

destinations : wellbeing tourism

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IO2 – Wellbeing Tourism Destination Action Plan

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1. Introduction

The Azores is formed by nine small volcanic islands located in the middle of the Atlantic Ocean. This somewhat remote and exotic nature-based Portuguese destination holds an incredible combination of natural resources and social dynamics that create a unique wellbeing ambience. However, tourism in the Azores has had several setbacks throughout the years and only recently has achieved a serious breakthrough that was deeply changing the sector's landscape. The Covid-19 pandemic has brought a halt to that rising route, but the seeds for future success are in the ground. Still, the Azores are on early stages of the destination life cycle and there is much to be done to consolidate international awareness and leverage the structuring and the development of signature tourism products.

Despite being selected as one strategic product for tourism development in the Azores, although as a complement to Nature-Based Tourism (the priority product), Health and Wellbeing Tourism is usually unreasonably anchored in thermalism. This limited vision hinders the understanding of new trends and potentially disruptive development opportunities. In fact, as modern societies are increasingly afflicted by fast-paced living and stress-related disorders and conditions, wellbeing travel is emerging as a means for seeking healthier lifestyles and regenerative moments of respite. It is expected that post-Covid-19 consumer behaviour will intensify this trend. Therefore, if the Azores are not prepared and adequately positioned to respond to such changes, the destination will not be able to leverage its privileged conditions and resources.

A *destination action plan* identifies the priority strategies and actions that, if implemented, will enhance the competitiveness of the region as a primary visitor destination. It provides a framework and direction for delivering new and improved tourism experiences across the region. It has the potential to drive growth in the tourism sector and its contribution to the regional economy (Raglan Chamber, 2016). This action plan aims to stimulate the implementation of strategic interventions that will contribute to increasing the understanding of wellbeing tourism and its opportunities, as well as to prepare the local stakeholders to embrace them. It is particularly focused on the basic needs of the wellbeing tourism sector according to the destination audit that has been previously undertaken.

2. Objectives for the Wellbeing Tourism Sector

Since the Azores are on an early stage of the destination life cycle, the main objectives for the wellbeing tourism sector are deeply associated with the improvement of fundamental features that can, on the long term, leverage its development and competitiveness. These goals are also considering the potential the Azores presents as a perfect destination for the post-Covid-19 paradigm.

1. To grow awareness of the Azores as a year-round wellbeing destination.
2. To increase the number of companies marketing and providing wellbeing experiences.
3. To increase the number of people with specific training in wellbeing tourism.

3. The Strengths and Challenges of, and Opportunities for, the Wellbeing Tourism Sector

The Azores are still in the early stages of its destination life cycle. As the whole tourism sector in the region evolves, new challenges and opportunities are being unveiled and Wellbeing tourism, in particular, emerges full of potential that can benefit from the rich resources the islands have. However, it is still interpreted with a traditional lens, requiring a more comprehensive understanding. The geographic, geological, biological and social characteristics of the Azores are very much aligned with wellbeing tourism and, therefore, many of its strengths and opportunities are deeply connected with the region's main differentiating factors.

a) Strengths

Nature is the base feature of the Azores' tourism value proposition. Interestingly, the characteristics of the natural environment of the islands provide privileged backgrounds for wellbeing experiences with deep engagement of the senses and awareness of the self. Nevertheless, other features can be used to create more complete and structured experiences during the whole stay.

- **Natural resources diversity**, that brings great flexibility to experience designers and product developers, also facilitating the destination positioning in different market segments.
- **Hot springs & thermal water pools of volcanic origin**. Thermalism has been one strong product in the Azores' tourism, offering unique experiences both for therapeutic and leisure purposes.
- **Lush natural exotic scenery** and a beautiful background for some well-rested days or intense adventures.
- **Very high standards of safety & security** which have led the destination to be selected as one of the European Safest Destinations 2021.
- **Rich and unexplored cultural resources**. The Azores have more than 500 years of history and the particular geography of the nine islands has originated very specific traditions, activities and events in each of them that are still unexplored in the tourism context.
- **Mild climate all year**. The average air temperature ranges from 11°C to 23°C meaning very comfortable winters and summers, especially for people coming from Northern countries.
- **Welcoming people**. The islands are small and somewhat remote, while local people are humble and empathetic. They like to welcome people with open arms and make them feel at home.
- **Gastronomy & Wines**, leveraging incredibly fresh seafood, vegetables and an exquisite cuisine centuries-old (dating back to the India spice sea route), as well as wine made with grapes grown on volcanic ground. Perfect means for stimulating the senses.
- **Low population density**. The islands are small and few people live on them, becoming perfect places to escape the stressful living in big cities and just relax.
- **High sustainability standards**. The Azores have a development model that is deeply aligned with sustainability, which grants the destination a strong brand image and high attractiveness.
- **Peaceful and tranquil rural settings** that share the landscape with woods, mountains and

the sea, housing a deeply relaxing ambience for mindful moments.

- **Heterogeneous islands**, both in size and culture, offering an incredible diversity of experiences and places to explore inside a single destination.
- **Heritage preservation and nature conservation.** The Azores are well-known for its lush nature, but also its environmental quality and conservation, with several awards and protected areas, which provides the means for creating a “green” image of the destination. Also, the vast majority of the heritage is very well preserved, including UNESCO World Heritage sites. All this sustains an incredibly well-balanced, sound and “fresh” stage for immersive stays.

b) Challenges

The development of the wellbeing tourism sector in the Azores still faces many challenges, resulting from its own weaknesses and competitive market pressures. Some of these challenges are also common to the whole tourism sector in the region, meaning that addressing them might benefit everyone.

- **Increase the availability of qualified human resources**, namely in wellbeing, to be able to answer to the companies’ need, as well as to offer new services, experiences and products and to cater to higher-end market segments.
- **Improve service quality.** Either because the destination is still in the early stages of its life cycle or due to the lack of qualified human resources, the overall service quality is still far from the desired levels. It is important to address this need to improve the tourists’ experience, the destination’s competitiveness and its perceived value.
- **Leverage weather volatility.** Although the Azores enjoy a mild climate all year round, there is also an old saying: “you can experience the four seasons in one day in the Azores”. This makes planning difficult and can ruin the experience of unprepared tourists. It is important, however, to find ways to leverage this feature and use it to create more value to the wellbeing experience.
- **Increase the destination/brand awareness** in what regards wellbeing. As a tourist destination, the Azores still need to increase their awareness in international markets. During that process, it is also vital to reinforce the wellbeing identity of the brand to entice more tourists, confer new grounds to the brand and promote the wellbeing tourism sector.
- **Reduce seasonality.** Tourism in the Azores is highly seasonal, with peak demand during summer months. The big differences that exist between Summer and Winter seasons cause serious troubles and inefficiencies to tourism companies and professionals. There is evident need to increase demand during Winter months to achieve a more stable activity during all year.
- **Go beyond thermalism.** The wellbeing tourism sector in the Azores needs to broaden its scope, leave the excessive focus on thermalism and explore new possibilities for its development. Crossing over with other products and stimulating new offerings may bring great benefits for the whole tourism sector.
- **Show the potential of the smaller islands.** Wellbeing tourism can be particularly refreshing on smaller islands, where population density and tourist density is very low, there is a great sense of tranquillity, safety and security, and there are privileged conditions for mindful and

relaxing experiences.

- **Find ways to cope with rigid regulations regarding wellbeing activities.** National regulations on wellness and wellbeing activities are very strict, namely in what concerns thermalism and its therapeutic exploitation. These regulations cause serious constraints to investment decisions and new initiatives.

c) What are the opportunities?

Although the Covid-19 pandemic has brought serious challenges and unexpected difficulties to tourism development in general, facing the future with optimism is vital. Due to its somewhat remoteness, small dimension, insularity and welcoming people, the Azores are a privileged paradise for disconnecting, destressing and experiencing wellbeing in a safe and sustainable environment.

- **Broadening the scope of wellbeing tourism** will certainly bring a new understanding of the potential that the Azores have to cater for some of the current trends and market demands.
- **Wellbeing in nature** is something that is already explored in the Azores - including mindfulness sessions by the lake, yoga in a stand-up paddle, beekeeping in volcano calderas - but there are still many innovations that can be carried out to leverage the rich and beautiful natural resources of the islands.
- **Bundling wellbeing activities with nature-based products** is part of the regional strategy for tourism development. It has a huge potential for creating rich experiences that, for example, combine high-adrenaline canyoning and coasteering adventures during the day and relaxing thermal water sessions by the sunset.
- **Rural tourism and agritourism** have huge potential in the Azores and the conditions to offer very relaxing but fun and enjoyable experiences due to the characteristics of the territory and the importance of agriculture in the regional economy.
- **Post-pandemic search for relaxation and wellbeing** is expected to boost the search for off-the-beaten-path destinations with low tourist density, that provide a soothing place to recharge, celebrate life and find renewed purpose and motivation - something the Azores can easily offer.
- **Slow adventure and slow travel** are on the rise and are expected to increase as part of the “revenge travel” trend. The slow travel mood that the Azores provides - with peaceful rural settings, tranquil nature, well-balanced rhythm and welcoming people - may well be a strong differentiating factor for the region.
- **New research projects** are being developed in the Azores, involving Universities, research centres and tourism companies. These projects are exploring new ideas and innovation-based experiences in the scope of wellbeing tourism, that may bring interesting prospects for the future and different market segments.
- **Brand development.** Even though the Azores have been strategically branded as a “nature-based tourism” destination, leveraging some wellbeing features, there is much to be done to increase the awareness of the destination. Consolidating the wellbeing essence of the brand is an opportunity that should not be overlooked in the current paradigm.
- **Collaboration.** There is still much to be done in what regards collaboration between companies and other tourism stakeholders in the Azores, especially in the wellbeing sector. As

tourism is being reactivated globally, there is a new chance for that to happen and to create new partnerships and synergies.

- **New supporting policies of the 2021-2027 EU framework** represent an opportunity to strengthen wellbeing as a differentiation feature in the Azores' tourism. It is vital to understand them and leverage the possibilities that they might trigger in what regards the qualification of the regional tourism resources and landscape.
- **Recent investments in tourism** have improved the conditions for the sector's development as well as the quality of the supply in several activities, including accommodation, entertainment, restaurants, transports and protected areas. The pandemic has brought a halt to the capitalization of these new conditions, but as tourism bounces back, the Azores have the means to intensify the recovery.

4. What are the priority actions?

The following action plan is a direct result from the analysis of the strengths, opportunities and challenges of the wellbeing tourism sector in the Azores, as well as from the destination audit that has been previously developed. It is intended to be a guideline for local tourism stakeholders, presenting several priority actions and cooperative work that may contribute to the development of wellbeing tourism in the region.

It is important to mention that while some entities and organizations are identified in the plan and presented as "responsible" for each initiative, this is a merely conceptual exercise, that, by no means, commits them to pursue the proposed actions. Furthermore, the priority level has been established with according to an implementation horizon: High - less than a year; Medium - within one to two years; Low - within two to three years.

Action	Priority Level (high / medium / low)	Whose responsibility
1. Develop a new promotion and product development strategy, as well as the respective campaign plans, to promote the Winter season.	High	ATA - Associação de Turismo dos Açores - Convention And Visitors Bureau Regional Directorate for Tourism (Gov.) Businesses, Chamber of Commerce of the Azores & other Private Sector Representatives
2. Emphasize features of the brand's identity related to wellbeing, while leveraging top of mind brand characteristics (like nature), to strengthen the awareness of the Azores as the perfect destination for the post-Covid-19 (e.g., the Nature of wellbeing)	Medium	ATA - Associação de Turismo dos Açores - Convention And Visitors Bureau
3. Market smaller islands as privileged places for slow travel, as well as relaxing and mindful stays and experiences.	Medium	ATA - Associação de Turismo dos Açores - Convention And Visitors Bureau

Action	Priority Level (high / medium / low)	Whose responsibility
4. Structure and implement a long term training and qualification plan for the wellbeing tourism sector (including experience development, accommodation, cooking & catering, entertainment, guides, marketing) leveraging joint efforts of vocational schools, the university and businesses.	High	Regional Directorate for Tourism (Gov.) Azores Tourism Observatory Businesses, Chamber of Commerce of the Azores & other Private Sector Representatives
5. Create wellbeing training programs for continuous improvement, development of new skills and professional reorientation.	High	Regional Directorate for Tourism (Gov.) Azores Tourism Observatory Businesses, Chamber of Commerce of the Azores & other Private Sector Representatives
6. Foster joint projects between companies, research centres and other tourism-related organizations to develop pilot projects and programs to diversify wellbeing tourism offerings.	Medium	Azores Tourism Observatory University of the Azores Chamber of Commerce of the Azores & other Private Sector Representatives
7. Develop a catalogue of business opportunities in wellbeing tourism to stimulate the private sector initiative and investment.	Medium	Azores Tourism Observatory Chamber of Commerce of the Azores & other Private Sector Representatives
8. Support the development of a range of products and experiences to increase the diversification of wellbeing activities.	High	Regional Directorate for Tourism (Gov.)
9. Mobilize funding resources to support the private and public investment in wellbeing tourism development.	Medium	Regional Directorate for Tourism (Gov.)
10. Organization of benchmarking initiatives and familiarization trips to reference destinations for local tour operators to show best practices and business innovations in wellbeing tourism.	Low	ATA - Associação de Turismo dos Açores - Convention And Visitors Bureau Regional Directorate for Tourism (Gov.) Businesses, Chamber of Commerce of the Azores & other Private Sector Representatives

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