



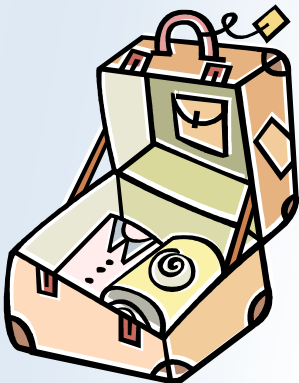
Tourism Industry What's Your Destination?

A competitiveness-based approach to successful and sustainable tourism

Tourism is a major industry for many cities, regions and countries around the world. As such, it is critical that these areas stay on the forefront of global tourism trends, upgrade their products, maintain high quality standards and promote strategically and aggressively. However, competing interests, under-recognized assets and difficulty in prioritizing initiatives often hamper efforts to achieve overall tourism industry growth. SRI can help public-private tourism stakeholders identify unique opportunities, craft a new image, and move forward on pivotal actions that have maximum industry impact.

SRI has extensive in-house expertise assisting our clients in the following areas:

- Strategize with client and stakeholder groups to create a new vision or brand image, and promote them aggressively
- Adopt sustainability as a key component in building long-term competitiveness
- Find opportunities to package existing resources to add value; turn under-recognized assets into new anchors through new investments and leveraging existing anchors
- Build state-of-the-art tourism websites with e-commerce capabilities
- Assess human resource gaps, design demand-driven training programs, identify appropriate training partners and manage training delivery
- Identify business environment bottlenecks, including policy, regulatory and taxation aspects, to improve the operating environment for tourism businesses
- Assess economic impact and conduct feasibility studies



SRI International

SRI International is one of the world's largest and most respected research and consulting organizations. Founded in 1946 as the Stanford Research Institute, SRI is an independent, nonprofit corporation serving business and government clients worldwide. The Institute boasts a staff of 1,400 professionals located in a worldwide network of offices. SRI International is a problem-solving organization that provides a broad spectrum of basic and applied research and consulting services to business and government clients throughout the world. The Institute was organized under the auspices of Stanford University to provide a West Coast center where research and consulting services could be performed for industry and the public sector. SRI formally separated from Stanford in 1970, but retained its nonprofit status. Further general information on SRI is available at the website: www.sri.com.

SRI is known worldwide for its scientific and business contributions, such as invention of the computer "mouse" and computer interface, development of electronic checking and clearing, innovative new market identification techniques, site selection for Disneyland, and creation of numerous anti-cancer drugs. Nearly two-thirds of our staff members have professional and technical expertise, including management consultants, economists, marketing consultants and researchers, computer scientists, psychologists, scientists, engineers, and other specialists. We are unique in our ability to draw from a variety of technical, marketing, and management groups to establish interdisciplinary consulting teams tailored to meet our clients' needs. SRI's clients include foundations, public/private partnerships, private corporations, associations, donor organizations and agencies of local, state, and federal governments.

Each year, SRI serves more than 2,000 clients around the world. At any given time, approximately 1,000 research and consulting projects may be under way. More than 75 percent of SRI's business comes from repeat clients. What sets SRI apart from most research and consulting organizations is our ability to harness a diversity of expertise to meet the needs of each project.

The Economics Practice

The Economics Practice is the professional resource within SRI charged with providing top quality research, analysis, and strategic planning on economic development issues. The reputation of the Economics Practice is built upon years of experience providing comprehensive, individually tailored assessments of economic and workforce

competitiveness issues. The Economics Practice staff have conducted in-country assignments in over 60 states and regions in the United States, and 115 countries throughout the world, acquiring recognition as respected authorities on policy concerns, as sought-after sources of objective analysis, and as "consultants of choice" for developing concrete solutions to a wide range of complex economic problems. These assignments have allowed us to develop a strong database on economic, political and business conditions. In recent years, Economics Practice clients have included, among others, many U.S. local and state governments, public/private partnerships, national governments, international banks and insurance companies, travel and entertainment companies, multinational business and manufacturing corporations, multilateral financial institutions such as the World Bank and the Asian Development Bank, and U.S. government agencies.

Relevant Tourism Project Experience

International Tourism Projects

Lebanon Economic Growth Strategy and Industry Cluster Development. For the past five years, SRI has been working with public and private sectors in Lebanon to achieve accelerated, sustainable economic growth, under support from USAID Lebanon. SRI began by identifying key, export-oriented industries – tourism, business services, and agribusiness – and organized key stakeholder leadership groups to determine the strengths and weaknesses of economic foundations and to craft growth-oriented initiatives. Since that time, SRI teams have provided implementation assistance to improve the competitiveness and growth prospects of the three industry clusters. Major initiatives in the tourism sector include the establishment of a National Tourism Council; preparation and passage of a new hotel classification and rating system; crafting a new brand image for nature and rural-based tourism; development and marketing of new tour packages with local tour operators; development and launch of a national tourism website; design of regional tourism development strategies in key geographic regions in Lebanon; extensive international and domestic marketing initiatives; and provision of hospitality skills training for small tourism-related businesses.

Egypt Tourism Workforce Development and Training. Over 2002-2004, SRI provided support to the Federation of Egyptian Tourism Industries on a number of tourism workforce enhancement initiatives, including: pilot training initiative on Destination Marketing; case studies on how companies faced and overcame HR development challenges in Egypt; conducting workforce demand and training demand surveys, and others. These

initiatives laid the foundation for a larger training program to develop workforce skills for line-level workers in the industry. In partnership with the Education Institute of the American Hotel & Lodging Association, SRI co-led the follow-up initiative that trained more than 9,000 workers in Egyptian 2- to 4-star hotels during 17 months of implementation. Upon project completion, the training program was transferred to ongoing, independent management by the Federation of Egyptian Tourism Industries for long-term sustainability.

Developing a World-Class Hotel Classification System for Bahrain. For the Kingdom of Bahrain, SRI developed a new comprehensive, quality-oriented, internationally comparable and acceptable hotel classification and rating system. The new classification was designed based on analysis of international hospitality trends and recognized best practices, and an assessment of the current Bahraini system. The team developed mechanisms to measure the standards of existing and future properties in a systematic and objective manner, outlined an enforcement/inspection system that is supported by law, and provided initial evaluation ratings for each lodging property in Bahrain. The new system is designed to enhance the tourism image of Bahrain by enabling prospective visitors to easily understand and differentiate between the different types and quality of accommodations available. In addition, it is intended to facilitate hotel investment in Bahrain according to a clear understanding of quality standards.

Bosnia-Herzegovina Industry Cluster Development Initiative. SRI teamed with IBM Corporation to enhance industry competitiveness and growth in Bosnia-Herzegovina, under a project sponsored by USAID/Bosnia. The SRI team carried out an initial assessment of seven candidate industry clusters in order to identify those with significant potential. Two clusters—tourism and wood/furniture—were selected for full implementation of cluster-based initiatives. Through a series of industry stakeholder meetings, priority competitiveness and growth initiatives were identified in each target cluster, and working groups were formed to spearhead implementation of these initiatives. Targeted activities in tourism cluster included: capacity building in marketing, advertising, and packaging; enhancing country-level promotion at major international trade fairs; developing long-term promotional strategies for regional niche tourism; and improving the policy environment for the industry.

Backward Linkages, Economic Impact and Ecotourism in the Dominican Republic. SRI carried out a detailed examination of economic impact and backward linkages to other economic

sectors generated by the Dominican Republic's rapidly expanding tourism industry. This included a survey of hotels, restaurants, and other tourism establishment purchases, employment, investment, and foreign exchange earnings. The SRI team then developed recommendations on how these linkages and the benefits to the overall domestic economy could be enhanced. In a related study, SRI assessed the potential for expanding ecotourism activities in the Dominican Republic.

Curaçao Resort Project Economic Impact Assessment and Feasibility Review. For the Central Bank of the Netherlands Antilles, SRI conducted an economic impact assessment and feasibility review of a proposed new resort project on the island of Curacao. Utilizing data-based projections and modeling techniques, the assessment measured the extensive quantitative impacts of the project on the Curacao economy, as well as the qualitative impacts of the project as a catalyst of growth for the Curacao tourism sector. The team also conducted an evaluation of the project's master plan and economic feasibility. The objective assessment provided by SRI was a key factor in the Central Bank's decision to provide special financing considerations for launching the resort project.

Comprehensive Tourism Development Blueprints for the Czech and Slovak Republics. SRI crafted strategic, long-term tourism development plans for the Czech and Slovak Republics. The team identified market segments for targeting and designed a marketing strategy for those segments. The tourism development plans included initiatives for new product development; labor force training needs assessment; community-based tourism development; heritage tourism; and environmentally sustainable tourism development. Significant resources were invested into providing cluster government officials and training specialists with a panoramic understanding of their countries' place in the international tourism industry.

[U.S. Tourism Projects](#)

Tourism Master Plan for Pennsylvania. SRI applied the industry cluster methodology to develop a strategic tourism master plan for the State of Pennsylvania. The SRI team conducted a series of assessments, including SWOT, industry cluster segments, tourism industry trends and competition, and consumer segmentation, and identified best practices for statewide tourism development using examples from six other states. SRI conducted dozens of focus groups with stakeholders across the state, which provided valuable input for the development of a strategic tourism master plan for Pennsylvania. SRI recommendations formed the

blueprint of the statewide tourism development initiative.

Connecticut Tourism Product Development Strategy. SRI crafted a Tourism Product Development Strategic Plan to guide the overall development of the industry in the State of Connecticut. SRI outlined significant trends in the tourism industry; reviewed case studies of successful product development strategies in other states across the county; and conducted a SWOT analysis of Connecticut's tourism sector. SRI's Ten Year Implementation Plan identified strategic investment opportunities; defined criteria for state investments; outlined outreach and growth strategies for existing tourism assets; recommended transportation enhancements; assessed training and education needs; and described initiatives, schedules, organizational responsibilities, and measurable benchmarks to enhance industry competitiveness in the state.

Theme Park Feasibility Assessment in South Florida. At the request of Dade County, Florida, SRI assessed the feasibility of developing a theme park in the County. The SRI team analyzed visitor flows, consumer trends, and tourism infrastructure in southern Florida, and drafted a feasible development and investment attraction plan for theme park development.

A Strategic Action Plan to Develop the Tourism and Entertainment Clusters in Hollywood, California. For the Mayor of Los Angeles, SRI defined the tourism industry and identified trends in industry employment, establishments, and payroll over the last five years. SRI facilitated public/private sector working groups to identify the key issues facing the industry and craft solutions. The project resulted in the creation of a non-profit corporation, the Hollywood Economic Alliance, which is currently implementing the following eight Action Plans: Business Improvement District; Business Incubation & Assistance; Destination Marketing and Visitor Center; Keeping Our Streets Safe; Hollywood Business Team (Retention); Hollywood Education and Training Partnership; Hollywood Public Relations Campaign; and Smart Hollywood (Infrastructure).

The Economic Impact of Indian Culture on the New Mexico Tourism Industry. In this project, SRI International developed a research methodology for measuring the economic impact of Indian reservations on the tourism industry in New Mexico. SRI developed an economic model that estimated the economic value of tourism visits to New Mexico attributable to Indian reservations, building on traveler surveys, visitor data, visitor spending patterns, and visits to reservations and other Indian

attractions to estimate the direct and indirect employment impacts of tourism. The team also assessed the fiscal impact of Indian attractions on the state budget.

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