

Maintaining competitive tourism advantage with reference to the Greater Blue Mountains World Heritage Area

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Introduction

Business literature is replete with examples of industries that failed to adapt to emerging trends and lost competitive advantage (see Levitt, 1975 - historical examples). To maximise opportunities, industries must identify sources of competitive advantage, and adapt. Tourism (including recreation) is particularly vulnerable to a diversity of external forces that threaten competitiveness (climatic variability/change, residents' attitudes, terrorism/crime).

Australia's main competitive tourism advantages are climate, natural environment, and wildlife. However, the basis of this advantage has been challenged. For example, the Blue Mountains, historically one of Australia's best-known/popular tourist destinations has experienced a downturn in tourism and risks further decline. We use the Greater Blue Mountains World Heritage Area (GBMWH) to highlight some destination tourism marketing issues.

GBMWH

The Blue Mountains, now a segment of the GBMWH, located west of Sydney (Australia), has been a nature tourism destination since the 1860s due to its majestic views and cooler summer climate. Currently it is the most comprehensively protected area in Australia. Over 100,000 live in the GBMWH, although geographically the population is concentrated. Most live in villages along the Great Western Highway, although 75% live within the Blue Mountains City Local Government Area (LGA).

Some strategic issues for tourism

Lack of shared vision

Strategy requires identifying/managing key issues affecting an organisation's future. Fundamental elements in crafting a successful strategy include strong, shared 'vision' of desired outcomes among stakeholders, and leverage of core competitive strengths (Johnson *et al.*, 2008). The GBMWH, tourism stakeholder 'success' depends on a diversity of public/private sector organisations/individuals that apparently lack cohesive motivation for tourism. One impediment to leveraging is the continued focus on Katoomba as the tourist destination and thus <10% of the Region.

Another complication in developing a holistic strategic approach is variation in socio-economic status across GBMWH. Although overall, the average affluence of the area is higher than Australia generally, there is considerable variation among villages. For example, many Leura properties are Sydney-based residents' 'weekenders' who typically oppose development of their 'retreat'. Conversely, less affluent Katoomba Centre with small rented shops (cafes, souvenir shops) has pro-tourism operators although many of their Sydney-based landlords resist street frontage renovation even with a 50% LGA subsidy.

Branding and positioning

A brand (name, symbol, logo, design, image) identifies a product, service or place. Positioning is the act of subsequently designing/communicating the brand to ensure an impact on target markets, and positive differentiation from competitors. The importance of strong branding and clear positioning is increasingly acknowledged (Kotler *et al.*, 2006). However, the GBMWH lacks a clearly-defined, overarching brand and positioning. For example, the Blue Mountains City LGA promotes outdoor activities (bushwalking, horse riding) and dramatic scenery. In contrast, Hawkesbury LGA typically focuses on farm-based (fresh food, accommodation), or riverine (swimming, kayaking) activities. In addition, Blue Mountains LGA promotes a 'grand drive' self-guided tour. Hawkesbury LGA promotes the 'farm gate trail' and 'Hawkesbury artists trail' among others. Neither LGA promotes a strongly positioned, clear brand proposition for the GBMWH or links with other LGAs to leverage Regional strengths/communicate a consistent tourism message.

Public infrastructure

The GBMWH has effective road/rail links with Sydney which supports tourist access to local villages. However, apart from the two trans-mountain highways some vehicular access maybe over unsealed roads (Glow Worm Tunnel Road, Bilpin-Mt. Wilson loop-road). Large zones of GBMWH are also designated 'wilderness' and restricted to foot traffic. Most signposted walking tracks are around Katoomba, and there are no formal long-distance wilderness tracks. Large areas are, therefore, inaccessible.

Major tourism entertainment infrastructure has been concentrated around Katoomba, and recent expansion includes the Echo Point Scenic Lookout, cable car scenic ride, expansion of The Edge cinema, and the Cultural Centre. Outside Katoomba, such infrastructure tends to be scattered widely (State Mine Heritage Park [Lithgow], Norman Lindsay Gallery [Faulconbridge], Mount Tomah Botanic Gardens, Jenolan Caves limestone caverns). These attractions were developed when group/family visitation was the norm, and typically offer 'passive' attractions with limited response to potential new markets.

One tactic used by many destination-based tourism service providers (museums, zoos, art galleries) to encourage repurchase is 'special events' (Kotler *et al.*, 2006) that may be time- (Harvest Festival) or product- (unique animal birth/acquisition) inspired. The GBMWhA has 'Yulefest/Christmas in July', Jenolan Caves' Christmas carols/classical symphony recitals, and small-scale/village-specific events. However, additional activities could be expanded and timed to maximise visitation.

Commercial outlets

Hospitality incorporates customer service (intangible) and decor (tangible), the 'quality' of which is customer-determined (Kotler *et al.*, 2006). Several 'flagship' hotels in the GBMWhA have suffered negative publicity in recent decades. For example, The Carrington (Katoomba) and Hydro Majestic (Medlow Bath) were closed for substantial periods, and more recently the Fairmont Resort also received criticism for 'damaging the area's reputation' (Desiatnik, 2010). However, other accommodation enterprises have prospered. Contemporary demographic and psychographic consumer needs are reflected in 'boutique' hotels offering 'self-indulgence' while environmentally sustainable principles (solar energy, recycled water/building materials) are espoused by others.

Conclusion

Tourist destinations relying on a single drawcard (climate, scenic beauty) are vulnerable to fashion change. As a tourism destination 'product', the GBMWhA appears to be in the decline stage of the 'product life cycle' from its historic position of market leader. In recent decades, the world has shrunk, virtually. Electronic media (internet, social media) more effectively expose potential tourists to cultures/landscapes than previously. Travel is more affordable, and more travel. Attracting new market segments and developing 'new tourism products' that capture changing preferences requires an integrated approach based on shared vision, branding and positioning. The GBMWhA has not yet taken advantage of its status as a World Heritage Area (Hardiman and Burgin, 2013) and developed a shared vision.

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