



## OUTSIDE IN, INSIDE OUT: TOURISM COMPETITIVENESS AND BRAZILIAN STRATEGY ANALYSIS

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### ABSTRACT

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The paper identifies and characterizes the Brazilian strategy to cope with the international competitiveness in tourism as well as implementation of the governance mechanisms suitable for regions and destination in the country. This research is a case study using qualitative analysis and descriptive results. Investigative procedures adopted the methods of the documents content analysis and specialised bibliography. It is used the T&TCI-WEF series secondary data sources for analysis “Outside In” and the ICTN-MTUR for “Inside Out” analysis. The comparison between both shows symmetrical similarity between the results and distinct point of the view are converging and similar in the overall analysis of Brazil destination’s competitiveness. Infrastructure, safety and security problems and unstable business environment are factors, which burden further T&T development in the country. From the point of view of opportunities, the analysis of the evolution of both views reveals and highlights important elements for the establishment of tourism competitiveness strategies for Brazil in base its potential.

**Contribution/Originality:** Analyses the performance of competitiveness from its historical evolution; Compares two different methodologies for assessing the tourism competitiveness; It uses competitiveness studies as a methodology to evaluate the implementation of strategies in tourism; It serves as a basis for the evaluation of public tourism policies and definition of actions.

### 1. INTRODUCTION

Competitiveness seems to be the most frequently used term in studies on the performance and structure of tourism at national, regional and local destinations. Understanding the foundations and conditions of competitiveness in the current context is imperative for those intending to develop tourism in accordance with international standards. A review of the main models suggests that theoretical and methodological studies on destination competitiveness have already been consolidated (Dwyer and Kim, 2003; Gennest and Legg, 2003; Ritchie and Crouch, 2003). Significant inferences can be drawn from the progress of competing studies for tourist destinations. The first one refers to the very meaning of competitiveness and what it represents for the strategic management of destinations. If, on one hand, competitiveness is understood from the comparison of between competitor’s performances and based in attributes external to the destination and common to the universal analysis, on the other, competitiveness can be interpreted from models or optimal performance standards in keys internal attributes, which are reference in assessing tourism performance and competitiveness for any destination.

The other inference is that these studies and models need to be interpreted as management tools for both the diagnosis and the strategic prognosis of the destination, understanding that the dimensions and attributes evaluated in the models of competitiveness already established can represent the anticipated influence of the main management components on results and impacts of tourism in the future. This is quite significant for the destination management that starts to have as the main competitor itself, where its performance depends on the efficiency in the definition and effectiveness in the implementation of the competitive strategies (Baggio *et al.*, 2010; Beaumont and Dredge, 2010). There is a need to examine tourism policy and its implementation and show how this relates to the achievement of more competitive tourism, for outlining and understanding barriers to achieving successful policy implementation can provide important lesson for achieving success.

A practical approach to policy implementation arguing that before the implementation process is carried out is need the presence of appropriate organisations to implement policy with suitable capabilities (Dodds and Butler, 2010). In order to identify the challenges of the implementation of public tourism policies in Brazil and to analyse the results achieved after 15 years of the first PNT, this paper brings a critical analysis through the national tourism policy for Brazil and its main mechanisms of implementation defined by the National Tourism Plans, editions 2003-2007 and 2007-2011. To analyse the implementation evolution of National Tourism Plan in Brazil, the study explores the data compiled from the historical series of the Travel and Tourism Competitiveness Index World Economic Forum (T&TCI /WEF) for Outside In analysis, combined with data from the historical series for the evaluation of the competitiveness of Brazilians destinations carried out by the Ministry of Tourism (ICTN/FGV) for the analysis of Inside Out. The findings presents a review of the literature which is then cross referenced with results for analysis of the critical factors for Brazilian international competitiveness and its strategic opportunities based on their important and unexploited potential for tourism.

## 2. LITERATURE REVIEW

### 2.1. Tourism Governance and Implementation Policies

Tourism public policy should be defined as “a set of regulations, rules, guidelines, directives and development/promotion objectives and strategies that provide a framework within which the collective and individual decisions directly affecting tourism development and the daily activities within a destination are taken” (Hall, 2011a). In the context of tourism, destinations researches have generally found that policy implementation has proven more difficult than policy creation (Dodds, 2007).

The literature reviewed demonstrates that power struggles arise in all areas and having limited the policy implementation in all facets of government and industry and across many other sectors as well as tourism (Rodriguez *et al.*, 2014). Overall policy implementation faces problems from many barriers, including both private and public sector issues. Political power struggles and different values often exist within the policy process thus increasing the difficulties of implementing strategic tourism policy (Dodds and Butler, 2010).

Many policy implementers believed that policy aims could not successfully be achieved without support and coordination from higher level governments (Hall, 2010). The Dodds and Butler (2010) research found that higher level support and acknowledgement was seen as imperative and many local government respondents and implementers of policy thought that without national and regional support, policy plans could not be effective because tourism activities extends beyond the local level.

Several themes can be identified in the literature, ranging from power clashes between political parties at a national level to lack of stakeholder involvement and accountability at the local level (Graham *et al.*, 2003; Hall, 2009). Although the literature suggests that local level policy implementation is more effective as local governments have more specific control over issues of tourism within their areas, there is clearly a need to have an overarching framework and principles in place and operating effectively at an international or national level to provide guidance if local level policy implementation is to be successful.

A potential explanation for the lack of integration of policy initiatives is that tourism is not regarded as important by many government sectors and there is a general lack of recognition of tourism on political agendas (Hall, 2011a). "Even in locations where tourism is regarded as important, lack of cross-sectoral integration of tourism is felt to be a problem" (Dodds and Butler, 2010). A lack of coordination between government bodies has been noted by many authors (Queiroz and Rastrollo-Horrillo, 2015). Politics and programs of different levels of governments are often poorly coordinated, and actions and policies of one level may contradict policies at another level, with little consultation between levels or departments ..... The often expansionist economic interests of regional or national government may sometimes clash with local desires to limit tourism's impacts, or vice versa (Duran, 2013) and is often find this factor as a problem in implementation of policy.

## 2.2. Tourism Competitiveness and Strategic Management

In competitiveness studies, concern with evaluating the competitive performance of destinations has dominated scientific and corporative research (Ritchie and Crouch, 2003); (WEF, 2007). Academia has dedicated itself to creating tourism competitiveness theoretical models (Dwyer and Kim, 2003; Ritchie and Crouch, 2003) apply at the national, regional or local level, whereas consultants having applied models to assess different destinations around the world (Gennest and Legg, 2003; WEF, 2007).

The theoretical models for studies on tourism destination competitiveness are based on the contribution from World Tourism Organization-WTO (1999) and researchers' kind of Ritchie and Crouch (2003) who indicate conditions that favour positive performance in an environment that presents significant challenges to tourist destination management, since this requires defining clear future goals and choosing coherent strategies. Table 1 shows an inter-model comparison based on composition and application.

It is important to note that all models dealing with defining factors that influence competitiveness of tourist destinations are based on sustainability criteria such as conditions for strategic planning and management. Following this proposal, the model created by Dwyer and Kim (2003) goes further to define the dimensions and critical factors for local tourism and suggests a methodology for assessing destination competitiveness using multivariate statistical tools that can identify and quantify variable mobility, which is, systemically explain the logic of decision-making and action. Along these same lines, the Comp&tenible (Mazaro, 2006) was developed to amalgamate and systematise all the factors that influence the strategic adjustment between opportunity and macro-environmental determinants into different dimensions, translated in this context by the imperatives of sustainability. In an operational effort, the study conducted by World Economic Forum is the most extensive and perhaps the most representative considering its methodology and scope (WEF, 2015).

The comparison between the models has revealed that the critical factors influencing the competitiveness of tourism destinations have been identifying, although there are some differences in the structure and organization of the variables. It is important to point out that all studies start from the premise that competitiveness is inherent to the destination and not the market or competition and that their results allow comparisons among different destinations. The aim is to enhance self-diagnosis in order to outline competitive advantages and strategies in accordance with the macro-environment rather than the market or industry criteria themselves.

## 3. METHODOLOGY

The methodology entailed a qualitative method research approach with a combination of research techniques. Data was collected on the current, past and future programs and tourism policies in federal institutional level, extracted from online sources, relevant literature, published reports, newspaper articles, academic journals and other types of publications. The method was chosen due to its broad variety, ease, high speed and low cost of collection. The validity and reliability of the sources have been subject to authors' personal judgment.

Table-1. Comparison of the main characteristics of competitiveness models for tourist destinations

Models Characteristics	TTCI-WEF (2015)	Tourism-inducing destinations- FGV/MTUR (2008)	Comp&tenible Model – Mazaro (2006)	Determinants and Indicators - Dwyer and Kim (2003)	Premier-ranking – Gennest and Legg (2003)	Destination competitiveness – Ritchie and Crouch (2003)
Nature	Methodological-applied	Methodological-applied	Conceptual-methodological	Conceptual-methodological	Methodological-applied	Theoretical-model
Main motivation	Institutional Studies	Consultancy studies	Academic studies	Academic studies	Consultancy studies	Academic studies
Model objectives	Apply to diagnoses and competitive ranking of destinations around the world.	Apply in the self-assessment of diagnoses and competitive classifications of Brazilian destinations.	Propose a conceptual model that serves as a monitoring instrument of tourist destination evolution.	Guide analysis and studies that seek to understand the inter-relationship and motricity among variables of the tourism system.	Apply in the self assessment of diagnoses and competitive classifications of Canadian destinations.	Establish conceptual competitiveness and sustainability models for tourist destinations
Dimensions and factors.	subindexes; regulatory framework, business environment and infrastructure and human, cultural, and natural resources	Macro-dimensions: infrastructure, tourism, public policies, economy and sustainability models.	Governance: planning, management, coordination, cooperation, strategic foresight. Competitiveness: resources, attractions, positioning, profitability, tourist satisfaction. Sustainability: socio-cultural, environmental.	Local and created resources, support, administration, preservation, security, demand and market factors.	Resources and essential attractions, quality and critical mass, satisfaction and value, accessibility, equipment and services, profitability, image, marketing, innovation, local sustainability.	Innate resources and essential attractions, support resources, destination management, policy, planning and development, qualifiers and determinant attributes
Path to sustainability		Model	Strategic, essential	Consequence, result	Model	Guindelines and premises

Source: Authors' own elaboration

Inspired on literature about tourism case studies, the research engaged a interpretative approach to identify policy implementation progress and challenges (Bovaird and Löffler, 2003). The criterion to analyse the un/successful tourism policy implementation are: Governance (participation/buy in; integration/coordination and vision & focus; Strategies (concentration on numbers vs. yield, Short term vs. long term, adapted from Queiroz and Rastrollo-Horrillo (2015).

The outcomes of the Brazilian competitiveness assessments extracted from the Travel & Tourism Competitiveness Index - T&TCI/WEF and, the Inducer Destination Competitiveness Index - IDCI/MTUR series 2007-2015, serve as reference for analysis of evolution the implementation of Brazilian strategies for tourism and reflect their challenges and potential. Investigative procedures adopted the methods of the documents content analysis and specialised bibliography. It is used the T&TCI-WEF series secondary data sources for analysis "Outside In" and the ICTN-MTUR for "Inside Out" analysis.

The analysis was performed from its main pillars, by considering that they represent a set of indicators related to each other and that can reflect a certain condition or situation in a more comprehensive way than the comparison between specific indicators. Due to being in an intermediary dimension of the model, it is considered that it meets the criteria of scope since it is not as global as a sub-index and nor as specific as an indicator.

The T&TCI-WEF is composed of 14 pillars classified into three sub-indexes: the travel and tourism regulatory framework; the travel and tourism business environment and infrastructure; and the travel and tourism human, cultural, and natural resources. The FGV/MTUR (2008) is composed of 13 p classified into five sub-indexes: Infrastructure, Tourism, Tourist services and equipment, Public policies, Economy and Sustainability. The comparison between the results of both studies allowed the critical analysis of the competitive situation of the Brazil case, both the external as the internal look that will be discuss as follow.

## 4. FINDINGS

### 4.1. Destination Brazil: Flight Plan

The history of tourism in Brazil is recent. During the long military dictatorship, travel was treated as a national security issue with focus on controlling the movement of people. With the transition to democracy, accompanied by open markets and socioeconomic restructuring, travel and leisure became public policy, thereby giving individuals opportunity to use their free time as they saw fit. Since the turn of this century, Brazil has adopted a new economic development model that includes mechanisms to improve income distribution and job opportunities by favouring the inclusion of millions of Brazilians in the so-called consumer society.

Therefore, Brazil possesses a positive set of economic and social indicators, which are conducive to accelerate growth. Brazil has reduced its dependence on external financing, and today, the country is less vulnerable to international crises ever than before. In recent years, the country has substantially increased its participation in international commerce. This favourable performance allowed the accumulation of unprecedented levels of international reserves, thus transforming the country from a debtor to a creditor nation.

The first National Tourism Plan - NTP 2003-2007 (Ministry of Tourism, 2016) represents a mark of political modernity in the field of tourism. The plan arose from a maturing process (in terms of the central government's approach to the industry), was initiated at the end of the last century and consists of the first formal document that establishes guidelines for its development and a definitive strategy for tourism-related issues. The NTP is being implemented in different regions of the country, supported by a decentralized management and participatory process, considered Brazil's large land mass and in accordance with the perspective that decisions must be made by the destinations where tourist activities take place.

The Brazilian strategy for competitiveness in tourism focuses on the decentralization of central power management for regional and local governance (Hall, 2011a). This demonstrates the correct form of transferring technology and power to destinations and controlling the process of tourism development, thereby enhancing the

resources and attractions of each place or region. The structure and organization of domestic tourism encourage cooperation and participation between different government sectors and private sectors as well as a host of institutions representing civil society, thus making the National Tourism Council responsible for planning.

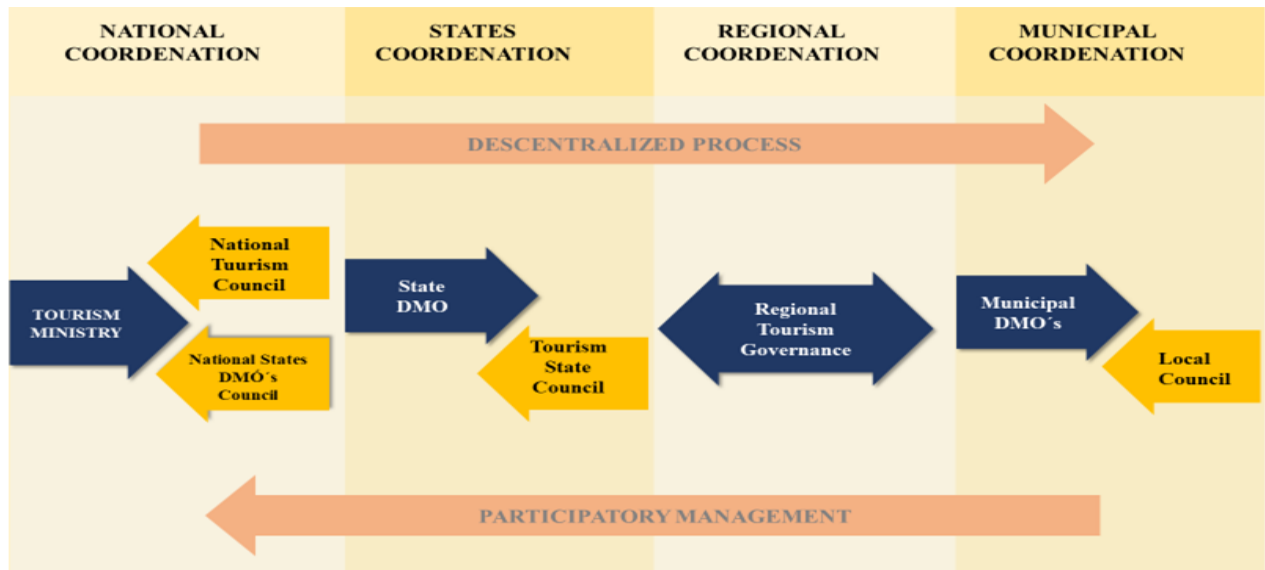


Figure-1. Brazilian structure of tourism management

Source: The author (2017)

The National Tourism Plan – NTP 2007-2010 (MoT, 2007) continues programs initiated in 2003 and expresses its priority direction in its title *A Voyage of Inclusion*. It reinforces and widens its application as a planning and management instrument that characterizes tourism as an engine for development and a generator of employment and income in the country. This inclusion can be achieved in two ways: production through the creation of jobs and income and consumption by attracting new tourists to the internal market.

Its main objectives are to promote the development and decentralization of tourist activities, support planning and structuring of tourist regions, consider cultural plurality and natural diversity, encourage tourism-related production, add value to tourist products and strengthen their competitiveness. The NTP 2007-2010 expands and strengthens the internal market, with special emphasis on the social function of tourism. Implementation of tourism policy has various difficulties such as the complex and different definitions of tourism, often unreliable tourism growth predictions and the short-term view of operators within the tourism destinations.

In the literature, participation by stakeholders such as the local community, private sector, NGOs and different levels of government is stated as imperative (Dodds and Butler, 2010). These aspects of the NTP correspond to the principles of good governance (Graham et al., 2013) and looks to be more appropriate to the case of a country of geographic dimensions and administrative complexities such as Brazil. In addition, there is a worldwide trend towards a return to the already recognized role of municipalities and localities in the definition and implementation of tourism policies.

With respect to the results achieved with the implementation of the PNT I, the objective of increasing the attraction of international tourists was frustrated successively, as shown by the statistics of the Brazilian Ministry of Tourism itself (Ministry of Tourism, 2016). Domestic demand, in turn, had a significant increase in the initial period of implementation of the plan and continued with a trend of growth, but decelerating at the end of the period, as a consequence of the political and economic crisis that the country is facing.

This reveals an important inconsistency between optimistic goals and short time to execute - 4 years is not enough to change the tourism scenario in a country as big as Brazil is. This was demonstrated when it did not reach the goal of expanding participation in international tourism in 2003-2007 NTP, a deficiency that was exacerbated in NTP 2007-2010. In accord with Rodriguez et al. (2014) a no realistic forecast for fixed goals is the first mistake of

the strategic planes in tourism and in public police in general. This gap is related strongly to political governance’s short-term focus and many other challenges arise out of this (Valls, 2006).

A focus on short term objectives creates a negative feedback loop with economic priority because with short political terms attention is focused on job creation and development for growth that should yield immediate results instead of an equal priority with environmental and social concerns. Dodds and Butler (2010) found that “This harmful feedback loop is often perpetuated by political agendas being usually of a four-year duration whereas sustainability objectives often need considerations of 10+ years at least”. A four-year political term is simply not long enough to achieve strategic tourism policy objectives and nurture economic priority over social and environmental concerns.

4.2. Destination Brasil: Taking Off

The process of policy and planning needs further approval and implementation (Hall, 2011a). The NTP is structured into macro-programs directed to large tourism intervention areas. Each is subdivided into programs dedicated to specific topics within each policy dimension. For the purpose of this analysis, it is necessary to focus on the macro-program regionalization, which considers the main strategies as a direct impact on the competitiveness of Destination Brazil, especially in the case of structuring of hundreds of destinations in all the regions of the country. The Tourism Regionalization Program – Brazilian Routes, proposes:

*The structuring, organization and diversification of tourist products are based on the National Tourism Plan. The plan consists of a decentralized, coordinated and integrated public policy management model based on the principles of flexibility, implementation, mobilization, intersectoral and inter-institutional cooperation with joint decision-making as the guiding strategy of other NTP macro programs and actions (MoT, 2007).*

The Tourism Regionalization Program (TRP) is the main strategy to organize tourism for planning and management purposes, with the aim of conceiving products, itineraries and destinations that reflect the peculiarities and specificities of each region, thus emphasizing Brazilian characteristics. This is a central aspect of tourism policy in Brazil, since it is based on and justified by its mega geographic and demographic dimensions and focuses on the potential for both supply and demand. The Figure 2 explain the current organizational flowchart of tourism in Brazil.

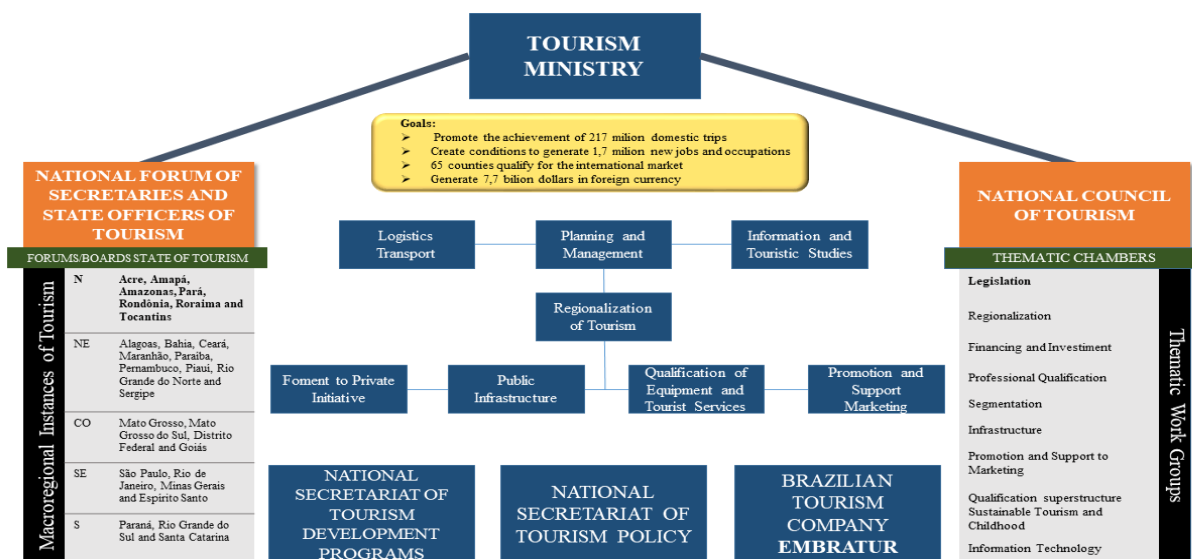


Figure-2. Brazilian Tourism’s Goals and Strategies

Source: MoT (2007) (free translate).

The Tourism Regionalization Program mapped 200 tourist regions in the 27 Brazilian states through a project carried out in conjunction with the State DMO's and Councils. The policy of municipalizing tourism management was adopted before the implementation of the NTP in its current form and indicated the path that subsequent proposals would follow: the focus on destinations. To emphasize the importance of this strategy, the specific and priority goal of NTP 2003-2007 was the structuring the tourist destinations with international quality standards, the so-called Inducer Destinations. The strategic focus of the project consists of instituting a management system in the action plans of the 65 tourism-inducing destinations, qualifying local stakeholders to strengthen local management and expanding the knowledge of strategic planning (Brasil, 2006). Inductive Destinations were defined according to the qualification criteria for tourism and relevance of the attractions. Thus, all the capitals of the 27 federal states were compulsorily included because they invariably presented better qualification and better infrastructure for tourism. In addition to the capital, each state had between 1 and 4 other destinations included in the priority policies for tourism, totaling 65 municipalities in the first edition of the NTP.

The difficulty in successfully implementing policy is not technical, but is far broader and involves political, cultural, economic, social and psychological change (Rodriguez *et al.*, 2014). Most theories including collective action, regime and adaptive management have been put forward in conjunction with long term and holistic thinking as essential steps to overcome the barriers identified. Tourism policy is complex because of its inevitable links with other topics and jurisdictions (Hall, 2011a). Decision makers in control of tourism and tourist destinations have to not only "talk the talk" in creating policy but also to "walk the walk" by implementing their policies in order to achieve competitive tourism goals and the evidence suggests that this is a much harder but ultimately necessary task.

However, the problem is more fundamental than that. If moves toward a competitive tourism development pattern are to be successful, attention will need to be paid to institution building in the spheres of policy management and implementation (Nordin and Svensson, 2007). Yet, the social character stated in the guidelines is not enough to generate actions committed to Brazilians or to promote the distribution of benefits through economies of scale. Brazil still does not have defined incentive mechanisms or assessment over activities at destinations, which would ensure compliance of social proposals and more inclusive tourism development. Most of the governments in the region understand the strategic role tourism plays for development and job creation and consequently support the sector proactively.

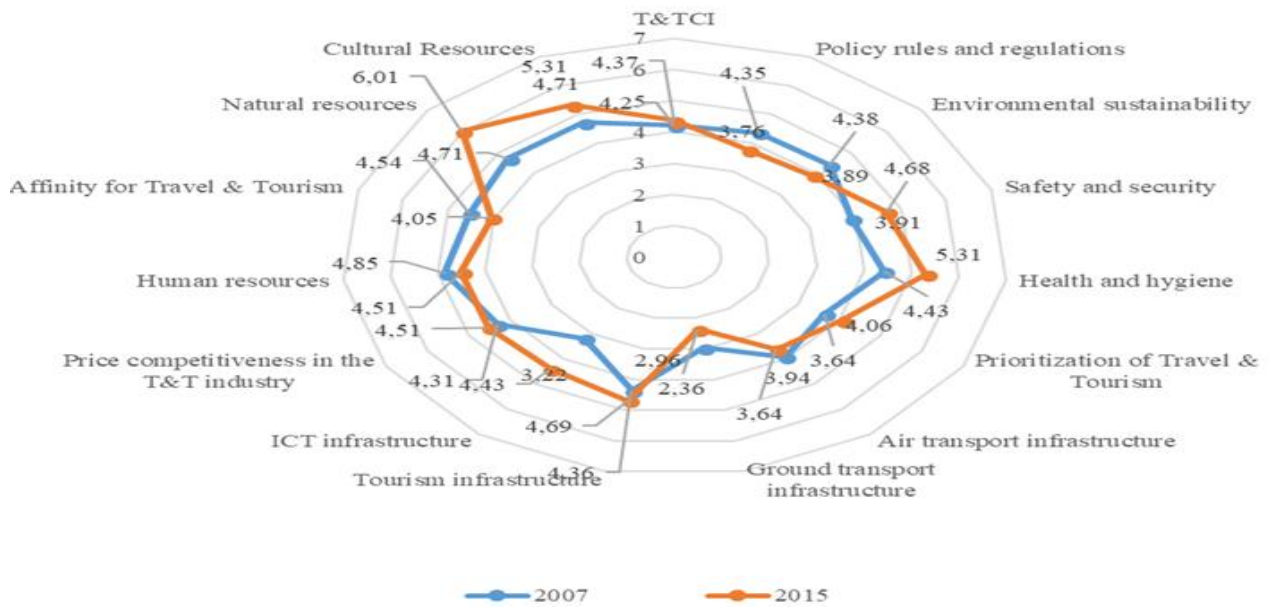
#### 4.3. *Outside In: Brazil under the Eyes of Others*

The Travel and Tourism Competitiveness Index – T&TCI measures "the set of factors and policies that enable the sustainable development of the travel and tourism sector, which in turn, contributes to the development and competitiveness of a country" (WEF, 2007). The results between 2007 to 2013 T&TCI not represent a significant difference and show a slowly improve in some indicators. The overall ranking results of T&TCI 2013 showed no change among countries that occupy the top rankings compared to 2011 but further strengthen European leadership in the industry.

The Europe is holding the top five positions and six European countries occupy the 10 most competitive positions in the world. In Americas, while North and Central American nations outperform South American ones on infrastructure, the opposite is true for cultural resources. Numerous South American nations are taking advantage of their rich heritage to create a strong tourism value proposition consisting of natural resorts, entertainment and culture.

Most of the countries in the South American region rely on rich natural resources and good hospitality (tourist service infrastructure) to appeal to tourists, and they tend to be internationally open. Yet some shared difficulties remain. The ground infrastructure is, with few exceptions, underdeveloped, and cultural resources are not as valued as they could be and it is not different in Brazil. The Graphic 1 shows the last results to Brazil case.





Graphic-1. T&TCI Brazil Evolution 2007-2015

Source: Compiled from T&TCI- WEF series 2007-2015

Brazil comes in 28th globally in 2015. The country is blessed with the largest and most diverse natural resources on the planet (1st). It also has very strong cultural resources (8th), from sports and entertainment to several heritage cultural sites and significant business travel. The country lost seven positions in the overall ranking between 2007 and 2011 but rescue two positions in 2013. It is ranked 51st overall with an index score of 4.4 points. However, a closer look at the partial data for the subindex reveals a more promising scenario for Brazil. The results between 2007 to 2013 TTCI not represent a significant difference and show a slowly improve in some indicators.

The jump for the 28th position in the ranking in T&TCI 2015 is as surprising as important for Brazilian strategy and provides interesting inferences about its conditions of competitiveness on a global level. The analysis of the evolution of the indicators of competitiveness conditions in the country confirm for a hand the amazing potential to improve, and for other, the elements that result in strategic gaps. According to the TTCI's Brazil is ranked the first in natural biodiversity of the *top three performing economies per pillar*. This pillar also represents the country's best score, reaching over 6 points on a scale of 0 to 7.

The themes related to biodiversity and nature conservation are high priority. Lipman and Vorster (2011) discussed the important role played by the travel and tourism industry in the important shift towards the green economy and how travel and tourism should be an integral part of this process at global, regional and local levels, compatible with a low-carbon development trajectory in addition to being a key sector in guiding the change to a green economy. Furthermore, due to its multiplier effect, which cascades through interrelated value chains in the economy, a green revolution in the travel and tourism industry could be a catalyst for green growth and transformation in the broader economy.

Many authors having been stressing the importance of transforming classic tourism, dominated by the considerations of growth and market share, to smart tourism that is clean, green, ethical, and customer and quality oriented (Budeanu et al., 2016). This will ensure that the industry becomes a market leader in the green growth paradigm and its related green jobs, investment, trade and development. The most maintains that countries kind of Brazil, which can offer travellers access to natural assets have a clear competitive advantage.

Another valuable intangible resource in Brazil is the hospitality of its people and their propensity to be happy. The human and cultural groups rank the country 8th worldwide is another touristic resource unexplored. The importance of this factor was recognised in the 2011 edition of the TTCI, which includes the *affinity for Travel & Tourism* as a key indicator that measures the extent to which a country and society are open to tourism and

foreign visitors. It is important to recognise that the general openness of the population to travel and foreign visitors has an important impact on travel and tourism competitiveness.

Surveys showed high levels of satisfaction, demonstrating that some of the evaluation models of the variables are more sensitive to the eyes of visitors, than others. For the fate of competitiveness that can be instrumental in strategies proposition to explore more appropriately its potential resources, not fail to recognize the serious infrastructure problems, and even worse, the security and safety. In economics terms, tourism in Brazil accounts about 0,50% of international travellers (MoT, 2016).

However, the T&TCI has undergone some changes over time and some factors were incorporate, while others were abandoned. It is interesting to note that Brazil jumps position in the overall ranking, however, loses note the overall evaluation, or general average. This leads to the conclusion that the competitiveness of countries in general, worsened. One factor that can influence these results and compromise this analysis is the change of competitiveness indicators applied in different editions. The insertion, for example, the indicator for the price may have changed throughout a sequence of evaluation and have contributed to a change of position from some countries.

These data demonstrate the huge, unexplored potential for growth in the industry, especially when based on the attributes of sustainability and within a strategic perspective and vision for the future (Dwyer and Kim, 2003; Mazaro, 2006). Determinants that have shaped the competitive context underscore that strategic opportunities are limitless in terms of tourism for destinations that transformed macro-environmental imperatives into strategic guidelines.

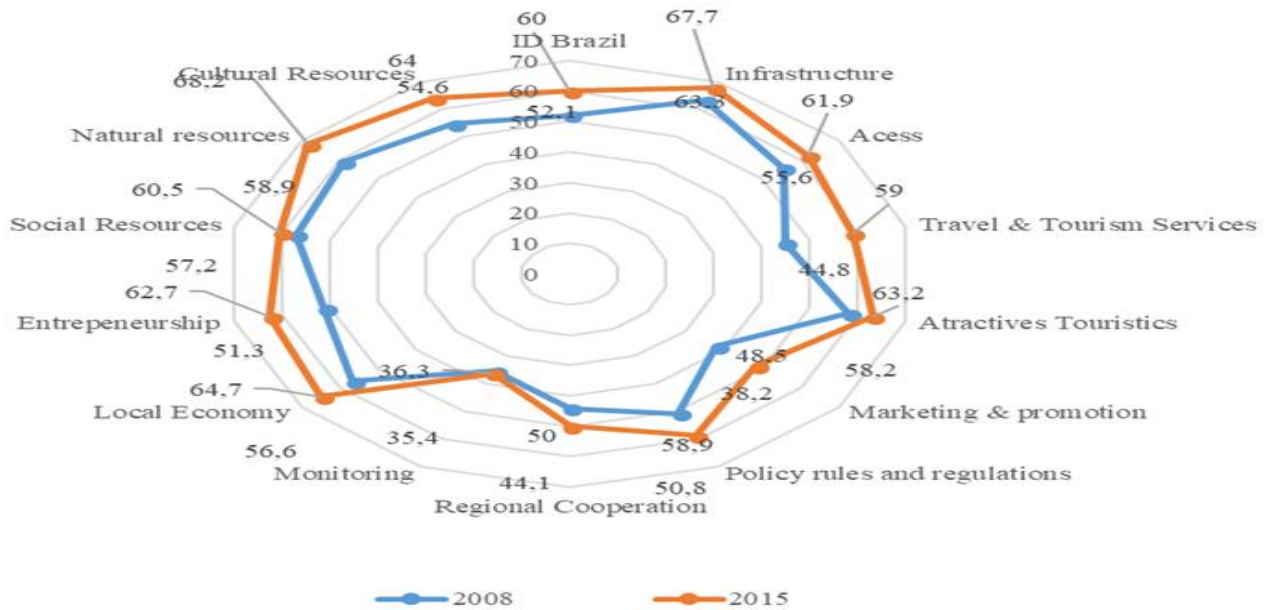
#### *4.2. Inside Out: Brazil under Your Own Eyes*

Outcomes from seven years study conducted by the National Tourism Competitiveness Index (MTUR/FGV) in Brazil show a similar situation found by T&TCI series, reinforcing the fragile aspects of Brazilian tourism, given that findings point to the lack of clear strategies and competitiveness of tourism-inducing destinations. The results of competitiveness studies on the 65 tourism-inducing destinations carried out from 2008 indicate the enormous needs for improvements and expansion. Brazil was not awarded more than seven points on any of the 13 dimensions evaluated 1-10. This is a clear indictment of how far Brazil is from meeting the standards required to maintain sustainable competitive strategies, in their widest sense.

However, guidelines seem to point to paths that are converging to meet current and future competitive imperatives for tourism. The conditioning factors of tourism development and NTP implementation related to investment and private market expansion, renovating infrastructure and equipment at tourist destinations and qualifying human resources in the various activities that make up the productive tourism chain. A significant challenge is to develop and implement strategies related to transportation logistics, which allow for the integration of regions and tourist destinations, thereby promoting a link between the country and the world.

In relation to the overall levels of national competitiveness, the average of 65 surveyed destinations was 60.0 points, higher than that obtained in the immediately preceding survey, which was 59.5 - still representing a situation of stability. The average obtained by the National Tourism Competitiveness Index 2015 show that the average of 65 destinations is still at level 3 (regular), which represents an intermediate stage of development, but very close to reaching level 4 (good).

The best performances were environmental aspects, general infrastructure, the local economy, cultural aspects, tourist attractions, business capacity and access, all positioned at level 4. In turn, as in previous years the Monitoring dimension was concentrated to the lowest levels, maintaining the average size in level 2 of competitiveness scale, indicating the need for attention to the issues assessed. The indicators show a gradual and constant positive evolution towards a better competitiveness conditions, even very timid and incremental.



Graphic-2. Competitiveness Brazilian Evolution 2008-2015 by ICTN/MTUR

Source: FGV/MTUR (2015).

The country's natural resources reveal another important gap between the proposed sustainable development of biodiversity and the effective mechanisms that guarantee preservation, subsequently taking advantage of this distinctive heritage as a differentiated tourist attraction (Lipman and Vorster, 2011) The evaluation series clearly demonstrates loss of tourism competitiveness in the country due to poor urban infrastructure in terms of mobility, sanitation, waste treatment and disposal, security, town planning, leisure and appropriate conditions for the exercise of citizenship.

This means that the problems and gaps in competitive tourism are reflections of the appalling conditions found in tourism management, such as those found in the Northeast region of the country, considered an important potential for tourism attracting much of the Brazil's national and international flow. The problems relating to basic infrastructure at destinations related to municipal management, a responsibility not adequately assumed by municipalities (WTO, 1999). These competitive lacks, even though the NTP still bases its founding principles on the Regionalization Program, whose priority is to empower destinations for tourism management (Nordin and Svensson, 2007) have produced poor results in the preparation and transfer of management technologies to destinations.

## 5. CONCLUSION

Considering the current and future competitive context for tourist destinations, be it at national, regional or local level, the determinant and conditioning factors of success and special attributes required to guide strategic decisions seem to be already identified and defined. The challenge to destinations and their future is the adequate study of these attributes and how each destination appropriates this knowledge and transforms it into competitive intelligence. This perspective requires vision and understanding that, more important than having a local attraction, is how you take advantage of it. This aspect emphasises management and coordination as priorities and principles for controlling development and directing results according to what is determined within rather than outside the destination.

Based on this understanding, analysis of Brazilian strategy to cope with international competitiveness demonstrates that the country is in tune with competitive imperatives when it bases its tourism policy and defines its strategic plan according to decentralisation principles, emphasising its own resources, "Brazilianism" aspects, regional integration and the domestic market. However, the most important and significant gap in the

implementation of the program is between the diagnosis of destination conditions and poor implementation of strategic objectives committed to high levels of competitiveness on the part of local management. The fragility and lack of management, in some cases, displays the chronic situation at Brazilian tourism destinations.

Another important indicator is the detailed analysis of pillars displaying the competitive advantages of the highest placed countries best in the overall ranking. Noteworthy is the predominance of leadership in dimensions related to general infrastructure and tourism, health and public health, safety and other factors directly related to planning and management of localities and mainly conditioned by decisions under the control of managers. The pillars in which Brazil fared worst, causing a drop-in ranking, were attributes related to management skills that can be assimilated and factors that can be controlled.

This interpretation is based on studies indicating an important driving force of variables, management decisions and strategic choices regarding competitive destinations, including factors that have an impact on more general issues, such as local sustainability. However, the application of tools for evaluating consolidated competitiveness emphasises the format and management criteria adopted by the destinations in successful tourism strategies. This finding is crucial for the analysis of long-term strategies for tourism in Brazil, considering the factors and indicators of the study showing Brazil's weak competitiveness in international tourism is subjected to change by the strategic management of the destinations.

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