



Australian Government

SITTPPD008 Develop tourism products

Release: 1

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Modification History

Not applicable.

Application

This unit describes the performance outcomes, skills and knowledge required to manage the strategic product development process from initial research through to product establishment and monitoring.

The unit applies to all industry sectors and to senior personnel working in strategic planning and product development roles. This could include product development managers, marketing managers, operations or general managers, regional tourism managers, account managers, events managers, resort or hotel managers and owner-operators.

No occupational licensing, certification or specific legislative requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Competency Field

Planning and Product Development

Unit Sector

Tourism

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

1. Research the market.

PERFORMANCE CRITERIA

Performance criteria describe the performance needed to demonstrate achievement of the element.

- 1.1.Focus product research according to organisational objectives.
- 1.2.Evaluate information sources for tourism, tourism market trends, and distribution and marketing networks.
- 1.3.Consult with internal and external stakeholders.
- 1.4.Analyse current market trends, needs, and product and service gaps.
- 1.5.Identify product development opportunities and target

- markets, including opportunities for new and innovative approaches.
- 1.6. Evaluate distribution and marketing networks that support proposed tourism product, including the use of new technologies.
2. Analyse issues relevant to product establishment.
- 2.1. Identify and analyse product preferences and quality expectations of different consumer markets, including those with special needs.
- 2.2. Identify and assess external issues that impact on establishing a product.
- 2.3. Assess suitability of destinations for accessibility and availability of services for target markets.
- 2.4. Assess organisational capacity to provide proposed product and identify additional resources required.
- 2.5. Consider issues relating to product life cycle.
3. Determine profitable selling price.
- 3.1. Determine net delivery cost by identifying expenditure items.
- 3.2. Identify organisations involved in the product distribution network and the commission or mark up structures that would apply.
- 3.3. Incorporate distributor commissions or mark-ups, and determine required profit margin and mark-up for profit.
- 3.4. Make reasonable cost adjustments to ensure price-competitive product.
- 3.5. Estimate expected income and assess profitability and yield.
- 3.6. Clearly and accurately document pricing structures.
4. Establish the product.
- 4.1. Create and implement product development plan that incorporates strategies and actions for marketing, communications and implementation.
- 4.2. Communicate plan to relevant internal and external stakeholders.
- 4.3. Where appropriate, test new products and services in marketplace prior to full implementation.
5. Monitor and evaluate the success of the product.
- 5.1. Monitor product development initiatives based on feedback and other business factors.
- 5.2. Identify and action changes required in a timely manner and according to any contractual obligations.
- 5.3. Communicate changes to relevant colleagues, customers and distributors.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Reading skills to:	interpret complex tourism research documents that relate to tourism trends, market statistics, information on market preferences and requirements.
Numeracy skills to:	- assess the profitability of various product options - complete complex budgetary costings - calculate different commission and mark-up structures.
Problem-solving skills to:	make strategic responses to product development challenges.
Initiative and enterprise skills to:	evaluate and develop strategic responses to complex marketing and business information.
Planning and organising skills to:	coordinate implementation aspects of product development.
Technology skills to:	work with current tourism management and marketing systems.

Unit Mapping Information

SITTPPD601 Develop tourism products

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>

Assessment Requirements for SITTPPD008 Develop tourism products

Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- research, assess and develop a new product or service for a tourism operation, including:
 - analysing current industry, market and organisational information
 - gap analysis of current products or services
 - determining costs of delivery, distribution and commission structure and setting a profitable selling price for the new product or service
 - creating a product development plan
 - developing measures of success and return on investment for the new product or service.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- features and inclusions of a product development plan
- tourism industry structures, interrelationships and networks
- tourism industry information sources:
 - government bodies:
 - funding agencies
 - land management agencies
 - internet
 - local people
 - reports and research:
 - local, state, regional or national marketing plans
 - statistical data
 - public and private research bodies
 - tourism operators:
 - accommodation
 - destination marketing companies
 - tour operators
 - inbound tour operators

- tour wholesalers
- tourism organisations and associations
- training agencies
- distribution and marketing networks that support tourism products in the relevant context
- key stakeholders in local, regional, state and national tourism organisations and the structures of these organisations at each level
- current market trends, products and service styles that meet certain market requirements and quality expectations
- current tourism product base for the proposed destination and market to be serviced
- current and proposed products and services of competitors
- features of the destination at which the product will be delivered
- aspects of laws that impact on tourism operations and actions required of tourism operators:
 - consumer protection:
 - providing services as advertised
 - terms and conditions
 - refund requirements
 - cancellation fees
 - child sex tourism
 - legal liability insurance requirements and duty of care to customers
 - environmental protection:
 - licences
 - permits
 - accreditation
 - minimal impact practice
 - local community protection:
 - land ownership, management and access requirements
- factors impacting organisational capacity to provide proposed product:
 - destination factors:
 - capacity to sustain tourism
 - impacts of potential product diversification for the business
 - profitability issues
 - resource constraints
 - skills requirements
 - sustainability:
 - economic
 - environmental
 - current credentials
 - legislative, accreditation, permit requirements
 - minimal impact issues
 - social and cultural

- risk assessment and control requirements
- financial operating costs in tourism organisations; desired profit margins and achievement of high yield in order to determine an appropriate selling price
- expenditure items relevant to the development of tourism products:
 - capital costs and proportion attributed to the product
 - fixed costs
 - human resource costs
 - insurances
 - licensing and permit fees
 - marketing costs
 - operating costs attributed to operating the product
 - supply of component products and services
 - variable costs
- industry commission and mark-up procedures and rates appropriate in the relevant industry context.

Assessment Conditions

Skills must be demonstrated in a tourism business operation for which tourism products can be developed. This can be:

- an industry workplace
- a simulated industry environment set up for the purposes of assessment.

Assessment must ensure access to:

- current information and communications technology
- current tourism industry data and information sources about tourism market trends.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors; and:

- have worked in industry for at least three years where they have applied the skills and knowledge of this unit of competency.

Links

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