

STRATEGIC PLANNING AND MODELING OF TOURISM PLANNING PROCESS FOR NIGERIA

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Abstract

With a mere direct contribution of NGN757.3bn(1.6% of GDP) to national Gross domestic Product (GDP) in 2013 in Nigeria (WTTC 2014), the travel and tourism sector performed abysmally when compared with some African countries like Kenya, Morocco and Algeria. The objective of this paper is to leverage the development of the tourism potentials in Nigeria on a strategic planning framework that integrates the collaborative efforts of stakeholders in the tourism supply chain with a view to achieving destination competitive advantage for Nigeria. Based on collaboration theory, the paper proposes a strategic planning framework for the continuous progress of tourism sector in Nigeria. This calls for a collaborative effort among stakeholders in the tourism industry towards building a desirable 'destination product' for tourists' attraction and satisfaction in Nigeria, with its attendant positive socio-economic effects.

Key Words: Tourism, sustainable Development, Stakeholder Theory, Destination Marketing, Strategic planning.

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INTRODUCTION

Tourism is regarded as a modern and fast growing industry with capacity to act as a value engine for the social-economic development of any nation. While the assertion is true for some countries with attractive destinations, like Dubai and Kenya, tourism is not doing much for Nigeria economically.

And the reason is not farfetched because, in the view of Frangialli (2006) tourism can only serve as a mechanism for socio-economic development when properly developed and managed. And appropriate development and subsequent management of a tourist destination can only be achieved through proper planning.

This view explains why Frangialli (in FGN/UNWTO 2006) argued that tourism being a diffused activity requires a comprehensive plan which integrates other sections with which it has linkages. This view introduces the stakeholder value concept into the tourism planning lexicon.

The involvement of tourism stakeholders in the planning process is very crucial because stakeholders in the tourism industry are all independent businesses and individuals with different economic aims and objectives. It is only a process that imbibes the culture of shared vision that is capable of enlisting the cooperation of stakeholders in a particular domain. And this is what strategic planning engenders. Unfortunately, the tourism master plan developed for Nigeria during the administration of Chief Olusegun Obasanjo was not carried out in collaboration with critical stakeholders in the tourism sector of the economy. Rather, the tourism master plan project was contracted out to the Tourism Development International Ltd by the United Nations World Tourism Organisation (UNWTO) as consultants to produce the master plan. Since 2006 when the report was published, the tourism sector is yet to receive the requisite boost. As reported by WTTC (2014:3) “the direct contribution of Travel & Tourism to GDP in 2013 was NGN747.3BN(1.6% of GDP)”. When this value is compared to the over NGN800bn recorded in 2008, then it is no gainsaying the fact that tourism sector in Nigeria is not growing.

This paper therefore argues that the development of a veritable and sustainable tourism industry in Nigeria requires the adaption of a strategic tourism planning framework. Such framework should be capable of stimulating an integrated approach to tourism planning and

enlisting the commitment and collaboration of the various stakeholders in the tourism industry. The objective of this conceptual paper is leveraged on this quest to create a strategic planning model for the progress of tourism marketing in Nigeria.

Conceptual Framework Strategic Planning

Strategic planning is a futuristic exercise which is usually embarked upon by all managers in an organization. The result of the process is a strategic plan, which is argued by Owolabi and Makinde (2012) as having the potential to give an organization the leverage to have minimum or no constraint in coping with external developments in the business environment if it is well implanted.

The plan in this context connotes a strategy which is required to concentrate action and foster harmonized tasks in a firm. This explains why Porter (as cited in Owolabi and Makinde 2012) describes strategy as a comprehensive framework specifying the modalities for competing and policies required for executing the objectives to realize success.

Strategic planning could therefore be discussed as a process that provides organizational managers the framework to determine what to do and how to go about it with a view to achieving long term goals in an organization. This explains why Andrew (as cited in Ovbiagele and Ijeh 2015:68) described strategic planning as corporate planning and then, defined the concept as “the pattern of decision in a company that determines and reveals its objectives, purposes or goals and produces the principal policies and plans for achieving these goals”.

Ovbiagele and Ijeh (2015;) have reported significant correlation between strategic planning and organizational performance. It is possibly with this understanding that Musibua, Oluyinka and Long (2011) suggested a participatory system approach amongst stakeholders in the tourism industry with a view to fostering a holistic comprehension of the links and association between the different tourism suppliers in a particular destination.

Tourism Planning

Tourism is a multi-sectored activity that requires inputs from economic, social, cultural, business and marketing, physical and environmental spheres. It is an all-encompassing activity. The

principal components of a tourism plan are classified and described as follows:

- Tourist Attractions and activities
- Accommodation - Hotels and other types of food and beverage facilities
- Other tourist facilities and services
- Transportation facilities and services
- Other infrastructure - (such as water supply, electric power, sewage and solid waste disposal, telecommunications namely telephone and internet services; drainage etc).
- Institutional elements

A cursory look at the various components reveals that several sectors are involved in the establishment and management of the firms/corporations associated with tourism. For example, in Nigeria the electric power and other social amenities are provided by the government. It is only recently that the electricity holding company was unbundled in a partial deregulation process. In the same vein, some attractions are natural endowments and cultural resources thereby making the host community an essential stakeholder in the tourism market. Majority of transportation companies, hospitality establishments, attractions, etc are private sector driven, while some heritage sites are maintained by non-for-profit organizations. By implication, tourism suppliers are diverse with quite different objectives.

The foregoing is the reason why it generates employment directly and indirectly with attendant growth in other related industries. The various approaches available for tourism planning are outlined as follows; master plan, continuous incremental and flexible, systems, comprehensive, integrated, environmental and sustainable development, community and implementable approaches.

Theoretical Foundations

The underlying theory adopted for this paper is the theory of collaboration. The theory recognizes the need for stakeholders in a domain to work together to enhance the competitive advantage of such a domain, through the instrumentality of conflict resolution and or shared vision.

The practice of group decision making by major stakeholders of a problem entity regarding the future of that entity is known as collaboration (Gray 1989). For an industry as complex and diverse as tourism, strategic planning could be understood within the theoretical foundation of the collaboration paradigm. From this perspective, the highly fragmented tourism industry which poses problem to destination planners could be properly planned to enhance sustainable development through an integrated approach. As observed by Gunn (1988), the approach of operating autonomously by many tourism groups in yester-years have yielded ground to working together and partnering since no organization either government or private can go it alone.

While taking a community based perspective, Jamal and Getz (1995) stated that partnering for community related tourism project involves participatory decision making by the various interests of a collective community tourism entity to address issues of the entity and to handle problems involving planning and progress of the entity. Even as the focus of the conceptual study is directed towards strategic planning at the national level in a developing country, the issues and approach concerning collaboration remain the same at the state and local levels. This is because a destination could be a village, city, state, country or even a region as long as it is a particular location where “visitors interact with local, living (hosts, services) and non-living (landscape, sunshine) to experience a tourism product” (Murphy in Jamal & Getz 1995:118). Further elaboration of the working definition given above indicate that stakeholders in a particular domain are expected to work together to solve a common problem affecting the domain where they all have interest. Essentially, a problem domain is described as the existence of a critical and complex problem requiring an inter or multiorganizational response or approach towards finding solution to the problem. Here, it is assumed that the problem in question is beyond the capability of a single stakeholder or group to solve.

From the foregoing, the following propositions are made; P1: Strategic planning will affect tourism planning process. P2: Strategic planning will lead to the development of a strategic tourism planning model.

P3: Strategic planning model will affect Destination Marketing Organizations’ performance.

P4: Strategic planning model will enhance collaboration amongst critical stakeholders in the tourism sector.

P5: Strategic planning will lead to the development of a national tourism strategy.

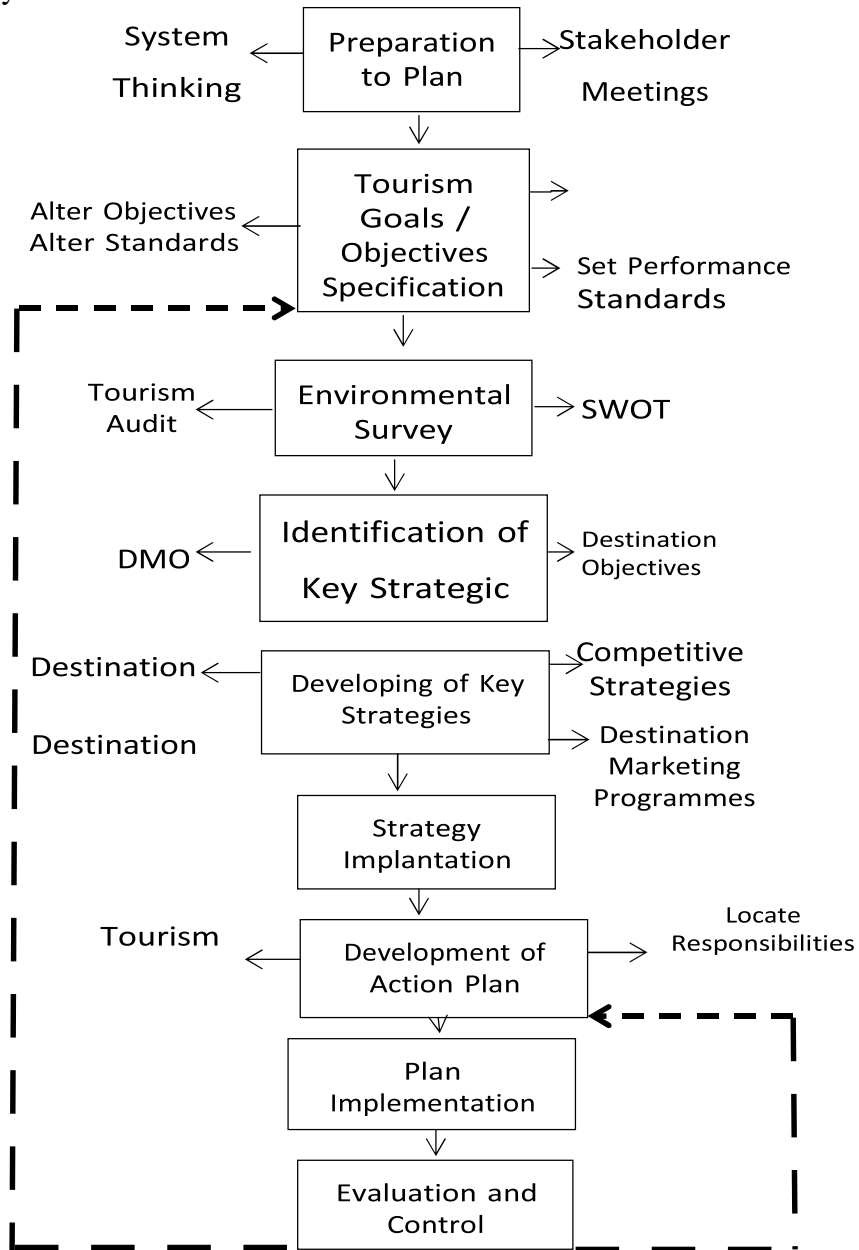


Fig. I: Proposed Strategic Tourism Planning Model for Nigeria

Our proposed strategic planning model for the Nigerian tourism industry is shown in the figure 1 above. It has nine steps which are discussed below;

1) Preparation To Plan

This is where the importance of system is inculcated in the understanding of all the stakeholders. Also the multiplier effects of tourism in the society should also be used to emphasize the need for unity of purpose. There is also the need to identify and select the representatives of the interest groups, while encouraging the participation of all stakeholders.

2) Tourism Goals/Objectives

The planning agency formed in step one above should determine the main purpose of the planning effort. In the context of Nigeria, it could be the overall development of the tourism potential of the nation with a view to transforming the country into a destination. Put differently, it could be the quest to build the nation economically. At this level, performance standards could be set.

3) Survey of tourism resources

In addition to SWOT analysis, this stage requires the execution of a tourism audit with a view to identifying the viable tourism potentials of the country. This task involves the taking of inventory of all the existing tourism resources and supporting infrastructure facilities and their state of development.

4) Key Strategic Issues

The data and strategic information gathered from stage three should lead to specifying several strategic issues or questions. This entails the delineation of destination objectives for Nigeria and the formation of a Destination Management Organization (DMO). The benefits of having a DMO and negative consequences of not having it should be stressed to enable stakeholders to buy in.

5) Developing of Key Strategies

The unique feature of strategic planning is the emphasis on strategies. And at this critical stage, the DMO is expected to have taken over the strategic planning process, but with the involvement of stakeholders' representation. The key strategies expected to be crafted at this stage are;

- (i) Destination branding strategies
- (ii) Destination marketing strategies
- (iii) Destination promotion strategies
- (iv) Destination competition strategies

Strategy Implantation

Strategy implantation involves all tasks, tools and techniques which help to create an organization with wide strategy ownership, consciousness, focus, cooperation and commitment. The responsibility of the DMO at this stage will be to enlist the cooperation and commitment of all stakeholders towards the realization of the strategies adopted in (5) above. This stage is very strategic, because without the accepting ownership (shared vision) of the strategies developed by stakeholders, the development of the action plan will be difficult. To achieve success at this level appropriate education and communication strategies should be adopted by the DMO.

6) Development Of Action Plan

After the achievement of the stakeholder wide strategy ownership task during strategy implantation above, the development of annual action plans are needed. A five-year development plan could result at this stage with the organizational structure and administrative systems provided by the DMO. To achieve success in a multi-faceted sector like tourism, the DMO is expected to clearly define responsibility for the implementation of the action plans.

7) Plan Implementation

The ongoing process of plan implementation is executed by those responsible for each action plan.

8) Evaluation and Control

The plan implementation process at this stage is constantly evaluated by various officers in charge. Here, regulatory framework like legislation is followed to ensure that standards set especially in the area of building infrastructure and facilities is strictly followed. At this

stage, performance is evaluated against set standards and objectives. Should there be any deviation, appropriate reviews should be made at two stages as directed by the arrows depending on the nature of the issues involved.

DISCUSSION

A tourism destination is an amalgam or a composite product. This characteristic makes a destination very difficult to “manage and market due to the complexity of the relationships of local stakeholders” (Stankovic & Dukia 2009, p 25). The strategic aims of the stakeholders that are involved in the development and production of tourism products are usually different and conflicting.

It therefore follows that a process that is capable of integrating all interests and aims of all stakeholders in a particular destination will be able to create a unified destination image. This could be achieved through the instrumentality of holistic marketing approach. For a particular destination, the apparent advantage here is the appropriate adjustment of the aims of all stakeholders. Such an approach has the capacity to enhance delightful consumer/tourist experience and achieve high level of destination competitiveness, while creating value for all the stakeholders.

Indeed, the strategic planning process framework has the capacity to integrate the interests and aims of all stakeholders while creating a well-developed destination product. This is because one of the merits of strategic planning is that it “ensures the setting and acceptance of common goals” (Ezeokonkwo in Ovhiagele & Ijeh 2015 p. 68) amongst components/sub-groups or units that make up the system. With tourism having identifiable components such as attractions, transportation, institutional elements, accommodation, travel intermediaries, food and beverage, tourism services, and recreation, a systematic and collaborative orientation becomes imperative.

The strategic planning process results in the collaborative drafting of a strategic tourism development model. The model as shown above is capable of integrating the tourism supply components in order to achieve synergy in two folds. First, the model when strictly followed in Nigeria will lead to planned development of tourism in the country. Secondly, an integrated marketing approach could be adopted by the Destination Marketing Organizations (DMO).

Implications for Policy and Marketing

For an industry that is as complex as tourism, a balance is needed to be struck between the needs of each component of the system and the quest for integrative approach towards a successful management framework. To this end, developing countries like Nigeria should formulate a national tourism policy that recognizes a collaborative approach to tourism development.

A less developed countries like Nigeria with abundant tourism potentials, a mono economy presently characterized by economic recession, leadership problem, amongst others need to develop a strategic planning framework for the development and marketing of its tourism potentials. This is the first step required because of its capacity to engender strategic collaboration amongst managers of various sub systems that make up the industry and avoid sub optimization. The focus should be on components of the tourism industry and not individuals. And for Nigeria to achieve economic development on a sustainable level, a critical economic diversification policy is required to drive the process. And given the factor conditions perspective as provided by Porter's determinants of natural advantage, agriculture and tourism remain critical factors in this regard.

When viewed through the prism of stakeholder value, the strategic tourism planning model as shown above is a call for stakeholders in the industry to pull their ideas, resources, vision and strategy together towards the creation and delivery of customer value for the target visitors at destinations. This further implies that the marketing mix elements of each component organization in a particular destination could be properly blended to suit the needs and expectations of tourists. For example, the crafting of an integrated destination marketing strategy will cause all the organizations to align with the strategy in order to achieve the set destination competitive advantage. The coordination of the destination's marketing and management requires the formation and empowerment of a Destination Marketing Organization (DMO). Such an organization has the responsibility to "constantly re-evaluate and re-engineer existing tourism offers to reposition themselves in a highly competitive tourism market" (Klimek 2013:27). To achieve this objective, the DMO will seek to establish and sustain organizational partnerships with critical stakeholders such as the host communities and tourism suppliers.

Also, a shared vision in a destination will engender successful destination brand strategy which Pilan, Giannopoulos, Avlontis, Papastathopoulou and Pappa describe as a precondition for DMO's to carry out contingent activities which are capable of enhancing the achievement of competitive advantage. This is consistent with the view of Musibua, et al, (2011) who suggested a participatory system approach in a destination towards the development of a shared understanding amongst shareholders.

Conclusion and Recommendation

The need for collaboration between public and private organizations that are stakeholders in the tourism industry cannot be overemphasized. A strategic planning model should be part of an ambitious policy framework that an underdeveloped country like Nigeria requires for sustainable socio-economic development. And based on the Porter's determinants of national competitive advantage, the conscious development of the tourism sector has the potentials to present Nigeria as a competitive destination in the global tourism market. To achieve the foregoing objectives/goals the crafting of strategic planning process with stakeholders involvement is desirable. Consequently, the following recommendations are germane;

- (i) The relevant agents of government should include tourism sector as a critical element for sustainable economic development.
- (ii) The government should also constitute a strategic development group with a mandate to develop a strategic plan and drive the critical development and marketing of the tourism sector in Nigeria.
- (iii) A DMO should be created under a Public-Private Partnership (PPP) arrangement with a responsibility to plan, promote and manage the tourism market in Nigeria.

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