

The Transformation of Destination Management Systems

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Aim of the study

The main aim of the research is to reveal the existence and current state of DMSs' development in Bulgaria at national and local level.

The specific tasks to be completed include:

- outlining the concept of DMSs, their evolution and functionalities;
- revealing the regulatory and strategic framework for DMSs development in Bulgaria;
- analysis of the DMSs development in the country.

Methodology (1)

- **Literature review** aiming to explore the link between DMOs and DMSs, to define the concept of DMSs and their evolution, as well as their current functionalities;
- **Review of existing legislation and regulations** in order to outline the framework of DMSs development in Bulgaria, potential constraints and future developments;
- **Survey of the internet performance of Bulgarian DMOs** – the Ministry of Tourism and all 265 municipalities – the survey is carried out based on pre-determined indicators regarding the functionalities of existing websites and platforms, on one hand, and the information content – on the other.

Methodology (2)

Municipality	Population	Accommodation capacity	Attractions	Specialized tourist information	Language versions	Functionalities					Type of information (content)							
						Information dissemination	Reservations	Interactive communication	Interactive mapping	Customization	Transport to and within	Accommodation	Eat and drink	Events, MICE, wedding	Attractions	Entertainment	Activities	
	No	No	No	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

- **Questionnaire survey among selected local DMOs** – 14 DMOs, self-assessment, 3 groups of questions, related to the internet accessibility, quality of information system and performance in web 2.0 applications.
- **Case study of best DMS practice** – based on the platform of Moby 2;
- **In-depth interviews with key experts** (DMS developers).

DMS concept definition (1)

- DMSs are usually managed by DMOs and are a logical extension of the destination management;
- DMSs can be implemented at national, regional or local level;
- Conceptualizations, depending on the view of the system and its functions:
 - 1) DMS as an information system
 - 2) DMS as a distributional channel
 - 3) DMS as a strategic management system
 - 4) DMS as an inter-organizational information system (IOIS)

DMS concept definition (2)

DMSs are the systems that:

“Consolidate and distribute a comprehensive range of tourism products through a variety of channels and platforms, generally catering for a specific region, and supporting the activities of a destination management organization (DMO) within that region. DMSs attempt to utilize a customer centric approach in order to manage and market the destination as a holistic entity, typically providing strong destination related information, real-time reservations, and destination management tools and paying particular attention to supporting small and independent tourism suppliers” (Frew and Horan, 2007, p. 63).

Aims of DMSs

- To effectively co-ordinate the marketing activities and branding of a specific destination and the comprehensive range of products it has to offer;
- To provide timely, accurate, unbiased, quality assured destination and product based information (both accommodation and non-accommodation);
- To facilitate the effective distribution and sale of a comprehensive range of tourism products from a destination;
- To present the destination as a holistic entity;
- To provide an appropriate and sustainable relationship building mechanisms with customers through effective, meaningful and continuous communication;
- To increase the satisfaction level of its suppliers, the local community and all its stakeholders through building and maintaining meaningful relationships;
- To facilitate the management of a destination by supporting DMO activities and through the provision of tools, support and training for its stakeholders.

DMSs evolution

- **Autonomous** - characterised by poor tourism planning, no decisional centres, fragmented supply and low levels of information systems (IS) use; DMSs are unlikely to emerge and DMO is the only possible actor managing the destination, informing suppliers by a fax or GSM message when tourists asks for a service;
- **Cooperation** - the supply is relatively structured, there is a limited number of ad hoc decisional centres and most suppliers have legacy ISs; DMO is still the only stakeholder managing the DMS and DMS is able to register service requests, availability and process transactions directly on the suppliers' IS;
- **Leadership** - the supply is structured, the DMO is the single decisional centre that coordinates the supply and DMSs play a major role in the coordination, promotion and distribution of the destination;
- **Distributed leadership** - characterised by a strong maturity of the tourism destination suppliers in terms of the accumulation of high managerial and technological capacity; suppliers have a reduced need for a DMO, tending to self-organising.

Functionalities

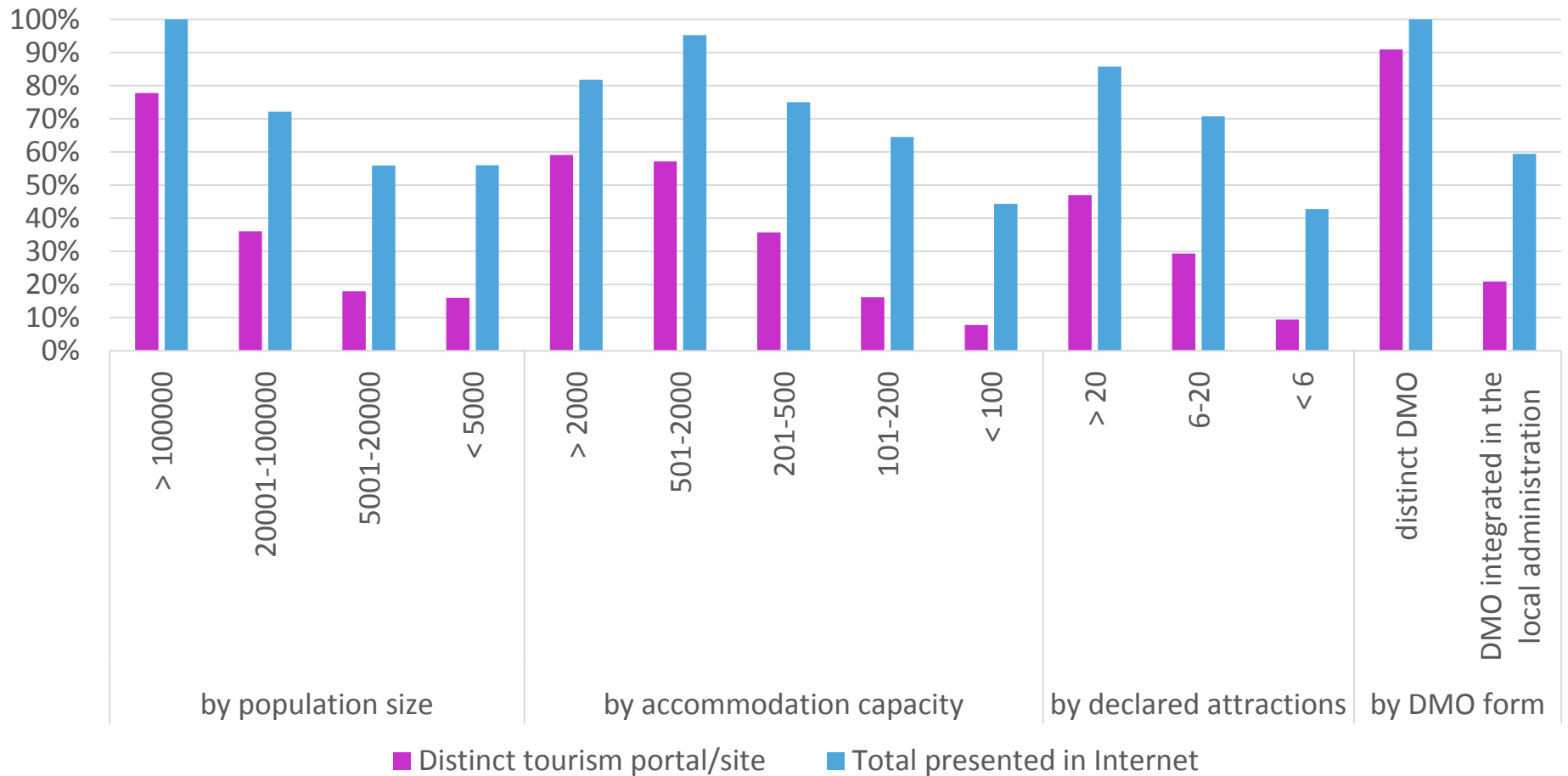
- Information dissemination
- Online reservation, customization and packaging
- Transactional support
- Interactive communication, including interactive mapping
- Survey on tourism clientele
- E-democracy functionality for information provision, capacity building, decision-making, implementation and monitoring.

Review of regulatory and strategic documents

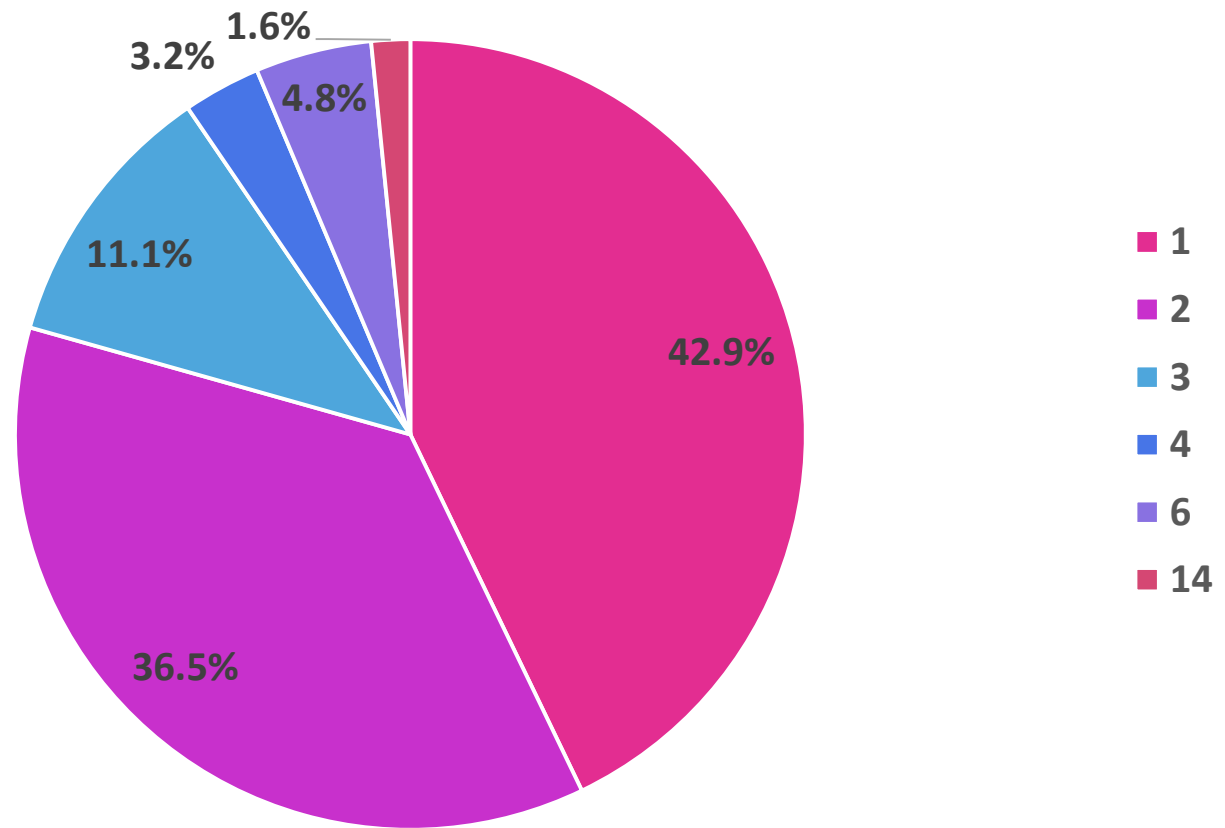
The following developments could be expected:

- Ongoing establishment of regional management organizations with DMO functions and respective operational tools, including DMSs development.
- Further development of the National Tourism Register and the Unified Tourist Information System (UTIS). The system would allow the collection and integration of tourism related data from different public and private institutions for analytical and evaluation purposes to track the dynamics of tourism development in real time.
- Development of national TICs' network, including only certified TICs, but no clear idea of the technological operational system is in place.
- Upgrading of the official tourist website www.bulgariatravel.org to provide accurate, up-to-date and detailed tourist information, and with improved functionalities.
- Expansion of iLoveBulgaria platform by increasing the members and enriching it with new interactive content.
- Creating of a new platform to unify the information from previous applications, upgrade them with new functionalities to allow for online reservations, reviews and assessments, etc. and using different channels depending on types of users.

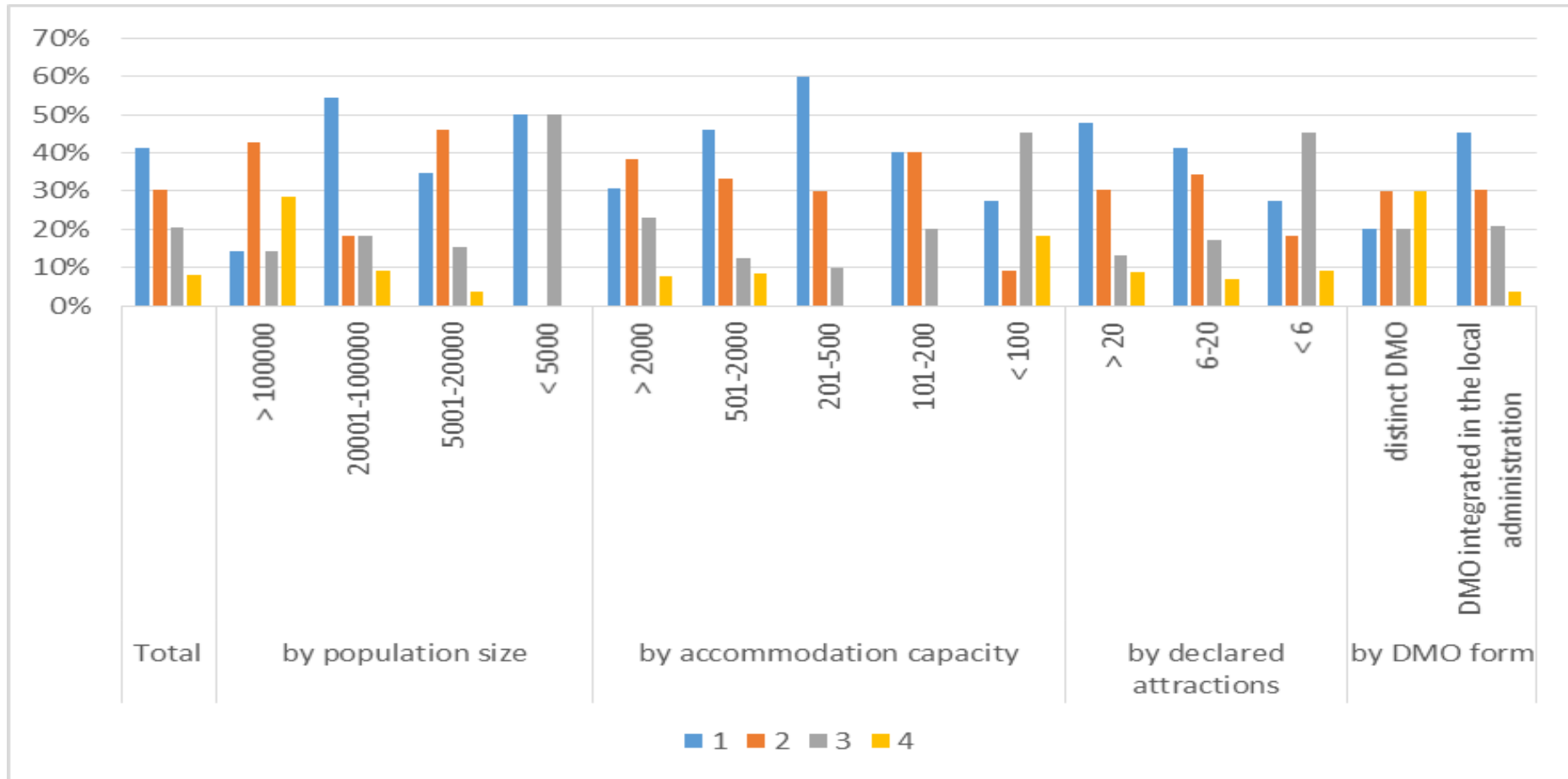
Factors influencing the internet presence of local authorities/DMO



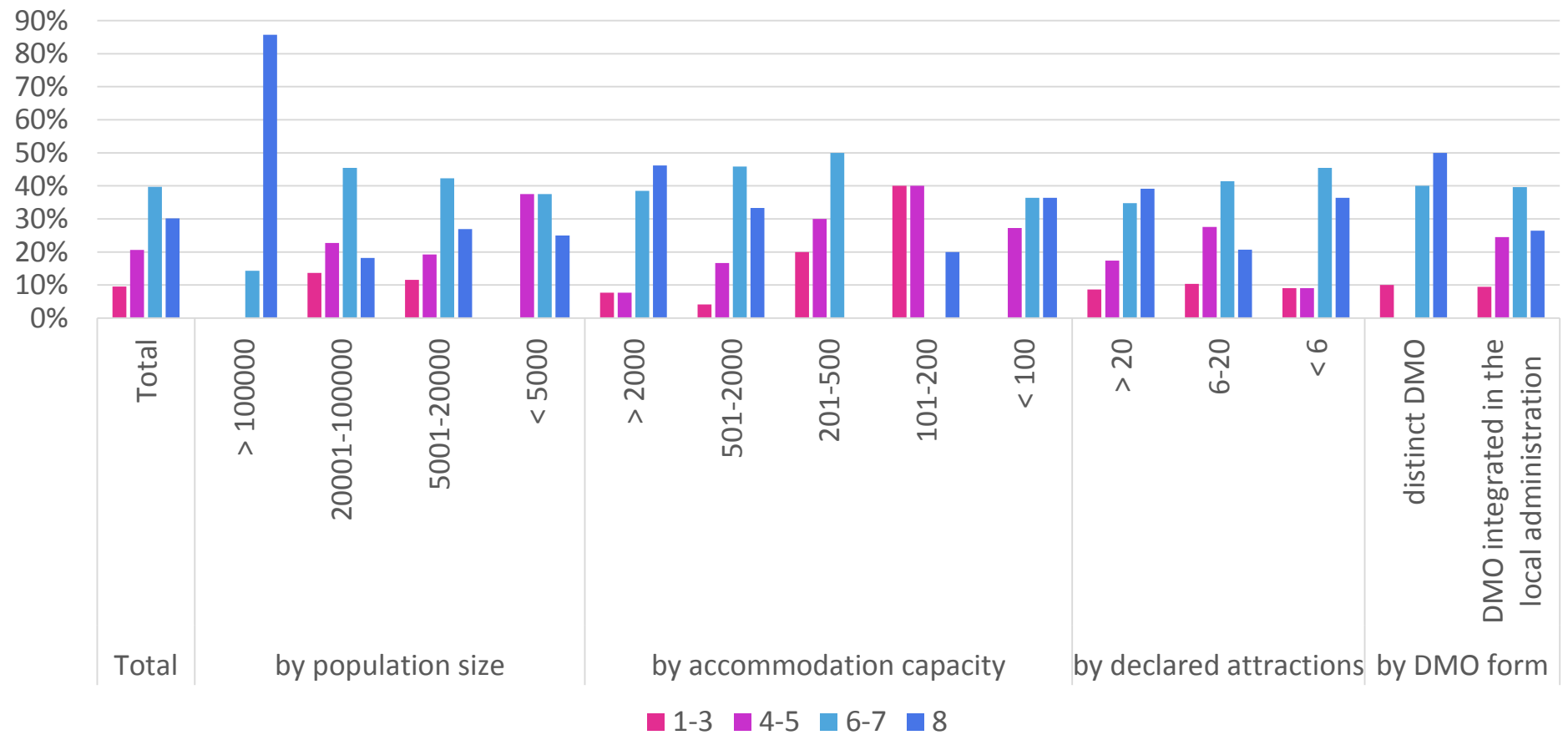
Language versions of the distinct tourism portals and sites



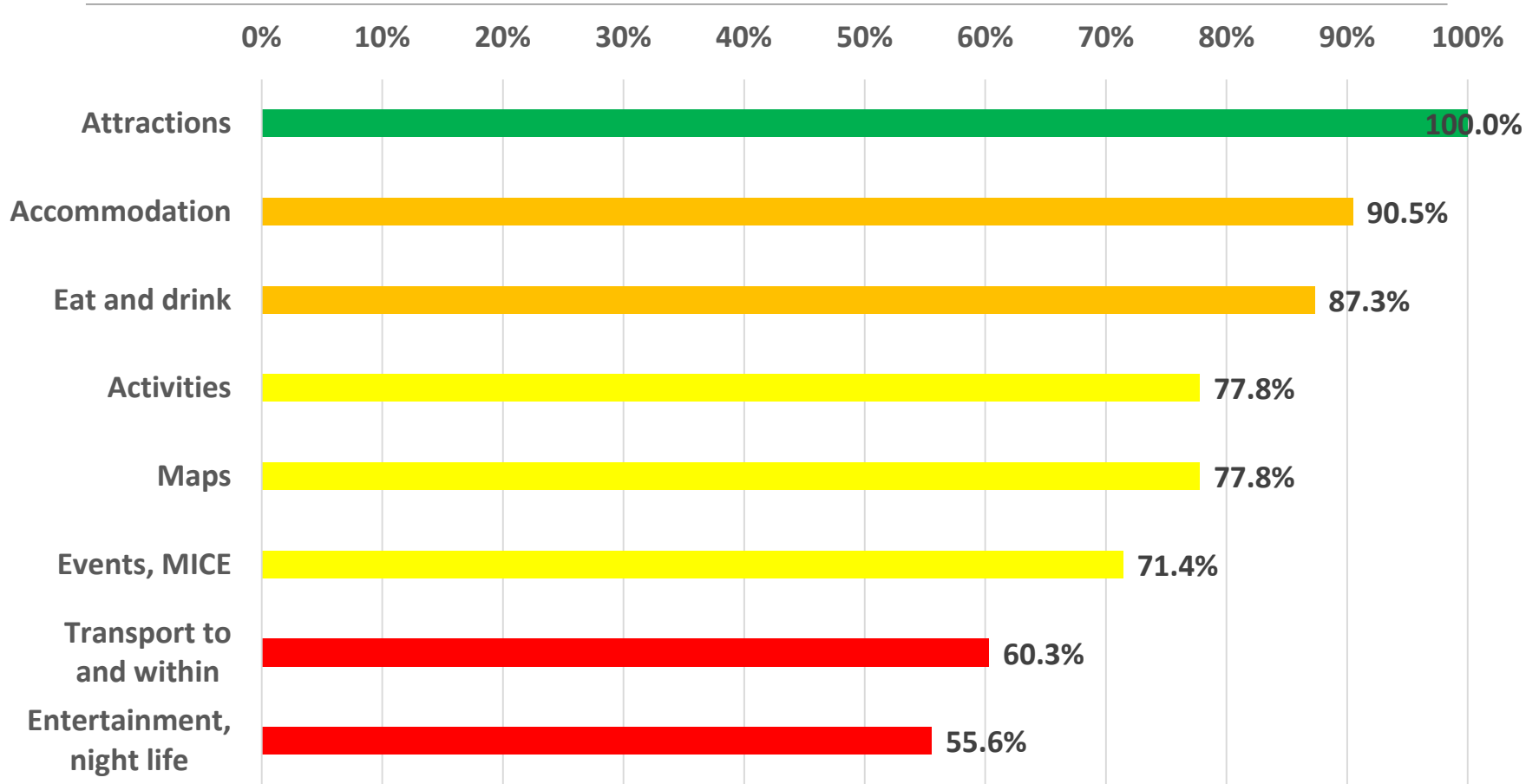
Structure of analyzed portals and sites by number of functionalities



Completeness of the information provided at destination sites

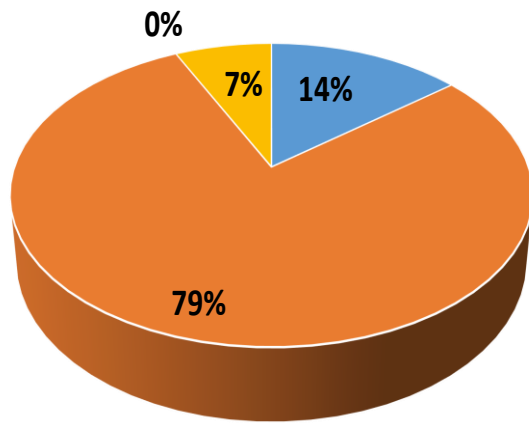


Types of information provided at destination sites



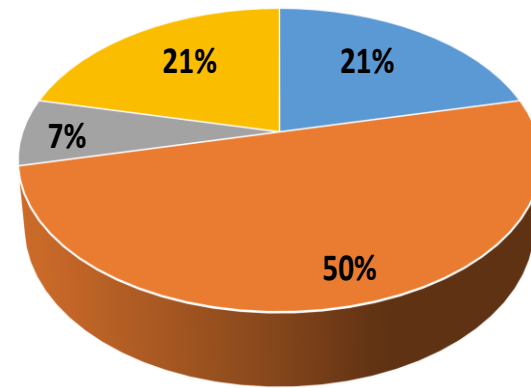
Internet accessibility of the destinations

Page Rank of the destination



■ from 1 to 3 ■ from 4 to 6 ■ from 7 to 9 ■ no answer

ALEXA National rating list



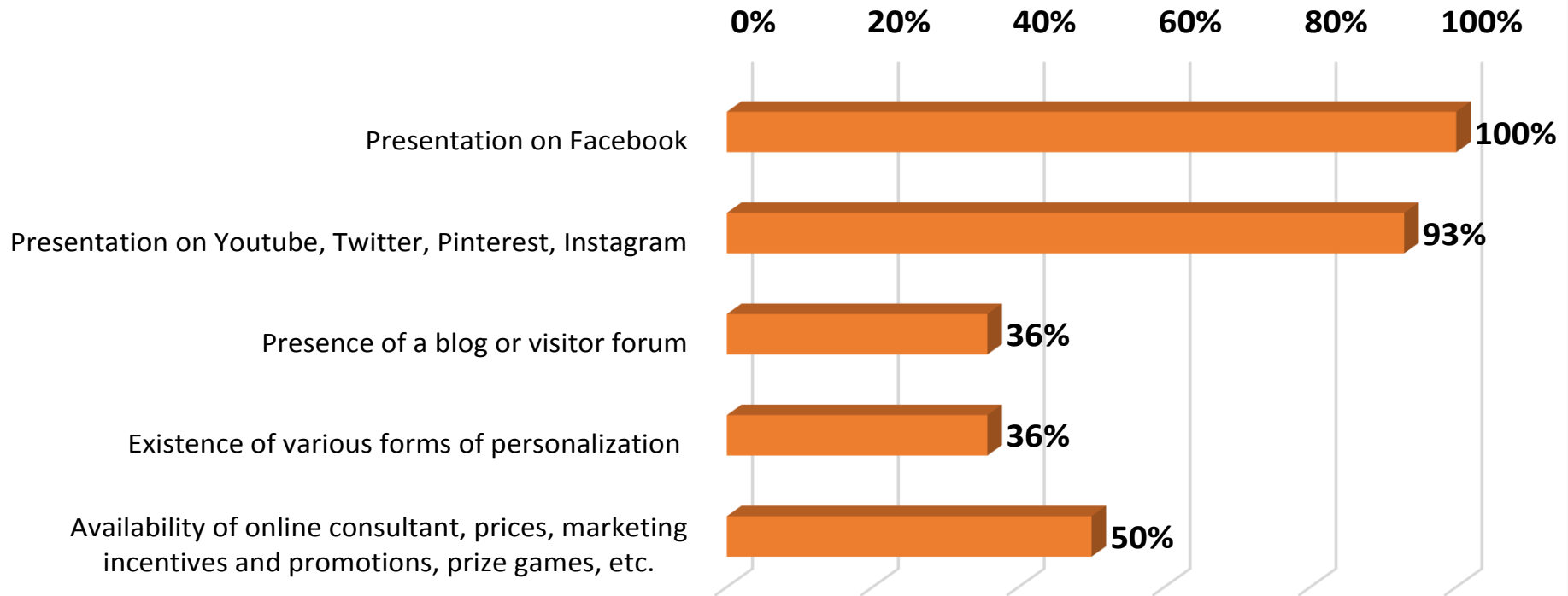
■ 0 - 5000 ■ 5000 - 100000 ■ above 100000 ■ no answer

Quality of the information system

Quality of ICT tools and information	Share (%)	Navigation and menus	Share (%)
Modern ICT system and tools, optimized for mobile devices or a mobile version of the site	64%	Easy navigation systems, convenient menus, describing the destination and related activities	57%
No modern tools, not optimized for mobile devices, but contains complete information	36%	Easy navigation systems, convenient menus, describing the destination, but without relevant activities	43%
An outdated system, both technologically and in terms of the information provided	0%	Difficult navigation systems, unfriendly interface, only description of the destination, without specific activities	0%

Performance of the destinations in web 2.0 applications

Performance of the destination in web 2.0 applications



CONCLUSIONS (1)

- DMSs existed even before the Internet era but the development of ICT led to the transformation of traditional websites into DMSs with expanded functionalities aiming to better satisfy the current and potential customers. New technologies, stakeholders and partnerships are the driving forces for the evolution of DMSs resulting in the transformation of DMOs' operational tasks.
- The development of DMSs is inextricably linked to digitization - the process of transforming information from analogue to digital by means of ICT and with the main purpose of automating a process or the whole activity. As a result, digitization itself is transformed from a tool for automated data processing into a means of attracting and retaining customers, generating revenue and creating new internet markets.

CONCLUSIONS (2)

- The digital transformation of the DMO's operation is a lengthy process involving both technology and infrastructure changes, primarily for the purpose of automating internal processes, but also for the management of information assets and flows directed to/from various stakeholders and consumers. The human factor should not be underestimated in this respect - qualified staff is required for servicing and maintaining the DMS.
- Although the DMS is considered to be a customer oriented system, customer's role in obtaining information and services is also in a process of transformation – from the active “searcher” role into the passive role of “receiver”. From that point of view DMSs should develop in the direction to reach the customer in the right time and on the right place.

CONCLUSIONS (3)

- In general, the potential of DMSs is still underutilized in Bulgaria at all territorial levels. The internet presence of destinations is quite good and most of municipalities with significant tourism potential and level of development have distinct web sites/portals.
- No complete DMS (as defined in the literature) was identified neither at local nor at national level and the main efforts seem to be focused on dissemination of information only and not on destination management.
- Probably that situation also reflects the readiness of stakeholders to get into partnerships (especially the tourist enterprises and customers) due to lack and cost of infrastructure, technical equipment, lack of skilled employees, and security and trust from potential customers.
- It could be concluded that DMS development in Bulgaria is somewhere between the autonomous and cooperation stage as described in the literature.

Thank you!
