

MAINTAINING HIGHER TOURIST ARRIVALS:

THE CASE OF FRANCE

I- BACKGROUND

It's a difficult task for me to deal with such a subject as the case of France.

As a French citizen I am not objective, as a member of the UNWTO Management Team, I must be neutral and objective, as a former Director of Tourism of the French Tourism Administration, and for this reason deeply involved in the government decision-making processes on tourism policy, it's quite impossible to be objective. So, I've now to try to carry out this impossible mission.

This presentation does not claim to explain the sum of factors which have contributed to, or are contributing to, the success of France's tourism sector. Indeed:

1) - in France, no doubt more than in many countries, tourism decision-makers are numerous and dispersed between the public and private sectors. Within public decision-making bodies, the national level (governmental) has become much less powerful than the regional level (two levels: 22 regions and 99 departments) and local (36,000 municipalities). Moreover, the distribution of responsibilities between each level, that is, the degree of decentralisation of public policy, is not homogeneous between transportation, accommodation, activities available to tourists, public space management, and marketing/promotion/sales. Some of these responsibilities are managed at the national level, others at the regional level, others at the local level, and even others at multiple levels. Furthermore, as in many countries, tourism management really depends on a large number of ministries: tourism, of course, but also economy, small businesses, consumer affairs, budget, culture, environment, agriculture, handicraft, foreign trade, home office, health...

Therefore, France does not have a singular and stable model for governance in the public sector; even less, for that matter, than in the private sector. **The keys to its success are therefore numerous and can not be reduced to only one governmental tourism policy.**

2) - France's history and geography have given it strong points in tourism's four main categories:

- urban tourism: the importance of historical heritage, exceptionally strong in urban tourism

- coastal tourism : coast lengths, variety of coastal landscapes, the exceptional attractiveness of the French Riviera's climate

- snow and mountain tourism: natural ease of skiing in the French Alps(climate, snow cover, altitude, water supply, a natural slope shape easily adapted to the creation of long ski slopes)

- rural tourism : the climate and the pedology have permitted France to develop an extremely dense and prosperous rural and agricultural civilisation over the last two millennia, resulting in a considerable architectural heritage, a wide diversity of landscapes (man-made and manufactured) and specific cultural practices (gastronomy, wine culture)

3) - Added to these qualities are cultural strengths which facilitate the promotion and positioning of destination marketing:

- a well-defined culture (literature, painting, architecture) that reflects French identity and gives the destination an evocative power (see “Romantic France” for Chinese clientele, for example)

- a history which has produced prominent and thus well-known epochs or personalities (the French Revolution, the Declaration of Human Rights, Napoleon...)

- a diplomatic history which, during the last half-century, has given France a positive image for its balanced position during the Cold War, its proximity with southern countries, its role as a key promoter in Europe’s construction, and so on. Even if this image has been weakened during the last decade, it continues to distinguish France, and it is a marketing strength.

Lastly, France benefits from its geographical proximity to countries including Germany, Benelux, and the U.K., which have strong purchasing power and less mild climates.

This sum of these strengths (as well as others, no doubt) constitutes the foundation of tourism in France – its gold mine.

4 - France, alongside Italy, is the world’s oldest tourism destination. As organized tours for wealthy English and French clientele came into fashion near the end of the XVIIIth century, the first tourism resorts (Deauville, Biarritz) were created from the ground up in the second half of the XIXth century, with mass tourism taking hold in the 30s. Tourism’s legacy, coupled with its progressive increase in power, has sheltered it from the harshest socio-cultural effects. Furthermore, this history has gradually constituted, in touristic regions, veritable tourism-centred local production systems, which could equally be qualified as “ecological tourism niches” in which know-how and experience difficult to conjure *ex nihilo* are abundant. **This point is important insofar as, beyond techniques and knowledge, behaviour occupies a more important place in tourism than in other types of services. And, generally speaking, the tailoring of behaviour requires time.**

The two main conclusions of this synoptic background are:

- 1- the weight of history, geography and cultural heritage linked to the dispersal of governance leaving only a small margin for public forces in tourism to manoeuvre – even those at the national level. That is to say, one must remain modest. In other words, if the profit drawn from a gold mine depends on how well the mine is managed, it depends therefore first and foremost on the importance of the mine.

- 2- In regards to tourism, the gold mine can be fabricated, at least in part, but this requires a great deal of time.

II- SOME KEY POINTS

- The points on which voluntary action can contribute to the development of a tourism destination can be synthesized in a matrix containing:

- o On the x-axis, tourism’s five major activity sectors:
 - Transport (access to the destination and internal network)

- Activities offered to tourists (eight main families: culture, sport and physical, religion, entertainment, wellness and health, shopping, discovery, MICE)
 - Accommodation and catering (hotels, camping grounds, vacation rentals, time-shares, B&Bs, self-catering cottages, lodges, houseboats, secondary residences, friends and family,...)
 - Public space management: protection and restoration of heritage, protection of natural and urban landscapes, protection of coasts and mountains, maintenance of facades, urban planning, waste disposal management ...and so on.
 - Marketing, promotion, sales, that is, the work of DMOs, promotional organizations, T.O.s and travel agencies.
- ° On the y-axis, the components which make up each of the main activity sectors :
- First, the basic factors:
- economic pattern,
 - chain value,
 - funding and profitability,
 - governance.
- Second , the main features:
- diversity and availability, which constitutes probably, with quality, one of the most important key factors for the long-term success of a destination
 - quality,
 - hospitality,
 - sustainability,
 - domestic tourism,
 - tourism for all,
 - consumers protection,
 - ethics,
 - poverty alleviation,
 - safety and security,
 - climate change concerns,
- And third, the main tools:
- standards
 - statistics
 - investment
 - HR management and employment
 - education and training
 - crisis management
 - e-technique

Given that the three first tourism industry sectors (transport, activities, accommodation and catering) constitute a tourism product, the whole five constitute a destination.

If we now apply this matrix to French tourism, we produce the following table.

The shaded cases representing the strong points, the un-shaded cases representing either weak points, or points in which France demonstrates an acceptable average.

Unfortunately, time restraints will not allow for a detailed comment on each item in the matrix. The conclusions which we can draw from it in general, however, can be summed up as follows:

1 – The **transportation** sector generally constitutes a strong point for French tourism for four main reasons:

- With the exception of periods of economic crisis, the total of the means of tourist transport is profitable (Air France, airports, motorway societies, coach busses, taxis are profitable) or, when it is not (trains, underground, urban busses), complementary public financing is taken in charge either at the national or regional or even local level
- With the eighth largest airport and the third-largest airline company in the world and the second in Europe, France is quite accessible. The whole of the territory is easily accessed by train or by bus. Its network of routes and motorways is particularly dense. The main 'tourism cities' have sound metro, bus and/or tram networks. However, the availability of Parisian taxis and the frequency of train strikes are a weaker point.
- The density and the quality of transport networks stimulate domestic tourism as well as international tourism.
- Finally, the transportation sector, of all five tourism activity sectors, is the one which has the most-developed **e-techniques**, particularly when it comes to online reservation and purchases, particularly in air, rail and taxi transportation systems.

2- Regarding the **activities offered to tourists**, I would like to highlight 3 strong points in particular:

- 21 - The large diversity of activities which cover virtually the whole set of the eight major families of tourism activities: culture, sport and physical activities, discovery and adventure, shopping, religion, entertainment, wellness and health, MICE
- 22 -The strength of governance systems, which often combine the public and private sectors, notably in the large density of professional associations allowing a permanent exchange of experiences
- 23 - The high density of security and hygiene norms (at times excessive) which assure clients of trustworthy and secure services.

3 – Concerning accommodation and catering, despite a quality that remains unequalled, their strong point lies on one hand in the wide diversity of types of accommodation (it is important to remember that the hotel industry ranks 4th on the scale of accommodation according to their frequentation, after secondary residences and family, camping grounds and vacation rentals). Moreover, this sector has recently experienced an important movement in innovation and diversification, notably with a steep increase in the number of B&B rooms. Furthermore, France has had, for thirty years, a specific legislation which, by fiscal encouragement of tourism residences, has boosted snow, mountain, as well as rural tourism.

4 – Regarding now the management of public spaces, which essentially comes under public authorities, France likely has the most complete legislation in the world concerning:

- the protection of historic monuments and the protection of their surroundings (the first law was passed in 1913!)
- the protection of landscapes, including urban perspectives
- coastal landscape protection
- mountain protection
- rules concerning urban planning, notably in rural areas
- rules concerning poster advertising
- the maintenance of urban building facades

5 – Concerning promotion and sales, despite the absence of a large receptive agency, France has two main assets:

- a network of particularly dense promotional bodies which ally public-private partnerships at three levels: national (Atout France), regional and local (with over 2,000 tourism offices) which make an “ant’s work” to promote tourism
- a referencing on all the large international T.O.s completed by booking and sales reservation systems of several large transport and accommodation networks

6 – I will conclude in pointing out two of France’s most decisive strong points:

1 - the strength of its domestic tourism (which represents around 70% of tourism receipts) which assures a profitability of facilities and represents, one cannot stress this enough, a solid base which facilitates the construction of an international offer and, at the same time (as the 2009 crisis has demonstrated), the best insurance against crises. From this point of view domestic tourism is a very useful crisis shock absorber. The volume of this domestic tourism allows furthermore for the absorption of investment costs (transport, accommodation) and of personnel training.

An important part of domestic tourism is constituted by *tourism for all*. Indeed, several systems favour transport for people with modest incomes : vacation cheques (that is in other words, vacations vouchers which totalled over 1.5 billion € last year), and subsidies for the working-class from different social security systems, preferential tariffs for families, discounts for the unemployed and seniors on trains and other forms of communal transport. By the way, important progress has been made over the last two decades to facilitate access for people with disabilities in all modes of transport and accommodation.

2 - The importance of legislation on the protection of consumers, particularly in what concerns the information provided to tourists/clients, the methods of contract execution, the remuneration in the case of failure on the part of the operators and the ease of legal recourse to guarantees to tourists, thereby stimulating the consumption of touristic products. The more that consumers benefit from legal guarantees on their purchases of tourism products, the more they are compelled to travel, in the case that, of course, these guarantees do not imply an excessive effect on operators’ profits.

As you have seen, in this short presentation I have focused mainly on France's strong points. It is certain that French tourism has seen overall positive results : France is the world's leading destination in terms of international arrivals, with 74 million visitors, the third by amount of receipts which surpassed 27 billion in 2000 to 40 billion in 2009; tourism represents 6.3% of its GDP (even more than the automobile industry) and constitutes the first position in its balance of payments (more than aerospace construction or nuclear power plants exportation); tourism directly employs over a million people to which can be added another million indirect jobs.

However, the French tourism industry also has its own and numerous weaknesses. What constitutes the main threat today is the insufficiency of investments which have fallen to 9.4 billion Euros, 20% less than five years ago.

Furthermore, its part in the market is showing signs of diminishment, including at the European level.

One of the responses from the French government has been to develop a new marketing strategy in targeting more particularly three types of clientele:

- a. The 'over-55' age group
- b. The middle classes of emerging countries, particularly China and Brazil
- c. Youth from 'mature' countries, essentially European.

Its objective is to increase international tourism receipts by 3.5% per year over the next 10 years to yield 49 billion Euros.

Only time will tell!

Thank you for your attention