



## **Master Arts Management AA 15/16**

### **TOURISM SITE DEVELOPMENT**

Roma, 09/11/2016

Master Arts Management AA 15/16

Case Study

# MEZYAD DESERT PARK

## The roles

# Role Playing

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- 3 - 4 groups
- Elaborate developing strategy for the Mezyad Desert Park
- Use the business canvass model+ other marketing tools
- Prepare Power Point presentation (for 12/13 December)

## The area

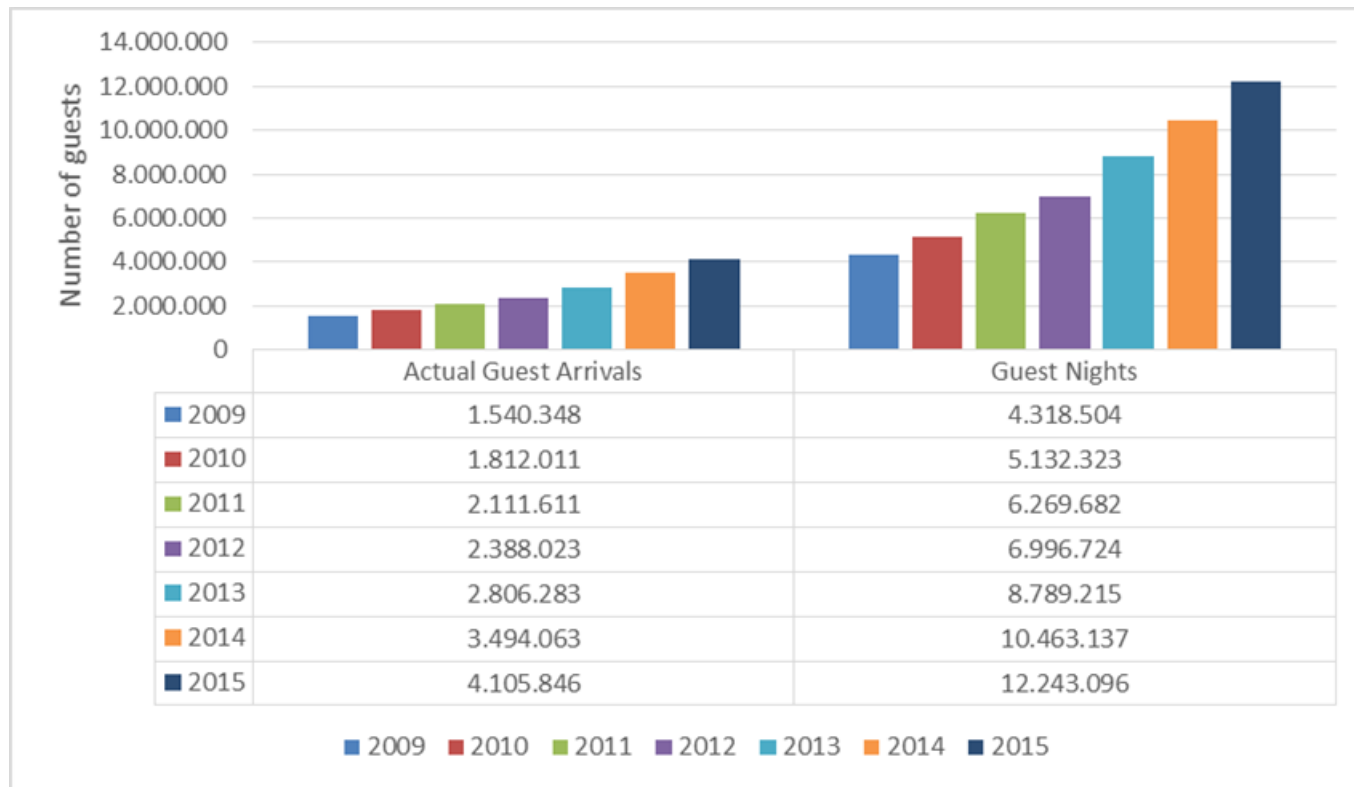
# The geographic area

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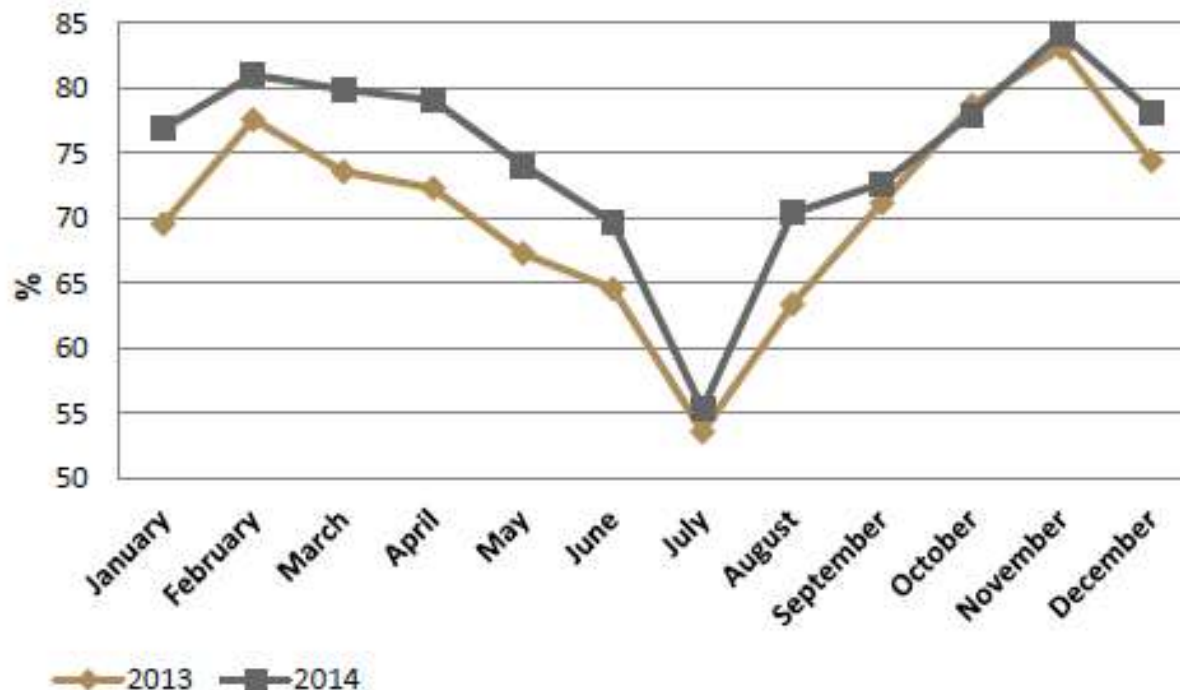
# The Country – Abu Dhabi Emirate (UAE)

- ✓ Strong increase of tourism arrivals
- ✓ Guest arrivals in hotel establishment increased to 4.1 million in 2015 up from 1,54 in 2009
- ✓ Average length of stay is 3 days in 2015



# Seasonality, Abu Dhabi 2013-2014

- Occupancy rate (and therefore revenues) show a **relevant seasonality**
- Demand falls particularly in July, whilst it is higher from October through April





# Guest nights nationality, Abu Dhabi 2015

- About one-third (30.9%) are from UAE
- 8.1% are from India and 7.8% from UK, which precedes USA (5.7%), Germany (5.1%)

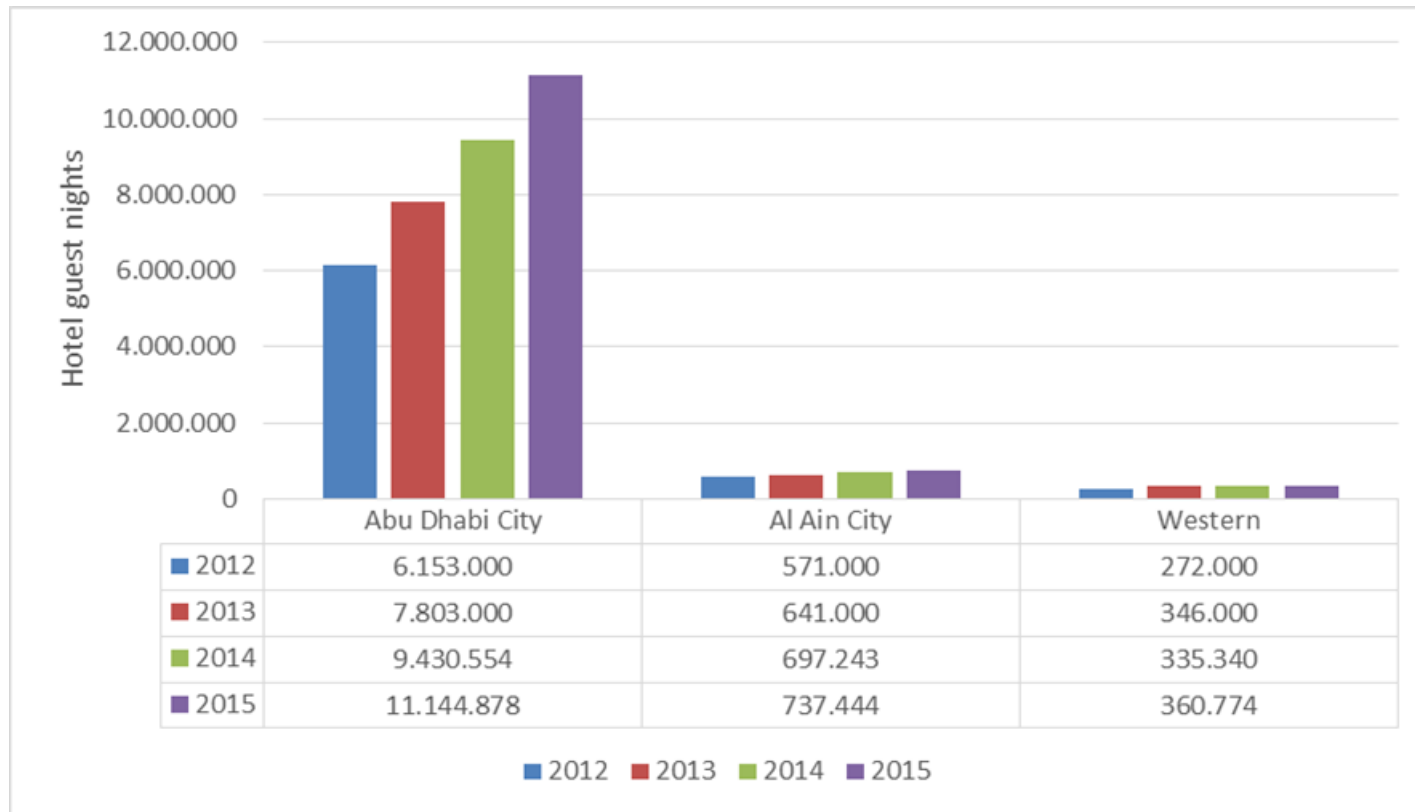
Nationality	Percentage
UAE	30,9%
India	8,1%
UK	7,8%
USA	5,7%
Germany	5,1%
Egypt	2,9%
Saudi Arabia	2,5%
Philippines	2,4%
China	2,2%
Italy	2,2%
Jordan	1,9%
France	1,7%

# Hotel establishments supply in different Abu Dhabi locations. 2015

- Abu Dhabi city provides 88.5% of hotel establishments' rooms and 93.4% of those of hotel apartments

Location	Hotel establishments			Hotel apartments		
	Number	Rooms	%	Number	Rooms	%
Abu Dhabi City	86	20,418	88,5%	54	6,252	93,4%
Al Ain City	12	1,465	6,4%	5	445	6,6%
Western	11	1,180	5,1%	0	0	0,0%
<b>Total</b>	<b>109</b>	<b>23,063</b>	<b>100,0%</b>	<b>59</b>	<b>6,697</b>	<b>100,0%</b>

# Guest Nights at Different Abu Dhabi locations. 2012-2015



# Visitors to cultural sites

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- The index of the number of visitors to the cultural sites and events for each 1,000 inhabitants **decreased from 1,848 in 2006 to 1,577 in 2014**
- Such index includes public parks and zoo. **If only “cultural” attractions are considered attendance is also much lower**
- Al Ain Museum, Al Ain Palace Museum, Dalma Museum and Al Jahili Fort Museum as a whole accounted for 237,620 visits in 2014 (up from 109,672 in 2006 when Dalma Museum and Al Jahili Fort Museum were not available)
- The figure equals **5.7% of total visits to cultural sites and events**
- The index of the number of visitors to such attractions for each 1,000 inhabitants stood at 90 in 2014 (it was 77 in 2006)
- This means that **the increase of cultural supply has not been accompanied by a proportional increase of visitor demand**, which stands low compared to that to leisure-oriented sites

# Visitors to leisure attractions

Item	2006	2013	2014	2015
<b>Total</b>	<b>2,628,486</b>	<b>3,058,612</b>	<b>4,179,728</b>	<b>2,606,494</b>
Zoo	619,042	999,174	966,530	890,774
Hili Fun city	235,132	238,046	240,024	-
Public Parks	1,664,640	1,624,630	2,735,554	1,469,054*
Al Ain Museum	53,110	49,281	54,702	50,834
Al Ain Palace Museum	56,562	120,906	146,039	151,611
Dalma Museum**	-	2,297	2,960	2,875
Al Jahili Fort Museum***	-	24,278	33,919	41,346

# The UNESCO site

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- A 4th millennium funerary landscape cluttered with tombs
- Mysterious dome-shaped tombs, known as Hafeet tombs
- Are the earliest tombs of the Bronze Age in the UAE and defined a period known as "the Hafeet period", which dates from 3200BC to 2700BC
- About 500 of these 5,000-year-old tombs lay scattered at the bottom of Jebel Hafeet mountain



# The project area

- The site is of approximate 4000 ha, located 20 km to the south of Al Ain
- Limited to the east by the Jebel Hafit Massif, to the west and north with highway and to the south with the international border of the Sultanate of Oman
- It is currently un-exploited, with camel farms





# The Neolithic stones

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# The situation

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- The client is the Abu Dhabi Tourism and Culture Authority (TCA)
- There was a previous study conducted by an American consulting company
- It was considered uncomplete as it focused mainly on archaeology, with tourist services limited to a new visitor centre at the entrance of the desert park



# The key issues

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- TCA asks for different scenarios of interventions (low, medium, high)
- It asks to strengthen tourist services and to look at a wide range of tourists, not only strictly “cultural” in order to expand business opportunities

# The objectives/deliverables

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Stage	Deliverable
Stage 1: Gap assessment	Gap assessment report
Stage 2: Masterplan	Masterplan report and drawings <ul style="list-style-type: none"><li>– Site Management Plan</li><li>– Interpretive Plan</li><li>– <b>Business Plan</b></li><li>– Concept design options</li></ul>
Stage 3: Implementation Plan	Implementation Plan report

# The Arab Fort

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- Included in the project area
- Close to the international border of the Sultanate of Oman
- Possible location for tourist services

# THE BUSINESS CANVASS

# The Business Model Canvas

Designed for:

Designed by:

Date:

Version:

## Key Partners



Who are our Key Partners?  
Who are our key suppliers?  
Which Key Resources are we acquiring from partners?  
Which Key Activities do partners perform?

### MOTIVATIONS FOR PARTNERSHIPS

Optimization and economy  
Reduction of risk and uncertainty  
Acquisition of particular resources and activities

## Key Activities



What Key Activities do our Value Propositions require?  
Our Distribution Channels? Customer Relationships?  
Revenue streams?

### CATEGORIES

Production  
Problem Solving  
Platform/Network

## Value Propositions



What value do we deliver to the customer?  
Which one of our customer's problems are we helping to solve?  
What bundles of products and services are we offering to each Customer Segment?  
Which customer needs are we satisfying?

### CHARACTERISTICS

Business  
Performance  
Customization  
"Setting the Job Done"  
Design  
Brand/Status  
Price  
Cost Reduction  
Risk Reduction  
Accessibility  
Convenience/Usability

## Customer Relationships



What type of relationship does each of our Customer Segments expect us to establish and maintain with them?  
Which ones have we established?  
How are they integrated with the rest of our business model?  
How costly are they?

### EXAMPLES

Personal assistance  
Dedicated Personal Assistance  
Self-service  
Automated Services  
Communities  
Co-creation

## Customer Segments



For whom are we creating value?  
Who are our most important customers?

Mass Market  
Niche Market  
Segmented  
Diversified  
Multi-sided Platform

## Key Resources



What Key Resources do our Value Propositions require?  
Our Distribution Channels? Customer Relationships?  
Revenue Streams?

### TYPES OF RESOURCES

Physical  
Intellectual (brand patents, copyrights, data)  
Human  
Financial

## Channels



Through which Channels do our Customer Segments want to be reached?  
How are we reaching them now?  
How are our Channels integrated?  
Which ones work best?  
Which ones are most cost-efficient?  
How are we integrating them with customer routines?

### CHANNEL PHASES

- Awareness**  
How do we raise awareness about our company's products and services?
- Evaluation**  
How do we help customers evaluate our organization's Value Proposition?
- Purchase**  
How do we allow customers to purchase specific products and services?
- Delivery**  
How do we deliver a Value Proposition to customers?
- After sales**  
How do we provide post-purchase customer support?

## Cost Structure



What are the most important costs inherent in our business model?  
Which Key Resources are most expensive?  
Which Key Activities are most expensive?

### IS YOUR BUSINESS MODEL

Cost Driven (lowest cost structure, low price value proposition, maximum automation, extensive outsourcing)  
Value Driven (focused on value creation, premium value proposition)

### SAMPLE CHARACTERISTICS

Fixed Costs (salaries, rents, utilities)  
Variable costs  
Economies of scale  
Economies of scope

## Revenue Streams



For what value are our customers really willing to pay?  
For what do they currently pay?  
How are they currently paying?  
How would they prefer to pay?  
How much does each Revenue Stream contribute to overall revenues?

### TYPES

Asset sale  
Usage fee  
Subscription Fees  
Lending/Renting/Leasing  
Licensing  
Brokerage fees  
Advertising

### FIXED PRICING

List Price  
Product feature dependent  
Customer segment  
Dependent  
Volume dependent

### DYNAMIC PRICING

Negotiation (bargaining)  
Yield Management  
Real time Market



DESIGNED BY: Business Model Foundry AG  
The makers of Business Model Generation and Strategyzer

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# References

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- Plog S. C. (1974). "Why destination areas rise and fall in popularity". *The Cornell Hotel and Restaurant Administration Quarterly*, 4, 55-58
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# Websites

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- Cultural Sites of Al Ain (Hafit, Hili, Bidaa Bint Saud and Oases Areas): <http://whc.unesco.org/en/list/1343/>



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