

Sri Lanka Tourism Strategic Plan 2017-2020



Ministry of Tourism Development
and Christian Religious Affairs

Contents

TOURISM IN SRI LANKA: A STORY OF UNTAPPED POTENTIAL	3
INTRODUCTION: EXPANDING THE VALUE PROPOSITION STRATEGIC DIRECTION & SDGS	4
CHAPTER 1: IMPROVING GOVERNANCE & REGULATION	21
CHAPTER 2: UNDERSTANDING VISITORS	31
CHAPTER 3: MARKETING AND COMMUNICATING EFFECTIVELY	45
CHAPTER 4: DEVELOPING SUSTAINABLE DESTINATIONS	57
CHAPTER 5: LIFTING INDUSTRY STANDARDS	77
CHAPTER 6: ENGAGING THE WORKFORCE AND COMMUNITIES	93
MAIN ANNEXES	109

Tourism in Sri Lanka: A Story of Untapped Potential

A transformation of the tourism industry is required to make Sri Lanka competitive in the global travel market place. This is the context and rationale for this Tourism Strategic Plan (TSP), which recommends actions and implementation mechanisms for the next four years, with a long-term view toward Tourism Vision 2025 and achieving the United Nations (UN) Sustainable Development Goals.

Tourism in Sri Lanka has been a story of untapped potential. The country is missing opportunities to increase investment and jobs and to use tourism revenues to conserve the environment and sustainably support communities in all parts of the island.

Growth in the sector — visitor numbers, investment projects and international interest — has taken place predominantly organically, without a definite vision and without coordinated planning. Visionary and strategic guidance for brand positioning as well as plans and policies for value addition have not been consistently executed.

Fundamentally, the ambitions of this TSP are to increase revenue for the country, support local communities, and increase tourism on a sustainable platform.

To achieve these ambitions, a variety of stakeholders must be involved to ensure that:

- > Visitors have more opportunities to spend on extraordinary experiences, with more value added sites to visit and stay longer.
- > Communities are active participants in delivering the memorable experiences.
- > Investors have access to hassle-free opportunities and partnership prospects.
- > A skilled, service-oriented workforce is better equipped to engage in higher-value tourism services.
- > Government is well coordinated and consistent, prioritising sustainability and using reliable data to make decisions.

The industry is poised to offer great growth and investment potential. The underlying goal of all efforts is to improve visitor experiences so that they are world class and sustainable while still being firmly rooted in the inherent natural, cultural, historic and social capital of Sri Lanka and its people.

By 2025, it is hoped that Sri Lanka will be identified as a place for memorable, authentic and diverse tourism experiences.



Introduction

In Sri Lanka, tourism is the third largest export earner in the economy, after remittances and textiles and garments. In the past five years, growth in visitor numbers has been unprecedented, averaging more than 22% year on year, of which 80% to 90% was visitors coming to Sri Lanka on holiday. In 2015, 1.8 million international visitors came to Sri Lanka, stayed an average of 10.1 days, and generated an estimated US\$2.98 billion¹. In 2016, international visitor arrivals reached over 2 million and revenue generated was approximately US\$3.5 billion².

Sri Lanka is an increasingly popular destination for international travellers, as well as for expatriates returning home to visit friends and relatives. In 2013, Lonely Planet nominated Sri Lanka as the #1 destination in the world to visit. In 2015, Forbes Magazine ranked the island among the "top ten coolest countries" to visit. Global influencers including Condé Nast Traveler, Rough Guides, Lonely Planet, the Guardian, and the New York Times identified Sri Lanka as a top location to visit in 2016.

Internationally, travel and tourism generated US\$7.2 trillion in 2015, accounting for 9.8% of global gross domestic product, and 1 in 11 jobs worldwide were in the travel and tourism sector³. **The government of Sri Lanka recognises the importance of developing tourism** and the potential it has to create jobs (the tourism sector reportedly provided more than 319,000 local jobs in 2015⁴), encourage domestic and foreign investment, and promote conservation practices.

Hitherto, the sector has not fully captured its true potential and thus has not reaped the expected benefits. In part, Sri Lanka's untapped potential is a symptom of the decades-long civil war, during which large parts of the island were unsafe to travel to, and infrastructure was not maintained. Also during this time, tourism operators were limited in the products and services they could offer. The risks of taking visitors to places and experiences outside the large resorts were high. For instance, there were extensive restrictions on marine-based tourism activities, and there was no opportunity to develop the domestic civil aviation sector.

International travellers saw Sri Lanka as a cheap destination where the product was limited to sun, sea and sand, and holidays to Sri Lanka were traded on price; operators survived only by offering low rates. There was limited reinvestment because margins were small.

Much of the talent pool in the hospitality industry emigrated to other, safer parts of the world. In the years since the cessation of the civil war in 2009, Sri Lanka's economy, particularly its tourism industry, has been growing rapidly.

Although the tourism industry is expected to continue to grow, **poor planning and management of this growth and limited diversity of markets and products is contributing to a lack of value-adding opportunities and limiting per capita visitor expenditure.** As visitor numbers increase, there is mounting pressure to manage environmental impacts in areas of high tourist use, for land use in high tourism potential areas, to access appropriately skilled human resources, and to maintain tourist service and product quality standards.

It can already be seen in certain areas that the rush to develop and expand tourism in Sri Lanka is harming the natural environment and excluding local communities and local content — the very foundation and uniqueness of the Sri Lankan travel experience.

Community engagement is critical for tourism to take root in local destinations, to build local pride, to mine local tangible and intangible assets, to motivate more people to be trained, and for benefits to flow to local households. The general population still does not view tourism as a sector that is good enough for their children to build careers in. These cultural and social perceptions will change only if communities are fully engaged in the process of developing tourism and feel empowered to be proud custodians, as well as beneficiaries, of the valuable endowments around them.

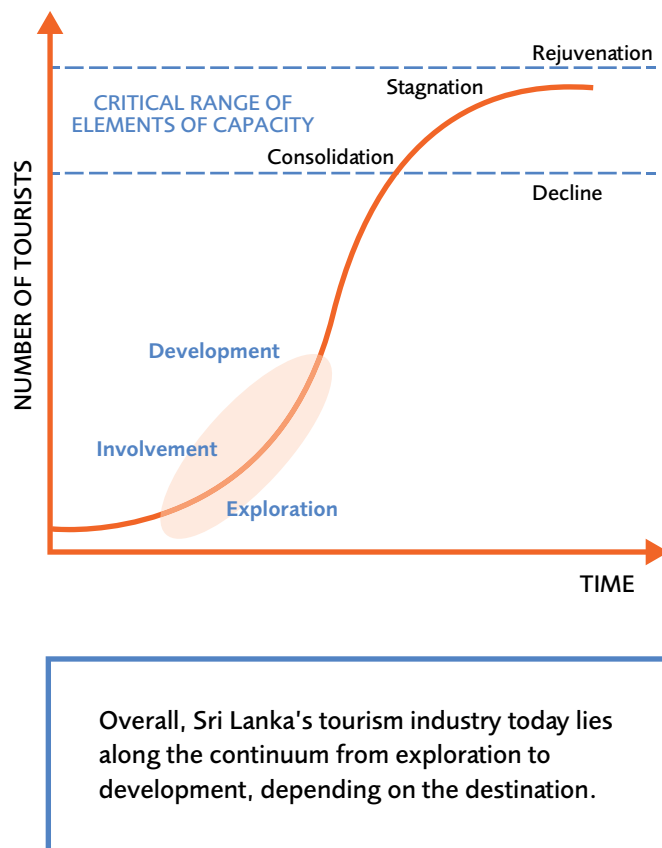
Based on the Tourism Area Life Cycle⁵, a tool for framing the development of a destination, Sri Lanka is in its infancy and is at a critical juncture (*Figure 1*).

To continue up the growth curve, the Sri Lankan tourism sector must reframe its value proposition to conserve assets, develop and better define new markets and products, and include and involve citizens and local communities as participants in the tourism economy⁶.

Expanding the Value Proposition

Sri Lanka's prospects for sustainable tourism growth are therefore at a critical juncture. Building on steadily growing visitor interest over the past five years

FIGURE 1: Sri Lanka's Tourism Life Cycle



The **exploration stage** is the beginning of destination development, when "explorers" visit an area and the tourism infrastructure is limited (e.g. Mannar).

The **involvement stage** comes with the increasing number of visits that attracts local investment in tourism and public investment in infrastructure (e.g. Kalpitiya).

The **development stage** is a period characterised by increased foreign direct investment and a range of visitors and market segments, driven by heavy advertising. The population in the destination accepts tourism (e.g. Colombo, Negombo, Kandy).

In the **consolidation stage**, the main income of the local economy comes from tourism, and visit levels continue to increase but at a decreasing rate. Extensive efforts in advertising and marketing are made to overcome seasonality and develop new markets. The local people fully appreciate the importance of tourism. The growth rate begins to slow.

Stagnation occurs when visitor numbers peak, capacity limits are reached, and the area is no longer fashionable. New visitors are few, and the destination relies on repeat visits and conventions for business.

Source: Butler, R.W. 1980. "The Concept of a Tourism Area Life Cycle of Evolution: Implications for Management of Resources." *The Canadian Geographer* 24 (1): 8.

and Sri Lanka's exceptional island-wide natural and cultural endowments, the government of Sri Lanka has positioned tourism as a central pillar of the economy. The government is determined to nurture world-class visitor experiences firmly rooted in the inherent natural, cultural, historic and social capital of Sri Lanka and its people, and to ensure that these experiences generate island-wide economic value. **This intended expansion of Sri Lanka's tourism value proposition is at the heart of this four-year strategic plan.**

Current demand patterns — origin of visitors and what they consume in Sri Lanka — suggest there is potential to improve Sri Lanka's market mix by targeting high-growth-potential niche (and other mainstream but underdeveloped) markets compatible with Sri Lanka's emerging value proposition.

Defining, expanding and sustaining these markets also depends on expanding products and services, which in turn requires more-specialised jobs and more-focused product definition and market interventions.

At present, visitors and major investments are concentrated in clusters and corridors around Colombo as a commercial hub, the beaches of the south coast, Yala National Park, the tea estates and forests of the hill country, and the historic and religious heritage of the Cultural Triangle. Potential economic benefits are only trickling to other areas of the country, which have untapped tourism assets. It is a priority for the government to address these geographic and economic inequalities, informed by accurate, up-to-the-minute market intelligence, asset mapping, and data collection and analysis.

A brief summary and analysis of the current situation indicates its shortcomings and provides a basis for a four-year strategic plan that supports Tourism Vision 2025. In general,

- > Sri Lanka's tourism product and market mix lack diversity
- > Sri Lankan tourist products and services miss the potential to add value along the supply chain
- > **Sri Lanka's tourism product and market mix lack diversity**

More than 85% of visitors to Sri Lanka are travelling for leisure and participate in mainstream activities such as going to the beach, visiting historical and cultural sites, and viewing wildlife, following a well-beaten path established in the 1970s (*Map 1*)⁷. There are abundant resources and investment opportunities in addition to these basic activities that could significantly expand the economic footprint of the tourism sector. Developing these further is necessary for Sri Lanka to disperse visitors more widely around the island but also to expand the value, diversity and quality of the overall experience. Visitors also tend not to return to Sri Lanka because they may feel they have “seen everything” on their first trip, or it was not up to expectations.

Accommodations are a key building block for any destination, and it is indicative that more than 95% of Sri Lanka's officially registered room stock is distributed around this popular route. The pattern is similar for unregistered rooms such as those sold through Airbnb, Booking.com and Agoda.

To note, unregistered rooms are also appearing in areas outside the main circuit. For instance, a large proportion of room stock in areas such as Kalpitiya, Jaffna, Arugam Bay and Ella is not yet registered with the Sri Lanka Tourism Development Authority (*Map 2*). However, it is important to acknowledge the role these early investors have played in providing accommodations in new areas from which visitors can access activities and attractions in emerging destinations.

The local and national governments have an important role in planning and managing destination growth. This role is especially important in the early stages of destination development, when the unique character of a place and its people is intact. **The strengths and settings of Sri Lanka's natural, historic, and cultural assets — tangible and intangible — will position Sri Lanka competitively for years to come.**

Diversity of source markets and the market mix within them is as important as the development of diverse accommodations, activities, products and services. Visitors from the United Kingdom, Western Europe, China, and India make up more than 62% of Sri Lanka's leisure visitors, and their own domestic economies and traditional travel patterns heavily influence these source markets.

Although current travel trends to Sri Lanka are seasonal (*Figure 2*), improving the market and product mix

could influence this considerably. There are clear seasonal variations in overall visitor arrivals, but it can be seen that this trend is more nuanced when looking at visitors according to country of origin. Deeper analysis of the purpose of visit from different countries of origin could form the basis of more-targeted marketing strategies (*see Chapter 2*).

> **Sri Lankan tourist products and services miss the potential to add value to the supply chain**

Overall, the visitor experience could be improved, beginning with destination planning to consider the visitor experience from entry to exit. **Improvement of the visitor experience has the added effect of being a positive promotion tool and is an opportunity for job creation, entrepreneurship and innovation.**

When products and services are more homogenous and commodified (e.g., a package holiday to a beach resort), there is a tendency for operators to undercut each other in a price war to the bottom to gain market share of a relatively inelastic demand situation. This has been the case for Sri Lanka's tourism industry. Economic research shows that there is more demand and price elasticity where value is added to consumer products, which is also true of destinations.

For instance, experiences such as whale watching can garner high prices because of their market appeal, but the current lack of value addition and poor management in Sri Lanka does not justify it.

A spot price check for 3-hour whale watching excursions reveals that Sri Lanka is priced on average at only US\$26 per person, whereas internationally, the closest in price is \$78, and the highest price charged is in Greenland, at \$120⁸.

Similarly, national park entrance fees for non-resident foreigners in Sri Lanka are lower than in many other countries⁹, and although this may be an enticement to visit, again, the quality of the experience falls far short of expectations. Also, the opportunity to add value for the consumer, in terms of quality of experience, and for the supplier of services, in terms of being able to charge more, are lost. This loss of value also compromises the sustainability of the parks. Furthermore, visitor satisfaction and a sense of value for experiences that are in high demand are not met, which is likely to result in poor consumer reviews¹⁰.

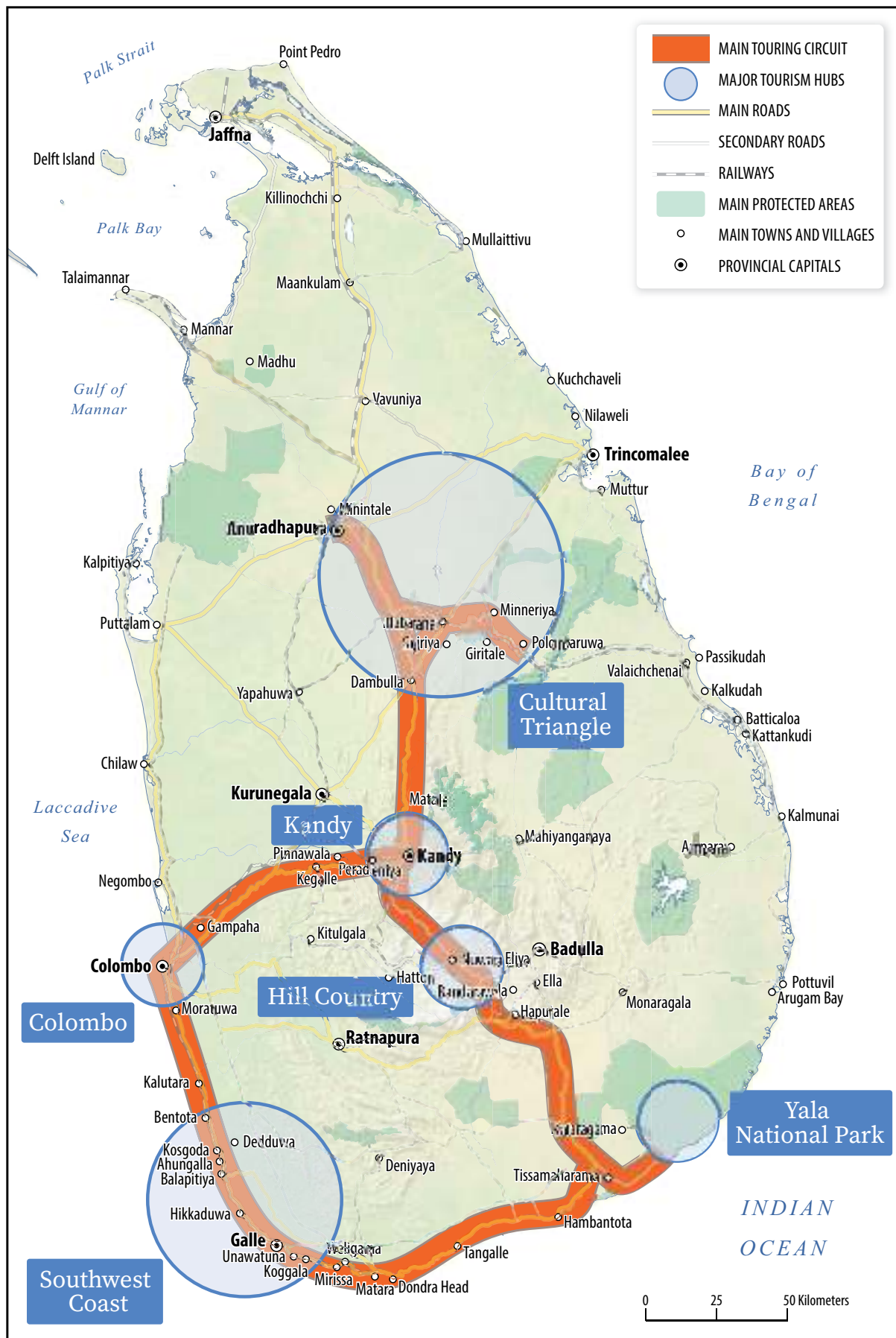
(More details in ensuing chapters.)

MAP 1: Sri Lanka's main transport and tourism sites



Note: NP National Park, FR Forest Reserve, S Sanctuary

MAP 2: Most popular touring route visiting some of Sri Lanka's tourism sites



MAP 3: Accommodation concentrations around Sri Lanka

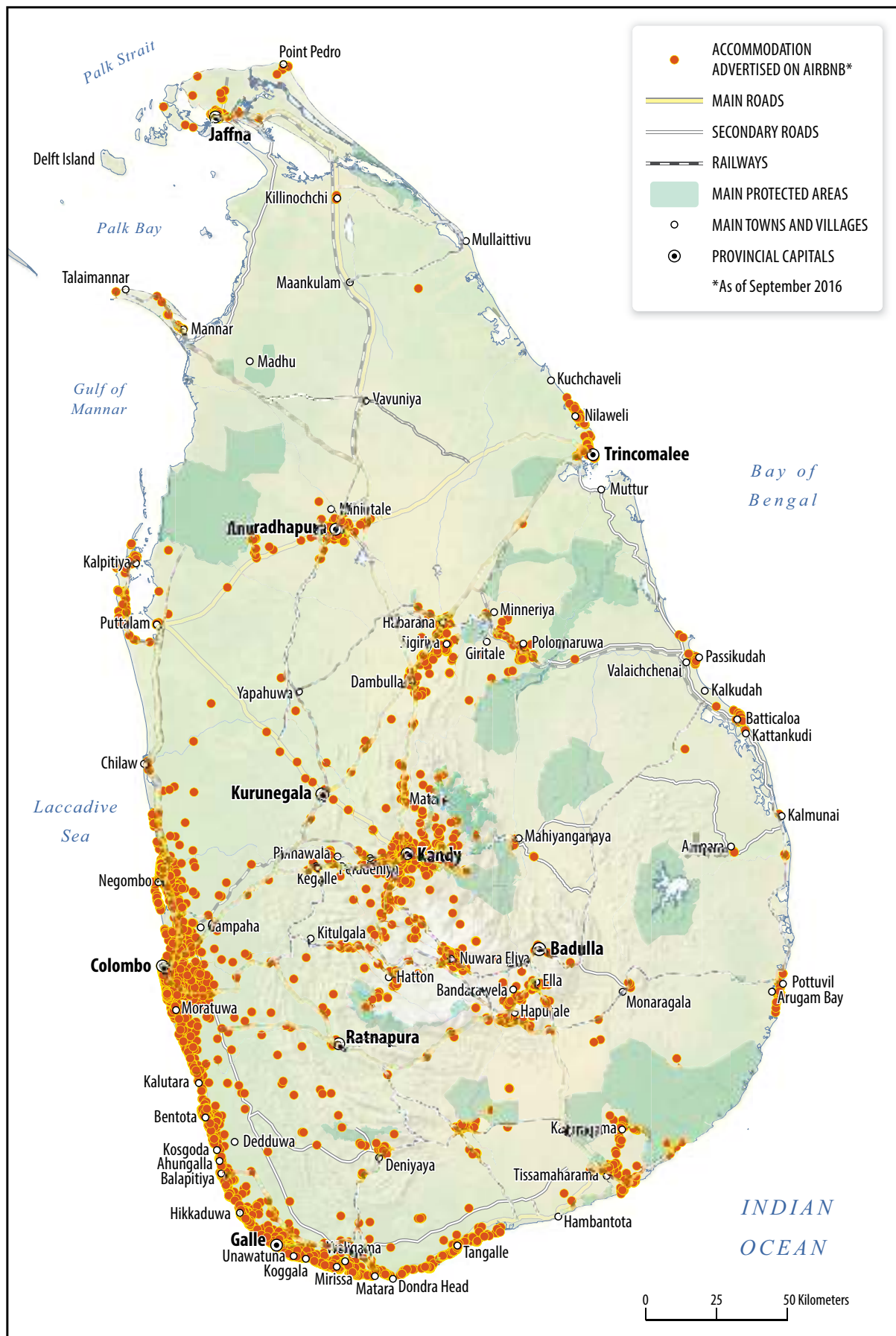
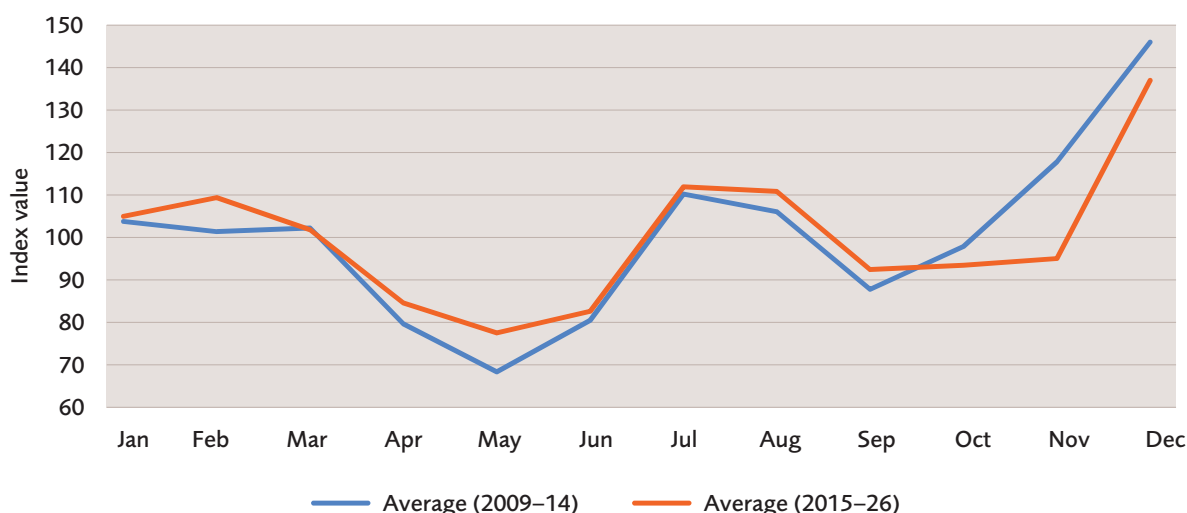


FIGURE 2: Seasonality Index



Source: SLTDA, Sri Lanka Tourism Development Authority

Unleashing Sri Lanka's Potential: A Journey of Transformation

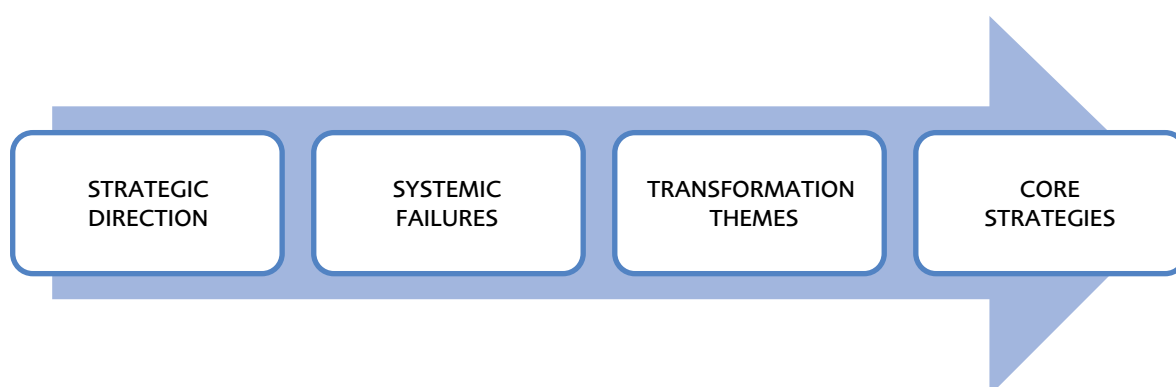
Successful development of tourism requires vision, planning and strategic commitment to actions to achieve that vision. The untapped potential of tourism in Sri Lanka will require committed, sustained support from all stakeholders, especially government and the private sector.

This Tourism Strategic Plan (TSP) defines a framework and a transformation agenda intended to expand tourism's economic footprint to underused natural, cultural, geographic and human resources in Sri Lanka. Economic, environmental and social sustainability, from the local level to the national, underpin every action recommended.

Furthermore, sustainable tourism is founded on — sometimes-fragile — intersecting social, cultural, environmental, political and economic ecosystems that, in an island context, are especially challenging to manage.

The existing fragmentation of the planning, management and policy making related to tourism assets¹¹ and the associated and overlapping legal, regulatory and institutional responsibilities are core challenges to address in transforming the way sustainable tourism development is planned and managed in Sri Lanka. The TSP identifies pragmatic approaches, based on global best practices but relevant to the local context, that contribute to a whole-government, whole-community approach to the tourism sector.

This four-year TSP indicates steps and actions necessary to move toward Sri Lanka's Tourism Vision 2025. To achieve the government's high-level objectives and address a range of identified systemic failures, six transformative themes have been developed, with corresponding core strategies. The Strategic Plan is based on extensive consultation with stakeholders over eight months; stakeholders included large and small companies, entrepreneurs, conservation organisations, education bodies, and relevant central government agencies and provincial governments (*see Main Annexes, page 116*).



i) STRATEGIC DIRECTION

The strategic policy being adopted for tourism in Sri Lanka is to strengthen and nurture the roots of people, places, and natural and cultural heritage and to add economic value to these inherent assets throughout the island. This is encompassed in Sri Lanka's Roots Philosophy.

ROOTS PHILOSOPHY

- Celebrate Sri Lanka
- Tourism is rooted in the people, places, heritage, and values of the country
- Tourism can promote a sense of place and belonging and a voice for every community
- Tourism should be used as an income generator to protect, conserve and enhance Sri Lanka's natural environment as well as the tangible and intangible cultural and historic assets
- This Roots Philosophy should govern policy, planning and development to build economic, social, environmental and local capital
- Visitors, both domestic and international, are guests in the country

The Vision defines a desired future reputation. It draws inspiration from the 13th century explorer Marco Polo's description of the island as "the finest island of its size in all the world" and from market research conducted into Sri Lanka's value proposition.

VISION

**To be recognised as the world's finest island
for memorable, authentic and diverse experiences**

[MADE in Sri Lanka]

The Mission sets an agenda for transformation — improved quality of services and service delivery that will lead to greater local creation and retention of revenue, investment in human resources and skills, and improved coordination and collaboration between government institutions, the private sector and local communities.

MISSION

**To be a high-value destination offering extraordinary experiences
that reflect Sri Lanka's natural and cultural heritage,
are socially inclusive and environmentally responsible,
and provide economic benefits to communities and the country.**

"High value" means that every aspect of tourism must ensure quality and yield, and not be volume driven. It does not denote Sri Lanka as an expensive, luxury-only destination.

The Roots Philosophy advocates that value not be viewed solely in a monetary sense, but in terms of the experience, authenticity, diversity, community and sustainability. Also, there must be value for money in every category of experience.

There is a desire to set ambitious targets, but these must be balanced with the effect of “over-tourism”, for instance on food security, housing and local culture. **High-level national economic objectives** for the entire industry are listed below¹². Considerable research is required to gather more-reliable data and to analyse growth trends and opportunities. *(More details in ensuing chapters).*

HIGH LEVEL OBJECTIVES FOR 2020

- **TOURISM TO BE SRI LANKA'S #3 NET FOREIGN EXCHANGE EARNER, WITH A TARGET OF US\$7 BILLION EARNED IN 2020.**
In 2015, tourism was the #3 foreign exchange earner, at US\$2.98 billion.
In 2016, tourism was #3 once again and earning US\$3.5 billion.
- **TOURISM AND ITS SUPPORTING INDUSTRIES TO EMPLOY 600,000 SRI LANKANS, WITH WOMEN ACCOUNTING FOR 10% OF THE WORKFORCE.**
In 2015, 319,436 people were employed in the tourism sector. Female employment has not been calculated in official statistics.
- **TO INCREASE DAILY SPENDING PER VISITOR TO US\$210.**
In 2015, the daily spend was US\$164.

During the 70th session of the UN General Assembly, 154 heads of state or government adopted the 2030 Agenda for Sustainable Development along with 17 **UN Sustainable Development Goals (SDGs)**. Although all of the SDGs pertain to tourism to varying degrees, three in particular strongly feature tourism — SDG8, SDG12, and SDG14 (highlighted below). SDG11 and SDG15 are also important.

UN SUSTAINABILITY DEVELOPMENT GOALS & TARGETS

- **SDG8: Promote sustained, inclusive, and sustainable economic growth; full and productive employment; and decent work for all**
By 2030, devise and implement policies to promote sustainable tourism that creates jobs and promotes local culture and products
- **SDG12: Sustainable consumption and production patterns**
Develop and implement tools to monitor the effect of sustainable development on sustainable tourism, which creates jobs and promotes local culture and products
- **SDG14: Conserve and use the oceans, seas, and marine resources for sustainable development**
By 2030, increase the economic benefits of small island destinations and low-income countries from the sustainable use of marine resources, including through sustainable management of fisheries, aquaculture, and tourism

The UN has declared 2017 the “International Year of Sustainable Tourism for Development”. This is fitting for Sri Lanka as the country embarks on a journey of transformation of its tourism sector.

Sri Lanka's Tourism Vision 2025 and Sri Lanka's Roots Philosophy are aligned with the SDGs, and specific core strategies and actions have been developed in the ensuing chapters of the TSP to achieve them, namely:

- > Chapter 4 on developing sustainable destinations, particularly the Transformative Tourism Projects (TTPs) (Section 4.3.4)
- > Chapter 5 on lifting industry standards
- > Chapter 6 on engaging the workforce and communities, particularly the local community focus (Sections 6.2.2 and 6.2.4)

The central aim of the **Paris Agreement** is to strengthen the global response to the threat of climate change by preventing the global temperature from rising by more than 2 degrees Celsius this century. One hundred and ninety-five countries, including Sri Lanka, signed the agreement. Efforts need to be made to lower greenhouse gas emissions and build climate resilience. **Sri Lanka's Tourism Vision 2025 and Sri Lanka's Roots Philosophy emphasise eco-friendly practices and green principles for tourism.**

This TSP and the tourism institutions will work closely with the relevant authorities and existing national plans and strategies to achieve the SDGs and mitigate the effects of climate change.

Based on the national economic objectives and the UN SDGs, seven guiding principles for Sri Lanka's tourism industry have been identified.

GUIDING PRINCIPLES

1. CAPTURING THE BENEFITS OF TOURISM FOR SRI LANKA

The tourism industry makes a significant contribution to the growth and diversification of Sri Lanka's economy. It should be considered a key pillar of the economy and a priority in government decision-making. Facilitated by the public sector, the private sector should play a lead in the development of the tourism industry.

2. DEMOCRATISATION OF ECONOMIC PARTICIPATION

Tourism should result in optimal economic benefit to Sri Lanka's economy by maximising net foreign exchange income, spreading development throughout the island, and creating gainful employment for Sri Lankans. Tourism growth should stimulate and deepen the value chain and ensure viable, long-term economic operations, providing socioeconomic benefits that are fairly distributed to all stakeholders.

3. CONSERVATION AND WORLD-CLASS MANAGEMENT OF ASSETS

Tourism development should promote the conservation and enhancement of Sri Lanka's natural environment and its historical, social and cultural heritage, avoiding harmful effects. It should make optimal use of environmental resources — maintaining essential ecological processes and helping to conserve natural biodiversity.

4. LOCAL COMMUNITY INVOLVEMENT

Tourism should respect the sociocultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and contribute to intercultural understanding and tolerance. Tourism development should involve local communities in a real, holistic capacity. Strong political leadership, including regional and local government, should foster informed, wide participation of all relevant stakeholders and support consensus building.

5. MEMORABLE EXPERIENCES ROOTED IN HERITAGE

All tourism services and activities should be visitor-centric and rooted in the environmental, religious, social and cultural heritage of Sri Lanka. They should provide a high level of visitor satisfaction and ensure a meaningful visitor experience, providing learning opportunities and raising awareness about best tourism practices.

6. RESPONSIBLE DESTINATION MARKETING

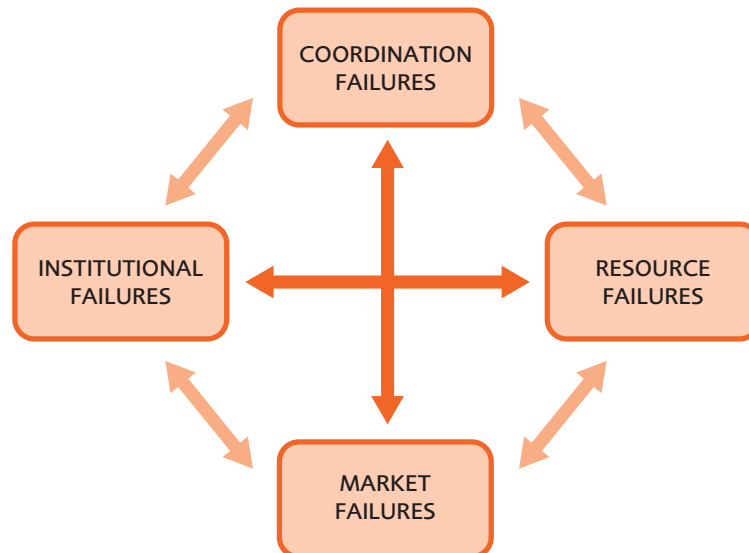
Sri Lanka should be marketed responsibly to highlight the country's distinctive environment, traditions and attractions. Efforts should also be made to dispel longstanding misconceptions about the country and the tourism sector.

7. SAFETY AND SECURITY FOR ALL

A safe and secure environment should be ensured for all visitors, investors and communities, as well as animals.

(ii) SYSTEMIC FAILURES

To move toward the vision and objectives of expanding Sri Lanka's tourism value proposition through world-class visitor experiences, **a transformation in thinking and planning for tourism is required**. Sri Lanka's tourism industry, in particular the role that the public sector plays, requires a systemic rethinking and reorganising to address the following failures.



COORDINATION FAILURES

- **Poor coordination and communication between government ministries, institutions and stakeholders with respect to tourism planning, tourism asset management and tourism destination management.** The distribution of tourism-related responsibilities across multiple agencies and government levels complicates this. Similarly, there is poor communication and coordination with other tourism stakeholders (e.g., with respect to conservation, education, small and medium enterprises (SMEs)), which contributes to conflict in land use¹³, and complicates and slows administrative and decision-making processes.

INSTITUTIONAL FAILURES

- **Deficient and politicised leadership and management at all levels of government.** There is a greater emphasis on institution and infrastructure building than on core functions. Political interference has hindered overall output of government agencies and progress on key growth initiatives.
- **Limited awareness and participation in tourism by host communities.** This has caused conflicts between local communities, institutions and investors and has negatively affected local perceptions of tourism-related FDI projects.
- **Inadequate attention to cultural heritage conservation and natural habitat preservation.** Initiatives to monitor over-visitation and promote animal welfare and natural habitat regeneration are not prioritised. There has been a reliance on regulation to manage quality, safety and standards, but limited enforcement of the regulations. In addition, rent-seeking practices subvert the regulatory process.

RESOURCE FAILURES

- **Limited emphasis in the public and private sectors on human capital development and on an inclusive employment agenda across the tourism and hospitality value chains.** In addition to the shortage of skilled staff at all levels and professions, this has led to a failure to identify and foster talent. Women are highly under-represented in the sector, particularly in comparison with other regional destinations.
- **Lack of comprehensive visitor research and data, ongoing research into products and markets, and market intelligence.** Research into alternative attractions and niche and emerging market segments is limited, which limits the effectiveness of product development decisions and marketing strategies, as well as the ability to address seasonality and to make the most of regional attributes.
- **Lack of access to investment and financing, especially for SMEs and women, and high capital costs.** For example, high land prices in certain areas hinder independent small businesses. Construction costs are high as a result of the high cost of inputs (e.g., steel, cement, aluminium, tile), and in some cases, there is over-engineering of resorts, which adds to costs.

MARKET FAILURES

- **Limited attention paid to product diversification and destination development.** This restricts competitiveness, recreation and tourism choices, development of niche markets, and the ability to add value to the visitor experience. The emphasis has been predominantly on site-specific copycat construction, without a holistic approach, which has affected the authenticity and uniqueness of the Sri Lankan product. More importantly, it has led to geographic disparity, with significant tourism growth in only a few areas.
- **Lack of effective mechanisms to manage, standardise and enforce best practices.** This has contributed to poor interpretation, poor visitor experiences, and poor conservation of environmental and cultural values. Specifically, tour operators visit only the sites and outlets where they receive benefits, and middlemen control the delivery of experiences.
- **Market distortions** because of government policies, rent-seeking and subsidised government operations (e.g., tariff rates, Colombo room rates, domestic aviation). Also, several government agencies with limited tourism core skills and functions are responsible for government-owned tourism products and services (e.g., hotel accommodations, tours).

To overcome the above-mentioned institutional failures that impede sustainable tourism, a whole-government, whole-industry approach must be taken. This will require meaningful communication, cooperation, and involvement of key partners from local, regional and national governments.

A significant systemic transformation of tourism in Sri Lanka is required. This involves changing government views and management of the industry (institutional reform), changing government and industry understanding of and provision for targeted visitors (visitor experience), and changing the implementation process (to tangible measurable actions).

This Strategic Plan has been prepared as an **instrument of transformation**, as a start on the journey toward Tourism Vision 2025 and helping to achieve the UN SDGs.

(iii) TRANSFORMATIONAL THEMES

As a result of this analysis and with a view to ensuring a thriving, professional tourism industry supporting a variety of local businesses and communities, six key transformational themes were identified in the TSP.

KEY TRANSFORMATIONAL THEMES

1. IMPROVING GOVERNANCE AND REGULATION

Create a system of tourism institutions, regulations and processes conducive to streamlined investment and business operations; facilitate industry best practices, monitoring and enforcement; and support the development of communities and the workforce.

2. UNDERSTANDING VISITORS

Develop a research programme and visitor segmentation model (VSM) to profile source and niche markets systematically as input to guide product development and marketing decisions.

3. MARKETING AND COMMUNICATING EFFECTIVELY

On the demand side, the focus is on yield (total revenue), not numbers. The goal is not just to attract more visitors, but to attract the right kind of visitors, using the most-effective media and making the most of available digital data, platforms and applications.

4. DEVELOPING SUSTAINABLE DESTINATIONS

On the supply side, develop and define (for the market) a range of products aligned with Sri Lanka's attractions. The goal is to ensure that these are strategically developed across the island to encourage longer stays, facilitate visitor movement and spending across all districts, and encourage return visits. This is particularly relevant to the UN SDGs.

5. LIFTING INDUSTRY STANDARDS

Create mechanisms to support best practices in handling of water, energy and waste; in service and quality control; and in the protection and presentation of wildlife and other environmental, cultural and historical values. The aim is to achieve a reputation for being the best in each class of tourism products rather than servicing only one type of visitor segment (e.g., large group, fixed itinerary travel package tourists) very well.

6. ENGAGING THE WORKFORCE AND COMMUNITIES

Develop the overall capacity of the tourism sector workforce in the public and private sectors. The government has prioritised the human resources (HR) agenda for the country. Greater participation in the sector should be encouraged, particularly of women, and tourism training and skills development opportunities should be linked to industry sector needs. Local communities should become actively involved. This is particularly relevant to the UN SDGs. Overall, more-effective communication and better relationships should be fostered between tourism stakeholders from relevant management agencies, the private sector, conservation groups, the education sector and communities.

Each theme above is addressed in a separate chapter of the TSP 2017-2020. There is an overview of the current situation, a set of core strategies to transform tourism, and a set of specific actions to be delivered by 2020. Each of the actions is assigned a lead agency responsible for delivery and relevant partner organisations. A timeframe for implementation and budget estimates are also provided.

To summarise, the approach taken to develop this TSP is as follows.

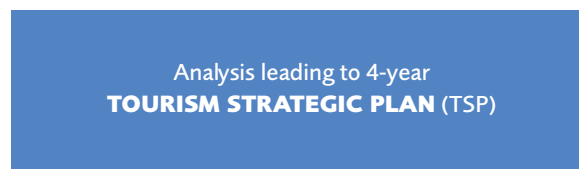
High-level objectives aligned with national strategies were defined.



A clear strategic direction underpinned these: **TOURISM VISION 2025**



This was followed by analysis of products, markets, institutions, partnerships and policies.



The analysis highlighted areas of **systemic failure** that undermine achievement of Tourism Vision 2025.



Six transformational themes are defined in the TSP to help **achieve objectives** and address the **systemic failures identified**.



Monitoring Strategic Plan Progress

It is essential that regular progress reports on the TSP be provided to an inter-ministerial committee. The summary below provides a framework for developing a set of indicators against which to measure results during implementation of the Strategic Plan.

Transformation themes	Core strategies	Success indicators*
Improving Governance & Regulation	Revitalise key institutions Improve relationships, communication, & coordination Reform core legislation & regulations Enable business & investment	<ul style="list-style-type: none"> • Regulations enacted • Collaborative memoranda of understanding signed by SLTDA • Actual annual institutional budget spending
Understanding Visitors	Improve data collection & analysis Monitor success of marketing efforts Demonstrate economic value of tourism industry	<ul style="list-style-type: none"> • Regular reporting • Niche segment arrivals
Marketing & Communicating Effectively	Sharpen brand focus Embrace digital age Use events & festivals to showcase products Build stronger partnerships	<ul style="list-style-type: none"> • Brand health • Meetings, incentives, conventions and exhibitions held • Regional events
Developing Sustainable Destinations	Implement integrated geographic planning Define tourism areas & create signature experiences Improve access by developing key routes, hubs & gateways Focus on destination development through transformative projects	<ul style="list-style-type: none"> • Spending per day • Room inventory • Visitor dispersal • Duration of stay • New visitor experiences
Lifting Industry Standards	Improve conservation, presentation, & management of natural & cultural assets Facilitate use of best practices at key touch points Improve visitor information, signage & interpretation	<ul style="list-style-type: none"> • International brands • Average occupancy rates • Return visitors
Engaging the Workforce & Communities	Develop actively engaged workforce Promote employment & career opportunities in tourism Prioritise lifelong training & development Engage local communities in tourism	<ul style="list-style-type: none"> • Sector employment • Women employed in sector • Numbers of hospitality schools and students graduating

* The indicators and their parameters must be clearly defined. Monitoring of many of the indicators needs to be introduced and baselines established.

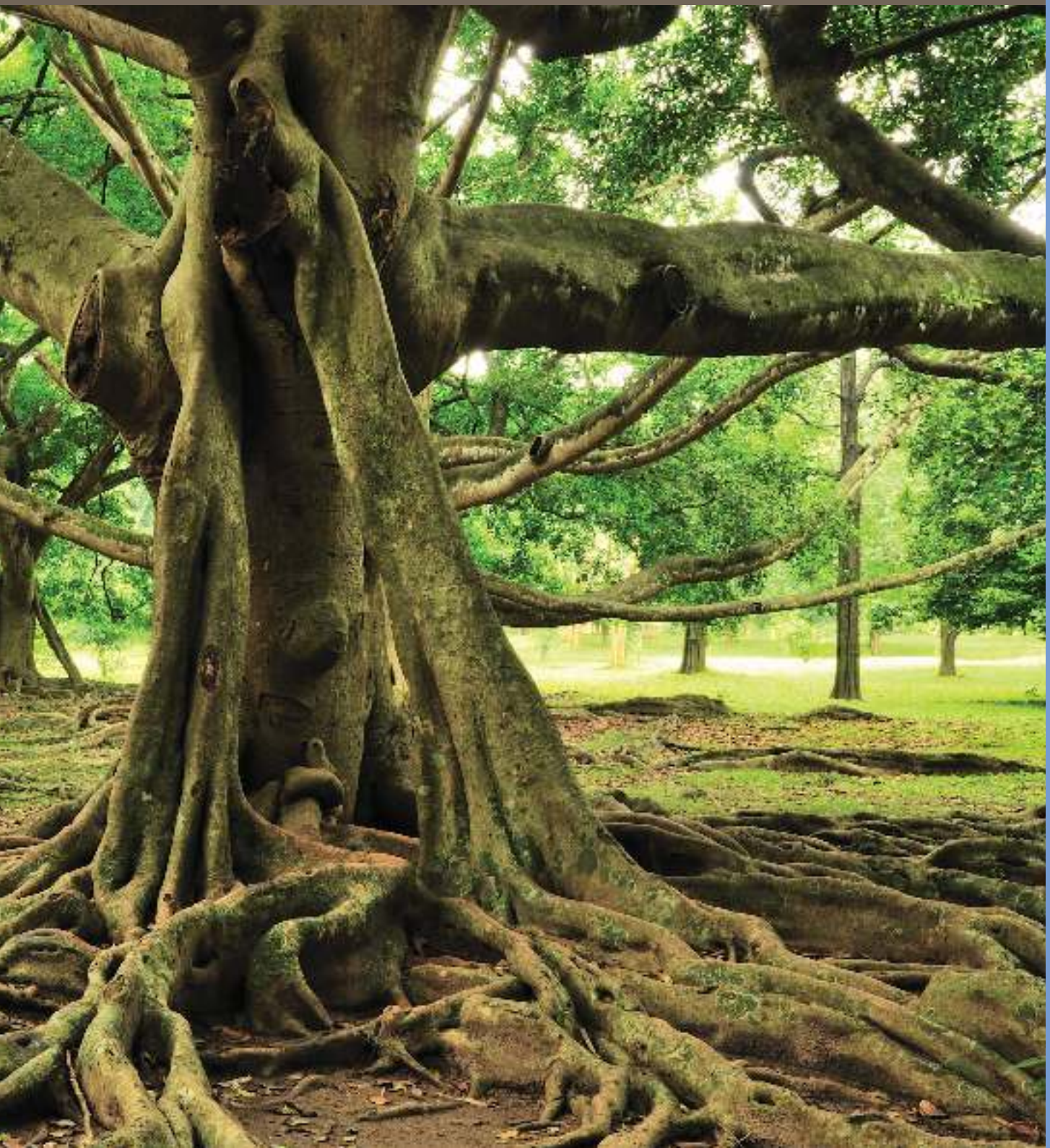
Endnotes

1. Sri Lanka Tourism Development Authority (SLTDA) Annual Statistical Report 2015.
2. Source: SLTDA.
3. World Travel & Tourism Council.
4. Ibid.
5. The Tourism Area Life Cycle model was developed in 1980 and describes a general picture of the lifecycle of a tourism destination or area.
6. Several studies have shown that a binding constraint on future economic growth, not just in the tourism sector, is the lack of availability of skilled labour.
7. Typical 10-day tour itinerary: Airport > Cultural Triangle > Hill Country > National Park > South Coast > Airport. According to tour operators, this conventional route in a clockwise manner is because it showcases the main tourism sites and most visitors ask for their tour to end with relaxing time on the beach.
8. Average price per person for 3-hour whale watching group excursion (October 2016) in US\$: Greenland (\$120), Iceland and New Zealand (\$95), Australia (\$89), South Africa and San Juan (\$85), Madagascar (\$78), Sri Lanka (\$26).
9. Average price per person for a non-resident foreigner for daily national park entrance fee (October 2016) in US\$: Botswana (\$120), Tanzania (\$80), Kenya (\$70), South Africa (\$65), Uganda (\$40), Costa Rica (\$18), Sri Lanka (\$15, additional jeep hire, guide, and taxes are charged).
10. Reviews on TripAdvisor for whale watching and the Yala National Park experience are overwhelmingly negative, despite the fact that these are potential flagship experiences for visitors to Sri Lanka.
11. Tourism assets include: cultural, historic, infrastructure, terrestrial, marine, coastal, urban, community and government owned.
12. Baseline statistics and forecasts from SLTDA.
13. Examples of land use conflicts include environment versus infrastructure projects, fishing versus tourism, and energy versus tourism.



Improving Governance and Regulation

CHAPTER 1



A strong, supportive legislative framework and an effective, efficient institutional framework will form the backbone of Sri Lanka's effort to move toward Tourism Vision 2025¹⁴. The legislative and institutional framework must effectively regulate the tourism sector to maximise sustainability. It must also ensure returns on investment and maximise efficiency by clearly identifying the roles of the public and private sectors and providing a platform for coordination.

Current Context

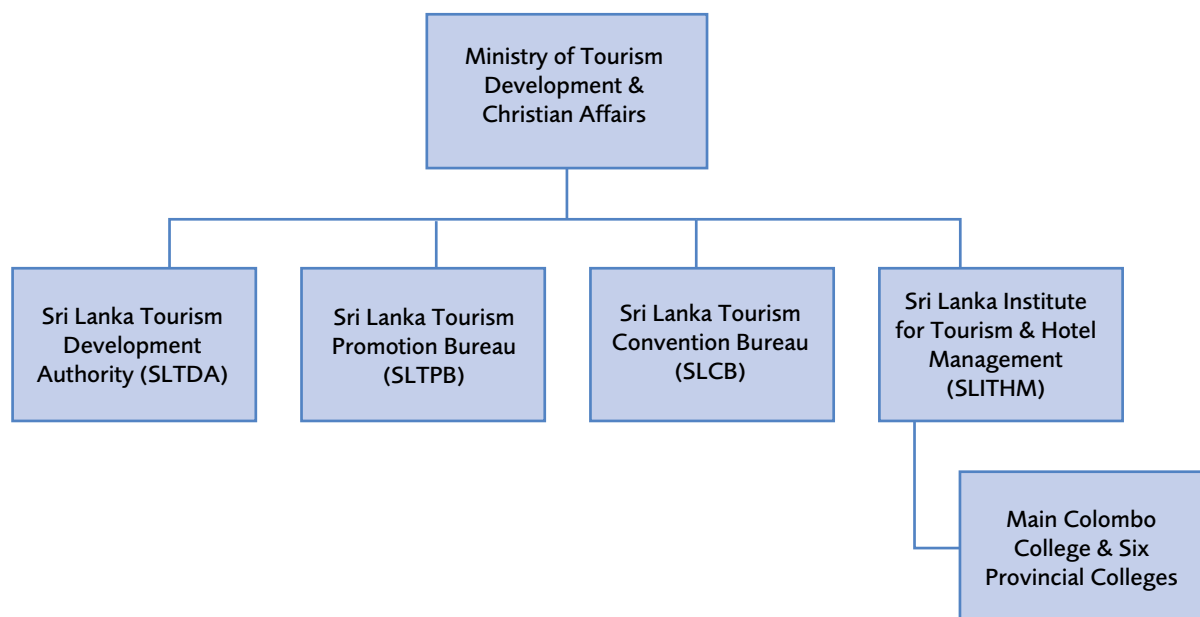
The institutional framework for tourism in Sri Lanka is fragmented under the existing tourism legislation. Four separate tourism institutions function under the Ministry of Tourism Development and Christian Affairs: Sri Lanka Tourism Development Authority (SLTDA), Sri Lanka Tourism Promotion Bureau (SLTPB), Sri Lanka Convention Bureau (SLCB), and Sri Lanka Institute for Tourism and Hotel Management (SLITHM).

By law, a fixed proportion of the Tourism Development Fund is allocated to each institution without consideration of requirements or priorities.

The distribution under the Constitution of important tourism-related responsibilities among other ministries and agencies at the central level and the delegation of substantial but uncertain powers to the provincial and local levels further compound institutional fragmentation. There is little consultation, coordination or cooperation, which makes it difficult to get things done.

The national tourism institutions are subject to public service regulations, which poses a challenge to recruiting and retaining the most-qualified, most-capable staff. This makes it difficult for the organisations to assume their core responsibilities effectively and efficiently. Although the private sector is well organised and entrepreneurial, a range of serious impediments to business and investment limit its effectiveness.

FIGURE 3: Current public sector institutional framework for tourism



Extensive regulatory and structural reforms are needed to:

- > Revitalise national-level tourism institutions
- > Enable institutions to meet core responsibilities more effectively and efficiently
- > Establish a more whole-government consultative, cooperative, coordinated framework for tourism at the central level and with provincial and local governments
- > Strengthen consultation and cooperation with the private sector
- > Enable business and investment, especially SMEs



STRENGTHS

- Strong funding and empowerment of national tourism institutions in some areas (e.g., marketing)
- Strong private sector entrepreneurship and institutional framework
- Large public land holding and extensive protected natural and cultural heritage areas

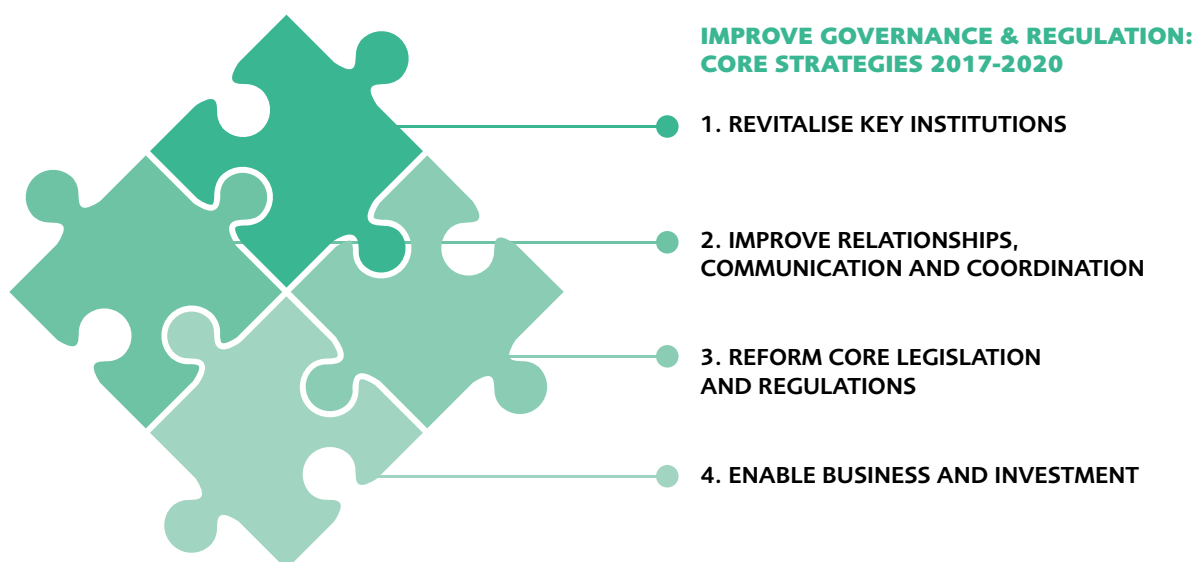


CHALLENGES

- Multiplicity of government agencies with sole or shared responsibilities for important aspects of tourism
- Further fragmentation between national, provincial and local levels of government
- Silo approach within tourism institutions, leading to inefficiency and duplication
- Inadequate planning, development, regulation, marketing and HR training in the public sector
- Lack of consultation, cooperation and coordination within and between all levels of government and with the private sector
- Impediments to business and investment
- Many unregulated tourism businesses that can contribute to risks to safety and reputation

Core Strategies

The four core strategies to improve governance and regulation over the next four years are illustrated here. Core Strategies 1 and 2 are short to medium term in nature, and Strategies 3 and 4 are longer term.



CORE STRATEGY 1.1: Revitalise Key Institutions

	Top-line action	Institutions involved	Timeline	Outcomes
1	Strengthen SLTDA, Sri Lanka Tourism Promotion Bureau, and Sri Lanka Convention Bureau by introducing shared functions and cross-functional teams	Tourism Ministry, SLTDA	Prioritise, completed by end 2017	More efficient and more cost-effective institutions
2	Raise salaries and improve conditions to recruit and motivate staff generally	SLTDA	Prioritise, completed by end 2017	Better recruitment, motivation and retention of staff
3	Hire professionals with special expertise or outsource specialist functions for set periods of time	SLTDA	Prioritise, completed by end 2017	Better quality of outputs and core functions

Note: SLTDA, Sri Lanka Tourism Development Authority.

1.1 Revitalise Key Institutions

Division of the national tourism organisation (then called the Sri Lanka Tourist Board) into four separate institutions in 2007 has contributed to weakening the overall efficiency and effectiveness of the administration of tourism. Measures are available under the existing Tourism Law to improve overall coordination, output and working conditions. Actions 1 to 12 are proposed to enable a more-integrated approach among the four institutions to improve communication, cooperation, efficiency and effectiveness.

Staff retention and attraction will require strong HR policies, higher salaries and better employment conditions (*more information in Chapter 6*). To further enhance and expand technical capacity, consultants or outsourced expertise must be engaged. They must have the skill sets necessary to strengthen the institutions and enable them to undertake existing responsibilities as well as additional responsibilities required to implement the TSP.

1.2 Improve relationships, communication and coordination between stakeholders

Given the fragmented institutional structure, effective mechanisms must be established to achieve the whole-government and public-private partnership (PPP) approaches required for a successful tourism sector. These must transcend politics and personalities and be formalised as much as possible using proven mechanisms within and between each level of government and between the public and private sectors (*see Central Government Stakeholder List in Main Annexes, page 112*).

At the central level, an **Inter-ministerial Council** chaired by the Prime Minister could facilitate high-level coordination on tourism. This council could mediate major national challenges related to conflicting land or industry use and large-scale investments that affect the tourism sector. The SLTDA will need to enter into memoranda of understanding (MoUs) with the relevant authority or department in each of the key line ministries whose jurisdiction affects or is affected by tourism to implement and supplement these MoUs¹⁵, which will establish the mechanism for consultation, cooperation, coordination and reporting, and an operational plan for addressing key challenges.

Mechanisms must also be implemented to strengthen consultation, cooperation and coordination between the **central, provincial and local governments**, especially on planning and regulation; the SLTDA should enter into a MoU with each provincial tourist authority or its equivalent to formalise these. Other mechanisms to support this coordination include the Tourism Task Force, forums, and planning and regulatory measures.

A similar collaborative structure is required for coordination in the private sector. The creation of a **national tourism industry council** with representation from each of the eight private sector tourism organisations and with a mechanism to receive input from the four national chambers of commerce relevant to tourism will allow for a unified voice to represent private sector interests and will streamline coordination with government institutions (*Figure 4*).

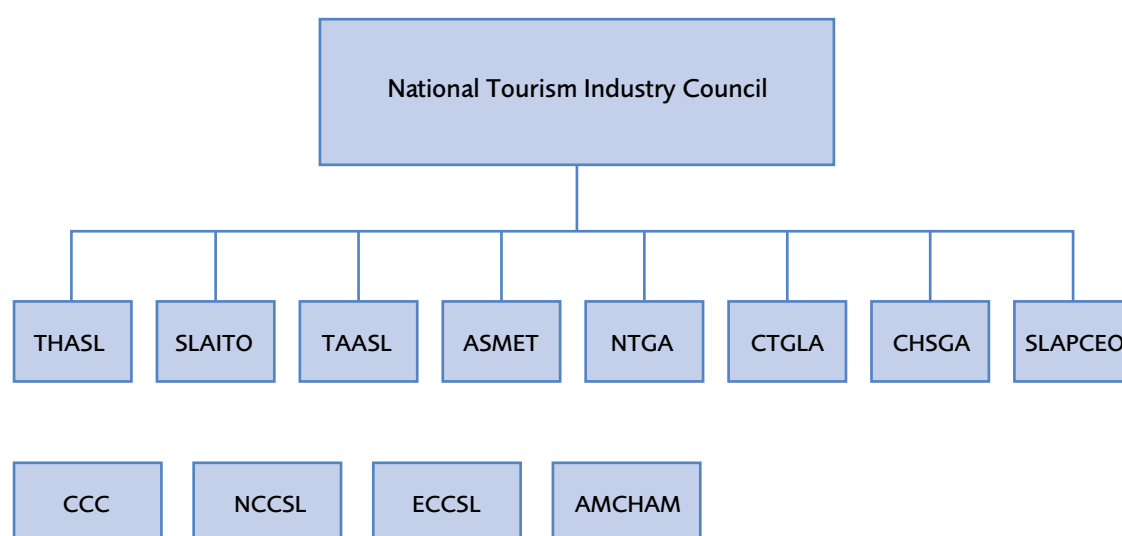
Other mechanisms to strengthen the PPP approach include the Tourism Advisory Committee, Tourism Task Force, PPP arrangements for marketing and the SLITHM satellite colleges, an ombudsman function within SLTDA, and MoUs with the relevant bodies.

CORE STRATEGY 1.2: Improve Relationships, Communication and Coordination

	Top-line action	Institutions involved	Sub-actions	Timeline	Outcomes
4	Improve interministerial and agency consultation and cooperation on tourism	Identified Govt. Ministries SLTDA, other ministries and agencies	Establish interministerial council on tourism chaired by the Prime Minister Sign MoUs for interministerial and agency consultation and cooperation on tourism	Completed by end 2017 Completed by mid-2018	Common whole-government approach to tourism
5	Strengthen consultation and cooperation with private sector on tourism	Private sector associations SLTDA, private sector SLTDA Sri Lanka Tourism Promotion Bureau, private sector Sri Lanka Convention Bureau, private sector SLITHM, private sector	Advocate formation of national tourism industry council Strengthen Tourism Advisory Committee Sign MoUs for public-private sector consultation and cooperation on tourism Set up ombudsman function to resolve disputes and mediate Make PPP arrangements for marketing PPP arrangements for SLITHM satellite colleges	Completed by end 2017 Completed by end 2017 Completed by end 2018 Completed by end 2018 Completed by end 2020	Private sector advocacy strengthened Stronger private sector involvement in policy and roll out of TSP 2017–2020 Dispute resolution and facilitation Greater cooperation between public and private sectors Colleges established at provincial level
6	Strengthen consultation and cooperation on tourism between central, provincial, and local governments	SLTDA, provincial councils and tourist bureaus, Tourism Task Force	Implement planning measures Support provincial tourist bureaus in functioning as destination management organisations Implement forums and MoUs Institute regulatory measures	Completed by end 2017 Completed by end 2018 Completed by end 2019	Provincial planning coordinated and consistent with TSP 2017–2020 Tourism destination management improved Provincial statutes and regulation uniform and consistent with national laws and policies

Note: SLTDA, Sri Lanka Tourism Development Authority; SLITHM, Sri Lanka Institute for Tourism and Hotel Management; MoU, memorandum of understanding; PPP, public-private partnership.

FIGURE 4: Proposed Private Sector Institutional Setup for Tourism for Consideration



- The Hotels Association of Sri Lanka (THASL)
- Sri Lanka Association of Inbound Tour Operators (SLAITO)
- Travel Agents Association of Sri Lanka (TAASL)
- Association of Small and Medium Enterprises in Tourism Sri Lanka (ASMET)
- National Tour Guides Association (NTGA)
- Chauffeur Tourist Guides Lecturers Association (CTGLA)
- Ceylon Hotel School Graduates Association (CHSGA)
- Sri Lanka Association of Professional Conference, Exhibition & Event Organisers (SLAPCEO)
- The Ceylon Chamber of Commerce (CCC)
- The National Chamber of Commerce of Sri Lanka (NCCSL)
- European Chamber of Commerce of Sri Lanka (ECCSL)
- The American Chamber of Commerce in Sri Lanka (AmCham)

1.3 Reform Core Legislation and Regulations

There are limitations to what can be achieved without comprehensive legislative and regulatory reforms. Within the current operating context, enactment of new tourism legislation and gazettal of regulations is critical.

The SLTDA **registration and licensing** system requires regulations on each relevant tourism activity. Drafts of these regulations have been written, and only those relating to tourist hotels were gazetted in 2016. In addition, the SLTDA plans to introduce an Enforcement Unit to ensure regulations are strictly followed.

Under international best practices, many problems can be resolved through **self-regulatory codes of conduct**. Some quality challenges can be addressed more directly and effectively through digital and social media than through regulations in a service industry like

tourism. Honesty, courtesy, helpfulness, friendliness, assistance and authenticity are difficult to regulate but are becoming more important than physical facilities. Consumers increasingly rely on reviews on sites such as TripAdvisor and social media to research, choose and book accommodations, transportation and other services, and ignore traditional registration, licensing, star ratings, and the like. Sri Lanka should take advantage of this new paradigm.

The legal and institutional framework in Sri Lanka is undergoing extensive review at the national level (envisaged through a constitutional change). Further legislative changes are expected through the TSP and may involve the direction and control of other ministries and agencies. It is essential that these changes be closely monitored through the MoUs and other mechanisms, and that expert input be provided to ensure they properly address problems in the tourism sector and produce better outcomes for the sector.

CORE STRATEGY 1.3: Reform Core Legislation and Regulations

	Top-line action	Institutions involved	Sub-actions	Timeline	Outcomes
7	Complete SLTDA registration and licensing system	Ministry of Tourism, SLTDA	Gazette appropriate tourism regulations	Completed by end 2017	Clear and transparent regulations
8	Sharing economy, appropriate light-touch regulation	SLTDA, provincial councils, provincial tourist bureaus, digital marketing platforms, consultants	Review regulations and develop codes of conduct to self-regulate key sectors or problems	Completed by end 2018	Clear guidelines in place for regulating sharing economy services
9	Monitor and provide input into draft laws including constitution, tax, land, investment, public-private partnerships	SLTDA, consultants	Each new draft cross-cutting law requires attention	2017–2020	Better legal and institutional framework for tourism investment and businesses

Note: SLTDA, Sri Lanka Tourism Development Authority.

1.4 Enable Business and Investment

The impediments to business and investment, both foreign and domestic, in Sri Lanka are well documented. The government, together with development partners, has commenced a wide-ranging programme to improve the investment and business climate across all sectors. Each part of this reform process must provide for improvements in the tourism sector and address the key constraints preventing development of business and investment in the sector. Regulations related to sustainable development and human resources are important but are not covered here.

What is broadly categorised as the “informal sector” needs to be reviewed and better defined to address the challenges that businesses face and introduce measures to mainstream more unregistered establishments. A basic approach is outlined in Table 1, but formal definitions with clear thresholds should be introduced.

Having a large and growing proportion of tourism service providers that are not registered with the SLTDA is a **standards and compliance risk for all stakeholders**, including visitors, intermediaries, the authorities, and informal sector providers themselves. This includes activities that the SLTDA or provincial council clearly require to be registered or licensed and activities for

which licensing and registration requirements are unclear or unnecessary (e.g., sharing economy). Mainstreaming the “informal sector” will facilitate financing; promote innovation, product development and investment; and increase consumer confidence.

Mainstreaming the “informal sector” is a high but challenging priority, and a number of actions are proposed to address the realities of this in practical and immediately attainable ways in a variety of regulatory areas.

Problems relating to **land** are also a serious impediment to business and investment and, again, are pending wider, longer-term reforms for the whole economy and are beyond the scope of this TSP.

Taxation and investment regulations and requirements are the fundamental methods of facilitating or impeding business and investment. Although economy-wide reforms are being developed, the actions below will address immediately achievable goals and ensure that the special challenges and needs of tourism are properly addressed in the overall reforms.

Lastly, the actions in this section and the TSP generally complement and take advantage of the Agency for Development initiative, not only by providing a practical national policy for the tourism sector, but also by identifying and supporting critical catalytic projects.

TABLE 1: Basic Approach to Categorising "Informal Sector"

Type	Description	Opportunity
Traditional homestay	Showcase traditional Sri Lankan village life in rural settings, linked to agro- and coastal community tourism.	Can be developed as a unique experience for Sri Lanka in line with the Roots Philosophy.
Informal sector	Original concept of Airbnb, with homeowners leasing spare capacity. Regulation of Airbnb services is undergoing reform globally, and Sri Lanka should adapt accordingly.	Income earner or supplementary income earner, direct earnings to small entrepreneurs, can empower households. Codes of conduct, accreditation schemes, and spot inspections can help maintain standards and ensure safety.
Unregistered businesses	These businesses are not registered with the SLTDA, but some may have local trade licenses and business registration. Businesses meeting earning thresholds should register, although they may face challenges in registering, such as: lack of awareness, complexity of process, limited categories of registration, need for land permit.	Such businesses should be encouraged to register by enhancing value of SLTDA registration with training and incentive programmes, moratorium on back taxes, online registration, etc.
Registered businesses	Businesses registered with SLTDA. Commonly referred to as "formal sector."	

Note: SLTDA, Sri Lanka Tourism Development Authority.

CORE STRATEGY 1.4: Enable Business and Investment

	Top-line action	Institutions involved	Sub-actions	Timeline	Outcomes
10	Mainstream the "informal sector"	SLTDA Ministry of Finance, SLTDA SLTDA SLTDA, LCG SLTDA, LCG SLTDA	Define categories in "informal sector" in new legislation Explore options of a moratorium on back taxes for first registration Allow land permits to be sufficient evidence of title for registration Streamline process of converting land permits and implement interim workarounds Streamline conversion of land permits to leasehold titles Provide for provisional registration and licensing	Completed by mid 2017 Completed by end 2017 Completed by end 2018 Completed by end 2018 Completed by end 2020 2017–2020	Better regulation of informal service providers New business and investment facilitated; high numbers of firms registered with greater compliance and consumer confidence and protection
11	Land-related actions	SLTDA, consultants	Review tender and lease documentation for tourism projects in defined tourism zones	2017–2020	Greater private sector investment
12	Taxation and investment related actions	Ministry of Finance, SLTDA	Include tourism as a key sector with appropriate provisions in the proposed public–private partnership laws Develop new system of tourism incentives for national tax authority to apply to new and expansion investments	2017–2019	

Note: SLTDA, Sri Lanka Tourism Development Authority, LCG, Land Commissioner General's Department.

Endnotes

14. A detailed report 'Review of Legal and Institutional Framework of the Tourism Sector' (2016) provides a more comprehensive analysis and further information.
15. There are at least 18 ministries and 32 related departments involved in the tourism sector.



Understanding Visitors

CHAPTER 2



A thorough understanding of tourism demand is the foundation of effective marketing strategies, communications and product development. This includes an understanding of international and domestic visitors, key niche interest groups, and visitors to particular regions and key sites. For different visitor segments, it is important to appreciate:

- > Their **motivations and the experiences** they want (e.g., why they travel, what the key attractors are, what they want to see and do)
- > **Travel and accommodation** patterns (e.g., how they travel, where and how long they stay)
- > **Information sources** (e.g., how they obtain, use and share information)
- > **Expenditure** (e.g., how much they spend, on what and where)
- > **Levels of satisfaction** with the elements of their trip (e.g., accommodations, services, nature, culture)
- > **Means of booking** (e.g., direct online, direct with supplier, online travel platform, traditional travel agent, and independent traveller with minimal pre-bookings)

To validate findings and understand the tourism industry trajectory, it is also important to contextualise any market segmentation analysis with consideration of:

- > **Global trends** in travel motivations, expectations, best practices and technology, and how they affect major source markets and niche interest groups
- > **Global trends in accommodations, tours, attractions and events**, which will affect visitor expectations and the competitiveness of Sri Lanka's tourism industry
- > The **marketing and product strategies and development** of competitor destinations, which offer insights into success factors and how Sri Lanka can develop a competitive edge

Current Context

The tourism research currently available for Sri Lanka is wide ranging and provides a basic overview, but **there is no clear segmentation model to inform the tourism planning and strategy formulation process**. Although the SLTPB has identified 22 priority markets, marketing activities within them are not targeted. More work is necessary to develop a well-designed strategic marketing and product development approach.

The SLTDA's annual **Survey of Departing Foreign Tourists** provides a foundation for profiling international visitors, but the sample size and survey format are inadequate to provide reliable estimates to:

- > Identify high-yield source markets
- > Identify and profile current and potential niche markets and experiences
- > Develop robust estimates and forecasts of tourism spending
- > Allow meaningful regional and attraction-level analysis

In addition, the survey is not rigorous enough in terms of sampling, implementation, question design and weighting to provide reliable estimates and forecasts of tourism spending and yield according to geographic source market. This has implications for the industry's ability to formulate focused market and product development strategies.

There is very little **data on domestic tourism**, from domestic visitor numbers to profiling. Based on feedback from government and private sector stakeholders during preparation of the TSP, the domestic market appears to be growing. Current observations regarding domestic visitors are largely anecdotal; their spending patterns and visit choices have not been statistically established or validated.

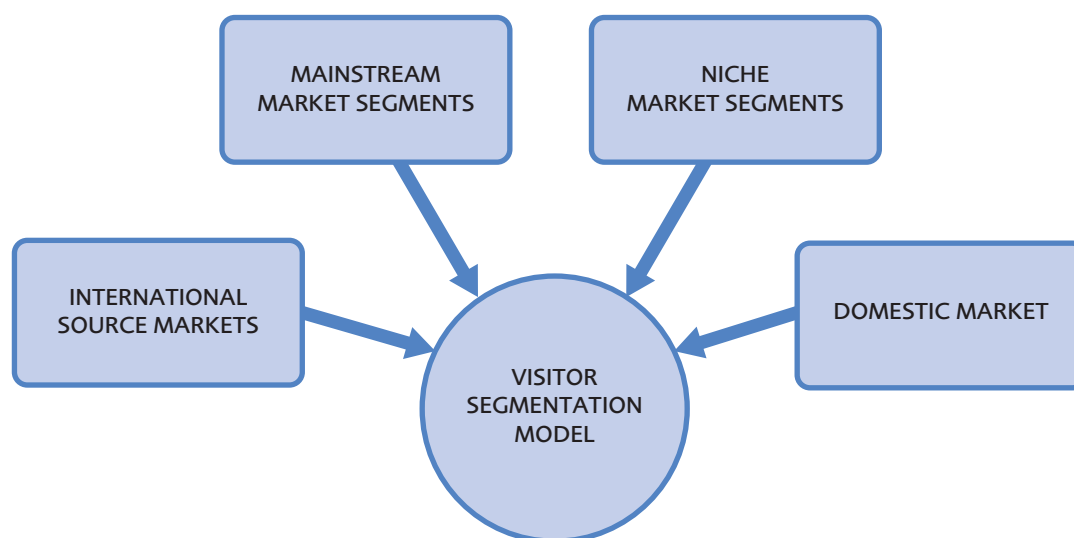
The present estimates of the **economic value of and employment in the tourism sector** have been based on direct economic value and do not include secondary impacts throughout the economy and the value chains associated with tourism consumption. The lack of reliable data on economic linkages is a key constraint to estimating the true economic value of the industry and underestimates its ability to generate employment and provide livelihoods. Furthermore, the estimates do not meet the international standards encompassed in the tourism satellite accounting methodology.

Visitor Segmentation Model (VSM)

The basis of tourism strategy is market segmentation and must be based on reliable data and research.

The current context warrants developing a robust VSM following international best practices that lays the foundation for effective marketing strategies, communications and product development. The four components of a VSM are international source markets, mainstream market segments, niche market segments and the domestic market (*Figure 5*).

FIGURE 5: Visitor Segmentation Model



Although the limited data available have gaps and shortcomings, they have been used to develop an interim VSM; Box 1 has a summary of the methodology and data sources used.

BOX 1: INTERIM VISITOR SEGMENTATION MODEL (VSM) METHODOLOGY¹⁶

(I) CURRENT INTERNATIONAL VISITOR DATA

- International tourist arrivals to Sri Lanka, accommodation statistics, foreign exchange earnings, and flight data from the Sri Lanka Tourism Development Authority (SLTDA)
- Survey of Departing Foreign Tourists from the SLTDA, which profiles the characteristics, travel behaviour, and satisfaction levels of more than 5,000 international tourists and includes departure card information
- Private sector data from Airbnb, Amadeus and the consultation process
- Digital information from TripAdvisor

(II) SUPPLY-LED DESTINATION ANALYSIS

- Destination attributes, current offerings and infrastructure strengths to identify the types of source markets, mainstream segments and niche markets that Sri Lanka is currently servicing and those that Sri Lanka would be well placed to cater to

(III) COMPARATIVE DESTINATION ANALYSIS

- Examining global trends in similar destinations to identify high-growth, high-yield markets

After analysis of quantitative and qualitative information, the model emphasised the following key variables for selection of priority markets: weighted average spending per day in package and non-package segments, arrivals' share of source markets, annualised growth from 2012 to 2015 for source markets, and average stay. To use tourism assets more efficiently, three source markets in addition to the 22 priority markets were identified based on season of arrival.

A summary of the analysis based on the interim VSM is provided below.

INTERNATIONAL SOURCE MARKETS

Criteria for identifying and categorising priority source markets may include spending, growth in arrivals, market size and other seasonal factors.

Sri Lanka attracts a diverse mix of tourists (Figure 6).

The top 10 markets, accounting for 66% of total arrivals, are India, China, the United Kingdom, Germany, the Maldives, France, Australia, Russia, the United States, and Japan. India, China, the United Kingdom, Germany, and France account for 50% of total arrivals. Reflecting the influence of these countries, Western Europe is the largest regional source market (31%), followed by South Asia (26%) and East Asia (20%).

Arrivals from the main source markets grew at reasonably high rates in the last three years. Annualised growth rates for the top 10 source markets were in double digits during this period, except in the case of the United States and Australia. Large markets such as China and India

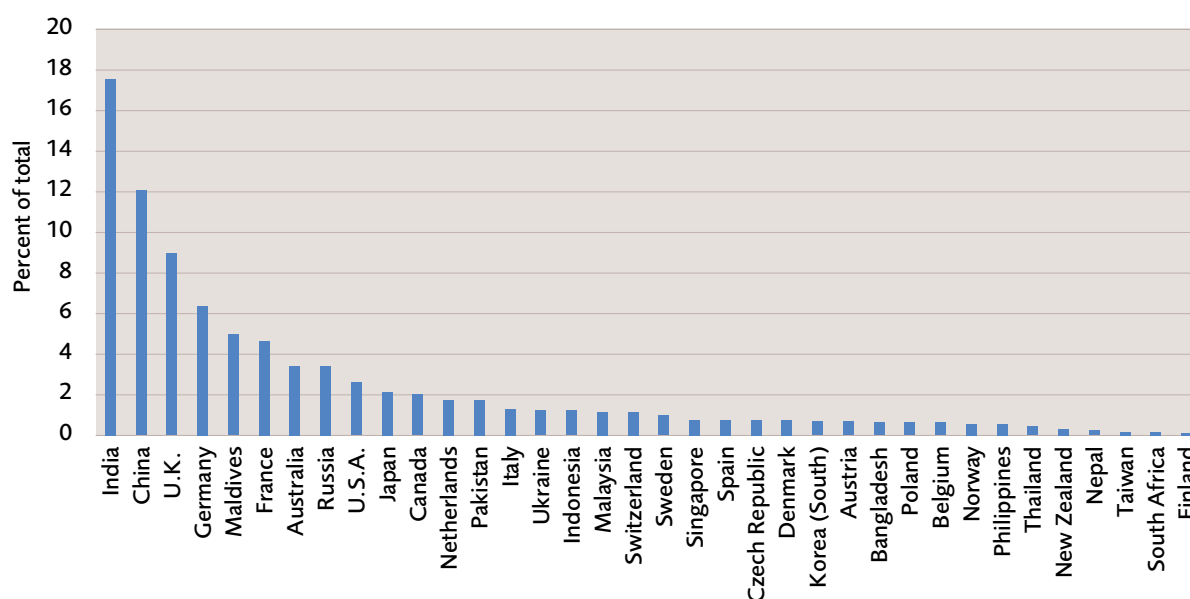
continued to contribute, with high annual growth rates.

Figure 7 maps the main source markets based on their significance in the current mix, annual growth rates from 2012 to 2015, and spending per day.

Travel trends to Sri Lanka are seasonal. Six months of the year have higher visitor levels; January, February, March, July, August, and December are considered the high season (Graph 4). Better targeting could help use tourism assets more efficiently by taking into account seasonality.

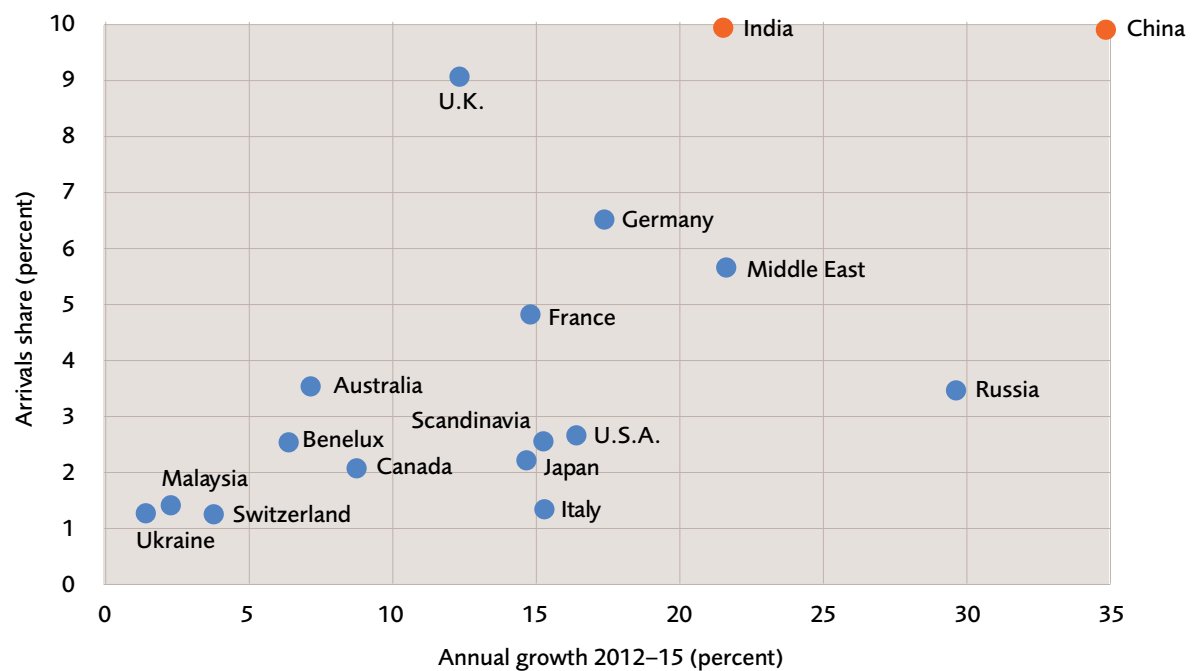
Accordingly, based on the interim VSM, **10 priority markets** have been identified as appropriate for a targeted approach: United Kingdom, China, Germany, France, United States, India, Russia, Canada, Middle East, and Australia. Three other markets have been identified to address seasonality, which will help exploit assets more efficiently during low seasons: India, Malaysia, and South Korea (Table 2).

FIGURE 6: Arrivals share by source market in 2015



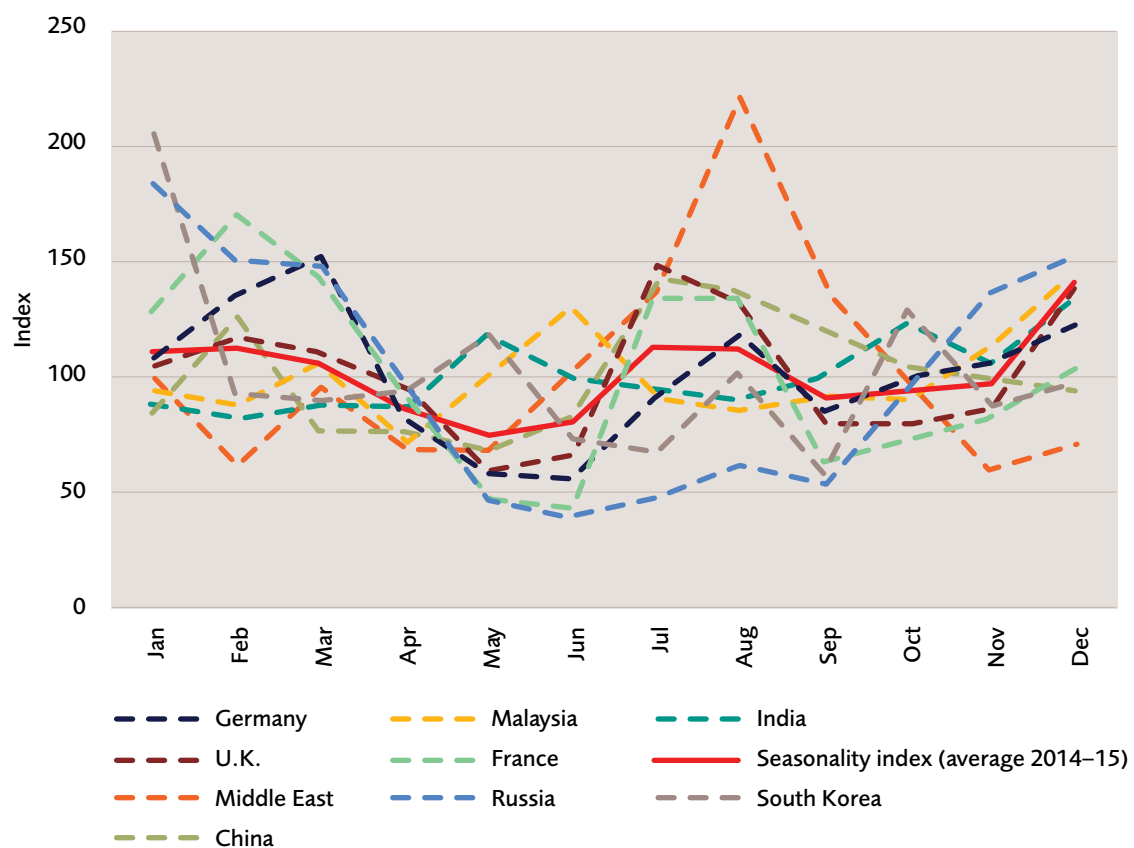
Source: Sri Lanka Tourism Development Authority Annual Reports

FIGURE 7: Source markets according to size, growth and spending



Source: Sri Lanka Tourism Development Authority Annual Reports and Survey of Departing Tourists

FIGURE 8: Seasonality of Arrivals 2014-15



Source: Sri Lanka Tourism Development Authority Annual Report

TABLE 2: Priority and Seasonal Travellers from the Interim Visitor Segmentation Analysis

Category	Markets ^{1,4}	Attributes and Considerations
Priority	United Kingdom, China, Germany, France, United States, India ² , Russia ³ , Canada, Middle East, Australia	<ul style="list-style-type: none"> • Double-digit annual growth from 2012–2015 except Australia and Canada • Traditionally large markets accounting for more than 2% of total arrivals to Sri Lanka <ul style="list-style-type: none"> - Longer-than-average stay except China and India - United Kingdom and United States are influencer markets - To consider: Effect of Brexit in United Kingdom; oil price slump in Saudi Arabia; economic hardship in Russia; aftermath of U.S. presidential election
Seasonal	India, Malaysia, South Korea	<ul style="list-style-type: none"> • Sizeable source markets • Seasonal patterns could help better use tourism assets (India peaks in May, October, December; Malaysia in June, December; South Korea in January, May, October)

Notes: Less emphasis was placed on spending because of lack of reliable data. This list should be revisited annually to review global and source-specific trends. Although India is identified as a priority market, the relative value addition of this market should be further examined. An alternative ranking system generated through the segmentation model revealed that, because of low spending and short average stay, India's significance in the overall ranking is low, although lack of spending data could have had a distorting effect on this finding. The Indian market could be important in managing tourism assets efficiently during low seasons. Indian states and travellers could be better targeted with more comprehensive, better-quality data.

Russia was included in the priority segment based on historical data despite year-to-date double-digit contraction in 2016. This reflects the expectation of economic recovery in Russia in 2017 and beyond (International Monetary Fund World Economic Outlook, October 2016 Edition).

CASE STUDY 1: THE CHINESE MARKET

Many countries see China as a low-yield, short-stay market. To achieve Tourism Vision 2025's goal of attracting high-value visitors, the approach to China needs to change. There is a growing middle- and upper-income market in China that is prepared to pay for special experiences — the type of experiences that Sri Lanka can deliver. For instance, Chinese weddings and honeymoons in Sri Lanka are growing.

Chinese travellers are diverse. Based on an analysis of income and travel spending by the World Travel & Tourism Council and Oxford Economics, household income of close to US\$20,000 is the threshold at which Chinese households can afford outbound leisure travel. Households earning US\$35,000 annually find international travel more affordable and can take longer trips. When traveling abroad, many Chinese tourists are willing to pay a premium for accommodations, dining and shopping. For the higher-end market segments, recent Chinese travel trends show that cruises, safaris and adventure travel are becoming increasingly popular.

China has a fast-growing population of well-travelled high spenders looking for new experiences. A Boston Consulting Group study (2013) showed that, from 2012 to 2030, three segments of the outbound leisure market will grow fastest: young "affluents" (aged 18 to 30), senior professionals (aged 45 to 55 not traveling with an organised tour group), and small groups of families and friends (aged 30 to 45, also not traveling with an organised tour group). By 2030, these segments combined will account for an additional 100 million annual trips and US\$340 billion in annual spending. This is different from the past, when mass-market travellers in organised tour groups accounted for most outbound leisure travellers. It indicates potential opportunities for independent consumption that offer niche and higher-end products and tend to attract more-experienced travellers.



Visits of friends and family are on the rise, driven mainly by the Sri Lankan diaspora living overseas. From 2011 to 2015, visits by families and friends increased at a 60% annual rate, compared with 15% for the pleasure and vacation category during the same period. Consequently, the significance of the family and friends category for total arrivals more than tripled to 26% in 2015, thanks to the surge in arrivals from India, the United Kingdom, the Middle East, Germany, Australia, the United States, and Russia. This category is expected to contribute to strong tourism growth during the period of the TSP (Figure 9).

MAINSTREAM EXPERIENCE SEGMENTS

The Survey of Departing Foreign Tourists 2015 indicates that most international visitors to Sri Lanka are engaging in mainstream activities, which are broadly categorised as sun and beach, historical and cultural sites, and wildlife viewing.

These segments encompass the core activities that many visitors participate in in Sri Lanka. Sun and beach is by far the most-popular mainstream activity¹⁷ but is not always a high-yield market. There is great potential for these mainstream experiences to be better managed to generate higher value and long-term sustainability.

The SLTPB has focused on these mainstream segments and made some targeted but ad hoc efforts to develop niche segments (e.g., health and wellbeing, tea, sports events, weddings), which spreads the focus too broadly and does not allow for targeted strategic marketing. Furthermore, the SLTDA does not adequately use existing market research and visitor profiling in regional planning and destination development.

NICHE EXPERIENCE SEGMENTS

To strengthen Sri Lanka's competitive advantage, to expand the total tourism capacity of Sri Lanka, and to distribute the benefits of tourism more widely, niche market segments should be developed. There are many niche market segments that could be suitable for Sri Lanka, but information on these is scarce, and further research must be completed before major marketing and product development decisions can be made.

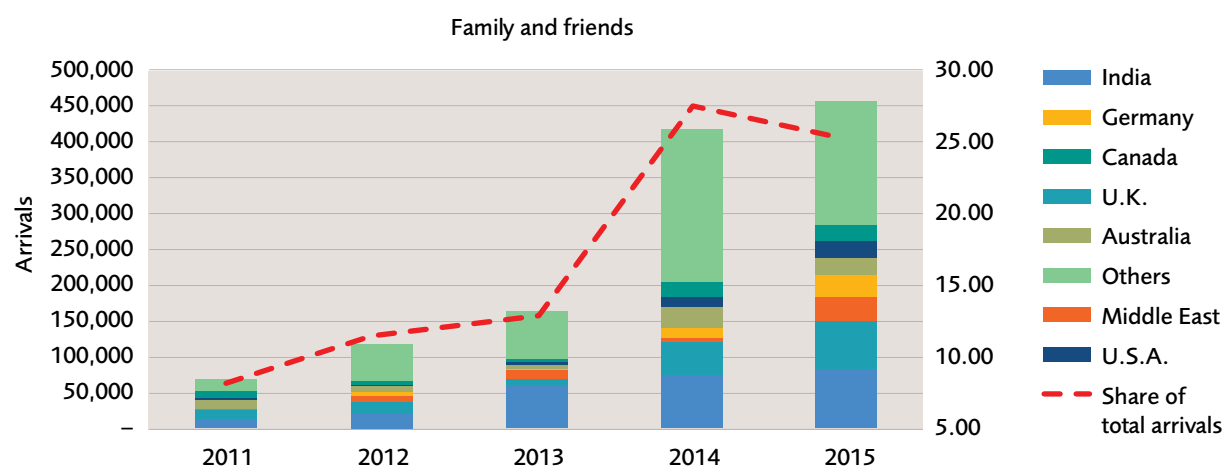
Based on data from the Survey of Departing Foreign Tourists 2015, desk research, and the consultation process, it is recommended that the following 10 niche market segments for international visitors be considered:

- > Health and wellbeing
- > Pilgrimages
- > Bird watching (aviculture)
- > Whale and dolphin watching
- > Surfing and kite surfing
- > SCUBA and wreck diving
- > Cuisine
- > Meetings, incentives, conventions, exhibitions (MICE)
- > Weddings
- > Cruises

These niche markets have been selected for the following reasons:

- > There are already significant tourism activity and products centred on these experiences
- > Sri Lanka has the natural attributes and infrastructure to further develop these experiences
- > People are willing to travel a long way for these experiences

FIGURE 9: Growth in visiting family and friends (2011-2015)



Source: Sri Lanka Tourism Development Authority

- > They are growing market segments globally
- > They have a higher yield than the mainstream segments

The **MICE** market in Sri Lanka is still in its infancy because of the lack of conference and convention facilities (beyond small to medium facilities), the limited entertainment activities in Colombo and urban areas to occupy the leisure time of MICE-related visitors, and the lack of an incentive market, and is thus considered niche. It is an important segment because the seasons at home or in the countries they visit do not motivate MICE and business travellers, which can help address seasonal fluctuations¹⁸. It is useful to understand the correlation between the categories of experience and the most-relevant source market or market segment (*Table 3*).

DOMESTIC MARKET

Data on domestic tourism are limited, but SLTDA estimates there are approximately 6 million domestic travellers annually. Based on feedback during the consultation process from government and private sector stakeholders, the domestic market is seen to be growing. Domestic travellers generally travel in groups, and most interest comes from families during school or annual holidays. The most-popular destinations are historic and religious sites (e.g., Kataragama), followed by wildlife and beach sites. In the southern coastal belt, it is estimated that three of five households depend on tourism. Anecdotally, the predominant concerns of the domestic visitor are transportation (train and bus services) and facilities (changing rooms, toilets, places to eat and relax).

TABLE 3: Experiential Categories and Most Relevant Source Markets

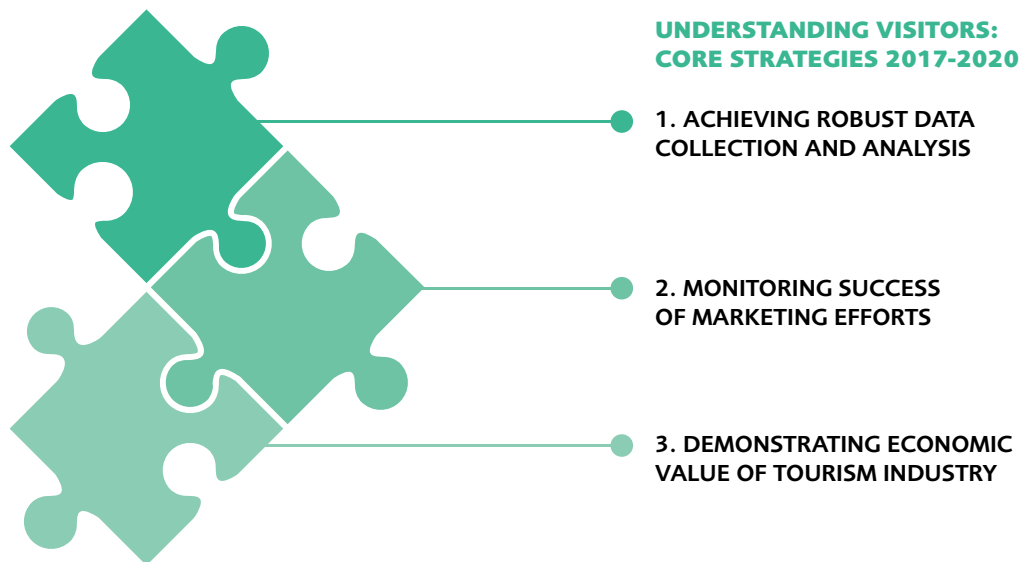
Mainstream & niche categories	Most-relevant source markets and market segments
Sun and beach	United Kingdom, China, Germany, France, United States, India, Russia, Canada
Historical and cultural sites	United Kingdom, China, Germany, France, United States, Australia, Malaysia
Wildlife interaction	United Kingdom (62%), France (52%), Australia (52%), Canada (47%), Germany (46%), Russia (41%), United States (39%), China (35%)
Health and wellbeing	Middle East (31%), United Kingdom (18%), Germany (16%), France (16%), Canada (14%)
Pilgrimage	India, China, United States, Canada
Bird watching	Avitourism and marine tourism consumers in all markets
Whale and dolphin watching	
Surfing and kite surfing	Soft adventure sports fans of all ages
SCUBA and wreck diving	Younger individuals [<35] in all markets
Cuisine	United Kingdom, United States, Australia, China
Meetings, incentives, conventions, exhibitions	India, Middle East; Europe for incentive segment
Weddings	India, United Kingdom
Cruises	Older individuals [≥50]; Europe, United States

Notes: The percentage of tourists engaged in the identified niche category from the relevant source market according to the *Survey of Departing Foreign Tourists 2015* is shown in parentheses. Other niche segments are not identified and polled in the survey and are based on general market intelligence.

Core Strategies

The strategies set out below have been identified as priorities for the next four years to facilitate movement toward Tourism Vision 2025. They have been selected because they address the highest-risk areas in terms of misdirected investment and spending on marketing and product development; setting unrealistic targets for growth; and inaccurate forecasting of visitor numbers, revenue, and employment.

Obtaining reliable data and comprehensive analysis by implementing the actions listed below will empower decision-making for sustainable and competitive product development and marketing



2.1 Achieving Robust Data Collection and Analysis

Collection and analysis of data requires a **full-time dedicated research unit** within the SLTDA with several qualified staff and a contemporary research agenda coupled with effective communication of research findings to guide SLTDA and the tourism industry. The existing team can be strengthened for this purpose and then transitioned into a distinct unit. Competencies in the unit should focus on analytics that inform strategic planning. Through this unit, the SLTDA must actively encourage academic research on the tourism industry and publicise papers and findings on its website.

The first priority of this research unit would be to conduct **market intelligence reporting** and begin to validate visitor survey data. It would work alongside industry partners to survey, analyse and publish findings from this research regularly. The research would encompass details of visitor travel habits, spending, and booking and information-gathering methods of the various source markets. The unit could maintain a database of local industry and competitor country indicators (e.g., spending, marketing budgets, hotel

occupancy rates, length of stay, hotel construction costs, labour costs) for continuous benchmarking.

In the interim, certain research actions could be initiated immediately by leveraging partnerships to obtain and purchase data from global and regional travel experts. Tourism institutions, industry partners and other stakeholders can use these findings to aid decision-making about marketing strategies and product development and to lift industry standards.

SHORT-TERM ACTIONS

The current face-to-face Survey of Departing Foreign Tourists conducted at the Bandaranaike International Airport should be enhanced to provide richer information for market segmentation purposes. Additional questions are required to expand 'travel purpose' responses to include key niche market experiences, 'travel spend' responses to understand expenditure, and 'green preferences', which will reflect the 'economic value' of ecotourism and sustainability practices, etc.

To create sustainable research models, an **online international visitor survey** and multi-channel

domestic visitor survey should be implemented. The domestic visitor survey would also help capture outbound tourism trends and help with seasonal planning.

There is a wealth of information in the **immigration data** collected through the e-visa system. Subject to confidentiality agreements and as done in other countries, this data can be analysed to better understand visitors to Sri Lanka.

By continuously collecting data, it will be possible to develop and validate a **reliable VSM** that informs purchasing and spending behaviour for niche market segments. This will guide strategic marketing efforts and feed into the VSM. The VSM is only as good as the data it is fed. Using the data currently available, an interim VSM has been developed, as mentioned above. It is intended that, once one year's research and analysis is complete, the interim model will be validated and further refined or re-evaluated.

CORE STRATEGY 2.1: Actions for Achieving Robust Data Collection and Analysis

	Actions	Lead agency and partners	Timeframe	Outcomes
13	Strengthen SLTDA research team and transition to setting up a dedicated tourism research unit for data collation, analysis and dissemination. SLTDA to encourage university and other academic research and help to publicise.	Tourism Ministry SLTDA	Priority in Q1 2017	Improved data collection and analysis leading to more efficient marketing spending and higher visitor numbers in targeted markets and segments.
14	Enhance current face-to-face <i>Survey of Departing Foreign Tourists</i> at the airport with additional and more detailed questions.	SLTDA	Priority in Q1 2017	
15	Implement international visitor survey online to complement enhanced airport survey (Action 14) and increase sample size of survey to at least 30,000.	SLTDA Development partner	2017 ongoing	
16	Comprehensive analysis of immigration data for visitor trends	SLTDA Immigration Department	2017 ongoing	
17	Design and implement domestic visitor survey of Sri Lankan residents using online and face-to-face data collection at various touch points and in collaboration with local university	SLTDA Development partner University	Priority in 2017, ongoing	
18	Purchase relevant international market research studies, data and annual subscriptions for market-specific information to understand consumer trends and key outbound markets	SLTDA	Priority in 2017, ongoing	
19	Develop niche market profiles using data from the from the redesigned <i>Survey of Departing Foreign Tourists</i> , online international visitor survey and other sources	SLTDA SLTPB SLCB	2017	
20	Once above actions are implemented, validate and refine interim VSM used in TSP and develop reliable VSM. Develop criteria for identifying and categorising priority source markets	SLTDA SLTPB SLCB	2018	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau; VSM, Visitor Segmentation Model

2.2 Monitor Return on Marketing Efforts

Research must be conducted to monitor the success of ongoing marketing efforts and be constantly adapted if required. Success of the marketing strategy is measured in terms of boosting awareness and the appeal of Sri Lanka in line with Tourism Vision 2025, and it must be tracked through **continuous consumer research** of travellers in the key source markets. The following research methodologies can be used to track Sri Lanka's brand as a global travel destination.

BRAND HEALTH RESEARCH

This research measures the degree to which international travellers seek different holiday experiences and then ascertains the extent to which Sri Lanka is perceived as offering these experiences. This research will assist in identifying the current perceived strengths and areas in which more marketing or product development needs to be undertaken. Such surveys should be repeated every two to three years to assess whether the brand image of Sri Lanka has shifted in the source markets.

BRAND TRACKING RESEARCH

This is needed to track international travellers' preference for and intention to visit Sri Lanka. A large online sample would be needed to do so, but only a small percentage of the source markets who have a preference

for or intention to visit Sri Lanka would need to be asked about their motivations and the types of experiences they are seeking plus barriers to travel.

ONLINE SOURCES OF INFORMATION

Technology can be harnessed to monitor the take-up and response by consumers, especially tracking websites, social media and online platforms. **Online tools** (e.g., Google Analytics) and **online review platforms** (e.g., Review Pro, Local Measure) can be used to access consumer reviews of accommodations, tours and restaurants. They provide a dashboard of consumer reviews (Google and Facebook reviews and travel booking and review websites) to gauge standards and visitor satisfaction. The SLTDA can consider forging **commercial arrangements with online platforms** (e.g., Google, TripAdvisor) to analyse their search data and provide traveller search trends such as rankings of Sri Lanka relative to other destinations in terms of holiday search data. **Beacon technology** is a tool to provide information, recommendations and on-the-spot marketing offers to visitors at specific locations such as airports and attraction sites while collating data for visitor profiling.

All this brand monitoring is important as Sri Lanka transitions from being known as a cheaper destination to a higher-value destination that offers specialist niche experiences.

CORE STRATEGY 2.2: Actions to Monitor Success of Marketing Efforts

	Actions	Lead agency and partners	Timeframe	Outcomes
21	Undertake online consumer research in key source markets to track brand health and brand research.	SLTPB	2017 ongoing	Greater efficiency and targeting of marketing spend
22	Implement regular website and social media monitoring to gauge success of digital marketing efforts.	SLTDA SLTPB	2017 ongoing	
23	Use online review platforms to access online dashboard of consumer reviews to gauge standards and visitor satisfaction.	SLTDA SLTPB	2017 ongoing	
24	Evaluate and contract online platforms to analyse their search data to understand traveller search trends relevant to Sri Lanka.	SLTDA SLTPB	2017 ongoing	
25	Consider using beacon technology to communicate with visitors in country using a mobile app for marketing and visitor profiling. Beacons will need to be installed at high-traffic tourist locations (e.g., airports, attractions).	SLTDA SLTPB Other government departments	2017 ongoing	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau.

2.3 Demonstrate Economic Value of Tourism Industry

Reliable data need to be collected from international and domestic tourists to estimate and forecast tourism revenues and jobs. This will more accurately estimate the total contribution of the tourism sector to the country's economy through a tourism satellite account (TSA), which will provide data on revenues from international and domestic tourists, jobs attributable to tourism, tourism as a percentage of gross domestic product, and tourism exports and imports. The TSA:

- > Provides credible data on the effect of tourism and associated employment, and on the country's balance of payments
- > Provides information on tourism human resource characteristics
- > Provides information on consumption, investments and taxes that tourism generates
- > Is a powerful instrument for designing appropriate policy
- > Is based on international standards, which makes it easier to compare and benchmark with other countries

To complement the TSA work with more granular details, a **tourism value chain** analysis and mapping exercise should be conducted. It would help understand the grassroots trickle-down effect of the tourism industry and highlight opportunities for further value addition.

In addition, the provincial and local government network can be used to conduct **regional visitor and business surveys**, which would collect information at a regional level about the appeal of the destination, visitor spending, business seasonality, visitor satisfaction (e.g., with accommodations, access and transportation, information services, attractions, restaurants and cafes, shopping, safety and security), and reasons for satisfaction or dissatisfaction. Such information can be used to monitor and improve quality and service standards, which will help Sri Lanka become a high-value destination.

In collaboration with the private sector, the government must conduct **employment surveys** to identify human resource gaps and forecast workforce-related industry trends (*Chapter 6*).

CORE STRATEGY 2.3: Actions to Improve the Measurement of the Economic Value of Tourism Industry

	Actions	Lead agency and partners	Timeframe	Outcomes
26	Expand questions on expenditure and niche experiences in international and domestic visitor surveys (see <i>Actions 14, 15 and 17</i>), which will provide reliable data for use in tourism revenue and demand estimates and forecasts and data that can be used to build a tourism satellite account.	SLTDA	Priority in Q1 2017	Improve data quality and use to disseminate more-accurate economic information about tourism
27	Develop a tourism satellite account for Sri Lanka	SLTDA, consultant	2018	
28	Conduct a tourism value chain analysis and mapping exercise	SLTDA, university	2017	
29	Develop and implement regional visitor and business surveys in partnership with provincial and local governments; potential support from development partners	SLTDA, Other government departments	2018 ongoing	
30	Develop and implement workforce employment surveys in collaboration with private sector	SLTDA Private sector	2018 ongoing	

Note: SLTDA, Sri Lanka Tourism Development Authority.

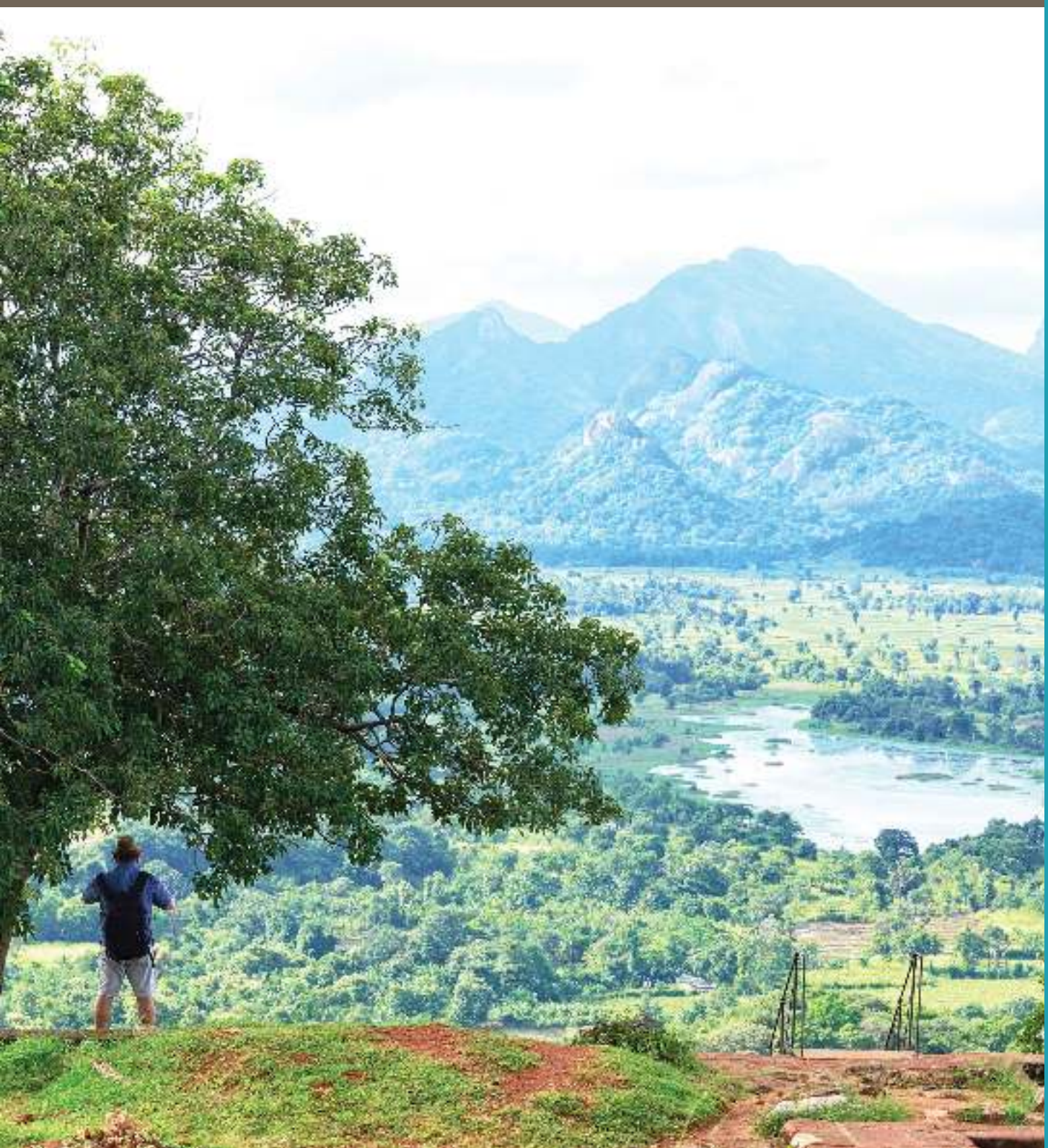
Endnotes

16. Marketing Supplementary Paper 1 (2016) provides additional information.
17. The sun and beach segment is the mainstream experience segment for the selected priority markets. According to the *Departing Foreign Tourists Survey*, in 2015, travellers identified sun and beach as their first choice, with a range from 61% for India (lowest) to 86% for Russia (highest).
18. According to World Travel Monitor, the number of MICE trips globally had increased by 6% to 94 million trips in 2015 from 88.1 million in 2014. The incentive sector tops the list of growth, at 61%, followed by the convention sector at 44%. Bali is the largest incentive tourist destination.



Marketing and Communicating Effectively

CHAPTER 3



Sri Lanka's image as a tourist destination needs to change. To achieve Tourism Vision 2025 and work toward the UN SDGs, destination marketing encompassing Sri Lanka's Roots Philosophy must be used. Without a change in marketing approach, Sri Lanka will not be able to move to higher-yield niche markets. Tourism marketing needs to be more focused, inclusive, and tailored to address specific consumer needs.

Current Context



STRENGTHS

- Asia's travel growth is the highest it has ever been, and Sri Lanka is strategically placed in the region alongside growing source markets; it has the ability to attract people already travelling within the region.
- Perceptions of Sri Lanka as a tourism destination are largely positive albeit not widespread.
- Sri Lanka is well positioned to be marketed as an authentic destination for experiential travel, including high-value, nature-based, culturally rich tourism.
- Sri Lanka fills a niche in high-value destinations.



CHALLENGES

- Absence of a holistic approach to marketing and communications from overarching policy to strategic planning.
- Absence of quality-driven, professional, digitally savvy strategic activity plans.
- SLTPB focuses on limited low-return marketing activities, namely conventional methodologies such as trade shows, consumer shows and above-the-line advertising.
- SLTPB marketing and communications activities have not been trend conscious and dynamic in response to market requirements.
- SLTPB is faced with challenges in implementing and executing due to capability, competence and experience limitations of staff.
- Perceptions exist of Sri Lanka as a country that is still at war and therefore unsafe.

Core Strategies

The diagram below shows the components of a marketing strategy — research, brand development, market development, and the respective channels. This strategy can assist with determining resource requirements for teams internally and what needs to be outsourced. The marketing strategy and marketing teams are also closely linked to the destination planning team.

VISION, MISSION, PHILOSOPHY, OBJECTIVES, PRINCIPLES

MARKETING STRATEGY

RESEARCH

Brand health & tracking, data & indicator trends, visitor segmentation & insights, competitor destination trends, brand equity study & key drivers, journey mapping

BRAND DEVELOPMENT

- Define brand, position values, personality, target consumer values, proposition
- Brand comprises brand identity (logo), brand architecture (extension), value proposition (tagline), and brand guidelines covering all touch points
- Resources required: internal team to define brand strategy, external contract or outsourced agency for brand identify development

MARKET DEVELOPMENT

- Formulate development plans and strategy for current markets: mainstream markets, source markets, domestic market
- Formulate development plans and strategy for new markets: niche markets
- Consider sales channel development because of global trends toward greater independent travel and less use of intermediaries
- Use of channels to reach these identified markets (conventional above-the-line and below-the-line, digital, public relations, staging)
- Resources required: internal team to develop product plans, execution, monitoring; cross-functional working groups or teams should come together.

CONVENTIONAL ABOVE-THE-LINE AND BELOW-THE-LINE ADVERTISING

- Brief advertising agency
- Develop advertising campaign, collateral, merchandise
- Resources required: internal team to brief and evaluate advertising agency, contract advertising agency

DIGITAL

- Prepare digital strategy roadmap
- Aspects include web development, social media, content development & management, other web tools
- Resources required: provide brief & contract external company for digital strategy roadmap

PUBLIC RELATIONS

- Prepare public relations an communications plan
- Resources required: internal team for planning, one external global agency or an agency in key markets for execution

STAGING

- Includes events, activations, road shows, trade shows
- Overall plan and events calendar

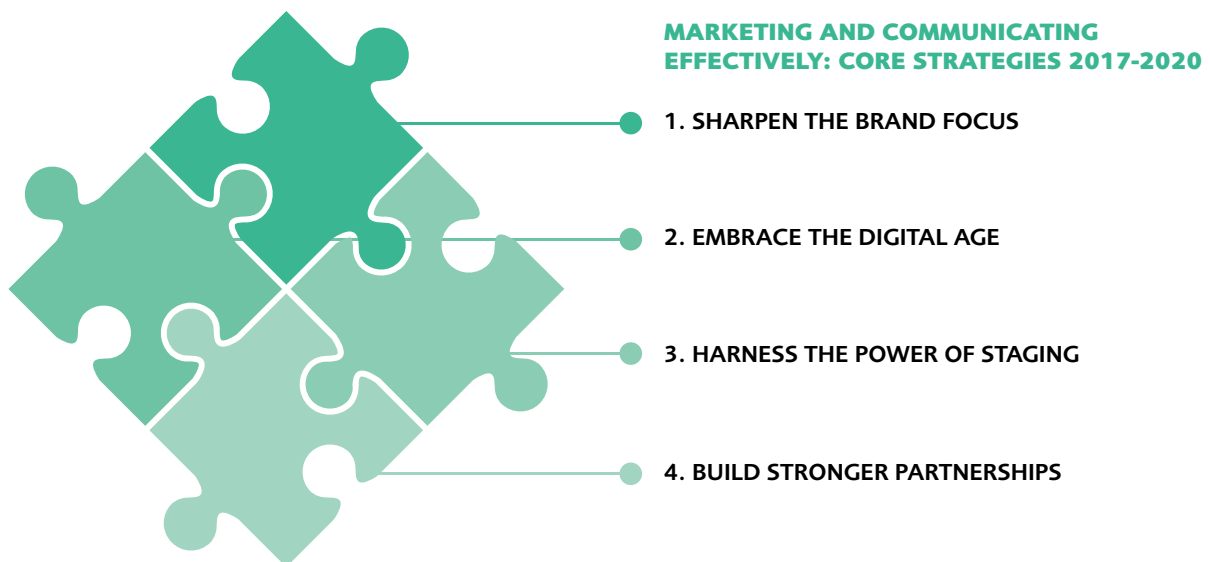
An **inclusive, holistic approach** is required to achieve Tourism Vision 2025 and work toward the UN SDGs. The core marketing and communication strategies and actions for the next four years are outlined below (*Actions 31 to 56*). The intended results will use existing resources more effectively and economically and lay strong foundations for sustained growth for the future.

The interim VSM indicates that 10 priority markets and four seasonal markets should be focused on; together with big data findings and international outbound tourism research, visitor profiles per market need to be developed. This further extends to niche and domestic markets being paired with appropriate products and services (*Chapter 2*).

Return on investment for all marketing initiatives should be continuously and carefully assessed. Investment in marketing is for the long term and cannot always

be judged on per-visitor or per-dollar spending. For example, although events and stunts can generate significant publicity, they may not translate directly into visitor arrivals and spending, although they can build the destination brand. Furthermore, **marketing has a wider responsibility to manage the visitor's expectations and experience**. Rather than continuing to highlight the same attractions, marketing lesser-known, off-the-beaten-track spots can encourage visitor dispersal and help alleviate over-visitation.

The actions below will help to achieve a diverse yet targeted marketing programme as part of realising Tourism Vision 2025 that is based on sound research, sophisticated segmentation, and productive private sector partnerships. The actions defined will also support the online profile of Sri Lanka and connect and communicate with travellers who share its sustainable tourism principles.



3.1 Sharpen the brand focus

Sharpening the marketing focus means having sound research at the core, strong brand identity, and the most effective and value for money channels — based on strong evidence — for all marketing and communications activities.

Sri Lanka's tourism stakeholders need to know far more about visitors and their demographic characteristics and source countries to segment markets, build visitor profiles, and market to them using the most-appropriate channels. Focusing and targeting enables more-effective use of staff time and resources. It also ensures better monitoring of the efficacy of marketing campaigns communicated differently according to the maturity of each market. The first step is to develop and implement a **rigorous research system** that will inform the marketing teams and the tourism industry about the characteristics of all markets qualitatively and quantitatively (*Chapter 2*).

Just as the profile of the contemporary traveller is always changing, the VSM should be a rapidly evolving model. Each iterative version will enable data-driven, intelligent decision-making, thereby continuously sharpening the marketing focus. This model should evolve to a standard where the desired high-yield traveller becomes a reality, which is central to Tourism Vision 2025.

Sri Lanka's tourism sector requires a **brand that characterises the essence of the destination** and is in line with Tourism Vision 2025 and market research. The brand is not just a logo and tagline, although they must be developed as a means of communicating the brand. The brand identifies the destination and its appeal and values, and differentiates it from its competitors. The brand will influence images and editorial content so that a common message is being delivered. Government and the tourism industry need to accept and use it.¹⁹

Photo images and video content should be curated and used in all marketing and communications activities, ensuring that the imagery is in line with the brand and signature experiences associated with the brand.

PRODUCE AND CURATE ORIGINAL CONTENT —

Original and curated content is the cornerstone of digitally savvy campaigns and communications, serving as a visual reference for the brand and epitomising brand values.

STILL AND MOVING IMAGE LIBRARY — A library of still and moving images should be developed immediately and be professionally catalogued, and all copyrights should be owned or an agreement should be made with the owners over licensing of each image. This should be outsourced to professional photographers or managed by an art director within Sri Lanka Tourism. Additional suitable images that tourism industry and visiting journalists, photographers and bloggers take should be added to the library once suitable copyright approval has been negotiated and obtained. YouTube is a cost-effective way to share a message with potential customers, and collateral needs to be developed specifically with this in mind. Sri Lanka Tourism should closely manage the types of images used in any promotion so that they reinforce the brand and depict sustainable tourism experiences.

A revitalised **public relations and communications strategy** with media coordination that fully supports the marketing strategy should be developed. Story telling is an essential ingredient for communicating through all media types, and original content should be developed and distributed. There should be **consistent baseline messaging** on Sri Lanka as a safe, secure destination. According to source market profiling research, travellers from India, China, the United Kingdom and Germany base their travel choice first on "safety and security". This message can be transmitted subtly but coherently using overseas missions, key travel agent meetings, conferences and brand ambassadors (*see Section 2.2.4*).

Continuous communication with the general public, industry partners, domestic travellers, and international press where relevant will further enable a strong communication policy for the tourism institutions. This is best addressed by conducting a monthly press briefing.

The Visiting Journalists Programme and Familiarisation Tours should be revitalised by staggering delegate arrivals throughout the year and developing tailored itineraries and VIP programmes for key journalists, editors and travel agents. Applications and criteria for selection must be refined in accordance with international best practices. Credible journalists, editors, travel agents, wholesalers and bloggers should be invited to visit Sri Lanka and then their content be evaluated.

CORE STRATEGY 3.1: Actions to Sharpen the Brand Focus

	Actions	Lead agency and partners	Timeframe	Outcomes
31	Hire a creative agency to review current brand identity to assess whether to continue with current logo and tagline or redesign and revise messaging and images in line with Tourism Vision 2025. Develop a brand toolkit that can be made available to broader tourism industry. Encourage use of toolkit through industry partnerships and launch road show.	SLTPB SLTDA SLCB	Draft TOR Q1 2017	Increased brand equity and awareness
32	Create updated or revised campaign with specific, appropriate messages for each priority source market .	SLTPB SLTDA Tourism associations	Q2 2017	
33	Use new research findings (<i>Chapter 2</i>) to create new campaigns with specific messages for each priority niche segment and signature experience.	SLTPB SLTDA Tourism associations	Q3 2017 onwards	
34	Revitalise publicity collateral . Develop still and moving image library with negotiated copyrights. Produce and curate original content, including niche and signature experiences.	SLTPB Private sector	Q1 2017 onwards	
35	Develop and implement public relations and communications strategy including consistent safety and security messaging and regular press conferences.	SLTPB SLCB Private sector	2017 onwards	
36	Develop structured visiting journalists programme , including tailored itineraries, catering to range of media journalists and content editors.	SLTPB SLCB Private sector	2017 onwards	
37	Develop marketing internship programme for innovative content production (photographers, content writers, designers, bloggers, etc.).	Tourism Ministry SLTPB	2017 onwards	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau.

3.2 Embrace the Digital Age

National tourism organisations worldwide are having to change their 'bricks and mortar' approach with the advent of the digital age. The most important element of marketing is now **digital marketing**. Online and social media platforms are the first source of information for travel abroad. Travellers use smartphones and tablets throughout their trip, so travel companies and destination marketing organisations have multiple opportunities to communicate and connect with 'hot leads' over a longer period of time. Embracing digital media and communications means the destination can remain relevant for longer.

Well-designed professional campaigns properly implemented across digital platforms can broaden consumer and trade reach. They are significantly more cost effective than conventional above-the-line advertising and offer an added advantage of an evolving approach, with the ability to track progress and results in real time.

Sri Lanka's destination marketing efforts have not fully embraced the digital landscape, lacking ingenuity and relevance. Government procurement procedures, which are not entirely familiar with this space, have also limited marketing efforts.

Digital channels may be used for various purposes, including outreach, research, crisis management, community mobilisation and recruitment, to reach emerging markets and domestic travellers. This chapter discusses marketing-specific priorities. To this end, a comprehensive **digital marketing roadmap** must be prepared. This would include website design and development, content creation, management of social media channels (Facebook, Twitter, Instagram, Snapchat, Wechat, Weibo, Baidu, etc), search engine marketing, search engine optimisation, travel apps, and online platforms (e.g., TripAdvisor).

External consultants should be tasked with executing content plans in consultation with SLTPB, and online presence should be highly curated.

As an immediate priority, a **visually striking, highly functional destination website** that is rich in content, customer friendly and mobile responsive, and includes search capabilities according to location, signature experience, and type of product should be developed and regularly updated. It must contain a series of interactive routes and itineraries themed according to experience, geography, duration and area of travel. These itineraries will provide potential visitors with information on a range of alternative holiday experiences in Sri Lanka and spread visits beyond the current hotspots, resulting in broader dispersal of economic benefit and taking the pressure off sensitive cultural and wildlife sites.

In the spirit of cooperation with private enterprises, the website should be a tool for significant value addition for **SLTDA-registered tourism businesses**. It can contain details of these businesses under appropriate categories (e.g., accommodations, tours, attractions, retail arts and crafts, local cuisine), links to the operator's website (if applicable), and monthly promotional editorials. The site can also include an interactive events calendar covering man-made and natural events. Website images and editorial should be in line with Tourism Vision 2025 and promote sustainable tourism practices and experiences.

This website should be combined with engagement in appropriate **social media channels**. Social media is the fastest-growing means of consumers interacting with destinations and their products. Channels such as Facebook, Instagram, Baidu, TripAdvisor and Weibo should be considered alongside the VSM, and content plans for each channel should be developed. These further feed into concurrent digital marketing campaigns.

Consistent, active engagement with potential travellers online creates a unique environment where conversations happen. This can be stretched across website and social media channels, for example by using an **online help desk or customer service desk** on the website. Sri Lanka Tourism will also need to synergise its online presence with industry and the related private sector to engage with social media systematically, consistently, professionally and regularly.

It is critical to establish a **digital marketing team** or cross-functional working group with core digital media capabilities to handle this work. There should be at least three competent full-time social media communications staff to source stories, upload those stories and photos, answer questions, and connect with consumers. They also need to organise Insta-meets to bring focus on Sri Lanka through this medium. It is necessary to outsource the expertise where it does not exist in house (see *Chapter 6*).

CORE STRATEGY 3.2: Action to Embrace the Digital Age

	Actions	Lead agency and partners	Timeframe	Outcomes
38	Prepare a digital marketing roadmap using multiple channels for wide reach to 10 priority markets.	SLTPB Consultant	Prioritise, implementation by end of Q2 2017	Improved results from online distribution channels
39	Redevelop Sri Lanka Tourism consumer website . SLTPB, SLTDA, SLCB staff should: <ul style="list-style-type: none"> • Collate detailed destination and experience information with emphasis on visuals • Write copy with audiences in mind • Strict copyright considerations • Assign responsibility for management of site, including weekly updates on posts, analytics and traffic 	SLTPB SLTDA SLCB Consultant	New website framework completed by end Q3 2017. Continuous visible progress will be seen.	
40	Develop digital interactive visitor touring routes and digital interactive events calendar	SLTPB Private sector	Q2 2017	
41	Establish virtual help desk for visitor support and interaction	SLTPB Private sector	Q2 2017	
42	Provide value addition for SLTDA-registered businesses on Sri Lanka Tourism consumer website	SLTPB SLTDA	Q2 2017	
43	Strengthen digital capacity within Sri Lanka Tourism with cross-functional working groups, new recruits, temporary consultants and by outsourcing	SLTPB SLTDA	Q2 2017	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau.

3.3 Harness the Power of Staging

The current emphasis on trade shows and public road shows must be rigorously examined to ensure they are delivering strong return on investment. Each show should be measured against strict criteria because the value of these types of promotions are being questioned by national tourism organisations globally as the Internet is becoming the top source of information for prospective visitors, and there is a move toward independent travel.

Participation at **trade shows** needs to be critically assessed according to presence (how important is it to be there), activities, attendance, spending, and value for money, particularly considering the types of markets and the targeted segments. There are mainstay trade shows in each key source market (e.g., World Travel Market in London, International Travel Bourse in Berlin, International French Travel Market Top Resa in Paris) that should be continued, but they should be maximised. These major events provide a captive audience of travel communities, which can be leveraged for product launches and publicity stunts. They can also be coupled with fringe events and consumer activations to amplify the brand and its values. A calendar of luxury fairs (e.g., Virtuoso, Pure) and niche fairs (e.g., bird watching, culinary, wellness, cruise and sailing) should be considered to support Sri Lanka's transition to the high-value and niche segments. Industry partners could be given responsibility for such activities when the market begins to mature.

In future, it may be more effective to have **in-market representation** by a company that can connect with industry and the media on an ongoing basis; a cost-benefit review needs to be undertaken to determine whether this is the case. Models comparing return on investment for trade representation, public relations and advertising can be developed to establish the most-effective method of delivery in international markets. This model has proven successful in several other countries and offers significant value for money.

Publicity stunts often provide excellent return on investment. Provided they are in line with brand values and are tasteful, they can gain significant exposure in mainstream media and go viral. At least one publicity stunt should be held each year in priority and emerging markets. These can take place in target countries or in Sri Lanka, with adequate exposure, but relevance to the market segment and being trend conscious are critical to success. For example a giant papier-mâché elephant in Trafalgar Square can create publicity for the UK market to visit elephants in the wild in Sri Lanka. This could be done

in connection with World Wildlife Day or World Elephant Day, and a campaign about the one-of-a-kind Elephant Gathering in Minneriya could be promoted alongside it.

Events are an excellent way of attracting visitors, with the added bonus that they can be scheduled during the low seasons to help even out visitor demand. A dynamic, multifaceted **annual events calendar** is an excellent tool for building and marketing the Sri Lanka brand while showcasing Sri Lankan talent and heritage. Events can be timed to highlight the island as an all-season destination and to promote particular locations or lesser-known attractions (e.g., a world-class event in Passikudah, international surfing and kite surfing championships in Arugam Bay and Kalpitiya). The calendar should have a quarterly international standard event to attract visitors from the region and showcase the country (e.g., international artist, celebrity chef). An events calendar needs to cover a running 12-month period at a minimum but preferably two to three years in advance. It should include events, festivals, holidays and significant natural phenomena (e.g., whale season, elephant and bird migration). These events will help create content that people can share in real time, which is a form of direct, authentic advertising (see *Sample Events Calendar in Main Annexes, page 113*).

Rather than replicating what is done elsewhere, it is important to develop **home-grown events** with a distinct identity that showcase special elements of the island and can help develop niche segments. For instance, Vesak Day is an iconic event celebrated throughout Sri Lanka in May (international example: Songkran Water Festival in Thailand). Ideas for events are listed in Box 2 but must be assessed for viability and produced in a partnership of the public and private sectors.

To support local events, a **clear and consistent events policy** must apply to all applicants. The process can be made more efficient through an online application process and a way of evaluating the tourism value or potential of a proposal. Sri Lanka Tourism will target and provide support for events held in the off-season and in specific areas to encourage visitor dispersal. This strategy may also be used to disperse domestic travellers during holiday seasons to help reduce over-visitation. An **events grants scheme** could be set up to provide incentives for provincial governments and entrepreneurs to develop such events with community involvement (e.g., regional food festivals, craft celebrations, beach bazaars). There are opportunities for significant events that can showcase unique features or lesser-known attractions of Sri Lanka, such as marathons and triathlons in scenic locations, for example the hill country.

BOX 2: EXAMPLE EVENT IDEAS

ROOTS SRI LANKA — An annual celebration of everything that stems from Sri Lanka; an embracing of the sustainable simple life; an appreciation of everything local, from elders to heritage to peace. See the extraordinary in the ordinary (e.g., fruits, vegetables, spices, trees, medicinal plants, flowers, folklore, dance, music, astrology, indigenous rituals, gems, meditation, history, architecture). With the support of the provincial councils and local government, this event can be held in a different location every year. It can be one major event with related activities throughout the year.

COLOMBO PARADE — One weekend a year when the Colombo Fort and Pettah areas are closed to traffic and the public can walk the streets in a carnival atmosphere. Historical traditions can be commemorated with food, costumes and floats. Seminars and workshops on living heritage with a focus on architecture, history and traditions can be organised. This event should have active participation of schools and can become a must-see event for international and domestic visitors alike.

The SLCB has made strides in developing Sri Lanka's MICE market, but the industry has been predominantly focused on conventions and exhibitions. Conventions can only host up to 2,000 attendees until a suitable high-tech convention centre is built (*see Chapter 4, Section 4.3.4*). Nonetheless, there is considerable scope over the coming four years to capture the incentive side of the MICE market. This is the creation of **exclusive or "money can't buy" experiences** as special incentive packages for corporations, for instance, dinners at hilltop tea plantations with helicopter transfers and trekking in a

small national park with ranger guides. Not only do they deliver high-net-worth visitors and higher returns to the private sector, but they also enhance the image of Sri Lanka as a high-value tourist destination.

Sri Lanka can also consider hosting niche but high-profile conferences that support Tourism Vision 2025 and the UN SDGs, for instance, a roots tourism travel fair with a strong sustainable and community tourism focus and summits on special subjects (e.g., whale watching, wreck diving, wetlands, bird watching).

CORE STRATEGY 3.3: Actions to Harness the Power of Staging

	Actions	Lead agency and partners	Timeframe	Outcomes
44	Prepare selection criteria for trade and road shows and prepare trade and road show calendar . Include specialist fairs based on targeting key markets and niche segments based on the visitor segmentation model.	SLTPB Private sector	Priority in Q1 2017	Staged events calendar developed; return on investment monitored
45	Develop and execute at least one public relations stunt per source market per year.	SLTPB Publicity team	Q2 2017 onwards	
46	Prepare a comprehensive annual events calendar , with emphasis on home-grown events, regional events and events during the low seasons. Develop an events policy with pre-plan objectives and a post-evaluation.	SLTPB Provincial & local government	Priority in Q1 2017, onwards	
47	Establish events grants scheme to encourage local events and entrepreneurship.	SLTPB Provincial & local government	Q3 2017	
48	Identify and develop at least 10 "money can't buy" incentive packages to market systematically.	SLCB Private sector	Annually starting Q1 2017	
49	Specialist travel fair in Sri Lanka and subject summits in coordination with Tourism Vision 2025.	SLTPB SLCB Private sector	Annually starting Q1 2018	

Note: SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau.

3.4 Build Stronger Partnerships

SLTPB and SLCB should be the lead agencies in overall destination marketing, working closely with other government stakeholders, provincial governments and private enterprise (see *Chapter 1 for working arrangements*). **SLTPB and SLCB should enhance private sector relationships and develop strategic partners for optimum collaboration, specifically in marketing.**

This partnership should be strengthened with regular contact through formalised **tourism advisory working groups** representing sectors, experiences or niche segments. Planning meetings can be held well in advance of marketing events to ensure adoption of marketing plans and initiatives. Frequent follow-up meetings should then take place to ensure implementation, which is the weakest link. For example, quarterly planning for trade shows can take place with themes, collateral, gifts, or any product launches being decided in advance. Data collated and analysed for the VSM can support decision-making. In line with current practice, the private sector should be involved in developing marketing action plans.

Sharing knowledge and **educating travel agents** about Sri Lanka and its product offering empowers them as partners of Sri Lanka Tourism. To this end, direct educational interactions with the trade is essential, particularly with individuals providing niche experiential travel experiences because Sri Lanka is positioning itself as a high-value destination. Competitions can be held, with the winners being selected for high-value familiarisation tours, as mentioned above.

A quarterly quality **digital newsletter** for the industry should be sent to all registered tourism businesses and overseas missions. Rather than a list of past activities, the content should be progressive and engaging, including aspects such as market insights, new research findings, upcoming events and promotional opportunities, which helps with advance planning and builds rapport.

By entering **strategic partnerships for joint promotion**, Sri Lanka Tourism can gain greater value for money. This can be done with key stakeholders such as airlines, major hotel groups, cruise companies and niche tour operators to outline cooperative marketing opportunities. Clear policies and agreements must be entered into to ensure mutually beneficial outcomes.

Strong strategic partnerships with global media groups should be built to take brand Sri Lanka to the world. Selection of media groups should be based on the markets targeted, the content available and brand

alignment. Partnerships with media groups should go beyond advertising contracts or single programmes, and they can help develop world-class editorial content, photography, footage and digital content that can be used for multiple media channels. For instance, and based on the target markets, Animal Planet and National Geographic for the wildlife and ecotourism offering and Discovery Channel and CNN for cuisine, luxury and new experiences. Specific collaborations for television series in specialist areas or pop culture, which SLTPB is already working on, should also be actively pursued; one in five travellers have visited a destination they saw on a television show, according to TripAdvisor. This content can be used for domestic markets as well.

Sri Lanka Tourism can work closely and collaboratively with key country promotional agencies, such as the Board of Investment, Export Development Board, SriLankan Airlines, and Tea Board. These **government agency partnerships** use public funds more efficiently, avoid duplication of limited resources, and amplify the promotion.

The above strategic partnerships can be entered into only after clearly defined criteria for evaluating each partner and their offering are established. Furthermore, Sri Lanka Tourism and the teams must have the capability and evaluation mechanisms in place to monitor progress and results continuously.

Another key partnership strategy is **creating connections with target audiences** by better understanding their hobbies and interests. By considering the niche categories and market segments, the most-suitable corporate partnerships can be sought. These are subtle scenarios, for which there is not an obvious destination promotion angle. For example:

- > Develop a strong connection between The Pearl Fishers opera (Les Pecheurs de Perles), a story based in Mannar in ancient Ceylon, when it is performed internationally and Sri Lanka. This is a direct consumer promotion and a link with visitors interested in high culture.
- > Facilitate product lines, for example, Sri Lanka Summer Collection or Colombo Collection (a line of summer crockery, swimwear etc.) from reputable international home and lifestyle companies, which can also connect Sri Lankan designers.
- > Place Sri Lankan specialities and flavours on the world culinary map (e.g., create a national dish and cocktail that can be introduced on menus around the world; identify and promote traditional recipes and food items).

Representation of Sri Lanka through **brand champions** could add additional value to brand building and strategic partnerships. Carefully selected high-profile individuals who are well respected in their fields and represent Sri Lanka on the world stage could formalise their representation through partnership with Sri

Lanka Tourism. This may be of significant value in niche segments, for example, wildlife and photography or bird watching. It is also important to have brand champions who are the "real faces of Sri Lanka Tourism," such as knowledgeable tour guides, local vendors, independent operators and young entrepreneurs.

CORE STRATEGY 3.4: Actions to Build Stronger Partnerships

	Actions	Lead agency and partners	Timeframe	Outcomes
50	Set up tourism action groups to share industry trends and plan ongoing campaigns; develop calendar of regular meetings and follow-up.	SLTPB, SLCB Private sector	2017 ongoing	Public-private partnerships in marketing and promotion are the norm
51	Train travel agents (linked to familiarisation tours).	SLTPB SLCB	2017	
52	Produce and digitally distribute quarterly industry e-newsletter for Sri Lanka Tourism stakeholders.	SLTPB SLTDA	2017	
53	Establish strategic partnerships with joint corporate promotion and activation .	SLTPB SLCB	Q2 2017 ongoing	
54	Establish strategic partnerships with global media groups .	SLTPB	Q2 2017 ongoing	
55	Create connections through hobbies and interests (e.g., The Pearl Fishers opera, Sri Lankan cuisine, product lines).	SLTPB	Q2 2017	
56	Identify brand champions (e.g., cricketers, celebrity chefs, "real faces") to promote Sri Lanka as a tourism destination.	SLTPB	Q1 2017 ongoing	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau.

Endnotes

- There needs to be a review of the current brand identity (brand and brand values including logo and tagline of 'Wonder of Asia') to establish if it is currently delivering as mentioned, or whether a new brand needs to be developed, followed by an ongoing brand health evaluation.



Developing Sustainable Destinations

CHAPTER 4



Successful and sustainable tourism industries tend to be built from interconnected and complementary regional and local destinations. These destinations have, over time, defined their unique selling propositions. They have also combined attractions, amenities, access, human resources, image and prices to match their demand and supply dynamics. PPPs, ongoing dialogue and joint planning between national, regional and local stakeholders underpin such destinations.

Sri Lanka has not systematically and proactively engaged in planning destinations. Tourism has grown and is growing opportunistically, which has led to the regional disparities described earlier.

Sri Lanka should move toward establishing a tourism planning framework and approach that can effectively build sustainable tourism destinations by conserving, developing and implementing integrated tourism destination plans, while facilitating sustainable destination management. Tourism planning is especially important so that resources can be directed where they can provide the greatest benefit and for government

agencies at all levels (national, regional, local and municipal).

Planning enables key catalytic or anchor projects to be developed so that other projects may follow.

Typical examples of catalytic projects are roads, airports, jetties and marinas, urban regeneration, and high-value integrated accommodations. In the case of natural and cultural attractions, institutions not directly involved in the tourism industry provide many of these catalytic projects, which means that a whole-government approach to destination planning and development can greatly contribute to accelerating tourism growth.

Current Context

Sri Lanka's greatest strengths as a destination lie in its extraordinary diversity of natural resource assets, ancient and modern culture, rich history, and friendly people. Added to that is Sri Lanka's compact size and strategic location in the Indian Ocean. Its challenges lie in that this **rich mosaic of endowments is not organised to deliver optimal economic and experiential benefits.**



STRENGTHS

- Hundreds of significant cultural sites, national parks, forests and sanctuaries around the country
- Eight UNESCO World Heritage Sites
- Opening up of significant areas that were not easily accessible during the civil war
- Relatively small island with short distances between tourism sites
- 61% of the national road network developed
- Two international airports with planned expansions and upgrades
- Development plans for domestic light aviation network
- Colombo and other strategic port expansions and upgrades
- Good telecommunications and Internet, strong Information and Communication Technology plans for the country
- Accessible high standards for services such as health care and banking



CHALLENGES

- Limited systematic implementation of existing plans and projects
- Protracted and disjointed government decision-making and approval processes
- Inconsistent policy and political interference in infrastructure priorities
- No formal, organised destination management framework linking central, provincial and local governments
- Economic disparity between areas, particularly those inaccessible during the civil war
- Cases of over- and under-development leading to destinations not evolving individual "personalities"
- Long travel time because of road conditions and congestion
- Limited vital connectivity infrastructure such as highways and domestic aviation and leisure infrastructure such as cruise facilities, tourist jetties and marinas
- Lack of established tour routes to north, east, northwest and southeast

Destination Planning

Destination planning — the process and the output — is the first and most-critical tool to address fragmentation of human and financial resources, and, to distribute tourists and tourist experiences. The tourism economy involves a set of experiences delivered by many organisations in the public and private sectors. It is essential that they work together to better use and manage resources, which strengthens the quality of the visitor experience and the performance of businesses.

By strengthening the tourism economy, services that local people enjoy, such as restaurants, attractions, arts and entertainment, will also benefit; actions directly aimed at making somewhere a better place to live and work will also make it a more appealing place to visit. Destination planning can play an important role in identifying how local services (e.g., planning, transport, environmental management, leisure and recreation, culture and the arts) can support the visitor economy. By showing these links, **tourism can be considered less in a silo and more as a core contributor to economic and social development.**

Every effort should be made to integrate national, district and municipal plans. Based on the priorities and actions set out in the TSP, the mapping of tourism regions, nodes, gateways and hubs may evolve along current administrative lines to facilitate implementation. Nevertheless, complementarity and cooperation between districts and provinces is important. Tourism Vision 2025 designated **five tourism regions** for planning purposes only: Colombo & Western Megapolis Zone, Cultural Heartland & East Coast Zone, North & North Western Zone, Southern Coastal Zone, and Hill Country Zone. It remains to be seen whether these regional designations or existing provincial and district boundaries will frame the planning process and decisions about infrastructure development or other public investment. Nevertheless, for destination planning purposes, it is constructive to view the island in terms of tourism regions, corridors, hubs and gateways.

Sri Lanka seeks a greater diversity of visitors to stay longer and spend more wherever they visit in the country. Every visitor should have a positive and, where possible, world-class experience so that they return to their homes as ambassadors and advocates for the destination. Achieving these outcomes depends on a broad tourism-related infrastructure that caters to multiple price points and interest groups.

An important starting point is to **identify tourism hubs, corridors and gateway towns that have a critical mass of supporting services** (e.g., banking, retail, food and beverage, healthcare, accommodations, places of interest) to accumulate and then distribute visitors (to the next hub). Access is a major determinant in how hubs, corridors and gateways, and eventually destinations, will develop. Air, roads, rail, and perhaps the sea and rivers link the gateways and hubs and offer different experiences. Each gateway town, corridor and hub has a number of attractions or assets nearby, such as national parks, marine parks, cultural sites and religious sites that add to its value and appeal. The tourism gateways, corridors and hubs can:

- > Harness the natural and cultural values of the country
- > Disperse tourism more broadly across the regions
- > Diversify the range of tourism experiences for visitors
- > Provide opportunities for poverty alleviation and employment across the country
- > Provide opportunities for micro, small and medium enterprises (MSMEs) and SMEs to prosper

A critical factor for successful tourism planning is an organised **destination management** structure. This is usually a public local entity that meets regularly and brings together public, private and community stakeholders to monitor progress and address challenges that arise during implementation of a destination plan. These kinds of entities are completely absent in Sri Lanka, but there is scope to develop them with constitutionally devolved responsibilities.

MAP 4: New Tourism Development for Feasibility and Consideration



Note: The map is a visual aid but is not comprehensive. There are many hundreds of additional cultural heritage sites that are not depicted but could be developed to increase the depth of attractions on touring routes.

MAJOR TOURISM HUBS

Major tourism hubs are well-established destinations that attract visitors and form the mainstay of travel itineraries. They include destinations with a wide range of accommodation options, attractions and support services, such as Colombo, Kandy, Galle, Negombo and the southwest coast, although there are still opportunities for development in these destinations, particularly in niche segments.

EMERGING HUBS

Emerging hubs are centres of significant or emerging tourism as attractions, centres of accommodation, or both. They rely on major hubs for support services and connectivity, such as touring routes. Current examples include Habarana, Polonnaruwa, Jaffna, Nuwara Eliya, Trincomalee, Mirissa and Tangalle. In 2025, the following hubs could emerge as major tourism hubs.

- > **TRINCOMALEE** — Being a natural harbour and in close proximity to expansive beaches and a range of natural and cultural heritage attractions and marine tourism, Trincomalee will develop into a major tourism hub. In particular, adventure and exploration cruise ships, super yachts and leisure fishing boats are likely to be attracted to Trincomalee, so suitable water-based infrastructure and recreational facilities should be developed accordingly.
- > **HAMBANTOTA** — Hambantota will emerge as a major industrial city and shipping port with Mattala International Airport and serviced by the highway from Colombo. The city is near a wide range of marine and land-based tourism destinations and has a large convention venue, which could facilitate commercial-scale tourism.
- > **JAFFNA** — With infrastructure development, greater connectivity and a domestic airport, Jaffna will emerge as a commercial and tourist hub. Its traditional culture, architecture and food should be conserved and enhanced for visitors to learn about and enjoy.

Smaller hubs, albeit at varying scales of growth, include: Batticaloa, Arugam Bay, Ella, Mannar, Passikudah, Kalpitiya. Although of strategic value, they currently face challenges due to both tangible and intangible infrastructure. These can emerge as tourism hubs

each with its own value proposition – with the right investment, management and community involvement. Additional emerging nodes are the government-planned integrated developments in Iranawila, Dedduwa, Akurala and Kuchchaveli.

TOURISM DEVELOPMENT AREAS

An important part of this detailed planning effort will be analysis of SLTDA-held land, identified as **Tourism Development Areas**, in 14 locations, including beach-front lands and islands in: **Hikkaduwa, Bentota, Unawatuna, Mount Lavinia, Pinnawala, Negombo, Beruwala, Nilaweli / Uppaweli, Madu Ganga, Arugam Bay, Trincomalee, Kalkudah, Kalpitiya, and Kuchchaveli**. The original intent of developing these areas was to facilitate international tourism resorts. Such sites have acted and can act as catalysts to stimulate growth of new destinations. The nature and scale of those new developments can set the tone for the perception and reputation of the destination, so great care must be taken to avoid unintended consequences.

TOURISM GATEWAY TOWNS

Gateway towns provide strategic access to other destinations, for example, as stopovers or crossroads. This is especially important in the short-term because transport links have not been developed. With the right clustering of activities, visitors might stay an extra night. They may also be locations that help to manage capacity and spill-over from nearby tourism hubs, especially at peak times. They can help distribute visitors to different locations, especially with the emergence of more-independent travel and traveller confidence. Developing these gateways to be more self-sufficient could help with business viability because costs of goods and logistics can be reduced when products and services are available locally. Gateway towns are described in Table 4.

There is a gradual evolution of tourism gateways into smaller and larger hubs. For instance, Ella was a stopover location or gateway for visitors heading to other towns, namely the east coast, but has since organically developed into a destination in its own right. Nonetheless, some destinations will not become major hubs with greater connectivity and international airports. Not only is this to tackle urban sprawl and maintain authenticity, but also based on their carrying capacity, biodiversity and community considerations.

TABLE 4: Potential Emerging Tourism Gateway Towns

Location	Significance	Access
Kurunegala	Several notable historical sites, including impressive remains of citadels and palaces built by Sri Lankan kings, Buddhist temples, and monasteries	On route to Kandy, Anuradhapura, Passikudah and BIA Airport
Ratnapura	Gem mining	On route to hill country, Sinharaja Rainforest and Ella and opening to east
Anuradhapura	UNESCO World Heritage Site but currently has only small hotels and homestays	Opening to Jaffna, north and east
Around Digana	Quality golf course and can ease congestion in Kandy	Access to Kurunegala and central highlands, eastern national parks
Around Bandarawela	Tea estates and potential for ecotourism, can ease congestion in Nuwara Eliya during peak season	Connects to Wellawaya
Okanda	Along the south coast, just outside Yala National Park; good surfing	Access to Arugam Bay and east coast
Pottuvil	Coastal town on east coast, close to Arugam Bay	Access to east coast
Mullaitivu	Historical significance and two renowned birding areas nearby—Chundikulam Sanctuary and Kokkilai Bird Sanctuary	Access to northeast coast
Wellawaya	Potential for community tourism, linked to hill country	Access to east and south east coast

Connectivity and Accessibility

ROADS

The road network around Sri Lanka is dense and well laid out, providing basic coverage for the country's population and centres of economic activity. In 2015, 87% of internal tourism trips were taken by road²⁰.

Buses are a common means of transport for visitors, and services reach even the remotest corners of the island, although travelling can be a frustratingly time-consuming process. The island's narrow roads are congested with trucks, buses, pedestrians, cyclists and tuk-tuks. The road from Colombo to Kandy (a distance of about 100 km) takes approximately 3 hours by car, bus or train. The bus trip across the island from Colombo to Arugam Bay is not direct and takes at least 10 hours for a distance of 320 km. Many independent travellers opt to hire a **car or van and driver**. The congested narrow roads are a challenge for self-drive travellers.

The Road Development Authority has a national highway network plan, and a major ongoing programme across the island of road widening and highway upgrades, which will gradually improve the situation. The country's first proper highway, the Southern Expressway, opened in 2011, has reduced travel time from Colombo to Galle from approximately 3 hours to just one. The plan provides for an orbital beltway to bypass Colombo and reduce traffic congestion and a central expressway (due to be completed by 2018) to link Colombo with Kandy and Dambulla.

Other major road projects that have been proposed are:

- > Katunayake–Anuradhapura Expressway
- > Northern Expressway (Anuradhapura–Jaffna)
- > Eastern Expressway (Anuradhapura–Trincomalee)
- > South-East Expressway (Hambantota–Batticaloa)
- > Ruwanpura Expressway (Kahathuduwa–Pelmadulla via Horana)
- > Colombo Metropolitan Highway 1 (Kirulapone–Kadawatha)
- > Colombo Metropolitan Highway 2 (Colombo Fort–Kottawa)
- > Colombo Metropolitan Highway 3 (Colombo Fort–Peliyagoda)

Given these circumstances and that overcrowding on roads other than expressways is likely to continue for years, alternative means of access should be developed.

RAIL

Sri Lankan railways have great potential to increase the depth of the country's tourism product. The rail infrastructure is old and service is slow, but trains often traverse far more scenic routes, (e.g. the Colombo to Galle route along the coast and in the tea country from Nuwara Eliya to Ella) and are sometimes quicker than the clogged narrow roads.

The addition of first class tourist rail carriages and premium private sector operations have improved traveller comfort, although service is still slow and relatively inconvenient for tourist travel. Investment

in rail services, whether through PPPs or direct public investment, should be a priority. The government has proposed three new rail projects that are projected to be completed in the next three years:

- > Matara to Beliatta
- > Beliatta to Hambantota
- > Kurunegala to Habarana

AIR INTERNATIONAL

As an island nation, Sri Lanka depends very heavily on air access. Efforts must be focused on maintaining current flights and increasing current **route capacity and frequency**. To meet expected expenditure growth under a scenario of high-value tourism, it will be necessary to achieve viable new routes. The 2020 plan to open the second runway for BIA will be able to accommodate up to 15 million passengers per year.

Air services are added in response to increasing demand for the destination to the point where new or increased air service appears to be viable. The number of charter flights to Sri Lanka is growing, which bodes well for future scheduled services.

Mattala International Airport is a significant infrastructure investment that is underused. Despite its many shortcomings, it offers opportunity for tourism as a future hub convenient to a number of marine and land-based wildlife hotspots and the highland tea areas.

The impact of re-routing and operational changes at the national carrier – SriLankan Airlines – will need to be assessed in 2017.

DOMESTIC

In aviation, partnerships between national and provincial governments, national tourism bodies and economic development bodies must be supportive, and recognise the importance of air services. **The national Air Force providing commercial flights in nonemergency situations should be reviewed.** The operation of Sri Lankan Air Force Helitours is an impediment to the entry of private sector aviation services in Sri Lanka because they compete unfairly by operating with government subsidies.

A recent study²¹ found that: "Overall the (domestic) market is fairly underdeveloped: the limited tourist demand for some of the domestic routes, limited availability of scheduled seats and perceived high cost of air tickets from private operators are some of the key factors leading to the low levels of traffic. A key consideration from the analysis of the domestic aviation market is that the low traffic volume limits the opportunities for private sector

participation and, more in general, for profitable operations. On the supply side a key observation is that the GoSL subsidises the market through the SLAF's involvement in the management of domestic airports and in the provision of commercial air services. Helitours plays a relevant role in the market as it contributes to serve and to generate demand for air services, which might not be available otherwise. It must be noted though that the price distortion created by the subsidised fares makes it harder for private sector operators to enter the market and to compete effectively, and therefore retards the development of the domestic aviation industry."

Seaplanes provide access to the key tourism hubs but on a small scale. There are approximately 20 waterdromes in use, which include tanks, reservoirs and lakes around the country.

WATER

Sri Lanka is endowed with extensive marine resources — offshore, near shore and inland. The natural assets of reefs, marine life, picturesque islands and bays welcome high-value visitors, and attract super yachts, ocean sailors, divers and snorkelers, lagoon and canal houseboats, day cruises, and sports fishing. The capacity to build these segments is restricted if **marine tourism operations** are limited to beach-based landings.

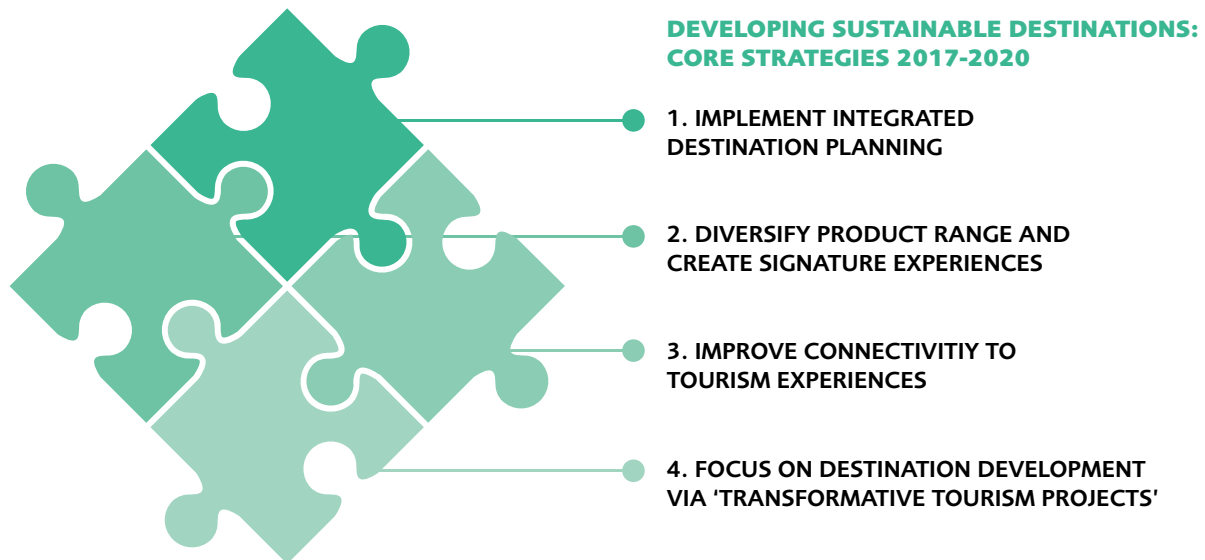
Tourist excursions take place on old or modified boats, and cruises and leisure boats must use commercial ports or fishing harbours, which compromises the visitor experience. Cruise ships (estimate of 40 ships in 2015) dock in Colombo, Galle, Hambantota, and Trincomalee. A private company has constructed mini-marinas in Mirissa and Beruwala. Narrow waterways limit access to inland waters, but there is potential for houseboats on inland lagoons and lakes. This segment of visitor accommodations is a key component of the tourism experience in Kerala, India, for instance, where there are more than 1,000 registered houseboats and riverboats. Meanwhile, in Sri Lanka, there is only one commercial riverboat with overnight accommodation.

The Department of Aquaculture Resources is committed to upgrading or replacing a number of jetties (e.g., Jaffna, Eluvativu, Analathivu, Kapparatota, Weligama, Mirissa, Kudawella). Similarly, the Sri Lankan Ports Authority controls the three major ports of Colombo, Trincomalee and Hambantota, as well as Kankesanthurai (being reconstructed) and Port Pedro in the north, Galle Harbour and Oluvil on the east coast, north of Arugam Bay.

The Western Region Megapolis project is evaluating the use of inland waterways and the canal network for public transport.

Core Strategies

The following four core strategies have been identified as the priorities for the next four years to facilitate sustainable destination development. Not all of the actions in the tables below are under the remit of the SLTDA, but they are included here as focal points for stakeholder partnership projects to be implemented using the kinds of collaborative and PPP mechanisms discussed in Chapter 1.



4.1 Implement Integrated Destination Planning

A dedicated, well-resourced **destination planning team** within the SLTDA that can use the concepts outlined and translate them into a comprehensive national destination development plan including tourism zones will greatly enhance efforts to implement destination planning and development. A small team of tourism planning professionals can use this plan to develop regional destination plans. Key local stakeholders will need to be consulted in the destination planning process.

In the long term, the provincial council tourist bureaus or their equivalent at the district level should be strengthened to function as **destination management organisations**. They can be involved in GIS mapping, implement destination plans, prepare regional events calendars, monitor clean-up programmes, and develop a network of regional suppliers. Programmes for capacity building and funding of these **destination management organisations** will need to be assessed. The destination planning team at SLTDA will provide leadership to these organisations and work closely with them.

An initial analysis of regional attributes is captured in the **destination planning map** (*Map 4*), which shows the links between key destinations, current tourism experiences, products, access and infrastructure. More-detailed mapping efforts are required.

Investment is essential not only in tourism hubs, but also in **touring route infrastructure** (e.g., wayside stops, viewpoints, interpretive centres, museums, markets). Such developments can be government investments or PPPs. They should be high quality and of an international standard but have a local flavour, while focusing on immersive experiences and use of innovative technology. For instance, visitors enjoy interactive experiences when viewing traditional methods of craft, gem cutting or artistic works.

In regions with MSMEs, there will be value in developing **enterprise centres** where micro-businesses can come together, in a way similar to that of farmers markets — allowing a critical mass of quality produce or products to be presented and building the appeal of the attraction to visitors.

CORE STRATEGY 4.1: Actions to Implement Integrated Destination Planning

	Actions	Lead agency and partners	Timeframe	Outcomes
57	Establish a destination planning team within SLTDA to prepare a national destination development plan and tourism zoning consistent with this national plan.	SLTDA Development partner	Priority in Q1 2017	Destination planning established as tourism development tool
58	Capacity building and strengthening of provincial council tourist bureaus (or their equivalent) to function as destination management organisations .	SLTDA Provincial government Development partner	2018 ongoing	
59	Initiate a countrywide GIS mapping programme to use local government networks to record lesser-known attractions, folklore and traditional values that can be used in destination development.	SLTDA Provincial government	2017	
60	Develop at least four regional integrated destination plans for selected tourist hubs or regions where there is strong demand from provincial or district governments to guide the development of specific destinations.	SLTDA Provincial government Consultant	2018–2019	
61	To ensure the supply side is considered, develop niche market national development strategies for each of the 10 identified niche categories: health & well-being; pilgrimage; bird watching; surfing & kite surfing; SCUBA and wreck diving; whale & dolphin watching; cuisine; meetings, incentives, conventions, exhibitions; weddings; cruises.	SLTDA Consultant	2017–2019	
62	Map locations for micro, small and medium size enterprise centres in different regions.	SLTDA Development partner	2018	

Note: SLTDA, Sri Lanka Tourism Development Authority.

4.2 Diversify Product Range and Create Signature Experiences

To bring additional value to the tourism experience, it is essential to provide a diversity of experiences and higher standards and to broaden visitor offerings from the current one-dimensional products to the multidimensional range of experiences. This would expand the product offering and open tourism experiences to a wider range of visitors, increasing the country's competitive advantage. **A strategic tourism development process involves ensuring that visitor infrastructure, access routes, services and accommodations meet visitors' needs across the range of targeted segments.**

Just as important as creating and enhancing new experiences is preserving the authentic locations that have grown organically. They have a unique sense of place, look and feel; for instance, Arugam Bay, Ella and Unawatuna. Clear regulations, codes of conduct and construction guidelines should be produced to prevent large-scale developments and enforce environmentally friendly business practices in a gradual phased process,

such as no or restricted plastic use, waste recycling and renewable energy use.

Similarly, there should be enhanced protection of **Sri Lanka's coastline, viewpoints, heritage properties and fragile environments**. Stringent, consistent guidelines must be introduced for building heights, roof gradients, buildable density, and building materials on the coast and in environmentally sensitive locations. Specific locations should be zoned for higher-rise properties. There should be legislation such as a beautification act to prevent significant visual pollution in environmentally sensitive locations by restricting large construction that obstructs scenic views and vantage points. Urban conservation precincts should be demarcated to protect historic and exemplar architecture, particularly in Colombo. Urban development guidelines should be issued for new construction and renovation projects within these precincts. There must be identification of specific buildings as protected heritage properties, which adds to their value and helps preserve them. This recommendation is not only to protect Sri Lanka's assets, but also to provide security for investors.

CORE STRATEGY 4.2: Actions to Diversify Product Range and Create Signature Experiences

	Actions	Lead agency and partners	Timeframe	Outcomes
63	Evaluate protected locations and develop regulations, codes of conduct and monitoring mechanisms	SLTDA Local government Private sector	2018	Some locations in Sri Lanka preserved and managed as demonstration destinations
64	Stringent guidelines and consistent enforcement of regulations to protect Sri Lanka's coast, viewpoints, heritage properties and fragile environments	SLTDA Other government departments	Priority in 2017	More integrated destination planning and management
65	Assessments, planning and development as public–private partnerships of strategic integrated development projects	SLTDA Local government Private sector	Priority in 2017, onwards	More appropriate private sector investment
66	Develop an urban night economy strategy and programme for downtown Colombo (e.g., cultural shows, markets, outdoor performances) as well as policy decisions on licensing, zones, etc.	SLTDA SLTPB Private sector	2017 onwards	Improved visitor feedback in targeted destinations
67	Conduct scoping and prefeasibility studies for a network of international standard, interactive museums to showcase Sri Lanka's heritage and encourage visitor learning: <ul style="list-style-type: none"> • Tea Museum in Colombo • Transport Museum in Ratmalana (expanded) • Flying Boat Museum in Koggala • Silk Road by the Sea Museum • International Cricket Museum • Buddhist Civilization Centre • Rajarata Hydraulics Civilization Museum in Cultural Triangle • Asian War Museum in north 	SLTDA Other government departments	2018 onwards	New product development
68	Evaluate feasibility for public–private partnerships for culinary schools in different regions offering professional chef training and recreational tourist courses to promote Sri Lankan cuisine.	SLTDA SLTPB Private sector	2018	
69	Develop a network of craft centres in each zone and alongside major roads where visitors can watch craft making and purchase items. Private institutes and design schools can work with these centres to develop more competitive and contemporary lines alongside their traditional wares. The centres will sell local foods and organic produce, and provide comfort centres for journey breaks. They can have regular dance and music performances involving local schools.	SLTDA Road Development Authority Craft Council Private sector	2018	
70	Comprehensive feasibility and environmental assessments for integrated golf courses . Potential for two distinct golf circuits—mountain and coastal. ²²	SLTDA Other government departments Private sector	2019	
71	Assist small and medium enterprises to develop high-quality traditional crafts, spices, produce, gemstone cutting , small-scale manufacturing, and outlet and attraction enterprises in hubs in locations known for these items.	SLTDA Other government departments Development partner	2019 onwards	
72	Develop a plan for enhancing existing or creating major family recreation attractions for Colombo city.	SLTDA Other government departments	Priority in 2017	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau.

Specific **integrated development projects** must be professionally planned and managed from conceptualisation to commercialisation. These include architectural concepts, land and environmental assessments, stakeholder consultation, community involvement, and investor engagement. Locations identified during the duration of the TSP include Iranawila, Dedduwa, Akurala, and Kuchchaveli.

The differentiation and diversification of Sri Lanka's offering requires **development of new and competitive products** comprising the urban night economy, museums, culinary arts schools, royal craft centres, and integrated golf courses — all to provide visitors with a range of authentic, memorable experiences. Sites not typically identified for tourism should also begin to cater to visitors with improved interpretation and become a part of touring circuits (e.g., agriculture parks, fruit picking farms, agricultural research centres, Ayurvedic gardens, traditional medicinal centres, meditation centres). The Actions 63 to 72 are examples of specific high-value products that support the identified niche segments and country positioning.

4.3 Improve Connectivity to Tourism Experiences

Government agencies are responsible for the core transport links, and SLTDA should advocate support of initiatives to improve connectivity, including expressway extensions, road and rail upgrades, airport expansion, and new expressway construction.

As an interim measure, until plans for highways and roads are complete, the SLTDA should consider alternate direct transport links. This is possible by collaborating with the private sector to launch **express luxury coach services** to tourism hubs, including Kandy, Arugam Bay, Trincomalee, and Nuwara Eliya, particularly during peak seasons.

As an interim measure until more-regular tourist train services are available, the SLTDA should advocate extending the number of **first class online-bookable**

carriages on major tourist routes. Standing for several hours in a non-air-conditioned carriage with baggage is not a high-value tourism experience. Another idea is to further extend the private sector use of Sri Lanka's rail network with a **regular luxury Orient Express style of operation** for upmarket day trips or extended touring services. A private sector provider could introduce these initiatives under a PPP.

As an interim measure until marinas are constructed, it is recommended that the relevant government authorities determine a **fixed annual price and allocate space** in the fisheries harbours and ports for leisure boats and yachts.

Once the ongoing role of the Air Force in domestic civilian aviation has been clarified, a **programme of upgrading airports** that service existing cities with significant tourism potential is a priority. Potential airports are identified for consideration in Table 5. An audit is required to determine the extent of upgrade needed in each case, covering the technical specifications of the runway and support systems, terminal upgrades, and public transport access to the airports from the closest city. Terminal upgrades should provide for the comfort and convenience of travellers yet be consistent with a low-key island style and character. Additional specialised tourism-related aviation services are likely to develop, such as fixed wing and helicopter rides, general aviation services, and parachuting and ultralight schools.

Additional **jetties and marinas** are required at strategic locations to fully harness the tourism potential of the coastal economy. Dedicated tourism jetties or mini-marinas will be required at prime tourism coastal ports to develop a sophisticated sector capable of handling visitors in comfort and safety for a high-value experience. The marinas should be planned with an island-wide holistic perspective so that each has a distinct functional identity. Site-specific feasibility studies should be conducted to ensure they are proportionate and complementary to each location and to local fishing industries. Existing and possible sites are listed in Table 6.

CORE STRATEGY 4.3: Improve Connectivity to Tourism Experiences

	Actions	Lead agency and partners	Timeframe	Outcomes
73	Assess feasibility of express luxury coach services to specific tourism hubs in season under a PPP and issue a request for proposals.	SLTDA Private sector	2017	Improved connectivity leads to more visitors and extended stays in targeted destinations
74	Increase number of first class online-bookable train carriages on major tourist routes under a PPP.	SLTDA Railways Department	2018	
75	Advocate for a regular luxury Orient Express style of operation on two major tourist routes under a PPP.	SLTDA Railways Department	2018	
76	Negotiate with relevant government bodies for fixed annual price and allocated space in fisheries harbours and ports for leisure boats.	SLTDA Other government departments	2017	
77	Develop strategy for domestic airport upgrades in line with national plans and tourism growth profiles. Ensure consideration of visitor services and experience in terminals.	SLTDA Civil Aviation Authority Provincial governments	2018	
78	Assess tourism jetties, piers and marinas in strategic locations and development of a holistic implementation plan with PPP; issue request for proposal.	SLTDA Sri Lankan Ports Authority	2017–2018	

Note: SLTDA, Sri Lanka Tourism Development Authority; PPP, public–private partnership.

TABLE 5: Possible Use of International and Domestic Airports in Sri Lanka

Airport	Status	Service potential
International		
Katunayake	Existing international airport Domestic terminal to be located at BIA instead of Ratmalana	
Mattala	Existing international airport underused	Access to popular south and east tourism areas and Hambantota commercial area. Possible charter flight hub
Domestic		
Hingurakgoda	Currently Air Force base	Access to Polonnaruwa and Dambulla and to Kandy and national parks in vicinity. Potential to be assessed for international airport.
Trincomalee	Existing Air Force base and domestic airport	Access to east and northeast
Kandy	To be constructed	Direct access to hill country and central highlands
Batticaloa	Air Force base that has operated as domestic airport since July 2016	Access to east and southeast including Arugam Bay
Ampara	Existing Air Force base and domestic airport	Access to east and southeast
Jaffna	Existing Air Force base and domestic airport	Access to north
Anuradhapura	Currently Air Force base	Access to Cultural Triangle and Cultural Heartland Zone
Palavi	Currently Air Force base	Access to west, including Kalpitiya and national parks

TABLE 6: Current and Potential Locations for Marinas for Consideration

Type	Existing locations	Potential future locations
Mini/Small marina or jetty	Beruwala, Mirissa	Department of Aquaculture Resources–identified locations Mannar, Kalpitiya
Leisure marina (medium sized)	None	Colombo, Galle, Tangalle, Trincomalee, Batticaloa, Jaffna, Palamunai
Working marina	None	Dikkowita, Oluvil, Kankesanthurai

Further advances in transport that come under the purview of other government institutions could include:

RAIL

Extending the rail network to Colombo's BIA, which would avoid peak-hour delays in travelling from central Colombo to the airport. There is a station close to the airport, and an extension or dedicated coach transfer from the airport terminal together with increased rail services would simplify and speed up transport from the airport to Colombo and connecting rail services.

AIR

SLTDA should work with public and private aviation industry stakeholders to identify **potential charter flights and permanent route additions** and align marketing initiatives to support these routes. Stronger partnerships between SLTDA and the international and domestic airports as well as between SLTDA and the airlines serving Sri Lanka would aid intelligence sharing and cooperative destination development and marketing initiatives.

There is a need for a **domestic transfer gate** at BIA to facilitate passenger transfers.

4.4 Transformative Tourism Projects (TTPs)

It is recommended that a selection of key projects be developed in the first four years that can serve as demonstration projects. **These TTPs will help achieve the goals of the TSP, enable Sri Lanka to embody the Roots Philosophy and guiding principles, and act as catalysts in developing new tourist hubs and experiences and defining new product segments around the country.** Each project will create a focal point that will conserve and showcase Sri Lanka's unique natural and cultural heritage. The TTPs will create anchor sites, which help draw visitors to a destination and keep them there and, through their development, help increase business activities throughout the area.

Through consultation with government institutions and the private sector, the following criteria were identified for the selection of transformative projects:

- > Increase yield rather than volume
- > Deepen market penetration and awareness
- > Encourage MSME growth in tourism-related business
- > Can be managed sustainably
- > Facilitate visitor dispersal and improves access
- > Increase diversity of products and experiences
- > Achieve destination development in identified priority areas
- > Create community benefits
- > Can involve PPPs

Seven TTPs that meet these criteria have been identified for further consideration. Location, economic viability, and environmental feasibility need to be determined. Key destination planning decisions should be taken to protect the low-impact, high-value potential of the sites to ensure they do not become overrun by ad hoc development and lose their unique points of difference.



ECOTOURISM DISCOVERY CIRCUIT (12- TO 18-MONTH PROJECT)

Sri Lanka can credibly place a **strong focus on ecotourism** and realistically aim to be an international leader in ecotourism within a decade. Key elements of ecotourism include ethical business practices, sustainable environmental management, commitment to conservation, and local community involvement, which are closely aligned with Tourism Vision 2025 and embody the Roots Philosophy.

A new ecotourism-focused touring route will be defined based on existing products and experiences that embody ecotourism principles. Independent operators already offer several immersive social, cultural and natural activities and experiences around Sri Lanka, but they are not connected and branded as one collective experience that might appeal to consumers of ecotourism products.

A touring route could offer various schemes, including national tourism signage, national standards for visitor services, and ecotourism certification (see *Chapter 5*); free wireless would be provided at key sites to facilitate social media postings for destination marketing that could be developed in collaboration with input from local communities involved in the projects.

This would be a first-of-its-kind-in-Asia 10-day fully eco-certified tourist itinerary. It should be branded and showcase the best of eco-conscious Sri Lanka through authentic, home-grown socially and environmentally responsible businesses. The itinerary would include, among others, Platinum LEED-certified accommodation in one of the planet's oldest tropical rainforests, small tented camps in national parks, critically acclaimed local architecture, locally grown and distinctly Sri Lankan cuisine, local village life, and traditional Ayurveda spa treatments. What is unique about this itinerary is that each interaction will be produced end to end following the best ecotourism principles. Potential sites on the route could be in Sinharaja, Deniyaya, Ella, Bandarawela, and Haputale.

The circuit can be expanded with new eco-discovery products such as rainforest canopy walks, wilderness and forest trails, and soft adventure options. Specialist wildlife research centres on subjects such as endemic species, birds, elephants, leopards and primates can be set up at key spots on the circuit in collaboration with local and international universities. This encourages the growing trend of voluntourism and travel experiences for learning. In time, operators would sell different specialist segments of this route.

This TTP would present Sri Lanka in a new light in key source markets and bring strong, responsible tourism standards to domestic suppliers.



COASTAL FORTS OF SRI LANKA (4-YEAR PROJECT)

Sri Lanka has some 30 forts distributed at strategic points along the coast dating from up to 1,500 years ago. They present a compelling case for World Heritage listing on cultural criteria. This TTP is important because some of the assets are fragile. They offer an opportunity for a mini-cruise, hopping to each site, which can be one of Sri Lanka's signature experiences. The project — requiring significant investment — would involve developing conservation and presentation management plans to preserve the remaining fabric and to interpret their individual stories to visitors. The early focus

would be on developing the inventory, management plans, and the presentation approach. There is huge potential for PPPs to build mixed developments in and around the forts. For instance, Hammenheil Island Fort, currently a Navy-run hotel, could be developed into an Asian War Museum, with sections on Hammenheil Island and on the mainland (international example: Alcatraz in San Francisco). This could be an anchor attraction for the northern coast.

The purpose of this TTP would be to preserve these important historical buildings while putting them to good economic use. Clustered together, they also present a compelling case for World Heritage listing on cultural criteria. The project would bring visitors to the peripheral parts of the island, encouraging visitor dispersal and demonstrating and strengthening the Roots Philosophy.



COLOMBO CONVENTIONS & EXHIBITIONS CENTRE AND OTHER RECREATION (4-YEAR PROJECT)

With the significant growth of 4- and 5-star hotels in Colombo, international access offered through BIA, the opportunity for the MICE market to even out seasonal tourism, and the strong potential for the MICE market from India, there is considerable merit in examining the potential for a state-of-the-art convention, exhibition and event centre in Colombo. The MICE market is competitive, with many Asia-Pacific nations building grand convention centres and offering heavily discounted rates to attract business.

Colombo lacks capacity for events beyond an audience of 1,600. A new centre should be a hi-tech flexible space with seating capacity for 8,000 that can be reformatted for trade shows, indoor sporting events, concerts and performances, and consumer shows and have adequate parking. Such a project calls for a comprehensive prefeasibility analysis to investigate the likely viability and funding models that might apply, including potential as a PPP. This project is a high priority because, apart from traffic and transport considerations, it does not depend on other major infrastructure and can contribute to building a new segment of tourists as well as local goods and service providers.

In the long term, other family recreation activities and experiences must be developed and promoted for the capital city of Colombo.



MARVELS OF ANCIENT WEWAS (4-YEAR PROJECT)

There are an amazing 30,000 tanks (reservoirs) across the country, some dating back more than 2,000 years. There are many tanks in the Cultural Triangle, and the story of Sri Lanka's renowned skills in water management dating back centuries is one that would appeal to international and domestic visitors. The flagship attraction among these is Sigiriya Rock.

Developing museums, interpretive centres, signage and related trails around other water bodies (e.g., Kaudulla, Giritale, Minneriya) could add another stop to a tour of the Cultural Triangle and help link less-visited natural and cultural heritage sites. A Rajarata Hydraulics Civilization Museum and interactive interpretive centre could tell the story of Sri Lanka's water engineering history and ancient innovation. Visitor signage and low-impact excursions such as guided calm water tours and non-permanent picnic spots could allow for further exploration. For instance, Giant's Tank in Mannar has abundant potential for high-end bird watching and other wildlife viewing. It could be an important stop-off point for visitors and an opportunity for local communities to earn revenue by providing goods and services.



EAST COAST SUNRISE CORRIDORS (4-YEAR PROJECT)

Since opening to more outside visits in 2009, the Eastern Province has seen a small but steady increase in visitors, domestic and international. **This TTP would have a high economic rate of return for Sri Lanka.** Tourism endowments in the east are comparable with those on the west coast but are underused, particularly in Batticaloa, Ampara and Trincomalee. Several markets are evolving in the province, with higher-end beach and whale watching tourism focused north of Passikudah and more-independent budget and adventure tourism, especially surfing, expanding from Batticaloa southward. The east coast is on an opposite monsoon season from the southwest, offering an opportunity for year-round island tourism.

Although each of the districts has a slightly different value proposition, they share a similar set of challenges that present opportunities for national economic development:

- > Poor access from Colombo *is an opportunity for air access and scheduled rail and coach services.*
- > Lack of destination planning, development,

promotion, and marketing initiatives *is an opportunity to plan and build destinations.*

- > Lack of a developed regulatory framework *is an opportunity to pilot decentralised regulatory services.*
- > Absence of large anchor investors and investments *is a huge opportunity for FDI and domestic investment.*
- > Absence of a consultative dialogue between the private and public sectors *is an opportunity to establish relationships and approaches deemed essential for further tourism development.*
- > Generally weak capacity in product offering and lack of innovation *is an opportunity to deepen and strengthen local supply chains to generate local employment and investment.*
- > Lack of service standards *is an opportunity to upgrade skills and create better jobs.*

Iconic projects in each key tourism location and related project actions are identified below.

DUTCH FORT, BATTICALOA — This is an anchor site for Batticaloa town. A concession for the buildings within the fort to the private sector to develop as a small boutique hotel, restaurant, café and other tourism services could ensure the physical renovation of the site. It could be coupled with a requirement to enhance and maintain the paths and other structures and develop interpretive materials about the fort to allow for a comprehensive tourism experience.

WATERSIDE DEVELOPMENT, TRINCOMALEE — The development of a 'tourist street' in Trincomalee town along the Inner Harbour Road or Dutch Bay could create a hub to attract visitors. A street development project would attract restaurants, shops, and possibly small accommodation facilities, which would help to create a focal point for visitors to congregate and stimulate business in the town.

FAMILY ENTERTAINMENT, PASSIKUDAH — Recreational options are limited in Passikudah. A plot of land currently used as an expansive car park in the SLTDA tourism zone could be repurposed as a family entertainment and recreation space. A park space for soft adventure, small restaurants, events, and music could be created to complement the water-based activities along the coast.

NATURE TOURISM, AROUND ARUGAM BAY — An additional anchor for tourism, especially in the Ampara region, is the national parks of the region. The parks of Kumana, Lahugala Kitulana, and Gal Oya (not in the Eastern Province but accessed through Ampara) offer

exceptional wildlife attractions but are under-visited. Of the three parks, Kumana offers clear short-term development possibilities, primarily because it can be accessed from Arugam Bay and its breadth of potential activities. Expanding the nature tourism product offers a way for Arugam Bay to extend its tourism beyond the May to October surf season.



JAFFNA ISLANDS EXPLORATION (2-YEAR PROJECT)

The islands off the Jaffna peninsula are largely unexplored but offer an interesting water-based experience. Instead of large hotel development on the islands, accommodations will be based on the water, and excursion opportunities will be created on the islands. This will be developed and marketed as a community-based tourism product, linking blue and green coastal tourism. With a strong community focus and aiding in poverty alleviation, this has the potential to be a model project on the world stage.

Exploration of the islands and island hopping are possible, with day excursions on revamped traditional fishing boats and overnight accommodation on custom-built leisure boats, houseboats and mini cruise ships. A marina and two piers will need to be constructed near shore on the mainland. Low-impact tourism with kayaking, recreational fishing, swimming, and diving will be encouraged. Construction of an interpretation centre on one island as well as a research and conservation centre for the wild horses on Delft Island will add value. Cottage industries in fishing and aquaculture will be promoted whereby visitors can see and interact with traditional fishermen. Visitors can then enjoy coastal cuisine at small restaurants and day trips to the islands. A community programme to improve standards and output of local cottage industry can be set up with development partner support. The possibility of granting national marine sanctuary status to the archipelago must be assessed.



RELIGIOUS AND SPIRITUALITY EXPERIENCE (2-YEAR PROJECT)

The rationale for this TTP is to strengthen and better define, promote and package an already developed segment that has significant potential to grow. Religious pilgrimage trails for different religions can be packaged into 5-day or up to 2-week trips. Visiting a place of spirituality can become part of the travel experience in Sri Lanka. Examples of sites and trails of religious significance include:

- > Buddhism – Sri Pada, Kandy, Mihintale, Anuradhapura, Sri Maha Bodiya, Polonnaruwa, Tissamaharamaya, Kataragama, **Buddhism trail**
- > Hinduism – Adam's Peak (Sivanolipatha Malai), Kataragama, Koneswaram Temple, Keerimalai Springs, **Ramayana Trail**
- > Islam – Adam's Peak (Al-Rohun), Red Mosque
- > Christianity – Adam's Peak, Wolfendhal Church, Madhu Church

The itinerary can be complemented with dedicated quality facilities for meditation and Ayurvedic rituals, treatments and cuisine. Because these services already exist, this TTP can be made market-ready soon.

There is opportunity to delve into Buddhist heritage. In addition to the well-known sites, there are other sites of interest that can be combined into itineraries. Examples include the tallest Buddha statue in South Asia at Batamullakanda, Matugama; the oldest Buddhist temple in Sri Lanka at Girithe Seta, Trincomalee; extraordinary wood carved interiors at Embekke Temple, near Kandy; unusual cave temples such as Ridi Vihara Temple in Kurunegala and Aluvihara Temple in Matale; and island temples just off the coast.

CORE STRATEGY 4.4: Actions to Ensure Focused Destination Development via Transformative Tourism Projects (TTPs)

	Actions	Lead agency and partners	Timeframe
79	TTP1: Ecotourism Discovery Circuit <ul style="list-style-type: none"> • Convene a working group of interested ecotourism operators and academics who will help define potential products around Sri Lanka that would fit the new philosophy. • Scope and map these products and use the operators to design an itinerary. • Scope and assess potential products for certification and establish certification and verification principles. • Conduct inspection and training to facilitate certification. • Develop a short promotional film of the journey these products have taken and develop other collateral to help with promotion. • Establish a media partnership with an international network to create related documentaries and other content. • Share this material with the private sector in Sri Lanka. • Aim to launch at World Travel Market and follow up with a familiarisation trip for key journalists from the UK market, followed by activation in other markets. 	SLTDA Other government departments Local government Private sector Media	Phase 1 completed by 2018 Extended circuit completed by 2020
80	TTP2: Coastal Forts of Sri Lanka <ul style="list-style-type: none"> • Convene a working group of historians, an architect, tour operators, photographers, UNESCO, relevant government bodies, etc. • Assess the potential of accessing and renovating each of the identified forts (some have already been renovated). • Develop a funding proposal to scope each location and assess the likely costs of renovation and the potential repurposing of these buildings and their grounds (potential for mixed-use tourism activity). • Convene decision-makers responsible for each location and assess willingness to move forward with renovations and reinvestment. • Develop a staged project plan with distinct phases. • Approach potential donors to support preservation and adaptive reuse of this important heritage. • Once renovation has started, begin developing collateral that tells the story of each fort and the roles they have in Sri Lanka's history. • Start discussions with the private sector and local communities about PPPs for management and maintenance of forts; consider forts as possible tourism information centres, sites for orientation and interpretation, small museums with possible retail, restaurants, boutique hotels, boutique shops featuring local handicrafts or locally produced agro products. • Develop tourist itinerary with as many forts as possible. • Start UNESCO World Heritage listing process. 	SLTDA Department of Archaeology Central Cultural Fund UNESCO Local government Private sector	Phase 1 completed by 2020
81	TTP3: Colombo Conventions & Exhibitions Centre <ul style="list-style-type: none"> • Appoint a public and private sector working group to develop concept, location, scale, green credentials, and design features, including a prefeasibility study. • Make plans for additional recreation activities and investments for Colombo city. 	SLTDA Megapolis authority	Planning in 2017 Construction begins in 2018

	Actions	Lead agency and partners	Timeframe
82	TTP4: Marvels of Ancient Wewas <ul style="list-style-type: none"> • Convene a small working group of historians, tour operators, photographers, relevant government bodies, potential donors, community mobilisers, etc. • Develop a plan, based on location, to scope and map each tank site. • Develop a funding proposal to scope each location and assess likely low-impact tourism product potential, including learning experience, museum and interpretation centre. • Produce and implement phased project plan. • Develop collateral that tells story of each tank and its setting and context; link with international media channels. • Start discussions with private sector and local communities about PPPs for tourist services around these water bodies (e.g., craft markets, small boat tours (engineless), agro and community tourism, local shops). • Build new products into tourist itineraries. 	SLTDA Other government departments	Completed by 2020
83	TTP5: East Coast Sunrise Corridors <ul style="list-style-type: none"> • Identify teams, including local stakeholders, for each location — Trincomalee, Passikudah, Batticaloa, Arugam Bay. • Perform initial site assessments, stakeholder scoping, local awareness workshops. • Facilitate opportunities for sustainable community engagement. • Batticaloa Fort — Relocate district government office; develop plan for fort including initial feasibility, business plan, architectural concepts, interpretation opportunities. Plan for private sector concession. • Passikudah — Explore family recreational space in SLTDA-owned plot near existing tourism zone • Trincomalee Waterside Development — Identify tourist street and determine status of buildings along street, develop plan for area, including feasibility analysis, conceptual designs, renovation proposal, strategy to attract investors. • Arugam Bay Nature Tourism — Work with relevant stakeholders to enhance services and promote Kumana National Park wildlife experience. Identify habitat conservation, business feasibility, resources required, partners for implementation, expected return on investment. • Produce phased project and implementation plan. • Market destinations and create media opportunities. 	SLTDA Other government departments Local government	Planning in 2017 Begin implementation in stages from Q3 2017
84	TTP6: Jaffna Islands Exploration <ul style="list-style-type: none"> • Convene small working group of historians, tour operators, relevant government bodies, potential donors, community mobilisers, etc. • Develop plan to scope and map each island and its unique assets and traditions. • Assess declaration of archipelago as national marine sanctuary. • Develop funding proposal to scope each location and assess likely low-impact tourism product potential, including interpretation centre, research centre, water sports, aquaculture. • Produce and implement phased project plan. • Develop community programme to improve standards and output of local cottage industry. • Produce promotional collateral and link with tourist itineraries. • Launch at international fair with media coverage. 	SLTDA Other government departments Local government Private sector Development Partners	In operation by 2020

	Actions	Lead agency and partners	Timeframe
85	TTP7: Religious and Spirituality Experience <ul style="list-style-type: none"> • Convene small working group of religious organisations, tour operators, etc. • Develop potential distinct touring routes and trails to be incorporated into other itineraries. • Produce and implement phased project plan. • Produce promotional collateral and create media opportunities. 	SLTDA Other government departments Local government Private sector	Completed by 2019
86	SLTDA encourage private sector to develop various general and targeted travel apps to help independent visitors explore country more comprehensively. Examples include key touring routes, World Heritage Sites, Forts of Sri Lanka, key Wewa sites, wildlife of Sri Lanka, festivals, events (including content development).	SLTDA Private sector	2018 ongoing
87	Market signature experiences of Sri Lanka, including events, editorials, blogs, even during planning stages.	SLTPB	2018 ongoing

Note: SLTDA, Sri Lanka Tourism Development Authority.

Endnotes

20. Travel in Sri Lanka, Euromonitor International, August 2016.
21. World Bank Group. 2016. Options Study for Private Sector Participation in the Development of the Domestic Airport Sector in Sri Lanka.
22. Potential sites should be assessed based on environmental impact, climate conditions for play, rainfall to lower maintenance costs, vegetation, topography and environment for the course, as well as options for other recreation.



Lifting Industry Standards

CHAPTER 5



All sectors of the tourism industry must conform to international best practices **to conserve the country's natural and cultural endowments and attract the right kind of visitors to Sri Lanka** — visitors inclined to respect Sri Lanka's roots: wildlife, environment, culture, heritage and communities. The global trend is also toward **more environmentally and socially conscious consumers** seeking authentic experiences who are discerning in their travel, accommodations and spending choices.

The UN World Tourism Organisation calls this trend a complete paradigm shift toward a more-responsible traveller²³. This rapidly growing group of travellers is more inclined to support and pay more for high-quality service, professional practices, high environmental standards, authentic community engagement, and evidence of community support. Research suggests this segment is likely to become mainstream in the near future²⁴.

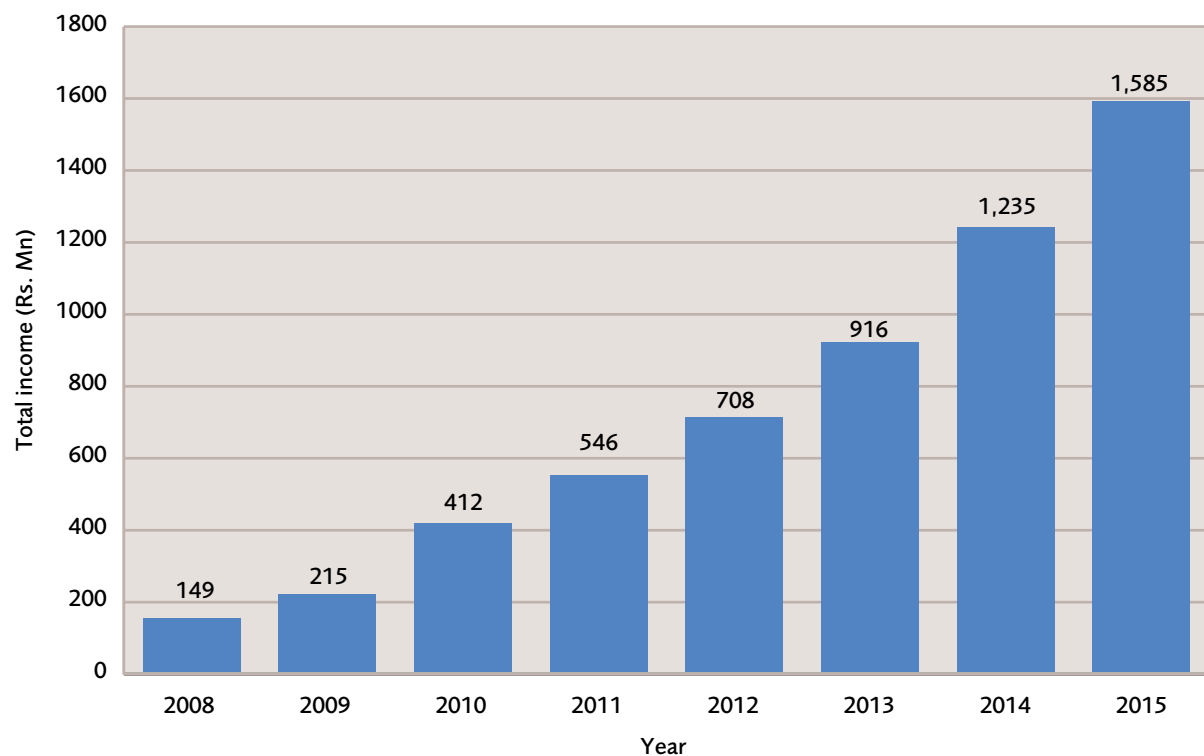
Well-respected large hotel chains and tour operators and countries such as Costa Rica are already increasing profits by tapping into these 'green' preferences²⁵. Sri Lanka will need to position itself competitively against destinations with a similar comparative advantage in nature-based and

cultural offerings. In addition, with information flowing freely in the digital world, Sri Lanka cannot afford bad reviews on service standards, professionalism, health and safety, wildlife interactions, environmental and heritage management, and community interactions. This chapter considers the context and actions required to **lift standards at specific touch points** that will improve the high-value reputation of Sri Lanka's tourism industry.

Current Context

National parks and wildlife and historical, religious and cultural sites are a core attraction for visitors to Sri Lanka and play a vital role in the tourism industry. In particular, Sri Lanka's iconic wildlife (marine and terrestrial) is a critical competitive advantage. Together they generate significant revenue (*Graph 6*) for conservation — not only of the natural and built environment, but also of intangible cultural traditions and ancient legacies that may otherwise be lost. These areas provide employment and community engagement opportunities and the chance to present what is uniquely Sri Lanka. However, **over-visitation and mismanagement of assets can be detrimental to the country's reputation and counterproductive to marketing efforts.**

FIGURE 10: Annual Revenue from National Parks in Sri Lanka



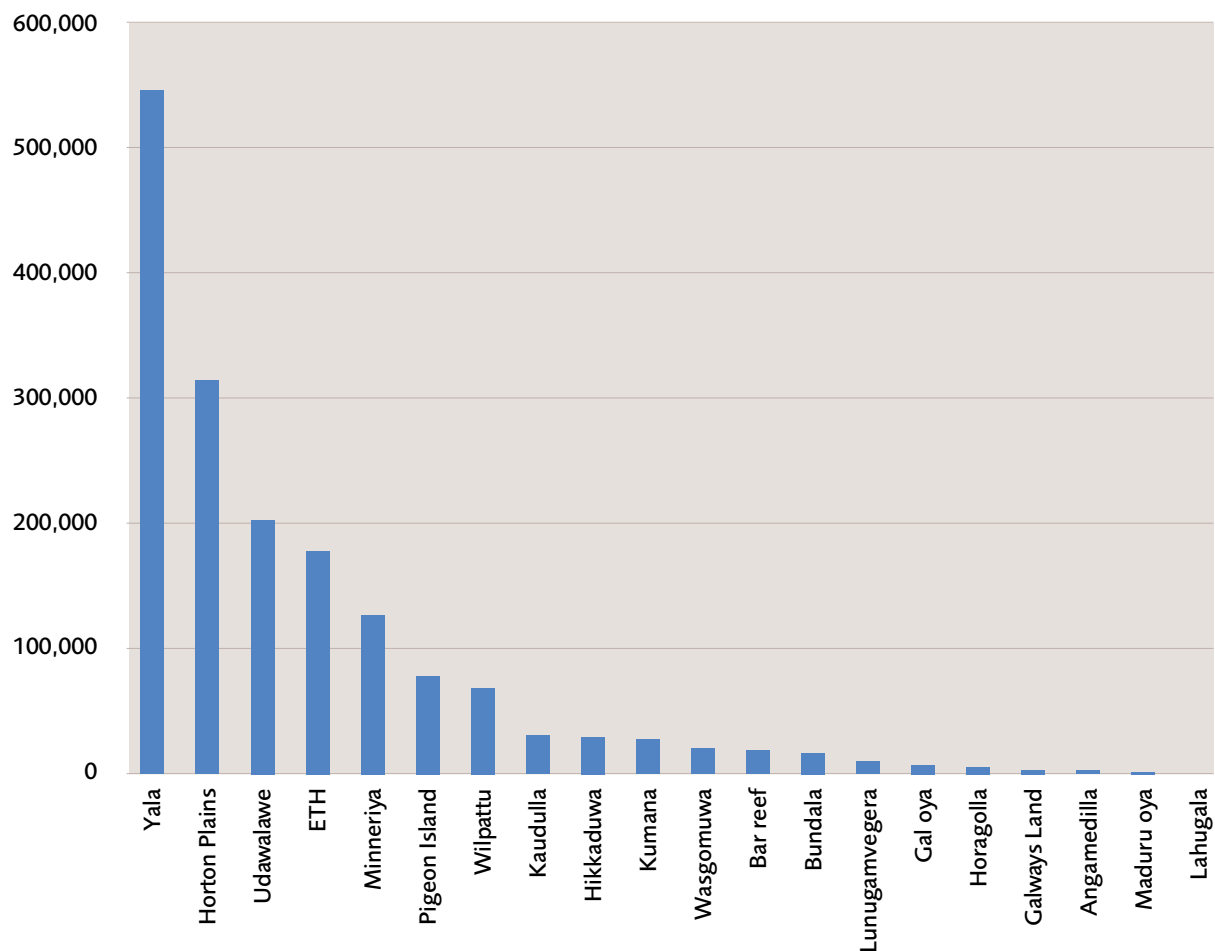
Source: Department of Wildlife Conservation.

Carrying capacity comes up frequently in any discussion of Sri Lanka's natural and cultural heritage management. Carrying capacity studies have not been conducted for the country's major attractions. It is said that 90% of visitors will be happy if they can gain access to 10% of a protected area, so equipping that 10% of the protected area to handle the 90% of visitors becomes the primary focus. This also contributes to the primary aim of protecting environments in these areas. Some of the most-popular national parks and cultural sites in Sri Lanka are approaching capacity under existing management approaches. In addition to providing for a broader range of activities to increase

visitor capacity, there is an opportunity to manage visits through the combined use of time, price and alternative opportunities.

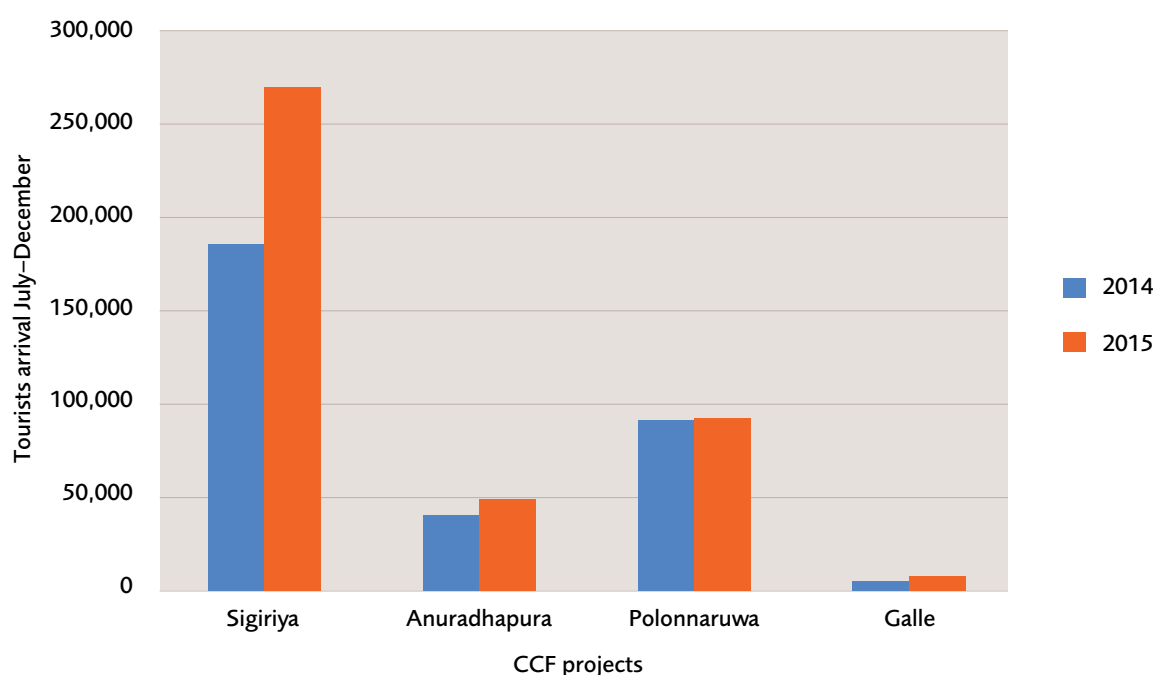
Visitor numbers to national parks, cultural attractions and religious sites and the resulting revenue collection are increasing steadily (Figure 11 and 12), but these visits are concentrated in a few heavily used sites. For example, four of the national parks (Yala, Horton Plains, Udawalawe, Minneriya) together with the Pinnawela Elephant Orphanage account for most nature-related visits, with Yala and Horton Plains accounting for almost 50%²⁶.

FIGURE 11: Visitor Numbers at National Parks in Sri Lanka in 2015



Source: Department of Wildlife Conservation.

FIGURE 12: Visitor numbers at Central Cultural Fund–managed sites of Sigiriya, Anuradhapura, Polonnaruwa and Galle



Source: Central Cultural Fund



STRENGTHS

- **A wealth of natural, cultural, historical and community lifestyle assets** is well distributed around the island — including eight UNESCO World Heritage sites, five Ramsar wetlands, and many areas of high environmental, cultural and historical value still underused for tourism. Sri Lanka has the second-highest coverage of protected areas in Asia, with the Department of Wildlife Conservation managing nearly 90 natural areas. The Forest Department manages more than 500 areas, many with high levels of biodiversity, endemism, and tourism values similar to those of currently overvisited sites²⁷. The Central Cultural Fund, in the Ministry of Education, manages 21 cultural sites, including four World Heritage Sites²⁸: Anuradhapura Sacred City, Polonnaruwa Ancient City, Sigiriya Rock Fortress, Kandy Sacred City. There are several noteworthy Buddhist, Hindu, Christian and Muslim religious sites.
- All this provides year-round opportunities for a diverse range of visitor experiences and activities without the need to contrive attractions. As a result, Sri Lanka **possesses significant potential to offer excellent ecotourism and interpretation** around:
 - Large charismatic species
 - Endemic species and high levels of terrestrial and marine biodiversity
 - Agri-tourism — particularly tea and spice production
 - Gemstones and jewellery
 - Religious pilgrimage
 - Historical ports, forts, and engineering feats
- There is a **good revenue base** that the respective organisations collect and directly manage and the **ability to disperse visitor numbers and impacts**. Using other areas with the same-quality values is an advantage for implementing good conservation and visitor management practices.
- The **presence of large international chains** provides opportunities for private sector–led leadership in developing voluntary certification and standards schemes to drive higher standards across the industry. It also provides opportunities for mentoring and training support through information sharing in industry meetings and forums.



CASE STUDY 2: WILDLIFE SAFARI

The traditional approach to protected area visitation is **jeep-based safari tours** — exclusively undertaken by independent jeep operators that may be owner operated or have multiple vehicles and employed drivers. This provides a one-dimensional experience of Sri Lanka's national parks. There is significant potential to broaden the range of experiences offered and provide significantly better tourism experiences, but more important in the short term, there is a need to address **management of these tours**. There are numerous social media references to rundown vehicles, speeding, overcharging, and crowding at wildlife sites. The DWC guides also regularly receive feedback related to poor language skills and demands for high tips. A high-end tour or accommodation provider must currently 'hand over' their guests to a jeep driver and DWC guide even though they may have suitable four-wheel drive vehicles and highly trained interpretive guides on staff. There also appears to be little enforcement of park rules, which has implications for visitors and wildlife. There is an urgent need to **apply standards to jeep operations** (e.g., minimum pay and conditions for drivers, age limit on vehicles, protocols on how many vehicles may surround wildlife and minimum distances). Specialist **eco-guide training and improved language skills** are also critical. The fitting of **GPS tracking devices** on all jeeps and safari vehicles could also enable park managers to monitor movements, vehicle numbers, vehicle clustering around wildlife, speed, and known animal congregation points. It could also identify vehicles that break park rules.

Visitor services and infrastructure are generally extremely limited, with most areas lacking access to basic toilet facilities. There is little in the way of interpretive, behavioural and way-finding signage, and interpretation displays are often absent and, where present, very dated. Although online booking systems are planned, there is little to no use of interactive technology or digital apps. There are some camping areas available in national parks and some bungalows mostly used by domestic visitors; these structures could be dramatically improved by considering low-impact safari-style tents that blend with the environment.



CASE STUDY 3: WHALE & DOLPHIN WATCHING

Sri Lanka is rapidly gaining a reputation for whale and dolphin watching. Three key sites are Mirissa on the south coast, Trincomalee on the northeast coast, and Kalpitiya Peninsula on the northwest coast. Blue and sperm whales, dolphins and turtles can be viewed; there are reliable sightings in the peak whale watching months of December, January and April but also in November, February and March. Spinner dolphins and certain small shark species are common in the Kalpitiya area.

Reading TripAdvisor reviews reveals a **major problem in the management of whale watching**, particularly in the Mirissa area: small, slow, overloaded, smoky boats; significant proportions of guests becoming sea sick; chasing and harassing whales; operating tours out of season when the chances of seeing whales is slight and the sea conditions are rough. This type of feedback is building a negative reputation for Sri Lanka in this upscale niche market segment.

One of the major limitations of the whale watching industry is the **use of small boats**. A high-quality whale watching experience is more likely with the use of high-speed, 15- to 30-metre-long vessels. Purpose-built whale watching vessels have optimal viewing decks, interpretive facilities, on-board bathrooms, and capacity to serve hot meals.

Like land-based wildlife tourism, marine tourism management requires government intervention with the support of local marine experts, resident communities, the private sector, and non-government tourism bodies to move this important sector to a sustainable footing and one that offers a high-value tourism experience.

Whale watching commenced globally as a tourism activity in the early 1990s. There are **standard, well-regarded protocols for sustainable vessel-based whale watching** (e.g., minimum distance that must be maintained from whales, engine-off requirements when whales near a vessel, no 'leap frogging' of whales, additional minimum distances for mother and calves). Similarly, there are well-tested commercial permitting systems around the globe that regulate operating procedures, animal protection, vessel quality, and safety. There should be a declared whale watching season to prevent off-season voyages in unfavourable conditions. Incentives for operators to achieve ecotourism certification should also be introduced.



CHALLENGES

- **Nature-based, religious and cultural experiences are confined to a few high-profile sites that are congested and poorly managed** (see *Case Study 2: Wildlife Safari*). Visitor management plans for sites are deficient, not visitor centric, or not comprehensive. For national parks, visitor use is controlled using only a permit system and available on a park-by-park basis. There is no system for managing commercial operators.
- **There is little information or feedback collected at the site level on visitor numbers, profiles and preferences.** Collecting such information would provide insights into visitor needs and levels of satisfaction; is fundamental for planning and monitoring the effectiveness of infrastructure, interpretation, soft adventure activities, accommodation options, and merchandising; and would provide better understanding of visitors (see *Chapter 2*).
- **There is no effective national standard or certification system covering tourism operations for accommodations, tours, events, attractions and speciality services, and retail businesses** (e.g., arts, crafts, Ayurveda, gemstones). This limits Sri Lanka tourism's capacity to:
 - Provide consistent guidance to operators on how to improve their business, environmental and social performance
 - Provide visitors with the ability to identify and indicate a preference for best-practice operators
 - Assist in promoting Sri Lanka as a sustainable tourism destination (by highlighting best-practice operators) to the market segments identified in Chapter 2
- **Standards for accommodation, tour and retail providers vary greatly. There is little management, monitoring, or enforcement of best practices, professionalism, or quality** (see *Case Study 3: Whale & Dolphin Watching*). This is particularly prevalent in protected areas, land-based and marine life tours with respect to health and safety, and in certain specialist services and retail such as Ayurveda and gemstones. There are inconsistent industry standards regarding best practices in waste management, water and energy conservation, habitat preservation, and marine and wildlife interactions, which are all serious reputational risks for a destination.
- **There is generally a poor standard of information, narrative, interpretation, and presentation of values at most sites.** Visitor services, signage and infrastructure are absent or substandard, and packaging, presentation and connectivity between sites is poor (see *Case Study 4: Sigiriya value addition*). Visitor information and information centres are hard to find and inconsistently presented and offer limited services. Visitor information regarding health, safety, and appropriate conduct with respect to wildlife, religion, culture and communities is minimal.
- **Most sites offer one-dimensional experiences and limited opportunities for community interaction.** There are significant opportunities to broaden the range of culturally-based activities to celebrate the country and Sri Lankan life. This would involve the local community in activities (e.g., local crafts, music, traditional livelihoods, authentic Sri Lankan foods) while alleviating negative aspects such as toutage. This could encourage voluntourism and local events.
- **The range of touring routes offered is limited and standardised, with tour operators largely using the same overfrequented natural and cultural sites.** In their defence, these have established infrastructure connectivity and visitor facilities. However, tour operators and guides recommend establishments that give them a commission, which disadvantages smaller rural entrepreneurs. Many Sri Lankan operators offer a little of everything in their tourism promotion literature, without perhaps an appreciation that potential niche markets (e.g., bird watching) require more-focused and higher standards of guiding and service delivery. All this limits the diversity of tourism experiences and hinders the regional spread of benefits to communities outside the popular attractions.



CASE STUDY 4: SIGIRIYA VALUE ADDITION

The high-profile World Heritage Site Sigiriya is facing visitation pressure and is not delivering the quality of tourism experience that it could. It should be given early attention to enable the site to be preserved, and the visitor experience to be broadened and enhanced. There are many opportunities to add value to the current experience through improved interpretation, including personal guiding based on the market segment and length of time: from general information to academics to specialist knowledge. Non-personal interpretation includes accurate signage, apps, displays and 3D technology that are eco-friendly and fitting for the historic setting (e.g., no neon signs). Important attributes of the site are not currently featured, such as Cobra Hood cave, which is below the main Sigiriya rock and has motif paintings; the surrounding gardens and the walled city and moat; and local community involvement on the site. The placement in key areas at Sigiriya of temporary cafés, food stalls, and souvenir stalls is a distraction from the grandeur of the site. There is potential to provide high-quality visitor services — good-quality food outlets, local souvenirs, crafts and other value-add options — in specific locations. An interpretive centre, comfort facilities and improvements to the existing museum are on the cards.

Core Strategies

To deliver the best-in-class niche market experiences outlined in Chapters 2 and 4, and position Sri Lanka as a competitive sustainable tourism destination, **a concerted effort must be made to lift industry standards across the board**, including tours, accommodations, attractions, events, speciality retail and information services.

After consultation with government, the private sector and tourism stakeholders, the following three core strategies and actions have been identified as the priorities for the next four years. These have been selected because they address the highest-risk areas in terms of potential loss of significant environmental and cultural values, Sri Lanka's potential competitive edge in ecotourism, the significant reputation risks from bad visitor experiences and reviews, and achievability within the timeframe. Not all of the actions are under the jurisdiction of the Tourism Ministry and the tourism institutions, but they are included here as key focal points for stakeholder partnership projects to be discussed and implemented using the kinds of mechanisms discussed in Chapter 1.

5.1 Enhance conservation, presentation and management of natural and cultural assets

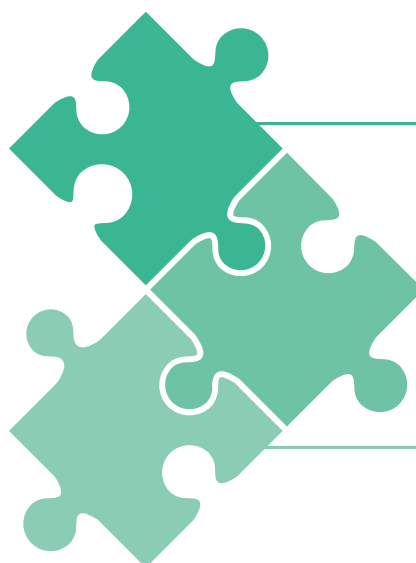
Guidelines, codes of conduct and management plans must be implemented to conserve natural and cultural assets while providing a high-value tourism experience. For instance, guidelines and audit procedures to assess the infrastructure in protected areas can help ensure

consistency of delivery for the visitor experience.

These include basic infrastructure (e.g., parking, retail, toilets, rest facilities), interpretation and signage (e.g. directional, behavioural). Although the protected areas may not be under the purview of SLTDA, it can be an essential partner in developing site-specific management plans. SLTDA can develop a template for the tourism component to deliver a holistic visitor experience. It is important to continuously review current site management plans where available and to integrate recommended actions.

Sri Lanka cannot become a genuine ecotourism destination while it has widespread littering, pollution and waste mismanagement throughout the island. A **national housekeeping programme** should be introduced in a concerted effort to address continuous clean-up, safety and sustainable waste disposal throughout the island. A major initiative related to Sri Lanka's most popular mainstream market segment — the coastal experience — should be undertaken. This would encompass beach safety and cleanliness in collaboration with Tourist Police and the Coast Guard, and an improved marine life experience by regulating vessel and aerial whale watching. Pilot projects in the south in collaboration with a range of stakeholders in the most-vulnerable locations will need to be started quickly.

A reliable, **secure online booking and payment system** to purchase tickets to visit natural and cultural assets will greatly benefit visitors. Because Sri Lanka has myriad cultural, nature-based and religious sites, each with its own ticketing system and pricing structure, the potential for travellers to become confused and



LIFTING INDUSTRY STANDARDS: CORE STRATEGIES 2017–2020

1. ENHANCE CONSERVATION, PRESENTATION AND MANAGEMENT OF NATURAL AND CULTURAL ASSETS
2. FACILITATE UPTAKE OF BEST PRACTICES AT KEY TOUCH-POINTS
3. IMPROVE VISITOR INFORMATION AND INTERPRETATION

disenchanted is great. Many social media reviews complain about the total costs involved in multiple visits and the expectation of drivers and guides to receive substantial tips. A common ticketing approach, advance purchase, seasonal passes, low-season passes, student deals and other packages could be developed to streamline the system and offer savings to visitors. This system would result in a one-time payment so that visitors do not have to complete multiple forms and pay multiple times. The ticket 'bundles' can combine different choices and feature lesser-known attractions to promote alternative sites and disperse tourism throughout the island.

It is critical for the Tourism Ministry and SLTDA to work closely with the relevant government bodies and development partners to improve management of protected areas for conservation and high-value ecotourism. **Changes to operational procedures and**

investment in key visitor infrastructure could result in significant improvement in carrying capacity and resource protection. SLTDA should advocate for potential enhancement initiatives that would transform the country's high-value tourism offerings, such as:

- > Development of management systems based on **managing access times, price and exclusivity** at nature-based and cultural sites such as stratified access times for large groups, daily limits (short-term solution), and higher prices for peak times. A premium time of day might attract premium entry fee charges. It is also possible to improve yield by retaining a reserve of tickets (e.g., 5-10%) that visitors can bid for to enter at premium times or to enter premium locations. Such an online auction bidding process could enable independent or small-group travellers to make unplanned visits at the last minute and pay a premium for the privilege.

CORE STRATEGY 5.1: Actions to Improve Conservation, Preservation, and Management of Natural and Cultural Assets

	Actions	Lead agency and partners	Timeframe	Outcomes
88	Develop protected area infrastructure guidelines, templates and checklist to allow site audits for each area, with the aim of providing the best visitor experience.	SLTDA Wildlife Department CCF Forestry Department Consultant	2017	Tourism businesses contribute to protection, conservation and enhancement of Sri Lanka's natural and cultural assets.
89	SLTDA to advocate for integration of conservation and tourism objectives and actions in site-specific management plans for protected areas.	DWC Forestry Department CCF SLTDA	2017	
90	Develop a national housekeeping programme to ensure a clean, safe, sustainable environment. Begin with an initiative to upgrade the coastal experience with pilot projects in the south.	SLTDA Provincial & local governments	Priority in 2017, ongoing	Visitors have easy access to reliable information and services, feel safe, and are impressed by environmental performance, social responsibility, and service standards in the country.
91	Enforce national vessel-based and aerial whale watching regulations.	SLTDA DWC	Priority in 2017	
92	Improve beaches: SLTDA to advocate for the construction of compact two-storey eco-friendly units along popular beach locations to house one lifeguard and a Tourist Police officer to monitor the beach on a 24-hour shift basis and to address maintenance, illegal activities, and visitor safety.	SLTDA Coast Guard Local government	2018	
93	Develop online booking and ticketing mechanisms allowing access to multiple areas and different package options.	SLTDA DWC Forestry Department CCF	Priority in 2017	

Note: SLTDA, Sri Lanka Tourism Development Authority; CCF, Central Cultural Fund; DWC, Department of Wildlife Conservation.

- > Providing additional staff at each key attraction and providing training to increase **onsite monitoring and enforcement** of regulations and codes for tourism operations.
- > Best practices in wildlife interaction, for captive wildlife in rehabilitation centres and zoos as well as wider animal welfare. In line with ecotourism best practices, SLTDA should advocate **open-enclosure green sanctuaries** rather than caged zoos by 2025. The Ridiyagama Safari Park is an example that the Department of Wildlife Conservation has developed. Better, more-spacious conditions and compassion should be introduced at the Dehiwala Zoological Gardens and Pinnawela Elephant Orphanage.
- > Introduction of a **new system of commercial tour operation management in protected nature areas**, possibly in existing low-use national parks and sanctuaries adjoining popular national parks. It would involve the establishment of minimum standards whereby only operators with some level of certification would be eligible to apply for commercial operating licences in these protected areas. Certified eco-guides would provide interpretation under the employment of the tour operator or would be under independent contract with the tour operator. By testing a new scheme in lower-use national parks (e.g., Wasgamuwa) and adjoining sanctuaries, it would be possible to monitor comparative visitor satisfaction levels, average tour price and environmental impacts.
- > A joint agency project focused on **piloting an integrated management model at a national park**, including adjoining forested areas in a holistic tourism management plan; piloting a commercial operator model with an ecotourism certification programme (only certified operators provided with permits); establishing permit allocation process; providing a transition training and mentoring programme.
- > Exploration of **private tours and small-scale low-impact accommodations in protected nature areas**, PPPs, and private sector management of tourist bungalows and campsites. This requires a significant review of current policies to ensure that the primary role of conservation and protection of natural values is maintained. There are examples in other countries of high-quality accommodations and attractions that the private sector has built using a range of investment approaches, including PPPs and joint ventures.

5.2 Facilitate the Uptake of Best Practices at Key Touch Points

To be a high-value destination and provide an authentic experience aligned with the Roots Philosophy, Sri Lanka needs to elevate visitor services at key touch points in the public and private sectors, including ports of entry and exit, accommodations, and speciality retail.

A **mystery shopper programme** run by the SLTDA with a team of retired tourism professionals would be useful to randomly monitor quality standards and customer service. This could address specific problems at a particular attraction or service. In addition, periodic data gathering can take place at these touch points using short **visitor satisfaction surveys** to understand customer preferences and profiles, which will also feed into the VSM (*see Chapter 2*).

PRIVATE SECTOR

The EU SWITCH-Asia project **Greening Sri Lanka Hotels** laid a solid foundation for the improvement of best practices by helping start more than 350 hotels on the path to pursuing good water, waste and energy practices. A possible expansion or follow-up to this project should be considered in the development of national certification or standards programmes. SWITCH-Asia has laid significant groundwork in the development of a voluntary 'green tourism' certification scheme for the tourism industry. This scheme was primarily aimed at accommodation providers and focused on sustainability practices such as energy and water conservation, waste management and safety. To avoid duplication of regulation and unnecessary red tape and cost, it is recommended that certification under this scheme (if pursued) be integrated into the licensing processes of the SLTDA. In the next phase, it can be extended by promoting green principles and codes of conduct to other service providers such as tour operators and attractions.

The private sector can be further encouraged to raise standards, particularly in relation to quality and sustainability, with an **annual tourism awards programme** developed in collaboration with an industry chamber, with a significant marketing prize for each category winner and culminating in an awards event.

It is important to foster traditional arts and crafts, cottage industries, food products, Ayurveda products, and the sale of gemstones and jewellery as speciality souvenir items through a **SME support programme**. This adds value to the visitor experience and offers something authentic to take home. Programmes should be established to support SMEs and MSMEs

in speciality retail related to traditional handiwork, Ayurveda products, and cottage industry ventures. These include access to training, financing and marketing, such as organised business and specific sector training; rating and grading systems; negotiated loans and grants; an innovation venture fund; registered operators and outlets showcased on SLTDA website; marketing incentives for best practice operators; and access to marketing promotions and cooperative marketing initiatives. There also needs to be quality control, particularly with respect to food and Ayurveda products as well as gemstones. This can be encouraged

through audit and mentoring workshops in partnership with larger private sector companies.

PUBLIC SECTOR

The **online visa system** (E-visa) for entry to Sri Lanka is an overseas visitor's first tangible encounter with travel to Sri Lanka. Although it is efficient, further value addition can take place, namely branding of the E-visa, a better look and feel for the E-visa website, using the E-visa system as a marketing tool to share information in advance of the visitor arriving in the country, and for online surveying after the trip.

CORE STRATEGY 5.2: Actions to Facilitate the Uptake of Best Practices at Key Touch Points

	Actions	Lead agency and partners	Timeframe	Outcomes
94	Develop and implement a mystery shopper programme and quick visitor satisfaction surveys at different touch points.	SLTDA	2019 ongoing	Strong interpretation engages, informs and impresses visitors; provides access to history, stories, culture and people that make Sri Lanka unique. Visitor information and interpretation encourages responsible, appropriate environmental and social interactions.
95	Develop, or adopt under licence, a national sustainable tourism certification scheme for tours, attractions and accommodations. Specifically for accommodations, implement the Green Hotels Programme to promote hotels to set and achieve renewable energy, water conservation, recycling and waste reduction targets.	SLTDA	2018 ongoing	
96	Review license conditions and add best practice requirements . If a business has approved SLTDA certification, licensing should be integrated into a one-step process. Consider extending this to the speciality retail space or implementing a code of conduct and recognised suppliers programme.	SLTDA	2018	
97	Introduce an annual tourism awards programme with strong quality and sustainability criteria in association with industry bodies.	SLTDA Chamber of Commerce Tourism associations	2019 ongoing	
98	Develop national and enforceable operator codes of conduct, minimum vehicle standards, and driver and guide standards integrated into licensing and certification programmes (including tuk-tuk drivers).	SLTDA Tourism associations	2019	
99	Initiate small and medium enterprise support programme for traditional arts, Ayurveda products, and handicraft cottage industry ventures.	SLTDA	2019–2020	
100	Work with Department of Immigration & Emigration and airport and port authorities to enhance online visa service and improve airport and cruise visitor experience .	SLTDA Other government departments	2017	
101	Strengthen and provide resources for Tourist Police with dedicated teams island-wide.	Tourist Police SLTDA	2017 ongoing	

Note: SLTDA, Sri Lanka Tourism Development Authority.

BIA in Katunayake is the first and last touch point for 99% of international visitors²⁹. Because of capacity limitations at BIA, there can be bottlenecks during peak times. Notwithstanding major renovation plans, it would be worthwhile expediting certain quick fixes and soft touches to prioritise the visitor experience. Examples include adequate staffing and traditional greetings, contemporary visuals of Sri Lanka, free welcome tea service, small cultural performances during festival times, and welcome and departure gifts. The private sector could sponsor some of these services.

With the growth of the cruise sector and because Sri Lankan ports do not have dedicated cruise terminals, similar interim convenience measures should be taken to improve the visitor experience at points of debarkation and embarkation for cruises.

Safety and security are important for visitors and the host community. As Sri Lanka welcomes tourism, operators and communities must not ignore rule breakers. The **Tourist Police** predominantly handle conflict resolution and visitor support. They need to be strengthened in numbers, capacity, resources and authority. A dedicated tourist police unit that is well resourced and trained in soft skills and located at all tourism hubs could be an important tourism touch point.

5.3 Improve Visitor Information and Interpretation

Visitor information and interpretation, including accurate signage, explanatory collateral, visitor centres and online information need to be emphasised. Digital media, innovations and technology must be harnessed to improve the overall travel experience in the country. Information and communications technology (ICT) can be used to provide more information, for instance working with Google to improve location information on their online maps and providing more travel information online. All this elevates the quality of the visitor experience and encourages independent travel.

Well-signed touring routes, view points and interpretation centres along with comfort centres, rest stops and wayside lookout points (*see Chapter 4*) will encourage travellers, especially returning visitors, to explore the country more comprehensively and enjoy a multidimensional visitor experience. It will also be possible for independent travellers to undertake more-independent holidays in much greater numbers than at present. Independent travellers developing their own travel and accommodation itineraries will be much less susceptible to the manipulation of unscrupulous operators who take guests to a limited range of service providers based on

commission payment to the driver and guides.

Up-to-date educational and attractive collateral should be produced to create a high-value learning experience at attractions. For example, this could include general print and electronic material on biodiversity and wildlife and specialist material on botanical gardens. Private sector sponsorship is possible.

Guides and tour operators must participate in continuous SLTDA-led **awareness programmes** so that they can educate visitors about lesser-known sites that are of interest from a biodiversity or historical perspective. In the urban context, better management and training of tuk-tuk drivers is also required to improve visitor safety and the quality of information provided.

SLTPB has **tourism information centres** in prime locations in Colombo, BIA and Kandy that provide information to visitors, but can also be used for data gathering and targeted marketing. Examples include private sector collaboration to offer welcome drinks and gifts, and public sector collaboration to showcase lesser-known attractions and raise awareness of safety and industry HR challenges.

The SLTDA should work closely with the relevant government agencies to ensure **clarity and consistency** in signage on key routes and support services. Some potential tourism-related enhancement initiatives that SLTDA can advocate include:

- > A joint project to develop a **national tourism road sign system and staged signage plan** and install directional signage at priority sites. This can be followed by interpretive signage, which facilitates independent travel. It is recommended that corporate sponsorship be sought to reduce government costs and to test the system under a pilot project, such as for the Ecotourism Discovery Circuit (*see Chapter 4, Section 4.3.4*).
- > A joint project for a **national tourism signage manual for protected nature areas and cultural sites** covering standard design, durable materials, and consistent way-finding and behavioural signage using internationally recognised symbols. Existing site signage and management plans may need to be upgraded accordingly.
- > A joint project to develop **national design standards** for comfort centres, wayside stops, viewpoints, lookouts, shelter pavilions and picnic facilities in identified locations. Simple, practical, traditional designs appropriate for the local area should be used.

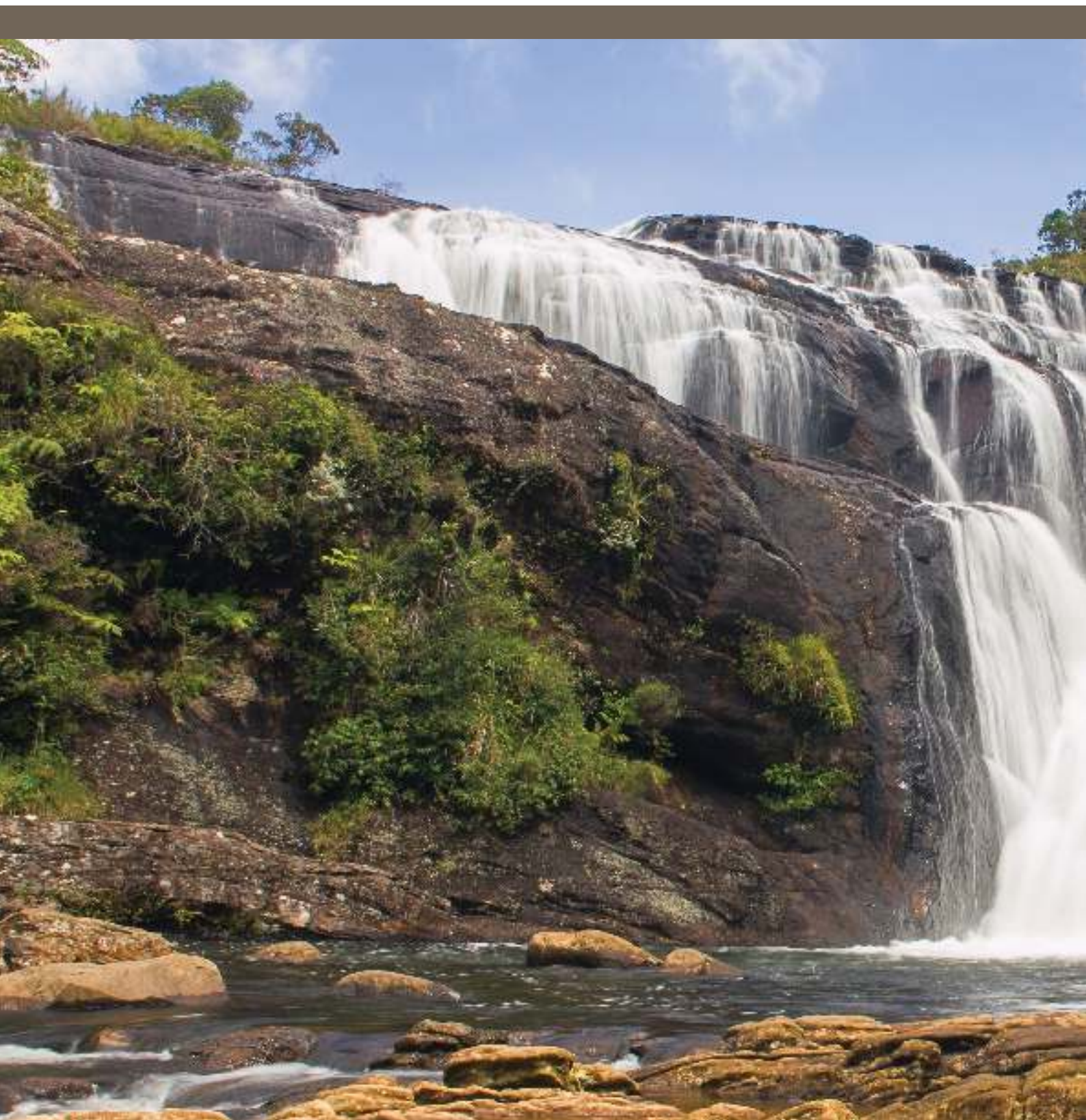
CORE STRATEGY 5.3: Actions to Improve Visitor Information and Interpretation

	Actions	Lead agency and partners	Timeframe	Outcomes
102	Undertake protected area interpretation audits of key visitor sites to evaluate current status and necessary improvements.	SLTDA DWC CCF Forestry Department Consultant	2017	Sri Lanka adopts a "best in class" approach to delivery of tourism experiences and is seen as a globally leading ecotourism nation by 2025.
103	Develop national standard for visitor information centres and interpretive centres , including overarching quality and aesthetic standards (not prescriptive) and management models (e.g., community participation, corporate sponsorship).	SLTDA DWC CCF Forestry Department	2017	
104	Develop a visitor information guide for use at visitor information points and online (e.g., website, travel apps, email). This should include do's and don'ts with respect to environment, community, wildlife; illegal trafficking; safety information; and advice on avoiding scams.	SLTDA	Priority in 2017	
105	Work with other government departments to produce informative collateral on general themes and for specific attractions and subjects.	SLTDA Other government departments	Q3 2017, ongoing	
106	Develop industry awareness programmes on lesser-known attractions in collaboration with specialist organisations.	SLTDA	2018, ongoing	
107	Creatively use tourist information counters as points for data collation, customer service and targeted marketing.	Sri Lanka Tourism Promotion Bureau Private sector	2018–2019	

Note: SLTDA: Sri Lanka Tourism Development Authority; DWC, Department of Wildlife Conservation; CCF, Central Cultural Fund.

Endnotes

23. http://cf.cdn.unwto.org/sites/all/files/pdf/global_report_transformative_power_tourism_v5.compressed_2.pdf
24. <http://www.natgeotraveller.co.uk/smart-travel/features/is-sustainable-travel-going-mainstream/>
25. http://www.responsibletravel.org/resources/documents/2015%20Trends%20&%20Statistics_Final.pdf
26. Source: Department of Wildlife Conservation.
27. Biodiversity Sri Lanka, 2016.
28. The legal authority is the Department of Archaeology.
29. SLTDA Annual Statistical Report 2015.



Engaging the Workforce and Communities

CHAPTER 6



A tourism sector with a highly skilled workforce that uses strategic HR management³⁰ is a prerequisite to attracting the right people for the right job. This is crucial to Sri Lanka becoming a high-value destination. Strong growth in the tourism and hospitality sector creates employment and career opportunities and can harness the intrinsic hospitality of Sri Lankans.

When considering HR in the tourism industry, there are three broad groupings of actors: public sector, private sector and communities. Each requires specific strategic approaches of engagement that are proposed below.

Current Context

Tourism in Sri Lanka employed 319,436³¹ people in 2015. Direct employment in hotels, restaurants, travel agencies, tour operators, airlines, recreational facilities, tourist shops, guides, national tourist institutions, and the state sector accounted for 135,930 of these³². Indirect employment from tourism (including suppliers to the sector such as information technology (IT), fuel and energy, catering services, clothing, housing and household goods and services) accounted for the balance.

Public and private sector stakeholders recognise the potential growth trajectory of the tourism industry as a major opportunity and a challenge to capturing the benefits of tourism development and meeting strategic objectives.



STRENGTHS

- A public sector willing to review existing structures that understands the need for change to ensure that goals and objectives are achieved. There is a desire for a strong learning, development and training framework in the tourism ministry and institutions.
- A resilient private sector, including an upsurge in SMEs, that has withstood trying times during the civil war and is attracting experienced Sri Lankans who have been working overseas. International hospitality brands entering the country are raising the benchmark for industry HR standards.
- Standardised and subsidised training offered at the government-run SLITHM and a national qualifications framework — the National Vocational Qualification (NVQ) system — including national competency standards and competency-based training.
- Friendly, hospitable people and widespread conversational English, which offers an advantage for developing high standards of community engagement and interaction.



CHALLENGES

- A limited understanding among decision-makers and influencers in the public sector of the **importance of HR strategy** in achieving a sustainable workforce.
- A prescriptive, obsolete **scheme of recruitment** in the tourism institutions that does not reflect current best practices for effective service delivery. There is no accountability for achieving outcomes within designated timeframes. Appropriate technology and a work environment conducive to productive work outputs are lacking in the public sector.
- A **lack of formal data and comprehensive research** to capture information on:
 - Employment profiles and practices in the private sector
 - Learning and development programmes in the private sector
 - Number of women employed in the sector and in what capacities
 - Factors attracting or discouraging potential employees to or from the tourism and hospitality sector, especially women
 - Available skill sets of the workforce and trainers
 - Attraction, recruitment and retention strategies for the public and private sectors
- **Limited diversity and inclusiveness** in the private and public sectors, including low female participation in the hospitality workforce³³.
- A **dearth of qualified trainers**, with little emphasis on soft skills training. The components required to deliver quality training are inadequate, which includes instructors with industry experience, well-equipped facilities for practical demonstration, and significant exposure to on-the-job training. Resource people for training in the north and east are particularly lacking because of language challenges.
- Strong growth in the tourism and hospitality sector places **additional demand** on the labour market, with corresponding shortfalls in supply.
- **Migration** of trained, experienced Sri Lankans to overseas tourism and hospitality jobs that may offer better remuneration and career development prospects.
- Employment in the tourism and hospitality sector is not a **preferred career option** for a variety of reasons, including economic reasons, lack of general awareness of the sector, work hours and environment, and sociocultural pressures (*more information in Table 7*).

A number of factors affect decisions on entering the hospitality and tourism industry, seeking education and training, and during employment, which are outlined below.

TABLE 7: Factors affecting entry, training and retention of staff in the tourism sector

	Entry	Education and Training	Employment
Economic	<ul style="list-style-type: none"> • Perception of low-paying sector • Alternative jobs with better starting salaries • Starting positions can be as casual labour so no social security (EPF or ETF) and no job security • Aspiration to travel overseas for work 	<ul style="list-style-type: none"> • High-quality courses with international affiliation can be expensive • Uncertainty about the quality of certain courses despite investment, especially due to poor quality of trainers and resource people • Sector-specific education or training is not a prerequisite for employment 	<ul style="list-style-type: none"> • Salaries are not paid on time or as agreed • Alternative jobs with better salaries • Perception of significantly higher earning potential overseas (valid in some geographical locations and for specific skills and professions) • Low base salaries (service charge not always paid during initial months of employment or if employed as casual labour) • Inability to source a loan on the low base salary
Awareness of sector	<ul style="list-style-type: none"> • Limited presence of industry in popular media • Unsure of: <ul style="list-style-type: none"> - skills required to join sector - security of employment - career path 	<ul style="list-style-type: none"> • Lack of information through existing primary and secondary education providers • Unaware of availability of courses • Vocational training not highly regarded • On-the-job training deters people from attending formal courses 	<ul style="list-style-type: none"> • Employer branding lacking • Job expectations not met nor expectations promised by employer always delivered
Work hours	<ul style="list-style-type: none"> • Perception of long and late hours deter women especially • Viewed as antisocial because work during weekends and holidays 	<ul style="list-style-type: none"> • Advice to new entrants on work hours together with benefits associated with career in tourism not explained 	<ul style="list-style-type: none"> • Long (sometimes) antisocial hours not discussed at time of recruitment, especially for women • Limited flexible working options, especially for women • Poor work ethic and youth attitudes so tendency to leave hastily if expectations are not met
Work environment	<ul style="list-style-type: none"> • Travel distances to places of work (e.g., hotels) can be deterrent, especially for women • Inconsistent employment standards across industry • Substandard work environment and facilities 		<ul style="list-style-type: none"> • Poor human resources management (e.g., no contracts, trainees for years, no progression, middle management issues) • Work load (perceived and real) • Occupational health and safety concerns • Lack of development opportunities • Lack of empowerment, stifles initiative and creativity • Little emphasis on dealing with work place issues (e.g., harassment, bullying)

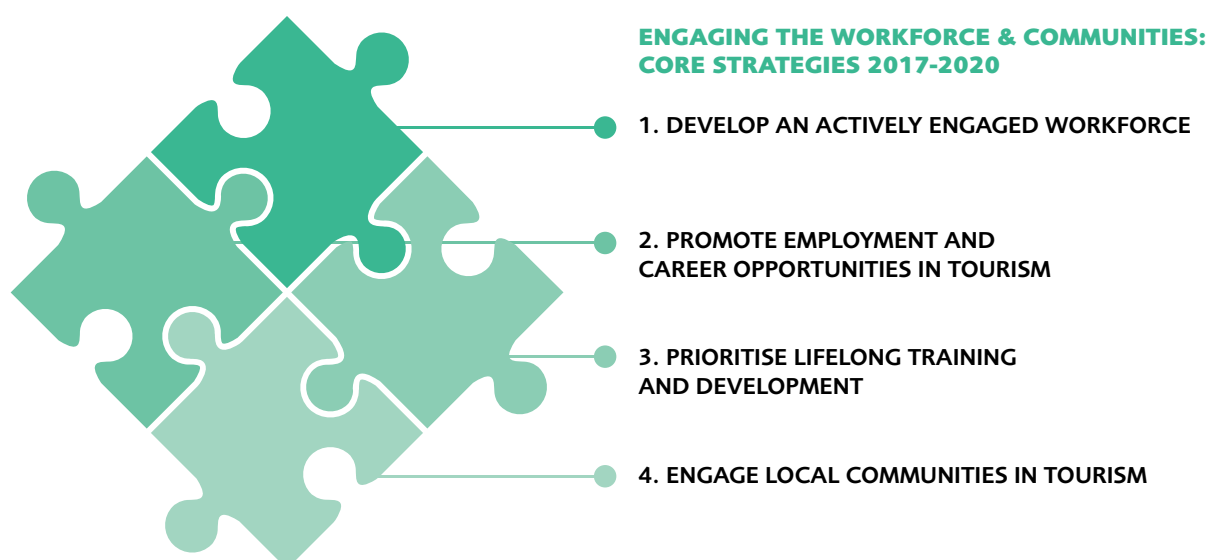
	Entry	Education and Training	Employment
Career Prospects	<ul style="list-style-type: none"> Limited entry-level permanent positions so entrants usually hired as casual low-level labour Career prospects (what you can do), pathways (how you can move up and around), and progression (how to succeed) not clearly identified or explained during school before recruitment or at job entry level Biases of the roles for people in the work place, especially women Inadequate counselling to support new recruits and trainees; buddy and role model initiatives not commonplace Inaccurate job matching and placement of recruits and trainees 		
Pressures	<ul style="list-style-type: none"> Lack of language skills so not confident to start courses or enter the sector Desire to be self-employed, especially young men as tuk-tuk drivers, for earning potential and community status Social, cultural, religious, family pressures and biases, especially for women, because of perspective that tourism sector is not safe, dignified, or desirable (e.g., office jobs more desirable) Gender biases for women in employment in general Few women in sector further deterrent to diversity in tourism workforce 		

Sources: Stakeholder consultation, survey of training providers³⁴, International Labor Organisation skills gap study 2015

Core Strategies

An empowered tourism workforce and an engaged community will contribute considerably to a high-value visitor experience. High-value tourism tends to be more labour intensive because group sizes are generally smaller, and these guests prefer more-personalised accommodations and tours. It provides significant jobs and skilled opportunities for men and women, although it demands a high level of intuitive service and specialist, enhanced skills to provide premium and niche experiences.

Four core strategies have been identified as priorities for the next four years to facilitate achieving Tourism Vision 2025. These have been selected because they address the fundamentals of engaging the current and potential tourism workforce. They also link the behaviour and satisfaction of employees to the quality of service, visitor and customer experience, and return on investment. To achieve the actions listed below, Core Strategy 6.1 should be implemented as a priority.



6.1 Develop an Actively Engaged Workforce

It is essential to have a systematic approach and solid foundation to develop a sustainable workforce for the tourism sector. This includes fair and robust HR policies, planning and best practices for employment throughout the public and private sector.

PRIVATE SECTOR

As an industry, there need to be concerted efforts to establish best practices in HR, including workforce planning, performance management, talent management, employee engagement, and succession planning. Broadly categorised as hospitality service standards, they must align with international hospitality service standards.

Industry leaders should be committed to equality, diversity and inclusion. This comprises best practices for employment standards, career path development and fair remuneration. This can go a long way toward addressing important HR challenges related to skill shortages, poor retention rates, and high staff turnover. Examples of commitments and pledges that the industry can make include:

- > Mandatory hours of annual training while employed
- > Flexible work schedules
- > Specified percentage of women employed in the workforce
- > Specified percentage of women in managerial positions
- > System for handling employee grievances

Research on the effect of talent retention on performance in private sector companies in Sri Lanka³⁵ concluded that there are no effective HR strategies for talent retention — a key component of any HR management plan that underpins an organisation's employment standards and career path development. An **employer branding strategy** is important in this regard.

Whereas the global and local chains of hotels and other major tourism-related businesses have supportive HR policies and practices that are part of their employer branding, there is no clear picture of what HR policies and practices are in place in SMEs or MSMEs (which account for a large proportion of Sri Lanka's tourism sector). They may need more support, so the recommendation is to develop a foundation **management master class programme** for MSMEs and SMEs registered with SLTDA to improve HR practices and business resilience. Access to these courses can be a benefit of being an SLTDA-registered business, supporting the effort to mainstream the "informal sector" (see Chapter 1). Topics to be covered in the modular and practical programme

include HR management, employee engagement, quality standards, customer service, and business sustainability.

Formal annual surveys and research on the private sector workforce should be conducted to evaluate and forecast industry trends and gaps in HR. These can be included in the local research surveys discussed in Chapter 2.

PUBLIC SECTOR

Current concerns that the four tourism institutions have raised indicate frustration within the workforce stemming from a lack of consistently applied HR policies and an obsolete scheme of recruitment. Other broad concerns include:

- > The current institutional structure and dearth of strong HR policies, which contributes to demotivated staff, lack of competency, dysfunctional departments, inadequate workforce diversity, loss of high performing staff, and no succession plans
- > Inconsistent decision-making and follow-up combined with a pervasive lack of urgency, which leads to non-resolution of issues
- > A lack of accountability and a politicised work culture
- > Little emphasis on training and development opportunities

A cascading chain has emerged whereby poor evaluations and negotiations followed by protracted procurement processes and delayed decision-making gravely affects output. Until such time that the institutional framework recommendations in Chapter 1 are implemented, the following interim measures should be explored for optimum functionality and effective outputs. Implementing best practices and processes will also help transition to a better working culture.

(I) REVISE HR FUNCTIONS IN THE FOUR TOURISM INSTITUTIONS

There are four individual human resource functions for a total of approximately 490 people. At least two options should be considered as part of the investigation into the future of HR in the tourism institutions:

- > Continuing to allow the HR functions to remain in each tourism institution but have a collaborative arrangement in place.
- > Implement a HR shared service (HRSS)³⁶ to manage human resources across the four tourism institutions. *(Further information on HRSS provided in Box 3)*

Once a comprehensive HR audit has taken place, a strategic HR plan will need to be developed and implemented, with standardised HR processes across all HR functions. **Gradual transition to a results-oriented, performance-based, incentivised work culture in the public sector is essential.**

BOX 3: BUSINESS CASE FOR HUMAN RESOURCES SHARED SERVICES (HRSS)

Research shows that, regardless of size or industry, any organisation with multiple locations should consider moving to a shared services model. When implemented effectively, HRSS can be a tremendous boon to efficiency, employee engagement and service excellence. Analysis of organisations with an HRSS model reveals that:

- They are twice as likely to achieve best in class as their counterparts.
- They have up to 30% fewer manual transactions handled by the human resources department.
- 85% of their employees are satisfied, compared with 70% when there are no HRSS.
- 76% of their employees rate themselves as engaged, compared with 70% when there is no HRSS.

(II) REORGANISE AND STRENGTHEN EXISTING CORE TEAMS WITHIN THE INSTITUTIONS

A priority in 2017 is **updating the schemes of recruitment** for the tourism institutions so the skill sets match the current and ongoing requirements of the industry. A pragmatic approach should be taken to skill identification, with emphasis on work experience, business acumen, experiential tourism and content creation.

Cooperation and efficiency could be achieved by establishing, so far as practically and legally possible, a common, shared secretariat; overhead; and **shared service functions** such as HR, research, IT and digital, and travel logistics. The SLTPB front-end marketing function should be reorganised into teams to reflect the streamlined priority markets. Working in teams can build resilience and capability.

With the move away from traditional marketing to the new paradigm of digital marketing (see Chapter 3), there is a need for new areas of responsibility to be created in Sri Lanka tourism and for ongoing capacity-building to take place, especially in digital marketing and market research. In addition, core teams such as planning, investment, legal, HR, procurement, and digital marketing in SLTDA and SLTPB should be strengthened by hiring specialist expertise or outsourced contractors for set periods of time. This will help clear any outstanding work and expedite planning. Training and mentoring must be mandated to ensure transfer of skills from outsourced project consultants to staff.

Best-in-class processes, monitoring and evaluation must be implemented. Codes of conduct and etiquette for all communications by Sri Lanka Tourism employees, encompassing online and offline correspondence, media releases and interviews, and social media, should be introduced. This is in the interest of consistent messaging as well as brand and government reputation management.

(III) HARNESS ICT TO IMPROVE WORK PROCESSES

Investment in ICT hardware and software is critical to

success, including up-to-date and cloud-based email, network systems, online documentation, automatic progress reporting, and online content banks. Among other advantages, it ensures business continuity and transfer of corporate knowledge, which has been a serious problem for Sri Lanka Tourism. Regular IT training for teams must be provided to support this.

In the case of the SLTDA One Stop Unit for project approvals, an **online workflow process system** should be introduced between all relevant departments. This could improve investor relations, approval times and overall efficiency. Using such a system, investors would be able to track their applications as they moved to each government department, and systemic bottlenecks could be assessed, for instance if there are long delays at certain agencies. Efficiency has a direct positive effect on individual project costs, FDI, and the country's reputation for doing business.

In Q4 2016, the SLTDA launched an online business registration system for enterprises that wish to register formally and for renewals, which provides customer convenience and record keeping and helps with efforts to mainstream the "informal sector".

(IV) STREAMLINE PROCUREMENT PROCESSES

An accounts support team should be set up to streamline and fast-track purchasing procedures. It is recommended that a prequalification procedure be implemented for suppliers and contractors of routine work or when outsourcing is needed (e.g., a bank of preferred consultants for specialist marketing fields such as photography, content writing, digital and other marketing services). This would enable rapid response to needs rather than the long time it currently takes to procure, evaluate and execute. In general, there should be advance planning and procurement, with preparation for pivotal projects such as major advertising campaigns beginning six months ahead. Once a project concept is finalised, a dedicated procurement meeting of all decision-makers should be held to agree on the set approach and the approvals and documents required.

CORE STRATEGY 6.1: Develop an Actively Engaged Workforce

	Actions	Lead agency and partners	Timeframe	Outcomes
	<i>Private sector</i>			
108	Develop, implement and evaluate hospitality HR service standards appropriate for the Sri Lanka tourism industry.	SLITHM SLTPB, SLCB, SLITHM, TVET Private sector	2017	A tourism industry with employment opportunities in the public and private sector that provide security of tenure, career pathways and wages that reflect diversity of the sector, skills of employees and the talent marketplace.
109	Develop pledges and targets for the private sector to make in which all parties commit to workforce equality, diversity and inclusion , particularly with respect to women in employment. Evaluate pledges and commitments annually.	Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM Consultant Private sector	Completed by 2020	
110	Develop and implement an employer branding strategy for the tourism industry underpinned by an employee value proposition that can be adapted to suit specific tourism and hospitality sectors. After two years, evaluate the employer branding strategy annually to: <ul style="list-style-type: none"> Assess whether intended objectives have been met Identify continuous improvement opportunities Assess resource allocation and communication channels Assess return on investment 	Tourism Ministry SLTDA, SLTPB, SLCB Marketing distribution specialist Private sector	Planning in Q3 2017 Implementation in 2018 Follow up in 2020	The private sector would become more engaged in being part of the solution to ensuring a sustainable workforce for the whole tourism sector.
111	Develop and deliver a foundation management master class programme for SMEs and start-ups in tourism to improve HR practices and business resilience.	SLITHM TVET Private sector Development partner	Planning in 2017 Roll out in 2018	Use of employer and company branding through effective communication strategies that will assist the tourism and hospitality industry in Sri Lanka to find, hire, and retain the right people, keeping Sri Lanka competitive, innovative, and filled with great talent.
	<i>Public sector</i>			
112	Assess the most appropriate HR shared services model across the four tourism institutions that includes: <ul style="list-style-type: none"> A workforce plan with an accurate assessment of the current HR capacity Forecast of future HR requirements An equitable remuneration strategy A gap analysis 	Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM	Q1 2017	An HR management system delivering cost efficiencies, enhanced service quality, greater staff capability and capacity, and greater collaboration between SLTDA, SLITHM, SLTPB and SLCB.

	Actions	Lead agency and partners	Timeframe	Outcomes
113	<p>Develop a strategic HR plan for the four tourism institutions that includes:</p> <ul style="list-style-type: none"> Findings of HR shared service audit Restructuring strategies as required Learning and development framework Recruitment and retention strategies (based on public sector employee value proposition) Outsourcing strategies Collaboration opportunities Review against legislative requirements Evaluation criteria Agreement with key stakeholders <p>Implement the strategic HR plan, including a communication plan and organisational needs (e.g., space, equipment, payroll). Evaluate the plan annually.</p>	<p>Consultant Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM</p>	<p>Planning in Q2 2017 Implementation in Q3 2017 Annual assessments</p>	<p>An HR management system delivering cost efficiencies, enhanced service quality, greater staff capability and capacity, and greater collaboration between SLTDA, SLITHM, SLTPB and SLCB.</p>
114	<p>Draft and update scheme of recruitment for all tourism organisations with professional external expertise.</p>	<p>SLTDA, SLTPB, SLCB, SLITHM HR consultant Management Services Department</p>	<p>Priority in Q1 2017</p>	
115	<p>Reorganise existing institutional teams to operate most effectively.</p>	<p>SLTPB, SLTDA</p>	<p>Priority in Q1 2017</p>	
116	<p>Strengthen core teams and recruit or outsource specialist expertise for specific periods of time. Emphasise best-in-class processes, planning, and communications.</p>	<p>Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM</p>	<p>Priority in Q1 2017, ongoing</p>	
117	<p>Assess technology improvement needs in tourism institutions; plan and invest accordingly. Online workflow system for One Stop Unit to be prioritised.</p>	<p>Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM</p>	<p>Q2 2017 ongoing</p>	
118	<p>Introduce measures to streamline procurement processes within tourism institutions.</p>	<p>Tourism Ministry SLTDA, SLTPB, SLCB, SLITHM</p>	<p>Priority in Q1 2017</p>	

Note: HR, human resources; SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau; SLITHM, Sri Lanka Institute for Tourism and Hotel Management.

6.2 Promote Employment and Career Opportunities in Tourism

There is a potential need to increase the workforce to serve the tourism industry based on average duration of a tourist's stay from 319,436 in 2015 to a forecasted 481,025 in 2020³⁷, an increase of 33.6% over five years. SLTDA data show 197 accommodation facilities under development (and ready for operations by 2018), which will add 11,645 rooms³⁸ to Sri Lanka's inventory. It has been calculated that 23,360 employees will need to be trained before the end of 2017 for these hotels to be operational by 2018.

To ensure that development of a high-calibre workforce accompanies industry growth, recruitment must be scaled up by improving perceptions of the tourism industry and career prospects in the sector. The current career options are heavily focused on jobs in hotels. A major portion of employment is in the food, beverage and cookery section. **Career pathways should be better communicated so that newcomers understand the choices available and progression in employment.**

Information to quantify each of the positions within the tourism sector and the associated entry-level qualifications, skills and experience is lacking, but access to employee training reveals the highest estimated potential gain in productivity. Estimates indicate that output per worker would be almost three times as high (275% of current levels) in companies that train workers as in otherwise similar units where workers are not trained³⁹.

In line with international best practices, Sri Lanka should not only prioritise the large number of new employees required, but also focus on how best to use employees who multitask to deliver the **highest levels of hospitality and customer service**. The workforce must also move beyond standardised service delivery to true customer service and cater to visitor expectations if Sri Lanka is to become a high-value destination.

It is necessary to foster a **supportive culture** in the hospitality workplace, especially for youth and women. This begins with career counselling at the training institutions (e.g., career counselling unit at SLITHM), followed by buddy and mentorship programmes in the work place, role model programmes, continuous team building exercises, and middle management training. These elements can help attract people to the sector and increase staff retention rates because high staff turnover is costly for any business. The private sector should commit to introducing such practices (see *Chapter 6, Section 6.2.1*).

Improving the perception of the tourism sector should begin in households and schools. Therefore tourism sector career prospects should be highlighted in the mainstream school curricula, such as:

- > Introducing a hospitality and customer service course in the local school curriculum
- > Encouraging more schools that follow the English Advanced Level syllabus to introduce the Travel & Tourism Advanced Level (Cambridge) course
- > Establishing travel clubs in local schools (especially girls' schools) starting around the age of 14. A club would have to deliver 12 projects for the year, which could include a school trip, photo competition, poetry or writing competition, environment clean-up, culinary experience, career workshop, etc. Relevant collateral would need to be produced.

Various annual **domestic awareness campaigns** should be implemented targeting different segments — opinion influencers, community members, families, women, workforce, youth. Topics to be covered include tourism career choices, salary and working misconceptions, career progression, hotel and services workplaces, and family support. There must be a dedicated awareness programme to encourage women to enter the hospitality sector. With the use of mainstream and social media and quality collateral, these awareness campaigns must be prioritised and creative. This can be further strengthened using a **grassroots mobilisation programme** (e.g., street theatre workshops and open house initiatives at hotels) to help demystify employment in the tourism industry and attract potential employees. Community-related actions, which also have an important role, are discussed in Chapter 6, Section 6.2.4.

Sri Lankans have a strong sense of hospitality, and the country has an array of natural and cultural heritage that is the repository of tradition, history, and the Sri Lankan story. These assets could be better harnessed through locally delivered, nationally accredited training programmes so that every person becomes a tourism ambassador, providing the foundation for a career in tourism and hospitality. Existing SLTDA initiatives⁴⁰ can be used to develop a formalised **Sri Lanka Host programme** (case studies include Australia's Aussie Host and New Zealand's Kiwi Host) that provides customer service training to ensure a welcoming host community. General customer service courses can also be offered to SLTDA-registered businesses — another value addition of becoming formally registered.

CORE STRATEGY 6.2: Actions to Promote Employment and Career Opportunities in Tourism

	Actions	Lead agency and partners	Timeframe	Outcomes
119	Develop and promote career planner for tourism sector to raise awareness of employment opportunities, entry levels and qualifications, skills, required knowledge and attributes.	SLITHM, SLTDA Sri Lanka Tourism Promotion Bureau, Sri Lanka Convention Bureau TVET Private sector Provincial councils	Q1 2017	Locally delivered, nationally accredited training programmes delivered by credentialed trainers available to public and private sector employers and to potential tourism sector employees. Better access to accredited training on an equitable basis to ensure strong technical and customer service skills.
120	Career counselling unit set up at SLITHM to help with career guidance and work placement support for students as well as keeping in touch after graduation.	SLITHM	Priority in Q1 2017	
121	Promote tourism sector career interest and prospects within the school curriculum.	Tourism Ministry with Education Ministry	2017 and ongoing	
122	Planning and implementation of annual island-wide domestic awareness campaigns Ongoing evaluations of campaign outcomes and quarterly amends as required.	Tourism Ministry SLTDA Private sector	Priority planning in 2017	
123	Planning and implementation of grassroots initiatives that complement the domestic awareness campaigns.		Commence in Q3 2017 onwards Annual assessments	
124	Introduce a formalised Sri Lanka Host customer service training programme to ensure a welcoming host community. Training can be delivered in workshops and an online app. Associated communication strategy required to promote this training to a range of people.	SLTDA TVET Provincial councils	2017 planning 2018 implementation	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLITHM, Sri Lanka Institute for Tourism and Hotel Management.

6.3 Prioritise Lifelong Training and Development

Initial training is only the first step in a longer-term process of employee development. Regular training is well worth the investment to improve the bottom line. Companies should work toward creating a culture of learning and professional development. Lifelong staff training should be prioritised to:

- > keep up to date with industry changes and the latest technology developments
- > stay ahead of competitors
- > identify weaknesses and skill gaps in the workforce
- > maintain knowledge and skills and advance employee skills
- > provide an incentive to learn and internal promotion opportunities
- > increase job satisfaction and staff retention
- > attract new talent

Training improves skills, knowledge and a sense of responsibility. The outcomes of training depend on many factors, such as quality of the training package, proportion of technical skills and soft skills, industry experience and level of skill of the instructor or trainer, training centre facilities for practical demonstration, and exposure to the industry of trainers and trainees. If any of the above factors are not in place, it is difficult to achieve the expected outcomes of the training. Soft skills training is critical for service excellence and ensuring improvements in attitude and a sense of responsibility.

In Sri Lanka, skills certification is organised in a national qualifications framework, the NVQ system. As at October 2014, there were 144 national competency standards and curricula (NVQ Level 1-4) and 11 programmes relating to tourism. The evidence indicates high use of the NVQ system in terms of number of NVQ certificates issued.⁴¹

Skills training for tourism is conducted internally through induction and in-house structured programmes and externally through public, private and non-government organisations. The low incidence of external training in the industry suggests that pre-employment training is important in Sri Lanka.

The VET plan for the tourism sector does not provide detailed information according to type of training providers, coverage of programmes, professional qualifications, syllabi, targeted occupational groups, and mapping them with the relevant NVQ levels. The ICT VET plan is a good model to adopt because it provides a comprehensive assessment of skill gaps.

Data from labour force surveys indicate that half of employees are employed in SMEs, with approximately one-third in MSMEs. These establishments may find it difficult to fund their own training, which underlines the need for appropriate training to be publicly funded if Tourism Vision 2025 is to be realised. There should be a special focus on guide training, especially as Sri Lanka becomes a high-value destination and requires quality interpretation.

SLITHM is consistent in its delivery methodology for tourism industry training⁴². It delivers training in facilities at Colombo, Kandy, Anuradhapura, Passikudah, Kurunegala, Negombo, Ratnapura, Bandarawela, Hambantota, and Koggala (with proposed facilities planned for Polonnaruwa and Jaffna). SLITHM is making good progress under current leadership and doubled its intake of students in 2016, who are categorised as craft, certificate, intermediate, and advanced level (four-year management diploma). It also provides foundation, apprenticeship, national tourist guide and chauffeur guide courses. As the principal institution producing the largest number of graduates and apprenticeships and catering to 60% to 70% of the forecasted workforce demand, it is essential that SLITHM function to its best and fullest capacity.

Training programmes for the tourism sector are designed in consultation with the tourism industry only to some extent. At the national level, the government has established a sector skill council for hospitality and tourism that aims to make training more responsive to industry needs. Some training institutions such as SLITHM also have former and current members of industry involved at the board level.

CORE STRATEGY 6.3: Actions to Prioritise Lifelong Training and Development

	Actions	Lead agency and partners	Timeframe	Outcomes
125	Develop a tourism and hospitality competency framework : i. Identify all tourism roles and associated competencies in the public and private sectors ii. Use the findings from the Sri Lanka Skills for Inclusive Economic Growth programme 2016 ⁴³ as a pilot for skills gaps in the workforce and how to address them iii. Determine skills and training levels that tourism sector requires iv. Conduct skills gap analysis in public and private sectors	Tourism Ministry Development partner SLTDA, SLITHM SLTPB, SLCB, TVET Private sector	2017	Better understanding of the tourism and hospitality industry to remove many preconceptions so tourism is viewed in a better light as a safe, viable career choice in a sector that is growing exponentially.
126	Develop and implement national learning and development framework to enhance or build capability in tourism and hospitality sector. Elements to be incorporated into framework include: i. Multifaceted marketing plan as an essential component to maximise participation of participants and build awareness of benefits of training with employers and current and potential tourism and hospitality sector employees ii. Methodology to evaluate implementation. After two years, evaluate framework annually to determine whether intended objectives have been met and then act accordingly on evaluation findings.	Tourism Ministry Development partner SLTDA, SLITHM SLTPB, SLCB, TVET Private sector	2017	Develop pride in workplace and dignity in a variety of tourism- and hospitality-related occupations with flexibility to meet personal circumstances. This is particularly important for women in the sector.
127	Identify best practices and advancement for tour guide training programmes to increase numbers and improve standards, such as: i. Range of short and long courses in specialist fields ii. Tailored training and certification programmes for naturalists (possibly working with universities) iii. Tailored training and certification programmes for local guides (possibly led and administered by provincial councils) iv. Prospects for a private–public partnership arrangement for guides' academy in tourist location v. Introduction of short course during annual renewal of guide licenses to ensure knowledge is current and to maintain standards	SLITHM SLTDA TVET Private sector Provincial councils	Priority in Q1 2017 planning Q4 2017 Implementation	
128	Identify and promote training institutions in public and private sectors to deliver accredited training programmes to fill workforce skills gap. (SLITHM is considering a franchise model.)	SLITHM TVET SLTDA SLTPB, SLCB	Priority in 2017	
129	Support training opportunities for SLITHM faculty , especially in specialist fields.	SLITHM	Priority in 2017	
130	Introduce four-year honours travel & tourism degree programme that meets international standards.	SLITHM with University Grants Commission	2018	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLTPB, Sri Lanka Tourism Promotion Bureau; SLCB, Sri Lanka Convention Bureau; SLITHM, Sri Lanka Institute for Tourism and Hotel Management; TVET, Technical and Vocational Education and Training.

6.4 Engage Local Communities in Tourism

People are a core element of sustainable tourism, and part of Tourism Vision 2025 is to ensure that tourism creates benefits for urban and rural communities across Sri Lanka.

Tourism can be an excellent source of revenue, particularly in local areas with limited livelihood prospects, where it also provides opportunities for education, training, and meaningful employment in a range of hospitality services such as accommodations, tours, events, attractions and performances.

Development of small businesses and cottage industries can strengthen local economies and investment in infrastructure and services that are shared with the community (e.g., roads, transport, recreation facilities). On a deeper level and in line with the Roots Philosophy, **engagement of local communities in tourism can foster conservation of history, culture and traditions** that might otherwise be lost. It can also renew a shared sense of local pride, ownership, and care to protect the authentic elements of Sri Lanka with a bias toward minority groups and women. Positive engagement between visitors and local communities can be an excellent vehicle for fostering cross-cultural awareness, understanding and peaceful relations.

To realise these benefits, it is critical that:

- > Communities are aware of the potential benefits of tourism and that tourism is perceived as a viable employment opportunity and career option
- > People are aware of and can access meaningful training and employment at a local level through the Sri Lanka host programme
- > Tourism roles and working conditions meet best-practice standards for each sector of the tourism industry, including equity in wages, diversity, and inclusion
- > Communities have support in learning how best to host visitors to capture these benefits
- > Support is available to help small businesses and cottage industries preserve traditional arts, crafts, music, language, dance, dress, history, locations, artefacts, traditional medicine and healing, styles of growing, and preparation of food

Without a dedicated focus on this element, there is a risk that **Sri Lanka will lose much of the unique character and culture** that is a key attraction for visitors. The country would miss out on potential employment, opportunities for poverty alleviation, small business development, and revenue that could all be funnelled directly into community development.

Actions related to specific initiatives and projects are discussed below.

CORE STRATEGY 6.4: Actions to Engage Communities in Tourism

	Actions	Lead agency and partners	Timeframe	Outcomes
	<i>Policy</i>			
131	Investigate mandating an upfront or ongoing local community contribution from large-scale hotel developments that can help with community tourism and so is mutually beneficial (e.g., renovate public park, develop craft centre, create culinary centre, host regular local festival).	SLTDA Tourism Ministry	2018	Greater community engagement and inclusivity by ensuring communities benefit from tourism,
	<i>Projects</i>			fostering sense of pride and recognition of the significance of Sri Lanka's natural and cultural assets as a repository of tradition, history and values.
132	Create community spaces at tourist attraction sites for information, interpretation, traditional craft markets, music, local arts, crafts, and food. Guidelines to be provided and can be set up as local cooperative.	CCF SLTDA Provincial councils	2017–2020	
133	Develop artisan & crafts incubator project to promote local creativity and new market prospects. Offer subsidies or business training for new business ideas for traditional handicrafts and cottage industries. Focus on opportunities for women.	SLTDA Craft Council	Completed by 2019	

	Actions	Lead agency and partners	Timeframe	Outcomes
	<i>Projects</i>			Greater community engagement and inclusivity by ensuring communities benefit from tourism, fostering sense of pride and recognition of the significance of Sri Lanka's natural and cultural assets as a repository of tradition, history and values.
134	Use regional tourism expos to increase awareness of benefits of tourism to regions and how to be good hosts; identify successful, celebrity local personalities as ambassadors; use tourism graduate alumni networks of SLITHM. Can be annual event held in different province each year.	Tourism Ministry SLTDA SLITHM Provincial councils	2018–2020	
	<i>Programmes</i>			
135	Skills retraining programme to equip people with tourism sector-related skills so they can earn additional income or combat seasonality (e.g., fisherman or farmer who can be retrained for community tourism to work seasonally).	Tourism associations Private sector	2017 ongoing	
136	Nominate community stewards for specific duties related to tourism (e.g., beach agents involved in lifeguarding, guiding activities, experience creation). Where community members speak and understand foreign languages, encourage them to participate in community steward programme. Local government can run in accordance with SLTDA standards, which can address local harassment problems.	SLTDA Provincial councils	2018 ongoing	
137	Consider adult apprenticeship programme for older people who want to change careers or take up an interest, especially in less-popular Sri Lankan handicrafts. Possible incentives can be subsidised training and provision of tools for the craft.	Tourism Ministry Vocational training institutes	2018 ongoing	
138	Initiate programme to recruit retired educated professionals and civil servants to become experiential guides —could be source of part-time work and income for an ageing yet active population.	Tourism Ministry with SLITHM	2018 ongoing	
139	Initiate creative tuk-tuk programme to train drivers as local guides and elevate visitor experience through competitions and events. Address local harassment problems.	SLTDA with private sector	2018 ongoing	
140	Create education activities programme in cooperation with local schools aimed at involving local youth in nature-based conservation activities, environmental education and cross-cultural awareness programmes, young ranger programmes, and competitions.	Education Ministry Tourism Ministry	2019	
	<i>Communications</i>			
141	Develop a communications strategy on the role of being a welcoming host community, including using mainstream and social media on responsible island-wide travel (e.g., featuring less-well-known attractions, cautioning against harmful behaviours).	SLTDA Development partners	2017 ongoing	
142	Role model communications with celebrity endorsement to encourage positive behaviours and conservation principles in host community.	SLTDA	2018 ongoing	
143	Develop oral histories by interviewing community elders to create collection of stories about local history, lifestyle, events, and culture of different localities. Potential for collaboration with schools and universities.	SLTDA Local government	2017 ongoing	
144	Roll out general communications campaign targeting vulnerable groups to create awareness of social ills and harmful behaviours (e.g., related to crime, narcotics, abuse).	Tourism Ministry working with relevant agencies	2018 ongoing	

Note: SLTDA, Sri Lanka Tourism Development Authority; SLITHM, Sri Lanka Institute for Tourism and Hotel Management.

Endnotes

30. Strategic HR management is defined as integrating HR management strategies and systems to achieve the overall mission, strategies and success of the firm while meeting the needs of employees and other stakeholders (Source: Herman Schwind, Hari Das and Terry Wagar, Human Resource Management: A Strategic Approach).
31. Report on Forecast of Tourist Arrivals, Tourism Receipts, Average Duration, and Total Employment in Sri Lanka for 2016–2020, Research and International Affairs Division, SLTDA, August 2016.
32. SLTDA Annual Statistical Report 2015.
33. In Sri Lanka, overall unemployment rates of women have been consistently double those of men for four decades. Source: Sri Lanka Gender Profile Final Report, Japan International Cooperation Agency, Public Policy Department March 2010.
34. The World University Service of Canada distributed the survey questionnaire to the Technical and Vocational Education and Training group.
35. The human resources strategies impact of talent retention on performance of private sector organizations in Sri Lanka; K. Karunathilaka PhD, Prof. Dr. M. Yajid, Professor Dr. A. Khatibi. European Journal of Research in Social Sciences; Vol. 4, No. 6, 2016 ISSN 2056-5429.
36. Transformation to a HRSS is a long-term prospect and is successful with inclusive change management through communication and stakeholder involvement (Building the Case for HR Shared Services, Aberdeen Group 2011).
37. Report on Forecast of Tourist Arrivals, Tourism Receipts, Average Duration, and Total Employment in Sri Lanka for 2016–2020. Research and International Affairs Division. SLTDA. August 2016.
38. 39. Tourism Industry Forecasts for Infrastructure and Training 2016–2020, Chandra Embuildeniya together with Dinesh Weerakody and the subcommittees of training and infrastructure headed by Sunil Dissanayake and Srilal Miththapala.
39. Productivity, Innovation & Growth in Sri Lanka, an Empirical Investigation. Mark A. Dutz & Stephen D. O'Connell; World Bank, Poverty Reduction & Economic Management Network, Economic Policy & Debt Department, February 2013.
40. Programme currently conducted by SLTDA's Domestic Tourism & Community Relations department.
41. Skills Gap in 4 Industrial Sectors in Sri Lanka, International Labour Organisation Office for Sri Lanka and the Maldives, 2015.
42. Survey of TVET providers, 2016.
43. Sri Lanka Skills for Inclusive Economic Growth Program 2016 established by the Australian Department of Foreign Affairs and Trade (DFAT) in Sri Lanka as a comprehensive integrated program focused on 'Economic Opportunities for the Poor' (EOP).

Main Annexes



Central government stakeholders with tourism commonalities

MINISTRY OF FINANCE

Department of Excise
Department of Customs
Department of Inland Revenue

MINISTRY OF DEVELOPMENT STRATEGIES & INTERNATIONAL TRADE

Board of Investment (BOI)
Export Development Board (EDB)

MINISTRY OF MEGAPOLIS & WESTERN DEVELOPMENT

Urban Development Authority

MINISTRY OF DEFENCE

Sri Lanka Coast Guard
Sri Lanka Army, Navy, Air Force

MINISTRY OF NATIONAL POLICIES & ECONOMIC AFFAIRS

Department of External Resources

MINISTRY OF FISHERIES & AQUATIC RESOURCES DEVELOPMENT

Department of Fisheries & Aquatic
Resources
Ceylon Fisheries Harbour Corporation

MINISTRY OF EDUCATION

Central Cultural Fund
Department of Archaeology

MINISTRY OF FOREIGN AFFAIRS

Overseas missions

MINISTRY OF SPORTS

MINISTRY OF SKILLS DEVELOPMENT & VOCATIONAL TRAINING

MINISTRY OF WILDLIFE & SUSTAINABLE DEVELOPMENT

Department of Wildlife Conservation
Department of National Botanical
Gardens
Department of National Zoological
Gardens

MINISTRY OF MAHAWELI DEVELOPMENT & ENVIRONMENT

Forests Department
Coast Conservation Department
Marine Environment Protection
Authority
Central Environmental Authority

MINISTRY OF INTERNAL AFFAIRS, WAYAMBA DEVELOPMENT & CULTURAL AFFAIRS

Department of Immigration &
Emigration
Department of National Museum

MINISTRY OF POWER & RENEWABLE ENERGY

Ceylon Electricity Board
Sri Lanka Sustainable Energy
Authority

MINISTRY OF LAW & ORDER AND SOUTHERN DEVELOPMENT

Sri Lanka Police

MINISTRY OF HEALTH, NUTRITION & INDIGENOUS MEDICINE

Department of Ayurveda

MINISTRY OF TRANSPORT & CIVIL AVIATION

Civil Aviation Authority
Railways Department
Department of Motor Traffic

MINISTRY OF PORTS & SHIPPING

Sri Lanka Ports Authority
Merchant Shipping Secretariat

MINISTRY OF INDUSTRY & COMMERCE

National Crafts Council
Laksala

Sample Events Calendar

Month	Category	Event	Location	Comments
January	'Arts Month' Arts Religion (Buddhism) Culture	Galle Literary Festival Kala Pola Art Fair Duruthu Perahera Jaffna Kite Festival	Galle Colombo Kelaniya Jaffna	Potential for Kala Pola in Kandy Schools to be encouraged to participate
February	National Religion (Buddhism) Music Adventure	Independence Day Parade Navam Perahera Colombo Jazz & Blues Festival Galle Tuk Tuk Gala (Tuk Tuk Polo, art, parade)	Multiple Colombo Colombo Galle	New event to actively engage tuk tuk drivers
March	Heritage Fashion Religion (Hindu) Religion (Christian) Sport Sport	Roots Sri Lanka Festival Colombo Fashion Week Navarathri Festival St. Anne's Festival International Kite Surfing Championship School cricket season	Multiple Colombo Puttalam Talawila Kalpitiya Colombo	New festival to celebrate local heritage at different locations Attracts Sri Lankan diaspora
April	Culture 'Hill Country Month' Culture Religion (Hindu) Tourism Industry	Sinhala & Tamil New Year Nuwara Eliya Season (Flower show, perahera, carnival, sports) Hill Country Tea Festival Koneswaram Chariot Festival Sancharaka Udawa	Island-wide Nuwara Eliya Trincomalee Colombo	New event dedicated to tea, potentially held in Bandarawela
May	Religion (Buddhism) Religion (Buddhism) Music	Muthiyangana Perahera Vesak celebration Jaffna Music Festival	Badulla Island-wide Jaffna	Has taken place previously, to become annual
June	Music & Culture Sport	Colombo Carnival Sri Lanka Triathlon Challenge	Colombo South coast	New event in heart of Colombo New event to promote soft adventure and showcase the country
July	'Culinary month' Sport Culinary Religion (Buddhism) Religion (Buddhism) Religion (Muslim) Culinary	Gourmet Galle International Surfing Championship Kandy Spice Festival Kandy Esala Perahera Anuradhapura Esala Perahera Eid-al-Fitr / Ramazan Street Feast	Galle Arugam Bay Kandy Kandy Anuradhapura Island-wide Multiple	Annual food festival in Galle Has taken place previously, to become annual New event to celebrate street food
August	Fashion Nature Religion (Hindu)	CFW Fashion Resort World Elephant Day celebrations Nallur Festival	Galle Pinnawela Jaffna	

Month	Category	Event	Location	Comments
September	Tourism Industry	World Tourism Day	tbc	Has taken place previously, to become annual
	Culture	Film Festival	Colombo / Jaffna	
	Culture	ColomboScope	Colombo	Annual international gem & jewellery show
	Trade Adventure	Facets Sri Lanka Sri Lanka Tuk Tuk Challenge	Colombo Multiple	
October	Fashion	CFW Fashion Swimwear	Colombo	
	Sport	Colombo Marathon	Colombo	
	Religion (Hindu)	Deepavali	Multiple	
	Adventure	Extreme sports event	tbc	
November	Design	Sri Lanka Design Festival	Colombo	
	Music & Culture	Galle Military Tattoo	Galle	
	'Performance Month'	Sri Lanka Drum & Dance Festival	Colombo	
		Natanda Dance Festival	Colombo	
December	Tourism Industry	Tourism Awards	Colombo	New event to recognise and uplift standards
	Religion (Buddhism)	Sri Pada Perahera	Hatton	
	Religion (Christian)	Christmas celebration	Colombo	
	New Year's Eve	Iconic fireworks	Galle Face Green	

*** Notes:**

- Events in bold lettering are already operational. Event months are indicative and can change.
- Major Peraheras are referenced but several others are held and supported by Sri Lanka Tourism at present.
- Monthly Poya Perahera to be held in different parts of the country and promoted.
- Quarterly performance in Colombo by international artists / entertainers. Sri Lanka Tourism will specifically support those that are in line with furthering the tourism vision.
- There are smaller scale local events with the potential to gain international status such as religious celebrations, niche festivals, Artisan Fairs, Beach Festivals, Design Markets, Theatre Evenings, etc.

Potential Investment Projects List

The government cannot and should not undertake all projects and programmes alone. All stakeholders have a role to play. Inventive partnerships between public and private sectors need to be considered.

The ideas and activities mentioned here are not all encompassing but aim to enhance and diversify Sri Lanka's tourism experience, stimulate employment creation and encourage inclusive economic participation. All projects require comprehensive environmental feasibility studies and community consultations in their localities before going ahead. They would also need to be incorporated into wider destination development plans.

- > Colonial fort restoration and/or adaptive reuse for multi-purpose, specialist and public purposes
- > Conceptualisation and development of unique rooted experiences
- > Design, construction and management of an exhibition and conventions centre in Colombo
- > Design, construction and management of international grade museums and cultural centres
- > Design, construction and operation of marinas
- > Design, construction and operation of integrated golf course resorts
- > Development of eco-tourism and villa accommodation
- > Introduction and management of spa, retail and food & beverage establishments, including global brands
- > Introduction and management of unique and luxury journey experiences
- > Management of world-class hospitality training institutes and courses
- > Operation of cooperative-based night markets or beach bazaars
- > Operation of cooperative-based Royal Craft Centres
- > Production and management of home-grown events and festivals
- > Set up and operation of adventure sports centres to international safety standards
- > Set up and operation of guiding schools for natural and cultural assets
- > Set up and operation of professional and recreational culinary arts schools
- > Set up and operation of water sports and diving schools and centres
- > Strategic brands resort development
- > Technology-based solutions including promotional platforms, booking systems, management software and apps
- > Tourism-related agri-business and manufacturing
- > Tourism-related real estate and ancillary services
- > Urban planning and heritage property development
- > Set up and operation of wildlife, marine life and ecosystem-based research hubs

Resource Organisations and Individuals

The Tourism Strategic Plan was prepared thanks to the involvement of multiple stakeholder organisations and individuals via meetings, interviews, consultations, research papers and media articles. The work was led by the Prime Minister's Team on Tourism and Ministry of Tourism Development & Christian Affairs and with support from the World Bank Group and Australian High Commission.

Hon. Prime Minister Ranil Wickremesinghe
Hon. Minister of Tourism Development, Lands & Christian Affairs John Amaratunga
Hon. Minister of Development Strategies & International Trade Malik Samarawickrema
Hon. Minister of Law & Order and Southern Development Sagala Ratnayake
Hon. Minister of Sustainable Development & Wildlife Gamini Jayawickrema Perera
Hon. Minister of Special Assignments Sarath Amunugama (Dr.)

Agency For Development – General Affairs Council (AFD-GAC)
Australian High Commission and Australian Department of Foreign Affairs and Trade
Board Of Investment Sri Lanka (BOI)
Ceylon Chamber of Commerce
Department for Immigration and Emigration
Department for Wildlife Conservation (DWC)
Harvard University Centre for International Development
International Finance Corporation (IFC)
Institute of Policy Studies of Sri Lanka (IPS)
Ministry of Development Strategies & International Trade
Ministry of Sustainable Development & Wildlife
Minister of Tourism Development & Christian Affairs – Minister's Advisory Council
Ministry of Tourism Development & Christian Affairs
Sri Lanka Tourism Development Authority (SLTDA) & SLTDA Board
Sri Lanka Tourism Promotions Bureau (SLTPB) & SLTPB Board
Sri Lanka Conventions Bureau (SLCB)
Sri Lanka Institute for Tourism & Hospitality Management (SLITHM)
Tony Charters & Associates, Australia (TCA)
Urban Development Authority (UDA)
Western Region Megapolis Planning Project (WRMPP)
World Bank Group (WBG)
Local media organisations
Several micro enterprise owners including restaurants, B&Bs, local tours and tuk tuk drivers

Aarthi Dharmadasa, Prime Minister's Team on Tourism
Abbas Esufally, Group Director, Hemas Holdings
Afghar Mohideen, Chairman, Abercrombie & Kent - Sri Lanka
Ajit Jayamanne, Director, Browns Hotels & Resorts
Ajita De Costa, Chairman, WRMPP
Ajith Dias, Chairman, SriLankan Airlines
Ajit Gunewardene, Deputy Chairman / Managing Director, John Keells Holdings
Amal Cabraal, Non-Executive Director, John Keells Holdings (AFD-GAC)
Amal Goonetilleke, Consultant – Sales & Marketing, Taj Hotels
Amali Rajapaksa, Senior Infrastructure Specialist, WBG
Andrew E.J. Fairley, Chairman, Parks Victoria / Deputy Chair, Tourism Australia
Angeline Ondaatjie, Managing Director, Tangerine Tours
Anura Sathurusinghe, Conservator General of Forests, Forest Department
Anushka Wijesinha, Chief Economist, Ceylon Chamber of Commerce
Asoka Alwis, General Manager, The Rainforest Ecolodge

Asoka Hettigoda, Managing Director, Hettigoda Group
 Athula Amarasekera, Director, Kiyara Capital Advisors, Singapore
 Bharat Nagpal, Destination Marketing, TripAdvisor – South Asia
 Borja Santos, Intern, Centre for International Development, Harvard University
 Chamila Weerathunghe, Chief Operations Officer, Environmental Foundation Limited
 Chanaka Wickramasuriya, Managing Partner, Ironwood Capital Partners
 Chandana de Silva, Emirates – Sri Lanka & Maldives
 Chandana Wijeratne, Director – Standards & Quality Assurance, SLTDA
 Chandima Gunawardena, Director, Carson Cumberbatch & Co
 Chandra Mohotti, Senior Vice President, Galle Face Hotel Management Company
 Chandra Wickramasinghe, Chairman, Theme Resorts & Spas
 Channa Daswatte, Designer, Architect and Author / Chairman, Galle Heritage Foundation
 Charitha Ratwatte, Senior Advisor to the Prime Minister
 Charlotte Blundell, Counsellor, Australian High Commission
 Chitral Jayatilake, Vice President / Head of Nature Trails, John Keells Group
 Clarence Tan, Project Director, Shangri-La Sri Lanka
 Dallas Martenstyn, Owner, D.V. Martenstyn Limited
 Daniel Stock, Research Fellow, Centre for International Development, Harvard University
 Darshani de Silva, Senior Environmental Specialist, WBG
 David Jamieson, Managing Partner, Saruketha
 Deshal de Mel, Senior Economist, Hayleys Group
 Devendra Senaratne, President, Sri Lanka Association of Inbound Tour Operators
 Dhammika Perera, Chairman/ Managing Director, Vallibel One Group
 Dhammika K. Wijayasinghe, Secretary General, Sri Lankan National Commission for UNESCO
 Dhara Wijayatilake, CEO, Ceylon Chamber of Commerce
 Dilip de S. Wijeyeratne, Joint Managing Director / CEO, Third Wave International Bahrain
 Dileep Mudadeniya, Vice President-Brand Marketing, John Keells Hotels
 Dilhan Fernando, Marketing Director, Dilmah Tea (AFD-GAC)
 Dilrukshi Hewage, Assistant Director – Research, SLTDA
 Dinesh De Zoysa, Director, Uga Escapes
 Dinesh Weerakkody, Chairman, National Human Resource Development Council of Sri Lanka
 Dominique Nordmann, Chief Executive Officer, Resplendent Ceylon
 Dulani Sirisena, Programme Manager, Australian High Commission
 Duminda Ariyasinghe, Director General, BOI
 Dushan Wickramasuriya, Director – Public Relations, SLTPB
 Elizabeth Saxon (Dr.), Principal Tourism Analyst, TCA
 Emanuel Salinas, Program Leader – Growth & Competitiveness, WBG
 Eric Wikramanayake (Dr.), Chairperson, Environmental Foundation Limited
 Esther M. McIntosh, Country Director, World University Service of Canada
 Gayangi Wirasinha, Managing Director, Abercrombie & Kent Sri Lanka
 Graeme Harris, Senior Operations Officer, IFC
 Hafiz Zainudeen, Operations Analyst, WBG
 Hari Selvanathan, Deputy Chairman, Carson Cumberbatch & Co (PM's team & AFD-GAC)
 Himali Jinadasa, UNESCO Country Focal Point for Sri Lanka
 Hiran Cooray, Chairman, Jetwing Hotels
 Hiran de Silva, Director, HVS
 Hirante Welandawe, Architect & Urban Conservationist
 Husein Esufally, Chairman, Hemas Holdings
 Indrajit Coomaraswamy (Dr.), Governor, Central Bank of Sri Lanka
 Indrajith de Silva, Director – Destination & Social Responsibility, SLTPB
 Inoka Punchihewa, Legal Officer / Secretary to the Board, SLTDA
 James Corven, Destination Marketing Guru, TCA
 Janaka Sugathadasa, Secretary, Ministry of Tourism Development & Christian Affairs
 Javana Fernando, Managing Director, Haritha Collection

Jeggan Rajendram, Country Consultant, Google
 Johanne Jayaratne, Executive Director, Airport & Aviation Services
 Kamal Dorabawila, Principal Investment Officer Asia Pacific – Infrastructure & Natural Resources, IFC
 Kanchana Abeywickrama, Associate Operations Officer, IFC
 Kanchana Wickramasinghe, Research Economist, IPS
 Krishni Goonesena, First Secretary (Development Cooperation), Australian High Commission
 Kumar Nadesan, Managing Director, Express Newspapers
 Lahari de Alwis, Head of Business Services, Chrysalis
 Laleenie P. Hulangamuwa, CEO, The Hotels Association of Sri Lanka
 Larimon Sawyan Balmond, Director, Palagama Beach Resort
 M.H.A. Raheem, Chairman, Eastern Tourism Development Forum
 Madhubani Perera, Director – Marketing, SLTPB
 Mahen Kariyawasam, Managing Director, Andrew Travel Company
 Malik Fernando, Managing Director, Resplendent Ceylon
 Malraj Kiriella, Director General, SLTDA
 Mahesh Amalean, Chairman, MAS Holdings (AFD-GAC)
 Mangala Yapa, Managing Director-designate, Agency For Development
 Margaret Goody, Director, Akyra Consulting Australia
 Matt Andrews (Prof.), Associate Professor of Public Policy, Harvard Kennedy School
 Miguel Cunat, Chief Executive Officer, Sri Lanka In Style / Red Dot Tours
 Mike Orgill, Public Policy – Asia Pacific, Airbnb
 Mihira Liyanaarachchi, Director – Domestic Tourism & Community Relations, SLTDA
 Murtaza Jafferjee, CEO, JB Securities (AFD-GAC)
 Nalin Jayasundera, Managing Director, Aitken Spence Travels
 Nandana Dissanayake, Director – Financial Management, SLTDA
 Nayana Mawilmada, Head of Investments, WRMPP
 Neelakanth Wanninayake, Executive Director / CEO, Industrial Services Bureau – North Western Province
 Niloo Jayatilleke, Head of Investments, Softlogic
 Nimalka Morahela, Proprietor, HnA Consulting & Events
 Oshani Perera, Director – Public Procurement & Infrastructure Finance, International Institute for Sustainable Development
 Otara Gunawardene, Founder, Embark and The Otara Foundation
 P.M. Withana, Chairman, SLTDA
 P.U. Ratnayake, Director – Tourism Planning, Development & Investment, SLTDA
 Paddy Paul, Managing Director, Golden Isle Travels
 Palitha Gurusinghe, President, Sri Lankan Ecotourism Foundation
 Patrick Vandenbruaene, Senior Coordination Officer, the Development Partners Secretariat
 Pierre Pringiers, Founder / Chairman, Sail Lanka Charter & Building A Future Foundation
 Prabath Vidanagama, Chief Inspector of Police / Officer in Charge – Police Tourist Division, Sri Lanka Police
 Prasanna Hettiarachchi, Chairman, Saaraketha Holdings
 Praveen Abeyratne (Prof.), Professor at Henley-Putnam University
 Presantha Jayamaha, Executive Chairman, Best Western
 Prishanta Gunawardhana (Prof.), Director General, Central Cultural Fund
 Priyan Fernando, Chairman, Brandix Lanka
 Priyanka Coorey, Senior Investment Officer, IFC
 Prema Cooray, Chairman, SLCB
 Radheesh Sellamuttu, Founder, Leopard Trails
 Rajini de Silva Mendis, Chairperson, Ebert Silva Holidays
 Rashmini Mather, Prime Minister's Team on Tourism
 Refhan N. Razeen, Executive General Manager, Heritage Kandalama
 Robert Govers (Dr.), Associate Professor and Founder, Placebrandz
 Rohan Abeywickrema, President, Association of Small & Medium Enterprises in Tourism Sri Lanka
 Rohan Karr, General Manager, Cinnamon Hotels Colombo
 Rohantha Athukorale (Dr.), former Chairman, SLTPB and Lanka Sathosa
 Rohini Nordmann, Director, Ophir

Ruvini Fernando, Director, Guardian Fund Management
 Ruchi Gunewardene, Managing Director, Brand Finance Lanka
 Rukshan Jayawardene, Ecologist, wildlife photographer and Director, Environmental Foundation Limited
 Samanthi Gunawardana (Dr.), Lecturer, Gender & Development
 Sandya Salgado, Director, Seylan Bank & Business Strategist, Film Island
 Sanjeeva Sellahe, Economic & Commercial Policy Advisor, Embassy of the Kingdom of the Netherlands
 Seenithamby Manoharan, Senior Rural Development Specialist, WBG
 Shanaka Maliyadda, Director, Shalya Total Solutions
 Shanthi Kumar, Director Operations, Ramada Hotel
 Shaun Mann, Tourism Development Specialist, WBG
 Shehan Ramanayake, Consultant – Tourism, Southern Development Board
 Shirani Weerakoon, Additional Secretary, Ministry of Tourism Development & Christian Affairs
 Shirantha Herath, Chairman, Southern Development Board
 Shiranee Yasaratne, Managing Director, Sustainability Agenda
 Shirani Weerakoon, Additional Secretary, Ministry of Tourism Development & Christian Affairs
 Simon Milne (Prof.), Director, New Zealand Tourism Research Institute
 Srilal Miththapala, former President, The Hotels Association of Sri Lanka
 Sunela Jayawardene, Environmental Designer & Architect
 Sudath Karunanayake, Attorney-at-Law and Legal Consultant specialising in Commercial & Hospitality Law in Sri Lanka
 Sujeewa Mudalige, Managing Partner / CEO, PricewaterhouseCoopers – Sri Lanka & Maldives
 Suthesh Balasubramaniam, Managing Director, SLTPB
 Saminda Perera, General Manager – Marketing, SriLankan Airlines
 Sumith Pilapitiya (Dr.), former Director General, DWC
 Sunil Dissanayake, Chairman, SLITHM
 Tissa Sooriyagoda, Director, Thannewatha Mini Hydro Power Holdings
 Thao Nguyen, Public Policy Partnerships – APAC, Airbnb
 Tharanga Rupasinghe, Director – HR & Premises Management, SLTDA
 Tharuka Dissanaike Policy Specialist, United Nations Development Programme
 Thilan Wijesinghe, Chairman, TW Corp
 Thilak T. Thilagaraj, Managing Director, Tilko Jaffna City Hotel / President, Northern Province Tourism Association
 Thilak Weerasinghe, Founder / Chairman, Lanka Sportreizen (LSR)
 Tony Charters, Principal & Conference Convenor, TCA
 Tony Mantara, Chairmain / Managing Director, Gemini Tours & Travels
 Trevor C. Atherton, Managing Director, Atherton Advisory Australia
 Udan Fernando (Dr.), Executive Director, Centre for Poverty Analysis
 Udana Wickramasinghe, Director – ICT, SLTDA
 Vasantha Leelananda, Executive Vice President, John Keells Holdings
 Vidya Abhayagunawardena, Wildlife Conservationist
 Vimukthi Weeratunga, Manager – Field Operations / Biologist, Cinnamon Hotels
 Wouter Schalken, Senior Private Sector Development Specialist – Tourism, WBG
 Wyomi Abhayaratne, Managing Director, Zenith Expeditions

Graphic design: Neesha Fernando

Photo credit: iStock

Maps were produced by the Cartography Unit of the World Bank Group.

The boundaries, colours, denominations and any other information shown on this map do not imply, on the part of the WBG, any judgment on the legal status of any territory, or any endorsement or acceptance of such boundaries.

Support from:



