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Press Release



FROM TOURISM TO THE "EXPERIENCE ECONOMY":

An example of the "Transformative Power" of Service Innovation

The paradigm of tourism as an experience industry was the main focus of discussion in the conference "**Innovating in Tourism by Knowledge and Creativity**", held in Faro, Portugal, on 7 October 2011, as part of the awareness raising campaign on service innovation launched by the Directorate-General for Enterprise and Industry of the European Commission . The event was organized by the CCDR Algarve, Enterprise Europe Network and DG Enterprise and Industry and was attended by 225 participants.

According to **Reinhard Büscher**, Head of Unit "Support for Industrial Innovation" of DG Enterprise and Industry, it is essential to understand the importance and dynamism of the "experience economy" that will transform tourism in the coming years. Managers and politicians need to find strategies and appropriate responses not only to promote service innovation in mature tourist sectors, such as accommodation & tours and food & drink, but also in related sectors, such as music festivals, museums and sport, which offer great scope for service innovation and for more sustainable tourism concepts beyond the traditional "sun & beach" approach.

In the opening session, **Cecilia Meireles**, the Portuguese Secretary of State for Tourism, also referred to the "new tourist" as someone seeking experiences, therefore being more demanding and aiming for more differentiation and quality of services. Referring to the recent "Tourists' Satisfaction Study 2011," she also highlighted the growing role of "online sources" (Internet, social networks, etc.), stressing that these are the main channels or drivers for foreign tourists to choose spending their holidays in Portugal.

Another speaker, **Allan Mayo**, chairperson of the Expert Panel on Service Innovation in the EU, also noted the prevalence of the customers and their experience, mentioning Steve Jobs: "You've got to start with the customer experience and work back to the technology - not the other way around".

Using the same argument, **Rita Alves Machado**, marketing director of Tivoli Hotel & Resorts Group, presented the award-winning project "Experience More", whose objectives are to "understand the needs and motivations of the customer", "differentiating the product / service" and " go beyond the hotel and experience the destination and provide a unique and memorable experience - a Tivoli Experience".

The two simultaneous workshops on Technology and Creative issues also underlined the role of "emotion" as a crucial driver for tourism innovation. According to **Miguel Payeras**, managing director of Balears.t, the Balearic Islands Cluster for Technological Innovation in Tourism, though the digital age has introduced deep changes in the way we promote or choose a holiday destination, these ICT tools should not be used without taking account of the customer's "emotional experience". **Carlos Martins**, president of the Portuguese Agency for Creative Industries, referred to the building of the creative environment and the enhancement of cultural heritage in regions as key elements for differentiation of tourist destinations and of raising innovative entrepreneurship.

The Balearic Islands Innovation Ecosystem was presented as a case study by **Mateo Amengual**, the executive director of CIDTUR. According to him, it was a challenge for the Balearic Islands to "become unique again to the tourist...adding differentiating value to the tourist experience, at origin and at destination...in a sustainable way". **Reinhard Büscher** also showed an interesting cluster map focused on the Balearic tourism technology sector, where ICT links were clearly identified between tourism sub-clusters.

The Portuguese case studies presented in this context were merely start-up projects. **Luís Costa**, director of Turismo de Portugal, explained the work of the National Agenda for R&D in Tourism, a knowledge network with research institutions and tourism stakeholders dealing with the following priority areas: ICT, sustainable construction and environmental management. A new EC-funded regional platform for sustainable tourism, based on the "Tourism Learning Area" concept, was also introduced by **Adão Flores**, of the University of Algarve. Finally, **Nuno Aires** argued that the regional tourism portal VisitAlgarve should adopt an e-business model, in order to achieve greater sustainability.

More information about the event, please contact:

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