

**ORGANISATION FOR ECONOMIC CO-OPERATION  
AND DEVELOPMENT**



**TOURISM COMMITTEE**

**Conference on Innovation and Growth in tourism**

**Lugano, 18-19 September 2003**

The meeting will take place in the Aula Magna of the University of Lugano, Via Giuseppe Buffi 13, 6900 Lugano (Switzerland) and will start at 09:00 a.m. the first day.

## CONFERENCE ON GROWTH AND INNOVATION IN TOURISM

<b>THURSDAY 18 SEPTEMBER 2003</b>	
<b>9:00-10:00 - Opening</b>	Statements by the OECD and Switzerland
<b>10:00-11:00 - Keynote Addresses</b>	Innovation and Economic Growth
<b>11:30-13:00 - Session 1</b>	The characteristics and dynamics of the innovation process in tourism
Lunch break at the Aula Magna, Università della Svizzera italiana (USI)	
<b>14:30-16:00 - Session 2</b>	Basic innovations and applications in tourism
<b>16:30-17:30 - Session 3</b>	A key for an innovative and efficient tourism policy: Tourism Satellite Accounts
Evening event: Visit of Morcote, concert, dinner on board ship	
<b>FRIDAY 19 SEPTEMBER 2003</b>	
<b>9:00-10:30 - Session 4</b>	Governmental initiatives and programmes in the field of tourism
<b>10:45-12:15 - Session 5</b>	The need for an innovation oriented tourism policy
<b>12:15-12:30 - Conclusions by the Chair</b>	Implications for future work on Tourism Policy at the OECD
Lunch on the mountain of San Salvatore	

# CONFERENCE ON INNOVATION AND GROWTH IN TOURISM

## ANNOTATED AGENDA

### 1. CONFERENCE PROGRAMME

Thursday 18 September 2003

9:00-13:00

#### Welcome Address

*Prof. Dr. Marco Baggolini, President of the Università della Svizzera italiana, Lugano*

#### Opening statements by the OECD and Switzerland

*Mr. Takayuki Matsuo, Director for Science, Technology and Industry, OECD*

*Dr. Eric Scheidegger, Ambassador, Secretariat of State for Economic Affairs, Switzerland*

#### Keynote addresses

##### *Innovation and economic growth*

*Prof. Nathan Rosenberg, Stanford University, California, United States of America*

##### *Innovation and public intervention: Do we need an innovation policy?*

*Prof. Rico Maggi, University of Italian Switzerland, Switzerland*

#### Session 1: The characteristics and dynamics of the innovation process in tourism

Tourism services are highly fragmented and largely dominated by small and medium sized enterprises. To survive in an increasingly competitive and global environment, enterprises have to achieve economies of scale and of scope in order to reduce costs, increase productivity and gain more power in disputed markets. Innovation and co-operation mechanisms can help enterprises adapt to change and increase their competitiveness.

While the international travel industry – e.g. big tour operators, airline companies and hotel chains – is able to produce, on an industrial scale, packages which have an attractive price-product ratio, the small and medium-sized companies have to adapt and overcome the disadvantages due to their lack of size and the fragmentation of the service chain at the place of destination.

The innovation and co-operation mechanisms in tourism can take many forms, ranging from horizontal and vertical integration, to new structures that encourage the processes of product, marketing and organisational innovation.

The session 1 will be structured around two different interventions:

1. Product improvement or innovation: what is the key to success in tourism?

*Prof. Klaus Weiermair, Director of the Institute for Tourism and Service Economy, University of Innsbruck, Austria.*

2. A dynamic and conceptual approach of innovation in tourism

*Prof. François-Xavier Decelle, Rapporteur on the project « Tourism and Innovation » in the Conseil National du Tourisme, Professor in the Institut de Recherche et d'Etudes Supérieures du Tourisme (IREST), France*

**Thursday 18 September 2003**

**14:30-17:30**

## **Session 2: Basic innovations and applications in tourism**

Major basic innovations, particularly in the sector of transport and new information technologies, have helped to make the tourism sector more productive. Innovation in tourism is primarily focused on production processes.

The intensity and the spread of innovation vary depending on the characteristics of the different branches of tourism. Large enterprises in the tourism and transport industry, such as tour operators, airline companies and hotel chains, have developed products on an industrial scale. Continuous innovation has become routine practice for them. It has become a factor of production that enables them to gain a competitive edge. They innovate to win market shares.

Small and medium-sized enterprises (SMEs) cannot be as innovative. They do not have research and development divisions enabling them to promote innovation. Yet, SMEs can overcome this obstacle by imitating and applying the innovations on the market. They can also expand their size by co-operating with other enterprises, thereby increasing their capacity to innovate.

Session 2 will be structured around three different interventions:

1. Has innovation become a routine practice that enables companies to stay ahead of the competition in the travel industry?

*Prof. Martin Brackenbury, President of World Tourism Organisation Business Council, President of the International Federation of Tour Operators, United Kingdom.*

2. Electronic destination marketing management: how to build an innovation cluster in the field of applied information technology.

*Mr. Jürg Schmid, General Manager of Switzerland's National Tourism Office "Switzerland Tourism", Switzerland.*

### **Session 3: A key for an innovative and efficient tourism policy: Tourism Satellite Accounts**

The Tourism Satellite Account provides a new vision of the tourism industry components and dynamics and enables policy and business decision-makers to obtain key information for improving their planning, investment, marketing, human resources, development and innovation strategies. Not only the Tourism Satellite Account outlines the economic significance of tourism in the national economy but it provides also detailed information on the relative importance of the various components of the tourism industry, on their dynamics and contribution in economic terms. Moreover, emerging extensions of the account are focusing on human resources, regional indicators and micro-economic performance indicators, which are key elements to consider for the development of the industry.

The Tourism Satellite is changing the way governments and industry leaders are looking at tourism. It provides new insights as to the economic activities associated to tourism and revealed linkages which in turn stimulate the development of new forms of co-operation and alliances. By gaining a better understanding of the structure of production, tourism consumption and redistribution within the value chain, it improves the capacity of governments to exploit the assets and comparative advantages of each component of the industry. The Tourism Satellite Account is helping governments and industry in becoming fully aware of the current and future economic performance of tourism and in converting this information in innovation and cooperation strategies to support further tourism growth.

The session 3 will be structured around two different interventions:

1. The experience of the State of Hawaii

*Dr. Pearl Imada-Iboshi, Policy Manager for the Governor of Hawaii, United States of America*

2. The new Swiss tourism satellite account.

*Dr. Karl Koch, State Secretariat for Economic Affairs, Switzerland*

**Friday, 19 September 2003**

**9:00-12:30**

### **Session 4: Governmental initiatives and programmes in the field of tourism**

Although tourism is private sector driven, governments shape the operating environment, provide much of the infrastructure, encourage innovation, research and development and are responsible for the provision of public goods such as the natural and cultural resources required by consumers and the industry. The treatment of issues like economic globalisation, regionalisation or sustainable development require extensive adaptation/innovation of public institutions and create new tasks for governments to enable effective design and implementation of tourism policies and actions within a broader policy context.

Many OECD countries, which are traditional tourist destinations, need to rejuvenate their tourism supply in order to comply with the new requirements of tourists on the global market. To help tourism enterprises and destinations, governments are developing new strategies to strengthen their capacity in innovation and cooperation. Actions undertaken by governments are aiming primarily to enhance the growth potential and the competitiveness of destinations and enterprises, particularly those which are disadvantaged by their lack of size.

In OECD services economies, tourism could be seen as being part of the new economy as it is highly dependent on information and new technologies. Some even place tourism in the emerging “experience economy” which caters to personal well-being in the emotional and intellectual senses as well as physically.

The session 4 will be structured around three different interventions, looking at governmental experiences with tourism incentive systems:

1. Innovation and public-private partnerships: why does the Canadian government support the co-operation in the field of tourism?

*Mr. Pierre Gauthier, Executive Director for Partnerships, Canadian Tourism Commission, Canada.*

2. The French initiative for innovation in tourism: how to rejuvenate the offer and increase the productivity of tourism?

*Mr. André-Jean Guérin, Director of the Agence française de l'ingénierie du tourisme (AFIT), France.*

3. Innovation in the field of product and marketing: the method used by the Australian government

*Mr. Bob Pegler, Minister-Counsellor, Industry, Tourism and Resources, Australian Delegation to the OECD, Australia*

## **Session 5: The need for an innovation oriented tourism policy**

Tourism faces important cross-sectoral challenges. The development of a policy framework conducive of growth and competitiveness includes the setting of appropriate mechanisms for cooperation in order to reduce conflicting objectives due to the “cross-sectional” aspects of tourism policy and increase the effectiveness of public authorities in charge of tourism development. Tourism also faces important industrial/sectoral challenges. The provision by governments of support and incentives should focus on areas where there are market failures. Specific action to support entrepreneurial activities, particularly for small businesses, should not create distortions among enterprises. Innovation mechanisms can contribute to enhance competitiveness of the industry.

New forms of promotion of innovation and cooperation mechanisms in tourism should be based on a clear policy strategy and guided by appropriate guidelines to ensure that such mechanisms are conducive of a competitive, market-oriented and environment-friendly market place.

The session 5 will be organised in the form of a round table, addressing in an interactive debate the positions of OECD and non OECD governments:

### **The views of governments**

*Mr. John C. Grech, Chairman, Malta Tourism Authority, Malta*

*Mr. Sanjiv Singh, Strategic Research Manager, South African Tourism, South Africa*

*Mr. R. Franco Vitale, Director General of the Department of tourism, Ministry of Industry, Trade and Handicrafts, Italy.*

*Dr. Helmut Krueger, Head of Tourism Policy Division, Federal Ministry of Economics and Technology, Germany.*

### **Conclusions by the Chair**

The Chair will present a synthesis of the discussions and invite participants to comment. Particular attention will be paid to the implications of the discussions for future work on tourism policy in the OECD.

Implications for future work on Tourism Policy at the OECD.

*Prof. Peter Keller, Chairman of the Tourism Committee*

## CONFERENCE ON INNOVATION AND GROWTH IN TOURISM

### ANNOTATED AGENDA

#### 2. GENERAL INFORMATION

##### Venue of the Conference

1. The OECD Conference on Innovation and Growth in Tourism will be held on Thursday, 18 September from 09:00 to 17:30 and on Friday, 19 September 2003 from 09:00 to 12:30. It will be held in the Aula Magna of the University of Lugano.

Università della Svizzera italiana  
Via Giuseppe Buffi 13  
6900 Lugano, Switzerland

2. A welcome reception will be held at the City Hall of Lugano on Wednesday, 17 September 2003, at 20:00.

##### Registration

3. There is no registration fee for attending the Conference and the social events. Participants are requested to complete the attached registration form (see annex I) and to return it, by **5 September 2003**, to the OECD Secretariat.

##### Transport

5. Different airline companies offer flights to the Zurich (Switzerland) and Malpensa (Italy) airports. There are various possibilities to get from each airport to Lugano:

From Malpensa by shuttle bus Eight connections per day from Malpensa to Lugano from 09:00 to 22:45 and from Lugano to Malpensa from 06.35 to 20.00. The connection takes about 50 minutes.

Check: <http://www.busexpress.ch/shuttle.asp>

From Zurich: by plane: Zurich to Lugano-Agno: Lugano-Agno to Zurich

07.05 – 07.50	06.00 – 06.45
09.45 – 10.30	08.20 – 09.10
12.30 – 13.15	11.00 – 11.50
15.05 – 15.45*	13.45 – 14.35
17.30 – 18.15	16.15 – 17.05*
21.00 – 21.45	18.40 – 19.30

\* not on Saturdays and Sundays



by train: Frequent connections from Zurich airport to Zurich central station and back.  
Direct connections from Zurich Central Station to Lugano from 06:30 to 22:00 and from Lugano to Zurich Central Station from 06:00 to 20:30 (takes around 3 hours).  
Check: [http://www.sbb.ch/pv/index\\_d.htm](http://www.sbb.ch/pv/index_d.htm).

## Travel arrangements

Participants are requested to make their own arrangements. They can use the services proposed by “SR Special Events Incoming” and contact:

Mrs. Raffaella Biffi  
Tel: +41-91-960 23 23  
E-mail: [raffaella.biffi@citsuisse.ch](mailto:raffaella.biffi@citsuisse.ch)

*Please use reference “OECD”.*

## Accommodation

7. Preferential room rates have been obtained for participants in the following hotels (see Annex II for more details):

	Single room (breakfast included)	(approx. in Euro)	Double room (breakfast included)	(approx. in Euro)
Grand Hotel Villa Castagnola	SFr. 250.-	167	SFr. 365.-	244
Hotel Lugano Dante	SFr. 180.-	120	SFr. 230.-	154
Hôtel de la Paix	SFr. 140.-	94	SFr. 180.-	120
Hotel Holiday Inn	SFr. 140.-	94	SFr. 190.-	127
Hotel Excelsior	SFr. 120.-	80	SFr. 170.-	114
Hotel Ceresio	SFr. 90.-	60	SFr. 130.-	87

## Social programme

9. The social programme is presented in Annex III. All participants, including accompanying persons, are invited to take part in the social events prepared by the Swiss authorities.

## Documentation, working language and Internet Web site

10. Interpretation will be provided in English and in French. Documentation will include papers prepared by the participants.

The Internet Web site of the Conference <http://www.oecd-conference-lugano.ch/> provides easy access to information and documentation.

CONFERENCE "INNOVATION AND GROWTH IN TOURISM"

18 AND 19 SEPTEMBER 2003, LUGANO (SWITZERLAND)

ANNEX I - REGISTRATION FORM

Deadline: 5 September 2003

Last Name: ..... First Name: .....

Business Title: .....

Country/Organisation: .....

Mailing Address: .....

Postal Box: .....Postal Code: .....

Country: .....

Tel: .....E-mail: ..... Fax:.....

*When completed, please return to:*

Alain Dupeyras  
Directorate for Science, Technology and Industry  
Head of the Tourism program  
OECD  
2 rue André Pascal, 75775 Paris Cédex 16  
telephone: 33-(0)1.45.24.91.45, fax: 33-(0)1.44.30.62.57  
Email. [alain.dupeyras@oecd.org](mailto:alain.dupeyras@oecd.org)

**CONFERENCE "INNOVATION AND GROWTH IN TOURISM"**

**18 AND 19 SEPTEMBER 2003, LUGANO (SWITZERLAND)**

**ANNEX II - ACCOMMODATION RESERVATION FORM**

or

use online-reservation at <http://www.oecd-conference-lugano.ch>

**Deadline: 5 September 2003**

**HOTEL ACCOMMODATION**

Room rates are available for the period 17 September-19 September 2003 (3 nights)

**Please select your hotel:**

GRAND HOTEL VILLA CASTAGNOLA \*\*\*\*\* ( 5 Star Deluxe Hotel )

Location: [www.villa.castagnola.ch](http://www.villa.castagnola.ch)

Single room: CHF. 250.—/ Euro: 167,-- Double room: CHF. 365.—/ Euro: 244,--

HOTEL DE LA PAIX: \*\*\*\* ( 4 Star First Class Hotel )

Location: [www.delapaix.ch](http://www.delapaix.ch)

Single room : CHF. 140,--/ Euro: 94,-- Double room: CHF. 180.—/ Euro: 120,--

HOTEL LUGANO DANTE CENTER \*\*\*\* (4 Star First Class city Hotel )

Location: [www.hotel-luganodante.com](http://www.hotel-luganodante.com)

Double single use: CHF. 180.—/ Euro: 120,-- Double room: CHF. 230.—/ Euro: 154,--

HOTEL HOLIDAY INN Lugano Centre (\*\*\*\* 4 Star First Class Hotel )

Location: [www.holiday-inn.com/luganocentre](http://www.holiday-inn.com/luganocentre)

Single room : CHF. 140.00 / Euro: 94,-- Double room: CHF. 190.—/ Euro: 127,--

HOTEL CERESIO ( \*\*\* 3 Star economic City Hotel) walking distance University

Location: Via Balestra 19 – 6900 LUGANO ( no homepage available )

Single room : CHF. 90.-- / Euro: 60,-- Double room : CHF.130.-- / Euro: 87,--

HOTEL EXCELSIOR ( 3\*\*\* Star City Hotel)

Location: [www.excelsior.ch](http://www.excelsior.ch)

Single room : CHF. 120.—/ Euro: 80,-- Double for single use: CHF. 160.— / Euro: 107,--

Double room: CHF. 170.—/ Euro: 114,--

(These rates includes BB, tax and services -- rates are per room per night)

Name:.....First name:.....

Arrival date:..... Departure Date.....

Hotel:.....Room Type:.....

In order to confirm and guarantee your reservation a credit card number will be necessary:

Credit Card:.....exp/ date.....

All requests are subject to availability at the moment of request. The written confirmation will follow once availability has been confirmed by the chosen hotel.

*When completed, please return to:*

**SR Special Events Incoming  
Mrs Sabine Rettich  
Via Cantonale 20  
6900 LUGANO Switzerland**

**Tel.: +41 91 924 95 25  
Fax : +41 91 924 95 26  
E-mail: [info@specialevents.ch](mailto:info@specialevents.ch)  
[www.specialevents.ch](http://www.specialevents.ch)**

**CONFERENCE "INNOVATION AND GROWTH IN TOURISM"**  
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**ANNEX III - SOCIAL PROGRAM**

**Deadline: 5 September 2003**

**September 17, 2003**

Welcome reception at the city hall of Lugano (beginning at 8 pm)

**Yes, I register my participation:**

Name:..... Number of Persons:.....

**September 18, 2003**

Evening program (6 pm- 11 pm)

Departure by private boat from Lugano to Morcote (duration ca. 1 hour)

Short walk to the beautiful church Madonna del Sasso (10 min ca.)

Classical concert Quartett (W. Amadeus Mozart) duration 30 min.

After the concert return to the pier (short walk downhill)

Evening cruise on the lake of Lugano dinner on board

**Yes, I register my participation:**

Name:..... Number of Persons:.....

**September 19, 2003**

Lunch on Top of Mount San Salvatore:

Bus Transfer to the cablecar station in Paradiso / Short ride uphill by the cablecar

Lunch (Ristorante Vetta)

After Lunch: Discover the architectural heritage in Ticino.

Guided Tour presented by Architect PAOLO SCIOLLI (from 3 pm – 6 pm)

**Yes, I register my participation:**

Name..... Number of Persons:.....

***When completed, please return to:***

**SR Special Events Incoming**  
**Mrs Sabine Rettich**  
**Via Cantonale 20**  
**6900 LUGANO Switzerland**  
**Tel.: +41 91 924 95 25**  
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**[www.specialevents.ch](http://www.specialevents.ch)**