

# Rethinking the attractiveness of tourism regions



## KEY TAKEAWAYS

### 3<sup>rd</sup> Webinar in the Rethinking Regional Attractiveness Series on Rethinking the Attractiveness of Tourism Regions

8 November 2022

#### Background

The impact of COVID-19 on global tourism was both overwhelming and immediate, with asymmetric and highly localised consequences experienced between and within countries. The recovery has been equally unbalanced, with some destinations experiencing stronger than expected growth in visitor numbers, while others struggle to fill job vacancies following the exodus of staff during the pandemic. Within this context, many countries and regions are now exploring ways on how to shift towards more sustainable and resilient tourism development.

The 3<sup>rd</sup> Webinar in the Rethinking Regional Attractiveness series on *Rethinking the attractiveness of tourism regions*, was organised by the **OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)**, with the support of the **European Commission (DG REGIO)**, and in collaboration with the **OECD Development Centre (DEV)**. It provided an opportunity for participants to hear from a panel of international experts and practitioners as they shared experiences and good practices to address some of the major challenges and opportunities currently facing tourism regions in the post-Covid environment. The webinar outcomes will inform the OECD's work on *Rethinking the attractiveness of regions in the new global environment*, and the wider CFE activity on [Regions in Globalisation](#).

Understanding the position of regions in the new global environment, their attractiveness to the key target groups of **investors**, **talent**, and **visitors**, and the policy levers and tools available to improve their attractiveness to these international target groups, is at the core of OECD's work on rethinking regional attractiveness. This webinar focused on the visitor attractiveness component of the OECD's work on Regions in Globalisation.

#### Webinar outcomes

The webinar benefitted from the participation of **Cristina Nuñez Cuesta** (Managing Director, Network of European Regions for Sustainable and Competitive Tourism (NECSTouR)); **Gracen Chungath** (Senior Vice President, Destination Development, Destination Canada); **Marie-Antoinette Maupertuis** (President of the Assembly of Corsica, France); **Ana Paula Pais** (Senior Director of Training Department, Turismo de Portugal); **Annika Fredriksson** (CEO, Swedish Lapland Visitors Board); **Jorge Ortega** (General Director, National Association Mexican World Heritage Cities); and **Tim Fairhurst** (Secretary General, European Tourism Association).

Panellist presentations and the Q&A that followed, explored how rethinking the approach to tourism development can make regions more attractive to visitors and support a more sustainable and resilient recovery. Outlined below are some of the key takeaways to emerge from the discussion:

### Topic 1. Rethinking tourism success to deliver environmental and socio-cultural benefits for regions

- **The impact of COVID-19 and existing megatrends has provided the opportunity to rethink tourism success and the attractiveness of regions.** The COVID-19 crisis significantly impacted tourism, with a 72% decline in international tourism in 2020. While tourism has started to rebound in 2021 and 2022, the rate of recovery is uneven between countries and across regions within countries, thus calls for the adoption of place-based approaches.
- **There is a need to shift the focus solely from achieving high visitor numbers to delivering socio-economic and environmental benefits along with natural and cultural amenities.** The impacts of climate change are accelerating, and amplifying pre-existing trends, and reinforcing the need for a more sustainable approach to tourism. One that is both environmentally responsible and provides real benefits for local communities.
- **Sustainability is an increasingly important driver for tourism attractiveness.** There is growing demand from travellers for sustainable modes of transport and accommodation – Catalonia, for instance, has for some time actively monitored the ‘sustainability’ appetite of visitors to the region. This evolution in consumer demand highlights the opportunity for regions to set themselves apart from competition by positioning themselves as sustainable tourism destinations.

### Topic 2. Spreading the benefits of the tourism economy within regions

- **Diversifying the tourism product and spreading demand away from existing tourism hubs (both geographically and temporally),** can serve the dual purpose of tackling overcrowding in popular existing destinations/attractions, whilst also playing an important, stimulating role for the economies in non-metropolitan and rural areas within regions. The case of [Corsica](#) is one example of collective efforts to rebalance attractiveness within region and create a healthier tourism ecosystem. Out of season training for SMEs based in the region, and the development of sustainable tourism products, are helping to promote environmentally friendly businesses and accelerate the digital transition in the sector.
- **Tourism should be a mean and not an end for local communities and be just one part of a vibrant and diverse regional economy.** The ability of communities to influence tourism development in the regions they inhabit is crucial. Tourism in [Haida Gwaii](#) (formerly known as the Queen Charlotte Islands) in British Columbia is a prime example of the indigenous communities having agency over tourism in their region. The number of visitors who can visit the region are fixed, and visitors are expected to contribute to the local communities and environmental sustainability, which in turn offers an opportunity to have a truly authentic tour and to see how indigenous societies live.
- **Regions and destinations should target guests that will contribute to local communities’ well-being.** In Canada, a ‘high value guest’ approach prioritises travellers who yield the best return on investment. These visitors are higher spending, value nature, engage with the locals, are less time-sensitive, and are eager to explore lesser-known areas and engage in cultural exchanges. This approach is at the crux of Destination Canada’s [new strategy](#), which looks at tourism through the lens of ‘wealth and well-being’. With a higher propensity for return travel, this leads to greater return and higher contribution to GDP.

### Topic 3. Attracting and retaining staff in tourism regions

- **Good quality of life and shared responsibility in the transition towards new models of tourism is needed to attract and retain talent in tourism.** Employers need to see the region as an ecosystem when building regional employment networks, since it is the region that should be attractive to work in, whether it be in tourism or other sectors. Employers should also provide a flexible work-life balance. They need to give attention to individual employees and stay resilient in finding and targeting potential talent. Out of season training for tourism workers in Corsica is one of the strategies used to retain and improve the quality of staff, and has proven to be effective.
- **Social innovation and digital technology can provide innovative tools to solve the challenge of workforce shortages,** as experienced by Arctic destinations such as Norrbotten. An [innovative co-lab](#) was created in Norrbotten which utilised advanced AI technology to attract more residents and employers for SMEs. This produced great results for applicants for both high-skilled and low-skilled jobs, and inter-seasonal workers have started to settle permanently in the region. “Home-boarding” is another example of a social innovation tool utilised in Sweden to help newcomers more readily adapt to local life and ensure they stay long-term in the region.
- **Lowering entry and legal barriers can be an effective strategy to attract young foreign talent.** [Portugal](#) recently had a revision in foreign law that allows more people to enter; several new types of visas were created, with which young talent can come to Portugal without a contract, but rather a period of time in which they can start seeking employment.

### Topic 4. Leveraging tourism as a catalyst for regional development

- **The tourism ecosystem must be sufficiently profitable to maintain its resilience and to contribute to sustainable development.** While employment in hospitality was historically of casual and seasonal nature, as we recalibrate the tourism sector in the wake of COVID, a working environment where workers can stay in the sector long-term needs to be established. Employers must offer competitive salaries, and an integrated regional employment network is needed not only in tourism but also in those that support the sector, including food production, suppliers, and logistics.
- **Cultural heritage is a powerful asset and tourism must serve local communities.** The potential of cultural tourism is strong in Mexico which acts as a catalyst for regional development. The challenge lies in finding a balance between tourism and preservation of intangible assets. Mexico seeks to revitalise local services and retain local talent by leveraging the attraction of their [UNESCO World Heritage sites](#). SMEs in regional tourism can progress with more quality services through digitalisation. Policy makers and government counterparts can organise training sessions for SMEs to provide the relevant digital skills.
- **The question of regional versus national approaches to tourism reinforces the need for effective multi-level governance structures and strategies, developed in close co-operation with the private sector and local communities.** Internationalisation can offer opportunities to boost regions as new economic centres and create new investment potential. The assessment of multi-level governance issues throughout the tourism value chain, to understand the needs and opportunities for effective coordination mechanisms involving key stakeholders, can help to rethink the approach to tourism development, make regions more attractive to visitors, and support more inclusive and sustainable regional development.