View metadata, citation and similar papers at core.ac.uk
brought to you by CORE
provided by Repositório da Universidade Nova de Lisboa

A Work Project, presented as part of the requirements for the Award of a Master Degree in Management from the Universidade Nova de Lisboa, School of Business and Economics.

Management of Costa Vicentina as a Tourism Destination for Portuguese surfers

Maria Madalena Mendes Osório Costa Duarte | 1413

A Project carried out on Tourism Destination Management: Strategy course
under the supervision of Professor Sónia Dahab
January 2014

Index

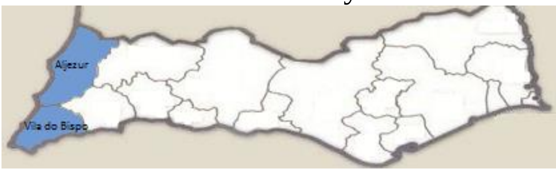
Abstract: This dissertation provides a strategic analysis of tourism destination management of Costa Vicentina (CV), based on the methodology purposed by the World Tourism Organization (World Tourism Organization, 2007). The aim is to come up with strategic guidelines for CV to become sustainably more competitive regarding the segment of Portuguese surf tourism. The main conclusions are, on the demand side, that Portuguese surfers are very attractive to counteract seasonality and to help sustainably developing destinations. On the supply side, preserving the natural uniqueness of CV is vital, as well as organizing the tourism sector in a coherent network, properly managed.

Key words: Tourism, Costa Vicentina, Surf, Sustainability

Project overview

The destination in study is CV, the fragment of the Portuguese West Coast that belongs to Algarve, covering two Municipalities: Aljezur and Vila do Bispo (Picture 1).

Picture 1: Territory of CV



This project was developed in three stages, each of them answering to one key question.

Situation assessment	**Vision and goals**	**Strategic guidelines**
Where are *we* now?	Where do *we* want to be?	How to go from where *we* are to where *we* want to be?

For the **situation assessment**, a deep study was made on (1) general trends and changes that may potentially impact surf tourism at CV, (2) demand – actual and potential Portuguese surf tourists at CV –, (3) supply – network of private and public players that operate in the tourism sector at CV – and (4) benchmark – main competitor destinations. The findings were grouped into a SWOT analysis, based on which, a **vision** for the future of the destination was developed together with the **goals** that shall support it. Lastly, **strategic guidelines** were suggested to eliminate the gaps between the current situation and the desired situation.

Demand was studied through a semi-qualitative and a quantitative research. The study of supply involved a research trip to CV and meetings with main stakeholders, namely the persons in charge of tourism at the Municipalities of Aljezur and Vila do Bispo[1] and members of the main associations operating at CV for the tourism sector. The benchmark involved research trips to two of the main competitor destinations – Peniche and Cascais.

[1]Mrs Dora Sousa and *Veriadora* Rute Silva, respectively.

I. Introduction

Tourism in the Portuguese Economy: If on the one hand, Portuguese tourism was considerably affected by the Global Economic Crisis, on the other hand it is crucial for the recovery of the Portuguese Economy because of its significant impact on GDP and employment. According to the 2013 report from the authority on World Travel & Tourism on Portugal, the direct contribution of Travel & Tourism[2] to GDP was 9,4 billion €, meaning 5,7% of total GDP, in 2012. This was expected to grow 0,4% in 2013 and is predicted to rise 2,0% pa[3] until 2023. In terms of employment, the direct contribution of Travel & Tourism was 325.500 jobs in 2012, representing 7% of total employment. The projected growth for 2013 was 0,2% and until 2023 it is estimated to increase 1,5% pa[3], corresponding to 378.000 jobs by then. In terms of total contribution[4], in 2012, Travel & Tourism represented 15,9% of total GDP and 18,5% of total employment, values that are also predicted to rise in the next 10 years. Regarding the Portuguese market, in 2012, domestic tourists' spending accounted for 36,5% of direct Travel & Tourism contribution to GDP. Although this share was expected to fall by 0,6% in 2013, it is estimated to rise 1,9% pa[3] until 2023 (World Trade and Tourism Council, 2013).

The relevance of the Portuguese market is reinforced in Plano Estratégico Nacional de Turismo (PENT). As mentioned there, this market shall be given special attention because it represents "a stable basis of occupation and revenues" (Ministério da Economia e do Emprego, PENT, 2013: 22).

[2]The direct contribution of Travel & Tourism is the "total spending within a particular country on Travel & Tourism by residents and non-residents and spending by government on Travel & Tourism services directly linked to visitors, such as cultural or recreational" (World Trade and Tourism Council, 2013).
[3]pa stands for annualized real growth
[4]The total contribution of Travel & Tourism includes "wider impacts" on the economy, such as investment spending, government collective spending, and domestic purchases of goods and services by sectors dealing directly with tourists (World Trade and Tourism Council, 2013.

According to the most recent official data about the destination, in 2011, Portuguese tourists represented 37% of total guests at CV. However, this share has decreased in the three years before. (Instituto Nacional de Estatística, 2010, 2011, 2012a)). This means it is an important market that shall be revitalized in order for market share to be kept.

Surf in Portuguese Tourism: According to a market research conducted by one of the world's most consistently accurate forecasting companies, the sport of surfing is expected to represent a $13.24 billion market worldwide by 2017 (Global Industry Analysts, 2011). The growth of surf seems to be no exception in Portugal, as explained in the first published surf guide for the country. According to it, six major aspects have been responsible for such growth, especially in the last decade: (1) spread of surf brands all over the country which has transformed surf into a fashionable trend; (2) urge of surf schools that allow surf to reach increasingly more people; (3) hosting of major national and international surf championships, namely the World Championship Tour (WCT)[5] in Peniche since 2009, positioning Portugal among the world's best surf destinations worldwide (Appendix1: national and international surf championships); (4) participation of a Portuguese surfer, Tiago Pires, on the WCT, for the first time in 2008; (5) recognition of Nazaré by the size of its waves after the record of the biggest surfed wave having been reached by the Hawaiian surfer McNamara in 2011; and (6) classification of Ericeira as the second "World Surf Reserve", by Save the Waves Coalitions (SWC) in 2011, transforming it in the only surf spot in Europe with such a quality certificate (Appendix 2: SWC) (Leal, A.; Cirpriano, F. 2012).

[5]The most important professional surf championship worldwide

In the most recent revision of PENT, surf is highlighted, including for Algarve, as a means to achieve one of the ten strategic actions for the horizon of 2013-2015, which is the development of nautical tourism.

Lastly, CV seems to be in between the involvement and development stages of the Tourism Area Life Cycle, a model used by the World Tourism Organization to predict a path for the evolution of destinations (Appendix 3: Tourism Area Life Cycle) (World Tourism Organization, 2007). These stages are mainly characterized by an increasing number of visitors and the local control of the touristic supply. So, starting implementing the adequate strategy for the sustainable development of the destination becomes imperative.

II. Trends and changes shaping tourism

Before specifically studying surf tourism at CV for the Portuguese market, an overview of general trends and changes affecting tourism will be resumed in Table 1.

Table 1: Trends and changes shaping tourism

Macroeconomic	Demographic
Projections of moderate recovery of the Portuguese economy, driven in part by the moderate recovery of internal demand (Banco de Portugal, 2013). ➢ Portuguese tourists are price-sensitive and look for better value for money options. Growing of low-cost flights, meaning easiness, fastness and cheapness of travelling abroad. ➢ Increasing competition from other European destinations faced by home tourism destinations.	Portuguese population getting older (Carrilho, M., 2010). ➢ More efforts are required both to attract the decreasing market of young adults and to keep Portuguese tourism destinations dynamic. Population becoming multi-ethnic and structured in multi-generational families (World Tourism Organization; European Travel Commission, 2010). ➢ Visitors' profiles and preferences are increasingly fragmented and destinations' competitiveness depends on the ability to accurately develop and market tourism products.
Socio-cultural	**Ecological**
Increasing value for unique authentic experience, namely outdoor that help potentiate a healthy lifestyle (IPK International, 2013). ➢ Increasing demand for nature tourism, adventure tourism and nautical tourism, including surf tourism.	Increasing consumption of natural resources: "today mankind consumes 50% more natural resources than the Earth can replenish" (Intergovernmental Panel on Climate Change, 2013: 19).

Rising call for social and environmental sustainability.

- Pressure for tourism destination managers to incorporate these two dimensions into their offers.

Technological

Dramatic growth of social media: in what concerns to travel planning, today 50% of travellers are influenced by other people's experiences and 40% by social network comments. (IPK International, 2013).

- The ability of tourism destinations to gain visibility on these competitive environments depends on the cooperation among the various stakeholders to promote the destination using differentiation strategies that result in higher margins.

- Threat for tourism sustainability, namely when main attractions are natural resources.

Sea level will continue rising in more than 95% of the ocean area (Intergovernmental Panel of Climate Change, 2013).

- Threat for the long-term subsistence of coast destinations.

These trends affect the way destinations must be managed nowadays to effectively reach and keep the tourist. So, they must be accounted for in the strategy for CV.

III. Demand

According to the official European Surf Industry Manufacturers Association, in Portugal, in 2011, there were about 150.000 surfers[6] and 50.000 people who frequently practice bodyboard, windsurf, and kitesurf, numbers that have been rising since there (European Surf Industry Manufacturers Association, 2011).

The semi-qualitative research consisted of open questions made in person[7] to 77 Portuguese surfers. All answers were valid and were post-coded before being analysed qualitatively. The quantitative research involved 220 questionnaires – 65% of them conducted online and 35% in person – of which 166 questionnaires were valid (Appendix 4: questionnaires). Data was analysed in SPSS, using proportion, mean, and correlation

[6]It was not possible to clarify the definition of surfer in the mentioned study
[7]The research conducted "in person" took place during research trips made to Peniche (during the WCT), Cascais/Carcavelos (during the World Qualifying Series), and CV

tests with a confidence level of 95%. On both researches, a filter guaranteed that all respondents have Portuguese nationality and are surfers[8] (Appendix 5: sample profiles).

Before discussing the results, it is important to identify a limitation they may have, which is the possibility that some respondents have answered to the questionnaire as if CV and Costa Alentejana were *the same* destination. This problem of the unclear boundaries of CV was identified only during the posterior study of supply.

Main results of the semi-qualitative research: Tables 2 and 3 summarize the main results for Portuguese surfers regarding their perceptions of CV and the factors they take into account when choosing a surf destination.

Table 2: Perceptions of CV

Perception	Freq[9]	Quote
Beach	***	"Praias incríveis"
Surf/Waves	***	"Boas ondas e pouco crowd" (***) "Não são as melhores ondas mas todo o contexto envolvente é único" (**) "Muita diversidade de ondas" (*)
Beauty	**	"Beleza natural única"
Wildness	**	"Ambiente selvagem e deserto, para ir à descoberta"
Nature	**	"Estar em contacto com a Natureza"
Relax, tranquillity, peace	**	"Relaxar com uns amigos" "Aquele sítio dá-me paz interior"
The best (…)	**	"O melhor sítio de Portugal"
Paradise	**	"É o paraíso!"
Landscapes	*	"Tem umas paisagens lindas"

Table 3: Decision Process

Decision factor	Freq[11]
Swell (waves/surf conditions)	***
Crowd (amount of people in the water)	***
Travelling with friends	**
The place/destination[10]	**
Weather (namely wind)	*
Beach	*
Distance to home	*
Price	*

From this research, it can be concluded that Portuguese surfers have strong and positive **perceptions** of CV, based on its natural attractions, namely beaches and waves, and supported by an emotional link to the destination, as seen by the associations "the best"/"paradise". These perceptions show the importance of preserving natural resources at CV, as well as the opportunity to use Portuguese surf tourism to potentiate

[8]In this research, it is assumed that a surfer is a person who has already practiced surf at least once
[9]*** > 50 answers, ** 25 to 50 answers, * 15 to 24 answers
[10]The place/destination means general aspects about the destination, namely: natural beauty, sympathy of local people/staff, and existence of bars/discos

the sustainable development of the destination. Concerning the **process of decision of a surf destination**, Portuguese surfers weight several factors simultaneously. As they travel for leisure purposes, they consider surf conditions but also the surrounding environment both during the practice of surf, namely few people in the water besides own friends, and meanwhile, such as natural beauty, local community, and bars/discos.

Main Results of quantitative research: Table 4 summarizes the main results on the **behaviour** of Portuguese surf tourists regarding CV, which will then be analysed.

Table 4: Results of Quantitative Research[11]

Current demand	**p-value**
More than 80% of Portuguese surfers have already been at CV at least once	0,02
More than 66% of Portuguese surfers who have already been at CV, have practiced surf there	0,00
More than 95% of Portuguese surfers who have already been at CV have repeated the visit afterwards	0,00
More than 30% of Portuguese surfers go to CV at least once a year	0,00
Future demand	**p-value**
On average, Portuguese surf tourists classify their experience at CV as "an excellent experience"	0,00
On average, Portuguese surf tourists are willing to recommend the destination to a friend with 98% probability	0,00
Seasonality	**p-value**
45% of Portuguese surfers go to CV only in "Summer" (including September)	0,04
4,5% of Portuguese surfers going to CV only in "Summer", go only in July/August	0,03
More than 30% of Portuguese surfers go to CV in any season of the year	0,04
Length of stay	**p-value**
The average length of stay of Portuguese surfers at CV is 8 days	0,00
40% of Portuguese surfers usually stay at CV about a week	0,02
20% of Portuguese surfers usually stay at CV about two weeks	0,04
10% of Portuguese surfers usually stay at CV just for a weekend	0,04
Spending[12]	**p-value**
Portuguese surfers believe they spend on average 37€ per day at CV	0,00
Portuguese surfers believe they spend on average 11,62€ per day on food at CV	0,00
Portuguese surfers believe they spend on average 11,31€ per day on accommodation at CV	0,00
Portuguese surfers believe they spend on average 6,58€ per day on transportation[13] at CV	0,00
Portuguese surfers believe they spend on average 6,50€ per day on "fun" (bars/discos) at CV	0,00
Accommodation and transportation	**p-value**
35% of Portuguese surfers use to stay in their own house or in a friend's house at CV	0,04
15% of Portuguese surfers use to stay doing "wild camping"[14] at CV	0,00
20% of Portuguese surfers use to stay in a rented house/apartment at CV	0,00

[11] None of the correlation tests were significant
[12] These findings are based on the perceived spending of Portuguese surfers at CV (how much they believe they usually spend), which may be different from their actual spending
[13] Car for more than 95% of Portuguese surfers
[14] Wild-camping means sleeping in a place that was not set for that purpose (eg. car or beach parking)

The remaining minority uses to stay mainly at Camping sites and occasionally at Surf Camps, Hostels or Hotels at CV	-
More than 95% of the Portuguese surfers use their own car or a friend's car to go to CV	0,00
Complementary activities	**p-value**
More than 30% of Portuguese surfers have already practiced other nautical sports (besides surf) at CV	0,04
Promotion	**p-value**
More than 50% of Portuguese surfers developed awareness of CV through family and friends	0,00
More than 30% of Portuguese surfers cannot recall how they gained awareness of CV – they have "always" known it	0,00
Local community and staff	**p-value**
The average degree of agreement of Portuguese surfers with the affirmation "local community at CV is sympathetic and friendly" is 85,4%	0,00
The average degree of agreement of Portuguese surfers with the affirmation "local staff at CV is sympathetic and friendly" is 82,0%	0,00

The **current demand** of Portuguese surfers for the destination is high as the majority of them have already traveled to CV and practiced surf there, and they typically come back. The high level of satisfaction of Portuguese surfers induces that the destination is performing well, which together with the fact that surf is increasing in Portugal, shows potential for **future demand** to be higher. There is evidence of summer **seasonality** but not exactly in the highest season[15]. There is also potential to overcome it as many Portuguese surfers claim they visit CV in any season of the year. The average **length of stay** of Portuguese surfers at CV, 8 days, is longer than that of other tourists (Instituto Nacional de Estatística, 2012a)). Almost half of Portuguese surf tourists usually stay for a week and their demand for weekend trips is very short. Regarding **spending**, an average of 37€ per day in total, Portuguese surfers show a preference for low-cost options especially in what concerns to accommodation and restaurants, as in both items the average daily spending is about 11€. Actually, Portuguese surf tourists show an atypical behaviour in relation to the tourism network as many of them do not use **accommodation** and **transport** services. Instead, many stay in their own house/friend's house or doing wild camping and the majority travels in their own cars/friend's car. The

[15] July and August

will of these tourists to practice other nautical sports at the destination shows potential for developing CV by offering and promoting surf together with other **complementary activities**. Regarding **promotion**, the share of experiences is very important, as the majority of Portuguese surf tourists gained awareness of CV through friends and family. Lastly, **local community/staff** are perceived as sympathetic and friendly, which contributes to visitors' satisfaction and induces that local community perceives surf tourism as beneficial and valuable.

Once data on surf tourism is almost inexistent, the findings above can be used to infer some insights on how much it may represent at CV, which is summarized in Table 5. Estimations were obtained by integrating the survey findings with general tourism data for CV (Instituto Nacional de Estatística, 2012a)). In order to account for the problem of unclear boundaries of CV, three scenarios were considered – the optimistic, the pessimistic, and the average. The optimistic scenario assumes that all respondents knew the boundaries of CV, the pessimistic assumes that none of them knew it, and the average assumes equal probability of the two extreme scenarios (Appendix 6: detailed calculations).

Table 5: Impact of surf tourism on overall tourism at CV[16]

	Optimistic	Pessimistic	Average
Volume of Portuguese surf tourism at CV	30.000	9.900	19.950
Value of Portuguese surf tourism at CV	8.880.000€	2.930.400€	5.905.200€
Revenues of Portuguese surf tourism in accommodation at CV	2.714.400€	895.752€	1.805.076€
Share of Portuguese surf tourism on overall tourism at CV, in terms of volume[17]	23%	8%	15%
Share of Portuguese surf tourism on overall tourism at CV, in terms of accommodation revenues	32%	11%	22%

[16]These calculations consider as surf tourists at CV only those visitors who practice surf there and assume there are 150.000 Portuguese surfers in Portugal today
[17]The denominator includes the number of tourists registered at tourism accommodations only

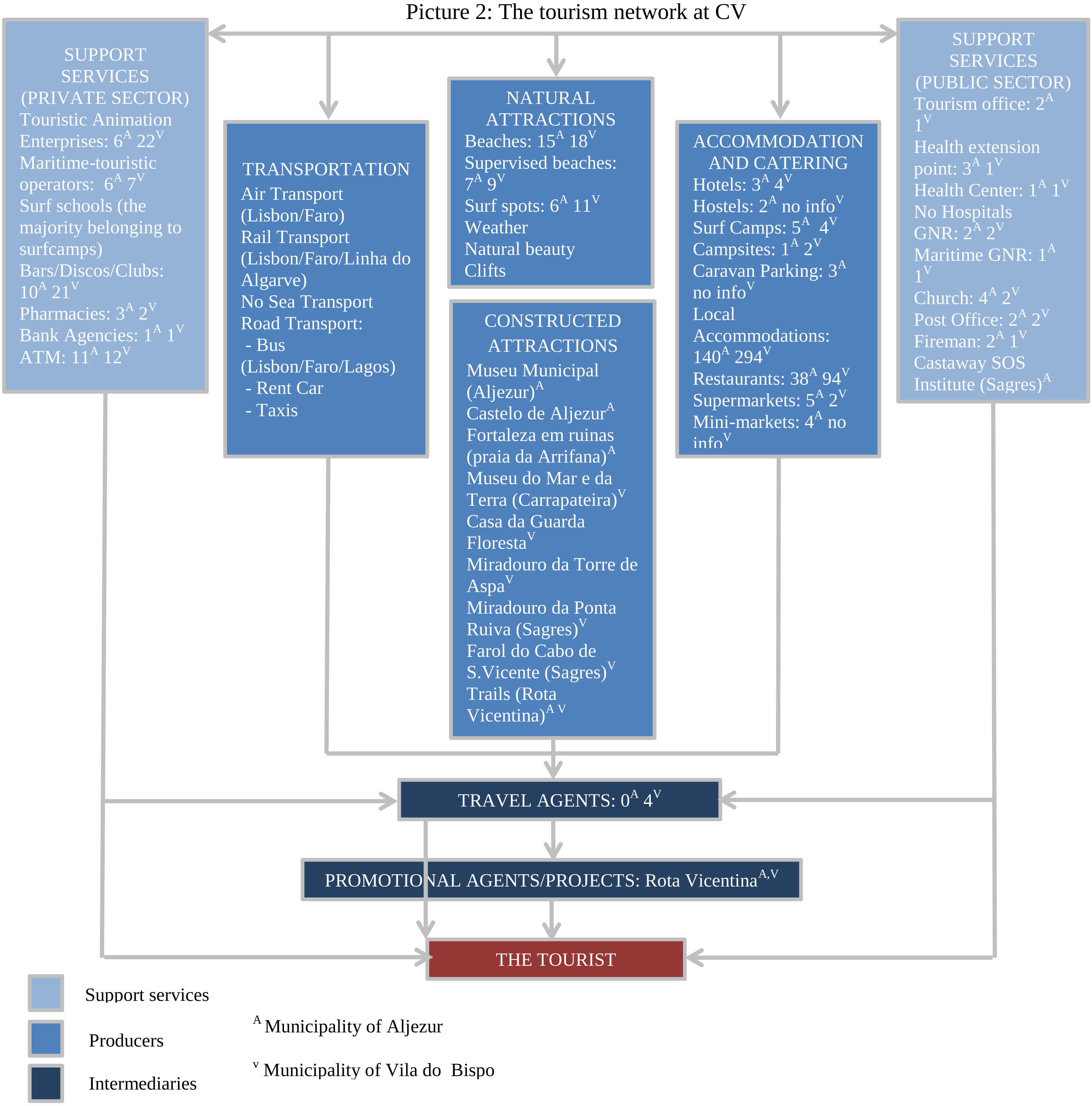
These numbers provide an idea that the impact of Portuguese surf tourism on overall tourism at CV is already significant. Regarding value, the high results may be justified by the high length of stay of these tourists, when compared with other tourists.

IV. Supply and benchmark

IV.1. The network of tourism: According to the network theory, the tourism supply can be seen as a network, meaning an inter-organizational web of groups of independent suppliers connected to each other and embodied in destinations (Scott et al., 2008). For the World Tourism Organization, the tourism network is composed of three groups of suppliers: producers, support services and intermediaries. The touristic **product** is composed of two items: **attractions** that motivate the tourist to visit the destination and the **plant** (transports, accommodations and catering) that creates conditions for the visit to be possible; the **support services** complement the experience of the visitor; and the **intermediary services** link the product to the tourist (World Tourism Organization, 2007). The network for CV (Picture 2) was built based on the model proposed by “The business of tourism” (Holloway, J.; Humphreys, C., 2012).

The information bellow was gathered in the meetings at the Municipalities of Aljezur and Vila do Bispo and through online research. It will be analyzed next in parallel to the benchmark, whose information was collected, among other sources properly mentioned, through observation during the research trips to Peniche and Cascais. The benchmark will include the three most important surf destinations competing with CV for the Portuguese market, based on geographic proximity, surf conditions and development stage of surf tourism – Cascais, Ericeira and Peniche. In a broader view, Azores, Madeira and some destinations in Spain, France and Morocco could also be considered.

Picture 2: The tourism network at CV



Natural and constructed attractions: For surf tourism, the most important attractions are natural, namely **surf spots/conditions**. As in the rest of Portugal, due to many climate factors, surf conditions are better for advanced and professional surfers during low season and for beginners in the summer. Table 6 summarizes the average classification of surf spots at CV and in competitor destinations as well as their main characteristics, according to the first published surf guide for Portugal (Leal, A.; Cirpriano, F. 2012).

Table 6: Comparative analysis of surf spots[18]

	Costa Vicentina	Cascais	Ericeira	Peniche
Number of surf spots[19]	17	11	12	13
Grade out of 5	2,1	2,5	3,1	3,1
Bottom type	Sand***	Sand** Rock**	Sand*** Rock**	Sand*** Rock*
Wave direction	Right and left***	Right and left** Right**	Right and left*** Right**	Right and left***
Best wind direction	East*** Northeast** Southeast* Northwest*	North*** East*	East*** Northeast* Southeast*	East*** Northeast*** Southeast* South** North**
Best tide	All** Low*	All** Average* Low*	All* Low***	All** Average** Low***
Wave consistency	High* Average** Low*	High** Average** Low**	High** Average* Low*	High* Average*** Low*
Crowd	High* Low***	High** Low*	High* Average* Low**	High** Average* Low**
Difficulty level	All***	All** High**	All** High**	All* High* Average*

As can be seen above, CV's surf spots are not necessarily better than competitors', namely in terms of versatility of bottom type and coastal exposition (only west) as well as in wave consistency. However, CV's spots are more versatile in terms of wind directions and of difficulty level. Moreover, they are typically less crowded and have a better surrounding environment during all year, which are two key aspects for the target. In what concerns to the later, contrarily to competitors, the area surrounding CV's beaches has been subject to low or even no man intervention, allowing a unique

[18] *** > 75% of the spots, ** ≈ 50% of the spots, * < 25% of the spots, an item not being mentioned means it is not relevant

[19] Number os surf spots considered in the "Portugal Surf Guide" for CV and Cascais, and number of surf spots considered by the Municipalities of Mafra and Peniche in their website, for Ericeira and Peniche, respectively.

experience of wildness, freedom, and purity in **contact with nature**. Enhancing the potential for this experience are **trails** and **viewpoints**, which are the most important constructed attractions of CV as they potentiate the natural ones. There are no similar offers in any of the competitor destinations. The remaining attractions of CV are cultural, which are rare and not much powerful. Even though competitor destinations also do not have very strong constructed attractions, they may enjoy synergies because of being close to destinations where these types of attractions are strong[20].

Transportation: CV is **less central** than competitors, being on average more expensive and time consuming for the Portuguese tourist to travel there. Furthermore, train and bus are less developed at CV[21]. As for car transportation, the main means used by the target, the highway is quite developed for both CV and its competitors. A comparative analysis of it is presented in Table 7, based on information from Via Michelin.

Table 7: Comparative analysis of car transportation[22]

	Vila do Bispo	Aljezur	Cascais	Ericeira	Peniche
Total Time (h)	About 4	About 3,5	About 0,75	About 1	About 2
Total Distance (km)	291 to 311	257 to 319	33	53 to 67	90 to 123
High way (km)	104 to 258	104 to 292	30	39 to 58	44 to 79
Total Cost (€)	41,10 to 57,79	36,42 to 60,95	About 6	10,55 to 13,46	16 to 19,62
Toll cost (€)	7,65 to 21,65	7,65 to 24,80	0,30 to 1,35	2,35 to 4,75	3 to 3,90

Accommodation and catering: The types of accommodation mostly used by the target are **rented houses or apartments**[23] (Appendix 7: Legal framework of touristic accommodations). There is a considerably amount and variety of these accommodations at CV. Considering prices, summarized in Table 8, there seems to be a big difference between Sagres and the rest of CV. Explaining this, may be the higher demand in Sagres, namely from foreign tourists (Instituto Nacional de Estatística, 2012a). In a broad

[20]Cascais is near to Lisbon/Sintra; Ericeira is near to Mafra, Peniche is near to Óbidos, destinations with strong cultural attractions.
[21]Train: only in Lagos and Faro; Bus: few bus and low frequency
[22]Assuming Lisbon as the starting point
[23]Included in the typology “Local Accommodations” in Picture 3

view, prices at CV seem to be on average higher than in Peniche, similar to in Ericeira, and lower than in Cascais. In Sagres, prices seem to be similar to in Cascais.

Table 8: Comparative analysis of accommodation prices

	Sagres	CV (except Sagres)	Cascais	Ericeira	Peniche
Average price per night of a two-room house/apartment (€)[24]	120,00	77,15	120,75	77,55	53,55

In terms of catering, there is a significant amount of both **supermarkets** and **restaurants** at CV. However, restaurants are not much diversified as there are mainly "tascas" and few offers of other types, such as healthy food/fast-food that would be adapted to the target. In terms of prices, there are a few very cheap restaurants[25] and the majority of them, although not expensive, seem to be below perceived value-for-money[26] of the Portuguese surfer who currently visits CV. Concerning competitors, the supply of restaurants is more diversified in terms of food type and price.

Support services: Among private support services, one shall highlight **leisure providers**, the most relevant ones for the target. There is a considerable amount of bars/discos, but only a few are attractive for the target[27], they are mainly concentrated in Sagres and many are opened in high season only. Other leisure providers are Touristic Animation Agents[28] which, according to *Registo Nacional de Agentes de Animação Turística*, are less than in competitor destination, as show in Table 9.

Table 9: Comparative analysis of Tourist Animation Agents

	Vila do Bispo	Aljezur	Cascais	Mafra[29]	Peniche
Number of EAT	22	6	58	18	17
Number of OMT	7	6	29	15	33

In what concerns to public services, the **health system** is poorer at CV as there are fewer health infra-structures and no Hospital (Instituto Nacional de Estatística, 2012a)b)c)).

[24]Considering 25 to 30 observations
[25]Average price of meal bellow 6€
[26]Average price of meal about 10€
[27]Meaning having "young climate", animation, appropriate music
[28]Touristic Animation Agents (Touristic Animation Enterprises and Maritime-Tourism operators) organize touristic activities. The former offers touristic outdoor/cultural activities and the later offers touristic outdoor activities specifically related to the sea.
[29]Municipality that Ericeira belongs to

This may be an issue for tourists whose the activity performed has high risk of injuries. Regarding other aspects of **safety**, CV has slightly lower rob and crime rates, as can be seen in Table 10 (Instituto Nacional de Estatística, 2012a)b)c)).

Table 10: Comparative analysis of safety

	Vila do Bispo	Aljezur	Cascais	Mafra[29]	Peniche
Rate of crimes against physical integrity	4,5	2,7	5,9	3,7	5,0
Rate of robs in the street	0,0	0,3	2,2	0,5	0,4

Intermediary services: Intermediaries of surf tourism for the Portuguese market are not as relevant as in other markets because main attractions are public goods and the target uses few support services, as understood from the quantitative research. This being said, at CV the most important intermediaries are those who (1) establish a link between the tourist and houses/apartments to rent because these are the main support services used by the Portuguese surfer (2) promote the destination which is necessary to keep the Portuguese surfer dreaming about repeating the visit. Regarding the former, there are **websites that aggregate information** about accommodations, but these are incomplete as many suppliers reach the consumer through worth-of-month. As for **promotion**, it has been almost inexistent in CV. Nevertheless, a project that has recently contributed to promote CV together with Costa Alentejana as a nature tourism destination is Rota Vicentina, which will be explained in the next section. Promotion of competitor destinations has been higher and the respective Municipalities are cooperating with other stakeholders for developing surf as a key tourism product (Appendixes 8 and 9: Promotion/development of surf tourism in competitor destinations).

Before finishing the analysis of the network, a point shall be made on the legal issue of surf camps and surf schools. Although only a minority of Portuguese surf tourists use these services at CV, this problem has two impacts for the destination: (1) potential arise of tensions that can harm the whole tourism network (2) deviation of revenues that should be retained at CV (Appendix 10: Legal issues of surf camps and surf schools).

IV.2. Collaboration within the tourism network: Since the tourism sector is a network of interrelated industries that engage in value creating activities, the tourist experience and satisfaction depends on services provided by diverse independent entities. So, the performance of destinations is strongly contingent to the collaboration among these various entities for common goals through aligned actions (Presenza, A.; Cipollina, M., 2012).

Regarding collaboration at CV, there are three non-profit associations that can be relevant for the strategic guidelines that are intended to be suggested: **Casas Brancas**, **Associação de Escolas de Surf da CV (AESCV)** and **Associação Vicentina**. Table 11 summarizes information on them, gathered through phone interviews and email conversations with members of each association, as well as through online research.

Table 11: Associations at CV

	Casas Brancas	AESCV	Associação Vicentina
Members	-Accommodations, mainly *Turismo Rural* and *Turismo de Habitação* -Restaurants -Touristic Animation Enterprises	-Surf schools	-Not players of the tourism sector
Scope	-Tourism -Costa Alentejana and CV	-Tourism, surf classes -CV, Lagos, Portimão	-Diverse socio-cultural areas including tourism -Barlavento Algarvio, but partnerships with local entities of the diverse Municipalities
Purpose	-Organizing, integrating and articulating touristic supply	-Maintaining fairness and quality among surf schools	-Developing social and economic conditions for local community
Relevant actions	-Project "Rota Vicentina": Aiming at developing/promoting CV as a nature tourism destination, by selecting rural/coastal paths to be walked through. It promotes CV and Costa Alentejana through a website, facebook and other social media, as well as through the participation in diverse events, such as BTL[30] and press trips	-Meetings with Turismo de Portugal -Event "Save Algarve surf" (Vila do Bispo, 2013): Awareness-raising movement to promote sustainability of surf tourism at the destination	-Project "Um outro Algarve": Aiming at creating a coherent image to promote the less developed regions of Algarve as nature tourism destinations; involving the creation of a website aggregating touristic information, and the organization of two events (Aljezur, 2014): A surf event to discuss overcrowding of CV beaches, and "Bienal de Turismo de Natureza" to promote nature tourism in the region, by joining major European touristic agents

[30] International Tourism exhibition that takes place every year in Lisbon joining professionals from the tourism sector worldwide

These associations show from local players of the tourism sector an understanding of the need to collaborate for the development of CV as a tourism destination. They have also already collaborated with each other for specific actions. However, their scope overlap but do not coincide and for all three is bigger than CV itself.

IV.3. Destination Management: A last issue about supply is that of destination management. As literature emphasizes, it is crucial for ensuring overall competitiveness of destinations (Bornhorst et al., 2009). Destination Management Organizations (DMOs) are entities responsible for leading and coordinating activities of the tourism network under a coherent strategy (World Tourism Organization, 2007). Currently, there are two public DMOs impacting CV: a national one – Turismo de Portugal – and a regional one – Turismo do Algarve – but no local DMO.

V. SWOT Analysis

Having completed the situation assessment, the main findings can be aggregated in a SWOT analysis for CV as a surf tourism destination, which are presented in Table 12.

Table 12: SWOT Analysis

Strengths	Weaknesses
Natural beauty	High dependence on uncontrollable circumstances
Low man intervention	Surf spots/conditions
Beaches	High distance to the center/north of Portugal
Surf spots/conditions	Inadequate plant
Strong and positive perceptions by the target	Weak health system
Safety of the region	
Opportunities	**Threats**
Growing demand	Small market and high price-sensitivity
Seasonality reduction	Developing the destination may kill its main strengths
Sustainable and environmental responsible tourism	Increasing visibility of Portuguese competitors
Local associations	Unclear boundaries of CV
Development of complementary activities to surf	Increasing/unstable transportation costs
PENT	Unclear legal framework of surf camps/surf schools

The main strengths of CV are its **natural beauty** and the fact it has been **preserved** without suffering disruptive man intervention. It has a large number of amazing and unique **beaches**. Regarding **surf spots**, there is also a large number of them with good surf conditions during all year, robust to diverse wind directions, suitable for all surf levels, and, above all, with few crowd. Furthermore, the **perceptions** of CV held in the mind of Portuguese surfers are strong and quite positive, supported by an emotional link they feel by it. The region is also **safe** in terms of robs and criminality.

Regarding weaknesses, the demand for the destination is highly **dependent** on surf and weather conditions because there are no other attractions powerful enough to motivate surfers to go to CV. This dependence is even higher because wave conditions at CV are not much consistent, and **surf spots** are very similar to each other in terms of bottom type and coastal exposition. CV's **location** in the south of Portugal makes the average access costly and time-consuming. The **plant** (restaurants and accommodations) are not perfectly adapted to the low-budget, young spirit, active profile of the Portuguese surfer. Lastly, the existence of a poor **health system** is an issue, mainly for beginners.

The main opportunity is the **growing demand** for surf, and consequently for surf tourism in the Portuguese market. Developing this segment can help **reducing seasonality** of tourism as on the one hand, Portuguese surfers show willingness to visit CV in any season of the year, and on the other hand, the best surf conditions for all surf levels except beginner are verified out of the highest season. Furthermore, it can contribute to **sustainably developing tourism** with environmental responsibility as the target is interested in preserving waves and beaches. There seems to be an increasing consciousness about the importance of **collaboration** among local stakeholders, as seen by the associations that have been increasingly more active. These associations have a focus on sustainability which may facilitate the implementation of a coherent strategy to manage the destination on the right direction. The region has the potential to offer

complementary activities to surf, namely activities inserted in nature tourism as well as in nautical tourism, or adventure tourism that are all valued by the target. The fact that surf tourism is considered in **PENT** for the region of Algarve is an opportunity because it helps creating a common consciousness about its importance and increasing the attractiveness of the product to potential investors or monetary funds.

Despite growing, Portuguese surf tourists still represent a **small market** and its growth is constrained by the decreasing size of the Portuguese young/adult population. Moreover, these travellers typically spend less in the network than other tourists and are very price sensitive which makes it challenging to increase tourism revenues without increasing the volume of tourists. The third and most critical threat is the fact that developing the destination can actually **kill its main strengths** such as pure natural beauty, low man intervention, few crowd and safety, especially if it is made through a substantial increase of volume under poor coordination. The **competitors** analysed in the benchmark are increasingly visible as surf destinations because of their efforts of promotion, namely the international and national surf competitions they host. To add to this is the problem of **unclear boundaries of CV**, which may result in a new competitor potentially arising – Costa Alentejana – as development and promotion of CV will clarify its boundaries in the mind of tourists. **Oil prices** are subject to fluctuations and an upwards trend which creates instability of transport costs and a potential long term increase. A final threat is the **unclear legal framework** of surf camps and surf schools, which may make it difficult for collaboration among these players to continue.

VI. Vision and goals

The vision for a tourism destination is the inspiring foundation and reference point for its strategic direction (World Tourism Organization, 2007). For CV, the following is suggested: CV will be the **“second home”** for Portuguese surfers, becoming their first choice for a **surf trip** in Portugal. Surf tourism at CV will become a **stable basis of revenues** for the local economy during **all year**. This will be possible through an **effective leadership and coordination** by the DMO[31] and the **commitment and collaboration** among relevant stakeholders – the tourism industry players and the community – to **develop tourism sustainably** by outstanding **visitors’ satisfaction**, while **protecting** what differentiates the destination – its **unique natural attractions**.

After having defined the vision, the goals that support it will be established, as well as the strategic guidelines that shall lead to them. After this, each goal will be related to its respective strategic actions and the later will be organized according to the time horizon and the type of entity that must be responsible for implementing it, in Tables 13 and 14.

Main goals:

1. Ensuring long-term **sustainability** of the destination.
2. Contradicting **seasonality** of tourism, mainly by increasing the number of **short trips** of Portuguese surf tourists during spring, fall and winter.

These are the most important goals to support the vision. They are in line with the socio-cultural and ecological trends shaping tourism; address main opportunities for the destination; and minimize a major threat which is destroying its point of difference in consequence of tourism development.

Other goals:

3. Increasing the **value** of Portuguese surf tourism.
4. Increasing the **volume** of Portuguese surf tourism.
5. Creating additional **jobs** in tourism.

[31] A local DMO that shall be created for CV

VII. Strategic guidelines

Main actions:

A. Creating a local public-private **DMO**, by joining the associations Casas Brancas, AESCV, Associação Vicentina and the Municipalities of Aljezur and Vila do Bispo. The associations represent private players of the tourism industry that have a focus on sustainable, coordinated and fair development of the destination, show willingness to cooperate and have a deep understanding of the region. The Municipalities represent the most powerful public entities, supporting local interests. Nevertheless, before forming a DMO, its members must be given special education on tourism management by experts on it. The DMO must be the strategic leader for the coordination of the development of the destination. Among other aspects, it shall plan the future of the destination with a primary concern on sustainability and coach the main stakeholders for the implementation of the strategy on a permanent basis. Such actions shall be performed with the support of Turismo de Portugal and Turismo do Algarve. Besides, it shall work together with other national entities such as Instituto Nacional de Estatística for the collection of rich data desegregated for CV; with Federação Portuguesa de Surf for marketing and promoting the destination; and with legal authorities.

B. **Positioning** CV as “the paradise next to you”– a refuge from the stressful week – through associations with nature, relaxing, tranquility, peace, purity and wildness.

C. **Promoting** the destination aiming at developing loyalty, by strengthening the emotional link which shall keep the tourist dreaming about repeating the visit. Based on the technological trends discussed previously and on the quantitative research, one can conclude that share of experiences is crucial. As for promotion means, technological trends must also be accounted for by using a website, social media platforms, a blog with posts about surfers' experiences at CV, and surf movies at CV with famous Portuguese and foreign surfers.

D. **Segmenting** the target according to the surf level among other behavioural characteristics[32] in order to more effectively developing and marketing the product, which is increasingly necessary as suggested by demographic trends. It will also allow to better manage the volume of tourism along all year.

These are the most relevant actions because creating a local effective DMO is absolutely crucial to ensure the sustainable development of CV and positioning and promoting the destination under the most adequate segmentation are major steps in achieving a permanent higher number of visits during low-season.

Other actions:

E. Adapting the **tourism network** to the characteristics of demand always balancing its development with the need to preserve nature.

E1. Natural attractions: preserving beaches and their surrounding environment as nature shaped them and ensuring they are kept cleaned.

E2. The plant: increasing the diversification of restaurants and accommodations, namely exploring the segment of healthy fast-food and of environmental-friendly accommodations (eg. ecological camping sites), respectively. In a first stage such offers shall respect the low willingness to pay of the tourist.

E3. Private support services: revitalizing the supply of bars and discos, creating innovative "young spirit" offers spread along the destination; increasing the supply of complementary activities to surf, insert mainly in nature tourism (which are already

[32] A study needs to be done to understand the most effective segmentation, see: Dolnicar, S.; Fluker, M. 2003. *Behavioural market segments among surf tourists - investigating past destination choice*

being developed); nautical tourism (eg. underwater fishing, kayake) and adventure tourism (eg. bungee jumping, rappel).

E4. Public support services: improving the health system and beaches supervision.

E5. Intermediate services: Developing a website that aggregates information of the whole tourism industry – attractions (including beaches and a surf guide), the plant, support services and intermediaries – in a standardize manner and that allows the tourist to book accommodations and support services online or by phone.

F. Creating a unique **surf event** taking place at CV during low-season (eg. an exhibition of surf products in which every surf shop, surf school, surf camp and surf tourism agency of the country/Europe can promote themselves and sell their products with discounts[33]; an event of one of the national or international surf competitions).

G. Applying to be a **World Surf Reserve**.

H. Providing **fiscal benefits for accommodations** operating during low-season, as well as **temporary discount campaigns** (eg. toll costs deducted on supermarket shopping).

I. Establishing by law **limits to construction** and requirements to **preserve the environment** and ensuring its enforceability.

J. Clarifying the **legislation of surf camps and surf schools**, and increasing the **supervision** of illegal offering of such services, as well as of **wild camping**.

Table 13: Goals and strategic actions

Goals	Strategic actions
1	A E1 E4 G I J
2	B C D F H
3	E3 E5 F J
4	C E2 E3 F H
5	E1 E2 E3 E4 F J

Table 14: Time horizon and responsible entities of strategic actions

	Short-term (1 year)	Medium/long-term (3 to 5 years)
Public Entities	A B C D E1 E5 H I J	E4 F G
Private Entities	A B C D E2 E5 H	E2 E3 F G

[33]An idea similar to FIL – Feira Internacional de Lisboa – but only about surf

VIII. Conclusion

On the demand side, one can conclude that Portuguese surf tourism is a growing segment, which capitalizes on major socio-cultural trends shaping tourism and which can be very attractive in sustainably developing destinations as well as in counteracting tourism seasonality. On the supply side, one can find strong potential to develop CV using surf, although considerable competition is faced on this segment. For the successful increase of competitiveness of CV it is absolutely mandatory to protect its natural attractions which provide a unique experience of nature, peace and wildness, clearly differentiating CV from all competitors.

This being said, the strategy for managing CV as a surf tourism destination must be a differentiation strategy with main goals being to ensure its future sustainability and to counteract tourism seasonality. This must be done by strongly positioning CV and effectively promoting it accordingly and in line with current technological trends as well as by properly segmenting the target consumer. Nevertheless, the price-sensitivity of the Portuguese surf tourists who currently visit CV must be accounted for in this first stage of development, namely concerning restaurants and accommodations. In the longer-run, as the destination will evolve there will be a move towards higher willingness to pay and touristic supply shall adjust to it.

A local public-private DMO shall be created, by joining the existing local associations that have a focus on sustainability – Casas Brancas, AESCV, Associação Vicentina – together with the two local Municipalities. It shall be the strategic leader for the coordination of the development of the destination as a network of players that collaborate among them for common goals.

References

Banco de Portugal. 2013. *Boletim Económico: Projecções para a Economia Portuguesa 2014-2015*. Lisbon. Departamento de Estudos Económicos do Banco de Portugal.

Bornhorst, T., Ritchie, J., Sheehan, L. 2009. *Determinant of tourism success for DMOs & destinations: an empirical examination of stakeholders' perspectives.* Tourism Management, Vol. XX.

Carrilho, M. 2010. *Revista de estudos demográficos*. 2010. Lisbon: Instituto Nacional de Estatística I.P.

European Surf Industry Manufacturers Association. 2011. *Etudes de visibilité des marques de glisse et des riders dans la presse spécialisée skate en Europe*. Hossegor: European Surf Industry Manufacturers Association.

Global Industry Analysts, Inc. Aug 2011. *Surfing – A global strategic business report*. San Jose: Global Indusrty Analysts, Inc.

Holloway, J.; Humphreys, C. 2012. *The Business of Tourism*. London: Pearon Education Ltd.

Instituto Nacional de Estatística. 2012a). *Anuário Estatístico da Região do Algarve 2011*. Lisbon. Instituto Nacional de Estatística I.P.

Instituto Nacional de Estatística. 2012b). *Anuário Estatístico da Região de Lisboa 2011*. Lisbon. Instituto Nacional de Estatística I.P.

Instituto Nacional de Estatística. 2012c). *Anuário Estatístico da Região do Centro 2011*. Lisbon. Instituto Nacional de Estatística I.P.

Instituto Nacional de Estatística. 2011. *Anuário Estatístico da Região do Algarve 2010*. Lisbon. Instituto Nacional de Estatística I.P.

Instituto Nacional de Estatística. 2010. *Anuário Estatístico da Região do Algarve 2009*. Lisbon. Instituto Nacional de Estatística I.P.

Intergovernmental Panel on Climate Change. 2013. *Climate Change 2013: The physical science basis, a summary for policy makers.* Switzerland: Intergovernmental Panel on Climate Change.

IPK International. 2011. *ITB World Travel Trends Report*. Berlin: Messe Berlin Gmbh.

Leal, A.; Cipriano, F. 2012. *Portugal Surf Guide*. Lisbon: Uzina Books.

Ministério da Economia e do Emprego. 2013. *Plano Estratégico Nacional do Turismo (PENT) Horizonte 2013-2015*. Lisbon: Gabinete do Ministério da Economia e do Emprego.

Presenza, A.; Cipollina, M. 2010. *Analysing tourism stakeholder's networks*. Emerald Group Publishing Ltd. Vol 65.

Scott, N.; Cooper, C.; Baggio, R. 2008. *Destination networks: four Australian cases.* Annals of Tourism Research. Vol. 35.

World Trade and Tourism Council. 2013. *Travel and Tourism Economic Impact 2013 Portugal*. London: World Travel and Tourism Council.

World Tourism Organization. 2007. *A practical guide to tourism destination management*. Madrid: World Tourism Organization.

World Tourism Organization; European Travel Commision. 2010. *Demographic Change and Tourism*. Madrid: World Tourism Organization.

Acknowledgments

Prof. Catherine da Silveira, Assistant Adjunt Professor at Nova School of Business and Economics
Drª Carla Simões, member of Turismo de Portugal
Prof. Clara Costa Duarte, Associate Professor at Nova School of Business and Economics
Dr. Daniel Martins, member of Associação Vicentina – Associação para o Desenvolvimento do Sudoeste
Drª. Dora Sousa, responsible for the tourism desk of the Municipality of Aljezur
Prof. Luis Correia, Senior Partner at AEQUITATE S.A.
Drª Marta Cabral, coordinator of the project Rota Vicentina
Drª Rute Silva, *Veriadora* of the Municipality of Vila do Bispo
Prof. Sónia Dahab, Associate Professor at Nova School of Business and Economics