Tourism Development Strategy

Ochieng Kaikara

Department of Tourism and Hospitality, Faculty of Economics and Management Sciences,
Kabale University, Uganda

Abstract

This study reviews the strategy in developing tourism. The literature indicates that an effective strategy is a strategy that encourages the creation of perfect harmony between an organization and its environment and with the achievement of its strategic objectives. All stakeholders are expected to grow support so that the entire tourism development process runs properly. In order to maximize the expected results, it is very important to make the best use of the resources. Environmental and sustainable development approach, tourism is planned, developed, and managed in a way where natural and cultural resources do not experience quality degradation and are expected to remain sustainable so that an analysis of environmental carrying capacity needs to be applied to this approach.

Keywords: Development, Strategy, Tourism

Received: August 12, 2020

Received in Revised: August 24, 2020

Accepted: August 27, 2020

Introduction

Tourism is a trip made temporarily, organized from another place with the intention not to do business or earn a living in the place visited, but solely to enjoy the trip for sightseeing and recreation to fulfill various desires (Getz, 2008).

The word strategy comes from the Greek word *Strategos* which is a combination of *Stratos* or soldiers and *ego* or leader. A strategy has a basis or scheme for achieving the intended goals. So basically strategy is a tool to achieve goals. Strategy is defined as a process of determining top leaders' plans that focus on the long-term goals of the organization, along with the preparation of a way or an effort to achieve these goals (Markiewicz, 2011).

Rutherford et al (1999) define strategy as a form or plan that integrates main goals, policies and a series of actions in an organization into a unified whole. Meanwhile, according to Hax and Majluf (1988), strategy is a continuous and adaptive response to external opportunities and threats as well as internal strengths and weaknesses that can affect the organization. Hax and Majluf (1991) formulated a comprehensive formula related to strategy, namely: (1) A pattern of decisions that are consistent, coherent, and integral, (2) Determining and presenting organizational goals in terms of long-term goals, program action, and resource allocation priorities. (3) Selecting the field that the organization will be involved in or will be involved in. (4) Trying to get long-lasting benefits by responding appropriately to opportunities and threats from the external environment of the organization, and its strengths and weaknesses, (5) Involving all levels of hierarchy and organization.

According to Pearce & Robinson (1997) strategic management is defined as a set of decisions and actions that result in the formulation and implementation of plans designed to achieve company goals. Meanwhile, according to Grant (2007), strategic is a way to respond to business opportunities and challenges. Strategic management is a comprehensive and ongoing management process aimed at formulating and implementing effective strategies. An effective strategy is a strategy that encourages the creation of perfect harmony between the organization and its environment and with the achievement of its strategic objectives.

Strategic management is a plan that is prepared and managed by taking into account various sides with the aim that the influence of the plan has a positive impact on the organization in the long term.

Strategy Elements

Situational Art

The history of strategy begins in the transition from military to organization, strategy is seen as a situational art, which is the skill of an executive officer to design decisions based on organizational resources, managerial values, and seeing opportunities and challenges from the environment (Wing, 1988).

Goals and Objectives

There are 3 important components in a strategy, such as the existence of goals and objectives, how to act, and allocation of resources to achieve these goals. In this case, the strategy can be concluded as a target and a pattern arranged in such a way, namely to make an organization in what business, and what an organization will become (Kaplan & Norton, 2005).

Product (Competitive Advantage)

The strategy itself is a product/market scope, competitive advantage and synergy. Strategy includes a scope which can be interpreted in terms of the suitability of a product or market with a certain region (Antony, 2002).

Policies and Programs

In looking at the symptoms of strategy, a new view emerged by Steiner and Miner that strategy does not only refer to the basic vision, mission, goals and objectives of the organization. But also "strategy policies and programs" and an expanded method of ensuring that strategy is implemented to achieve organizational goals (Imperial, 2005).

Destination

Hatten and Hatten (1997) view strategy as a route to the final stop. With the target symbol is a stop. Defining a stop or destination is a target choice. Choosing a route symbolizes decisions. Driving the vehicle along that route is the execution and the decision. That goal is important, because it refers to what you want to achieve in the future.

Resources and Environment

Strategic management is a continuous process that links effectively the goals and resources of the organization to opportunities in the environment. Environmental factors have been seen to play a major role as something that results (Fombrun, 1983).

Program of Action

It was defined by Koontz (1976) and then supported by Kreitner (1980), that strategy as a program acts with a determination to make the best use of resources to achieve the main mission of the organization.

Strategy Formulation, Decision Flow

The concept of strategy formulation includes several main points, including (1) forecasts of environmental conditions and identification of threats and opportunities; (2) calculations regarding the strengths and weaknesses of the organization in a particular product marketing area; (3) identification of the goals, objectives and values of the organization to be achieved;

(4) the conditions for choosing a particular strategy that can be implemented efficiently and effectively (Guth, 1976).

How to do strategic management

Strategy Formulation

Basically, strategy development consists of 3 phases, namely an assessment of the need for strategy formulation, situation analysis (internal and external), and strategy selection. The following is a diagram of the phases of strategy development.

Assessment of the Need for Strategy Formulation

This phase is a phase that takes a long time, because many considerations are based on the merits of the strategy being implemented, whether it is in accordance with the demands of changes in the environment or vice versa. It needs to be thought carefully so that a strategy is ready to run.

Situation Analysis

This phase is the stage in looking at the opportunities and threats that will be faced by the organization. One of the approaches used in this phase is a SWOT analysis (Strength, Weakness, Opportunities, Threats). This analysis is based on an analysis of the strengths and weaknesses associated with the factors that are owned by the organization. The analysis of opportunities and challenges related to the factors faced by the organization from external parties, such as: number of competitors, number of needs, public interest, and so on.

Strategy Selection

After conducting a needs assessment, then analyzing external and internal factors, it is necessary to determine an alternative strategy.

Strategic Management in the Public Sector

Strategic management can be defined as the art and knowledge in formulating, implementing and evaluating cross-functional decisions that enable an organization to achieve its goals. This field of science looks at organizational management as a whole and seeks to answer the challenges of environmental change. The special characteristic of strategic management is the emphasis on strategic decision making, strategic decisions related to the future in the long term for the organization as a whole.

Strategic Concept in Tourism Development

According to Jennings, (2001) tourism is a temporary trip from one place to another, carried out individually or in groups, as an effort to find balance or harmony and happiness with the environment in the socio-cultural, natural and scientific dimensions.

Tourism management is certainly something that should be developed. By exploring the existing potential, tourism in each region has its own characteristics, because tourism is the potential that each region has, in the form of natural tourism, artificial tourism, cultural tourism, and others. *“Tourism can be a potent development tool, generating economic growth, diversifying the economy, contributing to poverty alleviation and also creating backward and forward linkages to other production and service sectors.”* (Christie and Crompton, 2003).

Farazmand (2009) states that “*The nation and value of synergy is at the heart of partnership, be they at the local, national or global levels*”. From all the parties above, it is hoped that they will grow support so that the entire tourism development process runs properly. The essence of tourism development and management is called mutual cooperation or cooperation. Regarding the partnership / private sector, it is the party that is needed in an effort to realize infrastructure development. If you look at the tourism sector, the partnership / private sector is one of the supporting parties for the success of tourism.

Approaches in Tourism Development

According to Inskeep (1991), there are several approaches that are considered in tourism planning, including the Continuous Incremental, and Flexible Approach, where planning is seen as an ongoing process based on needs by monitoring existing feed backs. System Approach, where tourism is seen as a system relationship and needs to be planned as with systems analysis techniques. Comprehensive Approach, relates to the above systems approach, where all aspects of tourism development including institutional elements and the environment as well as socio-economic implications, as a holistic approach. Integrated Approach, relates to a systems and overall approach in which tourism is planned and developed as a system and as a whole system that is integrated in all plans and total forms of development in the area. Environmental and sustainable development approach, tourism is planned, developed, and managed in a way where natural and cultural resources do not experience quality degradation and are expected to remain sustainable so that an analysis of environmental carrying capacity needs to be applied to this approach. Community Approach, an approach that is supported and put forward also by Murphy & Murphy (2004) emphasizes the importance of maximizing the involvement of local communities in tourism planning and decision-making processes, to be able to increase what is desired and possible, it is necessary to maximize community participation in the development and management carried out in tourism and its socio-economic benefits. Implementable Approach, tourism development policies, plans, and recommendations are formulated to be realistic and applicable, with the techniques used are implementation techniques including development, action programs or strategies, especially in identifying and adopting. Application of systematic planning approach, this approach is applied in tourism planning based on the logic of activities.

The development of tourism in a country or a region will continue to increase due to the increasing number of population from time to time, especially the number of people in the youth and young age groups, increasing per capita income, thereby increasing the ability of higher purchasing power, and advances in transportation. In terms of tourist destinations, which are places where all tourism activities are carried out with the availability of all facilities and tourist attractions for tourists. A tourist destination should meet several requirements, namely: (a) something that can be seen, (b) something that can be done, (c) something that can be bought (Berc Radišić & Mihelić, 2006).

According to Bagus & Spillane (1993), tourism should be developed by every country for 8 main reasons as follows: (1) Tourism as a triggering factor for national and international economic development. (2) Triggering prosperity through the development of communication, transportation, accommodation, and other services. (3) Special attention to the preservation of culture and social values so that they have economic values. (4) Equitable welfare resulting from the consumption of tourists at a destination. (5) Foreign exchange earner. (6) Triggers of international trade. (7) Triggers for the growth and development of tourism professional education institutions as well as specialized institutions that form a reliable and courteous hospitality spirit, and (8) Market share for local products so that

various products continue to develop, in line with the socio-economic dynamics in a destination area.

Conclusion

In tourism development, a strategy is needed that takes into account all possible effects. The interest in tourism will continue to increase in line with the increasing population, especially the number of adolescent and young people, increasing income per capita, thereby increasing purchasing power and increasing the quality of facilities and infrastructure services.

References

- Antony, J. (2002). Design for Six Sigma: a breakthrough business improvement strategy for achieving competitive advantage. *Work study*.
- Bagus, I. G. N., & Spillane, J. (1993). Cultural tourism and religious belief systems. *Cultural tourism and religious belief systems.*, 51-80.
- Berc Radišić, B., & Mihelić, B. (2006). The tourist destination brand. *Tourism and hospitality management*, 12(2), 183-189.
- Christie, I. T., & Crompton, D. E. (2003). *Republic of Madagascar: Tourism sector study* (No. 27676, p. 1). The World Bank.
- Dredge, D. (1999). Destination place planning and design. *Annals of tourism research*, 26(4), 772-791.
- Farazmand, A. (2009). Building administrative capacity for the age of rapid globalization: A modest prescription for the twenty-first century. *Public Administration Review*, 69(6), 1007-1020.
- Fombrun, C. J. (1983). Corporate culture, environment, and strategy. *Human Resource Management*, 22(1-2), 139-152.
- Getz, D. (2008). Event tourism: Definition, evolution, and research. *Tourism management*, 29(3), 403-428.
- Grant, J. H. (2007). Advances and Challenges in Strategic Management. *International journal of Business*, 12(1).
- Guth, W. D. (1976). Toward a social system theory of corporate strategy. *The Journal of Business*, 49(3), 374-388.
- Hatten, M. L., & Hatten, K. J. (1997). Information systems strategy: long overdue—and still not here. *Long Range Planning*, 30(2), 254-154.
- Hax, A. C., & Majluf, N. S. (1988). The concept of strategy and the strategy formation process. *Interfaces*, 18(3), 99-109.
- Hax AC, Majluf NS. 1991. The strategy concept and process: a pragmatic approach. New Jersey: Prentice-Hall, Inc.
- Imperial, M. T. (2005). Using collaboration as a governance strategy: Lessons from six watershed management programs. *Administration & Society*, 37(3), 281-320.
- Inskeep, E. (1991). *Tourism planning: an integrated and sustainable development approach*. Van Nostrand Reinhold.
- Jennings, G. (2001). *Tourism research*. John Wiley and sons Australia, Ltd.

- Kaplan, R. S., & Norton, D. P. (2005). *Creating the office of strategy management*. Boston, MA: Division of Research, Harvard Business School.
- Koontz, H. (1976). Making strategic planning work. *Business Horizons*, 19(2), 37-47.
- Kreitner, R. (1980). *Management: A problem-solving process*. Houghton Mifflin Harcourt (HMH).
- Markiewicz, P. (2011). Change management in the strategy implementation process. *Intelektinė ekonomika*, 5(2), 257-267.
- Murphy, P. E., & Murphy, A. E. (2004). *Strategic management for tourism communities: Bridging the gaps* (Vol. 16). Channel View Publications.
- Pearce, J. A., & Robinson, R. (1997). Strategic management: strategic formulation and implementation. *Irwin, Boston*.
- Rutherford, J. C., Davies-Colley, R. J., Quinn, J. M., Stroud, M. J., & Cooper, A. B. (1999). Stream shade. Towards a restoration strategy. *NIWA, Dept. of Conservation PO Box 10-420 Wellington New Zealand. Dec 1999*.
- Wing, R. L. (1988). *The art of strategy: a new translation of Sun Tzu's classic, The art of war*. Main Street Books.