

GLOBAL TOURISM & DESTINATION MANAGEMENT



Visit Norway (2020)

*'Assessment of management needs and strategies for a
global destination'*

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Introduction

In 2019, Global Travel & Tourism generated \$8.9 trillion, which is 10.3% of the world's GDP, World Travel & Tourism Council (2020). It is at a point where travellers are aware that tourism destinations/brands are competing for tourists and they now demand more value in the form of distinctive, contemporary and curated travel experiences. As a result, nations across the world are pressed to ensure their strategic tourism planning and management is competitive and robust in the 21st century. This paper will evaluate Norway's current tourism strategy and in doing so it will analyse and compare it against tourism strategies in other countries to further its objectives.

Global Positioning

In the 2019 Travel & Tourism competitiveness Report Norway ranked 20th in the world. By putting the tourist numbers in relation to the population of Norway, the result is much more comparable picture: With 1.1 tourists per resident, Norway ranked 55th in the world. In Northern Europe, it ranked 4th. Norway generated around 7.10 billion US Dollar in the tourism sector alone. This corresponds to 1.6 percent of its the gross domestic product, World Data (2020). In terms of safety and security, Norway ranked 17th in the world, The Travel & Tourism Competitiveness Report 2019 Travel and Tourism at a Tipping Point, n.d. (2020).

Norway's Current Tourism Model

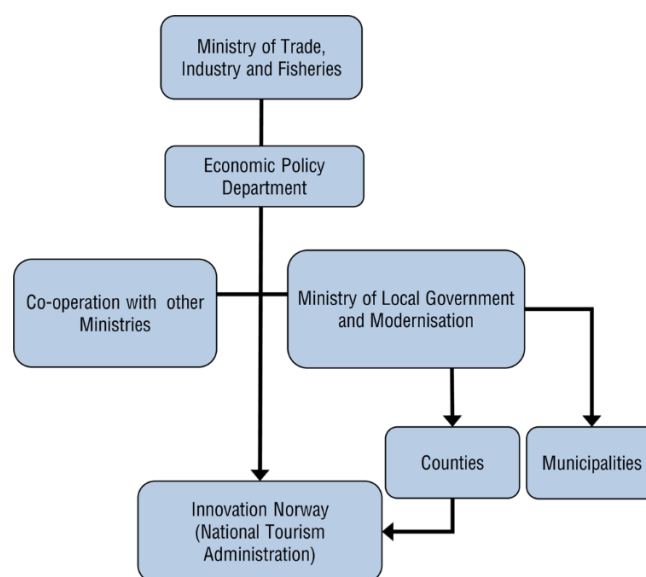


Fig. 1

Source: OECD, adapted from the Ministry of Trade, Industry and Fisheries, 2020.

The above diagram (Figure 1) is the current model which shows Norway's regulatory tourism bodies and structure. It is clearly government led, appears to be simplified and structured. The Ministry of Trade, Industry and Fisheries is at the top of the hierarchy – they are the most senior department who create and develop plans, which go through the Economic Policy department and then implemented through all of the other channels. Norway has a very good framework in comparison with other countries. For example, it is more robust than Iceland's strategic model. Each department/division is discussed in more detail separately throughout this report.

Ministry of Trade, Industry and Fisheries



The Ministry of Trade, Industry and Fisheries is the main regulatory body tasked with developing and implementing strategic tourism plans and frameworks for Norway. Within their plans and frameworks, they have created policies and procedures surrounding the same to manage, promote and market Norway efficiently and effectively. The Ministry delivers its strategy predominantly through 'Innovation Norway'.

However, the Ministry of Trade, Industry and Fisheries also collaborates with other Ministries within Norway. There are many advantages to collaborating with other Ministries. For example, it enables access and experts who are heavily involved in Cultural, Climate, Environmental, and creative industries which are linked to tourism, OECD Tourism Trends and Policies 2020 (2020).

There are many advantages to having a Ministerial division administer Tourism on behalf of a nation. For example, they will have professional structures, it will essentially be under parliamentary/government control, undertake proper auditing processes, they will recruit professionals and it will benefit the Norwegian economy. The disadvantages are for example, plans may be subject to approval by parliament or hierarchical structure (dependency), which may involve lengthy processes. There may also be limited budgets and bureaucracy, Apostolopoulos, Leivadi and Yiannakis (2013).

Innovation Norway



'Innovation Norway' is the National Tourism Organisation (NTO) which represents Norwegian Travel and Tourism. NTO is publicly funded and owned. They are responsible for marketing Norway as a travel and tourism brand destination. Innovation Norway has an International presence and they are almost ubiquitous in Norway. For example, as well as having their headquarters in Oslo (Capital of Norway), they have offices in all 19 Norwegian counties and 33 countries (many of which are part of their Norwegian Embassies).

Key funding for Innovation Norway is from the Ministry of Trade, Industry and Fisheries. However, NTO works in partnership with other Norwegian Ministries who provide funding for collaborative projects and/or areas of interest linked to tourism. NTO's aim is to market, promote and increase tourism in Norway. They are accountable to the Ministry of Trade, Industry and Fisheries.

Innovation Norway has many advantages. For example, they have public funding and therefore do not need to worry themselves in terms of bankruptcy or loans. They are allowed to network and partner with the private and public sector organisations. They have national and international exposure with offices across the world. As a public funded organisation, they are able to use their status as part of their marketing strategy. Disadvantages include having to

justify their continued existence through demonstrating value. For example, sustainable employment and increased revenue or low financial risk to the public. Most local government authorities in Norway also have tourist information offices to help promote and provide information for both domestic and international tourists.

Innovation Norway promotes and markets tourism through networking with various public and private sector organisations. They are doing excellent with marketing and they received coverage from organisations that demonstrate this. For example, Trekksoft.com reviewed its marketing to be good, Fuggle, n.d. (2020).

Private Sector Partnerships

Norway continues to forge partnerships with many private organisations to promote tourism. VisitNorway.com is a good example where both the public and private sector work together to promote Norway as a brand. Visit Norway is a brand development by Innovation Norway where they advertise private accommodation, restaurants and a mixture of entertainment by both the private and public sector – festivals and activity venues, visitnorway.com (2020).

Funding

Innovation Norway receives annual funding from the Ministry of Trade and Fisheries. During 2011 and 2013, Innovation Norway received a gradual increase in their funding; from NOK 250 million to NOK 260 million. However, in 2014 it plummeted to NOK 245 million, Innovation Norway (2020). There are many grants available for Travel and Tourism from Innovation Norway. They aim to support the travel and tourism industry both financially and through professional support.

Key Stakeholders

Local residents are stakeholders due to the fact that approximately 133,000 citizens are employed by the tourism industry. Domestic tourism (citizens) in Norway is also the highest revenue generator. Tourism Businesses such as tour operators, travel agents, restaurants and museums are also invested into tourism as they rely on travellers and therefore most definitely considered as stakeholders. Cruise Ships are stakeholders as well as they contribute millions to Norway's tourism industry as thousands of them enter into Norwegian ports every year. Due to the popular pristine waters in Norway, many cruise ships travellers visit Norway and the government is fully aware and they try their best to support continuous business in this regard.

All Government Agencies/Regulatory Bodies linked to travel and tourism in Norway are stakeholders as they are employees within the tourism industry. This includes the Ministry of Trade, Industry and Fisheries, Economic Policy Department, Local tourist offices which are situated in government council buildings and the International Embassies, Stakeholders (2020).

Sustainable Tourism Strategy

Sustainability is a global contemporary issue/theme in the 21st century and it is largely connected with tourism. Norway's tourism strategy includes sustainability goals. For example, Norway has developed a strategy to increase sustainable travel and tourism through the launch of a sustainable accreditation standard called 'Sustainable Destination', which started in 2015. The initiative verifies organisations and places as Sustainable Destinations that hold certain sustainable elements for instance, nature sites that are unharmed and organisations which recycle, reuse and provide local employment opportunities. The standard includes 45 criteria and 108 indicators to be measured, registered and monitored, covering nature, culture, environment, social values, community involvement and economic viability. There are many organisations under the standard which are not yet 100% sustainable. However, in order to improve its members' sustainability standard, the initiative looks to support its members' development and progression by holding reviews every three years where they provide guidance and other forms of support to reach maximum sustainability.

In addition, the sustainability standard initiative aims to assist its members with through marketing collaborations for example, advertising on the Visit Norway website. The Sustainable Standard is actually developed and managed by Innovation Norway, Greener, cleaner – and more authentic! (2020).

An independent organisation called the Global Sustainable Tourism Council (GSTC), which operates on a not-for-profit basis and manages global standards for sustainability in travel and tourism awarded Norway's Sustainable Destination Standard with a "Recognized Standard" status in 2018, How Norway is promoting sustainability in tourism (2019).

It is a significant challenge for Norway to incorporate strategic sustainability objectives within their tourism strategy and achieve them. However, the Sustainable Destinations initiative is a pathway to successfully achieve sustainability goals for their nation and for the planet. Norway has a vast amount of unharmed natural sites and facilities. For example, it is known for its Fjords, fisheries and sustainable hotels. As a brand, Norway is making significant efforts in trying to present itself as a sustainable brand. It seeks to improve its sustainable practices further. This is demonstrated by its commitment to the 2030 Sustainable Development Goals Agenda, sustainabledevelopment.un.org. (n.d.) (2020).

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