



Project Proposal

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Title

The use of social networks to enhance the efficiency of marketing activities in tourism: an empirical study on developing a smart multimedia system

Introduction

The exponential expansion of international trade alongside globalization and the breaking down of many barriers, both tangible and intangible, which prevented travel and tourism in earlier decades, have made tourism not only the largest sector of the world economy, but also the largest employer of people across the world and a major contributor to GDP and GDP growth in the economies of many nations. These points can be substantiated with a number of relevant statistics, for example the World Travel and Tourism Council Report (2011, p. 2) informs us not only that the industry in terms of visitor exports is expected to have generated just under \$6 trillion in receipts and more than \$1.2 trillion in FDI in 2011, but it directly and indirectly employs approximately 260 million people (over 100 million directly). The importance of these statistics in terms of individual countries can be shown by noting, for example, the tourism accounted for about 9% of world GDP in 2011, which is higher than the whole automotive industry (8.5 per cent) and not very far behind the largest sector, banking and finance, which produced approximately 11% of world GDP in 2011

(World Travel and Tourism Council Report 2011, p. 3). Within these figures, however, it is relevant to note that for many people, tourism is more than just an industry because it represents different values and should therefore be more accurately described as a “social phenomenon, an experience, or a process?” Davidson (2005, p. 25) suggests the latter, in other words that to describe tourism in economic and industrial terms is “demeaning” to what it is.

Nevertheless, whether it is viewed as a social phenomena or as an industry, it can not only can bring significant economic benefits to nations or areas within nations, but it can also strengthen and enhance many sectors within these places, for example in construction, retailing, transport and a host of other sectors. The FDI potential alone (see above, page 1) gives emphasis to this point, as does the further potential for growth as people in developing nations, particularly those with huge populations (for example India and China) increasingly turn their attention to travel and tourism.

It can be argued that Tasmania has an abundance of attractions and facilities for potential visitors, including the “world’s cleanest, purest air, purest water and fertile soils.” Furthermore, over 40% of the State is either National Park or a World Heritage area (IRIS Tasmania 2010) and these, alongside improved access facilities, have meant that tourism has grown strongly in recent years. However, this success must be assessed in relative terms and this can be done with comparisons with some other noted tourist destination is the Asia-Pacific Region. One popular destination within this region is another island, Bali, in Indonesia. With an approximate total population of 3 million and with an employed population of 1.7 million, an

estimated 1.1 million are working in the tourism sector (Hara 2008, p. 12). Furthermore, it is estimated by the World Bank (cited in Hara 2008, p. 12) that tourism accounts for about 50% of the GDP for Bali on an annual basis. A further comparison can be made with Samoa, where tourism receipts were estimated to be \$38 million and 21.66% of GDP with a total population of 0.2 million in 2002 (Hara 2008, p. 10). In a wider comparison, it can be noted that tourism in New Zealand as a whole directly contributed \$6.9 billion to GDP, representing 3.8%, and indirectly a further \$8.8 billion in 2011. It further accounted for 4.8% of total employment in 2011 (Tourism Satellite Account New Zealand 2011, p. 11). It can, perhaps, be suggested in terms of these comparisons, that the progress made in recent years in Tasmania has the potential to go further and deeper.

The current approach to the marketing of tourism in Tasmania may be described as quasi- bureaucratic, with Tourism Tasmania being a state government tourist agency with a stated aim of leading “the industry to jointly deliver marketing and development programs that drive benefits for Tasmania for domestic and international tourism” (Tourism Tasmania Corporate 2012). Within the authority of this organization, there are three sub groups, namely Events Tasmania, whose role it is to “stimulate event growth,” and two sub-regional groups, one for the Cradle Coast (Cradle Coast Authority) and another for Northern Tasmania (Northern Tasmania Development). Each of the latter two fundamentally takes responsibility to promote and maximize tourism in the particular areas (Tourism Tasmania Corporate 2012). Whilst these bodies may seem as rather limited in terms of the potential dynamics for diversifying the marketing and promotion of tourism in Tasmania, relative

regional comparisons are, again, important. New Zealand appears to have a very similar and government-led approach to tourism marketing as Australia, with Tourism New Zealand being a “Crown Entity funded by the New Zealand Government and established under the New Zealand Tourism Board Act 1991” (Tourism New Zealand 2012). Samoa also has an official and government-led tourist board, Samoa Tourism Authority, which is “a tourism Information provider and tourism marketing agency for the Samoan Government” (Samoa Tourism Authority 2012). Likewise, Bali has an official tourism board (Bali tourism Board 2012).

Brewer (2011) lists 21 tourist ‘hot spots’ in Tasmania, which includes Hobart, Devonport, Coles Bay, Port Arthur, Flinders Island, St Helens, King Island, Burnie and the Tasman National Park. If we take the first and last on the list, namely Hobart and Tasman National Park, the former is described as “one of the most beautiful and popular destinations in Tasmania” (Brewer 2011), with all types of ocean vessels, excellent restaurants and many activities and sights “within walking distance in the city.” The latter is described as “an incredibly diverse and scenic national park, with so many places to visit in one area, it is definitely worth the visit” (Brewer 2011).

One thing that we should perhaps bear in mind is that Tasmania is 315 by 286 kilometers (189 x 175 miles) and is thus comparable in size with Scotland or West Virginia (Tasmania Facts and Stats, undated). Therefore, it can reasonably be anticipated that there are many places, which are as yet ‘undiscovered,’ or off the beaten track. One key method, which has been proven as successful in other areas of the world, with regard to marketing, is to encourage

and facilitate it via social networks sites. People fundamentally take regard of information and pictures uploaded by 'friends' on sites and are often more willing to believe them than, for example, traditional advertising or media promotions (Gupta 2009).

This suggests that social networks could be an extremely useful mediums not only for promoting tourism generally in Tasmania, but also for extending the popularity and visitation of lesser-known areas in terms of tourist visitors. This can, according to Gupta (2009), be achieved by two methods on social networking sites – by direct advertising or viral marketing campaigns. The relative success of the latter technique can be exemplified by noting that, in research carried out amongst users, three groups were identified – low, middle and high status groups in terms of usage. For the middle group, revenues of products marketed using viral techniques increased by 5% (amongst that group) (Gupta 2009). Thus, if technologically proficient techniques can be developed on site which not only encourages social connection, but also viral marketing, and alongside the more traditional word of mouth ways of communicating recommendations (within social networks), the potential exists to have a significant impact on marketing Tasmania.

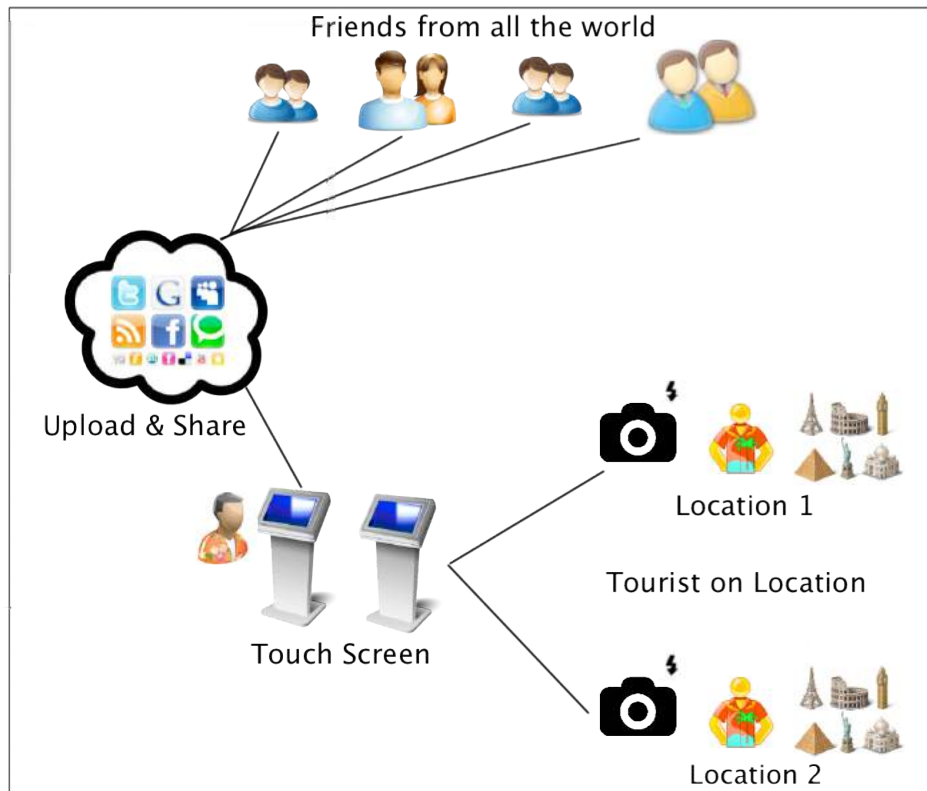
In 2011, international visitor arrival numbers to Tasmania increased by 11% to 149,900 and the number of nights spent there also increased in that year by 9% to 2.91 million. Furthermore, those coming for the purpose of a holiday increased by 16% over 2010 (Tourism Tasmania, International Tourism Snapshot 2011, p. 2). In 2010, the comparable figures were 142,000 international visitors (+2%), visitor nights increased by 13% and those coming

for a holiday decreased by 2% (Tourism Tasmania, International Tourism Snapshot 2010, p. 3). These figures generally suggest a growing tourist industry but one, we can suggest, that has not reached the potential of some of its regional rivals (see page 2 – 3). This leads to a statement of the objectives of this research.

Smart Multimedia System

The idea is to attract (in holiday locations) tourists to use their own social network channels by providing free connection and free tools to them in their locations. On the other hand, a further valuable return will be from positive word of mouth communication, which will be disseminated directly to different segments of potential tourists from our current users (tourists). Developing a smart system on different sites can handle the multimedia activity (pictures) and provide secure connections to private social networks for uploading and sharing activity.

Our system will be connected to a number of pro cameras on different sites with unique backgrounds to be used by the users (current tourist). Those private pictures will be used later as valuable marketing material by our system. Besides that, the system will be used to collect and analyze valuable and accurate data from user activities, which can be used to improve the future tourist industry in that area.



The desired smart system

Justification for the Proposed Project

As noted above, tourism in a world-wide sense is enormous in terms of GDP and jobs. It is also an important sector in Australia as a whole and in Tasmania in particular. We have also noted the extent to which tourism has grown in Tasmania, but this should not lead to complacency. It is believed from a review of the methods that are still being employed by official organizations that many benefits could be gained by embracing viral marketing through existing social networks. However, this should be considered and appraised before any recommendations are possible, hence this project proposal.

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