

Mauritius is a tropical island found in the Indian ocean .The climate is very pleasant over the whole year and the Mauritian people speaking both English and French are very friendly and helpful.

What has attracted tourists to Mauritius since so long is mainly the 3 S, that is sea, sun and sand. This resulted in tourists being kept within the four walls of the luxurious hotels. Our blue lagoons, the sandy beaches and the everlasting sun are significant pull factors to Mauritius.

Tourism is identified as a promising growth sector in Mauritius and it offers one of the few opportunities for economic diversification. Tourism has many linkages with other economic sectors, and if integrated into national development plans with adequate provisions for intersectoral linkages, it can contribute to the growth of all tourism-related activities in all of the major economic sectors - agriculture, including fishing, industry and services, including transportation. The economic benefits derived from tourism are diverse. In Mauritius, tourism has become the major contributor to the gross domestic product (GDP).

It is well known that in Mauritius, the scope for economic diversification and growth is limited. Their key constraints are small land areas and small populations.

The main objectives of the promotion of tourism as a growth sector are to accelerate the growth of national incomes, gainful employment, foreign exchange earnings and government tax revenues. Tourism and tourism-related activities have become the mainstay of the economy.

Tourism is likely to play an even more important role in the growth and development of Mauritius if appropriate measures are taken to invigorate other sectors, in particular agriculture and fishing, so that they can more adequately meet tourist demand for consumer goods from domestic sources.

## **INTERNAL ENVIRONMENT ANALYSIS**

The standard of the tourism industry in Mauritius is considered to be well over the international average. Indeed the tourism sector do have many favourable assets although we do have certain weaknesses. The tourism industry have several components and we shall now examine the different components of its internal environment.

### **1) Resources**

The resources of the tourism industry in Mauritius relates to its physical aspects like the natural attractions, its accommodation facilities both of which form part of what can be described as the tangible resources but also we do have some intangible resources like branding, Marketing know-how, human resources and last but not least the proverbial reputation of the in-born quality of hospitality of the Mauritian population.

#### **Accommodation**

Hotels form one of the most important support service that affect the arrival of tourist to a country. Mauritius possess one of the world's leading hotels which have won many tourism awards. The major players in the industry are private hotels operating under the Taj brand, the Oberoi, Sun International Group of Hotels, Group Appavoo, Beachcomber and many other chain of hotels, and also small hotels and guests houses owned and operated by the private sector. Hotels are classified into six categories according to the star rating assigned. These range from one star to five star deluxe depending upon size and amenities. There is thus a very wide variety of hotels present in the country that can fulfill the demand of the tourists.

#### **Natural Attractions**

Mauritius do have considerable natural advantages as a holiday destination. The reputation of its beautiful coral beaches, warm clear lagoons, colourful reefs, is almost legendary. In addition to this big important asset, Mauritius also possess a wide range of natural and man-made park attractions like the Lavanille Crocodile Park, Casela Bird park, SSR Botanical Gardens, Domaine Du Chasseur, Les Sept Cascades, Chamarel et La terre au Sept couleurs and not to mention some picturesque mountains.

## Scarcity of Lands

It is no secret that because of the small dimension of the island Mauritius is limited in its development capability and as such the tourism industry may quickly reach its optimum development. This represents a serious weakness for the Tourism Industry in Mauritius.

## Branding

For quite a long time the branding of the Mauritian Tourist Industry has revolved around the concept of the three S, the Sun, Sand and Sea. Then we had the slogan “Mauritius – No Problem” a concept which has worked quite well indeed. These two brandings were not really of the kind which have been developed as a result of a study or from some sort of strategic thinking but rather as a spontaneous and natural development. In 2009 however the Mauritian Government has come up with a project of developing a new concept with “Mauritius, C’est un plaisir”. Although there has been much criticism about the cost and even the choice of the branding, it has been designated as the best branding concept in the tourism industry by the BBC World News and FutureBrand recently in London.

## Hospitality

Mauritius is well known and reputed for its legendary hospitality which is considered as one of the best in the world.

## Multicultural Society

The multicultural and multilinguistic aspect of the society is certainly an asset and the tourists find it easy to feel at home in Mauritius as they are accepted rapidly into the community and generally are most welcome and understood. There are no communication barriers and this can prove helpful in attracting tourists from India and China.

## Human resources

The labour force in Mauritius are considered to be competent and skilled. They are quick learners and more or less adaptable to changing environment. In addition they are non unionized. It should be noted that Mauritian in general view the tourist industry with high regards and people are generally proud to form part of the tourist industry. This attitude has a positive bearing on the relationship/interactions between the tourists and the hotel personnel

There is however a shortage of skills in the top management which is mostly occupied by expatriates.

## **INTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **2) Distinctive or Core Competencies**

#### Travel Agents

Travel agents are moving from being mere ticket issuers to travel consultants taking complete responsibility for the consumer's needs. Travel agencies not only provide the picture of the country to the interested parties but also lure them to visit a country by the attractive packages. Most if all of the hotel groups have extensive and very performant travel agents abroad.

#### Tour Operators

The tour operators are more and more involved in devising new ways for entertaining the tourists by organizing adventure tours and sight seeing.

#### Utility services

The level of utility services in Mauritius is quite satisfactory with a good telecommunication network and internet facilities and adequate water supply and electric supply.

#### Air Carriers

Airline is the most preferred mode of transportation by the foreign tourists as the convenience provided by the airlines is higher. The savings in time that this mode of transport offers is immense. Mauritius offers a readymade tourist destination connected by air. The Local carrier Air Mauritius has proved instrumental in the development of the tourism industry in Mauritius.

Mauritius however is far from the main market like Europe and the US. In fact the number of tourists from the US is virtually non-existent as compared to Europe.

## **INTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **3) Competitive Advantage**

Mauritius has enjoyed a remarkable growth in the tourism sector. In the past two decades tourist arrivals increased at an average annual rate of 9%. However the island is now facing increasing competition both from far away countries but also from neighbouring islands.

The two main characteristics of competitive advantage are Rarity and Non-imitability. Although it is difficult to imitate the non-tangible aspects of the Mauritian industry like the hospitality of the Mauritian population, the Mauritian product cannot be considered as a rare asset. Nowadays other Indian Ocean islands are rapidly improving and with their low labour cost, they represent a direct threat to the tourism industry in Mauritius as all of them are targeting the same market.

We have direct competitors already which can offer similar or even identical products like the Seychelles, Maldives for the neighbouring islands but also other far way islands like The Caribbean islands and other tropical islands which are situated much closer to the European market which is our main market source.

We also have indirect competitors which are already offering products like ecotourism for example. In this respect Reunion Island is already steps ahead but not only. Madagascar, in spite of the political instability has recently won the price of "Tourism Responsible" avec la compagnie Blue Ventures pour la cinquieme fois consecutive. This kind of tourism concept is not well developed in Mauritius.

## **INTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **3) Competitive Advantage(Contd)**

#### High Class Tourism

Mauritius has developed a concept of “Tourism Haut de Gamme” and has developed its tourism products with that concept in mind. This has worked well up to now. However other countries like the Seychelles are catching fast and will soon be able to tap into this market in the near future and these countries represent the future competitors and the Government should as from now look for ways and means to counteract this coming competition.

#### Development of Business and Commercial centres

The development of business and commercial centres represent yet another competitive advantage that Mauritius will have in the near future. With this new development along with the creation of new cities like the Highlands Project and the Ebene project will definitely help the island in diversifying its tourism products so as to be in a better position to compete with these existing and coming competitors whether direct or indirect.

## **INTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **Other Aspects of Internal Environment**

#### The NGOs

The tourist industry in Mauritius has been confronted lately with the emergence of NGOs which mainly operate in the field of the protection of the Environment. Some organizations like the Wild Life Foundation have played a very positive role in the protection of the environment but others have proved to be quite a nuisance if not an obstacle in the development of the Tourism Industry.

#### The Geographical position of Mauritius

The fact that Mauritius is far from the main market can be a serious disadvantage especially when we consider that the other countries are also positioning themselves in the tourism industry very quickly.

#### Road infrastructure

Mauritius has a good road network. However the traffic jam is becoming more of a concern not only for the local residents but as well for tourists who would certainly not appreciate to get stucked on the roads.



## **EXTERNAL ENVIRONMENT ANALYSIS**

The tourism industry is nevertheless heavily depended on external factors and any change in the external environment can have a positive or negative effect. Some changes may give rise to opportunities whereas others may be perceived as threats to the industry. We shall analyse the external environment in its various components.

### **1) Political Factor**

Mauritius enjoyed political stability and the Mauritian Government has always played a pivotal role in the development of the tourism industry and have come up with various incentives and is even directly involved in the promotion of Mauritius as a world class tourist destination through the MTPA. Lately the authorities in Mauritius have also adopted some policies for diversification within tourism, particularly in targeting high-spending visitors and in encouraging to some extent inland and nature tourism. The private sector, in the pursuit of sustainability measures in tourism is gradually becoming a matter of sound business practice. Little by little, recognition of the link between conservation measures on the one hand and profitability and competitiveness on the other is taking hold. Some private sector companies involved in travel and tourism have reported positive results from conservation measures, in the form of increased profitability, a rise in staff morale and an enhanced image among their clientele. In order to develop voluntary practice approaches, tourism industry associations have emphasized the use of voluntary environmental codes of conduct and guidelines. An emerging feature among some multinational businesses, particularly in the hotel sector, is resort to voluntary measures for conservation, primarily with a view to securing strategic advantages, but also as a means of precluding more costly retrofitting that may be required by future government regulations. However, to date, most efforts have focused on energy and water conservation, waste minimization and product purchase. New tourism developments should more often incorporate improved plant designs, and improved energy-efficient features that will enable greater natural lighting, natural cooling of accommodation facilities, and waste treatment and water recycling.

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **2) Economic**

For a long time the tourism industry has enjoyed constant growth and this was mainly due to the fact that the economic situation in its main market, Europe has long been favourable. This is no longer the case with global economic recession and the EURO crisis. The changing economic landscape is having a bad impact on the tourism industry which is particularly targeted on high-spending visitors.

However with the emergence of the new markets in China and India, there is the possibility of curtaining this threat by taking the opportunity to tap into these new markets.

In addition to that we can develop what we call Business Tourism. Although Mauritius is mainly viewed as a destination for beach resort tourists, the potential for business tourism should be gaining some momentum in the near future with the construction of several business and shopping centres like the Ebene City project.

On the other hand, there is a tendency for fast growth of tourism to be accompanied by inflationary pressures. Prices of real estate, particularly land suitable for building, which is extremely scarce, quickly rise beyond the reach of the local population. Inflationary pressures build up throughout the economy as the prices of locally produced construction materials and consumer goods rise. Although this process means higher profit margins in bottleneck sectors and could stimulate more inward investment, overly accommodating monetary policy could generalize the inflation with adverse consequences for international competitiveness and future investment

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **3) Social**

Sudden, rapid development of tourism can cause significant social disruptions in the island . Pressures are exerted on households and communities by the upward pressure on land prices and prices of foodstuffs and household items. Among other things, potential long-run effects could be a reduction in the living standards of high proportions of island populations and a sense of alienation brought about by their lack of access to limited land resources. Many small island populations also suffer a loss of access to beaches and important leisure areas because of exclusive rights granted to developers. This, in some cases, also translates into economic losses as fishermen and others are adversely affected by loss of access to the sea. Furthermore, excessively high visibility of foreigners can lead to anxieties on the part of the local people and a tendency to blame local problems on them, and thus to a social rejection of the growth of tourism.

The Mauritian tourism is invariably centered around the concept of the 3s sun, sea and sand. However, to the extent that some interaction occurs with local customs and traditions, tourism are sometimes believed to exert a negative sociocultural influence on small island States. A high level of tourism can lead to commercialization, which is thought to cheapen local customs and traditions. Local arts and crafts and cultural practices are sometimes adapted to suit foreign tastes, which leads to the creation of contrived cultural products.

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **4) Environment factor**

The fragile ecosystems of the island and its generally more limited scope for action in development alternatives make concerns for the environmental impact of tourism very acute, particularly because the sector, which is almost totally dependent on the natural environment, is viewed by the State as a fast route to social and economic development. Intensive tourism development and tourism activities often have very quick and severe impacts on their natural resources.

#### *a) Land resources and terrestrial biological diversity*

The environmental impacts of tourism are attributable to the development of tourism infrastructures and facilities and to the impacts of tourists' activities. There is strong competition for the use of land between tourism and other competing uses. Rising prices of building land increase the pressure to build on agricultural land. Deforestation and intensified or unsuitable use of land cause erosion and loss of biological diversity. In many small island developing States, ecosystems are now being threatened as a result of the development of tourism, which has intensified human interference with vegetation and wildlife. This can lead to irreversible damage to their valuable ecosystems and to traditional activities such as fishing.

#### *b) Waste management*

Treatment and disposal of liquid and solid wastes constitute a major problem. With limited physical infrastructure, the capacity is already strained. This is exacerbated by wastes generated by tourism activities. Examples abound of damages caused by the disposal of untreated effluents into surrounding areas of land and sea. Pollution of scarce inland freshwater resources is one such example. The loss of valuable marine life, the destruction of coral reefs and the silting and erosion of coastal beaches, on which island tourism highly depends, are others.

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **4) Environment factor(contd)**

#### *c) Coastal area degradation*

Tourism as a mainly coastal development has already had a number of adverse impacts. In Mauritius, the previously unchecked construction of tourism facilities along their coastlines resulted in the despoliation of much of the originally pristine beauty of these areas. In order to halt the degradation, the Governments has, of late, taken steps through legislation to restrict and control coastal construction. Stipulations of building size, with limits on height and room capacity, and specifications of design and materials used in construction have been instituted in an effort to correct past errors and ensure better harmony with the natural environment. Beach destruction caused by intensive sand mining for tourism-related construction is also a feature of many coastal areas. This practice has recently been curtailed . Beaches destroyed by sand quarrying are not being naturally replenished because of the destruction of coral reefs by sewage and other types of pollution. Erosion owing to tourism facilities and infrastructures built too close to the coast also contributes to beach destruction and coastal degradation. Another common feature of coastal area destruction is the removal of valuable mangrove forests, which act as nesting places for birds and other animal life in addition to their function as a natural barrier against encroachment of the sea. Indiscriminate diving, fishing and boating activities associated with tourism may further contribute to this disturbance.

#### *d) ECO-Tourism*

With the increasing awareness and concern for the environment there is the opportunity to promote and develop eco-tourism. In this respect the island of Rodrigues or even Agalega and other small islands around Mauritius represent an opportunity for the development of Eco-Tourism in terms of relaxation, swimming, scuba diving ,walking and hiking and bird watching and so on.

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **5) Legislative Framework**

#### a) EIA

Government is more and more concerned with the degradation of the environment and has come up with the EIA requirement before giving its clearance for any project. The idea is to pursue a more sustainable tourism development through the enforcement of an effective legislative framework. A wide range of laws have been enacted, establishing standards for land use in tourism development, tourism facilities and investment in tourism.

#### b) Law and order.

On the whole Mauritius is considered as a safe destination although recently the attacks on tourists are becoming more and more frequent. The nature of the attacks is more related to thefts. Some incidents have made headlines in the international media especially in France and the UK which are considered as our main markets.

## **EXTERNAL ENVIRONMENT ANALYSIS(Contd)**

### **6) Technology**

Improvement in technology represent an opportunity for the industry to improve their performance by using the internet for example to target a wider market and with the use of online booking the opportunity is there to boost up the number of tourist arrivals. The phenomenon of global online reservation system has increased the

### **7) Other External factors**

#### Cruise Tourism

Rightly so the Government is now intensively promoting cruise Tourism. The development of a special port to that effect at Cassis is a strong incentive towards that type of tourism.

## STRENGTH

- 1) Beautiful coral beaches and warm clear lagoons and colourful reefs.  
(From IE analysis-Resources-Natural Attraction)
- 2) 5 Stars- Hotels including International Brand like Club Mediterrane,Sun International ,Oberoi etc  
(From IE analysis-Resouces-Accomodation)
- 3) Multicultural Society  
(From IE analysis-Resouces-Accomodation)
- 4)
- 5) High Class tourism

## WEAKNESSES

- 1) Scarcity of Lands.PG.Much is bound by leases(Grazing leases) which are for a long duration.
- 2) Pressure group like George Ah Yan
- 3) Competition from other Islands offering the same product(Beach Resort).Eg Seychelles and the Maldives even Madagascar and Mayotte
- 4) Geographical location.The island is far from the main market(Europe,US)
- 5) Road infrastrucuture.Traffic

## OPPORTUNITIES

- 1) Opportunities from new emerging market like China and India
- 2) Business Tourism(Duty Free Shopping)
- 3) Eco Tourism
- 4) Rodrigues and the other Islands
- 5) Cruise tourism

## THREATS

- 1) Global economic crisis and the Euro crisis
- 2) Environment problem- Degradation and pollution of rivers and lagoons,Coastal erosion,Endangered sea
- 3) Inflationary pressures . Real estate. Conversion of agricultural land.
- 4) Crime rate increasing with more and more attacks on tourists
- 5) Environment degradation.Waste



## **STRATEGIC CHOICES**

### **Matching the strengths with opportunities.**

#### **Strengths No 1 ,2 and 3 with Opportunities No 1**

With the ongoing economic crisis in the Euro zone which is our main market ,it is becoming imperative for the Tourism Industry to look more and more towards the emerging markets like India and China.

The new richs of the Asia will no doubt appreciate the 5 stars Hotels which are situated mostly on the wonderful and beautiful coral beaches with warm clear lagoons and colourful reefs. However Mauritius a definite plus over the other competitors with its multicultural society which makes the island oblivious to language barriers.

#### **Strength No 6 and Opportunity No 2**

While Mauritius has been able to make a brand name for itself in the Tourism World in the area of leisure tourism, it is a matter of concern that the island has been unable to take advantage of the spending habits of the visitors.This is mainly attributable to the lack of shopping and commercial centres around the island.

This is about to change with the construction of numerous commercial and shopping centres at Bagatelle, Cascavelle, Ebène, Trianon, Helvetia and Rivière Noire not to mention the recent development at the Caudan in the capital, Port Louis.The tourism industry should be able to develop a suitable strategy to take advantage of these new developments and at the same time help in increase the influx of foreign exchange.

#### **Strengths No 5 & 6 and Opportunity No 5**

So far the Tourism Industry in Mauritius has concentrated their efforts on hotel beach resorts and neglected the potential of cruise tourism.Obviously it can be argued that Cruise Tourism will not really be beneficial to the hotels because cruise tourists are not necessarily looking for high class hotels resorts.Besides they are only “de-passage”.

However one can imagine the positive impact cruise tourism will have on the business and commercial aspects. In addition the Tour operators have much to gain with cruise tourist who would certainly like to have a quick glance of the country.

## **Weaknesses and Opportunities**

### **Weakness No 2 and Opportunity No 3**

With the growing concern on the environment issues and the increasing number of NGO's involved in its protection, the idea of developing Eco-Tourism might be a judicious one. Indeed the NGO's are becoming increasingly a major player in the tourism industry and it will be in the advantage of the industry to take all the stakeholders onboard and develop with them a new type of Tourism product that is more environment-friendly. We should not forget that it will be in the advantage of the industry to take all the stakeholders onboard and develop with them a new type of Tourism product that is more environment-friendly. We should not forget that the tourists themselves are becoming more conscious of the environment.

### **Weakness No 3 and Opportunity No 1 & 2**

Although Mauritius has distinguished itself as a high class destination and even winning several outstanding awards, the industry must wake up to the reality that there is a growing competition from other neighbouring islands like the Seychelles, Maldives and even Madagascar offering the same Sun, Sand and Sea type of product. Even Reunion island which does not have much of the beautiful coral sand beaches like Mauritius has reached the figure of 700,000 tourists. And when we know that out of the 900,000 tourists visiting the Island almost 200,000 come from the Reunion Island, this would mean that a growing number of the European tourists are choosing the other Islands rather than Mauritius.

In view of the above, it will be a wise thing for the Tourism Industry to start looking in the direction of the new emerging markets like India and China.

At the same time however the tourism industry should take advantage of the potential of the business tourism which if coupled with the leisure tourism strategy should help them curb the growing competition from these neighbouring islands. Indeed the shopping facilities can be represent a decisive factor in the choice of a tourist destination.

#### **Weakness No 1 and Opportunity No 4**

It is no secret that Mauritius is short of lands and particularly of beautiful and inviting PG. However at the same time Mauritius has several promising small islands that have so far remained undeveloped. This is the case of Rodrigues. One can wonder why the big names of the Tourism Industry have not tapped into this dormant potential. Indeed one of the famous ecologist and TV host, Mr Nicolas Hulot, recently declared that “Rodrigues compte parmi les grandes beautés du monde”.

The Government of Mauritius should capitalize on this and offer incentives to the industry so as to encourage them to invest in Rodrigues whereby they can offer their High Class Clients additional tourism products which can be an incentive for them to spend more. For instance they can develop packages inclusive of a cruise around the islands and Rodrigues thereby developing a cruise traffic thus creating new jobs in a new sector type of activity. Alternatively if the tourist prefer air line connection, no doubt this will boost the air traffic between the two islands and create additional jobs in the airline industry.

## **Matching Strength and Threats**

### **Strength No 4 and Threat No 2**

With the global economic crisis and the Euro crisis, it is imperative for the Tourism Industry to look for a more diversified market, question of not putting all of our eggs in the same basket. It has already been suggested above that we should start looking towards the emerging markets like India and China. However we should bear in mind that these two countries are themselves not babies in the tourism industry. They themselves have products that can easily rivalised with us. This is where however the High Class aspect and the exclusivity aspect of the tourism industry should be exploited to the uttermost in order to attract the most difficult among them

### **Strength No 6 and Threat No 6**

It has been widely demonstrated especially among the tropical countries, that tourism can have an adverse effect on the society. People in the tropical islands very often try to copy from the tourist. Being a multicultural country Mauritius can on the contrary use this asset to develop a cultural tourism whereby instead of copying from others, we offer the opportunity to the local people to promote their culture and be proud of .

## **Weakness and Threats**

### **Weakness No 6 & 2 and Threats No 3 & 5**

The development of the tourism industry in Mauritius is greatly hampered by the scarcity of lands particularly of PG lands. In addition a good part of the PG and the lands surrounding them are bound by leases whether agricultural lease or grazing lease which span over a period of 100 years.

On the other hand we are witnessing a growing deterioration of the environment in terms of coastal erosion, waste water disposal polluting our rivers and rivers not to mention the abusive use of pesticides.

The problem of coastal erosion and lagoons pollution should drive the government in taking measures that will encourage the lessees to cooperate with Government in relinquishing their rights on these lands so as to enable Government to launch environment projects that will protect these coastal regions which would require enormous financial investment so that those lessees will not be able to undertake on their own.

On the other hand the tourism industry can make an advantageous use of the NGOs who possess specific information and ideas that will enable the tourism industry to develop without harming the environment.

## **RECOMMENDATION**