



Destination Mapping Study

In 2018, Australia's Market Development Facility, operating under Sri Lanka's Ministry of Tourism Development, carried out a Destination Mapping Study (DMS). In Sri Lanka, MDF works in diversifying tourism and improving authentic Sri Lankan goods. The purpose of the DMS was to identify a select few destinations beyond the traditional tourism hotspots that MDF can support for diversification and destination management. Although the DMS was prepared with MDF's strategic objectives in mind, the findings would be of use to those interested in the investment potential of Sri Lanka's tourism destinations.

The DMS analysed six destinations: Jaffna, Mannar, Anuradhapura, Kalpitiya, Polonnaruwa and The Golden Bowl. Using 26 investment criteria, the study mapped out the potential for investment and ranked the destinations accordingly.

What is Destination Management and why do we need it?

Destination Management is the active development and promotion of a tourism destination, based on an awareness of its characteristics (e.g. strengths, visitor flows, seasons). Tourism requires a higher level of coordination than other industries – especially at destination level.

Destinations without effective management often face challenges relating to destination stagnation, poor sustainability, bad host-guest relations, low visitor yields, poor stakeholder coordination and weak destination identity. Global trends indicate that emerging destinations are shifting their approach from mere marketing and promotion to more holistic destination development and management.

Constraints to Destination Management



Coordination gaps among the different tourism institutions.



Weak connections between national-level policies and implementation at provincial level.



General limitations faced by the tourism sector: a copy-cat mentality that limits product diversification, a shortage of skilled staff, a lack of research and intelligence to push through demand-driven destination management, and political interference, which hinders the efforts of local government authorities and the private sector to develop innovative products and services.

Destination profiles and analysis

1

'THE GOLDEN BOWL' IN THE CENTRAL PROVINCE

The Golden Bowl includes: Hatton and Talawakele as key access points for visitors coming by train and car; Dickoya; Castlereagh; the Bogawantalawa Valley; Dayagama; and Maskeliya, which acts as an access point to Adam's Peak. The area is also serviced by the major tourism hub Nuwara Eliya and sits directly next to the "Sri Pada" Peaks Wilderness Sanctuary and Horton Plains National Park. Its potential is based on a new private sector initiative to develop an adventure product (a trekking route) that leverages the natural beauty of the landscape.

The Golden Bowl in Sri Lanka's Tea Country is an emerging tourism destination, with scenic beauty its key asset. The tourism season runs from November to April and then peaks again in August. May-October is the rainy season where people still visit, but outdoor activity can be limited.

2

JAFFNA

Tourism in Jaffna is still in nascent stages – a second-tier destination off the main tourist circuit. The tourism season is reasonably spread throughout the year but varies depending on the visitor flows: pilgrims visit in April (Sinhala/Tamil New Year) or between June-August, domestic independent travellers visit in April or from November-January, while foreign independent travellers visit from June-August to November-January, coinciding with the main Western Holidays.

Jaffna's infrastructure and accommodation limitations present an opportunity for investors looking to break into a relatively untapped market.

3

THE KALPITIYA PENINSULA

Kalpitiya was seen as one of the better organised destinations among those assessed. Market growth (value and volume) and product diversification are

driven by already flourishing marine, adventure and eco-tourism activities. Over-tourism is a potential concern based on existing tourism pressures on the limited infrastructure, water resources and marine life.

4 MANNAR

Mannar is one of the newest destinations in Sri Lanka Tourism's portfolio, with an extremely small but relatively high value market. Since 2014/15 it has received significant investment from several development organisations in tourism that have focussed on marketing, coordination, skills and product development. Mannar's small market size and nascent stage of development has impacted the sustainability of many of these programmes. The destination has some potential for niche visitor segments such as kite surfers, bird watchers and religious groups, and hence represents

an untapped opportunity for the right investors.

5 POLONNARUWA AND ANURADHAPURA

Polonnaruwa and Anuradhapura were assessed based on their ability to act as gateways to the East and North, respectively. Polonnaruwa is already a gateway for visitors travelling to the Eastern Province during the season (May-October), who either stop in the destination for the morning or for one overnight stay on their way.

Anuradhapura's potential as a gateway is much more challenging. There is a clear need for the destination to redefine itself as part of a broader destination management approach; however, this is unlikely to be driven by the private sector but may need outside facilitation and strong buy-in from national-level stakeholders.





Key learnings and recommendations

The key takeaways of the DMS are specific to MDF. However, there are overall learnings and recommendations that could be of value to a wider audience.



A destination's institutional structure is best defined gradually

This should be based on an in-depth understanding of demand and supply and must remain flexible.



Mutual trust between actors within a destination is crucial for the success of Destination Management

This takes time and is best based on regular and concrete successes, rather than lengthy consultations and heavy documents.



Community involvement should be an integral part of Destination Management

A bottom-up participatory and inclusive planning process should be applied.



The participation of both the public and private sector in Destination Management is crucial

The role of the public sector relates mainly to establishing an enabling environment for the private sector to provide quality services and products adapted to tourist needs and in line with the sustainable development of the destination.



Destination Management must be based on a solid understanding of demand-side factors

Focusing on the motivations of tourists has proven more effective than focusing on traditional segments, which are mainly based on country of origin or age group.

Market Development Facility (MDF) is Australia's flagship private sector development program. In Sri Lanka, MDF's focus is on diversifying tourism with new products and services and supporting authentic Sri Lankan products. MDF is implemented by Palladium in partnership with Swisscontact.

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