

Diversity and Innovation: The Trends and Changes of Taiwan Tourism

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Abstract

Tourism is one of the most important industries in 21st century and there is a projection of 1.6 billion international passengers in 2020. East Asia and the Pacific have been the world's emerging regions for tourism, with a rapid 6% average annual growth since 2000. Taiwanese government is promoting 2011 as the tourism year to celebrate the 100 year anniversary of Republic of China, and has been engaging in more international promotional campaigns in recent years. This has increased the visibility of Taiwan internationally and foreigners' interests in traveling to Taiwan. Taiwan has rich and diverse natural and cultural tourism resources, but with the international competition, climate changes, social economical changes, and new tourism policies opening up to mainland China, Taiwan's tourism will need to reevaluate from the supply and demand's perspective, and also to reassess Taiwan's tourism experience and tourism marketing. According to UNWTO international tourism trends survey, about 80% of international travelers choose to stay in the same continent for a travel. This paper analyzed the development of international tourism trends in Asian region and the current situations of tourism development in Taiwan and investigated the tourism developing trends. The constraints and opportunities of Taiwan tourism development were also explored to provide innovation and changes in tourism development strategies: (1) Intensify old product/market and transform into new product/market. (2) Integrating local tourism resources to develop regional tourism characteristics for attracting target tourists. (3) Improving friendly services to enhance the tourism quality.

Keywords: Intercontinental travel, experiential marketing, demand and supply, recreation opportunity.

1. Introduction

1.1. Research background and purpose

Tourism is for leisure, business and other purposes to travel, and to stay in places

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outside the context of everyday life, engaged in various activities. From an economic point of view, tourism is the provision of the necessary when people leave their residence, such as accommodation, transport, dining and entertainment supported by a large business network services (Ryan, 1991), including costs arising from the tourists, local revenue and jobs created state of the industry. Tourism industry creates a huge benefit, making the development of the tourism industry a new trend. Tourism has become the primary source of foreign exchange earnings in many countries. Without doubt, tourism is one of the most important industries in 21st century. According to the World Tourism Organization (UNWTO, 2010), over the past six decades, tourism has experienced to continue expansion and diversification to become one of the largest and fastest growing economic sectors in the world. East Asia and the Pacific have been particularly fast in the world's emerging regions, with a rapid 6% average annual growth since 2000. Recent years, Taiwan Tourism Bureau proposed a series of projects to actively promote tourism to 4,395,000 visitors and 14.3% growth rate in 2009, making Taiwan the first ranking growth rate in Asia-Pacific. Taiwan has a unique culture and location, which is predicted to be an important tourism spot in the future.

However, increasing tourist number does not equal to increasing tourism quality. Tourism can also bring negative impact to local community. It is necessary to understand the requirement of supply and demand of tourism, the needs of tourists, specialty and resources of Taiwan tourism. From the perspective of tourists' experience, tourists have motive and purpose to experience a short stay in new location and gain interest in new situations (Ryan, 1991). We need to understand the reasons people choose their destinations and how they select the target activities in the travel behavior. Taiwan is a subtropical country with varied cultural and natural resources to provide the best tourism and outdoor recreation areas. It is also relatively ecologically sensitive, therefore even there is increase demand for recreational facilities, it is still not appropriate for large development which creates damages to the natural environment. Tourism development of natural environment should be controlled before causing resource irreversible situation, and the market balance of supply and demand economies should also be considered, from the tourism point of view of marketing effectiveness and target market forecast for tourist market segmentation of the strategic marketing management. This paper firstly analyzes the general trends of international tourism and Taiwan tourism, and then introduces Taiwan tourism evolution background. A more detail Taiwan tourism opportunity and policy are discussed with the trends and changes of Taiwan tourism.

1. 2. Tourism market and experience

Tourism, recreation and leisure are generally seen as a set of interrelated and

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overlapping concepts. Tour includes multi-level living activities such as leisure, shopping, travel, pilgrimage, hobby, excursion, exploration and research. From a free market economic point of view, it is actually selling attractions for tourists to consume on “tourism” products. Visitors have the choice of specific destinations with consideration of the travelling opportunity, experience and services. Tourism could be a simple motive to enjoy, stay healthy, or psychological order to relax, seek victory, self-affirmation, and challenge. Tourism can also be seen as a political rule of the market economy system, the construction can be used to stimulate consumption, and bring economic development to promote a virtuous cycle (Potts & Harrill, 1998). It consists of managers, users, provider and agents (Figure 1). Management includes all levels of government and community, and they promote the important statutory policy. Tourism agents are travel agencies, professional groups, and local community maps. Recreational environments are the locations for tourism activity, such as national parks, forest recreation areas, nature reserves, leisure farms and other places. The users are tourists, with various socio-demographics, motives, and behaviors etc, and tourist will choose different destinations because of their socioeconomic background, travel motivation, and travel experience.

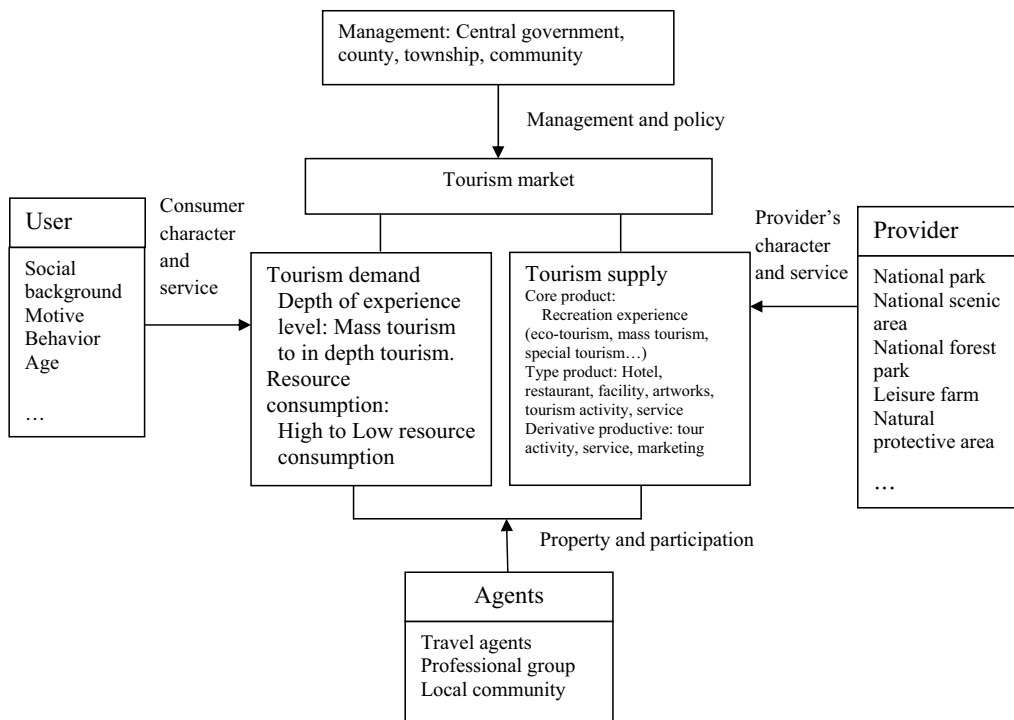


Figure 1. Map of tourism market system

Tourism market is basically an interaction between supply and the user’s demand. Reflect the needs of tourists according to their depth of experience, the degree of resources and the level of resource consumption can be different, and resource users face supply products are core products (recreational experience), the form of products (accommodation, catering, facilities, etc.), and derivatives product (activity, service, marketing, etc.). Therefore, the concept of integrated tourism is linking local resources, production worker and consumers together. For example, combining local dishes cooking, language, crafts, folk, cultural landscapes, literary, artistic activities, music festivals and events as an integrated tourism attraction of rural Taiwan.

2. International Tourism

2. 1. Status of global and Asian travel industry

In spite of occasional economic shocks, international tourist arrivals have shown virtually uninterrupted growth—from 25 million in 1950, to 277 million in 1980, to 438 million in 1990, to 681 million in 2000, and the current 880 million (UNWTO, 2010). It is optimistic about the tourism market over the next decade, and estimated total amount of international passengers will reach 1.6 billion people in 2020 (UNWTO, 2010) (see Figure 2). Asia and the Pacific as growth has been particularly fast in the world’s emerging regions, the share in international tourist arrivals received by emerging and developing countries has steadily risen, from 32% in 1990 to 47% in 2009.

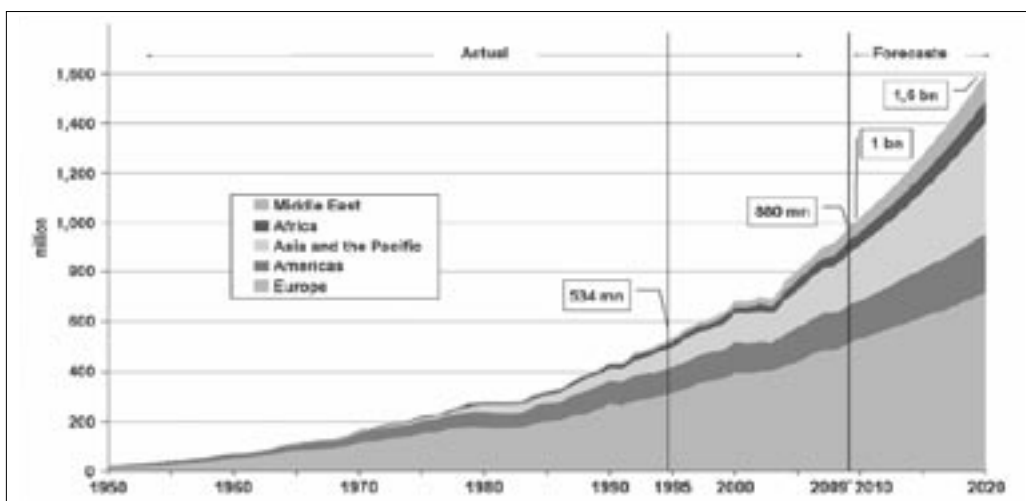


Figure 2. International tourist arrivals by region (UNWTO, 2010)

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The total tourist arrivals by region prediction shows that by 2020 the top three receiving regions will be Europe (717 million tourists, 45.9%), East Asia and the Pacific (397 million, 25.4%) and the Americas (282 million, 18.1%), followed by Africa, the Middle East and South Asia. East Asia and the Pacific forecasted to record growth at rates of over 6.5% year, compared to the world average of 4.1%. The more mature regions Europe and Americas are anticipated to show lower than average growth rates. Europe will maintain the highest share of world arrivals, although there will be a decline from 60% in 1995 to 46% in 2020 (UNWTO, 2010) (see Table 1).

Obviously, Tourism in Asian has been growing rapidly, and Asia and Pacific area are now important in the travel and tourism industry. By 2005, it was very first time that Asia and Pacific international tourist arrivals reached 153.6 million, and defeated Americas of 134 million as the second place of international tourist arrivals, merely behind Europe. By 2009, international tourist arrivals of Asia and Pacific reached 181.2 million with average 5.7% growth annual during the period of 2000–2009. Prediction shows Asian’s tourism will be growing from 81 million in 1995 to 397 million in 2020, with 6.5% growing rate.

Table 1. Tourist number growth in different regions (1995 to 2020)

	Base Year	Forecasts		Average annual growth rate (%)	Share (%)	
	1995	2010	2020	1995-2020	1995	2020
Total	565	1,006	1,561	4.1	100	100
Africa	20	47	77	5.5	3.6	5.0
Americas	109	190	282	3.9	19.3	18.1
East Asia/Pacific	81	195	397	6.5	14.4	25.4
Europe	338	527	717	3.0	59.8	45.9
Middle East	12	36	69	7.1	2.2	4.4
South Asia	4	11	19	6.2	0.7	1.2
Intraregional (a)	464	791	1,183	3.8	82.1	75.8
Long-haul (b)	101	216	378	5.4	17.9	24.2

Source: World Tourism Organization (UNWTO) ©

Notes: (a) Intraregional includes arrivals where country of origin is not specified.
 (b) Long-haul is defined as everything except intraregional travel.

2.2 Taiwan tourism market analysis

Since the 2008 Global Financial Crisis, all countries have proposed and practiced economic policies which have vastly improved their economic conditions by the end of 2009. Initially, the Japanese were the number one tourist market for Taiwan; however,

after the crisis, the number of Japanese tourists who visit Taiwan has declined. The H1N1 epidemic in April 2009 led to a reduction in tourism to Taiwan. In addition, Typhoon Morakot struck southern Taiwan in August of the same year, causing widespread trepidation among tourists.

Fortunately, as Taiwan government's motto is "Global Positioning, Holistic Marketing," Taiwan has been promoting tourism steadily. The government has targeted various markets, promoting packages to local travel agencies as well as to potential clients via the media. After these promotions took place in 2009, the number of inbound visitors to Taiwan was 4,395 thousand and increased by 14.30%. Japan (1,000,661) was the largest source market, followed by Mainland China (972,123), Hong Kong and Macau (718,806), United States (369,258), Europe (197,070), Singapore (194,523), Korea (167,641), and Malaysia (166,987) (see Table 2). The results show that because the government opened the gates to Mainland Chinese tourists in July 2008, tourists from Mainland China, Hong Kong, Macau, and Malaysia increased. Mainland China had the greatest growth. After the great financial crisis and tourism recession, the Japanese, Korean, Singaporean, American, and European are decreased. Japanese still remain as the number one source of inbound visitors to Taiwan, consisting of one million visitors in 2009 (Taiwan Tourism Bureau, 2010). Inbound visitors visit Taiwan with an average length of stay of 7.17 nights per trip, their average daily expenditures was 216.3 US dollars per days, and earning Taiwan 2250 hundred millions in 2009.

With the global economic recovery, the gradual relaxation of tourism regulation between Mainland China and Taiwan, and continue cultivation of major source markets (e.g. Japan, Korea, Hong Kong, Malaysia, Europe and America) and emerging markets (e.g. China, Muslims and new rich class in five Southeast Asia countries, India, Indonesia,

Table 2. International tourist visit Taiwan by country

country\ year	2006	2007	2008	2009
Japan	1,161,489	1,166,380	1,086,691	1,000,661
Korea	196,260	225,814	252,266	167,641
China			329,204	972,123
Hong Kong Macao	431,884	491,437	618,667	718,806
Singapore	184,160	204,494	205,449	194,523
Malaysia	115,202	141,308	115,783	166,987
America	394,802	397,965	387,197	369,258
Europe	172,777	186,483	200,914	197,070
Total	3,519,827	3,716,063	3,845,187	4,395,004
Growth rate	4.19%	5.58%	3.47%	14.30%

Thailand, Vietnam, and the Philippines), estimated the number of tourists in Taiwan will reach 4.8 million in 2010 and 5 million in 2011 (Taiwan Tourism Bureau, 2010).

The reasons that the inbound visitors were mainly “scenery (60%)¹⁾”, “food (45%)”, “Taiwan’s customs and culture (37%)”, “historic relics (21%)”, and “price of goods (20%)”. Their favorite activities were “shopping” (87%), “night markets sightseeing” (73%), “historic relics” (57%), and “outdoor recreation or eco-tourism (30%)”. The major scenic spots the inbound visitors visited were “night markets (73%)”, “Taipei 101 (58%)”, “National Palace Museum (52%)”, “Sun Moon Lake (29%)” and “Chiang Kai-Shek Memorial Hall (26%)”, etc. The favorite scenic spot was “Taroko” (42%), followed by “Jiufen”, “Alishan”, “Sun Moon Lake”, “National Palace Museum” and the “Wulai” (all over 20%). Compared with other Asian countries/area, the superior items of Taiwan were “friendliness of people” (55%), “food” (32%), scenery (27%), prices of goods (19%), and historic relics (15%) (Taiwan Tourism Bureau, 2010).

2. 3. Intercontinental travel

According to UNWTO, about 80% of international travelers choose to stay in the same continent for a travel. So, according to UNWTO in 2020 the number of international tourists will reach 1.6 billion, hence estimated population of 1.2 billion travelers will tour regionally, in the same continent only 4 billion passengers will choose cross-continent travel. On the concept of intercontinental travel, Taiwan should focus the main objective to be Asian market. In Asian, most travelers are from Japan, China, Korea, Singapore, and Malaysia. Considering Taiwan’s geographic location and culture, should be given priority to focus on the tourists from China, Japan and Korea. Strategies of promotion for these countries should be emphasized. Taiwan to the Mainland Chinese is a new emerging tourist destination.

It is needed to understand the motives and tendencies of the inbound visitors in Taiwan to improve sightseeing facilities and to plan international tourism advertising and marketing strategies. To attract Chinese tourists, it is best to grasp the history and strong connection between Mainland and Taiwan. The key to attract Japanese tourists to visit Taiwan is by the “natural scenic” and “tasting gourmet”, hence to strengthen the quality of main attractions, counseling delicate Taiwan gourmet promotion, and focus on Japanese characteristics of tourism and marketing. Korean people in recent years focused on the concept of a happy life, proposal for Taiwan’s cultural and creative, LOHAS, organic and other industries to create a happy lifestyle to attract Korean tourists to visit Taiwan. In addition, one of third of Malaysia’s population are Muslim, the priority for Malaysia’s tourists readiness is to accept Muslim visitors of the relevant hardware and software facilities. Singapore has similar Chinese culture background; scenery and food are most

attracting for Singaporean. In other words, China, Japan, Korea, and Malaysia the key characteristics of travelers to travel abroad were: the China-Taiwan history, scenery and food, happy lifestyle, and religious characteristics.



Figure 3. Three-five travel hours circle diagram from Taiwan

3. Taiwan Tourism Development of Past Decade

In the past decade, there was a negative growth in the international tourism entry to Taiwan due to the major international environmental disasters, infectious diseases and the global financial crisis, which affected the amount of business travelers coming to Taiwan. However, since the opening of tourism to mainland China, and visa-free policy for few different countries, effectively serves to increase international visitors to visit Taiwan.

For domestic tourism market, implementation of two-day weekend system in 2001 created a Taiwanese recreation lifestyle change, many people started to travel further or choice outdoor recreation during weekends. Government strengthens the promotion of “eco-tourism” and “new urban and rural landscape movement” and other policies to drive people to the natural recreational environment. These governmental promotions increased the scenic and rural environment constructions and economic developments. The completion of high-speed rail and Hsueshan Tunnel also increase the domestic travel market. However, natural disasters (such as 921 Earthquake and typhoons) and infectious diseases (SARS) also effected tourism market.

Taiwan government in 2009 defined “tourism”, “medical care”, “biotechnology”, “green energy”, “cultural creativity” and “high-quality agriculture,” as Six Key Emerging

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Industries. Following the policy Taiwan Tourism Bureau proposed “Tour Taiwan Years 2008-2009” and “Project Vanguard for Excellence in Tourism” to actively promote tourism. Details of major events and impact on Taiwan’s tourism are shows in Table 3.

Table 3. Major Taiwan tourism events and influences: 1999-2009

Year	Major Taiwan tourism events and influences
1999	921 Jiji Earthquake, the biggest earthquake in Taiwan in the 20th century.
2000	1. Taiwan’s participation in APEC meeting and signing tourism charter. 2. Government tourism policy to promote Taiwan as a “tourist island” and “Taiwan Tourism Development Strategy for the 21 st Century”.
2001	1. Implementation of 2 days weekend, boosting the Taiwan internal tourist to 100 million/yr. 2. Implementation of small three links in Matsu for trades between China and Taiwan. 3. Visa-free for Singapore. 4. 911 terrorist attacks in United Stated, affected global tourism market.
2002	1. Tourism opening to mainland China. 2. Free visa on arrival for Hong Kong and Macao tourists. 3. Visa-free for Malaysia visitors. 4. Taiwan officially joined World Trade Organization. 5. “Taiwan Eco-tourism Year”, attracting national and international tourists to participate eco-tour.
2003	1. Implementation of Taiwan Citizen Travel Card. 2. Outbreak of SARS epidemic in Asia, affected tourism in Asia-Pacific. 3. Promoting “Doubling tourist arrivals plan” which setting goal for 5 million international inbound tourists.
2004	1. Free traveling visa of category 3 mainland China tourist. 2. Indonesia tsunami in December, affecting international tourism in Asia. 3. Direct flight between Taiwan and Korea. 4. Promotion of “Taiwan tourism year”, establishment of tour bus system, and tourism information hotline.
2006	1. Opening of Hsueshan Tunnel, boosting Taiwan’s east coast tourism. 2. Establishment of Taiwan Strait Tourism Association 3. Achieving the annual visitor goals of the “Doubling Tourist Arrivals Plan”.
2007	1. Opening operation of Taiwan High Speed Rail. 2. Make full efforts to implement the Executive Yuan’s “Development Vision for 2015:First-Stage Three-Year Sprint Program (2007-2009)”, using “Beautiful Taiwan,” “Specialty Taiwan,” “Friendly Taiwan” “Quality Taiwan” and “Marketing Taiwan” as main themes and create a high-quality travel environment. 3. Promoting sustainable development plan of eastern Taiwan.

Table 3. (continued)

Year	Major Taiwan tourism events and influences
2008	<ol style="list-style-type: none"> 1. Visa-free for Japan (90days), Indonesia, Vietnam, Philippines, Thailand and India visitor. 2. Global financial crisis decreased global tourism market. 3. Opening of small three links and cross-strait links, increasing China tourists. 4. Promotion of "Tour Taiwan Years 2008-2009" strengthens tourism service, and achieved a 7% growth in visitor arrivals.
2009	<ol style="list-style-type: none"> 1. H1N1 affected global tourism. 2. Kaohsiung's World Games in July. Deaflympics in Taipei in September. Improve tourist facilities and tourism environments for Kaohsiung and Taipei. 3. Typhoon Morakot caused flooding in southern Taiwan, a decrease in tourist arrivals. 4. Promote "Tour Taiwan Year 2009" and the "Top-notch Tourism Plan". 5. Implement the "Medium-term Plan for Construction of Major Tourist Sites". 6. Implementation of the "Project Vanguard for Excellence in Tourism (2009-2012)".

4. New Agenda of Taiwan Tourism

4.1. New opportunities for future Taiwan's tourism development

(1) Direct cross-strait links: The government of Taiwan aims to promote Taiwan as the major hub of East Asia Tourism Exchange opportunity.

After China and Taiwan's "direct flight", Taiwan sees the opportunity to replace Hong Kong as the hub of East Asia Tourism Exchange. Taiwan is located in the center of the world map, with a hub in the geographical advantage. In future, lowering visa requirements, simplifies entry and exit procedures, for Taiwan to become a "transit center in East Asia Tourism Exchange" and "an important international tourist destination."

(2) The Government attaches great importance to the development of tourism has been the basis of international standards.

With the increasingly intensified competition for international tourism market, Taiwan on the development of more diverse, creative marketing strategy, the use of spokespersons and other internet marketing methods to develop multiple creative marketing strategies. Improving international tourism facilities and services, providing unique products in Taiwan and emotional attraction, hence everywhere in Taiwan is a tourism destination.

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(3) Domestic tourism promotes local economic development, and tourism development becoming a local consensus.

Domestic tourism has become a part of people's life; tourism drives business opportunities for the local government to improve the construction of tourism development. Organizing large-scale tourism activities, such as Taiwan Lantern Festival, Hot Spring Food Carnival, also develop "depth tourism" and pursuit self-creation in "experience tourism". The relevant public transport, public places, and restaurants, tourism will need to create a friendly environment, software, service quality, nature conservation and etc. Local government and private industry are the keys to improve these details to increasing local tourism development.

(4) Socio-economic advantages: Taiwan's freedom, democracy and pluralism, high-quality civic literacy and rich human resources are main attraction to the global Chinese community. Recent 24-hour bookstore and shopping environment have become popular tourist attractions, which is, under the social development product of long-term stability.

(5) Taiwan has the diverse natural and cultural resources provide the advantages for the development of tourism.

National parks, national scenic areas, national forest recreation areas, cultural and creative parks, the Palace Museum, and hundreds of county and city level scenic areas, museums, night markets, and shopping districts etc. have attracted the tourists visiting Taiwan from the ocean to the mountains. Taiwan is the world most sophisticated and diverse tourist destination.

(a) Geological advantages: Taiwan is located southeast of the Eurasian continent, the island on the Tropic of Cancer, the climate is marine tropical, warm and humid, evergreen throughout the year, which is known as the "Formosa". Because of the Eurasian plate and Philippine Sea plate extrusion collision, the formation of the island mountain, the 35,801km² island has 264 mountains over 3,000 meters high, including the highest peak in Northeast Asia, the 3,952 meters high Jade Mountain. Changes in terrain-rich island, with mountains, hills, plateaus, plains, Rift Valley, rocky and sandy terrain and there are volcanic hot springs, the geology of the treasure.

(b) Biodiversity: Taiwan has a unique biodiversity, with up to 150 thousand species, and has highest species density in the world and the second highest plant density over all. With numerous ferns, fungus, birds and insects, Taiwan is full of natural resources and environment for natural tourism. Taiwan has a unique habitat for environmental tourism,

although Taiwan's terrestrial land area is less than three thousand of the world, it has 15 million known species and resources, and has one of the world's highest density of species, the world's highest density of butterflies, second in the world's highest plant density. 500 species of birds, its estuary is now the world's largest habitat for black-faced spoonbills, and 600 species of ferns. ,

(c) Multi-ethnic culture: Taiwan is full of ethnic cultures, Taiwanese, Hakka, Aborigines, mainland immigrants and different ethnic groups. They have unique dining cultures, architectures, handcrafts, festivals and celebrations. There are 14 aboriginal tribes, Taiwan is the birthplace of Austronesian culture and is a national center for anthropological research.

(d) Religious and festival: Taiwan is religiously freed country, Buddhism, Taoism, Catholicism, Christianity, Islam have room for development. Distributed throughout the year festivals are held in the lively folk, such as the Lantern Festival, Mazu Cultural Festival, Harvest Festival and other aboriginal festivals, so that Taiwan can create a unique cultural characteristics.

(e) Cultural superiority: The history of Spain, Netherlands and Japan's foreign domination, and traditional Chinese culture have leave many historical monuments which proved Taiwan's development. The National Palace Museum is the most famous museum for international visitors. The national science museum and numerous art museums reflect Taiwan's history and culture. Taiwan industry have been developed and changed from primary industry to cultural industry, the unique traditional industry, such as farming, salt mining and fishery, have become tourism attractions.

(f) Delicious gourmet: Food is one of the most popular cultures in Taiwan. With combination and influence of various international cuisines, Taiwan has developed a unique snack and dinning culture. Taiwan night markets have become the most popular tourist destination. Taiwan is also known by its numerous popular of tropic fruits.

4. 2. Project vanguard for excellence in tourism (2009-2012)

In 2010, Taiwan's main tourism development concept is "Project Vanguard for Excellence in Tourism (2009-2012)". For 2011, it is the 100 year celebration of Republic of China. Along with the celebration, government promotes "Tour Taiwan and Experience the Centennial" action plan designed to mold the alluring elements of Taiwan tourism "Taiwan Easy Go", implementation of a "seamless travel service plan" for tourist sites,

connecting tourism spots, transportation, information and convenience together. “Taiwan, touch your heart” slogan with the 100 years of the Republic of China activities, Taiwan tourism is attracting more international visitors. The main tourism marketing for 2010 and 2011 is “Tour Taiwan–touched 100” to develop the “promote a hundred large and touching tourist route”, “traditional activities of the Taiwan experience” and “additional care services”.

(1) Vision and action plan

The project focuses on developing international tourism, improving domestic travel, increasing foreign exchange earnings. The aim is to create a tourism environment focusing on both quality and quantity and turning Taiwan into a major tourist destination in Asia. The vision is to develop Taiwan into “East Asia Tourism Gateway” and “Major international travel destination”, the target is to increase 140 million visitors in 3 years, with a growth rate of 9.7~11.1 %, making 550 million tourists in the year 2012.

The three action plans are “Project Summit,” “Project Keystone,” and “Project Propeller” to enhance Taiwan tourism quality image. There are six major development dimensions under action plans (see figure 4).

(a) Project Summit: building top-class spotlights in tourism

- Flagship attractions: Developing a flagship tourism plan for 5 major areas; helping local governments create unique scenic spots attractive to international tourists; implementing seamless travel information and shuttle services.
- International spotlight: Organizing or inviting internationally renowned competitions/events in accordance with unique characteristics of an area. Collaborate with large-scale events, including 2010 Flora Expo, 2011 International Design Association (IDA) Congress, and 100th Year Nation-Building to promote Taiwan.

(b) Project Keystone: Re-laying the foundations for tourism

- Industry re-building: Assisting in transformation of tourism industry; introducing international chain hotel brands; supporting local brand hotels; inter-industry collaboration (develop itineraries with medical, agricultural, spa, culture & creativity, ecological and aboriginal resources).
- Talent cultivation: Strengthen vocational training and on-the-job training in Taiwan. Collaborate with top international schools; recommend outstanding tourism personnel and instructors for overseas training

(c) Project Propeller: Advancing service values in tourism

- Market development: Penetrate target tourist markets and develop emerging

markets. International market development plan and establish Taiwan International Tourism Development Center.

- Quality improvement: Promote travel industry's transaction security and quality assessment. Star-rating hotel appraisal plan and hostel certification plan.

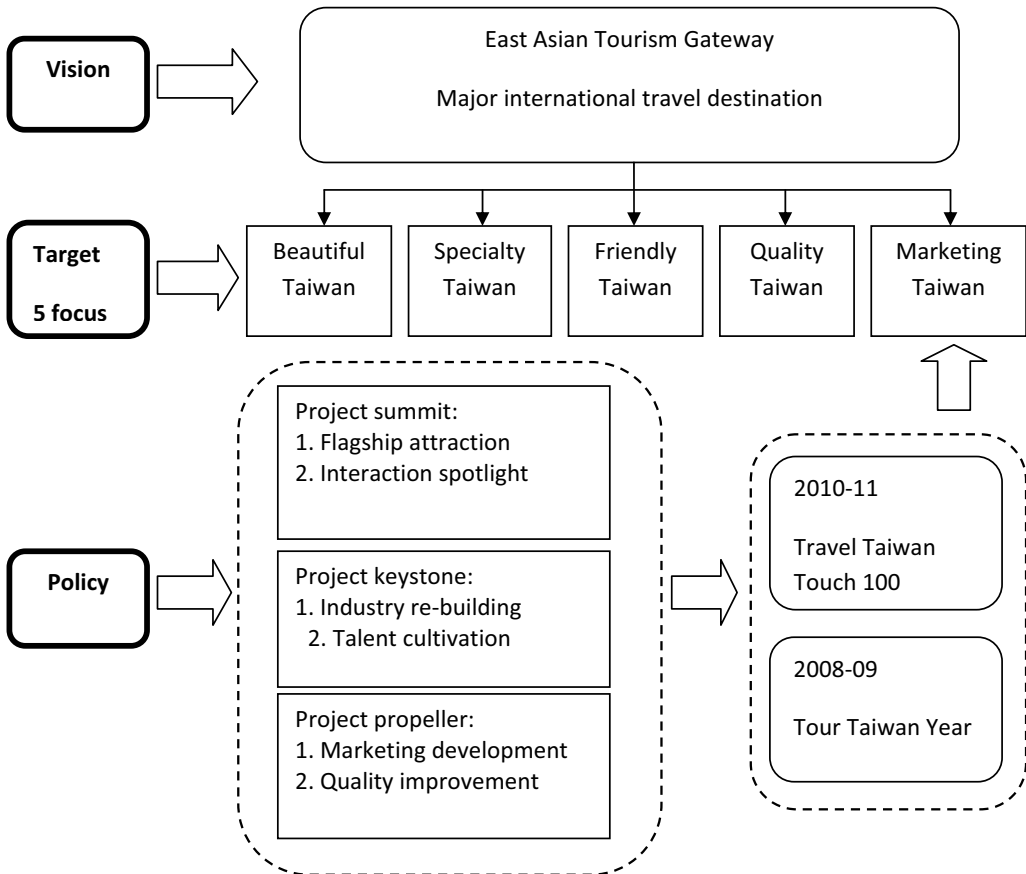


Figure 4. Framework of project vanguard for excellence tourism

(2) Planning strategy

(a) Target country in marketing:

Focusing on the inbound tourists to establish marketing strategies, and to deepen old markets and products, meanwhile develop new products and markets. Increasing tourist arrivals (more come), extending length of stay (stay longer), and increasing per-capita daily expenditure (spend more). (See table 4)

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Table 4. Analyzing tourism products and markets to establish deepening/development strategy.

		Old product	New product
Old market, Product deepening	Japan	Mountain hiking, star gazing, railway tours, hot spring cuisine, golf, educational tours	Nostalgia tours, aesthetic lifestyle (music, living, folk culture, tea art), MICE, gourmet food
	Korea	mountain hiking, star gazing, golf	Aesthetic lifestyle, MICE (music, living, folk customs, tea art)
	Hong Kong, Singapore, Malaysia	Salon Photography and honeymoon, recreational farms, night market and snack food	Aesthetic lifestyle, MICE (music, living, folk customs, tea art), gourmet food
	Europe, America	Cultural tours, religion tour, ecology tour, mountain hiking	Chinese language learning, slow travel, meditation, lifestyle. MICE (music, living, folk customs, tea art)
New market/ Product development	Mainland China	Round-island tours	In-depth regional tours, MICE, fine cuisine (international experts assist in modernizing Chinese cuisine, researching fine ingredients, packaging gifts), medical healthcare, deepening of recreational industry (biking, leisurely travel, Buddhism study, hot springs, cultural)
	Muslim world	Leisure farm	Cultural tours, improved environment for hosting Muslims, theme parks, metropolitan tours/shopping
	Newly wealth countries from South East Asia		Fine dining, shopping, theme parks, in-depth vocational industry, medical healthcare, golf tours

(b) Packaging effective travel products in regional district

According to district tourism development priorities to develop regional tourism characteristics, selected tourism products can be immediate, coupled with integrated packaging to attract the target tourist market to Taiwan tourism (See table 5).

Table 5. Positioning of Taiwan's regional development

area	Core development	Main development
Northern	Living Taiwan: Lifestyle and culture	Chinese culture and arts (fashion design, popular music), urban fashion, leisure biking, Hakka and Chiang culture
Central	Enterprising Taiwan: Industry and fashion	Tea, coffee, gardening, leisure farm, forestry industry history, forest railway, leisure biking, creative culture
Southern	Historical Taiwan: History and ocean	Taiwan's history, old town and monument, religion, traditional folk song, aboriginal culture
Eastern	Leisurely Living Taiwan: Slow living and nature	Bicycle riding and railway tour, organic leisure farm, Austronesian culture, whale and dolphin ecology, hot spring
Islands	Unique islands Taiwan	Penghu - international resort, marine eco-tourism Kinmen and Matsu- battlefield, folk culture, settlement landscape
Nationwide	Diversity of Taiwan	MICE, snacks, hot springs, eco-tourism, health care

(c) Generational classification in marketing:

According to tourists' age and generation to develop tourism market:

The travel of Mature generation (born during 1909-1945) and Baby Boomers (born during 1946-1964) depends on words of mouth, branded goods and services. The focus of senior tourism will be luxury travel, health, fitness and wellness travel.

Generation X (also called Baby Busters, born during 1965-1980) and generation Y (born during 1981-2000) are future's largest consumer market. Internet become a information communicator and gateway for tourism product purchases, Generation X and Y are good at technology and technical things (Tech savvy), the use of social network such as Facebook, Twitter, Youtube etc. will be a good way to promote tourism culture "experience".

4.3. Specific potential theme tourism market:

(1) Cruise travel

International cruise is only 2% share of global tourism industry, but 80% of its customer base is the high-end consumer and "senior citizens / retired persons". According to the International Cruise Council, Europe's mature market is nearly saturated, so the emerging Asian region is the new market for international cruise. From Taiwan's geographical location, when sailing from Southeast Asia to Northeast Asia, Taiwan is a

must pass point, and linking China's potential market, with Hong Kong's existing market dominance, the formation of regional routes.

(2) MICE industry

MICE contains the meeting (Meeting), incentive travel (Incentive), a large international conference (Convention) and exhibition (Exhibition). Although over 40% of large size exhibitions are in Europe in 2010, but the International Association for Exhibition (UFI) still predicts the transfer to a large number of global production activities motivated by Asia, with an optimistic view on Asian MICE industry. MICE industries development in Taiwan has the potential and side effects of tourism.

(3) Leisure agriculture

Tourists from Southeast Asian, particularly Singapore, Malaysia, Hong Kong, and Macao are the main market of leisure farms in Taiwan. The visitors from Southeast Asia prefer the relaxed atmosphere and diverse rural leisure activities. International tourists are most satisfied of the "hospitality and friendly atmosphere" in their experience of leisure farms in Taiwan.

(4) Senior leisure travel

The elderly has more leisure time and money to experience longer stay abroad. Japanese senior travel market is the most important. Taiwan provide multiple choices on a package tour in order to attract Japanese long stay.

(5) Hot spring tourism

The entire island of Taiwan has variety types of hot spring. The government is planning to increase funding which should improve the quality of services and facilities to meet major Japanese customers.

(6) Eco-tourism

Eco-tourism has become an important tourism market, it is estimated that the average annual growth rate of 20-25%: out of all tourism products it has the fastest growing rate. Although the major eco-tourism visitors came from western countries, such as North America and Europe, eco-tourism is gradually moving towards the mainstream market. The cost of eco-tourism is higher than the average tourism, so the main customer groups are high-income travelers. The number of days of eco-tourism is more about 2 weeks, which is usually longer than the mass tourism travel days.

(7) International youth travel

Concept originated from Europe's "Gap year", with the aim of "cultural exchange" and "life experience". Promotion of international youth tourism is the value of the real life than economic efficiency, and as a way to indicate Taiwan's tourism environment.

4.4. Taiwan's tourism plans for 2011

In the year of 2011, which is also Republic of China's 100 years, Taiwan Tourism Bureau is promoting international visitors and Taiwan public to share their Taiwan traveling experience. The main concept is to choose 100 top tourism routes from the top ten tourism theme. The idea is connecting the tourist dots, for Taiwan to be a complete tourism country.

The second concept is to create tourism activities using time and space as the main frame. Promoting four themes as a series of activities, which are (1) Taiwan Lantern Festival Series (spring); (2) Taiwan Food Festival (summer); (3) Taiwan Bicycle Festival (autumn); and (4) Taiwan Hot Spring with Fine-Cuisine Carnival (winter). In addition to improve the year-round activities, which are (1) recommend 100 happy accommodation; (2) vote for the best of Taiwan Night Market; (3) Enjoy Taiwan Tea; and (4) Sweet Love in Taiwan, wedding in Taiwan.

5. Conclusion and Suggestion

- (1) More systematic research should be done to analyze tourism and market needs.

Tourism is widely recognized as the world's largest industry. The related knowledge includes business, geography, environmental science, tourism, recreation and leisure, social, psychology and regional planning etc., cooperative systemic research is needed to offer synthesis and conceptual underpinning based on notions of space, place, people, environment and economy of market.

- (2) More international collaboration should be pursued at the level of government, traveling industry, and research organizations.

Substantial difference of tourism occurs at a variety of international, regional and local scale (Hall & Page, 2006). The ability to recognize at different geographical scales ranging from global, national, regional through to local scales is needed for research based on international collaboration. Tourism is influenced and mediated by policy, regulatory structures and rooted in the private domain. Therefore, the "applied orientation" which collaborate among government, tourism industry and research organization in the supply and demand system should be pursued.

Diversity and Innovation

- (3) Share more information and opinions online for tourists, researchers, traveling industry and government.

Given the significance of globalization, mobility, and localization to tourism, internet is the most important information source for travel purchases and research. For example UNWTO provides a sophisticated system of international tourism information to search, query, present, and analyze online, which contributes for decision-making and research analysis.

- (4) Tourism policy should reflect the climate change and environmental issues.

Recently globalization and environmental issues caused by climate change, policies to promote low-carbon tourism and carbon reduction is an important issue in green tourism.

- (5) Public or private sectors should improve travelling experience instead of pursuing numbers of tourist.

Most marketing strategy is still oriented on increasing numbers of tourists; however, the experience of travelling is more important for tourist. For example, Taiwan has diverse and rich natural and cultural landscape resources, government proposed many policies focus on economy efficient. Tourism could be the tool of branding city or country. For tourism marketing segmentation should shape the characteristics of tourism areas and consider the theme of tourism. The in-depth tourism such as eco-tourism, natural-based, community-based or cultural tourism is becoming important and popular. The mass tourism should transfer to in-depth tourism and reduce the negative impact of tourism.

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