

Chapter 2

Analysis Tools

Tool 1: Brainstorming and Cluster Technique

What is it?

Brainstorming and clustering is a technique that can be used to quickly develop an unconstrained and non-evaluated list of issues, topics, and questions using the collective insights of a group for later discussion, grouping, clustering, sorting, and prioritisation, and to help in team building.

When is it used?

Brainstorming and clustering can be used in almost all exercises to collect group insights and to stimulate group discussions on sustainable mountain tourism. The brainstorming and cluster technique is quite flexible and can be used for a variety of purposes. It is a very useful way of involving key tourism stakeholders in important tourism discussions. The tool may encourage even the most reserved stakeholders in the tourism industry to let their ideas flow (ideas are generated on a focused issue or topic which makes the process very quick).

How to apply it?

Steps in brainstorming and clustering are as follows:

- Step 1: Ask the group to appoint a recorder who will not participate in the discussion, but who will make a note of the proceedings.
- Step 2: Ask the group to think of the different issues and topics related to sustainable mountain tourism.
- Step 3: Encourage the group of key tourism stakeholders to think adventurously. Everything must be noted, even the wildest idea. Encourage quantity rather than quality – the more ideas generated the better.
- Step 4: There are two options for recording brainstorming.
 - Stakeholders call out their ideas and the recorder writes them down on a flip chart or white board. Ideas are basically collected – no evaluation or comments on the ideas are provided.
 - Stakeholders write down their issues, ideas, and questions on pieces of card provided. These are then collected and pasted on a board.
- Step 5: The cards that are pasted on the board are grouped according to broad topics within the subject of sustainable mountain tourism development. Exact duplicates may be removed, but all other cards must remain on the board – even the most outrageous.
- Step 6: Key tourism stakeholders can join in to cluster the different cards according to broad mountain tourism topics.

As a variation of brainstorming and clustering a snowballing technique can also be used. This technique is described in Box 1.1.

Box 1.1: Snowballing: A Variation of Brainstorming

1. Divide the whole group into pairs, each pair is asked to brainstorm and write down ideas on cards or pieces of paper.
2. After a few minutes, two pairs join and compare lists. They prepare a list that captures the ideas of all four people.
3. A few minutes later, two new groups of four merge so that the group becomes eight, and brainstorming and listing continues.
4. Continue the formation or 'snowballing' of larger groups every few minutes, until you have a master list made by the whole group.
5. This process needs to be relatively quick with groups joining every few minutes (use a bell to move people along).

Tool 2: Carrying Capacity

Sustainable mountain tourism requires an understanding of the environmental, sociocultural, and economic limitations of a mountain area in terms of visitor use (see Volume 1, Chapter 4).

What is it?

Carrying capacity is an analytical tool that seeks to establish ecological and behavioural thresholds beyond which environmental, social, cultural, and economic factors, as well as the quality of life of the mountain people and the quality of visitor experience, deteriorate beyond acceptable levels.

Carrying capacity is a multi-dimensional and dynamic concept that can vary with the season, behaviour, and attitude of tourists and the host population; the quality and quantity of facilities; the effectiveness of management; and the dynamic behaviour of the environment (CREST 1995). Given the fact that any type of tourism development will always have some sort of negative impact, the concept of carrying capacity can be represented by a range of limits rather than a single fixed number.

To identify the carrying capacity of an area, the following questions can be asked according to different sets of factors (UNEP/UNWTO 2005):

Physical and Ecological Factors

- What is the size of the area to be developed?
- What portion is available for use by tourists?
- Are there seasonal limitations?
- What space modifications could improve the use?
- What is the potential for ecological damage? For instance, how fragile is the soil, the plant life, the animal life, and other geological features? What facilities or design policies could prevent damage?
- What are the conservation needs of the wildlife, the plant life, the soil, and other geological or archaeological features?
- What places or sites should be available for limited use only because of fragility?
- Who is or should be responsible for ensuring that the infrastructure is built appropriately for the carrying capacity of the tourism resources?
- Will an increase in visitors affect the behaviour of animal life?
- How can conflict between competing uses be minimised?

Social Factors

- What volume of tourism can be absorbed comfortably into the day-to-day social life of the mountain community?
- What volume of tourism can be tolerated without destroying the cultural and social life of the mountain community?
- Are there variations in tolerance levels during festivals, celebrations, religious occasions, or other special events?
- Is there a desire to modify or limit tourist behaviour or participation in cultural or religious activities? If so, how might this be accomplished?
- What traditions could be affected by increased tourist visitation or interaction?
- How might this be positive rather than negative?
- How will local residents be made aware of and educated about the interrelationships between sustainable tourism, the environment, and the rest of the mountain community?

Economic Factors

- Does the mountain community receive satisfactory economic benefits from tourism activities? What is reasonable to expect?
- Will the economic benefits be sufficient to motivate the mountain community to protect the environment?
- Is the current volume of tourism providing optimal economic benefits? If not, how can benefits be increased?
- Does the tourism industry offer jobs and opportunities for local residents? If so are work conditions acceptable? Is skill training for jobs available? Are there opportunities for promotion and advancement?
- Are there opportunities for local investment in businesses serving tourists or are profits drained off by outside investors? If so, how can this situation be remedied?
- Are locally-produced goods available in quality and quantity sufficient to meet tourist expectations?

Infrastructural factors

- What transportation facilities and services are available?
- Are the tourism sites that are under development accessible by existing transportation services? If not, how can these services be provided?
- Are utility services such as water, power, sewage, and solid waste disposal available and adequate for projected use? If not, how can they be provided?
- Are the provisions for health and public safety adequate? If not, how can they be provided?

When is it used?

The list of questions under the various factors can help to define the social, environmental, and economic carrying capacity of a certain mountain tourism site or destination at the time of research, so that an ecological and behavioural balance can be established at which a certain minimum level of quality of life and experience can be safeguarded for both visitors and mountain people. Defining the carrying capacity, or limits of acceptable change, of a mountain site or destination can be helpful as a mountain tourism planning or management tool, or as a tool to design mountain tourism policy interventions to mitigate unacceptable, real or anticipated, negative tourism impacts (e.g., the regulation of tourist volumes by rules and prices such as permits, zoning, and time rationing).

How to apply it?

The list of questions for the different factors can be used to facilitate group discussions about the impacts of mountain tourism and the identification of possible methods of maximising the positive impacts of tourism while minimising the negative impacts.

Tool 3: Checklist for Public-Private Sector Cooperation in Tourism Cluster Development

What is it?

Tourist experiences normally take in relatively small geographical areas known as clusters. It is in these micro areas that the value system that makes tourist experiences competitive (or not) is created. It is here that the competitive activities that are different from those offered by rivals are carried out. In other words, a tourism cluster is a geographical space in which the entire tourism experience takes place.

Tourism clusters are operationally more efficient and therefore more competitive when they have a high level of *attractiveness* (good value for effort), are effective in their *marketing*, show a high level of *productivity* in terms of financial, technological, and human resources, and are efficient in their *management* of the destination's tourism system (AMPM model; for more information about the AMPM model see Volume 1, Chapter 12, Figure 12.1).

The checklist for public-private sector cooperation (for developing tourism clusters) in tourism cluster development is a framework to analyse and evaluate to what extent (proposed) mountain tourism development initiatives can enhance competitiveness through cooperation. It helps to analyse the aspects of attractiveness, marketing, productivity, and management of a tourism cluster.

The tool consists of four checklist forms (see below, A-D): one for potential areas of cooperation to improve the attractiveness of a tourism cluster or destination; one on cluster or destination marketing; one on the cluster's or destination's productivity; and the last one on the management of the tourism cluster or destination.

This checklist offers great opportunities for effective cooperation between all stakeholders within a tourism cluster. (Source: UNWTO 2000)

When is it used?

The checklist for public-private sector cooperation in tourism cluster development helps in the formulation, implementation, and monitoring of tourism cluster development initiatives. The checklist is used to develop sustainable mountain tourism projects and review ongoing mountain tourism activities, as well as for tourism project evaluation. It can be used as an analytical tool, an action tool, and an assessment tool.

How to apply it?

The checklist consists of statements on tourism attractiveness, marketing, productivity, and management areas. In the columns 'impact on competitiveness', 'need to cooperate', and 'feasibility of cooperation' are provided. Per statement the three columns can be filled in (when applicable).

Filling in the three columns provides insight into the level of possible cooperation between all the actors involved in a tourism cluster.

The statements and questions are to be evaluated while assessing the potential for tourism cluster development initiatives. Assessing the statements provides a basis for developing proposals and monitoring tourism cluster projects.

A. Possible areas of cooperation to improve the attractiveness of a tourism destination

Areas of cooperation	Impact on cooperativeness	Need to cooperate	Feasibility of cooperation
Offering More Value to the Market			
Improvement of cultural, historical, environmental assets			
Selective and intelligent re-evaluation of attractions			
Easier access to allow attractions to be enjoyed			
Enhanced quality of the sightseeing experience			
Improvement of infrastructure and basic services			
Improved transport to reach the destination and better transport facilities once there			
Better basic services: water, electricity, telecom, and health			
Improvement of product supply and ground handling services			
More and better accommodation facilities			
More and better food and beverage outlets			
More and better commercial and shopping areas			
Improvement of services to enjoy destination			
Better tourist information			
Better signposts and local transportation			
Better destination management services			
Better recreation and sports' facilities			
Better entertainment facilities			
Greater range of and better tourism experiences			
Better organisation of special events			
Public-Private Sector Cooperation			
Improvement of other value sources			
Improvement of local population's attitude towards tourists			
Enhancement of attractiveness and cleanliness of tourist areas			
Signs to highlight areas of beauty and unique local attractions			
Selective development of facilities and events			
Reducing Perceived Deterrents			
Reduction of physical discomfort at the destination			
Availability of information on the destination before departure from home			
Immigration and customs' procedures			
Exchange controls, medical/health issues			
Traffic congestion and other problems at the destination			
Noise and air pollution at the destination			
Uncomfortable/inconvenient public services			
Reduction of physical insecurities			
Lack of air controls			
Lack of security in urban areas			
Risk of contagious illnesses and lack of trust in medical services			
Safety concerns with food and beverages			
Reduction of commercial insecurities			
Proliferation of taxes on the purchase of goods			
Lack of fixed pricing			
Lack of standards			
Corruption among local police and other officials			
Reduction of cultural distances			
Explanation of different taboos and cultural values			
Improved communication between tourists and the local population			

B. Potential areas of cooperation to improve a destination's marketing

Areas of cooperation	Impact on cooperativeness	Need to cooperate	Feasibility of cooperation
Improvement of the overall marketing system			
Better knowledge of markets and the opportunities they present			
Better understanding of the competitive position of the destination			
Increased ability to identify new sources of competitive advantage			
Improvement of marketing planning			
Improved decision making regarding targets and strategies			
A better system to define targets and strategies			
Improvement of the quality of information used to take strategic decisions			
Stimulation of the development of new products/ experiences			
Development of more and better tourist experiences at the destination			
The development of more attractive and flexible tourist packages			
Better benchmarks			
A greater ability to generate ideas and transform them into experiences			
Improved access for associates to develop products			
Increase in sales' efficiency			
Better information about competitor's products and prices			
Increased use of yield management and cost calculation technologies			
A more powerful brand image for the destination			
Greater efficiency in disseminating information to consumers/tourists			
Easier access to local tour operators			
More efficient communications' tools			
Improved educational awareness of the importance of tourists			
Greater use of landmarks and symbols to capture the spirit of the destination			

C. Possible areas of cooperation to improve a destination's productivity

Areas of cooperation	Impact on cooperativeness	Need to cooperate	Feasibility of cooperation
Improvement of the capital value of resources/attractions			
Selective re-evaluation of investments			
Better management and operation of resources/ attractions			
Better ways of financing maintenance			
Promotion of increased profitability of investments			
Effective mechanisms to ensure a balanced growth of the tourism product			
Effective mechanisms to ensure high occupancy of investments			
Better access to new technologies for the industry			
Inventory of best practices available for the industry			

Areas of cooperation	Impact on cooperativeness	Need to cooperate	Feasibility of cooperation
C. Possible areas of cooperation to improve a destination's productivity (cont.)			
Improved management			
Creation of better job conditions & higher salary levels			
Better cooperation between companies and unions			
Greater capacity for employees to contribute to the company's success			
Better training systems for employees			
Better motivation systems			
Better adaptation of human resources to new technologies			

D. Possible areas of cooperation to improve the management of the tourism destination

Areas of cooperation	Impact on cooperativeness	Need to cooperate	Feasibility of cooperation
Agreements on the growth model			
Greater consensus on the growth model			
Balanced growth over the long term			
Greater rationalisation in public investments			
Clear and intelligent policies for new private investments			
A better spread of growth across the country			
Improvements of the competitiveness diamond			
Fewer entry barriers for the creation of new companies			
More competitive fiscal, monetary, and labour policies			
Enhancement of competitiveness between companies			
Improved quality of business management			
Well-trained and abundant workforce			
Greater access to capital/financing			
Increased access to technology			
Better knowledge of demand, markets, and opportunities			
More measures to increase the sophistication of the demand			
Better standards and quality control			
Increased efficiency in administrative services			
Stabilisation of a monitoring system: The 'tableau de bord'			
Permanent monitoring of the satisfaction level of tourists			
Permanent monitoring of the productivity system			
Assessment of the level of well-being among tourists			
Monitoring of the environment			
Assessment of the level of well-being among locals			
Assessment of the balance between tourism and other activities			
Assessment of the capital value of the destination			

Tool 4: Collaboration Matrix

What is it?

The collaboration matrix identifies the binding and unbinding factors in a (potential) collaboration between two tourism partner organisations or tourism departments and the opportunities and threats to the partnership. It can be used to analyse present and potential sustainable mountain tourism partnerships and to formulate a strategy for a tourism development process.

Binding factors bring organisations together. They are the converging elements between organisations. Unbinding factors are divisive: they are the diverging elements between organisations.

Differences in procedure and approach should be addressed. Some pressure from an external facilitator may be useful. Box 4.1 is an example of a collaboration matrix from Bhutan.

Box 4.1: Example of a Collaboration Matrix between the Department of Tourism and the Association of Bhutanese Tour Operators

Organisational Aspects	Binding Factors	Assessment		Unbinding factors
		+	-	
Financial position			*	DoT has more budget services
Tariff policy			-	Dot regulates ABTO's budget
HRD (liberal)			***	Authority with DoT
Objectives	Poverty alleviation	**** +	*	DoT has more staff
Output	Product diversification	*** +		DoT
Tourism development fund	Utilisation for tourism development	** +		
Marketing & promotion	Promoting country's products/services and image	*** +		

Collaboration Matrix - Between Department of Tourism (Govt.) and Association of Bhutanese Tour Operators (Avt.)

Organisational Aspects	Binding factors	Assessment		Unbinding factors.
		+	-	
1. Financial position			+	DoT has more budget sources
2. Tariff policy			-	DoT regulates ABTO's budget
3. HRD (liberal)			***	Authority with DoT.
4. Objectives	Poverty alleviation alleviation	**** +	*	DoT has more staff.
5. Output	product diversification	*** +		- DoT - Government perspective
6. Tourism Development fund	Utilisation for Tourism development	** +		- ABTO - Pvt. perspective.
7. Marketing & Promotion	Promoting country's image	*** +		

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When is it used?

The binding and unbinding factors in the relationship between (potential) tourism partners, together with the opportunities and threats to the partnership, can determine the suitability of collaboration between different tourism stakeholders.

Two questions can be asked when developing a collaboration matrix:

- What are the binding and unbinding factors in the relationship between two collaborating tourism institutions?
- What can be done about these factors?

How to apply it?

A collaboration matrix can be developed by following the following steps:

- Step 1: Define the type of collaboration.
- Step 2: Identify binding and unbinding factors for each organisational aspect (such as mountain environment, mission, outputs, inputs, and internal organisation).
- Step 3: Define the strength of these factors.
- Step 4: Analyse the major limiting factors and decide what can be done about them.

The collaboration matrix can be done by one partner or jointly by both tourism partners. Where there are tensions or sensitive issues between the partners, the matrices can be compared and analysed with the help of an external advisor. In group sessions, around 1.5 hours has to be reserved to prepare a collaboration matrix.

Requirements and limitations

The strength of the binding and unbinding factors is subject to contextual interpretation and also depends on personal experience. The subjectivity of the analysis can be decreased if the analysis is done by both partners separately and the results matched or analysed later. The collaboration matrix is limited to only two tourism actors at a time. It requires substantial information about each actor, and this can be obtained through secondary materials or by talking to key tourism officials, target groups, and other stakeholders (as appropriate).

Tool 5: Contextual Analysis

What is it?

Contextual analysis is a technique for examining and understanding mountain people and their environment, tasks, issues, and tourism preferences. It can be used to get to know mountain people and their needs (social, cultural, political, and natural) and to identify suitable areas for sustainable mountain tourism development. The results of a contextual analysis feed directly into the design process of a tourism programme. Contextual analysis is a time-consuming process, but it can provide invaluable data for the development of a mountain tourism programme.

When is it used?

Contextual analysis is an appropriate tool for developing or communicating the understanding of the users (mountain community) of an existing or proposed mountain tourism system.

How to apply it?

Contextual analysis is conducted by visiting several users in an actual or potential mountain tourism site or destination (mountain community), conducting participant observation (observing them while carrying out their tasks, social obligations, and relating to each other and the environment), and analysing and documenting the resulting data.

Steps in the contextual analysis process are as follows:

- Step 1: Gather people representing different segments of the mountain community together.
- Step 2: Prepare clear objectives for the gathering.
- Step 3: Use local materials to identify social and resource maps.
- Step 4: Two people (one rapporteur and one facilitator) facilitate the process using participatory rural appraisal (PRA) tools on social and resource mapping (see also Tool 13).
- Step 5: Immediately after each visit, data and notes should be analysed and validated at the lowest possible level. Do analysis and validation sessions for different groups to compare their environment, their social aspects, cultural barriers, economic status or wealth, level of conflict, education, capacity, level of political participation, and influence over government institutions, international non-government (INGOs) and non-government organisations (NGOs), and other service providers.
- Step 6: Use Venn diagrams (see also Tool 17) to organise all the related issues.
- Step 7: Analyse the possible solutions to problems and list the opportunities.
- Step 8: Prepare a list of possible actions that would contribute to changing the lives of mountain people, to developing institutional and local governance services, and to maintaining transparency.

Tool 6: Coverage Matrix

What is it?

A coverage matrix gives an overview of overlaps and gaps in the servicing of tourism target groups and/or in executing mountain tourism activities covered by the different mountain tourism stakeholders. The coverage matrix looks into the key areas within the field of sustainable mountain tourism that are covered or not covered by the key actors involved in that field. At the same time, the coverage matrix identifies weak areas (gaps) and areas of duplication and possibilities for cooperation and coordination with the aim of improving the performance of the tourism industry. Box 6.1 provides an example of a coverage matrix for tour operators in Lao PDR, observations include the following:

- Too many regulatory bodies might have hampered the growth of tour operator enterprises.
- In some areas services to members, such as exposure visits and development of knowledge about tourism, are absent or insufficient.
- Relations with finance and funding agencies seem very poor; this suggests a need to devise a financial strategy for the tourism sector.
- Tourism training and development and skill enhancement for tour operators constitute an area that requires attention in order to develop tour operations as viable businesses.

When is it used?

A coverage matrix helps to determine which actors in an institutional setting are active in what way, i.e., to which tourism target market they cater, in which mountain areas they are active, and in which mountain tourism activities they are involved. It assists in identifying overlaps and gaps in tourism stakeholder collaboration and coordination, thus generating ideas for improvement. Core questions that can be asked when developing a coverage matrix include the following:

- Which actor is involved in which tourism target group or activity?
- What are the gaps in the involvement of tourism actors? Which areas are not covered yet or insufficiently covered?
- What are the areas of overlap or duplication?
- Where can coordination or collaboration or complementarities be stimulated?

The coverage matrix can be followed by a collaboration matrix (see Tool 4) to identify the factors that are influencing the collaboration. Furthermore, an environmental scan (Tool 7) could help to gain a better picture of the general factors influencing involvement in the mountain tourism industry.

How to apply it?

To create a coverage matrix, different steps have to be taken:

- Step 1: Identify the various actors involved in mountain tourism.
- Step 2: Identify the various mountain tourism activities or target groups.
- Step 3: Specify the involvement of each tourism actor with respect to the activity or target group.
- Step 4: Analyse the gaps and overlaps.

A coverage matrix can be produced on an individual basis or by groups of representatives from various tourism organisations. It is useful to invite several tourism stakeholders to contribute while making a coverage matrix. It takes around one to two hours to complete the matrix if the necessary information is available.

Requirements and limitations

The coverage matrix measures the quantity of tourism services, but does not indicate the quality or show the level of existing cooperation between and among tourism actors. Judgements about the level of involvement of different tourism actors may be rather subjective.

Box 6.1: Example of a Coverage Matrix for Tour Operators in Lao PDR

Activities Required for Promotion and Development of Tour Operator Businesses	ORGANISATIONS INVOLVED IN THE DEVELOPMENT OF TOUR OPERATOR BUSINESSES																				
	Lao Association of Travel Agents (LATA)	National Tourism Administration (NTA)	Chamber of Commerce and Industry (CCI)	Hotel Association	Provincial Tourism Office (PTO)	ASEAN Tourism Association	Handicraft Association	SNV	GMPDF	Lao Airlines	Ministry of Education	Ministry of Transportation	Ministry of Finance	Ministry of Foreign Affairs	Ministry of the Interior	Ministry of Culture	Ministry of Agriculture and Forest	Ministry of Public Health	Ministry of Defence	Ministry of Justice	
Access to credit	XXX	XX						XX													
Advocacy	XX	X	X			X															
Buyer-sellers meet	X	X			X																
Conflict mediation	XX	XX	X	XX	XX		X	X	X	X	X										
Coordination																					
Exposure visits for tour operators																					
Finance									XX												
Information provision to tour operators	X	XX		X	XX					X						X					
New product (tour) development					XX			XX													
Promotion and marketing of tourism		XX	X	XX	XX	X	X	X	XX	X	XX	XX				X					
Regulations		XXX			XXX	X				XXX	X	X	XXX	XXX	XXX	XXX	XX	XX	XX	XX	XXX
Training and development/skill enhancement for tour operators		XXX	XX					X	X												
Improvement of tourist sites					XX				XXX						X						

Source: Joshi and Shrestha 2005

Tool 7: Environmental Scan

What is it?

An environmental scan provides a systematic overview of the external factors that are important for a tourism organisation and indicates whether the organisation can influence them or not. In general the factors are classified as factors influencing the demand or need for tourism products and services, the supply of inputs to the tourism project or organisation concerned, the competition (other tourism organisations or destinations) and collaboration, and the general policy environment in which they operate. These factors are also classified according to their positive (+) or negative (-) impact on the tourism organisation and whether or not the factor can be influenced or just be appreciated (known and understood). An example of an environmental scan is given in Figure 7.1.

Figure 7.1 shows the existence of the following:

- Adequate internal professional resources, but insufficient funds.
- Good potential demand, but lack of cooperation and awareness.
- Supportive legislation (policy), but an indifferent government.

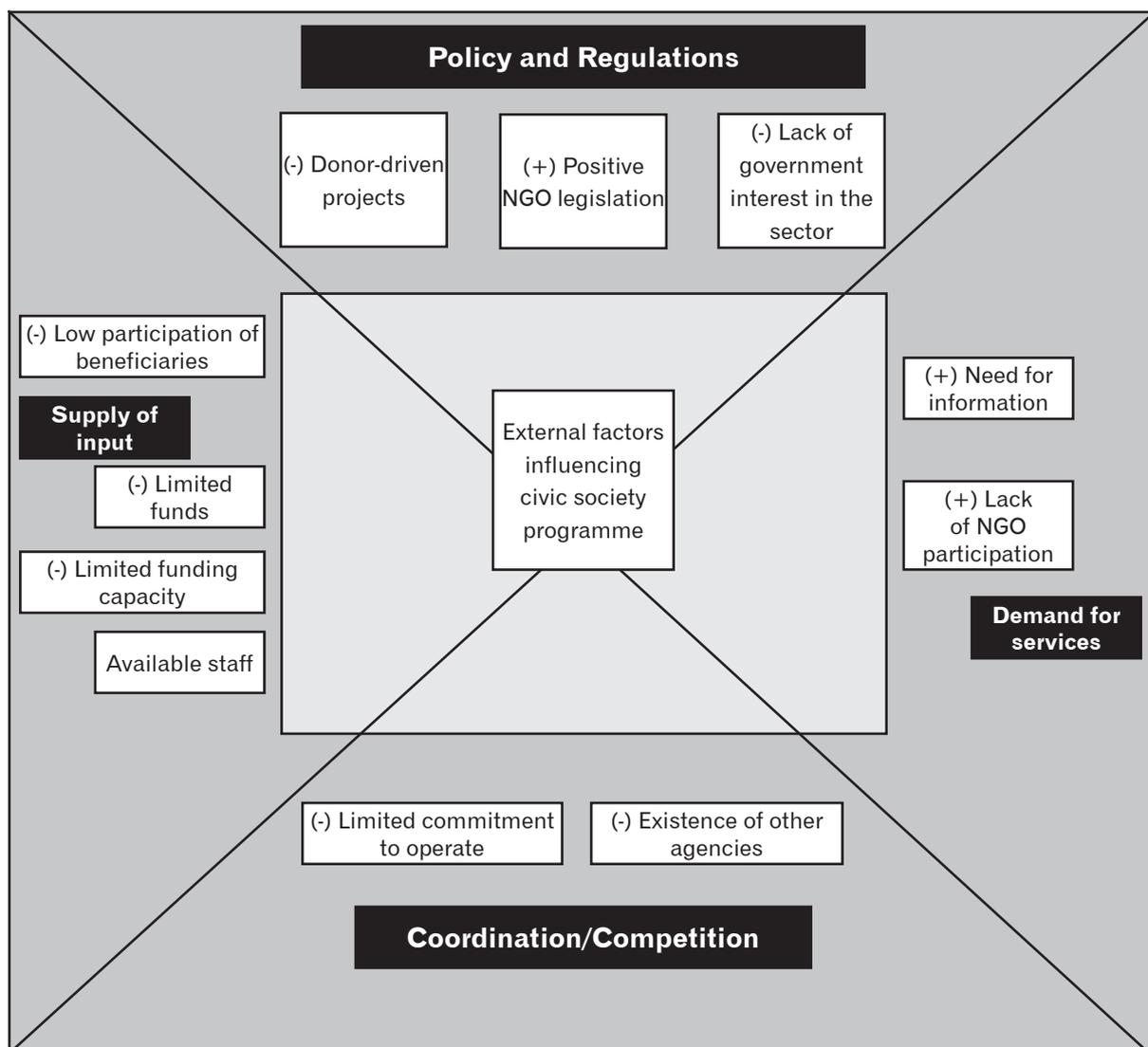


Figure 7.1: Environmental factors influencing a mountain tourism development programme

It can therefore be concluded that government support is needed to mobilise funds.

When is it used?

An environmental scan is an important instrument for devising strategies for dealing with the external influences facing a tourism project or organisation (changes in policy, changes in demand or supply, changes in the market, e.g., competition).

Core questions are as follows:

- Which major factors are influencing the tourism project or organisation positively and/or negatively?
- How are they influencing the tourism project or organisation?
- To what extent can the tourism project or organisation influence these factors?

The answers to these core questions will lead to an analysis of factors that influence the performance of the tourism organisation and assessment of the degree of control that the organisation has over these factors. The positive and negative factors that influence the tourism project or organisation can be translated into opportunities and threats in a SWOT analysis (see Tool 15).

How to apply it?

The following steps need to be taken to make an environmental scan:

- Step 1: Explain the model to the key tourism stakeholders.
- Step 2: Define what is output and demand and what is supply and inputs.
- Step 3: Define what is internal and what is external.
- Step 4: Identify the influencing factors.
- Step 5: Place the factors in a graph (see for example Box 6.1), identify to which aspect they relate and to what extent they can be influenced.
- Step 6: Identify factors with a major impact or influence on the tourism process.
- Step 7: Analyse what the major positive and negative factors are.

An environmental scan can be made on an individual basis or on a participatory basis in a group (not more than 20 people). Resource persons who have no direct interest in the outcome may be helpful in the fact-finding stage. In a group session it will take around 1.5 hours to complete an environmental scan.

Requirements and limitations

An environmental scan is a common sense tool that needs a lot of information on the factors as well as the tourism project or organisation itself to determine the magnitude of the impact of the factors.

Tool 8: Envisioning

What is it?

Envisioning is an interactive instrument to guide stakeholders (e.g., local government or a specific mountain tourism organisation) in visionary thinking about tourism. It stimulates tourism stakeholders to think structurally about a mountain tourism intervention and its possible, interlinked impacts. A series of visualised steps help the stakeholder(s) to define a common tourism vision, to identify the kind of problems that may prevent them from reaching their vision, and to come up with ways to prevent or deal with such problems. Envisioning is a way of preventing current problems from hampering discussions about the future. Figure 8.1 provides an example of an envisioning exercise carried out by SNV Tanzania.

As shown in the example, the envisioning exercise consists of different steps. It generally starts by identifying the needs of the target group. In this example the target group needs access to economic opportunities. Next, the key actor(s) (here SNV) involved in addressing priority needs are identified. In addition, the roles and functions of the key actor(s) can be identified (e.g., SNV plays the role of a facilitator in private sector development), after which the tourism products and services (e.g., business skill training) required to achieve the desired output are identified (e.g., increased productivity in the area). The enabling conditions and inputs (e.g., technical assistance in business training) can then be identified.

When is it used?

Envisioning is used to stimulate visionary thinking about tourism among key tourism stakeholders. Envisioning can relate to a specific tourism project or organisation, or to the tourism sector as a whole. The outcome of the envisioning exercise is important for strategic planning.

Core questions that should be asked:

- How would you like the tourism sector to address the assumed felt needs of its target population in five or 10 years time?
- How would you like the tourism project or tourism organisation to address the assumed felt needs of its target population in five or 10 years time?

The result may differ depending on the core question. Examples are as follows:

- When a local tourism organisation is envisioned, the result is a vision of the role and function that the organisation may fulfil in the future; what feasible outputs, tourism products, or services it should have; and what enabling conditions or inputs are required to enable the tourism organisation to play its visionary role and to deliver its visionary output.
- When the whole sustainable mountain tourism sector is envisioned, the result is a vision of the assumed felt needs of the target population and of the various suppliers of tourism service needed to deliver the services required to address the felt needs adequately.

How to apply it?

Envisioning can be applied using the following steps:

- Step 1: Identify the perceived felt needs of the tourism target group in five (or ten) years time through a brainstorming session.
- Step 2: Prioritise the key issue(s) by consensus (or through voting).
- Step 3: Identify the key tourism organisations that may play a role in addressing those felt needs in the future. (In case such organisations do not exist, just choose a name that may cover the required service delivery and proceed with the next step.)

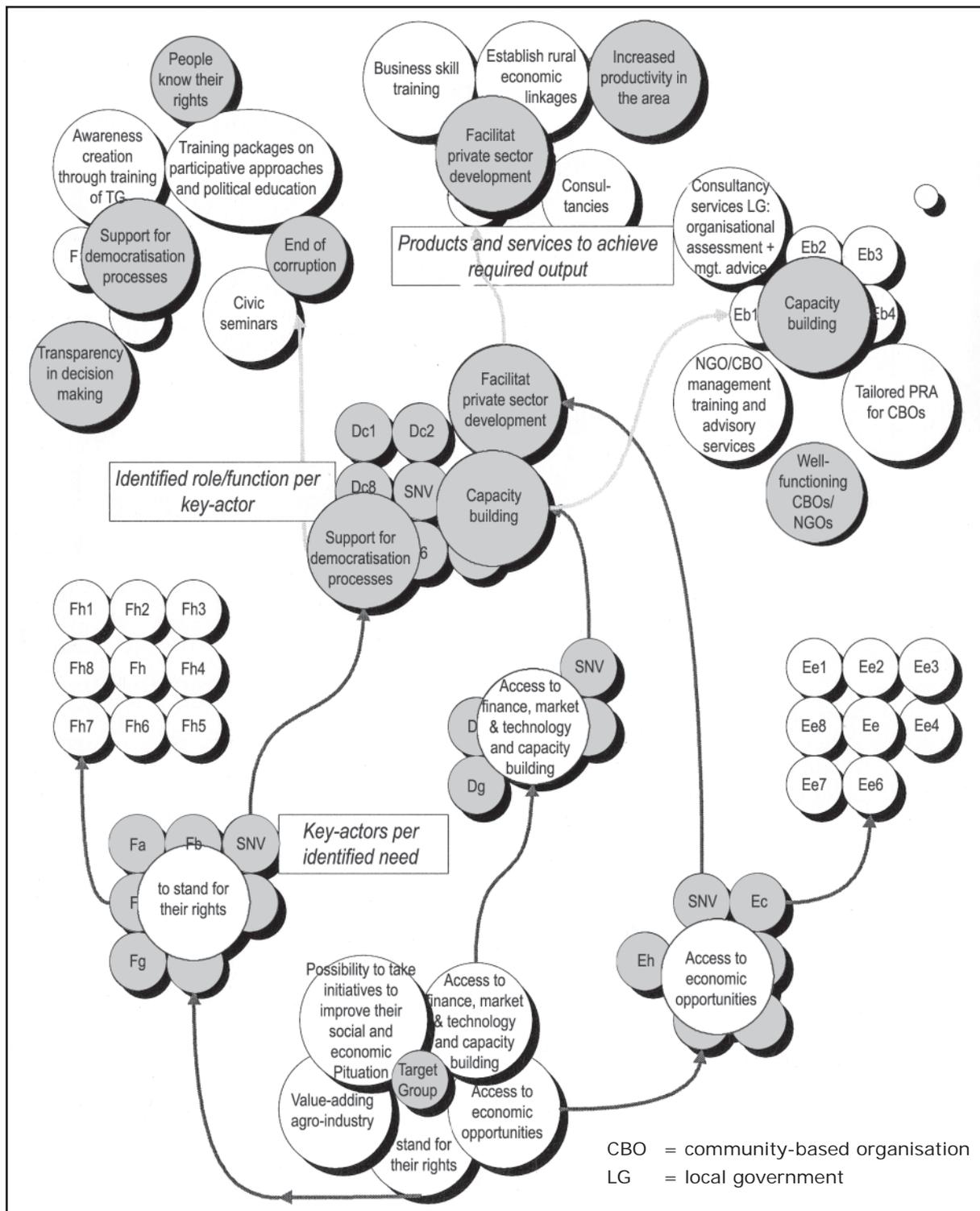


Figure 8.1: Example of part of an envisioning exercise by SNV Tanzania

- Step 4: Envision: For each relevant tourism organisation, envision what should be the organisation's major roles and functions.
- Step 5: Reality check: Mark unfeasible roles and functions. Cluster remaining roles and functions where feasible. Prioritise and select the three most important ones.
- Step 6: Envision: For each of the selected roles or functions, identify the tourism organisation's outputs, products, and/or services.
- Step 7: Reality check: Mark unfeasible tourism outputs, products, and services. Cluster remaining ones where feasible. Prioritise and select the three most important ones.
- Step 8: Envision: For each of the selected tourism outputs, products, and services, identify the enabling conditions or inputs.
- Step 9: Reality check: Identify persistent problems that prevent the enabling conditions from being fulfilled and design separate strategies to address them.

The envisioning exercise is always part of a process and needs to be followed up afterwards. One can either start from the felt needs of the tourism target group, or from a tourism organisation identified, as long as the stakeholders are represented in the process. When the tourism stakeholders are geographically dispersed the envisioning exercise can easily be done in separate sessions, after which the facilitator may aggregate the various outcomes into one overview. A more focused organisational assessment and strategic orientation and planning exercise may follow the envisioning exercise to achieve agreement on concrete steps and actions to achieve the desired vision (see also Tool 23 and 32).

Requirements and limitations

A facilitator is required to guide the process from envisioning through to strategic planning to ensure that all original ideas find their place in the process. The 'envisioning' steps need the key tourism stakeholders to have an open mind. The reality check may be done using consensus or by voting. Steps one to seven can only be done by representatives of the stakeholders, while the actual executing agent should be represented during steps eight and nine to assist in identifying the scope of work and the scope of the related budget.

Tool 9: Institutiogramme

What is it?

An **institutiogramme** is a visualisation of the relationship between people active in a certain field of analysis (e.g., tourism sub-sector, mountain area, and so forth). It is more than just a Venn diagram (see Tool 17). The institutiogramme helps to analyse the environment and, specifically, the relationship between actors. It helps identify relationships to improve, to reconsider, or to be established to ensure a productive, viable, and sustainable mountain tourism sector, or in a particular context (country, mountain region, and sub-region). Furthermore, it assists in determining the position of a tourism project in the existing institutional setting. The institutiogramme also helps as a first assessment of the interests and involvement of tourism stakeholders in terms of their institutional relationships, coordination, and cooperation. Figure 9.1 gives an example of Institutiogramme of an Association for Tour Operators.

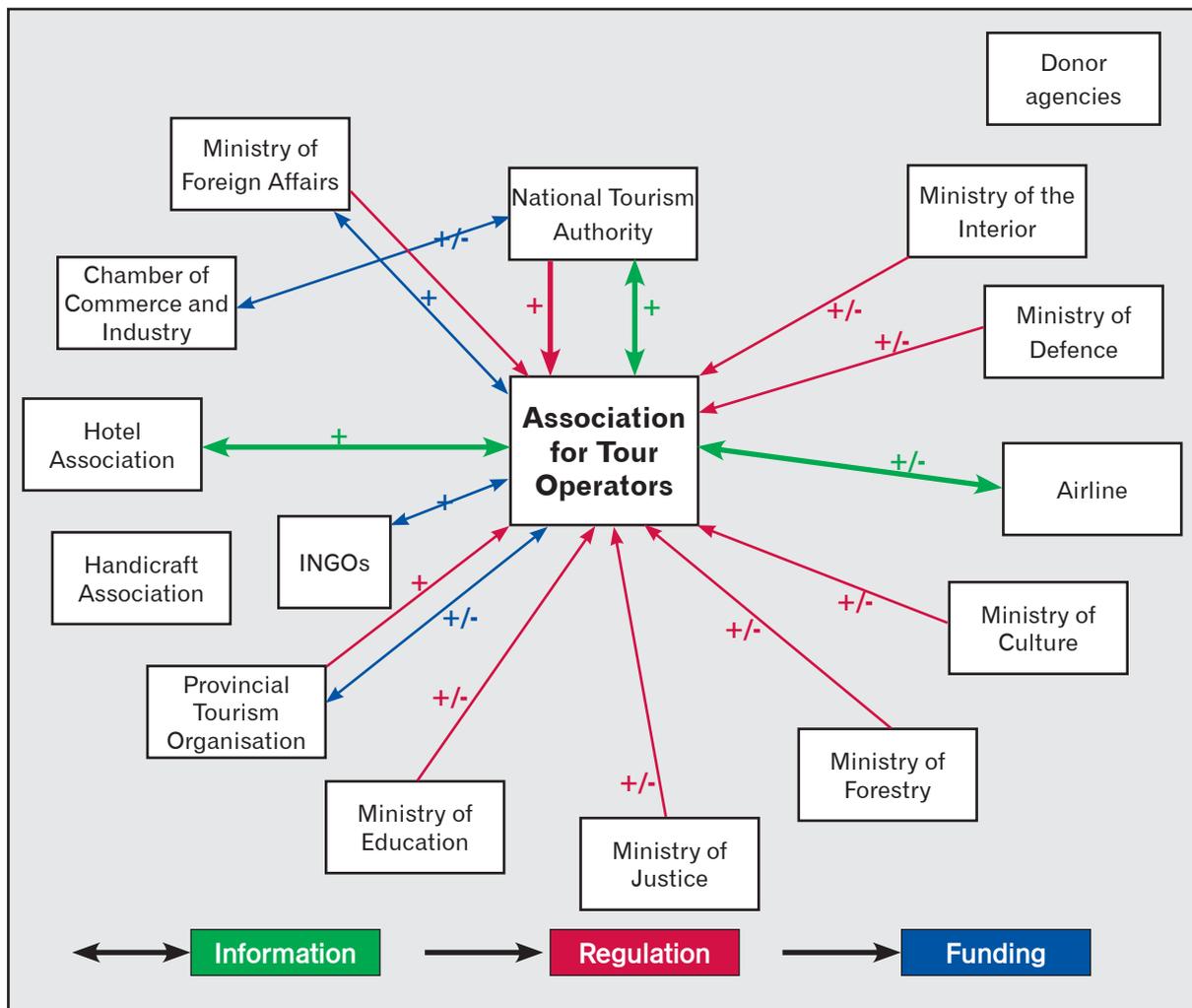


Figure 9.1: Example of an institutiogramme of an association for tour operators

The following conclusions can be drawn from Figure 9.1:

- There should be a focus on establishing and strengthening relationships with donors and funding agencies.
- Linkages with handicraft associations would add to the mountain tourism business.
- Institutional relationships with regional and international mountain tourism-related associations should be initiated and strengthened.

When is it used?

The institutiogramme is a useful tool to show the position of the tourism organisation in its environment and for discussing the relationships between tourism organisations in a network and determining their appropriateness for the effective and efficient achievement of the desired goal.

Core questions are as follows:

- Are the relationships between the tourism actors involved adequate?
- Is there sufficient coordination between the actors involved?
- How should a tourism project or programme be positioned to ensure greater success and sustainability?

Making an institutiogramme can help to identify opportunities and threats in a SWOT analysis (Tool 15) and to find a strategic orientation (see Tool 23). Following the institutiogramme, a coverage matrix (Tool 6), collaboration matrix (Tool 4), or environmental scan (Tool 7) could be used to gain an in-depth understanding of a number of issues before making strategic choices.

How to apply it?

Steps for making an institutiogramme are:

- Step 1: Define the basic question that forms the foundation of the institutiogramme.
- Step 2: Define the field of analysis (tourism sub-sector, mountain area, and so forth).
- Step 3: Identify the actors to include, i.e., list all actors directly and indirectly involved in the sustainable mountain tourism industry.
- Step 4: Define the types of relationship to look into (hierarchy, mountain tourism policy influence, relationships between tourism service providers, and relationships where there is communication, coordination, cooperation, and financial support).
- Step 5: Draw an institutional map indicating the tourism actors involved, using different types of lines for different types of relationship.
- Step 6: Indicate the intensity of the relationships (frequency and importance) by using lines of different sizes and shapes (define the meanings of each line in a legend).
- Step 7: Identify the adequacy of the relationships (e.g., the adequacy of the quantity and quality). The symbols +, +/-, and – can be used to assess these adequacies (this is more a relative assessment).
- Step 8: Analyse the institutiogramme, i.e., come up with observations and conclusions.

An institutiogramme can be made by an individual or by a group (maximum 20 people) on a participatory basis. Making an institutiogramme takes about 1.5 hours.

Requirements and limitations

The application of the institutiogramme requires good knowledge of the existing tourism actors and their relationships within the mountain area or tourism sub-sector being analysed. The qualification of the relationships (i.e., their adequacy and intensity) may be subjective and indicative.

The tool itself does not guarantee that all relevant actors and relationships are depicted. It only shows the basic nature of the relationships (hierarchy, service, and so on). In other words, the tool is not very specific about the relationships. Often more concrete instruments (like the coverage matrix, Tool 6) are needed to provide additional information. Finally, the institutiogramme only provides a snapshot: it does not show the development of relationships over time.

Tool 10: Integrated Organisation Model

What is it?

The integrated organisation model (IOM) is an instrument used to describe and analyse tourism organisations in terms of their input, output, mission, organisational characteristics, actors, and factors. It provides a framework to represent the main aspects of an organisation, such as structure, systems, strategy, management style, staff, and culture, and is useful for finding out facts about organisations.

When is it used?

The description of aspects of the IOM (input, output, mission, organisational statistics, actors, and factors) leads to analysis of the relationships between the different tourism components and an assessment of the existing (im)balances between them. The IOM checklist can provide an initial identification of the strengths and weaknesses of the tourism organisation and its interrelationships. IOM highlights the relationships between the organisation's mission, its input-internal organisation, and outputs. Outcomes of the IOM analysis can be used in group processes to reach a consensus on the major priorities in the organisation. Figure 10.1 shows an example of an integrated organisation model.

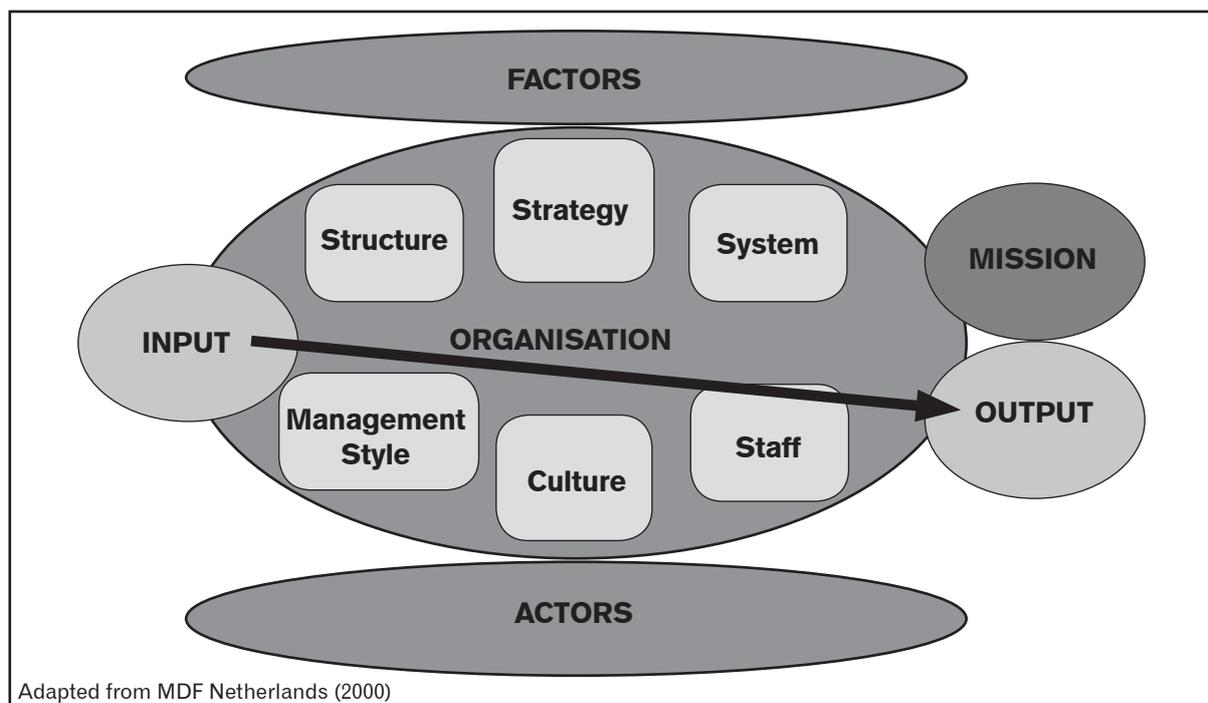


Figure 10.1: Example of an integrated organisation model

To design an IOM model, the following core questions can be asked:

- What are the positive and negative aspects of the mountain tourism organisation?
- What are the major relations and imbalances between the organisational components?
- What are the priorities for improvement?
- What are the areas for further investigation?

After conducting an IOM, the specific internal or external aspects can be focused on. It is preferable to start with an external analysis. Follow-up instruments may include an institutiogramme (see Tool 9), environmental scan (see Tool 7), or process flow chart. An IOM can also be followed by a strategic orientation or SWOT analysis (see Tools 23 and 15).

How to apply it?

Steps for making an IOM are as follows:

- Step 1: Present the integrated organisation model (IOM).
- Step 2: Identify positive and negative points for all the aspects of the IOM, using metacards.
- Step 3: Place cards in IOM. Different colours can be used to differentiate strong and weak points.
- Step 4: Apply assessment criteria (+, +/-, and – for positive or strong points, negative or weak points, and areas for improvement).

An IOM can be made on an individual basis or on a participatory basis in a group (not more than 20 people). With group sessions it is recommended to have an external facilitator. An IOM can also be used by an advisor or consultant at different stages in the tourism consultancy process (e.g., preparing for data collection).

Requirements and limitations

When assessing the tourism organisation, indicators have to be developed to judge the validity of the statements made. Different models can and should be used to deepen the analysis of the individual components.

An IOM is not very specific about external influences in the tourism industry (actors and factors): it only gives an indication of them. An IOM provides a static description, it does not show tourism change processes or developments over time, or how the relationships between tourism actors and stakeholders evolved. Such information should be supplemented using other methods, if needed.

Tool 11: Pairwise and Matrix Ranking

What is it?

Pairwise and matrix ranking can be used together as a single tool that:

- describes the basic procedure of pairwise or preference ranking;
- highlights how criteria for choices are selected by key tourism stakeholders;
- highlights the importance of exploring the existence of key differences; and
- identifies the different preferences of key tourism stakeholders.

The point of the exercise is to prioritise a list of topics according to certain criteria. This is done by comparing one to one and asking questions about which option is better given certain specified reasons. For example: prioritising various tourism activities according to their greatest local benefits, the question might be which of these two following activities – lodge operation or campsite operation – gives the greatest profit to local mountain people without harming the natural and cultural environment. The question should eventually force tourism stakeholders to make a decision.

Box 11.1 shows an example of pairwise and matrix ranking. Each box shows the preference/priority between the two groups shown horizontally and vertically.

Box 11.1: Example of Pairwise and Matrix Ranking

	Trekking Group	Individual Trekkers	Mountaineers	Pilgrimage
Trekking group	***	Individual	Trekking group	Trekking group
Individual trekkers		***	Individual trekkers	Individual trekkers
Mountaineers			***	Mountaineers

When is it used?

Pairwise and matrix ranking are used to determine the main problems or preferences of individual mountain community members, identify their ranking criteria, and easily compare the priorities of different individuals. As a tool it can be used to look at issues like the sharing of tourism benefits in mountain communities (see also example above), which activities provide the greatest employment in a community, reasons for lack of participation in the tourism sector by mountain women and other socially excluded mountain groups, and so on.

The real value of this exercise does not lie in the absolute ranking, but rather in the opportunity that arises for a discussion of choices among key tourism stakeholders. Such an exercise provides a useful insight into the nature of local interpretations and preferences, what the bases are for deciding preferences, and what is influencing their decision.

How to apply it?

Steps for conducting pairwise and matrix ranking are as follows:

- Step 1: Assign the roles of interviewer, recorder, and observer to key tourism stakeholders.
- Step 2: Ask the stakeholders to list the different items that are to be discussed and ranked (e.g., trails, trees, fodder, fruit and vegetables, or enterprises benefiting most from mountain tourism).

- Step 3: Ask them to choose a maximum of six or seven items for ranking depending upon the investigation. If too many items are chosen, then the exercise becomes too lengthy.
- Step 4: Ask the key tourism stakeholders to draw a recording matrix in which the different items to be ranked are written on both axes.
- Step 5: Begin the exercise by asking pairs of key tourism stakeholders to nominate their preference. The stakeholders should be asked why they have made this choice. The probing of the choice continues until no further questions arise. The question that forces the key tourism stakeholders to make the choices is important. Once the choice is made, it can be recorded in the matrix.
- Step 6: Repeat until all possible combinations have been considered, i.e., all boxes of the matrix have been filled. The recorder should record all the reasons that the key tourism stakeholders gave for the choices made.
- Step 7: By counting the number of times each item is mentioned in the matrix, the participant can develop an idea of the item most preferred. The frequency of occurrence of each item indicates the rank, i.e., highest frequency for the item most preferred.

At the end of the exercise, it is useful to focus the debriefing on the following comments and questions:

- Note that the criteria and preference lists vary greatly between key tourism stakeholders. Why was this so?
- How could we use this exercise for the desired mountain tourism programme or project?
- Why were some activities considered successful? This offers great insight into the value and design of mountain tourism project activities.

Tool 12: Participation Matrix

What is it?

Tourism projects or change processes require the participation of different actors (internal as well as external), depending upon the nature of the intervention. The participation matrix is a matrix that shows who decides over, who is responsible for, who is actively participating in, and who is informed about certain (planned) mountain tourism activities. Box 12.1 shows an example of a participation matrix for a mountain village tourism programme.

As illustrated in the example, the matrix may reveal the gaps and overlaps in responsibility for certain mountain tourism activities. The following can be noted from the participation matrix for the mountain tourism programme given in Box 12.1:

- Most of the decision-making roles are held by the chairman; the field coordinator has very little say in decisions, although she or he is responsible for many things.
- Where two people share a responsibility, this needs attention. Ideally, each tourism actor should have a clear major responsibility in order to be more effective.

When is it used?

A participation matrix is used to illustrate the way in which key stakeholders are participating (from being merely informed about the activity to actually controlling it) at different stages of the tourism project or activity cycle. It can be used to plan tourism projects and to guide change processes in a tourism context.

Core questions to be asked when making a participation matrix are as follows:

- Who is deciding about what (D)?
- Who is responsible for which activity (R)?
- Who should participate in which activity (P)?
- Who should be informed about which activity (I)?

The participation matrix can be followed by the structuring of regular meetings and the formation of committees to ensure adequate coordination among tourism stakeholders. After this a budgeting exercise should be organised.

How to apply it?

These are three steps to make a participation matrix:

Step 1: Define major mountain tourism activities

Step 2: Identify key tourism actors

Step 3: Identify the type of involvement: D, R, P, or I (include both the existing and desired level of involvement)

A participation matrix can be prepared on an individual basis, in the framework of making a tourism project plan, or in a group (not more than 20 people) on a participatory basis. In a group, one of the stakeholders may volunteer to indicate how they see their role in the individual activities. The process of making a participation matrix takes about one hour.

Requirements and limitations

A participation matrix is more relevant for new mountain tourism activities that are not yet safeguarded by existing organisational and managerial procedures. While analysing the level and involvement of key stakeholders, one should be careful that existing (tourism-related) rules and regulations are consistent with the matrix.

Box 12.1: Participation Matrix for a Mountain Village Tourism Programme

Activity	Actor			
	Chairman Director Operations	Director Planning	Field Coordi- nator	Coordi- nator
1. Programme Development				
1.1 Village tourism programme formulated				
1.1.1 District-level stakeholder consultation	I	D/P	R	
1.1.2 Preparation of project proposal	I	D/P	R	
1.1.3 Discussion of proposal with ministries and donors	D/R	P	I	
1.1.4 Approval of the proposal	D/R	P	I	
1.2 Efficient project coordination mechanism operational				
1.2.1 Execution of coordination plan (meetings, etc.)	P	D/R	P	
1.2.2 Appointment of a field project coordinator	D	R	P	
1.2.3 Determination of job descriptions	D	R	P	I
1.3 Human resource management/development				
1.3.1 Recruitment plans and staff recruitment	D	R	P	I
1.3.2 Training of staff to achieve their duties	D	R	P	P
1.3.3 On-the-job training requirements	D	R	P	P
2. Effective Project Implementation				
2.1 Actors/mountain community mobilisation				
2.1.1 Socioeconomic situation analysis	I	P	D	R
2.1.2 Project activity identification	I	P	D	R
2.1.3 Activity agreements/financing	I	D	P	R
2.2 Project activity implementation				
2.2.1 Technical and advisory inputs	I	P	D	R
2.2.2 Supervision and monitoring	I	P	D	R
2.2.3 Periodic progress reports	I	P	D	R
3. Monitoring and Evaluation				
3.1 Reviews and reports: publications	D	P	R	P
3.2 Lessons and best practices: dissemination	D	P	R	P
3.3 Replicability and sustainability of project	D	P	R	P

Source: Adapted from MDF 2000

D=Decision Making
R=Responsibility
P=Participation
I=To be informed

Tool 13: Resource Mapping

What is it?

Resource mapping is a participatory learning tool that assists mountain communities to do the following:

- Understand how local women and men see their own resources (and how sometimes their views differ from outsiders' perceptions, reports, formal surveys, and so forth)
- Map the perceived resource situation of the mountain community
- Analyse the steps and processes in using the natural and cultural resources available
- Analyse the problems and (market) opportunities related to natural and cultural resources

One can opt to include and identify gender differences in resource use and control use on different scales (household, mountain community, regional, and national).

When is it used?

Resource mapping is useful in tourism research, development, environmental planning, land tenure reform and land-use change, and community organisation contexts. It is used to identify and analyse local tourism resources. It is often applied as one of the earlier steps in a village or site planning process to make an inventory of all the resources available in and around the village or site. The tool can be used at the destination level as well. Figure 13.1 shows an example of a resource map.

How to apply it?

A resource map can be drawn using the following the steps:

- Step 1: Collect the data or information for drawing maps and sketches from key informants, household interviews, and focus group discussions.
- Step 2: List and label the major classes of vegetation, flora and fauna, land use, and tenure that describe the conditions of the local mountain community residents.
- Step 3: Identify the land-user groups. The groups may be men or women, or a combination of male and female or child, adult, and elder.
- Step 4: List and label the users' group.
- Step 5: Sketch the distribution of the land-cover and land-use types in the local landscape on a separate sheet.
- Step 6: Note down who uses and who controls these land-cover and land-use types.



Source: SNV Nepal (2004)

Figure 13.1: Example of a tourism resource map

Tool 14: Seasonal Calendar

What is it?

The seasonal calendar is a tool used to generate information about seasonal trends within a mountain community and to identify periods of particular stress and vulnerability within the community during which tourism development is less appropriate.

When is it used?

This tool can identify the periods of the year during which mountain communities are very busy with their daily (agricultural) work, and when they are available for tourism-related work. It can also show when festivals occur in the village. Trends need to be shown as rough qualitative ones. Quantification is rarely necessary for this learning exercise. Figure 14.1 is an example of a seasonal calendar.

Relevant variables for a seasonal calendar are for instance:

- Weather, festivals, crop sequence, availability of fruit and vegetables, outmigration of mountain people, busy months of the year, and bird and wildlife migration;
- Clarity of mountain views, flowering times, natural hazards, water levels, scarcity of food, busy months for men and women, and the incidence of human disease; and
- Availability of wage employment and expenditure levels.

Particulars	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Remarks
Planting cycle													
- Potatoes													
- Corn													
- Oats													
- Mustard													
- Wheat													
- Millet													
Months with low fodder availability													Lack of local knowledge regarding remedies
Seasonal diseases affect domestic animals													Disease can occur at any season.
Vomiting and diarrhoea													Hot water is used to ease suffering.
Colds and coughs													Herbs are prepared to reduce fever.
Fever													Medication is taken from the hospital.
Intestinal parasites													Chettri, Sherpa, and Kami communities celebrate.
Festivals													
Lack of fuelwood													
Seasonal changes													Some months have high precipitation, some have low.
- Monsoon													
- Summer													
- Winter													
Prices of food grains (State price per kg.)													Prices are high before harvesting and they fall after harvest.
- Corn													
- Millet													
- Potatoes													
- Wheat													
- Oats													
Time to take loans													People go to cities to earn so that they can pay off their loans.

Figure 14.1: Example of a seasonal calendar

Source: SNV Nepal (2004)

How to apply it?

The following steps are used to make a seasonal calendar.

- Step 1: Using a group-forming exercise, divide the participants into small groups of three to five people depending upon the number of participants.
- Step 2: Ask groups to collect the materials required to make the seasonal calendar.
- Step 3: Choose one or two key informants who can be interviewed about the theme that has been assigned. Although it is not essential, these informants may be interviewed about some special knowledge they have of the local mountain area or a particular tourism-related subject. Next the informants are asked to make diagrams to illustrate trends and changes in those mountain tourism activities or features spread over different periods – e.g., a week or a year.
- Step 4: Be sure to ask why months and seasons differ and the reasons for any changes.
- Step 5: Ask the participants to mark out the year using their local calendar – this may be different from a western calendar.
- Step 6: Use whatever material is available locally to show the trends. Coloured chalk can be used to draw line graphs, and different sizes of piles of seeds, stones, or beans can be used to show seasonal variations.
- Step 7: Combine all seasonal patterns into one diagram to show the correlation between variables and identify periods of particular stress.

When making a seasonal calendar it is important to:

- crosscheck and refine the seasonal calendar through fieldwork;
- ask each participant, upon completion of the seasonal calendar, to present their findings to the others and encourage them to concentrate their presentations on the process they went through, not just on the final product;
- discuss trends in food scarcity, local employment, disease outbreak, and so on to provide direction for appropriate interventions that may be beneficial for marginalised communities; and
- identify seasonal trends that tell us which sections of the mountain community are more vulnerable and when, for example, men, women, children, and elderly people are most occupied during a particular period.

Tool 15: SWOT Analysis

What is it?

SWOT is an abbreviation for **strengths, weaknesses, opportunities, and threats**. A SWOT analysis is a strategic planning tool used to evaluate the strengths, weaknesses, opportunities, and threats involved in a tourism project or in a tourism organisation. It involves specifying the objectives of the tourism organisation or project and identifying the internal and external factors that are favourable and unfavourable in the context of achieving that objective. SWOT analysis can be useful for uncovering opportunities that the tourism organisation or project is well placed to use. By understanding the weaknesses, SWOT also helps to manage and eliminate possible threats.

The SWOT analysis template is normally presented as a grid comprised of four sections, one for each of the SWOT headings: strengths, weaknesses, opportunities, and threats. SWOTs can be described as follows.

- **Strengths:** Attributes of the organisation that are helpful for achieving the objective.
- **Weaknesses:** Attributes of the organisation that are a hindrance to achieving the objective.
- **Opportunities:** External conditions that are helpful for achieving the objective.
- **Threats:** External conditions that are a hindrance to achieving the objective.

Which internal factors are considered strengths or weaknesses or, similarly, which external factors are opportunities or threats, ultimately depends on the objective of the tourism project or organisation. What is strength with respect to one objective, may be weakness for another. The correct identification of SWOTs is essential because the process of planning for the achievement of the specified objectives is based on the SWOTs. Box 15.1 shows an example of a SWOT analysis for Northeast India as a tourism destination, with the objective of assessing its tourism potential and possibilities for sustainable tourism development in the next 15 years.

When is it used?

A SWOT analysis can be used for tourism business planning, strategic planning, tourism competitor evaluation, making environmental scans, marketing, business and product development, and tourism research reports, e.g., tourism feasibility studies (see also Tools 7, 19, and 32).

A SWOT analysis can be used, for example, to assess:

- the tourism potential of a destination,
- a tourism business venture (its position in the market, commercial viability, and so forth),
- a tourism product or brand,
- a strategic option such as entering a new tourism market or launching a new tourism product,
- a potential partnership,
- a tourism investment opportunity, and
- the viability of outsourcing a tourism service, activity, or resource (see also business linkage and sub-contracting, Tool 20).

SWOT analysis can be used for all sorts of decision making, and the SWOT template enables proactive thinking, rather than relying on habitual or instinctive reactions.

The usefulness of a SWOT analysis is not limited to profit-seeking organisations. A SWOT analysis may be used in any decision-making situation when a desired end state (objective) has been defined. Examples include non-profit organisations, tourism departments and ministries, and tourism entrepreneurs. A SWOT analysis may also be, and often is, used in pre-crisis planning and preventative crisis management. It can also be used for team-building games in tourism.

Box 15.1: SWOT Analysis of Northeast India as a Tourism Destination

Strengths

- Abundance of natural endowments – pristine and unexplored tourism resources like forests, rivers, rich biodiversity, and Himalayan mountains
- Rich cultural heritage – multi ethnic communities, colourful festivals
- Reasonably efficient air connectivity to Delhi and Kolkata and within the region
- Tourism reorganised as a key industry by all neighbouring states
- Availability of trained and trainable manpower
- English and Hindi easily understood and spoken throughout

Opportunities

- The Government of India has given special attention to the Northeast.
- The Department of Development of the Northeastern Region (DoNER) and Northeastern Council (NEC) are active and are taking an active interest in tourism and have given top priority to this sector.
- The Asian Highway from Malaysia via Thailand and Bangladesh to India will pass through Northeast India on the way to Delhi and beyond.
- Asian Development Bank is preparing a sub-regional plan for the development of tourism covering Bhutan, Bangladesh, India, and Nepal; the Northeastern Region figures prominently in this plan because of the Asian Highway.
- Besides intra-regional tours, there are opportunities for promoting cross border tours to neighbouring countries like Bhutan, Bangladesh, Thailand, Malaysia, Nepal, and so on.
- There is a potential for private sector investment in tourism projects.

Weaknesses

- Poor awareness in the market about tourism products in the region
- Image problem
- Connectivity – psychological distance and time distance
- Lack of network and synergy among public and private organisations in the region
- Lack of organisation to promote cross border tours
- Inadequate funding of resources for tourism promotion
- No regional tourism development or marketing plan
- Piecemeal development in a selfish way by individual states
- Absence of railway network within the region

Threats

- Competition from other tourism destinations within and outside the country
- Threats from terrorism and the negative perception of the whole region
- The possibility of uncontrolled tourism development
- The possibility of tension between the government and security concerns leading to the imposition of RAP (Rules of Appellate Procedure)

Source: Sharma 2005

How to apply it?

Ideally the SWOT analysis should be carried out by a multi-stakeholder tourism team (see Volume 1, Chapter 7) or a tourism task force that represents a broad range of perspectives.

First, the decision makers have to determine whether the objective is attainable, given the results of the SWOT. If the objective is not attainable, a different objective must be selected and the process repeated.

If, on the other hand, the objective seems attainable, the SWOT analysis is used as an input to the creative generation of possible strategies by asking and answering each of the following four questions (USED) many times:

1. How can we **U**se each strength?
2. How can we **S**top each weakness?
3. How can we **E**xploit each opportunity?
4. How can we **D**efend against each threat?

Simple rules for a successful SWOT analysis are as follows:

- Be realistic about the strengths and weaknesses of the tourism organisation or project when conducting the SWOT analysis.
- A SWOT analysis should distinguish between where the tourism organisation or project is today, and where it could be in the future.
- SWOT should always be specific. Avoid grey areas.
- Always apply SWOT in relation to your competition, i.e., better than or worse than your competitors.
- Keep the SWOT short and simple. Avoid complexity and over analysis

Some frequent mistakes made during SWOT analyses are given below.

- Conducting a SWOT analysis before defining and agreeing upon an objective (a desired end state) – a SWOT analysis should not exist in the abstract. It can exist only with reference to an objective. If the desired end state is not clearly defined and agreed upon, the participants may have different end states in mind and the results will be ineffective.
- Opportunities external to the company are often confused with strengths internal to the company. They should be kept separate.
- SWOTs are sometimes confused with possible strategies. SWOTs are descriptions of conditions, while possible strategies define actions. This error is made especially with reference to opportunity analysis. To avoid this error, it may be useful to think of opportunities as ‘auspicious conditions’.
- Make points long enough, and include enough detail, to make it plain why a particular factor is important, and why it can be considered a strength, weakness, opportunity, or threat. Include precise evidence, and cite figures where possible.
- Be as specific as possible about the precise nature of an organisation’s strengths and weaknesses.
- Avoid vague, general opportunities and threats that could be put forward for just about any organisation under any circumstances.
- Do not mistake the outcomes of strengths (such as profits and market share) for strengths in their own right.

Tool 16: Value Chain Analysis

What is it?

In the context of mountain tourism, the value chain describes a full range of activities and the different actors involved that are required to bring a tourism product or service from conception, through the different phases of production (involving a combination of physical transformation and inputs from various tourism producers), to delivery to the final consumers (tourists). The concept is increasingly being applied in the tourism context as a tool for business development (see also Volume 1, Chapter 9) and more general strategic planning and orientation (see also Tools 23 and 32). The term supply chain management refers to the management of the entire production of a tourism product or service, distribution, and marketing processes by which a consumer (tourist) is supplied with a desired experience (tourism product or service). Hence supply chain management is mostly used at the individual tourism enterprise level, whereas value chains target the tourism sub-sector as a whole. The terms sub-sector and value chains are often used synonymously. Value chain promotion can bring different tourism actors and institutions at the micro, meso, and macro levels on to a common platform to improve the tourism sub-sector's competitiveness, reduce costs, and assure quality tourism products and services for tourists. Figure 16.1 shows a typical tourism value chain.

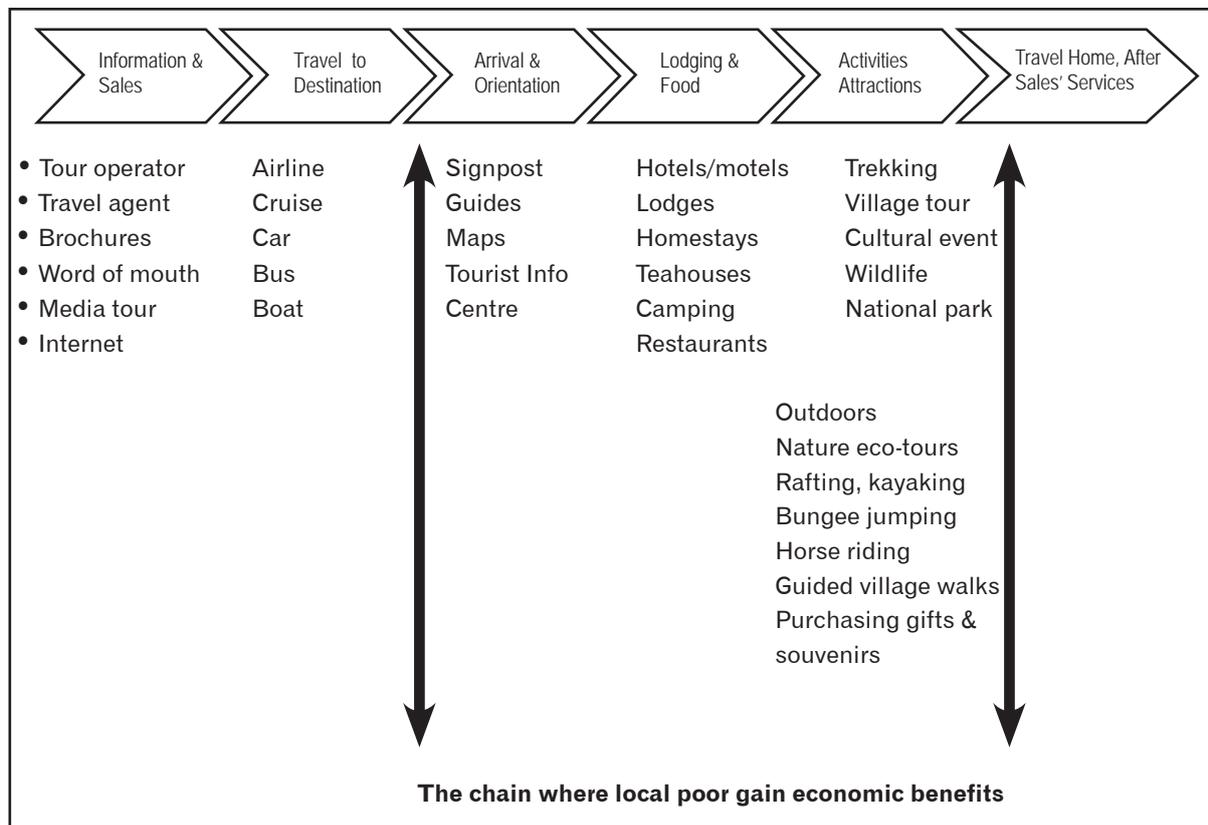


Figure 16.1: Value chain in the tourism sector

A value chain highlights the contributions made by functional parts of the chain (either within the tourism enterprise or across a tourism product or service chain) to the development of value across the chain. The value chain categorises the generic value-adding activities of different actors in the tourism sub-sector. The 'primary activities' include, for instance, inbound and outbound logistics, hotel management and operations, tourism sales and marketing, and services such as operating tours. The actions may be different in terms of the services (like providing transport, accommodation, tours, and excursions) that are performed by a different set of actors. The 'support activities' include, for instance, ticketing, tourism infrastructure development, human resource management (e.g., guide

training, cooking or hospitality, and homestay training), and tourism research and development processes. The analysis of value chains (through the different functions) shows the cost and value drivers for each tourism activity and the potential areas of intervention that would enhance sustainable mountain tourism growth and local tourism employment opportunities.

The value chain concept can be applied to national-level tourism chains as well as to site or destination-specific chains for different tourism products or services. The delivery of a mix of tourism products and services to the end customer (tourist) mobilises different tourism actors, each specialising at different levels in the chain. The tourism-wide industry synchronises interactions in local value chains to create an extended value chain, sometimes even global in scope. This larger interconnected system of value chains has been termed a 'value system'. The tourism value system includes value chains of a tourism enterprise's supplier, the tourism enterprise itself, the tourism enterprise's distribution channels, and the final tourism enterprise's buyers (tourists).

When is it used?

Value chain analysis is useful for analysing the relationships between tourism businesses engaged in both vertical and horizontal alliances. It helps to understand constraints and opportunities in the existing chains and to develop upgrading strategies. It is an important step in developing benchmarks (cost reduction, productivity, and so forth) and for monitoring and evaluation. It assists in initiating the process of change to enhance competitiveness and develop service delivery mechanisms.

Value chain analysis helps to do the following:

- Analyse weaknesses and identify areas of opportunity for synergies among different tourism enterprises and business units and to develop interrelationships among them
- Determine which part of mountain tourism activities can be outsourced in terms of reducing cost and maximising profit, and promote business linkages (see also Tool 20)
- Facilitate design and preparation of a promotional strategy for a tourism value chain
- Provide a model for analysis of competition
- Help identify areas where the operational effectiveness of the chain can be improved, resulting in lower operational costs
- Help develop synergies among the main key tourism actors in the chain (see Tool 4)

In a pro-poor context, a tourism value chain is a useful instrument for analysing and estimating where tourist expenditure goes in certain tourism destinations, and thus where the poor can earn more income from tourism. It paints a picture of where money is flowing in the tourism economy, and thus provides a basis for making recommendations on interventions that would benefit the poor.

How to apply it?

The following are general principles and steps in value chain analysis:

Step 1: Conduct value chain mapping, as described below.

- Select the tourism sub-sector, product, service (using pairwise and matrix ranking; Tool 11).
- Break down the tourism market or organisation into its key mountain tourism activities under each of the major headings (information and sales; travel to destination; arrival and orientation; lodging and food; activities or attractions; travel home and after sales' services, see Figure 16.1)
- Map the tourism value chain and involve all actors in the chain. Organise workshops and focus group discussions.

A value chain map presents:

- the different supply channels that transform raw materials into finished products (e.g., handicrafts) and then distributes these products to the final consumers and the different markets (tourists and tourist markets);
- all of the actors involved in providing specific services for tourism service sub-sectors (e.g., trekking, rafting, bird watching); and
- channels describing how tourism products and services flow through the various tourism actors, who buys from whom, and how the network hangs together.

Step 2: Conduct value chain mapping and analysis at different levels.

- At the micro level
- At the meso and macro levels
- Undertake institutional analysis – identify lead actors, market power, value chain governance, and transaction costs.
- Calculate profits and value addition at different levels.

Figure 16.2 shows a value chain map for services carried out in Luang Prabang Village, Lao PDR. In the figure the functions are laid out on the right-hand side with actors in different functional areas. The flow of activities is shown with arrows in a vertical arrangement. In the figure, the revenue generated at each functional level is also calculated to analyse the flow of revenue and the value addition at each point. Figure 16.3 shows a similar map of how different tourism enterprise products reach final consumers (tourists) in Luang Prabang Village and their channels.

Step 3: Identify opportunities and constraints at different functional levels.

- Assess the potential for adding value via cost advantage or differentiation or assessment of critical points and gap analysis, i.e., identify mountain tourism activities where a tourism enterprise appears to have a competitive advantage.
- Assess the tourism market potential, i.e., new areas where a tourism enterprise has opportunities.

Step 4: Formulate and implement strategies for value chain promotion.

- Determine strategies focusing on the competitive advantages of mountain tourism (identified in Step 3). Strategies should be designed by or with the tourism value chain actors to ensure ownership, preferably by the private sector.
- Develop an implementation model of the strategies and policies through or with tourism sector institutions and actors in the value chain; this can help build (good) coordination among all actors.
- The implementation model could be developed by building on the initiatives of private enterprises and by relying on chain leaders or ‘champions’.
- As a facilitator or change agent in value chain promotion projects, go for quick visible results to gain momentum and prepare for longer-term support for the tourism value chain. This builds confidence among the actors in the value chain and ensures the participation of key tourism stakeholders.

Change agents in sustainable mountain development could be individuals or organisations that have a leading role in the value chain, with a genuine interest in change. Change agents can be any of the following:

- Macro level: Government representatives, e.g., from the Ministry of Tourism, Culture, or Forestry (change business environment)
- Meso level: Business association representatives, e.g., tour operator associations, hotel associations (develop advocacy capacity and service quality)

- Micro level: Responsible actors from leading tourism enterprises, e.g., lead tour operators, hotel magnates (raise issues, invest, and implement)

Facilitators can be development organisation actors, e.g., from regional or tourism related institutions (as supporters of change agents)

Requirements, limitations, and considerations

- The linear value chain model, which focuses on strategies and competition as the main driving force in any industry, is not always well suited to the complexity of the tourism industry and service sector. Collaboration (in addition to competition and differentiation) is a common driver for tourism businesses and their environment today.
- The value chain method has to be applied with value chain stakeholders engaged in the analysis.
- Define the appropriate amount of effort and time to be invested (zooming in and zooming out), and avoid too much ‘analysis and paralysis’.
- Gather and use information about the tourism sector, products, and services before analysis of the value chain. Sources of information can include tourism guidebooks, local tourism businesses, tourism traders and buyers, and the Internet. Further data can be collected through stakeholder workshops, desk study, rapid appraisals and interviews, and surveys.
- Not all tourism stakeholders (especially tourism buyers and traders) are eager to participate in this type of workshop, placing constraints on the facilitation process. It may be necessary to organise separate workshops for them, or to interview them separately.
- Coordination and collaboration with a tourism sector representative organisation, council, or sector promotion bureau are essential to gather updated information, verify information, and coordinate with all tourism stakeholders, and for holistic analysis of the sector.

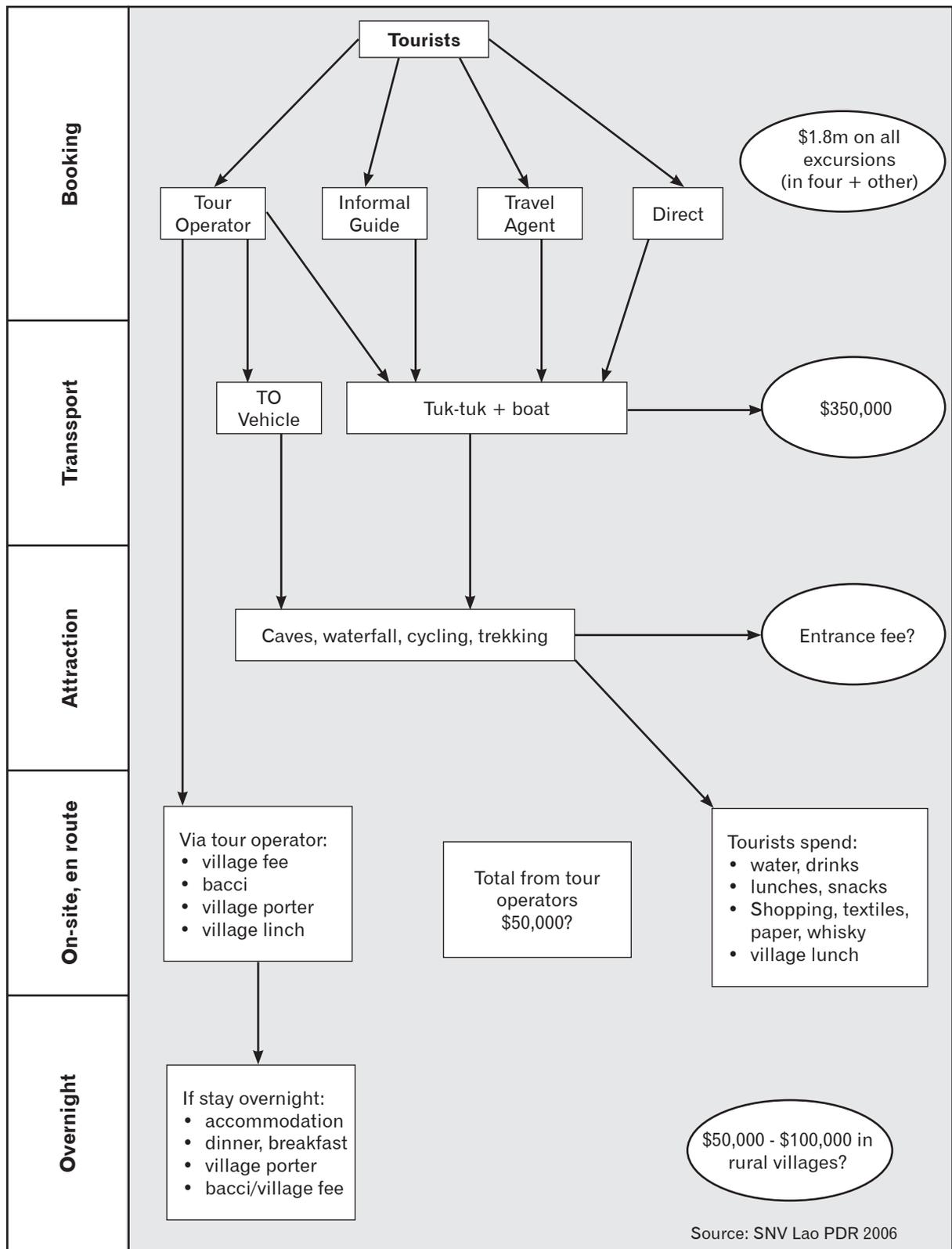


Figure 16.2: Supply chain of excursions, transport, and village income

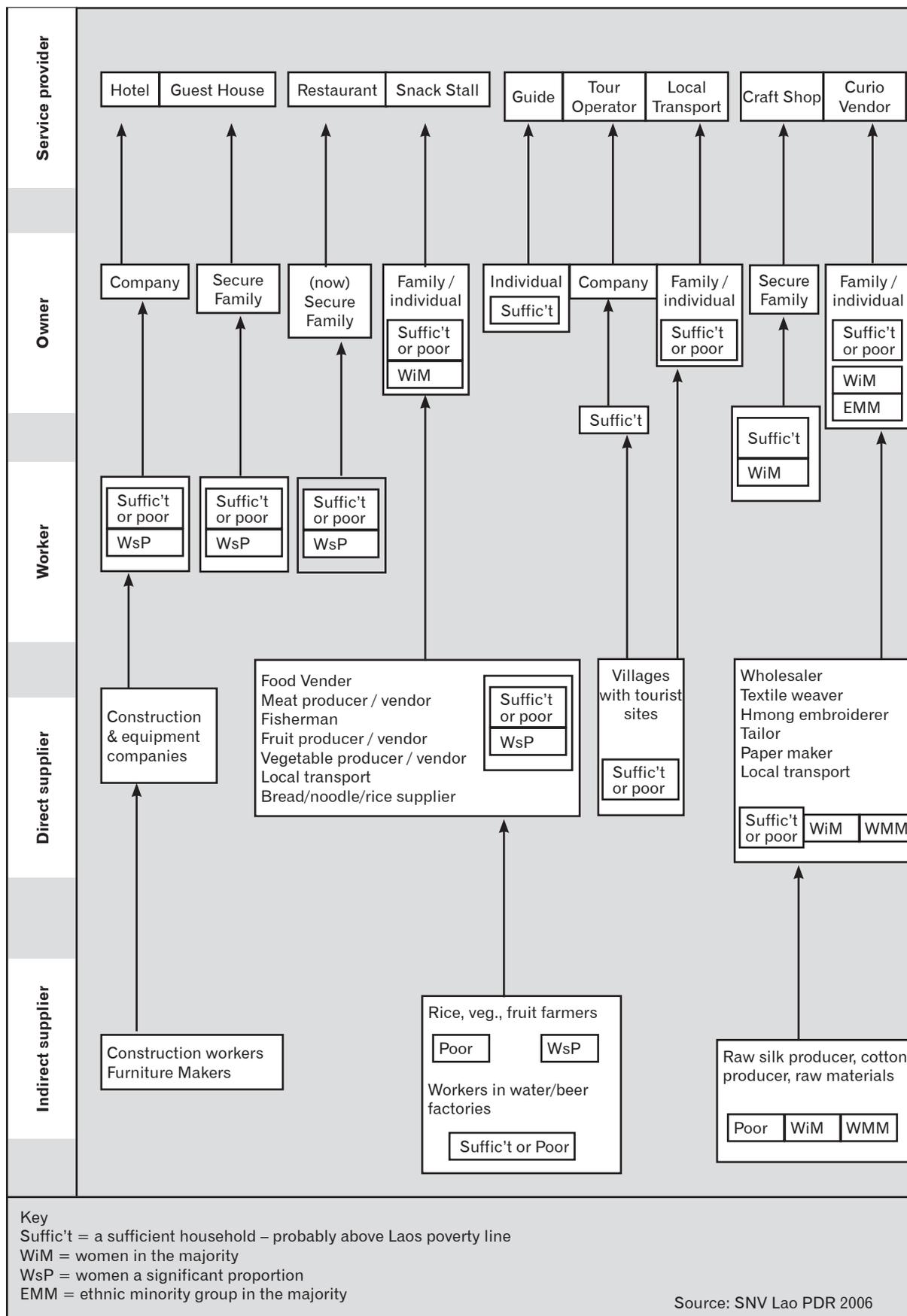


Figure 16.3: Example of a tourism enterprise chain

Tool 17: Venn Diagram

What is it?

A Venn diagram gives a visual representation of different groups and organisations within a mountain community and their relationships and importance in decision making. It identifies mountain community organisations and tourism (related) institutions, their roles, and linkages to sustainable mountain tourism. It can reveal important linkages and constraints in the key tourism stakeholders' own tourism institutions or organisations according to the perceptions of different groups of stakeholders.

A Venn diagram is a visual tool. It shows the relative importance of a group by the relative size of the circle representing it: the larger the circle, the more important the group. The extent to which the groups interact with each other is shown by the degree of overlap shown in the diagram: the greater the overlap, the more interaction and cooperation between the groups. Figure 17.1 shows an example of a Venn diagram.

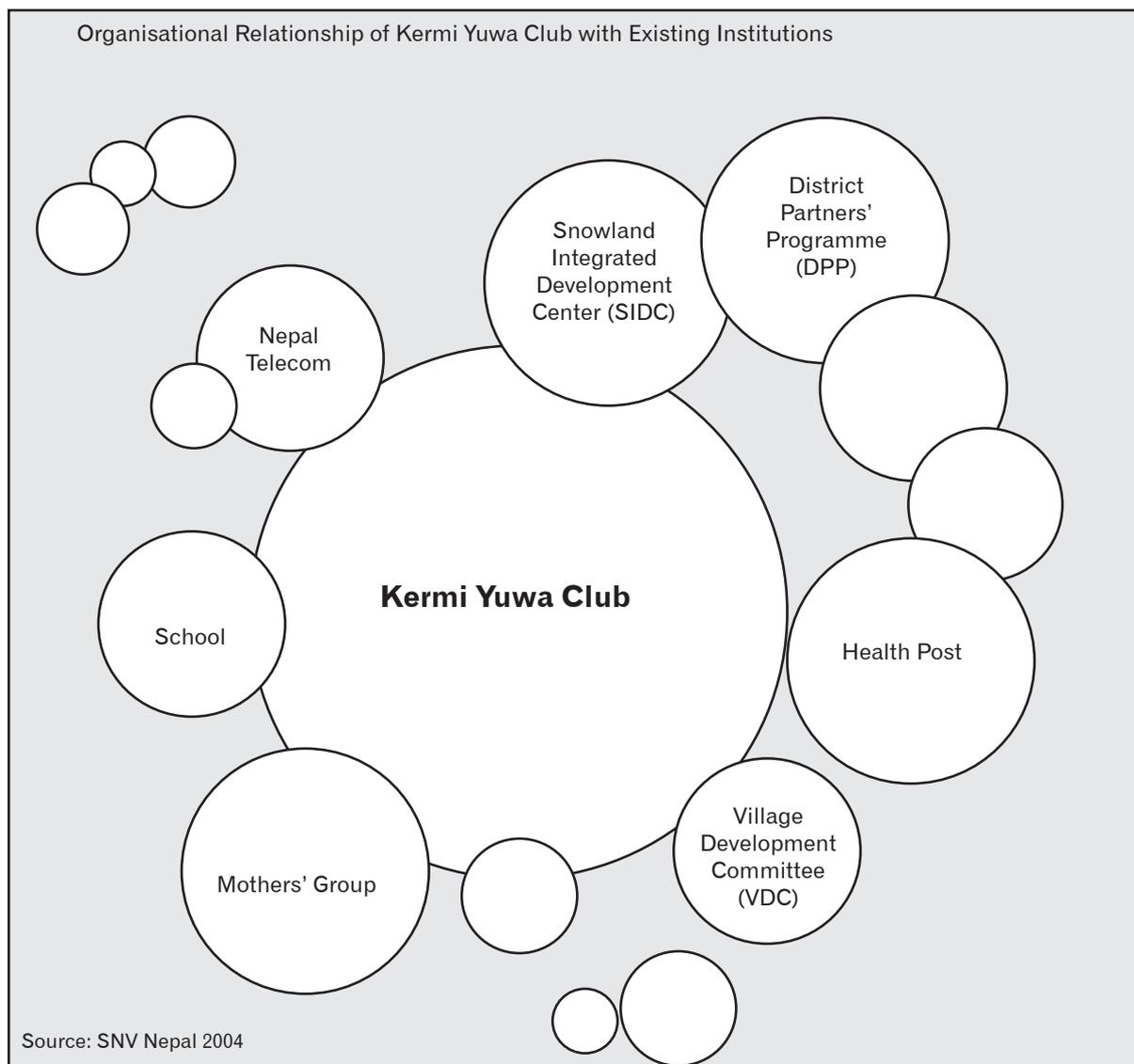


Figure 17.1: Example of a tourism Venn diagram

When is it used?

The process of drawing a Venn diagram can be very illuminating as certain aspects of an institution and the role it plays may be revealed for the first time. It may help to highlight the perceptions of different groups, the degree of relationship and importance between them, and areas of dispute, as well as ways of resolving conflicts. In the process of making Venn diagrams of different situations, as seen by different actors, key tourism stakeholders can discuss ways to resolve conflicts, fill in institutional gaps, encourage linkages between institutions associated with sustainable mountain tourism and conservation, and quantify natural and cultural tourism resource use. As a visual tool, a Venn diagram is helpful for key tourism stakeholders with poor literacy skills.

How to apply it?

A Venn diagram can be developed by key tourism stakeholders in the following ways.

- Step 1: Divide the key tourism stakeholders (usually from the institution or community that is the subject of the Venn diagram) into groups according to what they know about the existing institutions or according to hierarchy or department.
- Step 2: Ask the stakeholders to identify key institutions and individuals that play a role in any tourism or conservation-related activities.
- Step 3: Cut out circles or ask the stakeholders to draw circles of different sizes to represent the institutions and individuals. The size of the circle should represent the relative importance of the institution or individual playing a role. Ask the key tourism stakeholders to label the circles.
- Step 4: Ask the key tourism stakeholders to arrange the circles on paper to represent working relationships among the various organisations identified as follows:
 - Separate circles: no contact among institutions or individuals.
 - Touching circles: information is shared between them.
 - Small overlap: some collaboration and cooperation in decision making.
 - Large overlap: considerable collaboration and cooperation.
- Step 5: When the diagram is complete, analyse the key differences between the groups and their underlying causes (see Figure 17.1).

Tool 18: Wealth Ranking

What is it?

Wealth ranking is a participatory tool used to identify and analyse the different wealth groups in mountain areas, and to produce a ranked list of mountain households according to well-being, as perceived by the informants.

When is it used?

Wealth ranking can be helpful for targeting efforts at particular groups such as the very poorest households or marginalised or socially excluded mountain groups or communities. It is often used in combination with other tools, like social mapping. It is often applied as one of the earlier steps in a village or tourism site planning process to ensure that the planning process will be inclusive.

How to apply it?

Wealth ranking can be conducted through different steps:

- Step 1: With key tourism stakeholders, construct a list of all households to be ranked in a mountain village, town, or district.
- Step 2: Write the name of each household on separate cards.
- Step 3: Have a discussion to develop criteria for assessing a household's relative wealth (how they would define or describe a poor mountain household or a rich mountain household).
- Step 4: Ask the key tourism stakeholders to divide the set of cards into several piles to represent the different wealth groups within the mountain community. Let the stakeholders decide how many piles to make. In some cases, they may choose to distinguish only two or three different groups (say rich, medium, and poor). In other cases, they may divide the mountain community into many more groups.
- Step 5: For key tourism stakeholders with poor literacy skills, read out the name of each household during card sorting.
- Step 6: Once the tourism stakeholders finish the card sorting, ask them to re-check the piles and make any adjustments they wish.
- Step 7: When the stakeholders are content with the results, ask probing questions about, for example, the factors determining a household's place in the ranking; what could lead to a household moving from one wealth group to another, and so forth.
- Step 8: When doing the exercise in groups, ask the key tourism stakeholders to identify two or three 'typical' households within each wealth group that the team can visit at a later stage.
- Step 9: Record the results of the ranking in terms of the characteristics of households in each wealth group and, where appropriate, the names of the households in each group.

Requirements and limitations

When conducting wealth ranking exercises, the following considerations should be kept in mind:

- In some mountain communities, relative wealth or poverty is a very sensitive topic, and this technique may need to be conducted in a private setting to allow key tourism stakeholders to talk freely. In some cases, the technique may have to be avoided altogether.
- This technique sometimes proves problematic in urban mountain areas where people tend to be less familiar with their neighbours than in rural mountain communities.
- The results of wealth ranking should be triangulated using other ways of assessing relative wealth such as social mapping.
- If possible, ranking should be repeated with different key tourism stakeholders and the results compared to look for any differences of opinion as well as differences in wealth criteria, for example, between men and women. Results need to be cross-checked with secondary data and follow-up interviews with key informants.

