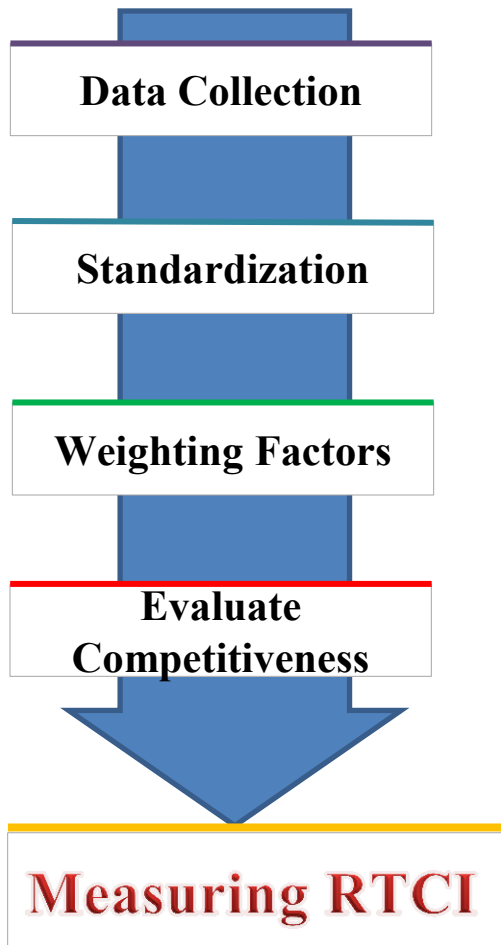


# Developing Unique Indicators for RTCI (for example, shopping tourism destination)





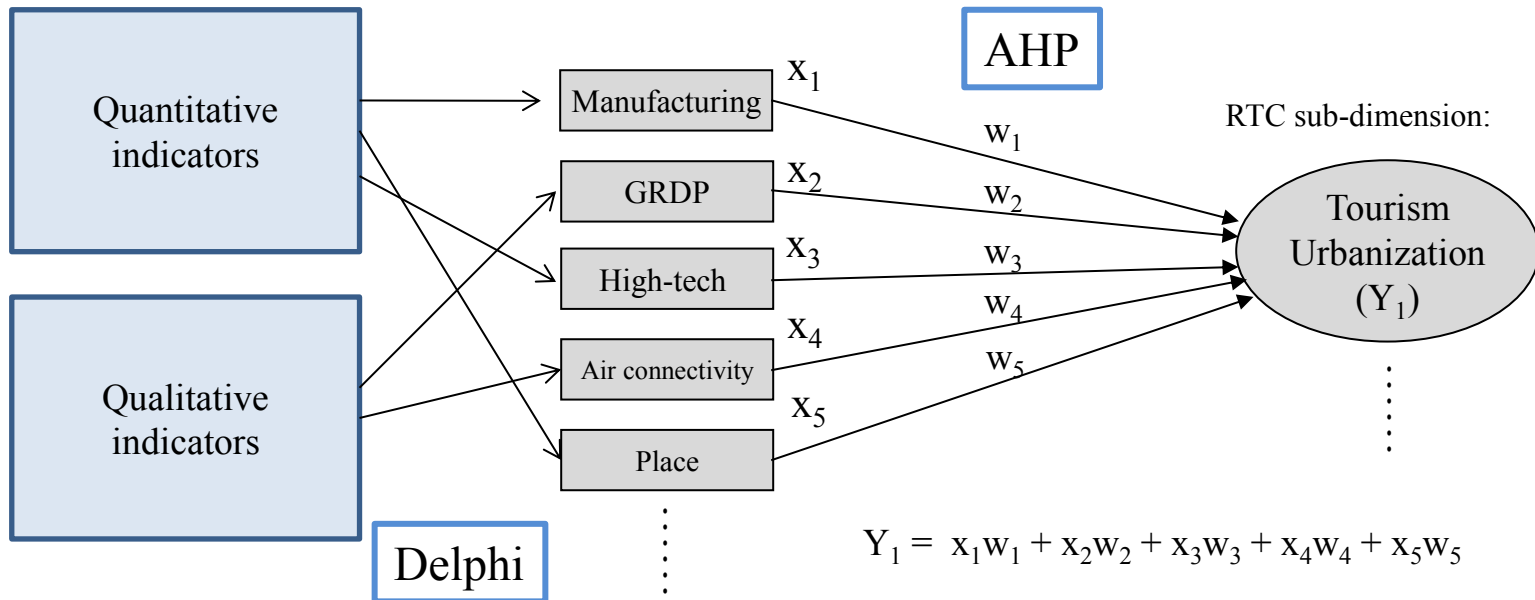
# Measurement Framework for RTCI



- Collecting data based on determined indicators for measuring tourism competitiveness of Asia Pacific regions
- The standard formula for converting measured data is as follows:
- Computation of standardized score with weighted factor derived from AHP method  
(sum of scores on each dimension X weights for each dimension)
- Evaluating the competitiveness with weighted factors by comparing sum of scores of each tourism destination

# RTCI Measurement Model

- Quantitative/qualitative indicators for regional tourism competitiveness (RTC) are selected through Delphi survey.
- Extracted factors are rearranged to develop sub dimension for RTC.
- Then develop each weight using AHP, and each indicators are multiply by the weights of each dimension.
- Finally, each regions (cf: city or state) are ranked.





**Kyung Hee**  
University

Thank you!