

Knowledge Series

# *Tourism for* Development

## Tourism Diagnostic Toolkit



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## About the Facility for Investment Climate Advisory Services (FIAS)

This publication was developed with funding provided by FIAS Development Partners under the FY17-21 FIAS strategy, as well as support from FMTAAS. Through the FIAS program, the World Bank Group and donor partners facilitate investment climate reforms in developing countries to foster open, productive, and competitive markets and to unlock sustainable private investments in sectors that contribute to growth and poverty reduction. The FIAS program is managed by the World Bank Group.

## Acknowledgments

The development of this toolkit is based on the experience and practice of a range of WBG tourism specialists and external advisors, as well as lessons drawn from tourism sector operations across the WBG. It draws extensively from the original Tourism Sector Diagnostic (TSD) Tool developed for the use of IFC's Advisory Services in East Asia and the Pacific. That work was led by Jennifer Bartlett and John Perrottet with inputs from consultants Dain Simpson and Tim Martin, support of management and staff of the IFC/FIAS Global Tourism Advisory team, as well as resources provided by Private Enterprise Project - Pacific donors and a grant from IFC's Innovation Fund.

The preparation of this current publication was led by John Perrottet and Louise Twining-Ward with support from Shaun Mann, Hannah Messerli, Hermione Nevill, Wouter Schalken, Carolyn Cain, Damien Shiels, Wendy Li, Nidal Mahmoud, Jose Miguel Villascusa, Talia Salem and Vera Zhou. Send feedback to [tourism@worldbankgroup.org](mailto:tourism@worldbankgroup.org)

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## ACRONYMS

TERM	DEFINITION
BTOR	Back To Office Report
GDP	Gross Domestic Product
GP	Global Practice
FCI	Finance, Competitiveness & Innovation
MICE	Meetings, Incentives, Conventions and Exhibitions (also referred to as the Meetings Industry)
PDO	Project Development Objective
PPP	Public-Private Partnership
ODA	Overseas Development Assistance
OTA	Online Travel Agency (e.g. Expedia, Travelocity, Orbitz)
TTCI	World Economic Forum's Travel & Tourism Competitiveness Index
TTL	Task Team Leader
UNWTO	United Nations World Tourism Organization
WEF	World Economic Forum
WTTC	World Travel & Tourism Council

## GLOSSARY

**Note:** The terms defined below are done in the context and purpose of this document. Definitions are not intended to be universal. Most have been adapted from the United Nations World Tourism Organization (UNWTO).

TERM	DEFINITION
Accommodation	Any kind of housing (commercial or non-commercial) where a tourist stays a night or more.
Average daily rate (ADR)	The average room rate calculated on the gross room revenue divided by the total number of rooms occupied.
Destination	A place defined by the market as a unique location of a size capable of attracting visitation.
Destination Management/ Marketing Organization (DMO)	The leading tourism organization, which may encompass the various authorities, stakeholders and professionals of a destination, and facilitates tourism sector partnerships towards a collective destination vision.
Destination and stakeholder mapping	A list of a destination's key attractions and stakeholders.
Distribution channels	Produces the link between the suppliers of travel services and the consumer. It is a system of distribution that makes the product available.
Domestic tourist	A visitor traveling within his/her country of residence whose trip includes an overnight stay outside of their usual area. If a trip does not include an overnight stay, he/she is classified as a same-day visitor, or excursionist.
F&B revenue	Revenue derived from food and beverage sources in a hotel.
Free Independent Traveler (FIT)	An individual (or small group of <10) traveling and vacationing with a self-booked itinerary. They did not purchase a pre-packaged holiday.
Inbound tourism	The activities of a non-resident visitor within the country of reference.
International tourist	An international traveler who, with respect to the country of destination, is (a) on a tourism trip, (b) is a nonresident traveling to a country or a resident traveling outside of it, and c) is not remunerated by the destination country. If a trip does not include an overnight stay, he/she is classified as a same-day visitor, or excursionist.
Length of stay	Number of nights spent in one destination.
MICE	A generic term which covers the segment of the market which travels for the purpose of meetings, incentives, conferences and exhibitions, usually planned well in advance.

Occupancy rate	The percentage of the total number of guestrooms, which are occupied by guests on any given date.
Outbound tourism	The activities of a resident visitor outside the country of reference.
Package tour	A travel product that bundles together travel products from different suppliers. Packages typically include: return transportation, ground transfers, baggage handling, accommodation, one or more meals per day, and applicable taxes. Car rentals, recreation and entertainment, and gratuities may be included, but are more often supplementary.
RevPAR	Revenue per available room. Gross rooms revenue divided by the number of available rooms. Total RevPAR measures revenue from all sources (including F&B) divided by available rooms.
Room night	A room being occupied by one or more guests for one night.
Same-day visitor (or excursionist)	A traveler taking a trip to a main destination outside his/her usual environment, for less than 24 hours. Also called a day visitor.
Supply chain	A tourism supply chain (TSC) is defined as a network of tourism organizations engaged in different activities ranging from the supply of different components of tourism products/ services, such as flights and accommodation to the distribution and marketing of the final tourism product at a specific tourism destination.
Sustainable tourism	Tourism that takes full account of its current and future economic, social, and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities.
Tour operator (inbound)	Also called receptive tour operator, an inbound tour operator is a local business that provides itinerary planning, product selection and coordinates the reservation, confirmation and payment of travel arrangements on behalf of their overseas clients, such as wholesalers or retail travel agents.
Tour operator (outbound)	Outbound tour operators package products and experiences together to enable travel by residents from one country to another.
Tour wholesaler	A company that purchases in bulk from travel service providers, packages travel products, and markets these products through travel agents or directly to the public.
Tourism	A social, cultural, and economic phenomenon, which entails the movement of people to countries or places outside their usual environment for personal or business/professional purposes for more than 24 hours and less than one year.
Tourism expenditure	The amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips. It includes expenditures by visitors themselves, as well as expenses that are paid for or reimbursed by others.
Tourism product	A combination of tangible and intangible elements that make up a tourism experience, such as natural, cultural, and manmade resources, attractions, facilities, services, and activities around a specific center of interest, which represents the core of the destination-marketing mix and creates an overall visitor experience, including emotional aspects for the potential customers. A tourism product is priced and sold through distribution channels and it has a lifecycle.
Tourism Satellite Account	An international standard developed by United Nations World Tourism Organization to present economic data relative to tourism within a framework of internal and external consistency with the rest of the statistical system through its link to the System of National Accounts. It is the basic reconciliation framework of tourism statistics.
Tourism segment	A way of describing components of visitor demand in accordance with common attributes, such as origin, socio-demographic characteristics, and motivations for travel. Segments are often matched with a range of travel services, i.e. transportation, accommodation, activities/ services/products consumed while on travel.
Tourist	A visitor (domestic, inbound, or outbound) is classified as a tourist (or overnight visitor), if he or she stays at least one night (but less than a year), for any main purpose (business, leisure, or other personal purpose) other than to be employed by a resident entity in the country or place visited.
Trip	Travel by a person from the time of departure from his/her usual residence until he/she returns (round trip). Trips taken by visitors are tourism trips.

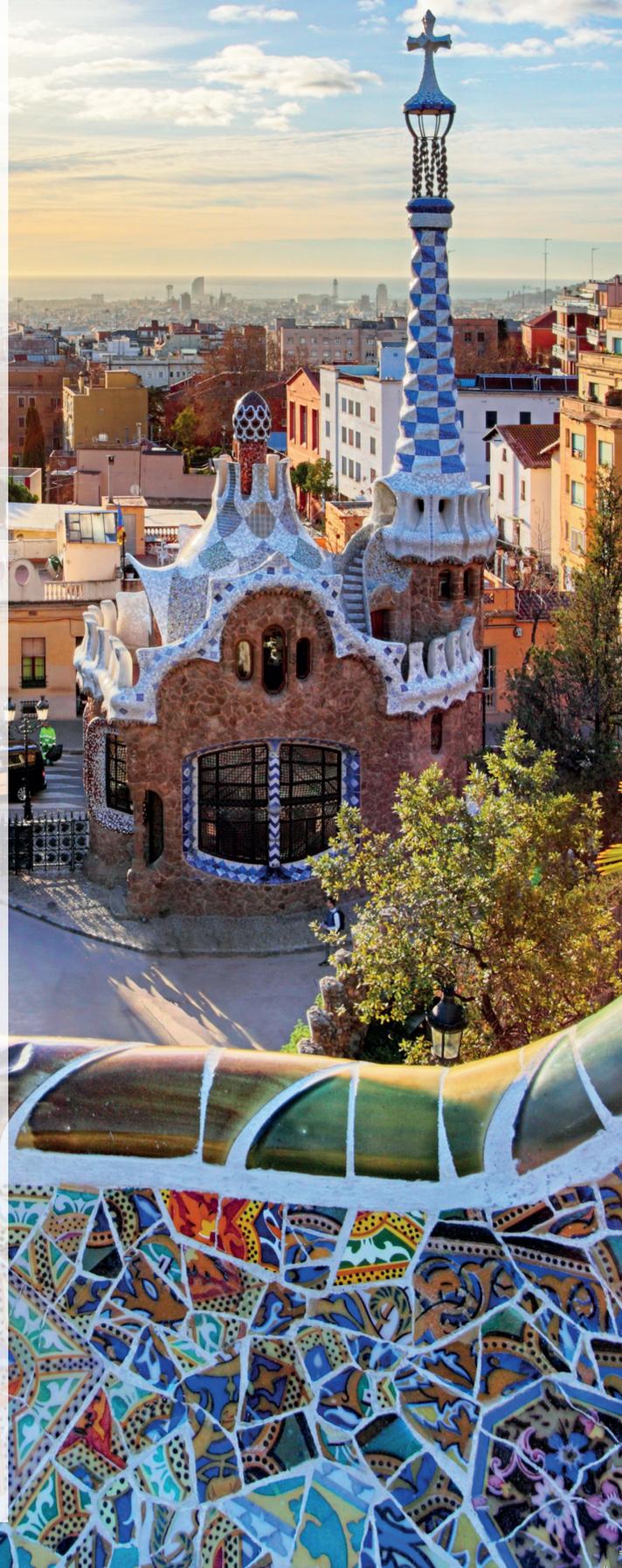
# Executive Summary

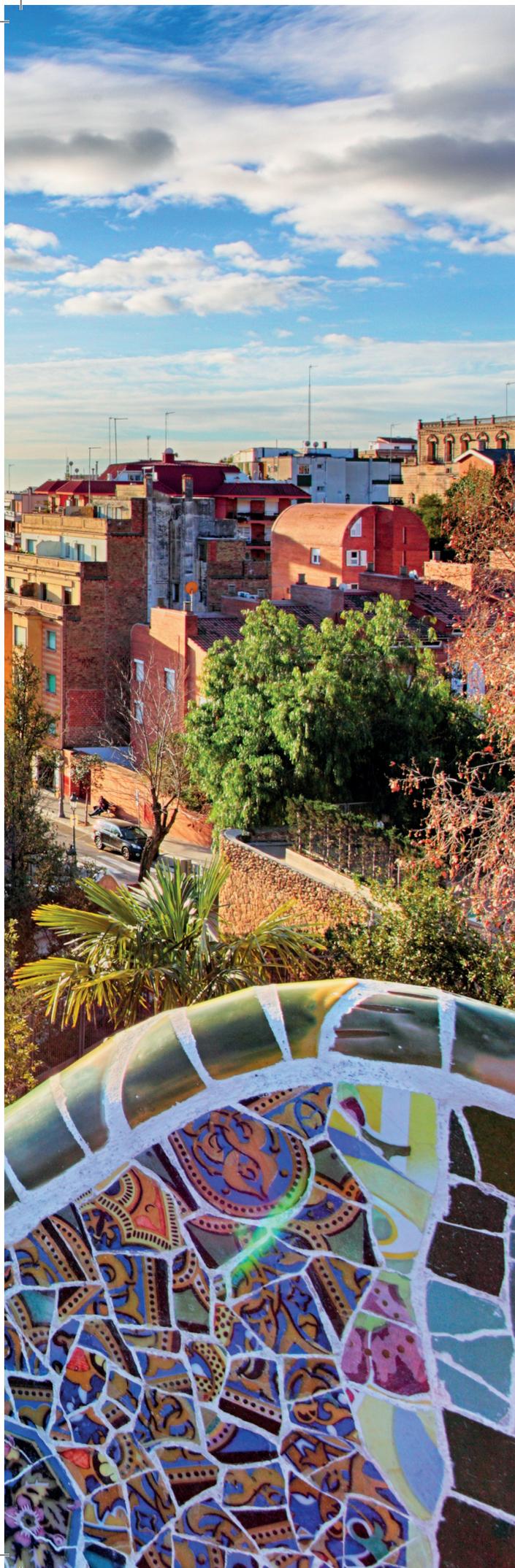
Tourism is recognized as a key sector for job creation and sustainable development. Consequently, the demand for tourism solutions among World Bank Group (WBG) client countries is growing. To meet this demand, the tourism specialists in the Finance, Competitiveness & Innovation Global Practice (FCI GP) have developed this Tourism Diagnostic Toolkit as a comprehensive reference for project and operational teams conducting diagnostic activities to guide the design and scoping of tourism projects.

The Tourism Diagnostic Toolkit provides systematic guidance for identifying and assessing opportunities and constraints in the tourism ecosystem, as well as identifying potential points of entry for WBG interventions. The toolkit includes information on the WBG's current tourism offer and the tourism diagnostic process, a set of indicators and checklists for conducting secondary research. It also includes a process to assess the country's readiness for sustainable development of its tourism sector. This toolkit should be used in tandem with FCI's Tourism Theory of Change.<sup>1</sup>

The Tourism Diagnostic Toolkit is part of an evolving set of FCI tourism resources, which are available for project teams to use as part of their work on tourism projects.

<sup>1</sup> Twining-Ward, L; Messerli, H; Sharma, A & Villascusa Cerezo, JM (2018). *Tourism Theory of Change*. World Bank Group, Washington, DC.





## The Diagnostic Process

The tourism sector diagnostic process follows four main steps:



Since tourism is a multi-stakeholder sector that influences and is influenced by many parts of the economy, the toolkit contains guides for desk research and in-country investigations to help streamline the process. The Tourism Theory of Change can further assist specialists in targeting areas of focus.

### Diagnostic Outcomes

This diagnostic process aims to improve the success of tourism projects by helping specialists to accurately pinpoint the key challenges and develop solutions to address them. These solutions include initiation of policy reforms that remove restrictions affecting the sector, identification of public and private investments in tourism and related infrastructure, support for organizations that improve firm-level capability, development of alternative access to finance solutions, and capacity building.<sup>2</sup>

<sup>2</sup> For more information on how the Tourism Diagnostic Toolkit can drive value for your project or organization, please contact FCI's Global Tourism team at [tourism@worldbankgroup.org](mailto:tourism@worldbankgroup.org)

# Section One: Tourism at the World Bank Group

## WHY TOURISM FOR DEVELOPMENT?

Tourism is a powerful driver of economic growth and job creation, particularly for emerging economies.<sup>3</sup> Worth US \$7 trillion and growing,<sup>4</sup> tourism is the largest service sector in the world and accounts for 10.4 percent of global Gross Domestic Product (GDP).<sup>5, 6</sup> Tourism's contribution to global GDP is forecasted to grow an average of 3.8 percent per year over the next 10 years. An effective engine for employment generation, the sector supports 313 million people worldwide, or one in ten jobs.<sup>7</sup>

Tourism can play an integral role in fulfilling the World Bank Group's (WBG) twin goals of ending extreme poverty and boosting shared prosperity. At the WBG Tourism Forum in 2015,

President Jim Yong Kim further highlighted the sector's ability to create jobs, attract foreign investment, and conserve wildlife and biodiversity. The objective of tourism development from the World Bank perspective is to transform tourism assets into reliable sources of income; to create sustainable jobs; and to address market failures that restrict growth, inclusion, and investment in tourism. Tourism also has an important role to play in the completion of the SDGs, particularly SDG 12, Sustainable Production and Consumption.

There are many ways tourism can contribute to sustainable development. Some of the most important ones are highlighted below. For more, refer to the WBG document *20 Reasons Sustainable Tourism Counts for Development*.<sup>8</sup>

Figure 1: 20 Reasons Sustainable Tourism Counts For Development



### Sustainable Economic Growth

1. Stimulates GDP Growth
2. Increases International Trade
3. Boosts International Investment
4. Drives Infrastructure Development
5. Supports Low-Income Economies



### Social Inclusiveness, Employment, and Poverty Reduction

6. Creates Jobs Efficiently
7. Promotes Inclusive Growth
8. Strengthens Rural Communities
9. Revitalizes Urban Areas
10. Improves Access to Income via Travel Tech
11. Benefits Women
12. Bolsters Artisans



### Resource Efficiency, Environmental Protection, and Climate

13. Facilitates Conservation
14. Raises Climate Change Awareness
15. Propels the Blue Economy



### Cultural Values, Diversity, and Heritage

16. Protects Cultural Sites
17. Sustains Intangible Culture



### Mutual Understanding, Peace, and Security

18. Spreads Philanthropy
19. Cultivates Intercultural Understanding
20. Aids Post-Conflict Recovery

<sup>3</sup> As defined by the International Monetary Fund (IMF).

<sup>4</sup> United Nations World Tourism Organization (UNWTO). (2017). *Tourism highlights, 2016 Edition*.

<sup>5</sup> World Travel & Tourism Council (WTTC). (2018). *Travel & Tourism Global Economic Impact & Issues 2018*.

<https://www.wttc.org/-/media/files/reports/economic-impact-research/documents-2018/global-economic-impact-and-issues-2018-eng.pdf>

<sup>6</sup> United Nations World Tourism Organization (UNWTO). (2017). *2017 Annual Report*.

<sup>7</sup> World Travel & Tourism Council (WTTC). (2018). *Travel & Tourism Global Economic Impact & Issues 2018*.

<https://www.wttc.org/-/media/files/reports/economic-impact-research/documents-2018/global-economic-impact-and-issues-2018-eng.pdf>

<sup>8</sup> World Bank Group. (2017). *20 Reasons Sustainable Tourism Counts for Development*. Tourism for Development Knowledge Series. <https://openknowledge.worldbank.org/handle/10986/28388>

## THE WORLD BANK GROUP TOURISM OFFER

The WBG works across many fronts in tourism, including providing governments with sector policy advice, strengthening governance on national and sub-national levels, improving training and education for people to secure jobs and to provide a quality product, investing in infrastructure and hotel properties, protecting the natural environment and cultural heritage, building inclusive value chains, and ensuring communities benefit from tourism.

*The WBG's objective is to build competitive, sustainable, and inclusive destinations, which help countries achieve their development objectives.*

**Competitive:** destinations that are attractive, easy to access and operate efficiently, and where the sector can make a positive contribution to economic development.<sup>9</sup>

**Sustainable:** tourism that takes full account of its current and future economic, social, and environmental impacts; and addresses the needs of visitors, the sector, the environment, and host communities.<sup>10</sup>

**Inclusive:** tourism development that brings broad benefits across the population, including women, youth, indigenous groups, and those marginalized through geography, conflict, or climate-related events.<sup>11</sup>

The World Bank works on tourism in the following ways:

### Competitiveness Products

- **Strengthen competitive position.** The WBG carries out research and analysis to help client governments understand and define their competitive positions; identify the barriers to growth; strengthen their product offerings; and identify new opportunities for growth.

- **Improve business environment.** This involves reducing regulatory constraints that inhibit access and growth. These constraints often include ineffective licensing, registration, and investment approval processes; excessive taxation; ineffective aviation policies; and restrictive visa requirements. The WBG also works to increase the capacity of regulatory bodies to manage improved systems.
- **Enhance firm performance.** These activities are designed to improve firm performance through financial mechanisms, enable access to technology, build quality and standards, expand skills, and develop and strengthen supply chains.
- **Expand market opportunities.** The WBG helps clients mobilize public and private investment and works with destinations to improve public-private coordination and commercialize key assets. This includes identifying and creating new markets, appraising investment opportunities and working to ensure that they are ready to take to market. The WBG also assists governments in defining the type and scale of public investment programs that are necessary to support tourism and to ensure that communities benefit from them.

### Sustainability Products

- **Policy direction and good leadership.** The WBG also helps governments to set effective tourism policies and plans, strengthen sector governance and delivery mechanisms, improve research and marketing standards, and capacity building.
- **High-quality assets.** Another core product is developing high-quality tourism assets, which may include diversifying tourism product offerings, improving last-mile access, and upgrading tourism-related infrastructure. The ownership and management of sites and the ability to maintain them in the long term are important focuses on this area.

### Inclusion Products

- **Inclusive supply chains.** The WBG works to further the inclusion of marginalized and under-served groups in the tourism supply chain through supply-chain linkages, skills development, adoption of new technologies, and stakeholder engagement, with a special emphasis on gender equality.

<sup>9</sup> The competitiveness of a destination depends on: i) the competitiveness of the firms that supply services in the destination and ii) the supply-side factors that must exist at a destination that determine its image and attractiveness. (Enright, M., 2004).

<sup>10</sup> United Nations World Tourism Organization (UNWTO). (2016). *International Year of Sustainable Tourism for Development 2017*.

<sup>11</sup> Bakker, M., & Messerli, H. (2015). Inclusive growth versus pro-poor growth: Implications for tourism development. *Tourism and Hospitality Research*, 17(4), 1-8.

- **Human Capital.** The World Bank assists clients in improving destination quality, development impact, and inclusiveness, through new and strengthened small and medium-sized enterprise (SME) links, upskilling, employment services directed at local labor markets, and support for community engagement in planning, development, and entrepreneurship opportunities.

This work is a combination of rapid-response support and longer-term engagement. With rising demand to develop the tourism sector, the World Bank Group is increasing its capacity to design and help implement solutions that cut across Global Practices, Cross-Cutting Solutions Areas (CCSAs), IFC and MIGA. Interventions typically draw on a wide range of expertise from across the WBG.

Many parts of the World Bank Group are active in tourism including Global Practices, Cross-Cutting Solutions Areas, IFC and MIGA.

Finance, Competitiveness & Innovation Global Practice (FCI) works in partnership with governments and the private sector to assist at critical stages along the tourism development process. FCI provides detailed industry diagnostics and rapid assessments; helps countries develop integrated solutions that build competitive, sustainable, and inclusive destinations; and offers financing and technical advice to implement those solutions. FCI includes tourism sector specialists with deep industry experience in both the public and private sectors in such fields as policy, strategy and planning, accommodation and tour operations, market analysis, marketing and promotions, training and skill development, finance and investment. The FCI Global Tourism team plays a key role in the scoping, diagnostic and design phases. It is often the entry point for the development tourism projects within the WBG.

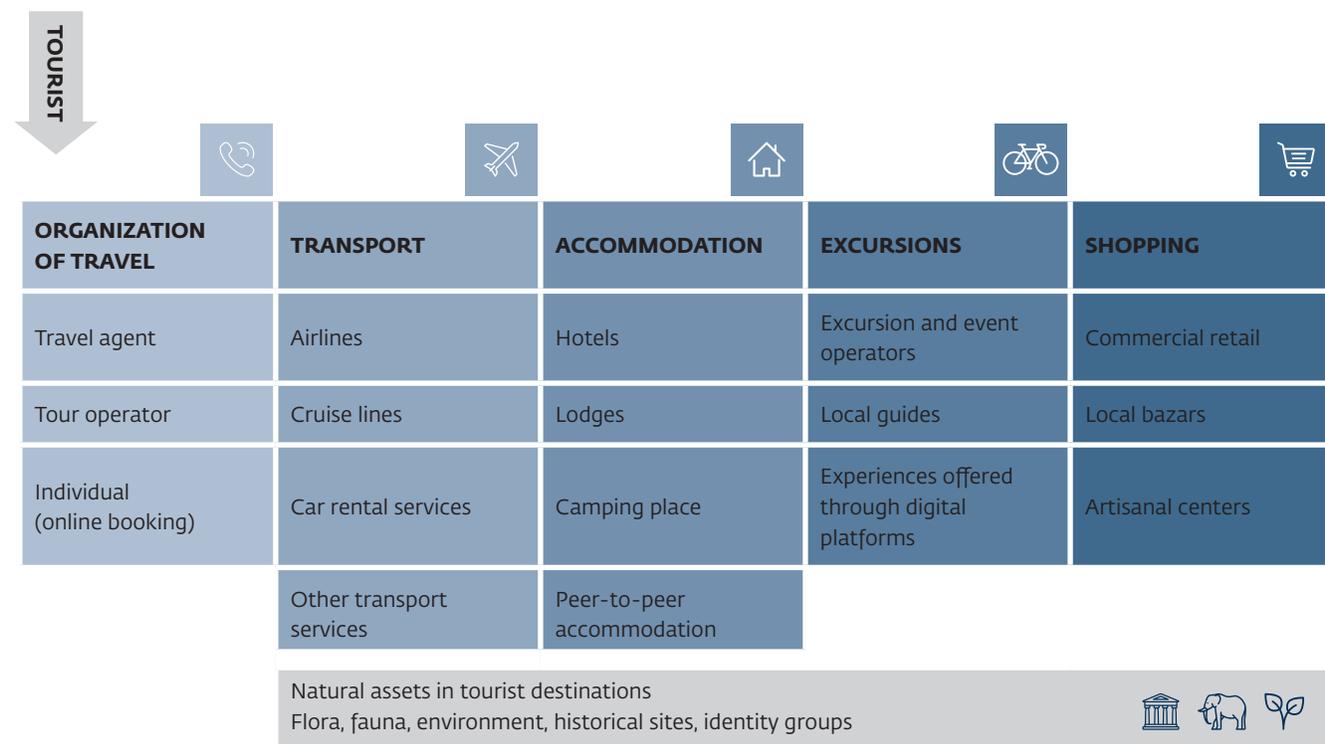
## **SUSTAINABLE TOURISM GLOBAL SOLUTIONS GROUP**

The WBG's work in tourism is coordinated through the Sustainable Tourism Global Solutions Group (GSG), which represents the full range of tourism's needs, drawing members from all parts of the WBG. The GSG fosters open communication, collaboration, and knowledge exchange across the WBG on project design and implementation. The WBG's tourism offerings, combined with natural and cultural heritage conservation, management and infrastructure, and livelihoods improvements can lead to transformational impact with a focus on sustainable growth, job creation, and poverty alleviation.



# Section Two: The Tourism Ecosystem

Figure 2: A Typical Tourist's Points of Contact and Services



Source: Adapted from Inrate.

A typical tourist interacts with many different suppliers in organizing a trip. Travelers take various forms of transportation (planes, trains, boats, cars) to reach their travel destination and to move around when they get there. When they arrive, visitors stay in hotels, with friends or family, or in other lodgings. They consume goods and services provided by individuals or enterprises and enjoy activities available. Some of the tourism expenditure stays in the destination, while other spending goes to other international suppliers along the way. These transactions and related industries are all part of the 'tourism sector'.

However, our experience as a consumer tells us little about the processes, distribution systems, transaction mechanisms or

the policy and legal frameworks that are necessary to produce, deliver and regulate the tourism products and experiences we purchase. The tourism ecosystem is complex, involving multiple actors, sub-sectors, markets, stakeholders, and potential intervention entry points. Teams need to understand the structure of the tourism sector, the relationships between the main drivers of supply and demand, key stakeholders, and the language of tourism before starting a diagnostic assessment.

*People who travel away from home for more than 24 hours are tourists.*

## Travelers

People travel for many reasons: for work (business trips), holidays (leisure), education, shopping, medical, religious, and sports, as well as visiting their friends and relatives.

These are examples of market segments. Each segment can potentially contain dozens of 'sub-segments'. For example, within the leisure segment, people might be interested in the beach, adventure, sightseeing or walking experiences. These segments are defined by their activity preferences or their purpose of visit. Segments can also be defined by the demographic or personal characteristics of the traveler (income, age, gender, education), their method or mode of travel (cruise, land, air), travel booking method (group, package, FIT, etc.), or expenditure level of the visit (high-end or luxury, economy, budget). These segments require different levels of service and organization at the destination and are very important in creating product development and marketing strategies.

## Linking travelers to products

The consumer weighs many factors while making their travel decisions, including:

- The appeal of the destination and its comparative advantage: "What can I do there?"
- Access: "How do I get there and how long does it take?"
- Competitiveness: "Am I getting good value for my money?"

Many people book their travel in advance, arranging transportation, accommodations, and sometimes even specific activities before they leave home. Increasingly, travelers may research and book travel on the internet, or through a travel agent or a tour operator. These links between a consumer's travel destination and the travel suppliers are 'distribution channels'. They determine how the 'products' developed by the suppliers of goods and services find their way to the 'market' where consumers can purchase them.

Some products are sold directly to the consumer (buying a hotel room as a 'walk-in' or through the hotel's website). Others are sold by intermediary companies, such as online

travel agencies (OTAs) like Expedia and Booking.com or researched through metasearch companies like KAYAK. Intermediaries like tour companies or wholesalers assemble other tourism products (e.g. "5 nights in the Bahamas with air, accommodation, meals, and transfers included" or a "21-day Patagonia Safari by Intrepid"). These firms aggregate individual elements (accommodation, transport, activities) into tour packages. They do this by contracting to buy the separate parts of the package in bulk and in advance from individual suppliers. Some tour operators specialize in segments, such as activities (bird-watching or scuba diving), geographic locations (Indian Ocean Islands), age groups (adventure tours for 18-35s), or price groups (luxury travel).

When tourism companies develop a product, it is vital to identify who the buyer is: a tour company, wholesaler or distribution channel (B2B), or the end consumer (B2C). For the meetings, incentives, conventions, and exhibition (MICE) market, the buyer may be a professional conference organizer (PCO). They are buying on behalf of their clients, such as an industry association that is holding the conference or event.

## Complex relationships

Behind the scenes, there is a complex web of supplier relationships needed to assemble the product and deliver it to the consumer. The customer rarely sees or interacts with many of the necessary product distribution channels or organizations that bring a travel experience to market. Some of these are shown on the following page.

*For tourism to work efficiently, it requires the harmonious interplay of activities organized and managed by a large number of groups that go well beyond the consumer and the service provider.*

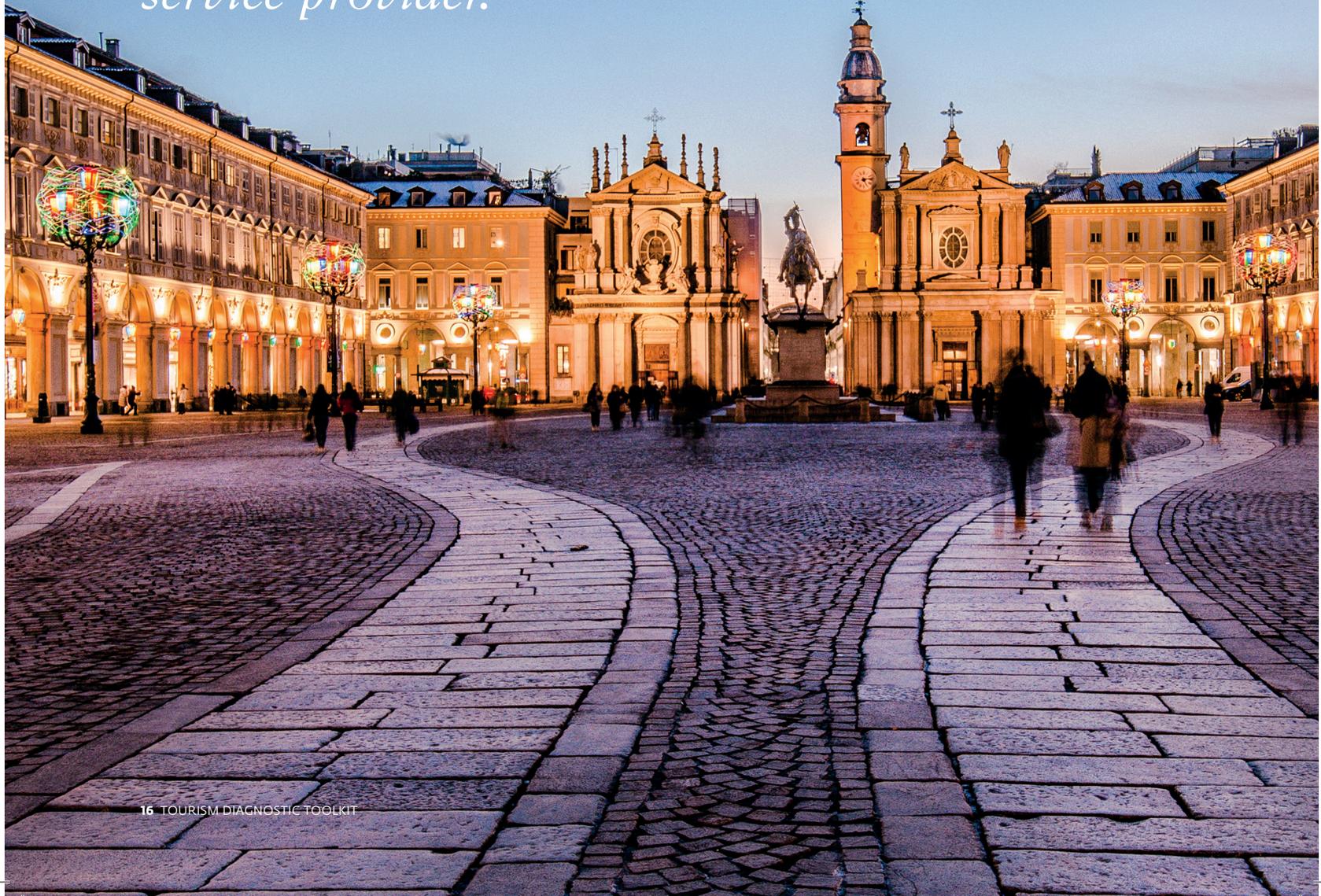
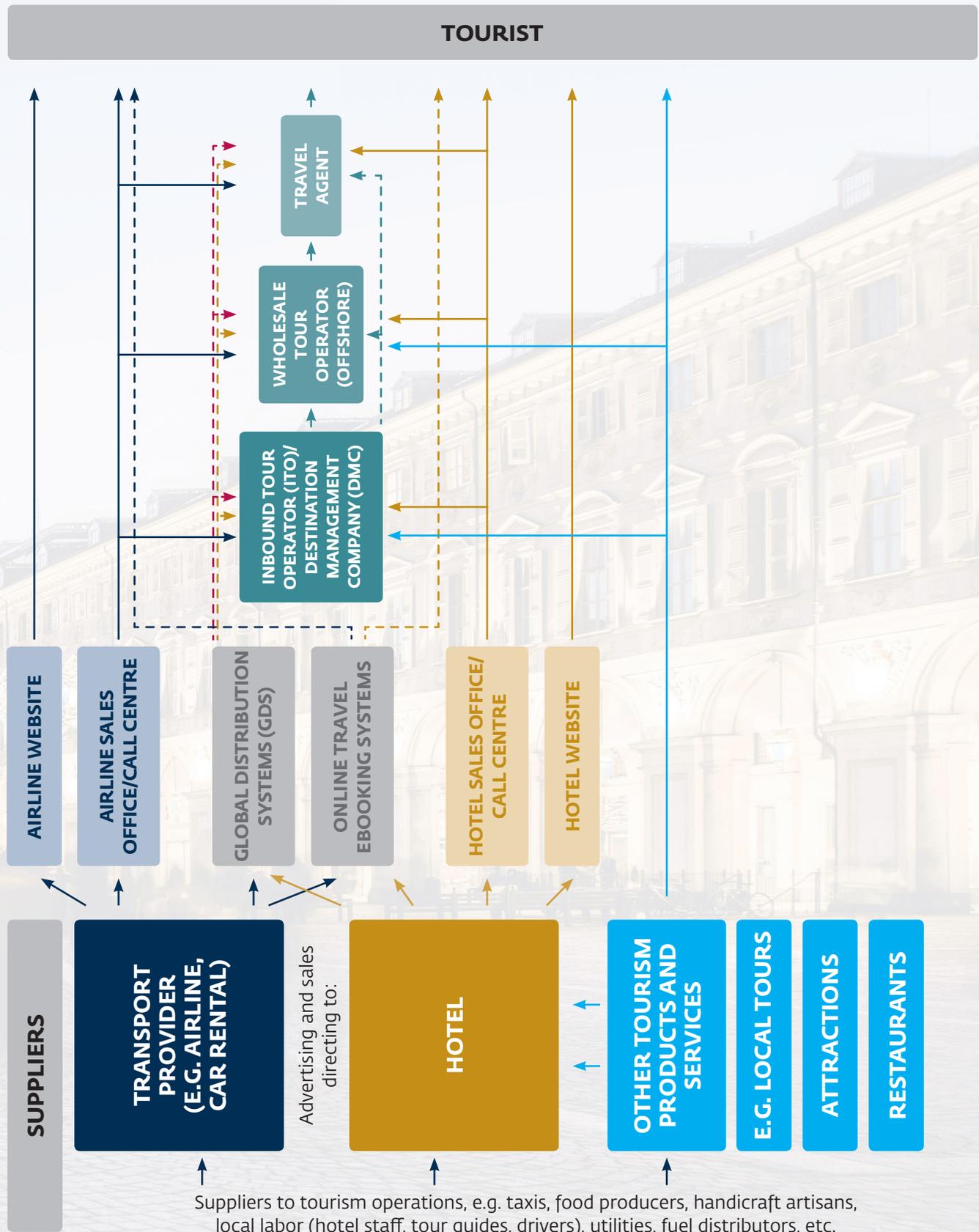


Figure 3: Tourism Product Distribution Channels



Suppliers to tourism operations, e.g. taxis, food producers, handcraft artisans, local labor (hotel staff, tour guides, drivers), utilities, fuel distributors, etc.

In such a complex system, achieving optimal alignment among these pieces takes effort and planning from a variety of entities.

As the tourism sector comprises several sub-sectors, the diagnostic process must consider a very wide range of suppliers, including accommodation, food and beverage, transport (e.g. aviation, cruise, rail, car rental, taxi), travel services (e.g. retail travel agents, tour operators, tour guides) and recreation or attraction sub-sectors. While this might make it more complex than a typical sector analysis, understanding the destination's key products and how they get to market is an essential first step.

The following key questions will help teams develop a quick initial understanding of the dynamics of a destination, the structure of the industry and the relationships between the components.

**What products are selling and why?** Asking this question allows practitioners to view the sector by those segments commercially active, expressed both in terms of market share and contribution to the economy. What is driving tourists to consume these goods and services? Are they visiting for business, pleasure, or both? Are they attending conferences or engaging in cultural heritage excursions? The question "What's selling?" captures both the activities and experiences tourists seek, as well as the offer provided to them.

**Who's buying?** A major determinant of what the destination offers depends on the demographic of those visiting. Where do they come from? How old are they? How much are they spending? Successful enterprises and destination management organizations understand the value of these questions and subsequently target specific markets by organizing themselves to supply the products these market segments seek, typically by

focusing on those that match well with their natural (national parks, beaches, etc.) or manmade endowments (cultural and historic heritage, conference centers, shopping malls, events, etc.). In this way, they leverage their comparative advantages. By targeting the right segment, operators and policymakers can be both more effective and more competitive.

**How are products reaching the market?** Whether a hotel runs at full capacity, can offer a large variety of local fruits for breakfast, or can provide onsite car rental options depends on 'access' – both in terms of the infrastructure needed to transport tourists, as well as the channels developed to facilitate the movement of goods. In virtually every destination the WBG operates in there is a market failure in the tourism sector related to access. Raw materials and basic ingredients, such as efficient transport systems, are not aligned to ensure the 'product' is available to visitors.

This toolkit provides detailed checklists and guidelines to build on these initial questions to develop a full diagnosis which will identify and assess all the market failures that affect the health of tourism in a destination.

## **Tourism Stakeholders**

For tourism to work efficiently, it requires the harmonious interplay of activities organized and managed by a large number of groups that go well beyond the consumer and the service provider. Understanding the destination's key stakeholders, their roles in tourism, and their relationships is the next crucial step in scoping tourism-specific interventions. The following figure describes the groups of stakeholders involved, and briefly describes their role in the sector's development and operation. The annexes include detailed lists of stakeholders and the type of questions to ask as part of the diagnostic process.

**Figure 4: Tourism Stakeholders**

**LOCAL COMMUNITIES**

As direct or indirect suppliers, staff, resource owners, beneficiaries of infrastructure investment and those adversely affected by tourism.

**TOURISTS**

As defined by tourist market segments, including purpose of visit, special interest activity, geographic source, demographic profile, etc.

**INVESTORS**

May be suppliers themselves or financiers of/shareholders in the operation, including commercial banks and funds.

**DEVELOPMENT PARTNERS**

Development agencies supporting tourism sector directly (e.g. training) or indirectly (e.g. infrastructure).



**PUBLIC SECTOR**

Includes national and sub-national agencies responsible for tourism, investment, environment, infrastructure, land management, immigration, health, etc.

**TOURISM SUPPLIERS**

Providers of primary tourism products and services (e.g. hotels, airlines, cruise/rail/car rental companies, travel agents, online booking agents, tour operators, restaurants/bars, and attractions).

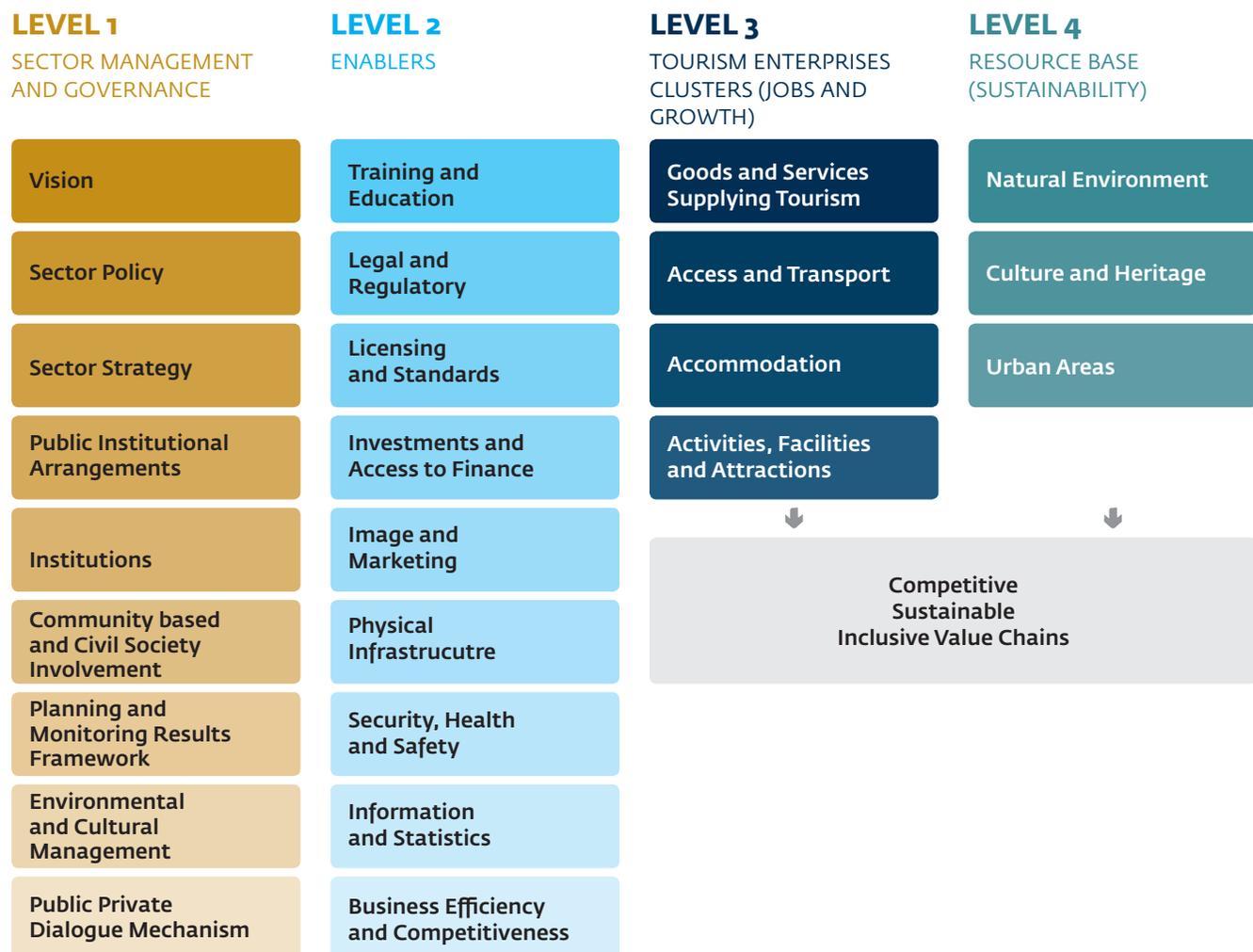
**INDIRECT SUPPLIERS**

Suppliers to tourism operations (e.g. food producers, handcraft artisans, taxis) and other indirect suppliers (e.g. fuel, security, furniture, construction materials, education providers, etc.).

## Structure of the Tourism Sector

In addition to knowing the stakeholders, it is also important for project teams to understand the wider structure of the tourism sector including the local policy framework and governance mechanisms, which affect how the sector functions. This is essential to identifying where the WBG should intervene to ensure that tourism work aligns with both the WBG and client goals. By visualizing the sector's needs from a structural perspective (see figure below), the potential for WBG intervention becomes better defined and points of entry can be identified more clearly. The figure below shows the tourism ecosystem and how various components fit together.

**Figure 5: Tourism Sector Structure**



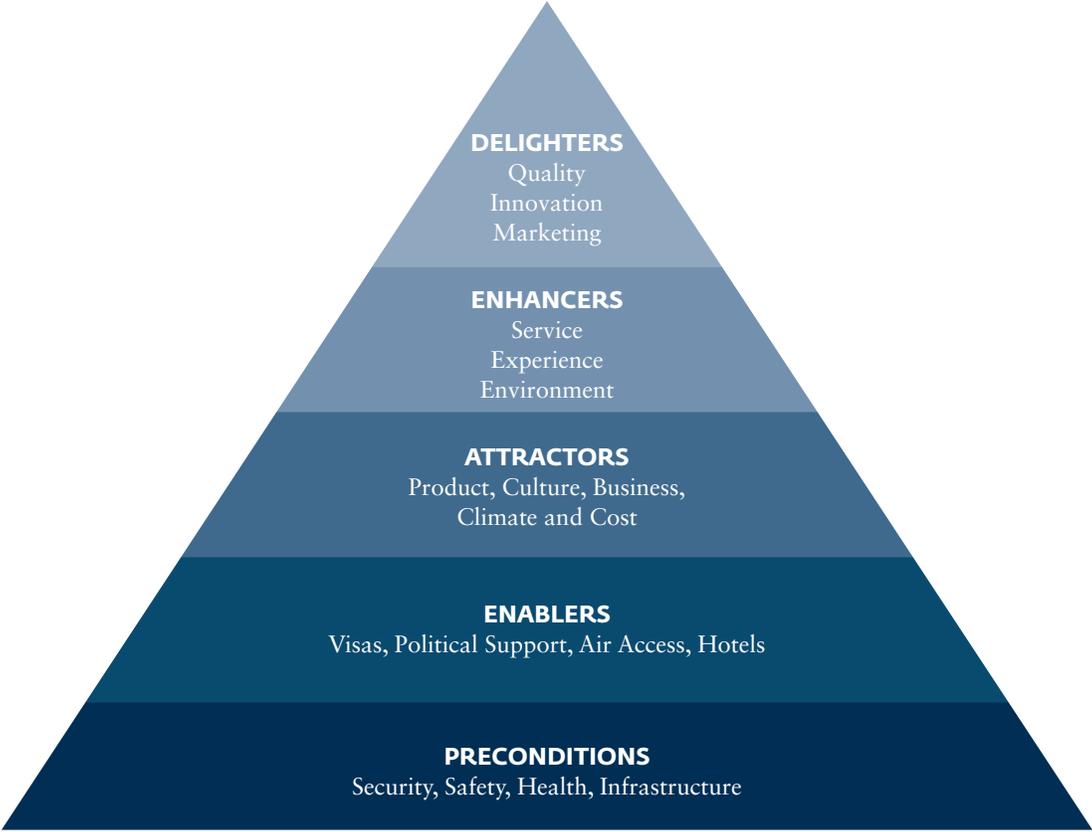
**Successful Destinations**

For a destination to be consistently successful, it must provide more than just experiences that tourists enjoy. It must meet the complete range of needs which make the total visitor experience seamless, enjoyable and memorable. It also must be managed in a sustainable way that meets the needs and expectations of the host communities. This is shown in a pyramid below.

At the bottom of the pyramid are the basic preconditions required of every tourism destination: safety, security, and health. Without these in place, very few visitors are likely to

come. Next are destination enablers. These include efficient visa regimes, easy air access and basic tourism infrastructure, such as lodging and ground transportation. On the next level are the attractors. These are the core tourism products, sites, and experiences, as well as the business enabling environment for private-sector growth. Destination enhancers are quality service, environmental standards, and technology. Finally, at the apex are the delighters, which are the factors that inspire visitors to return and recommend the destination to family and friends. A successful tourism destination delivers on all these needs in a smooth and seamless manner.

**Figure 6: Hierarchy of Destination Needs**



Source: World Bank Group.

*By improving the alignment of needs, destinations become more competitive, sustainable, and inclusive.*

### **The FCI Approach**

There are often many points where tourism does not work efficiently due to tourism's complex structure with multiple sub-sectors and the need for close alignment between agencies and the public and private sectors. This is true for almost every tourism destination and is particularly relevant for the destinations where the World Bank Group works. In some cases, the raw assets (the natural, cultural, and man-made endowments) and other basic elements, such as infrastructure, products, and markets, are not well aligned. In other cases, the government policy makes markets inefficient and does not support tourism's growth.

In designing interventions, it is not only essential to understand the barriers to sector growth, but also to understand the sequence of interventions which will have the best chance of success. A very competitive business environment will not lead to new investment if poor visa or transportation services mean visitors prefer to go elsewhere.

Interventions can be targeted and sequenced to have the maximum impact on sector and economic growth by systematically identifying the barriers, exploring opportunities for improvement and then assessing them in the context of the industry structure and the framework for delivery.

A sound diagnostic approach assesses the critical factors that can enable or impede the sustainable development of a country's tourism sector. To do this systematically, this toolkit organizes the factors into the sector's three key drivers: Destination, Market, and Business Environment.

## ***Destination***

As tourism covers several sub-sectors, a diagnostic must consider the accommodation, food and beverage, transport (e.g. aviation, cruise, rail, car rental, taxi), travel services (e.g. retail travel agents, tour operators, tour guides) and recreation and attraction sub-sectors. Understanding the destination's key stakeholders, identifying key suppliers and distributors, and how tourists currently purchase tourism experiences, helps to highlight ways to expand business opportunities and identify constraints to growth.

## ***Market***

Realizing tourism's potential requires a destination to be appropriately positioned in the marketplace. For emerging destinations, prevailing market perceptions should be considered before determining a competitive positioning based on strengths of current and potential tourism supply (attributes and product) compared to tourist market demand. Benchmarking destinations against other comparable and competitive destinations can help identify opportunities and areas for intervention.

## ***Business Environment***

For prospective investors, a destination must offer a competitive positioning within the tourist market and a competitive business environment (including a positive enabling policy and institutional framework, as well as ease of access to cost-competitive inputs). These conditions are also critical for the expansion of local business opportunities within the tourism industry.

These are elaborated in the following sections of this toolkit.



While it is important to be as thorough as possible, there are times when a more rapid assessment is required. In this case, the process can be streamlined by focusing on the core indicators or sector health by using a rapid assessment process. These indicators are shown below.

## Guidelines for Rapid Assessment

### Context (basic information needed to understand the sector)

#### IMPORTANCE AND MACRO SETTING

- Size of sector (revenues, turnover, # visitors).
- Sector share of GDP, employment and exports.
- Growth and trends (GDP, employment, visitor numbers).
- Level of tourism investment.
- Tourism share of foreign exchange.

#### SUPPLY

- Main tourist attractions (and locations).
- Number of existing hotels (by segment).
- Large brand operators already in market.
- Number of tour operators (by segment).

#### DEMAND

- Visitor behavior: purpose of visit, average length of stay, average daily expenditure (by category).
- Occupancy rates of existing hotels (by segment).
- Leading source markets, segments and demographics of consumers (domestic/international).
- Market access: airlift (number of flights, seats and distance to major markets).
- Demand for new investment (who wants to invest, where and why).

#### POLICY AND INSTITUTIONAL CONTEXT

- Existing tourism policy, master plan and strategy (up-to-date, approved, implemented).
- Identify previous tourism work, conclusions drawn by other donors, MFIs, and consultants.
- Existing World Bank Group projects.
- Major public institutions (and their role) in sector.

- Major private sector institutions (and their role) in sector.
- Major regulatory constraints and issues related to sector (on-site consultation).

### Competitive position (the destination's relative position to key competitors)

#### RANKINGS

- WEF Ranking with identified competitive advantages and disadvantages.
- WBG Doing Business Ranking with identified competitive advantages and disadvantages.
- Any other specialized rankings (e.g. MICE, adventure travel).

#### BENCHMARKING COMPETITIVE POSITION

- Tourism offering in terms of natural assets, cultural assets, and quality of visitor experience.
- Current tourist product offerings, positioning and performance (e.g. beach tourism, ecotourism, sporting events, business travel, religious travel, cultural events, learning opportunities).
- Price competitiveness in terms of total cost to average visitor, e.g. average air ticket costs and tax, average hotel room rates (by segment), fuel prices.
- Safety and security in terms of the general perception of the market, crime rates and natural disaster threats.
- Tourism sector prioritization and leadership (government support).
- Quality of tourism sector policy rules and regulations (aviation policy, visas, environmental conservation, taxes, incentives, licensing, zoning, standards, certifications, expat work permits).
- Quality of tourism related infrastructure (e.g. # hotel rooms, # airports, # flights per day, seat availability, quality of roads, road density, rental companies, ICT quality/connectivity).
- Quality of human resources (e.g. labor availability and quality, tourism training programs, language skills, local universities).
- Key market concerns (e.g. seasonality, access to finance, government support).

## **Opportunities assessment (possible market, policy and institutional entry points)**

### OVERALL COUNTRY OPPORTUNITY ASSESSMENT

- Potential new sources of economic growth and sources of comparative advantages, e.g. natural and cultural assets, labor costs, unique offerings, improved linkages.
- Potential new/expanded product opportunities, e.g. sun, sand, and sea, other natural offerings, sports and events, adventure activities, cultural offerings, MICE.
- Potential new/expanded market opportunities: socio-economic profiles and geographic origin such as diaspora, students, backpackers, young professionals, millennials, business travelers, families, couples, and retirees.

### POTENTIAL POLICY AND INSTITUTIONAL CONSTRAINTS

- Government marketing and promotion of the tourism sector.
- Quality and coherence of tourism related policy documents and whether they are being used and enforced in practice.
- Access to land (availability, type and security of title, use as security).
- Visitor access (visas and border controls, transport costs, visitor taxes and charges).
- Investor access (capital restrictions, 'prohibited list').
- Burden of regulatory approvals, inspections, registration and licenses for new tourism sector investors by category (e.g. hotels, restaurants, taxis, tour operators, etc.).
- Barriers to trade for key imports (construction materials, labor, food).
- Input costs (land and construction, utilities, labor, consumables).
- Potential issues with labor force (e.g. restrictive work visas, quotas, high minimum wage, social security, hiring/firing regulations, training, gender issues).
- Adequacy and efficiency of environmental and conservation policies.

## Typical Interventions

The following table shows some common tourism development constraints that are likely to be identified in a diagnostic assessment and how they relate to the wider development

objective of ensuring destinations are competitive, sustainable and inclusive. It also illustrates some suggested approaches to address these constraints.

**Table 1: Common Tourism Constraints and Suggested Approaches**

COMPETITIVE CONSTRAINTS	<p><b>PROBLEMATIC BUSINESS ENVIRONMENT</b></p> <ul style="list-style-type: none"> <li>• Burdensome licensing, regulatory, and legal frameworks</li> <li>• Outdated and contradictory laws</li> <li>• Poor tourism investment environment</li> <li>• Ineffective incentives for tourism</li> <li>• Visa and access cost and burden</li> <li>• Government and SOEs crowding out private sector</li> <li>• Poor public-private dialogue (PPD)</li> <li>• Low security and visitor safety</li> <li>• Infrastructure constraints</li> </ul>	<p><b>SUGGESTED APPROACHES</b></p> <ul style="list-style-type: none"> <li>• Regulatory reform</li> <li>• Investment promotion</li> <li>• Visa facilitation</li> <li>• Development of concession frameworks and other PPP mechanisms</li> <li>• Tendering provision of services to the private sector</li> <li>• Improved Infrastructure</li> </ul>
	<p><b>LOW PERFORMING FIRMS</b></p> <ul style="list-style-type: none"> <li>• Low product quality</li> <li>• Difficulty accessing finance</li> <li>• Closed markets for private sector</li> <li>• Lack of access to land</li> <li>• Lack of legal know-how</li> <li>• Poor marketing and market access</li> <li>• Poor working conditions</li> <li>• Weak SME support and incentives</li> <li>• Low management and business development capacity</li> </ul>	<p><b>SUGGESTED APPROACHES</b></p> <ul style="list-style-type: none"> <li>• Quality improvement programs</li> <li>• Improved access to finance</li> <li>• Reform 'reserved' list to open markets</li> <li>• Opening access to public land</li> <li>• Land title guarantees</li> <li>• Capacity building</li> <li>• Supply chain development or strengthening</li> <li>• Utilization of new technology</li> </ul>
SUSTAINABILITY CONSTRAINTS	<p><b>LACK OF CLEAR POLICY DIRECTION</b></p> <ul style="list-style-type: none"> <li>• Poor prioritization and vision</li> <li>• Lack of integrated destination planning</li> <li>• Lack of data on demand and supply</li> <li>• Limited public-sector capacity</li> <li>• Poor service quality</li> <li>• Lack of public sector investment</li> <li>• Poor marketing and promotion</li> <li>• Lack of clear direction on visa policy</li> </ul>	<p><b>SUGGESTED APPROACHES</b></p> <ul style="list-style-type: none"> <li>• Tourism planning</li> <li>• Tourism policies</li> <li>• Tourism marketing and research</li> <li>• Improved standards and capacity</li> <li>• Licensing and regulation simplification</li> </ul>
	<p><b>LOW PERFORMING ASSETS</b></p> <ul style="list-style-type: none"> <li>• Poor inter-agency coordination</li> <li>• Poor visitor and site management</li> <li>• Limited income from tourism</li> <li>• Lack of environmental and heritage regulations</li> <li>• Poor heritage and culture management</li> <li>• Poor natural assets management</li> <li>• Outdated and undifferentiated product</li> <li>• Infrastructure constraints</li> </ul>	<p><b>SUGGESTED APPROACHES</b></p> <ul style="list-style-type: none"> <li>• Governance and coordination</li> <li>• Product development</li> <li>• Site management and development</li> </ul>
INCLUSIVENESS CONSTRAINTS	<p><b>LOW STAKEHOLDER ENGAGEMENT</b></p> <ul style="list-style-type: none"> <li>• Low female inclusion</li> <li>• Lack of community involvement and consultation mechanism</li> <li>• Weak supply chain</li> <li>• Low youth involvement</li> <li>• High geographic concentration</li> <li>• Low tourism awareness</li> <li>• High degree of informality</li> </ul>	<p><b>SUGGESTED APPROACHES</b></p> <ul style="list-style-type: none"> <li>• Business support</li> <li>• Online engagement</li> <li>• Skills development</li> <li>• Stakeholder engagement</li> <li>• SME strengthening</li> </ul>



# Section Three: Diagnostics Process

A sound diagnostic process is essential to determining the nature and scope of interventions. The first step towards effective project design is knowing the status of market demand, destination needs, industry structure, and organizational setting, as well as the priorities of the destination stakeholders.

The diagnostic process involves diverse types of activities including desk research, surveys, interviews, destination assessment, analysis, and reporting. Knowing which stakeholders will reveal which kind of information is essential. As the tourism sector involves many sub-groups, teams will need to cast a wide net. Many of these will be in the country.

Others, such as tour wholesalers or airlines, may be in key source markets or elsewhere. The annexes provide details on the types of stakeholders to interview and what questions to ask.

The following four steps are critical to most diagnostic assessments, including tourism diagnostics. The scope, level of detail, goals and activities will shape the diagnostic activities. For example, a project including a strong investment component requires a deeper investment policy assessment to be conducted in-country. Similarly, if the focus of the project is likely to be the MICE market, consultation with local meeting planners and visits to meeting venues will be essential.

**Figure 7: Diagnostic Process**





## Project Planning

The first stage of the diagnostic is establishing the team. Well-balanced teams require global experience and local knowledge, qualitative and quantitative research skills, cross-cultural relationship ability, and an eye for both the big picture and the details.

Depending on the scope of the project, the project will need the following roles:

- Team leader
- Local coordinator
- Subject-matter expert(s) determined by the project's focus
- Subject matter researcher and analyst
- Administrative support

The next step of planning is preparing the diagnostic's Scope Of Work (SOW), which is usually handled by the Task Team Leader (TTL). The SOW is an important document that helps ensure the team is clear on outlines of the objectives, activities, roles and responsibilities, methodology and outputs.

It is also good practice to prepare Terms Of Reference (TOR) for the task team. This is also required if the task or parts of it are to be handled by a consultant. The annexes include a sample TOR.

Once the SOW and TOR are finalized, the TTL or the team can create an implementation plan. It may be as simple as a table with a list of activities, timeline, and responsibilities or a full-scale Gantt chart.



## Desk Research

Once the framework for the diagnosis is agreed, the project team can begin the initial analysis. This includes the literature review, benchmarking, and destination and stakeholder

mapping. Proper desk research increases the efficiency of the in-country assessment.

**Literature review.** This is a critical part of the diagnostic process so that the team understands the context, the current situation, what research has already been done, and the scope of previous tourism projects in the destination. The team should identify and review all relevant documents, such as recent studies on the destination, tourism plans, relevant laws, and reports like World Economic Forum's Travel & Tourism Competitiveness Index (TTCI) and UNWTO Tourism Barometer and the WTTC's Country Reports. The core indicators are shown in bold in Annex I. The checklists in the annexes provide the fundamental questions for this research and potential sources of information. These questions examine the economic, political, and social context; regulatory framework for tourism; governance and leadership; demand analysis; product analysis, and more. It is critical to identify the data gaps from research and questions to follow up while on mission.

Through the literature review, teams should be able to identify the tourism sector's primary sources of growth based on its comparative advantages, products, segments, and source markets. A preliminary understanding of the country's constraints should also emerge. Examples may include environmental and sustainability concerns, infrastructure gaps, lack of government prioritization, and institutional constraints.

**Benchmarking.** The next step is to benchmark the destination's performance against comparator countries. Relevant comparator countries can be selected based on the similarity of their tourism products or segments; similarities in the size or structure of the economy; countries that are vying for the same source markets, or a selection of regional competitors. Depending on the project time frame and budget, project teams can benchmark two to four comparator countries. Sometimes the client will specify or be interested in suggesting comparators. A detailed benchmarking checklist shown in Annex II.

**Destination and stakeholder mapping.** This can help plan the in-country assessment and maximize efficiency of the mission. Many resources can assist with destination mapping, which describes tourist flows and points of interest. Check destination coverage in guidebooks, TripAdvisor, blogs and other tourism websites; review tour operator itineraries for destination inclusion and evaluate other sources for destination information. In parallel, project teams should work with the local WBG office to identify the main stakeholder groups and where they are located. Annex III features a detailed list of stakeholders.



### In-country Assessment

This is the most important part of the diagnostic process as it enables the team to use first-hand knowledge to identify and verify constraints to growth, check assumptions about destination opportunities and assess the capacity and readiness of the institutions to drive improved performance of the sector. Activities involved in the assessment include: stakeholder consultation through interviews, focus group discussions and surveys, destination assessments, and

experiencing the existing product and services through site visits. The two key components of the field assessment are:

**Stakeholder consultation.** This is the most critical part of the onsite diagnostic. This process should start at the highest level to confirm the mission objectives and set expectations with the client. High-level discussions should also be used to verify the big picture and desired long-term outcomes of a tourism intervention (see Theory of Change box on page 34). Interviews should then follow with key government agencies, industry associations, and owners and managers of tourism businesses. Annex III also lists essential interview questions for different groups of stakeholders.

**Site assessment.** This is usually undertaken to verify or review key sites and those prioritized as having the potential for development. During site visits the team should consult tour guides, review visitor log books or registers, informally interview tourists, visually document the site through photographs or video, and meet with site managers. The team should note access routes, any infrastructure shortfalls (parking, signage, restrooms), any value additions (souvenirs, restaurants, gift shops), or value addition gaps. Annex IV features a site assessment checklist, which goes into more detail.

Adapted from FCI's Promoting SME Growth in Agribusiness Diagnostic Toolkit

## FIELD MISSION TIPS

### *Planning:*

Before conducting stakeholder interviews, the team should schedule an initial meeting with the Country Management Unit (CMU) team to confirm objectives and seek any insights from the country team.

For many meetings, formal letters will need to be sent at least two weeks ahead of time.

As new stakeholders or documents for review are referenced during interviews, team members can keep a running list of documents and action items that arise from meetings.

### *Conducting interviews and surveys:*

The diagnostic team needs to conduct sufficient interviews to ensure the project has enough data to identify emerging trends and to gain representative views and diversity of opinion.

While teams should plan key meetings, it is important to allow flexibility for impromptu meetings and changes in agenda as new issues arise, depending on the cultural context. Given interviewees' time constraints, teams should prioritize

quality of questions over quantity – focusing on priority areas for discussion established prior to the interview.

Grouping respondents through focus group discussions, industry meetings or townhalls may help to reach broader audiences.

It may also be appropriate to survey the key stakeholders in advance. Annex IV features a sample survey for in-country tourism businesses and a survey for the travel trade which may be in source markets outside the destination.

### *Analysis:*

Leaving adequate time in the schedule for team discussion is critical. Team discussion can take up to 20-30 percent of the team's time during this stage. Interviewers find nightly or bi-nightly team discussions useful to share what they have heard during the interviews, confirm understanding, and identify further areas for analysis, particularly when interviewers separate to cover more stakeholders.

It is helpful for teams to develop and adopt a standard interview notes template, which will facilitate better analysis and report writing at a later stage. It is suggested that notes are prepared at the end of each week (if not nightly) in the template.



## Analysis, Validation and Reporting

The final steps in the diagnostic process are analysis, validation and report writing. Following the field mission, a Back to Office Report (BTOR) or Aide-mémoire will help capture the main findings and generate consensus around key constraints and suggested means to address these. The additional qualitative and quantitative research gathered onsite will be used to deepen the analysis and develop initial findings. A series of small team and larger team meetings can be used to validate and enhance the recommendations and review risks. Developing the Theory of Change is a good way to focus the discussions at this point (see the section on page 34).

### Analysis

Following data gathering, the diagnostic team synthesizes its learnings to define and articulate its understanding of the challenges that are constraining tourism development. Analysis of each of the drivers (destination, market and business environment) can help articulate key constraints to competition, sustainability and inclusiveness. This analysis should convey: a) where the opportunities lie; b) what the most critical constraints are; and c) who are the key stakeholders and potential partners. Significant tourism development expertise will be needed to conduct the analysis.

The analysis relies on an objective assessment of the facts that have been collected and analyzed individually. However, subjectivity is introduced by analyzing these facts within the known environment and the impact that the reviewers deem this may have on the outcome. For this reason, the process is best completed in a small group situation where local and international team members review the potential impact that the findings may have on the intended outcome.

The team needs to be well aware of the broad environmental context into which a future intervention would be positioned and the interactions between the assessment areas (e.g. increased competition through revised aviation policies could result in the lowering of airfares and dramatically reduce the costs of travel to the destination, attract more visitors or higher in-country expenditure, make markets more accessible, and deliver higher profits to in-country suppliers).

The results of this first round of analysis can be presented in an impediments response framework which lays out the key constraints to sector growth, along with a set of proposed solution-based activities. The framework may also identify possible lending or advisory instruments, partners, and an assessment of likely sequencing and prioritization, along with an expected timeline for implementation of the proposed activities. An example is shown on the following page. This framework can then be used during the validation process.

### Validation

Either preceding or in conjunction with the development of the diagnostic report, the diagnostic team, along with project leaders and client representatives, should host a validation workshop with key stakeholders who participated in the diagnostic process. Unlike the initial stakeholder workshop which involves stakeholders from across the ecosystem, this workshop typically is conducted with key influencers and champions that have emerged throughout the process. The validation workshop offers two key benefits. First, it brings key stakeholders together to confirm that the outputs accurately reflect the supporting ecosystem and needs of the sector. Second, by presenting findings to stakeholders, particularly those that are potential implementation partners, the team continues to develop commitment and local ownership for future solution development. This workshop may also include early discussions around potential solution development. Solution development should be based upon results from the diagnostic process and be informed by expert opinion, best practices from comparable contexts and commitment of local partners. It is recommended that the team conducts a cost-benefit analysis of the approaches considered, taking into consideration such factors as perceived short- and long-term impact, financial viability, as well as ease and risks associated with implementation.

### Reporting

Once the key constraint areas and possible interventions are discussed and validated, they can then be consolidated into the design of an overall program. It is important to include the context of the destination economy, priorities and government development plan at the start of the written report.

## Example of Impediments Response Framework

KEY CONSTRAINT AREA	PROPOSED ACTIVITIES	POSSIBLE PARTNERS	INSTITUTION/ INSTRUMENT	PRIORITY FOR GOALS	PROPOSED TIMELINES/SEQUENCING AND PARTNER SUPPORT OPPORTUNITY					
					YEAR 1		YEAR 2		YEAR 3	
					Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4	Q1/Q2	Q3/Q4
<b>1. Lack of overall Public-Sector leadership and structure in the development of tourism.</b> Severity of constraint: Major	Establish mechanism for review of National Tourism Authority Act and review of role and functions of key agencies in line with Tourism Development Plan recommendations, including consultation program and including the private sector.	Gov and PS (via NTA, Cabinet)	IFC Advisory	High	Mobilize	Continue Proposal	Endorse			Ongoing
<b>2. Inadequate transport infrastructure.</b> Severity of constraint: Significant	i) Improve infrastructure at key priority airports ii) Improve international/domestic air services connectivity iii) Identify cruise port infrastructure and service needs via an audit of port infrastructure and market needs assessment.	Govt  Gov (Cabinet)  Gov and PS	IBRD IPF  IFC Advisory  IBRD ASA	High  High  High	Mobilize	Continue				Ongoing
					Study	Mobilize				
						Study	Endorse	Mobilize		
<b>3. Poor management of the visitor experience in terms of standards, consistency and quality.</b> Severity of constraint: Major	i) Design and implement a system of national tourism quality standards ii) Develop and deliver enhanced industry workplace training to support product quality improvements and link to industry standards iii) Undertake visitor exit surveys and share results with industry to encourage improvements. Encourage industry to undertake their own customer satisfaction surveys, and act on feedback to improve their product offering.	POSSIBLE PARTNERS	INSTITUTION/ INSTRUMENT	PRIORITY FOR GOALS						
Government	Government with support from WBG	Government with possible support from a Development Partner								
Private Sector	Private Sector with support from IFC/WBG	Private Sector with possible support from a Development Partner								

This contextual assessment should provide the general rationale for why the tourism sector is being prioritized. The main storyline for tourism should flow from this and be consistent throughout the remaining sections. For example, if it is an emerging destination with high-quality, nature-based tourism assets, then the report should support this with evidence showing visitor numbers, environmental resources, demand statistics on nature-based tourism, and connection to the government's environment or tourism policy. If it is a post-conflict country in recovery, demonstrate the history of previous tourism success and any indications of ability to bounce back after crisis and address health, safety, access and marketing issues. It is also important to have a section linking proposed interventions to WBG priorities: Maximizing Finance for Development (MFD) and the role of the private sector; inclusion and gender issues; and technology, environment and climate-related issues. The team should also reflect on the quality of supply, the comparison with benchmarks and the strength of the institutions. The final section should

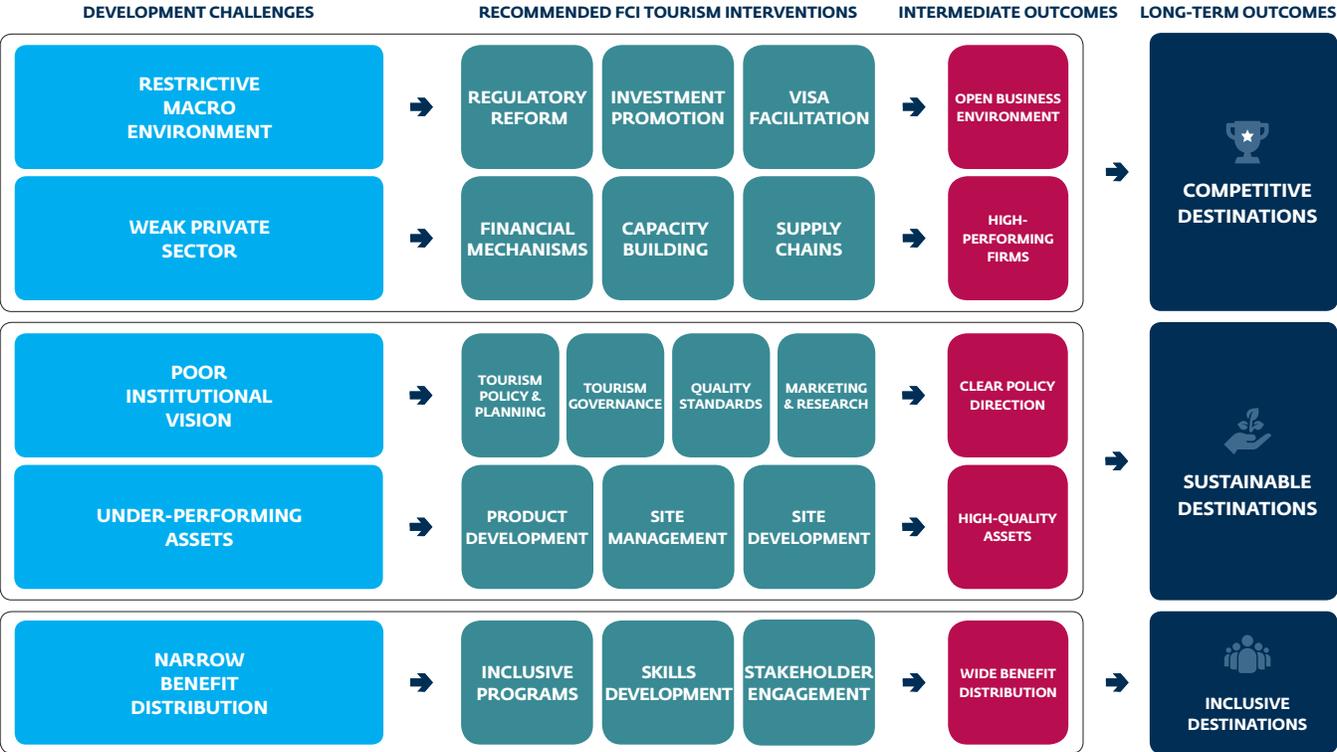
summarize desired outcome, critical constraints to growth and suggested interventions. These can be summarized in a Theory of Change diagram such as below. An example of a diagnostic report 'Table of Contents' is provided in Annex VII.

**Tourism Theory Of Change**

Every project benefits from a Theory of Change. The FCI tourism team has developed a Tourism Theory of Change to guide team leaders and specialists in fully exploring the dimensions of a problem before taking on a project. No Theory of Change is permanent. Change continues, assumptions evolve and solutions and programs improve over time. The checklists featured in the annexes should be used to diagnose development challenges, and map and consult stakeholders.

Only once data has been systematically collected and interpreted and the country situation is fully understood, should the team begin program planning and project design.

**Figure 8: Tourism Theory of Change 2018**



## GUIDE TO CHECKLISTS

A series of checklists are featured in the annexes of this publication and have been developed to assist project teams in assessing the critical factors that can enable or impede a country's sustainable development of its tourism sector. The factors reflect the sector's three key drivers. Accordingly, the checklists are organized by:

**The Destination:** Characteristics of the destination relating to the tourism offering (supply), management and support for tourism in the destination by the host community, local industry, and government. Destination factors such as government prioritization and leadership of the tourism sector, quality of the tourism offering and ease of access and infrastructure for visitors can present binding constraints or opportunities for growth of the sector.

**The Market:** Detailed patterns of demand along with market perceptions and activity affect existing or potential demand.

Often, lack of desired demand or poor supply-demand matching impedes tourism development. A demand analysis can identify valuable market segments and potential gaps in attracting them.

**The Business Environment:** Perceptions of the business enabling environment affect existing or potential business activity, levels of investment and the capacity of the destination to meet demand. These factors cover overall economic performance and governance, the regulatory framework for tourism, as well as the quality of human resources and gender equity performance.

The annexes provide useful checklists and resources for the diagnostic process. The checklists are presented to assist both desk research as well as in-country stakeholder discussion. Each set is divided up into several different thematic areas showing the rationale or relevance of the indicator, likely sources of information and typical questions which can be asked in stakeholder interviews.

Figure 9: Key Checklist Areas and Sub-Topics



## Desk Research Guidelines

Annexes I and II contain indicative indicator and benchmarking checklists which can be used in desk research. A summary of the key indicators which can be identified through initial desk research is shown below.

### Destination Factors & Indicators

<b>TOURISM PRIORITIZATION AND LEADERSHIP</b>	
Is there a tourism policy? What is its status and current implementation?	
Is there a tourism master plan? Status and implementation?	
Is there a tourism strategy? Status and implementation?	
Is there a National Tourism Organization (NTO) and/or tourism association website?	
<b>DESTINATION MANAGEMENT CAPACITY</b>	
Is there a coordination mechanism for managing tourism development across different government agencies?	
Is there a formal and effective mechanism for public-private co-ordination in tourism?	
Is there a destination marketing body and is it adequately resourced?	
Do key destinations have effective destination management organizations?	
<b>TOURISM SPECIFIC CONTROLS AND REGULATIONS</b>	
Are there specific taxes and charges on tourists?	
Are there visa waiver programs?	
Are there visa restrictions or barrier controls that make it difficult to travel to the destination?	
How much do visas cost?	
<b>TOURISM ECONOMY (FIVE-YEAR TRENDS)</b>	
Tourism exports contribution to GDP (US\$)	
Tourism exports contribution to GDP (% of exports)	
Tourism GDP growth (% change year-on-year)	
Tourism sector jobs (number)	
Tourism sector jobs (% employment)	
Direct employment in tourism sector	
Indirect employment in tourism sector	
<b>TOURISM OFFERING</b>	
What are the key natural and cultural attractions?	
Which tourism segments are attracted to the destination? (e.g. adventure, family, cruise, culinary, religious, health, etc.)	
<b>SUPPLY OF TOURISM PRODUCTS AND SERVICES</b>	
<b>Accommodation Supply</b>	
Categories and classification of accommodation	
Number of resorts/hotels	
Total number of guest rooms	
Total number of guest beds	
Rooms by type of accommodation	
<ul style="list-style-type: none"> <li>• Hotels and resorts</li> <li>• Bed and Breakfasts (B&amp;Bs)</li> </ul>	

- Apartments and motels
- Homestays

**Tour Operators, Travel Agencies, Activities**

What is the size and structure of key associated services? (e.g. number and type of businesses)

- Tour operations
- Food and beverage
- Attractions and activities

**TRANSPORT INFRASTRUCTURE**

Number of international entry points with customs clearance

Number of international airports serving the destination

Accessibility (quantity, frequency, and capacity) of international air access from key source markets

Number of international airlines servicing country

Number and capacity of cruise ships facilities

Are there protective government policies that affect price and supply of transport services?

Is there adequate road capacity for passenger transport and routes?

**TOURISM SUPPORT INFRASTRUCTURE**

Adequacy of utility infrastructure (power, water, telecommunications)

Availability of ATMs/exchange facilities in key tourism locations

Solid-waste management capacity

Wastewater treatment (%)

Health and hygiene (clinics, hospitals, etc.)

**SOCIAL, POLITICAL AND ENVIRONMENTAL STABILITY**

How frequently does crime against tourists occur?

Has the destination been a target of terrorism attacks in the past two years?

What are the threats of natural disasters or adverse climate conditions?

What is the country's risk management and mitigation strategy?

**Market Factors & Indicators**

**DEMAND ANALYSIS (FIVE-YEAR TRENDS)**

Annual international visitor arrivals (total)

Annual domestic visitors/trips

Visitor arrivals growth (% change year-on-year)

Number of cruise ship port calls (annual)

Number of cruise passenger disembarkations (annual)

Annual overnight visitors

Annual day visitors

Annual leisure tourist arrivals (total)

Leisure arrivals growth (% change year-on-year)

Key source market (overall visitors) # 1	
Key source market (overall visitors) # 2	
Key source market (leisure visitors) # 1	
Key source market (leisure visitors) # 2	
Key source market (business visitors) # 1	
Key source market (business visitors) # 2	
Visitor arrivals change relative to global average	
High season (months)	
Low season (months)	
Future demand projections	
<b>VISITOR PROFILES</b>	
Average leisure visitor length of stay (nights)	
Average visitor expenditure (US\$)	
Total expenditure per night (US\$)	
Domestic visitor average expenditure (US\$)	
Average domestic visitor length of stay (nights)	
Purpose of visit (%) - leisure	
Purpose of visit (%) - business	
Purpose of visit (%) - other	
Return visitors (%)	
<b>DESTINATION IMAGE AND APPEAL</b>	
Country Brand Ranking	
Assessment of the destination's unique selling proposition	
<b>MARKETING AND PROMOTION EFFECTIVENESS</b>	
Is there a tourism marketing and promotion agency?	
What is the annual marketing budget?	
Describe efforts related to market research	
Effectiveness and alignment of distribution channels	
<b>COMPETITOR ANALYSIS</b>	
Analysis of competitor destinations globally and regionally	
National Tourism Office (NTO) marketing budget in main competitor destination (\$/visitor)	

## Business Environment Factors & Indicators

<b>COUNTRY DATA</b>	
Region	
Lending category (IDA, etc.)	
Income group	

Minister responsible for tourism	
Deputy minister responsible for tourism	
Population (size)	
<b>GOVERNANCE</b>	
Government Effectiveness score	
Rule of Law score	
Political Stability and Absence of Terrorism/Violence score	
Control of Corruption score	
Transparency International ranking	
<b>ECONOMIC STRUCTURE</b>	
GDP (current US\$)	
GDP per capita (current US\$)	
GPD growth (annual %)	
<b>TOURISM REGULATORY FRAMEWORK</b>	
Nature and cost of licensing	
Are tourism businesses subject to foreign investment restrictions?	
Existence of additional costs and charges for tourism businesses	
<b>HUMAN RESOURCES</b>	
Number of tourism training institutions	
Number of accreditation agencies	
Capacity of training facilities by qualification type	
What % of tourism employees have formal/in-house tourism training?	
<b>GENDER</b>	
Women's labor force participation rate (% of female population ages 15+)	
Gender indicators (literacy, etc.)	
Global Gender Gap Index ranking (WEF)	
UNDP Human Development Index (female)	
UNDP Human Development Index (male)	
Life expectancy at birth (female)	
Life expectancy at birth (male)	

### Guidance for In-Country Research

Annex III contains stakeholder lists and interview guides for in-country research. Annex IV contains sample tourism industry surveys, both for in-country industry representatives, as well as for travel trade respondents. It should be noted that some of these are likely to be in key origin markets, rather than in the country itself. It is important to ensure that the views of a wide range of stakeholders who influence tourism activity are canvassed. The Annexes provide a list of tools and instruments to capture this information in a thorough and systematic way.

While these checklists and survey instruments comprise a comprehensive and exhaustive list of factors and indicators, it is not expected that teams will obtain answers to every question. Rather, each team should at least try to secure responses for the core indicators shown in the tables. The tables also include additional indicators enabling more in-depth and extensive information to be obtained if needed.

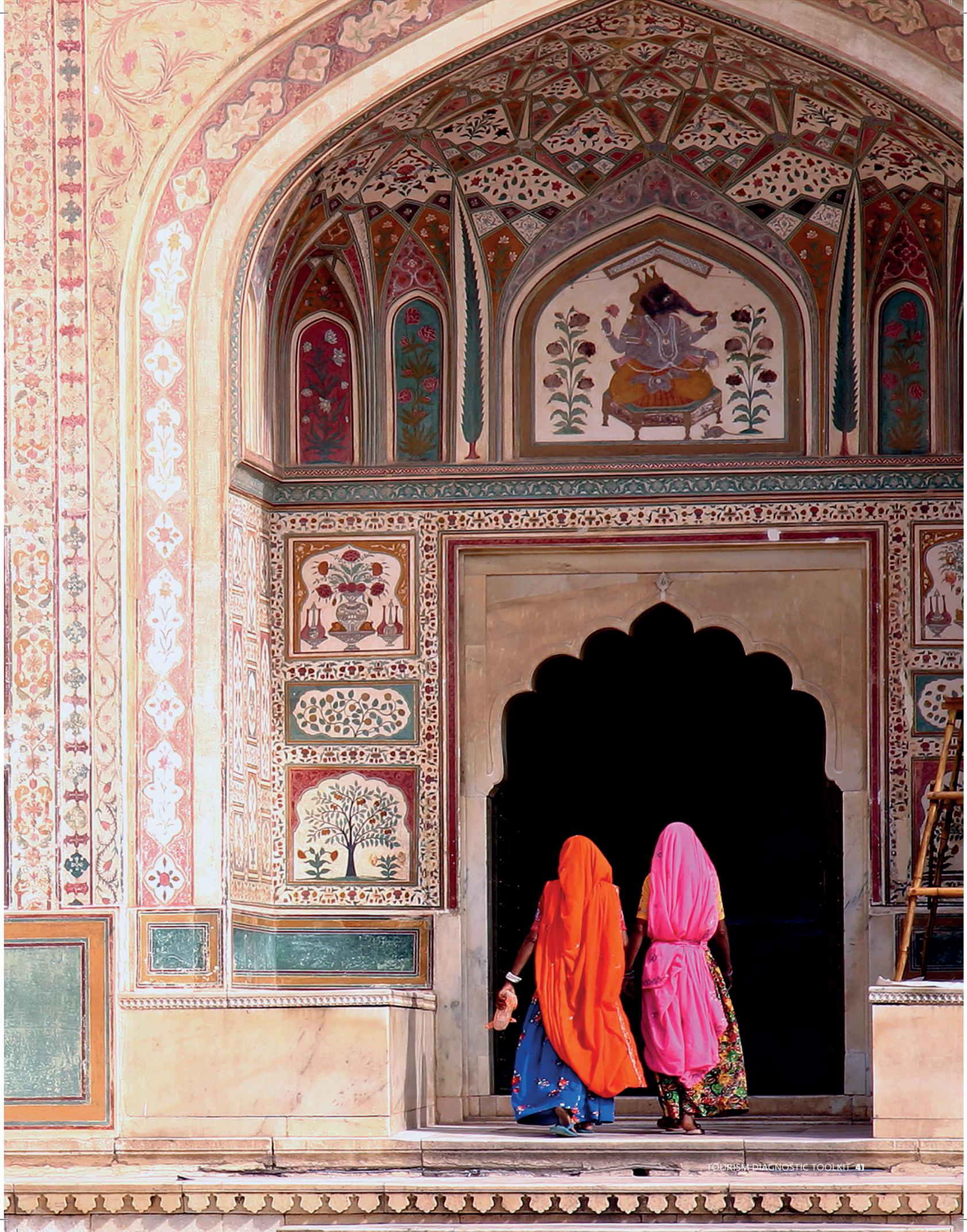


## Section Four: Next Steps

After completing the diagnostic process, including benchmarking, stakeholder interviews, and assessment, the team should be ready to deliver advice on the critical factors constraining tourism development. This can then be used to inform project design, identifying potential points of entry for WBG interventions based on a prioritization of the binding constraints, as well as the most prospective opportunities which are actionable and achievable in a given time frame.

Upon completion of the diagnostic assessment, the team should develop a high-level draft work plan for presentation, consultation and verification with clients and other stakeholders. Management will decide on next steps based on the outcomes of the diagnostic, client interest, and available funds.

The diagnostic process outlined in this report, along with the annexes, are the foundation for a sound diagnosis of the tourism sector. The Global Tourism team welcomes additional questions and feedback at [tourism@worldbankgroup.org](mailto:tourism@worldbankgroup.org)



# Annexes

## I. DIAGNOSTIC CHECKLISTS

### 1. DESTINATION FACTORS AND INDICATORS

\*Indicators in bold are core indicators.

#### 1.1 TOURISM PRIORITIZATION AND LEADERSHIP

**Rationale:** Government recognition and commitment to tourism as a key export industry, is a critical factor in the success of a destination. This enables tourism to be positioned within the broader economic, social and environmental policy framework of a country, affording it the priority required to achieve sustainable growth. This recognition needs to go beyond tacit support evident in many emerging destinations. It must be demonstrated through strong sector leadership in policy and planning for the sector and through the empowerment of agencies responsible for managing it.

INDICATOR	SUGGESTED SOURCES
<b>Is there a tourism policy? Describe the status and current implementation.</b>	National Tourism Organization
<b>Is there a tourism plan? Describe the status and current implementation.</b>	National Tourism Organization
<b>Is there a tourism strategy? Describe the status and current implementation.</b>	National Tourism Organization
Does tourism have cabinet level status (i.e. Is represented by a Minister)?	National Tourism Organization
Which public institution (ministry, statutory body, etc.) if any, is responsible for tourism policy? If so, describe role.	National Tourism Organization
Is the tourism policy effective in supporting the industry?	National Tourism Organization
Describe current tourism legal framework.	National Tourism Organization
<b>Is there a National Tourism Organization and/or tourism association website? If so, describe its current status.</b>	Web search
Are there destination guide books? If so, describe coverage.	Others (online)
Describe access to information for international visitors and availability of products for online reservation?	Others (TripAdvisor, Expedia)

## 1.2 DESTINATION MANAGEMENT CAPACITY

**Rationale:** Beyond high level government commitment, industry growth requires effective management (planning, coordination and implementation) of the destination's development and promotion by local institutions – public and private.

INDICATOR	SUGGESTED SOURCES
Does the tourism development plan take a 'whole of government' approach – is there a mechanism for managing tourism across different government agencies?	National Tourism Organization
How much funding is allocated to implementation of tourism planning?	National Tourism Organization
Is tourism planning effectively implemented? Describe.	National Tourism Organization
Is there a formal and effective mechanism for public-private coordination in tourism? Describe.	National Tourism Organization
Is the destination marketing body suitable resourced? Describe.	National Tourism Organization
Do key destinations have destination management organizations? Describe.	Tourism website

## 1.3 TOURISM SPECIFIC CONTROLS AND REGULATIONS

**Rationale:** Tourism development can be enabled or impeded by controls and regulations specific to the tourism industry or specifically affecting the tourism industry.

INDICATOR	SUGGESTED SOURCES
Are there visa waiver programs?	National Tourism website
Are there visa restrictions that make it difficult to travel to the destination?	National Tourism website
How much do visas cost?	National Tourism website
Tourist visa (US\$)	National Tourism website
Business visa (US\$)	National Tourism website
How many days does it take to process visas?	National Tourism website
Tourist visa	National Tourism website
Business visa	National Tourism website/visa office
Are there specific taxes and charges on tourists?	National Tourism Organization
Are there restrictions on foreign investment in the tourism sector?	Laws and regulations/Government and business surveys

## 1.4 TOURISM ECONOMY

**Rationale:** Understanding where tourism fits in the overall economy as well as its total contribution to economic growth and jobs is essential for measuring its capacity to contribute to economic policy, in addition to identifying high-level development objectives and meaningful interventions to contribute to sector growth and sustainable management.

INDICATOR	SUGGESTED SOURCES
Tourism exports contribution to GDP (US\$)	WTTC Country Reports
Tourism exports contribution to GDP (% of exports)	WTTC Country Reports
Tourism GDP growth (% change year-on-year)	WTTC Country Reports
Tourism sector jobs (number)	WTTC Country Reports
Tourism sector jobs (% employment)	WTTC Country Reports
Direct employment in tourism sector	WTTC Country Reports
Indirect employment in tourism sector	WTTC Country Reports
Is there a Tourism Satellite Account (TSA)?	Tourism Satellite Account/ National Tourism databases
Full-time vs. part-time employment in tourism sector	Tourism Satellite Account/ National Tourism databases
Total foreign direct investment in tourism (US\$)	Tourism Satellite Account/ National Tourism databases
Tourism's share of foreign direct investment (%)	Tourism Satellite Account/ National Tourism databases
Total domestic direct investment in tourism (US\$)	Tourism Satellite Account/ National Tourism databases
Tourism's share of domestic direct investment (%)	Tourism Satellite Account/ National Tourism databases
Sub-sector investment data, if available (e.g. is investment in hotels separate from investments in restaurants/travel agents?)	Tourism Satellite Account/ National Tourism databases
Number of investment approvals (annual)	Tourism Satellite Account/ National Tourism databases
Value of investment realized (US\$)	Tourism Satellite Account/ National Tourism databases
Fiscal revenue generation from tourism	Tourism Satellite Account/ National Tourism databases
Tourism tax revenues e.g. sales, value added tax (VAT), room/bed, airport/exit, aircraft landing fees, corporate income, payroll, social security, import duties, and property	Tourism Satellite Account/ National Tourism databases

## 1.5 TOURISM OFFERING

**Rationale:** The foundation of any destination's tourism industry is its offering to visitors. This relates to tourism assets (natural, cultural or created) and activities, plus products and services that enable the assets and activities to be leveraged. The tourism offering (supply) is essentially the bundling of these assets, activities, products and services to create a destination experience. This experience must be compelling and accessible. It must be of suitable and consistent quality. It must meet market demand.

INDICATOR	SUGGESTED SOURCES
What is the size and structure of key associated services? (e.g. number and type of businesses)	Tourism Satellite Accounts/ National Tourism Organization
Food and beverage	Tourism Satellite Accounts/ National Tourism Organization
Transportation	Tourism Satellite Accounts/ National Tourism Organization
Attractions and activities	Tourism Satellite Accounts/ National Tourism Organization
Which tourism segments are present in the destination? (e.g. ecotourism, cruise, culinary, etc.)	National Tourism Organization
What are the key attractions?	National Tourism Organization
Country's # 1 niche/special interest activity	National Tourism Organization
Country's # 2 niche/special interest activity	National Tourism Organization
Country's # 3 niche/special interest activity	National Tourism Organization
Other niche/special interest activities	National Tourism Organization
Promising new tourist segments	National Tourism Organization
How many World Heritage Sites or other protected areas of natural/cultural significance exist?	WEF T&T Global Competitiveness Report
What are the quantity, types, and quality of the natural assets?	National Tourism Organization/TripAdvisor
What are the quantity, types, and quality of the cultural assets?	National Tourism Organization/TripAdvisor
What are the quantity, types, and quality of the created assets?	National Tourism Organization/TripAdvisor
What is the regional distribution of visitation?	National Tourism Organization
Price competitiveness	National Tourism databases
Total cost to average visitor	National Tourism databases
Average air ticket cost from main source markets	Online travel agency
Average hotel room rate (by segment)	Online travel agency
Average fuel price	World Bank database
Describe the current status of the MICE market	National Tourism website
Number and capacity of convention centers	National Tourism website

## 1.6 SUPPLY OF TOURISM PRODUCTS AND SERVICES

**Rationale:** A destination's ability to provide products and services that contribute to the tourism experience and meet demand is an indication of current success as well as its potential for growth. Essential products and services include accommodation; food and beverage outlets; local tour operators and tour guides; visitor information facilities and tourist shops/markets.

INDICATOR	SUGGESTED SOURCES
<b>Accommodation Supply</b>	
<b>Categories and classification of accommodation</b>	Tourism Satellite Account/ National Tourism databases
<b>Total number of guest rooms</b>	National Tourism databases Industry associations
<b>Total number of guest beds</b>	National Tourism databases Industry associations
<b>Rooms by type of accommodation</b>	National Tourism databases Industry associations
<ul style="list-style-type: none"> <li>• <b>Hotels and resorts</b></li> <li>• <b>Bed and Breakfasts (B&amp;Bs)</b></li> <li>• <b>Apartments and motels</b></li> <li>• <b>Homestays</b></li> </ul>	National Tourism databases Industry associations
<b>Number of resorts/hotels</b>	National Tourism databases Industry associations
Total number of rooms 5 years ago	National Tourism databases Industry associations
Total number expected in next 5 years	Industry associations
Presence of international brand hotels	Tourism Satellite Account/ National Tourism databases
Presence of domestic/regional brand hotels	Tourism Satellite Account/ National Tourism databases
Average occupancy rate for international hotels	National Tourism databases Industry associations
Average occupancy rate for domestic hotels	National Tourism databases Industry associations
Rooms breakdown by star rating	National Tourism databases Industry associations
<b>Accommodation Supply</b>	
<b>Categories and classification of accommodation</b>	Tourism Satellite Account/ National Tourism databases
<b>Total number of guest rooms</b>	National Tourism databases Industry associations
<b>Total number of guest beds</b>	National Tourism databases Industry associations
<b>Rooms by type of accommodation</b>	National Tourism databases Industry associations
<ul style="list-style-type: none"> <li>• <b>Hotels and resorts</b></li> <li>• <b>Bed and Breakfasts (B&amp;Bs)</b></li> <li>• <b>Apartments and motels</b></li> <li>• <b>Homestays</b></li> </ul>	National Tourism databases Industry associations

<b>Number of resorts/hotels</b>	National Tourism databases Industry associations	
Total number of rooms 5 years ago	National Tourism databases Industry associations	
Total number expected in next 5 years	Industry associations	
Presence of international brand hotels	Tourism Satellite Account/ National Tourism databases	
Presence of domestic/regional brand hotels	Tourism Satellite Account/ National Tourism databases	
Average occupancy rate for international hotels	National Tourism databases Industry associations	
Average occupancy rate for domestic hotels	National Tourism databases Industry associations	
Rooms breakdown by star rating	National Tourism databases Industry associations	
Average occupancy rate by star rating	National Tourism databases Industry associations	
Average daily rate (ADR) by star rating	National Tourism databases Industry associations	
RevPAR by star rating	National Tourism databases Industry associations	
Issues of seasonality by star rating	Industry associations	
Investment yield by star rating	Industry associations	
Key established investors in accommodation	National Tourism Organization	
Market share of the largest resort/hotel (% over total sales)	Industry associations	
Amount of national, state or provincial-owned shares in resorts/hotels (%)	National Tourism Organization	
<b>Tour Operator Supply</b>		
<b>Key inbound tour operators/destination management companies</b>	National Tourism Organization	
<b>Number of tour/special interest suppliers</b>	National Tourism Organization	
Market share of the largest tour operator (% over total sales)	National Tourism Organization	
Number of tour guides by type of registration (international/regional/local)	National Tourism databases Industry associations	
TRAVEL AGENCY SUPPLY		
<b>Number of retail travel agencies</b>	National Tourism Organization	
<b>Market share of the top three travel agencies (% over total sales)</b>	National Tourism Organization	
Amount of national, state or provincial-owned shares in travel agencies (%)	National Tourism Organization	
OTHER PRODUCTS AND SERVICES		
Number food and beverage outlets	National Tourism Organization	
Number of visitor information facilities	National Tourism Organization	
Adequacy of tourism shops and markets	National Tourism Organization	

## 1.7 TRANSPORT & INFRASTRUCTURE

**Rationale:** Growth of a destination's tourism sector requires inbound and local transport infrastructure and associated services to enable visitor access to the destination's tourism offerings. This is also critical to enabling delivery of tourism business supplies. Sector growth will be impeded if, for example, airline services frequency is low or unreliable or does not enable connections for travelers between key tourism locations. Similarly, poor maritime port, railway or road infrastructure will impede growth where marine or land travel is the primary means of visitor access to and within a destination.

INDICATOR	SUGGESTED SOURCES
Visitors' main modes of transport	National Tourism website
<b>Number of international entry points with customs</b>	National Tourism website
<b>Number of international airports serving the destination</b>	National Tourism website/OTAs
Number of regional airports that serve the destination	National Tourism website/OTAs
<b>Accessibility (quantity, frequency, and capacity) of international air access from # 1 source market</b>	National Tourism databases/OTAs
Accessibility (quantity, frequency, and capacity) of international air access from # 2 source market	National Tourism databases/OTAs
<b>Number of international airlines servicing country (weekly)</b>	National Tourism databases/OTAs
Number of domestic airlines servicing country (weekly)	National Tourism databases/OTAs
Are ride-hailing services such as Uber able to operate in the country?	Laws and regulations
Are services such as Uber subject to the same rules and regulations as traditional transport services?	Laws and regulations
Number of ports with capacity for 100+ person vessels	National Tourism databases
Main cruise itineraries	Online travel websites
Quality of roads (score 1-7, 7 is best)	WEF T&T Global Competitiveness Report
Road density (% total territorial area)	WEF T&T Global Competitiveness Report
Main routes (km road)	National Tourism databases
Travel times between tourism areas and transport nodes	National Tourism databases/ Online travel agency
Describe aviation policy	Laws and regulations
Does the aviation policy conflict in any way with the tourism policy? (e.g. limit airport slots, give preference to the national airline, high airport fees, etc.)	Laws and regulations
Travel time to destination from key source markets	Airline/Travel websites
Availability of other international access options to the destination	Travel websites/OTAs
Are there protective government policies that affect price and supply of transport services?	Laws and regulations/ Government and business surveys
In the airline sector	
In the road transport sector	
In the maritime transport sector	
In the railway transport sector	
Are the air transport services to the destination tied to the tourist package or available separately?	Laws and regulations/ Government and business surveys

Is there adequate flights, capacity, routes, and pricing to meet the needs of the sector?	Laws and regulations/ Government and business surveys
Is there adequate road capacity for passenger transport and routes, and pricing to meet the needs of the sector?	Laws and regulations/ Government and business surveys
Is there adequate vessel capacity for passenger transport, and routes, and pricing to meet the needs of the sector?	Laws and regulations/ Government and business surveys
Is there adequate capacity for passenger rail transport, routes, and pricing to meet the needs of the sector?	Laws and regulations/ Government and business surveys
Are costs of (multimodal) transport services competitive within the region and not an impediment to the tourism services?	Laws and regulations/ Government and business surveys
Statistics on air safety?	National statistics
Statistics on road safety?	National statistics

## 1.8 TOURISM SUPPORT INFRASTRUCTURE

**Rationale:** Beyond existing travel and tourism products and essential transport infrastructure, development and delivery of the tourism offering requires supporting infrastructure and services. Without appropriate supporting infrastructure, including ICT, financial infrastructure, water, energy, sanitation and medical and security services, opportunities for sustainable investment in tourism products are limited, as is destination appeal.

INDICATOR	SUGGESTED SOURCES
Civil infrastructure score (score 1-7, 7 is best)	WEF Global Competitiveness Report
Transport infrastructure score	WEF Global Competitiveness Report
Electricity and telephone infrastructure score	WEF Global Competitiveness Report
Waste and utilities coverage (%)	International Benchmarking Network (IBNet)
Comparative cost of construction (\$)	National statistics
ICT use score	WEF Global Competitiveness Report
Internet use (% population)	WEF Global Competitiveness Report
Solid waste capacity	International Benchmarking Network (IBNet)
Wastewater treatment (%)	International Benchmarking Network (IBNet)
Availability of ATMs/exchange facilities in key tourism locations	Visa Global ATM Locator
Tourism infrastructure score (score 1-7, 7 is best)	WEF Global Competitiveness Report
Electricity supply score	WEF T&T Competitiveness Report
Health and hygiene score	WEF T&T Competitiveness Report
Safety and security score	WEF T&T Competitiveness Report
Is HIV/AIDS a concern for tourists?	World Health Organization Country Data
Is food-borne illness a concern for tourists?	Visitor surveys/Other (TripAdvisor)
Are tropical diseases a concern for tourists?	World Health Organization Country Data
Is water safety a concern for tourists?	Visitor surveys/Other (TripAdvisor)

## 1.9 SOCIAL, POLITICAL AND ENVIRONMENTAL STABILITY

**Rationale:** Tourism development can be impeded by conditions unique to the locale. These conditions may be of a societal nature (e.g. civil unrest, high crime, exploitation of people, corruption, lack of awareness about or support of tourism), political (e.g. political instability, corruption) or environmental (e.g. degradation of natural resources, extreme climatic conditions or threat of natural disaster). These conditions affect a destination's ability to attract tourists and investment as well as its ability to develop and manage tourism supply.

INDICATOR	SUGGESTED SOURCES
<b>Social Stability</b>	
How frequently does crime against tourists occur?	National statistics
Has the destination been a target of terrorism attacks in the past five years?	National statistics
<b>Political Stability</b>	
Has the destination been affected by political unrest in the past five years?	Economist Intelligence Unit
<b>Environmental Stability</b>	
What activities, if any, are impacting tourism environmental resources?	World Bank Country Profiles
What are the threats, if any, of natural disasters or adverse climate conditions?	World Bank Climate Change Knowledge portal
Are environmental considerations affecting the seasonality of the destination? If so, describe.	World Bank Climate Change Knowledge portal
Are conservation and environmental policies effective?	World Bank Climate Change Knowledge portal
Annual deforestation (% change)	World Bank Little Green Data Book
CO <sub>2</sub> emissions per capita (metric tons)	World Bank Little Green Data Book
Access to improved water source (% total population)	World Bank Little Green Data Book
Access to improved sanitation (% total population)	World Bank Little Green Data Book
Are there sustainability indicators associated with the development of tourism in the destination? Are these monitored regularly?	Laws and regulations/ Global Sustainable Tourism Council
Is it mandatory for development projects to follow environmentally friendly practices and standards? Are these adequately implemented?	Laws and regulations
Are there any regulatory barriers to adopting environmentally friendly practices?	Laws and regulations
Does the government incentivize the use of environmentally friendly practices?	Laws and regulations
Do hotels, other tourism accommodations and service providers generally use environmentally friendly practices?	Laws and regulations/ Global Sustainable Tourism Council
<b>Disaster Risk Management</b>	
Does the country keep data on disasters?	National statistics
Has the tourism sector been impacted by major natural disasters over the last five years?	News outlets
What, if any, is the country's risk management and mitigation strategy?	Laws and regulations

## 2. MARKET FACTORS AND INDICATORS

### 2.1 DEMAND ANALYSIS

**Rationale:** The increasing or falling demand for a destination reflects whether its overall appeal is growing or declining. Market performances, where available, are tangible measures of a destination's position in this regard, as well as identifying how resilient the destination is to external impacts.

INDICATOR	SUGGESTED SOURCES
Annual international visitor arrivals (total)	UNWTO
Annual domestic visitors/trips	UNWTO
Visitor arrivals growth (% change year-on-year)	UNWTO
Annual cruise visitors	National Tourism databases
Number of cruise ships/port calls/disembarkations to destination (annual)	National Tourism databases
Annual overnight visitors	National Tourism databases
Annual day visitors	National Tourism databases
Annual leisure tourist arrivals (total)	UNWTO
Leisure arrivals growth (% change year-on-year)	UNWTO
Key source market (overall visitors) # 1	UNWTO
Key source market (overall visitors) # 2	UNWTO
Key source market (leisure visitors) # 1	UNWTO
Key source market (leisure visitors) # 2	UNWTO
Key source market (business visitors) # 1	UNWTO
Key source market (business visitors) # 2	UNWTO
Visitor arrivals change relative to global average	UNWTO
High season (months)	National Tourism databases
Low season (months)	National Tourism databases
Future demand projections	National Tourism databases

## 2.2 VISITOR PROFILES

**Rationale:** A sound knowledge of who is visiting the destination and why, as well as the nature and patterns of visitor flows and expenditures, is essential to understand what is driving demand now, how this impacts the economy and how the patterns of future demand might change.

INDICATOR	SUGGESTED SOURCES
Average leisure visitor length of stay (nights)	UNWTO
Average visitor expenditure (US\$)	UNWTO
Total expenditure per night (US\$)	UNWTO
Domestic visitor average expenditure (US\$)	UNWTO
Average domestic visitor length of stay (nights)	UNWTO
Purpose of visit (%) - leisure	National Tourism databases
Purpose of visit (%) - business	National Tourism databases
Purpose of visit (%) - other	National Tourism databases
Return visitors (%)	National Tourism databases
Describe the current efforts regarding the implementation and collection of visitor surveys.	National Tourism databases
To what degree does overall product and service supply meet visitor expectations?	Visitor surveys/TripAdvisor
Do visitors request services, products and experiences that are not available?	Visitor surveys/TripAdvisor
What is the nature of visitor feedback (complaints, surprise and delight, etc.)?	Visitor surveys/TripAdvisor

## 2.3 DESTINATION IMAGE AND APPEAL

**Rationale:** Overall appeal of the destination offering indicates its tourism success and development potential. Appeal can counter-balance barriers – if appeal is strong enough, some barriers will be less influential. Barriers may include: high cost of access (to and within destination), ease/difficulty of access, safety and security concerns, health concerns, lack of availability of things to do, lack of product (e.g. accommodation, transport), social concerns (e.g. sex tourism), and environmental concerns (e.g. degradation through environmental damage).

INDICATOR	SUGGESTED SOURCES
Country Brand Ranking	Bloom Consulting Country Brand Ranking
Destination slogan	Tourism website
Describe destination's unique selling proposition	Tourism website

## 2.4 MARKETING AND PROMOTION EFFECTIVENESS

**Rationale:** The effectiveness of a destination's marketing directly impacts market demand. If a destination appropriately positions and brands itself according to both its tourism offering and what its target markets are seeking, the likelihood of converting interest to purchases and securing a growing share of that target market is supported. Also influencing propensity for conversion is the effective use of distribution channels to reach the target markets.

INDICATOR	SUGGESTED SOURCES
<b>Is there a tourism marketing and promotion agency? If so, describe its activities.</b>	Tourism website
Is there a tourism marketing and promotion website for consumers? If so, describe.	Tourism website
<b>What is the annual marketing budget, if any?</b>	Tourism website
Describe efforts related to market research.	Tourism website
How rigorous and reliable is the market research?	Tourism website
<b>What are the key distribution channels and how well matched are they to current and future demand?</b>	National Tourism Organization/ Visitor surveys/TripAdvisor

## 2.5 COMPETITOR ANALYSIS

**Rationale:** Understanding which destinations form the most direct competition will help benchmark and position the destination amongst its competition, making it easier to identify strengths and weaknesses. This should be based on both supply considerations (what the destination has to offer) as well as demand (observing consumer behavior to identify the most direct competition).

INDICATOR	SUGGESTED SOURCES
<b>Competitive destinations globally (countries)</b>	TripAdvisor
<b>Competitive destination regionally (countries)</b>	TripAdvisor
Arrivals to main regional competitor (number)	UNWTO
Government budget for tourism in competitor destinations (Total US\$)	National Tourism website
NTO marketing budget in main competitor destination (US\$/visitor)	National Tourism website

### 3. BUSINESS ENVIRONMENT FACTORS AND INDICATORS

#### 3.1 COUNTRY DATA

**Rationale:** Country data is important as a first step to understanding the economic conditions in the country, as well as guiding the type of assistance and instruments the WBG can use delivering our assistance. The environment for investment in tourism is dependent on the economic and political environment of the country and its overall appeal as an area for Private Direct Investment (PDI). This includes such aspects as political stability, economic stability, economic performance and investment conditions.

INDICATOR	SUGGESTED SOURCES
<b>Region</b>	World Bank - World Development Indicators
<b>Lending category</b>	World Bank - World Development Indicators
<b>Income group</b>	World Bank - World Development Indicators
Sub-national structure	Economist Intelligence Unit
Country description	Economist Intelligence Unit
Ruling political party	Economist Intelligence Unit
Date of last national election	Economist Intelligence Unit
Date of next election	Economist Intelligence Unit
Head of state	Economist Intelligence Unit
Head of government	Economist Intelligence Unit
Deputy head of government	Economist Intelligence Unit
<b>Minister responsible for tourism</b>	Economist Intelligence Unit
<b>Deputy minister responsible for tourism</b>	Economist Intelligence Unit
<b>Population (size)</b>	UN Data Country Profiles
Population growth rate (average annual %)	UN Data Country Profiles

#### 3.2 GOVERNANCE

**Rationale:** Understanding measures of the strength of governance and rule of law is helpful in assessing the extent to which the government is likely to be effective in addressing issues and taking action to remove barriers and foster growth. Further, investors require a transparent environment in which to invest so that they can reliably estimate costs and feel confident there is no risk of unfair or preferential treatment of competitors.

INDICATOR	SUGGESTED SOURCES
Voice and accountability score (out of 100)	World Bank Governance Indicators
<b>Government Effectiveness score</b>	World Bank Governance Indicators
<b>Regulatory Quality score</b>	World Bank Governance Indicators
<b>Rule of Law score</b>	World Bank Governance Indicators
<b>Political Stability and Absence of Terrorism/Violence score</b>	World Bank Governance Indicators
<b>Control of Corruption score</b>	World Bank Governance Indicators
Political Rights score (1 = Most Free, 7 = Least Free)	World Bank Governance Indicators
Civil Liberties score (1 = Most Free, 7 = Least Free)	Freedom House - Freedom in the World Indicators
Overall Freedom Status	Freedom House - Freedom in the World Indicators
Statistical Capacity Indicator (out of 100)	Statistical Capacity Indicator
Corruption Perceptions Index score (out of 100)	Transparency International

### 3.3 ECONOMIC STRUCTURE

**Rationale:** Understanding the overall economic conditions within the country provides a sound basis for assessing tourism's relative economic importance, as well as forming a basis for measuring its capacity to contribute to growth and its linkages to other sectors of the economy. The ease of doing business, the level of investment activity in tourism and its rate of growth indicates the potential for further investment in the sector. Specific location or sub-sector studies assist in identifying where investors are active.

INDICATOR	SUGGESTED SOURCES
Currency	World Bank - World Development Indicators
<b>GDP (current US\$)</b>	World Bank - World Development Indicators
<b>GDP per capita (current US\$)</b>	World Bank - World Development Indicators
<b>GPD growth (annual %)</b>	World Bank - World Development Indicators
Total investment (% of GDP)	IMF Economic Outlook database
Macro-economic stability	Economist Intelligence Unit
Fiscal deficit/surplus	Economist Intelligence Unit
Exchange rate	World Bank - World Development Indicators
Inflation, consumer prices (annual %)	World Bank - World Development Indicators
Interest rates (average) for last 3 years (lending)	World Bank - World Development Indicators
Labor force (total size)	World Bank - World Development Indicators
Unemployment (% of labor force)	World Bank - World Development Indicators
Main industry/earner (% of GDP)	World Bank Country Profiles
Secondary industry/earner (% of GDP)	World Bank Country Profiles
Other industry/earners (% of GDP)	World Bank Country Profiles
Population at national poverty level (%)	World Bank - World Development Indicators
Ranking position: Doing Business with identified competitive advantages and disadvantages	IFC Doing Business
Overall ease of doing business	IFC Doing Business
Starting a business	IFC Doing Business
Dealing with construction permits	IFC Doing Business
Registering property	IFC Doing Business
Getting credit	IFC Doing Business
Protecting minority investors	IFC Doing Business
Paying taxes	IFC Doing Business
Trading across borders	IFC Doing Business
Enforcing contracts	IFC Doing Business
Resolving insolvency	IFC Doing Business
Key economic challenges	Economist Intelligence Unit
Net official development assistance (ODA) received per capita (US\$ million)	World Bank Country Profiles
National development plan	World Bank Country Profiles
Current account balance (US\$ million)	World Bank - World Development Indicators

### 3.4 TOURISM REGULATORY FRAMEWORK

**Rationale:** Sector growth can be positively affected by a regulatory and legal environment which facilitates the PDI process. Evidence of complex, time-consuming, non-transparent or administratively cumbersome procedures can act as a deterrent, when compared with environments where the investment process is simplified. Prospective investors will consider any additional procedures that are required in the operation of a business prior to deciding to invest and whether a formal licensing system exists which is transparent and has reasonable requirements.

INDICATOR	SUGGESTED SOURCES
Is there a system for tourism business registration? If so, describe.	Laws and regulations/ National Tourism Organization
What licenses are needed to run tourism businesses?	Laws and regulations/ National Tourism Organization
Is the cost of obtaining tourism business licenses a significant charge on business operating costs?	Surveys/Consultations with investors/ professional advisors
Transferability of licenses with the sale and transfer of a business or property	Laws and regulations/ National Tourism Organization
Are tourism businesses subject to foreign investment restrictions?	Laws and regulations/ National Tourism Organization
Are tourism businesses subject to specific development approval processes?	Laws and regulations/ National Tourism Organization

### 3.5 HUMAN RESOURCES

**Rationale:** Development of the tourism sector is not possible without a sufficient pool of appropriately skilled labor. Travel and tourism requires a broad range of skills ranging from business management to hotel-specific hospitality management and operations, to specialized product development and marketing, tour guiding, customer service and more. In order for the destination to meet market demand, attract investment and sustain growth, any shortfalls in the availability of local skilled labor must be addressed by accessing labor from elsewhere in the short term and building suitable skills locally in the long term.

INDICATOR	SUGGESTED SOURCES
List certifying agencies for tourism	Certifying agencies
Training institutions for tourism	Certifying agencies
Who is in charge of standards for tourism training?	Certifying agencies
How does tourism fit in within the national training system?	Training institutions
Number of tourism training institutions	Training institutions
Number and range of tourism training courses available relative to demand for mix of tourism skills	Training institutions
Number of accreditation agencies	Training institutions
Number of training facilities	Training institutions
Capacity of training facilities by qualification type	Training institutions
Tuition fees	Training institutions
Is there public and/or private support given to training institutions or to in-house training of workers? If so, describe.	Training institutions
Is the content of tourism training courses suitable and focused on local skill gaps?	Training institutions
Language skills of workers	Training institutions
What % of tourism employees have formal/in-house tourism training?	Training institutions
Number of certified employees	Training institutions
Is there a mismatch in graduates and positions relative to managing jobs available?	Training institutions
Any graduate/employee tracking data	Training institutions
What is the percentage of the local people in management positions?	Training institutions
Is there a program in place to train and license tour guides?	Training institutions
Who operates the program to train and license tour guides?	Training institutions
Are training programs available for other sectors linked to the tourism sector (e.g. immigration and customs officers, taxi drivers, etc.)?	Training institutions

### 3.6 GENDER

**Rationale:** While tourism can be a strong source of jobs for women and youth, it is important to identify any barriers to participation, engagement and advancement within the sector for tourism to be truly inclusive. Sources of discrimination can include access to job opportunities, wage levels, and employment conditions, as well as access to finance.

INDICATOR	SUGGESTED SOURCES
Is the country a signatory of the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)?	UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)
If so, when did they sign and have reports on progress been issued?	UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW)
<b>Women's labor force participation rate (% of female population ages 15+)</b>	International Labor Organization Statistics
<b>Gender indicators (literacy, etc.)</b>	World Bank Gender Data portal
<b>Global Gender Gap Index ranking</b>	WEF Global Gender Gap Report
<b>UNDP Human Development Index (female)</b>	UNDP Human Development Report
<b>UNDP Human Development Index (male)</b>	UNDP Human Development Report
<b>Life expectancy at birth (female)</b>	UNDP Gender Development Index
<b>Life expectancy at birth (male)</b>	UNDP Gender Development Index
Expected years of schooling (female)	UNDP Gender Development Index
Expected years of schooling (male)	UNDP Gender Development Index
Mean years of schooling (female)	UNDP Gender Development Index
Mean years of schooling (male)	UNDP Gender Development Index
Estimated gross national income per capita (2011 PPP US\$) (female)	UNDP Gender Development Index
Estimated gross national income per capita (2011 PPP) (male)	UNDP Gender Development Index
Female share of employment in senior and middle management (%)	World Bank Gender Data portal
<b>Are there any gender-related issues and/or discriminatory practices?</b>	Training institutions
Does the law prohibit discrimination by creditors on the basis of gender in access to credit?	WBG Women, Business and the Law 2016: Getting to Equal
Do unmarried men and unmarried women have equal ownership rights to property?	WBG Women, Business and the Law 2016: Getting to Equal
Do married men and married women have equal ownership rights to property?	WBG Women, Business and the Law 2016: Getting to Equal
United Nations Development Program (UNDP) Human Poverty Index	UNDP Human Development Report



## II. BENCHMARKING CHECKLISTS

Following desk research, benchmarks are useful ways to set a baseline and learn from other destinations. Rankings and indices are useful sources of information, although few exist purely for tourism. Suggested indicators are shown below.

INDICATOR	SUGGESTED SOURCES
<b>Overall Tourism Sector</b>	
WEF Global T&T Competitiveness overall rank	WEF T&T Global Competitiveness Report
Business environment	WEF T&T Global Competitiveness Report
Safety and security	WEF T&T Global Competitiveness Report
Health and hygiene	WEF T&T Global Competitiveness Report
Human resources and labor market	WEF T&T Global Competitiveness Report
ICT readiness	WEF T&T Global Competitiveness Report
Prioritization of travel and tourism	WEF T&T Global Competitiveness Report
International openness	WEF T&T Global Competitiveness Report
Price competitiveness	WEF T&T Global Competitiveness Report
Environmental sustainability	WEF T&T Global Competitiveness Report
Air transport infrastructure	WEF T&T Global Competitiveness Report
Ground and port infrastructure	WEF T&T Global Competitiveness Report
Tourist service infrastructure	WEF T&T Global Competitiveness Report
Natural resources	WEF T&T Global Competitiveness Report
Cultural resources and business travel	WEF T&T Global Competitiveness Report
<b>Adventure Tourism</b>	
Adventure Tourism Development Index overall rank	Adventure Tourism Development Index
Safety	Adventure Tourism Development Index
Health	Adventure Tourism Development Index
Natural Resources	Adventure Tourism Development Index
Adventure Resources	Adventure Tourism Development Index
Entrepreneurship	Adventure Tourism Development Index
Humanitarian	Adventure Tourism Development Index
Cultural Resources	Adventure Tourism Development Index
Infrastructure	Adventure Tourism Development Index
Image	Adventure Tourism Development Index
Sustainable Development	Adventure Tourism Development Index

### III. STAKEHOLDER LISTS AND INTERVIEW GUIDES

The following are examples only. Each team should decide and extract those questions that are most appropriate to their destination.

#### PUBLIC SECTOR

TYPE	SUB-TYPE	UNITS/DIVISIONS/ DEPARTMENTS	STAFF
NATIONAL LEVEL	Ministry of Tourism	Tourism promotion Research and statistics Tourism investment Strategic planning Tourism policy Certification and standards Product development	Ministers Directors Technical Staff Heads of Division Policymakers
	Other ministries (e.g. culture, transport/civil aviation, environment, education, foreign affairs, economy, artisans/handicrafts, natural resources, etc.)	Immigration and visas Protected areas/parks Cultural heritage, monuments, museums	Ministers Directors Technical Staff Heads of Division Policymakers
	Investment promotion agency	Tourism investment Research and statistics SMEs	Directors-Managers Technical Staff Heads of Division
	Tourism funds	Investment strategy	Directors-Managers Technical Staff Heads of Division
	National statistics institute	Tourism division/unit	Directors-Managers Technical Staff Heads of Division
	Tourism promotion agencies	Marketing, research and statistics	Directors-Managers Technical Staff Heads of Division
	Tourism institutes	Research and statistics	Directors-Managers Technical Staff Heads of Division
	Other public-sector tourism organizations (e.g. tourism administration, tourism organization, tourism development authorities, etc.)	Tourism promotion Research and statistics Tourism investment Strategic planning	Directors-Managers Technical Staff Heads of Division
	Resource management bodies (national parks, museums and monuments, etc.)	Research and statistics	Directors-Managers Technical Staff Heads of Division
REGIONAL LEVEL	Nationally managed attractions		Directors-Managers Technical Staff Heads of Division Policymakers
	Regional government		
	Tourism offices		
	Other regional tourism institutions (e.g. regional tourism board)		
	Resource management bodies (national parks, museums and monuments, etc.)		
	Sub-national statistical institutes		
	Regionally managed attractions		

LOCAL LEVEL	Tourism one-stop-shops		Directors-Managers Technical Staff Heads of Division Policymakers
	Municipalities		
	Resource management bodies (national parks, museums and monument, etc.)		
	Locally managed attractions		
	Tourism offices		

## PRIVATE SECTOR

TYPE	SUB-TYPE	SPECIFIC UNIT/DIVISION/STAFF
INDUSTRY ASSOCIATIONS	Chambers of commerce	Directors Presidents Representatives
	Hotel associations and federations	
	Tour operator associations	
	Travel agent associations	
	Restaurant associations	
	SME associations	
DIRECT TOURISM SERVICE PROVIDERS	Accommodation services (e.g. hotels, hostels, Airbnb, HomeAway)	Managers Owners Business development Procurement Marketing and promotion
	Food and beverage (e.g. restaurants, bars)	Tour guides Interpreters
	Tours and Local Tour Companies	Airline, buses, railway, and cruises companies (e.g. managers, owners, business development, procurement, marketing and promotion) Airport representatives Vehicle rental companies
	Transport operators	Managers Outfitters Guides Marketing and promotion
	Attractions and activity providers	Directors Agents Marketing and promotion Business development
	Travel agencies	Directors Agents Marketing and promotion Business development
	Tour operators	Producers Sellers Intermediaries Marketing and promotion
EXTERNAL INDIRECT SUPPLIERS/ PROVIDERS	Artisans and crafters	Producers Sellers Intermediaries Marketing and promotion
	Farmers and fishermen	
	Musicians and entertainers (e.g. dancers, performers)	
	Other goods and services individual suppliers (e.g. furniture, security, laundry)	
	Logistic providers	
	Supplier's cooperatives (e.g. agri, farm)	

BUSINESS ADVISORS	Specialized tourism advisory/consulting firms	Consultants Agents Experts
	Accounting firms	
	Real estate/valuation firms	
	Engineering/construction contractors	
	Investment advisory firms	

## INDIVIDUALS AND SOCIETY

TYPE	SUB-TYPE	INDIVIDUALS
INVESTORS	International Domestic	
WORKERS	Trade unions Individuals (national and foreign)	Leaders Representatives
VISITORS	Individuals (local and international) Consumer networks, clubs and societies Travel media and social media users	Individuals Directors Influencers
LOCAL COMMUNITIES	Community councils Ethnic groups Tribal groups Citizens associations	Chiefs Leaders Representatives
LOCAL NGOS	Tourism-focused NGOs Other NGOs (human development, rural development, environment, social and community)	Directors Technical Staff Volunteers

## OTHER INSTITUTIONS

TYPE	INSTITUTIONS	UNITS/DIVISIONS	STAFF
DESTINATION MANAGEMENT ORGANIZATIONS	Destination management organizations Destination marketing organizations Conservation organizations Convention bureaus	Research Marketing and promotion Human resource development Product development Crisis management response Internal communications Information management Destination planning Strategy and policy formulating	Director Departments Directors Technical Staff Policymakers
	INSTITUTIONS	DEPARTMENTS	STAFF
TRAINING INSTITUTIONS	Education and training bodies (incl. vocational training) Universities, colleges, and teaching bodies Research institutions Accreditation & certification agencies Technical experts and advisory bodies	Governing councils Finance and administrative Specific departments (F&B, services, hotel management, entrepreneurship) Directorate of studies Private sector liaison (e.g. internships)	Director-General Director-Principal Teachers Director of Studies
	INSTITUTIONS	DEPARTMENTS	STAFF
DEVELOPMENT PARTNERS	WBG & IFC Regional development banks European Commission EuropeAid National development agencies International NGOs Embassies	Regional departments Technical departments Program management units	Country Management Units Tourism divisions (or similar) Project leaders and technical staff working in tourism or related projects (SME development, market access, investment promotion, agribusiness and agriculture)

## STAKEHOLDER INTERVIEW GUIDES

### 1. MINISTRY OF COMMERCE AND SME PROMOTION

#### INDICATOR

- What is the role and function of the agency?
- What is the state of the business climate?
- Is tourism prioritized within the government?
- What type of businesses are most dynamic?
- What is the track record and focus on tourism? How has this changed?
- What do SMEs find most difficult?
- What types of data are collected, and may we access it?

### 2. INVESTMENT PROMOTION AGENCY/FINANCE OFFICIALS

#### INDICATOR

- Is there an investment promotion agency?
- Amount of FDI in tourism by location and asset type (# and value)
- Amount of DDI in tourism by location and asset type (# and value)
- What are the current staffing, capacity level and budget of the investment promotion agency?
- What is the availability of investment promotion materials?
- How are investors' rights protected and disputes solved?
- Are there protected industries, occupations, or sectors? If so, which ones?
- Is competition regulated? If so, how?
- How is intellectual property protected?
- How is insolvency/bankruptcy managed?
- What types of data are collected?
- How many major corporate failures in which international investors were involved occurred in past 5 years?
- How many major corporate failures in the tourism sector in which international investors were involved occurred in the past 5 years?
- What is your view of domestic investor interest in the tourism sector?
- What is your view of foreign investor interest in the tourism sector?
- What is the private investor and financial market participation in/appetite for tourism?
- What is the investment sentiment and any survey data available?
- What are the prevailing tourism business ownership models?
- What type of businesses are most active?
- What are the immigration policies for workforce?
- What are the minimum wage requirements?
- Are there social security regulations for workers?
- What are the hiring/firing regulations?
- Is there a presence of corporate social responsibility?
- Are there restrictions on FDI on products and services?

Are there incentives for foreign investment?

What incentives does the government offer to reduce developmental and operational costs and encourage new tourism developments?

Is there equal and level playing field for various accommodation types? (e.g. are Airbnb and other similar accommodation providers – shared economy – subject to the same regulatory environment (taxes, fire and safety standards, etc.)?)

What incentives are provided for product development? (e.g. any grants or programs at a community level to encourage community-based tourism?)

What financial services are available to foreign investors?

How accessible is credit and how is it accessed?

What type of credit is available for local investors/SMEs?

What insurance options exist and how are these accessed?

How do developers fund their projects?

What types of equity players invest in the destination?

How do the private and public sectors work together for new developments (any PPPs)?

Does the country have a one-stop shop for investors?

Are there restrictions to acquiring land or property? If so, describe.

How is land or property taxed?

How easy/difficult is it for investors to access land?

Are there unsecured property rights? If so, describe.

Access to government and customary land?

Are there issues with land use rights?

### 3. INVESTORS AND PROFESSIONAL ADVISORS (LEGAL/ACCOUNTING/PROPERTY)

#### INDICATOR

Investor perceptions of ease of establishing a business/investing in tourism

What are the main barriers for investment in tourism?

Investor perceptions of attractiveness of investment returns from tourism

Ease of compliance with regulatory procedures

Conditions surrounding protection of tourism investment assets

Investor perceptions of restrictions relating to the competitive environment

Ease of access to land for tourism developments

Investor perceptions of assistance for potential tourism investments

Availability of professional assistance for potential tourism investments

Availability of timely and relevant data to support tourism investment decisions

Ease of securing local financing for tourism investments

Availability of financial services (asset, business, mortgage insurance, audit services)

Investor perceptions of cost/availability of suitable labor to support tourism investments

Investor perceptions of input costs for tourism investments (utilities, labor, materials)

Costs of construction for tourism projects (US\$/m<sup>2</sup> for range of classes of construction)

Incidence of investment failures in tourism in the last five years

## 4. INDUSTRY ASSOCIATIONS

### INDICATOR

What are the proposed investments in accommodation?

#### Private Sector Destination Management Capacity

Are there any industry associations?

Which private institutions (business associations and business councils) operate in the location?

Does the association have an effective private sector tourism management plan in sync with government destination plans?

What is the level of professionalism within industry association?

What is the level of private sector support of NTO marketing initiatives?

How do direct suppliers of and indirect suppliers to tourism products do business?

#### Private Sector Destination Management Capacity

Is there a formal mechanism for effective public-private tourism sector coordination/dialogue?

Is it effective in raising and resolving tourism management issues?

What level of cooperation between public and private sector exists?

What government/industry public private dialogue is underway to progress tourism? Format? Objectives? Perceptions about its effectiveness? Opportunity to improve?

#### Marketing, Promotion And Destination Appeal

How does the destination perceive the effectiveness and adequacy of their brand?

How are the marketing campaigns perceived?

How does the tourist experience match the image/brand the destination sells?

What is the role of the private sector in destination marketing?

What barriers exist to travel to the destination and how do they affect the traveler's decision-making process of choosing it (costs, safety and security, attractions, etc.)?

#### Tourism Offering

What activities are linked to accommodation and tourism assets?

What is the size and structure of the distribution channels?

What are distributors' roles in packaging and selling the destination?

What is the availability of suitable accommodation to meet demand (from perspective of in-market industry clients)?

#### Gender

How are women represented in private-sector leadership?

Do women have professional associations?

How are women and men represented in different parts of the tourism value chain?

Do these patterns suggest gender-role stereotyping?

In which tourism roles do women play an important role or predominate?

In which accommodation roles are women underrepresented?

In which tour operators and transport roles are women under-represented?

What types of firms do women tend to run (large, medium, small or micro, formal/informal, rural/urban, years in operation)? What is the management structure?

What are the sector-specific constraints to business regulation, licensing, and taxation?

How do women business owners most commonly get/receive information?

Do women have equal access to finance? What are the maximum loan windows for women and men?

What resources do women business owners need to improve their efficiency, productivity, and effectiveness?

Are there skill and capacity differences between women and men?

What are women's unpaid work expectations?

What is the technology gap between women and men?

What resources do women employees need to improve their efficiency/productivity and effectiveness?

What resources do women business owners need to improve their efficiency, productivity, and effectiveness?

How and why are women's needs different to those of men in the tourism sector?

## 5. TOUR OPERATORS AND TRAVEL AGENCIES

### INDICATOR

Are domestic tour operators part of or have exclusivity contracts with international tour operator groups?

Are domestic tour operators present in regional/international markets (origin markets)?

Do international tour operators have exclusivity contracts with domestic hotels?

Do international tour operators invest in marketing the destination country as a unique destination?

Is there a strong collaboration between domestic and international tour operators, which has positive effects on:

- A good understanding of market requirements?
- The ability to secure competitive discounts from hotels and airlines?
- Optimizing product pricing and participating effectively in sales promotion campaigns?

Can travel agencies in the destination countries sell tourist packages?

Are ancillary services (entertainment activities, technicians, handicraft, etc.) available?

## 6. PRIVATE SECTOR SME ASSOCIATION

### INDICATOR

Role of association

Size and number of members

What sector is most represented?

Are there any tourism firms?

Do any of your members' businesses supply tourism firms?

Are there opportunities for member businesses to supply tourism firms (e.g. food, furniture, services, crafts)?

What types of problems do your members face?

What needs to be done to make business easier?

## 7. PRIVATE SECTOR BUSINESSES

### INDICATOR

How is business currently – growth/decline over last 5 years?

What has changed in the last five years?

Where do most visitors come from?

Why do visitors come?

Are consumers/tourists happy?

Do consumers/tourists request services/products/experiences that are not available?

What are consumers'/tourists' complaints in general (e.g. long immigration queues, poor quality tour guides, etc.)?

What are the biggest challenges of running a business in this country?

What are the main barriers to specific operations (e.g. business regulations, marketing, etc.)?

What are main barriers to overall growth of the sector (e.g. access to finance, destination image, poor planning, etc.)?

Do you have difficulty finding trained staff?

Are you planning to expand in the future?

What are the main investment opportunities in this sector?

What overall changes would you like to see in the sector by in the next two years?

What projects/plans are in the pipeline that would impact this initiative? What are their timelines?

## 8. COMMUNITIES AND CIVIL SECTOR

### INDICATOR

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How are local communities involved in the tourism offering and promotion?

Do they have a sense of pride and ownership?

Do they have knowledge, skills, experience to adequately protect the destination's tourism assets?

How are they consulted and involved, if at all, on new developments?

How is culture weaved into the tourism product offering of the destination beyond cultural sites to visit? (i.e. local food, dances, local art, local clothes, hotel architecture and decorations representing the local culture, local music, authentic local experience).

Are the poor involved in the tourism value chain in any way?

How much do communities benefit from tourism?

Are there conflicts between communities and tourism?

Are women constrained in their ability to travel, either because of domestic responsibilities or because of cultural or religious factors?

Do women carry a disproportionate share of housework and childcare?

# IV. SAMPLE TOURISM INDUSTRY SURVEYS

## LOCAL TOURISM INDUSTRY SURVEY

### PREAMBLE

This survey provides the opportunity for you to have your say on the impediments and opportunities to sustainable development of the tourism sector in [COUNTRY]. It is being conducted as part of the World Bank Group’s Tourism Sector Diagnostic (TSD) assessment. The aim of the project is to identify and prioritize constraints and opportunities regarding the development of the tourism industry, with a view to determining solutions that can be supported through future assistance programs. We shall collate responses to obtain average scores, but additional comments on each section are welcome. Your feedback will remain confidential and only aggregate scores will be released.

### SECTION 1: GENERAL INFORMATION

Your Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Position/Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Date: \_\_\_\_\_

### SECTION 2: TOURISM SECTOR PRIORITIZATION AND LEADERSHIP

2.1 In your view, what level of priority does your Government give to tourism sector development?

(please circle)      No Priority Very High Priority

○	1	2	3	4	5
---	---	---	---	---	---

2.2 Do you believe [COUNTRY]’s tourism policy is effective in supporting development of the sector?

(please circle)      Highly Ineffective Highly Effective

○	1	2	3	4	5
---	---	---	---	---	---

2.3 How effectively do you believe the legal system in [COUNTRY] meets the needs of the tourist industry? (e.g. controls or setting standards on unsafe or unscrupulous operators).

(please circle)      Highly Ineffective Highly Effective

○	1	2	3	4	5
---	---	---	---	---	---

2.4 How strongly do you agree with the statement: “Effective tourism leadership in [COUNTRY] is demonstrated through the Government’s implementation of a strategic tourism plan (e.g. a Master Plan)” (On a scale where 0 = strongly disagree and 5 = strongly agree).

(please circle)      Strongly Disagree Strongly Agree

○	1	2	3	4	5
---	---	---	---	---	---

2.5 What level of support do you believe community has for tourism in general?

(please circle)      Strong Opposition Strong Support

○	1	2	3	4	5
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Section 2 Comments:

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### SECTION 3: DESTINATION MARKETING BY TOURISM SECTOR STAKEHOLDERS

3.1 How effective is the [COUNTRY] [INSERT RELEVANT NTO] Marketing Strategy in growing tourism in [COUNTRY]?

(please circle)

Highly Ineffective					Highly Effective
0	1	2	3	4	5

3.2 Are you a member of the [COUNTRY] Industry Association?

(please circle)      1. Yes      2. No

3.3 How effective do you believe [INSERT RELEVANT Tourism Industry Association (TIA)] is in delivering on industry needs and achieving outcomes for sector growth?

(please circle)

Highly Ineffective					Highly Effective
0	1	2	3	4	5

3.4 a) Do you participate in cooperative destination marketing activities with:

(please circle)

		If yes – what is your approximate annual spend?		If no – what is the reason for this?
(i) [Name TIA]	Yes		No	
(ii) [Name NTO]	Yes		No	
(iii) Other tourism business	Yes		No	

b) If yes to any of the above, how effective are these cooperative marketing opportunities?

(please circle)

	Highly Ineffective				Highly Effective	
(i) [Name TIA]	0	1	2	3	4	5
(ii) [Name NTO]	0	1	2	3	4	5
(iii) Other tourism business	0	1	2	3	4	5

c) If no, would you participate if more/better opportunities were available?

(please circle)

(i) [Name TIA]	Yes	No
(ii) [Name NTO]	Yes	No
(iii) Other tourism business	Yes	No

Section 3 Comments:

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**SECTION 4: GOVERNMENT & PRIVATE SECTOR TOURISM COORDINATION**

4.1 Do you participate in public-private dialogue (PPD) between government and tourism private sector?

(please circle) 1. Yes 2. No – not interested 3. No – no opportunity

4.2 If yes: How effective do you believe the current opportunities for dialogue between government and the tourism sector are in raising and resolving tourism management issues?

(please circle)

Highly Ineffective						Highly Effective
○	1	2	3	4	5	

4.3 How effective is coordination amongst agencies with responsibilities for aspects of tourism development (e.g. Ministers, Tourism Board, Other Government Departments, and Tourism Associations)? (On a scale where 0 = highly ineffective and 5 = highly effective).

(please circle)

Highly Ineffective						Highly Effective
○	1	2	3	4	5	

Section 4 Comments:

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**SECTION 5: ENVIRONMENTALLY SUSTAINABLE TOURISM DEVELOPMENT**

5.1 How appropriate is the level of stringency for environmental regulation of tourism development in [COUNTRY]?

(please circle)

Highly Inappropriate						Highly Appropriate
○	1	2	3	4	5	

5.2 How effective is the government’s communication about environmental regulations to the tourism sector?

(please circle)

Highly Ineffective						Highly Effective
○	1	2	3	4	5	

5.3 How adequate is the government’s policing of environmental regulations in relation to tourism developments?

(please circle)

Highly Inadequate						Highly Adequate
○	1	2	3	4	5	

5.4 How seriously are human activities impacting on the destination’s tourism appeal?

(please circle)

Serious Impacts on Tourism Appeal						No Impact on Tourism Appeal
○	1	2	3	4	5	

5.5 Are the sustainability requirements and environmental regulations governing new projects likely to deter potential investors?

(please circle)

Major Deterrent to Investors						Not A Deterrent to Investors
○	1	2	3	4	5	

Section 5 Comments:

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## SECTION 6: COMMUNITY LINKAGES TO TOURISM BUSINESSES

6.1 For accommodation providers only: For your accommodation business, how reliable is the local supply of:

(please circle)

	Highly Unreliable					Highly Reliable
a) Food and Beverage	<input type="radio"/>	1	2	3	4	5
b) Furniture and Furnishings	<input type="radio"/>	1	2	3	4	5
c) Building Materials	<input type="radio"/>	1	2	3	4	5
d) Handicrafts	<input type="radio"/>	1	2	3	4	5

Section 6 Comments:

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## SECTION 7: MANAGING A QUALITY VISITOR EXPERIENCE

7.1 In your opinion how effective are [COUNTRY]'s system of managing standards for tourism and related businesses?

(please circle)

	Highly Ineffective					Highly Effective
a) For accommodation	<input type="radio"/>	1	2	3	4	5
b) For other tourism suppliers (e.g. local transport services, tour operations, restaurants, etc.)	<input type="radio"/>	1	2	3	4	5

7.2 Do you regularly undertake customer/visitor satisfaction surveys?

(please circle)      1. Yes      2. No

If yes, how often: \_\_\_\_\_

7.3 What is your opinion about the degree to which visitor expectations are matched with visitor experiences in [COUNTRY]?

(please circle)

	No Match			Excellent Match		
	<input type="radio"/>	1	2	3	4	5

7.4 Are there taxes or charges on tourists which negatively influence the views they have about [COUNTRY] as a travel destination and are seen as unreasonable by them (e.g. bed tax, services tax, departure tax, visa fees, other)?

(please circle)      1. Yes      2. No

If yes, explain:

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7.5 To what extent do you believe barrier controls at the point of entry for visitors (e.g. long delays, bribery, other) threaten [COUNTRY]'s tourism appeal?

<i>(please circle)</i>	Serious Impacts on Tourism Appeal				No Impact on Tourism Appeal	
	0	1	2	3	4	5

Section 7 Comments:

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## SECTION 8: HUMAN RESOURCES AND TRAINING

8.1 How easy is it to source staff locally with suitable training and/or work experience for your tourism business? (On a scale where 0 = very difficult and 5 = very easy).

<i>(please circle)</i>	Very Difficult				Very Easy	
a) Staff with higher education	0	1	2	3	4	5
b) Staff with vocational training	0	1	2	3	4	5
c) Staff with work experience	0	1	2	3	4	5

8.2 How easy is it to source staff locally with suitable attitude and service standards for your tourism business/es?

<i>(please circle)</i>	Very Difficult				Very Easy	
Now	0	1	2	3	4	5
Next 5 years	0	1	2	3	4	5

8.3 How well equipped do you believe secondary (high) school graduates are to enter the tourism industry?

<i>(please circle)</i>	Poorly Equipped			Very Well Equipped		
	0	1	2	3	4	5

8.4 Do you sponsor in-house or external training programs for staff?

*(please circle)*      1. Yes                  2. No

8.5 If you are familiar with tourism training courses: How would you rate the tourism training available in [COUNTRY] in terms of:  
a) Course content relative to skills required by the industry?

<i>(please circle)</i>	Very Unsuitable				Very Suitable	
a) Higher education courses	0	1	2	3	4	5
b) Vocational tourism courses	0	1	2	3	4	5

b) Number of places offered relative to demand for skill requirements of industry?

<i>(please circle)</i>	Very Unsuitable				Very Suitable	
a) Higher education courses	0	1	2	3	4	5
b) Vocational tourism courses	0	1	2	3	4	5

c) Modes of delivery (e.g. full/part time, distance, etc.) available relative to training needs?)

<i>(please circle)</i>	Very Unsuitable				Very Suitable	
a) Higher education courses	0	1	2	3	4	5
b) Vocational tourism courses	0	1	2	3	4	5



## SECTION 10: ACCOMMODATION INFRASTRUCTURE

10.1 What is your view on the availability of accommodation in [COUNTRY] to meet current tourism demand?

(please circle)

	Supply Inadequate					Supply Adequate
a) Number of rooms available	<input type="radio"/>	1	2	3	4	5
b) Range of accommodation	<input type="radio"/>	1	2	3	4	5

10.2 In your view, will there be sufficient existing and new rooms in place to meet expected growth in demand over the next three years?

(please circle)

	Over Supply and Demand Balance			Under Supply and Demand Balance		
	<input type="radio"/>	1	2	3	4	5

Section 10 Comments:

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## SECTION 11: OTHER INFRASTRUCTURE AND SERVICES CAPACITY TO SUPPORT TOURISM

11.1 What is your opinion about the ongoing reliability of the following services for your business?

(please circle)

	Highly Unreliable					Highly Reliable
a) Telephone service	<input type="radio"/>	1	2	3	4	5
b) Internet service	<input type="radio"/>	1	2	3	4	5

11.2 Do you accept payment from guests/customers by credit card or debit card?

(please circle)      1. Yes      2. No

11.3 What is your opinion about the adequacy of the following services for tourists in the main tourist areas of [COUNTRY]?

(please circle)

	Highly Unreliable					Highly Reliable
Access to safe drinking water	<input type="radio"/>	1	2	3	4	5
Reliability of electricity supply	<input type="radio"/>	1	2	3	4	5
Supply of health and medical services	<input type="radio"/>	1	2	3	4	5
Sanitation services	<input type="radio"/>	1	2	3	4	5
Police and security services	<input type="radio"/>	1	2	3	4	5

11.4 To what degree do you believe the expansion of accommodation and visitor services is limited by reliability and access to:

(please circle)

	Severe Constraints					No Constraints
a) Water supply?	<input type="radio"/>	1	2	3	4	5
b) Energy supply?	<input type="radio"/>	1	2	3	4	5
c) Waste management services?	<input type="radio"/>	1	2	3	4	5

11.5 For accommodation providers only: Do you offer internet facilities to guests?

(please circle)      1. Yes      2. No

Section 11 Comments:

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**SECTION 12: INDUSTRY PERFORMANCE**

12.1 For accommodation providers: What is the approximate average annual increase or decrease in room nights sold in the past three years?

	>10% decline	5%-10% decline	0-5% decline	No change	0-5% increase	>5% increase
(please circle)	<input type="radio"/>					
	0	1	2	3	4	5

12.2 Do you have an estimate of the proportion of repeat visitors for your business (i.e. % who have previously used your property or service)?

	<input type="radio"/>	>5%	5%-15%	15%-30%	30-50%	>50%
(please circle)	<input type="radio"/>					
	0	1	2	3	4	5

Section 12 Comments:

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**SECTION 13: BUSINESS OPERATIONAL REQUIREMENTS**

13.1 Do you have to secure one or more licenses to operate your business?

(please circle)      1. Yes      2. No

a) Based on your experience is it difficult to secure a new license?

Enter Type of License Required	Very Difficult						Very Easy
	<input type="radio"/>						
	0	1	2	3	4	5	
	<input type="radio"/>						
	0	1	2	3	4	5	

a) Based on your experience is it difficult to renew a license?

Enter Type of License Required	Very Difficult					Very Easy	
	<input type="radio"/>						
	0	1	2	3	4	5	
	<input type="radio"/>						
	0	1	2	3	4	5	

13.2 Is the cost of securing and renewing your licenses a significant cost to your business?

	A Significant Cost					Not Significant
(please circle)	<input type="radio"/>					
	0	1	2	3	4	5

13.3 Do taxes or charges which are specific to the tourism industry (e.g. bed taxes, transport charges) represent a significant addition to the cost of doing business?

(please circle)

A Significant Cost				Not Significant	
0	1	2	3	4	5

Section 13 Comments:

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**SECTION 14: OTHER COMMENTS WE SHOULD CONSIDER**

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Thank you for completing this survey. Your answers will remain confidential. Only average scores will be released in results.

# TRAVEL TRADE SURVEY

## PREAMBLE

This survey provides the opportunity for you to have your say on the impediments and opportunities to sustainable development of the tourism sector in [COUNTRY]. It is being conducted as part of the World Bank Group's Tourism Sector Diagnostic (TSD) assessment. The aim of the project is to identify and prioritize constraints and opportunities regarding the development of the tourism industry, with a view to determining solutions that can be supported through future assistance programs. We shall collate responses to obtain average scores, but additional comments on each section are welcome. Your feedback will remain confidential and only aggregate scores will be released.

## SECTION 1: GENERAL INFORMATION

Your Name: \_\_\_\_\_

Organization: \_\_\_\_\_

Position/Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_ Date: \_\_\_\_\_

## SECTION 2: YOUR COMPANY'S BUSINESS TO [COUNTRY]

2.1 How long has your company been selling travel products and services to [COUNTRY]?

\_\_\_\_\_

2.2 How is [COUNTRY] included in your tour operations program? (E.g. FIT, GIT, group series, niche programs? On request only?)

\_\_\_\_\_

\_\_\_\_\_

2.3 How many passengers has your company booked to [COUNTRY] in the past 5 years?

5 years ago	4 years ago	3 years ago	2 years ago	1 year ago

Section 2 Comments:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## SECTION 3: STRENGTH OF MARKET APPEAL FOR [COUNTRY]

3.1 How would you rate the attraction value of [COUNTRY]'s tourism assets relative to competing destinations?

<i>(please circle)</i>	No Value	Very Little Value	Some Value	Medium Value	High Value	Very High Value
a) Natural Assets	<input type="radio"/>	1	2	3	4	5
b) Cultural Assets	<input type="radio"/>	1	2	3	4	5
c) Man-made Assets	<input type="radio"/>	1	2	3	4	5
d) Overall	<input type="radio"/>	1	2	3	4	5

3.2 How would you rate [COUNTRY]'s market appeal in terms of availability of compelling products and services?

<i>(please circle)</i>	No Market Appeal	Very Limited Market Appeal	Limited Market Appeal	Average Market Appeal	High Market Appeal	Very High Market Appeal
a) Nature-based products	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
b) Culture-based products	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
c) Other man-made products	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
e) Overall tourism offering	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

3.3 How has the level of market appeal for [COUNTRY] changed during the past 3 years?

<i>(please circle)</i>	Dramatically Decreased			Dramatically Increased		
	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

3.4 How would you rate [COUNTRY]'s strength of appeal in terms of offering a unique, globally/regionally significant 'must-see' site/s or 'must-do' activity/ies?

<i>(please circle)</i>	Very Weak			Very Strong		
	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

3.5 How would you rate [COUNTRY]'s strength of appeal in terms of value for money? (On a scale where 0 = very weak and 5 = very strong)

<i>(please circle)</i>	Very Weak			Very Strong		
	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

3.6 How would you rate [COUNTRY]'s strength of appeal in terms of ease of organizing travel arrangements? (On a scale where 0 = very weak and 5 = very strong).

<i>(please circle)</i>	Very Weak			Very Strong		
	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

Section 3 Comments:

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#### SECTION 4: BARRIERS TO MARKET APPEAL

To what extent do the following factors impede market appeal for tourism to [COUNTRY]?

<i>(please circle)</i>	Significant Barrier					Not a Barrier
a) Cost of international access to [COUNTRY]	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
b) Cost of travel within [COUNTRY]	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
c) Ease/difficulty of access to the [COUNTRY]	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5
d) Ease/difficulty of travel within [COUNTRY]	<input type="radio"/>	<input type="radio"/> 1	<input type="radio"/> 2	<input type="radio"/> 3	<input type="radio"/> 4	<input type="radio"/> 5

<i>(please circle)</i>	Significant Barrier						Not a Barrier
e) Quality/safety of transport services to [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
f) Quality/safety of transport services within [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
g) Cost of accommodation in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
h) Availability of accommodation in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
i) Quality of accommodation in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
j) Lack of things to see/do in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
k) Cost of other tourism products and services in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
l) Availability of other tourism products and services in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
m) Standard of other products and services in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
n) Safety and security concerns in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
o) Health concerns in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
p) Social issues (e.g. poverty, human rights issues) in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	
q) Environmental issues (e.g. natural resource degradation) in [COUNTRY]	<input type="radio"/>	1	2	3	4	5	

Section 4 Comments:

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## SECTION 5: TRANSPORT AND ACCESS

5.1 What is your opinion on the adequacy of air transport to and within [COUNTRY], specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Frequency of flights to [COUNTRY]	<input type="radio"/>	1	2	3	4	5
b) Availability of seats	<input type="radio"/>	1	2	3	4	5
c) Suitability of airline schedules for connections to key tourism locations in the destination	<input type="radio"/>	1	2	3	4	5
d) Suitability of airport facilities/ services	<input type="radio"/>	1	2	3	4	5
e) Availability of reliable internal flights for local travel	<input type="radio"/>	1	2	3	4	5

5.2 What is your opinion on the adequacy of cruise transport to and within [COUNTRY] specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Ease of access to [COUNTRY] by boat/ship	<input type="radio"/>	1	2	3	4	5
b) Frequency of cruises to [COUNTRY]	<input type="radio"/>	1	2	3	4	5
c) Availability for bookings	<input type="radio"/>	1	2	3	4	5
d) Suitability of schedules	<input type="radio"/>	1	2	3	4	5
e) Suitability of cruise port facilities	<input type="radio"/>	1	2	3	4	5

5.3 What is your opinion on the adequacy of ground transport/infrastructure within [COUNTRY] specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Ease of access to [COUNTRY] by road travel	<input type="radio"/>	1	2	3	4	5
b) Quality of road infrastructure	<input type="radio"/>	1	2	3	4	5
c) Facilities for road travel (e.g. customs, fuel stops, safety)	<input type="radio"/>	1	2	3	4	5
d) Supply of local transport options according to demand	<input type="radio"/>	1	2	3	4	5

5.4 What is your opinion on the adequacy of rail transport/infrastructure within [COUNTRY] specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Ease of access to [COUNTRY] by train	<input type="radio"/>	1	2	3	4	5
b) Frequency of trains to destination	<input type="radio"/>	1	2	3	4	5
c) Availability for bookings	<input type="radio"/>	1	2	3	4	5
d) Suitability of schedules	<input type="radio"/>	1	2	3	4	5
e) Suitability of train facilities/services	<input type="radio"/>	1	2	3	4	5

5.5 What is your opinion on the relative ease of market access to/within [COUNTRY] specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Availability of flight routes to [COUNTRY] with uncomplicated, convenient connections	<input type="radio"/>	1	2	3	4	5
b) Ability to secure seats on preferred flights	<input type="radio"/>	1	2	3	4	5
c) Ability to access key tourism sites/ locations within [COUNTRY]	<input type="radio"/>	1	2	3	4	5

Section 5 Comments:

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## SECTION 6: ACCOMMODATION SUPPLY

6.1 What is your opinion on adequacy of accommodation in [COUNTRY] specifically in relation to the following?

<i>(please circle)</i>	Inadequate					Adequate
a) Number of suitable quality rooms	<input type="radio"/>	1	2	3	4	5
b) Range of suitable types/options	<input type="radio"/>	1	2	3	4	5

Section 6 Comments:

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## SECTION 7: SUPPLY OF OTHER TOURISM PRODUCTS AND SERVICES

7.1 What is your opinion on the adequacy of the supply of the following in meeting demand?

<i>(please circle)</i>	Inadequate					Adequate
a) Food and beverage outlets	<input type="radio"/>	1	2	3	4	5
b) Local tours/tour operators	<input type="radio"/>	1	2	3	4	5
c) Tour products to meet demand	<input type="radio"/>	1	2	3	4	5

Section 7 Comments:

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## SECTION 8: [COUNTRY]'S BRANDING AND MARKETING

8.1 What is your opinion on the effectiveness of [COUNTRY]'s brand positioning and marketing in attracting and generating tourism sales?

<i>(please circle)</i>	Very Ineffective					Very Effective
a) Brand positioning	<input type="radio"/>	1	2	3	4	5
b) Marketing	<input type="radio"/>	1	2	3	4	5

8.2 What is your opinion on the effectiveness of the overall region's brand positioning and marketing in attracting and generating tourism sales?

<i>(please circle)</i>	Very Ineffective					Very Effective
a) Brand positioning	<input type="radio"/>	1	2	3	4	5
b) Marketing	<input type="radio"/>	1	2	3	4	5

8.3 How well do you think the visitor's actual experience matches their expectations

<i>(please circle)</i>	No Match					Excellent Match
	<input type="radio"/>	1	2	3	4	5

8.4 What is your opinion about the quality and quantity of [COUNTRY] destination information available for your market?

<i>(please circle)</i>	Insufficient Information					Sufficient Information
	<input type="radio"/>	1	2	3	4	5

Section 8 Comments:

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**SECTION 9: VISITOR EXPERIENCE**

9.1 Are there taxes or charges on tourists which you believe negatively influence their views about the destination (e.g. bed tax, departure tax, visa fees)?

(please circle)      1. Yes                      2. No                      3. I don't know

If yes, list:

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9.2 To what extent do you believe barrier controls (long delays, difficult questioning, intrusive customs or bribery) at ports and airports generate negative perceptions for visitors to [COUNTRY]?

(please circle)

	Serious Concern				No Concern	
	0	1	2	3	4	5

Section 9 Comments:

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**SECTION 10: OTHER COMMENTS WE SHOULD CONSIDER**

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Thank you for completing this survey. Your answers will remain confidential. Only average scores will be released in results.

## V. SITE ASSESSMENT CHECKLIST

**NAME OF ATTRACTION:**

**NAME OF OBSERVER:**

**DATE OF VISIT:**

**NAME/POSITION OF CONTACT:**

**ITEM**

**COMMENTS**

Site conditions

Location

Size/dimensions

Opening hours/days

Description of activities

Key elements of attraction

Quality ranking of facilities

Links to other attractions: stand-alone or part of wider itinerary

Access considerations

Distance/mode from main destination hub

Points of access, entry, exit

Public transportation and parking (private vehicles, coach)

Support facilities

Signage

Restrooms

Concessions

Accommodation

Ownership

Management responsibility and arrangements

Visitor statistics

Visitor capacity

Visitor management

Market

Types of visitors observed

Pricing

Quality of visitor experience

Visual Impact

Ease of visitor movement

Cultural authenticity

Visitor behavior

Health and safety issues

Cleanliness

Summary of key strengths and weaknesses

Areas for improvement and opportunities for future development

## VI. SAMPLE TERMS OF REFERENCE (TOR)

### INTERNATIONAL TOURISM EXPERT FOR SECTOR SCOPING STUDY

#### Background

[Client] has requested World Bank Group to provide support in developing their tourism sector. [Client] has requested a tourism diagnostic assessment of the key opportunities and constraints within the sector, with a specific focus on [insert].

This TOR establishes the scope of work to conduct a preliminary sector diagnostic scoping that will be made available to the client. It will also serve to guide the discussion for potential WBG engagement, going forward.

#### Overview of Tourism Sector in Client Country

[Insert]

#### Objectives of the Assignment

The objective is to undertake a rapid assessment of the tourism sector in [client country], focusing on the constraints and opportunities facing the sector.

This piece of work will build a profile of the sector as it is now, but also what it will look like into the future. It will include analysis of the market (supply and demand), investment, regulatory environment, operating environment, and overall destination development, as well as constraints, opportunities, and recommendations for meeting government targets and priorities. The assessment will be submitted to the client to inform their future policy decisions and will also inform potential tourism project design (technical assistance) for the WBG.

#### Scope of Work

The expert consultant will carry out the following activities:

**Conduct a thorough diagnostic assessment through desk review** of all available literature on the tourism sector including donor reports, press articles, and national plans and strategies.

**Pre-scoping mission in country** to: a) meet with the client to further refine the focus of work and agree on deadlines and objectives; and b) interview key private sector investors/operators, government officials, donors, NGOs, civil society, and other relevant stakeholders. The WBG will provide some logistical support to this mission, but it is expected that the consultant will also help to research and plan the itinerary, including stakeholders to meet.

**Market analysis:** Collect data and analyze the overall tourism market; arrivals, spend, length of stay, guest profile, number of rooms, quality of hotels, occupancies, brands, grading, etc. including a summary of recent market history and trends. The consultant should build in approximate likely projections for

the future to present a high-level profile of supply and demand in the region.

**Investment analysis:** Collect data and analyze the investor market, including levels of FDI and domestic investment, and types of tourism projects being developed (and pipeline). Identify specific investors and categorize types of investors, access and availability of finance, size of projects, market segment, and typical structure of deals. An indication of current and likely future investor demand is important.

**Government priorities:** Clearly identify government priorities in the sector (thematic, geographic, etc.) as they relate to destination development and the private sector, and any challenges envisaged in achieving their targets. This is likely to be further refined during meetings with the client.

**Constraints:** Compile a list of constraints related to investing in or operating a tourism business from the private sector perspective – identified and validated through stakeholder consultation.

**Product/market opportunities:** Assess existing products in terms of quality, pricing, fit with markets, and standards. Identify and analyze potential opportunities for growth within the destination (new products, new segments, new markets, enhanced regulatory frameworks, different geographical focus, under-exploited assets, PPP opportunities, etc.) validated through stakeholder consultation.

**Donor mapping:** Compile a brief profile of other donors (including WBG initiatives), NGOs, and organizations involved in the tourism sector (or directly related fields) and their key areas of focus/intervention.

**Institutional analysis:** Meet with and interview key institutions responsible for driving growth in the sector, including private sector associations. A brief assessment of their focus areas, their capacity and current challenges should be undertaken.

**Gap analysis and recommendations:** The consultant will indicate (where possible) which of the identified constraints and opportunities in the sector are being successfully addressed by the client, donors, associations or existing initiatives, and where the gaps remain. Of these gaps, the consultant will propose brief recommendations, a proposed workplan, and priority actions according to level of impact (if fixed) and level of effort (to fix). This will involve some basic quantification of projected development impact (opportunity cost, investment generated, jobs created, etc.).

#### Deliverables

A draft outline of the report following the mission clearly showing the direction of the assignment for the direct approval of the assignment supervisors.

A draft report allowing for full feedback from the WBG.

A final report documenting:

- Client's priorities in the sector and focus of the assignment.
- Market and investment analysis of tourism sector (supply and demand), as pertaining to the priorities of the client.
- An institutional review of relevant bodies, and donor mapping of the sector.
- Main constraints and opportunities within the sector as faced by the private sector, and at a broader destination-development level. These should be framed within the context of the client's priorities.

The Consultant may be asked to assist the WBG in making technical presentations, addressing issues, and responding to questions.

### Work program and timetable (indicative)

TASK	LEVEL OF EFFORT (DAYS)
Pre-mission diagnostic assessment	10
Mission and stakeholder interviews	20
Draft report write-up	10
Revisions for final report	5

### Qualifications

The consultant will have at least 10 years of professional experience in the tourism sector and must demonstrate the skills required to undertake the tasks set out under this TOR, including:

- Thorough understanding of the tourism private sector, including operations.
- Experience working in the regulatory environment for tourism.
- Thorough understanding of investment climate issues in the tourism sector and of the processes for mobilizing investment for tourism projects.
- Good communicator with strong analytical capabilities
- Thorough understanding of sustainable tourism, pro-poor tourism, and strategies for inclusive growth.
- Experience of the region will be an added advantage.

### Reporting

The consultant will report to [insert TTLs].

## VII. SAMPLE REPORT TABLE OF CONTENTS

**Tourism Diagnostic Final Report: [insert country]  
Prepared for the World Bank Group by [insert TTLs/  
consultant/firm]  
[insert date]**

### Contents

1. Executive Summary
2. Background
3. Government Vision and Priorities (summary of key targets, priorities in sector)
4. Institutional Analysis
5. Benchmarking Comparator Destinations
6. Tourism Sector (background to destination, key statistics, volumes, attractions, etc.)
7. Supply and Future Supply
8. Demand and Future Demand
9. Tourism Investment
10. Destination Growth Constraints
11. Destination Growth Opportunities
12. Mapping of Donor (and other Actor) Involvement
13. Gap Analysis and Recommendations



Email us at *tourism@worldbankgroup.org*  
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