

# [Destination management report on singapore](https://assignbuster.com/destination-management-report-on-singapore/)

Travel and tourism attention has the heading upon all sides in many countries especially due to the capability to emanate over-abundance for the economy. The industry is counted as the single of the many critical apparatus of income as well as foreign exchange. Travel as well as Tourism commercial operation especially emphasizes to magnetize the foreigners.

There have been countless examples of tourism destinations around the universe that have been adversely impacted upon by tourism development. Tourism formulation formed upon the philosophies of sustainability has emerged as the single of the many extensive as well as supposed approaches. However, the tolerable proceed to tourism formulation hinges upon dual pass caveats firstly an extended turn of mixed stakeholder appearance in the tourism formulation routine is compulsory as well as secondly, the need for the vital course towards tourism formulation (Simpson, 2001).

While Ritchie and Crouch (2000) explain that more destinations have been taking advantage of vital perspectives towards tourism development, Simpson (2001: 4) finds that although the concepts of stakeholder appearance as well as vital course have been at large permitted as profitable contributors to tolerable development, there have been no prior attempts to sign the border to that such considerations play their role in genuine universal tourism formulation processes.

The foremost impending of this investigate is quite straightforward, to coop down the tourism planning and policy of the tourist destination. The literature is mainly focused on branding, financial and product development policies of the selected destination.

Destination can be basically described as a place in which tourism is comparatively dominant business and the main economic activity that contributes to the local and national governments. The concept of destination management as a matter of fact is therefore a complex one since a particular place regarded as a destination may be covering a wide area like a metropolis, a region, a whole state or sometimes an entire nation for example the Caribbean Island.

Ritchi & Crouch (2003) indicated that running and administering places frequented by tourists is a vital component of being in charge of the effects and damages brought about by tourism. For example in tourist destinations like sub- Saharan Africa where game watching is the prominent tourist attraction, administration of such places is of essence in order to retain the natural environment where game animals live and to discourage unsustainable human activities as much as possible.

Destination management is composed of adjudication and allocation of available space, issuing trading licenses for tour operators and hotel owners, developing and implementing operational policies, safeguarding the parks or the museums, drafting government and local support programs and undertaking related relevant activities or interventions that will help in advancing progresses and day to day running of visitors destinations and associated events.

Roland & Buck (2008) Indicated that the presence of power and authority over these places as may be represented by the county councils or national governments, not for profit bodies, special interest groups, the experts and scholars on environment and the home business council form what is known to be destination management society. A group composed of tourist operators, logistic firms, lodge and bistros, sites, game parks, museums and others form a majority portion that makes a destination.

Another issue that should be taken into account is the means through which the marketing would be done. Most destinations use the internet and television. The promotions about the forth coming world cup in South Africa may be a good case study. It must be noted that management of a single destination is different from another’s because the requirements, size and the location of the area it covers and the number of interested parties may differ.

Marketing is a commerce term which refers to actions taken by a business in order to satisfy its customers on a continued basis and achieving the sales projections it set out. Marketing is a deliberate step of actions that are taken by businesses which sell its goods and services in a market where competitors are many. Customers would always want to choose the best commodities of those available in the market. To create leverage over the competitors and to attract as well maintain a desirable market share, firms must integrate marketing into their operations.

Destination marketing can therefore be defined as a conscious effort by tourism management institutions to sell a certain tourist attraction place or activities to prospective tourists, to meet their sales projections and maintain a sizable percentage of market share compared to other destinations. Several factors are considered when marketing a destination. For example, the target tourists must be identified, their needs taken into account, the competitors must be known, determining the fees and prices paid and so on.

Pike (2004) indicated that several interest groups as well as governments, who depend on a given destination, are necessary for them to come together for the purpose of marketing it. They could achieve this by agreeing on standardizing the services they offer, contributing money for joint advertisements and improving the tourism facilities in and around the destination. However there is a concern by observers that these several parties have divergent interest in the sense that they collude to market the destination they operate from while also competing amongst themselves. A point that should be taken into account is that businesses in a tourist destination are the major contributors to marketing efforts while the authorities are concerned about managing the destinations.

Destination planning can be defined as premeditated efforts by tourism businesses and authorities to arrange and prepare a tourist attraction place or activities with the aim of realizing order and harmony in their operations. According to Clare & Turgut (2006) without a plan, there would be evident disorganization with regard to service delivery. It evidently acknowledged all over the world that it is necessary to employ the use of better alternatives in setting up as well as improving the tourist attraction places. This takes two dimensions. One is of offering the tourists an excellent value for money in the services provided. The second dimension takes into account the effects of human activity on the environment. It also involves the development and improvement of communication and transport networks around and within the destination together with connecting this business to supplementary cost effective industries.

Furthermore, there is an aspect of working with and integrating the neighbouring group of residents. This is because the destination might be their ancestral land and of economic value by virtue of them working and living there. Adequate planning also checks unrestrained or illegal tourism.

## Singapore as a tourist destination

Singapore is an international tourist destination with excellent basic and general infrastructure, a great range of activities, events and entertainment. It is regarded as a destination of family oriented, safe, modern, shopping paradise, plenty of sun and good food. It also features one of the most efficient airports in the world and a national airline with strong reputation for reliability and service (Wan T. W. D. & Hui T. K. 2003). Singapore has a great potential to attract tourist, as it is a stopover for many other countries and considered as a tourist hub.

The country has been ranked 5th in global competitiveness in 2009 by world economic forum, which reveals its management and marketing efficiency. Even though the country doesn’t have an exclusive ministry for tourism, the political will and support for tourism industry is great. Singapore experienced visitor arrivals of 10. 1 million and tourism receipts of 15. 2 billion in 2008 and the government is targeting triple tourism receipts by 2015.

## Singapore tourism board

Singapore tourism board is the supreme destination management organisation (DMO) for tourism in Singapore which have four divisions namely tourism marketing, corporate services, tourism business and regional marketing, under ministry of industry and trade. Apart from tourism promotion, STB also performs the role of economic development for tourism industry. The mission of STB is to ensure the position of tourism as a key economic pillar of the country through well thought out strategy in collaboration with public and private sector stakeholders. STB also strives for exciting and innovative experience for the visitors in close partnership with small and medium enterprises. The key focus areas of STB are “ enhancing position of Singapore as a leading convention and exhibition city in Asia”, “ developing the country as a leading Asian leisure destination” and “ establishing Singapore as service centre of Asia”.

According to the Singapore tourism board act, the functions of the management include:

Promotion and development of Singapore as a tourist destination

Advice the government on matters regarding tourism

Maximise the contribution of tourism sector to the national economy.

Regulation functions of tourism enterprises

Develop new tourism products

Develop destination marketing campaigns

Encourage investments in tourism infrastructure

## Tourism policies

DMO of Singapore is well aware of the total system definition of the country as a tourist destination since its independence, which is evident from well defined, efficient and dynamic tourism policies. The management of tourism in Singapore has undergone assorted changes over decades and the current tourism strategies are based on three focuses; elevating its position as – leading exhibition and convention city in Asia with strong and dynamic business environment, leading Asian leisure destination, and the service centre of Asia. The embracing cause of opposite policies as good as strategies directed during compelling and championing tourism in Singapore has been theme to socio mercantile changes upon an internal as well as tellurian fronts. A deeper bargain of issues regarding tourism growth in Singapore necessitates an examination of a behind belligerent of these hurdles as they describe to sold amicable mercantile as good as domestic conditions of Singapore.

Singapore tourism board has sought to be variable to changes in a wider socio mercantile environment. Tourism policies as well as strategies have to illustrate mostly corresponded to tellurian forces conversion trends in tourism as well as mercantile growth and responded to internal factors such as becoming different amicable conditions in a city state.

## Branding & marketing strategy

The dramatic improvement in Singapore’s technology has lead to a shift in its brand strategy where it was initially known as “ instant Asia” since its independence in 1965. After a period of time, Singapore tourism board has deployed the brand “ Uniquely Singapore” (government of Singapore 2006) to showcase the identity of the country, which has now evolved as “ yoursingapore”. Different ministries and statutory bodies of Singapore are marketing the country with different brands using different images. For this reason, Singapore has an umbrella positioning exercise in place to coordinate the efforts of different agencies and statutory bodies.

STB has derived well thought out strategies to communicate the brand image to all domestic and overseas stakeholders and of course the potential travellers. Singapore has recognised the potential value of the brands and has well addressed the matter by employing professional marketing methods and strategies. It also realises the potential of mega events in promoting the brand and is doing the best to attract such events to the country in conjunction with the government (for example, formulae one race and youth Olympics). Initiatives have also been taken to boost up the brand image through media and technology which could bring about a great positive impact to the country’s reputation. STB communicates the brand “ yoursingapore” through its 18 overseas offices and various media like advertising, photography, brochures, online initiatives and also the film industry (film in Singapore scheme). The website www. yoursingapore. com delivers a new experience that no other tourism destinations are currently offering.

STB gives equal importance to brand awareness by travellers as well as residents and several initiatives has been taken in macro and micro level to address this. It also claims that the brand is globally well known which is apparent from awareness and recall among the target markets. A few surveys have ranked Singapore’s brand among the top in terms of all roundedness, consistency, economic environment and supremacy. STB is also striving to associate the brand with positive aspects like place of opportunity, creativity, research and development. Since the size of the country is smaller, it’s comparatively easy for STB to represent the country in a holistic way without a dilemma of which one to focus on.

Singapore sees branding as a platform for marketing, advertising and public relations efforts of the country. Realising the fact that Singapore is already advanced in landscape and technology, the marketing focus has shifted from hard aspects to soft aspects like lifestyle, visitor experience and innovative tourism products and services. This is evident from a number of new tourism developmental strategies implemented to achieve the vision of tourism sector to “ be a leading economic development agency in tourism, known for partnership, innovation and excellence”. The above said strategies include promotion and encouragement of diversity, experimentation, innovation, high level of customer service, IT oriented business frame, strategic alliance and so on which underpins the destination vision. The country is well addressing the issue of transforming the old mindset of international audience and market the current reality as a dynamic and culturally vivacious city.

Singapore is also an example of “ glocalisation” (Foley M. et. al 2006) by increasingly differentiating visitors, by ‘ invention’ of consumer traditions in terms of marketing.

## Product / Facility development strategy

With the image of a high tech city, tourism products and services of Singapore has always been revolving around technology, regardless of the fact that the adoption of technology in tourism sector is comparatively low. The product and service development in tourism, hospitality and retail sector is being differentiated with the 10 year master plan of technology namely intelligent nation 2015 (iN2015). iN2015 is a master strategy to maximise the use of technology in all economic sectors including tourism across Singapore. iWealth is another management policy under iN2015, seeks to strengthen Singapore as a wealth management centre. It also promote investments and product development to enable better risk management and timely market of innovative products and services.

With a clear pragmatic vision of tourism and hospitality industry, the strategies are concentrated on three main areas. In the first strategy, the outlook has gone beyond visitor experience to superior visitor experience with seamless and personalised service. The two programmes under this strategy are digital concierge and speedy registration for visitors. The second strategy focuses on improving industry efficiency by adopting more technology and supply chain integration, where as the third policy ponder on evolution of new ideas utilising technology in the tourism industry. The funding for instigating technology in tourism is well taken care by the government with a scheme called tourism technology fund of S$10 million, which is a catalyst for iN2015 to transform the tourism industry and sustain long term. In addition, STB is also looking forward for huge projects like world’s best shopping complex in orchard road and iconic resorts to improve tourism attractions.

## Financial policy

The tourism industry in Singapore has got a great level of political will and support which consequently lead to sound economic policies for developing and sustaining tourism growth. Tourism industry in Singapore is funded 100% through STB, by the government, from hotel room night taxes, (SRI international 1999) which is 4. 6% of the total government expenditure. Apart from this STB also receives funds from private sector for joint ventures.

STB is a spearhead for tourism development in close collaboration with public and private sectors to adapt a comprehensive and holistic approach to build a strong economic policy to derive greater economic growth. The abolition of its long standing prohibition of gambling and casinos by the government resulted in huge increase in visitor arrivals and subsequently larger economic growth. As such, liberalisation and long-short term incentives in the transport industry have lead Singapore to emerge as a marine and aviation hub in Asia. STB in association with the government has come up with various economic policies to assist areas like investment promotion, product and industry development, financial grants and tax incentives to further develop Singapore as a tourist destination and sustain the economic growth. The economic policies are as follows;

Tourism development assistance scheme (TDAS) – to accelerate the pace of tourism development in Singapore.

Double tax deduction for inbound tourism promotion and local trade exhibitions – to encourage private sector to market Singapore in local and overseas trade fairs and exhibitions.

Investment allowance scheme for flagship concepts – to promote investments in small and medium enterprises and entertainment.

Concessionary tax rate for mega events – to attract event organisers to stage Singapore for mega events.

Film in Singapore scheme (FSS) – to encourage and attract film makers to shoot in Singapore (Consider the positive image created for Newzealand through the film “ lord of the rings”).

BE in Singapore incentive scheme – to promote and expand business events in Singapore.

## Assessment of strategies

## Branding & positioning

The branding strategy of Singapore largely influences the way they want their target market and the tourism industry as a whole to view the country in terms of tourist attractions just as the way it should be according to Ritchie and Crouch (2003). YourSingapore differentiates Singapore’s worth tender from which of competitors; ensuring Singapore stays applicable as well as constrained to today’s travellers, as code equity as well as code recall impact visitor arrivals as well as tourism receipts. YourSingapore is an innovative judgment which focuses upon personalisation as well as an aberration of Singapore and knowledge to any visitor. It uses a smart platform, www. yoursingapore. com, to simply capacitate travellers to renovate their preferred Singapore experience into reality. Yoursingapore’s digital approach in branding/positioning, blogging, social media monitoring, and travel e-commerce can aggressively enhance pre-experience selection, such as identification, differentiation, anticipation, expectation and re assurance, while promising truth in the advertising policy as Crouch and Ritchie recommends. Consolidation and reinforcement of post -experience recollection is also successfully accomplished by the brand image of Singapore with its efficient communication network. The idea of brand umbrella also helps STB to consolidate the efforts of different agencies in Singapore to market it and at the same time coordinating and enhancing the status of the whole community.

While the brand images position the destination among the target markets, the policy of changing the brand names by Singapore from “ instant Asia” to “ Uniquely Singapore” and further to “ yoursingapore” is to be scanned for what impacts it brings about in the mind of tourists around the globe. STB’s Assistant chief executive of marketing Ken Low justifies the policy that a brand’s life span is not more than seven years. But it should be considered that many other brand campaigns have been in action for decades and still efficient.

## Product / Facility development

This stage of planning phase of singapore could be considered as efficient and effective as they are well directed towards two themes out of three, prescribed by Crouch & Ritchie such as facility planning for competent destination, new and innovative event development for tourism attractions enhancement. However, strategies for expanding and strengthening STB through memberships are not detectable in the tourism policy context of Singapore. It can be seen that the nature of Singapore tourism policies is governing the tourism sector solely by public sector with limited private sector participation, which is indeed competent.

iN2015 would be a great advantage for tourism products and service development in Singapore considering the current unprofessional operations in a major part of food and retail sector which often results in creating undesired visitor interpretations. The project is expected to provide the individual tourists with satisfying and challenging experiences to a great extend.

## Financial resource strategy

The rapid growth of industries reveals the efficiency of economic policies of Singapore ever since it is independent and when it comes to the new era policies for tourism economy, the constant increase in tourism receipts which reached S$15 billion in 2008 divulges its effectiveness. As recommended by Ritchie and crouch (2003) and Tourism Working Group, aggressive strategies are developed to attract global players for investment promotion, thus raising more capital through taxes from private sector for tourism growth. Investment allowance scheme, BE in Singapore scheme, and concessionary tax rates along with free trade policy are a few examples of these policies. These are key financial policies to increase tax returns with other supplementing strategies, considering that tourism industry in Singapore is 100% funded by the government through taxes from the tourism business itself. There are no visible policies of raising debt and equity capital or direct funding from private sector which is not much necessary for Singapore with greater business investments from foreign and private sector. Apart from public funding, STB also aims to encourage investments from private sector for infrastructure development and joint tourism promotional campaigns.

In contrast, Singapore has a mix of well defined public and private sector funding policies, which is an ideal model of financial resource policy. The cost effectiveness of policies like tax deduction and non tax incentives on offer is, however, open to question.

## Conclusion

From the analysis and assessment, it is evident that Singapore has a proactive approach which tries to achieve a vivacious tourism destination through forward planning, timely interventions, policy and infrastructural development. Whereas, the positive outcomes of destination development may be attributed to integration, flexibility and strong aspiration of the policy and strategy. The involvement of the government in tourism has been positive and likely to be continued so.

Most policies of STB and government seem to serve the tourism practitioners better, rather than policy makers. This is a key component of policies in order to encourage practitioners to implement theoretical policies into practice. Success of Singapore as a sustainable and competent tourism destination depends mostly upon the effectiveness and efficiency of policy and planning, as far as Singapore tourism board is examined. The balanced brand strategy of Singapore positions itself in its niche markets, whereas, marketing, product development and financial policies acts as a catalyst to boost up tourism receipts at the same time, sustainably competing in the international tourism market.