



Australian Government

Department of Education, Employment and Workplace Relations

SITTPPD001A Research, assess and develop tourism products

Release: 1

SITTPPD001A Research, assess and develop tourism products

Modification History

Not applicable.

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to manage product development strategically within tourism and hospitality organisations. It requires the ability to research the market, analyse issues relevant to establishing the product, determine a profitable selling price, establish the product, and monitor and evaluate its success.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

This unit has a focus on product planning processes. It underpins other specialised Planning and Product Development units that look at the specific and additional skills required to meet particular environmental or cultural requirements:

SITTPPD006A Plan and develop ecologically sustainable tourism operations

SITTPPD007A Plan and develop culturally appropriate tourism operations.

Negotiating with suppliers for any product component is covered in SITXMGT006A

Establish and conduct business relationships.

SITTPPD003A Source and package tourism products, takes a less strategic and more operational focus to product development.

Application of the Unit

This unit describes a key product planning function for a diverse range of tourism and hospitality products and services and applies to the full range of industry sectors.

The unit applies to the development of new or enhanced tourism products. Increasingly, tourism operators are choosing to provide specialised tourism products. This unit describes the generic tourism product planning process that applies to the development of any style or category of product for the domestic or international customer, covering any international or Australian destination.

Product planning involves a strategic focus on the overall and long-term operation of the tourism product.

This unit applies to senior tourism and hospitality industry personnel who operate autonomously and have strategic tourism planning and product development roles. These roles would include product development manager, marketing manager, operations or general manager, regional tourism manager, account manager, events manager, resort or hotel manager and owner-operator of any type of tourism business.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Nil

Employability Skills Information

The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit is packaged will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the required performance needed to demonstrate achievement of the element. Where **bold italicised** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

Elements and Performance Criteria

Element	Performance Criteria
1 Research the market.	1.1 Focus the research of potential tourism products within the context of the overall business plan and marketing focus of the organisation. 1.2 Identify and access general information sources for tourism, tourism market trends, and distribution and marketing networks. 1.3 Consult with and incorporate input from internal colleagues and external stakeholders in the research phase. 1.4 Conduct research to identify current market trends, needs, and product and service gaps and analyse the potential for future product development. 1.5 Identify a range of product development opportunities based on review of the market place and market needs. 1.6 Identify distribution and marketing networks that would support the proposed tourism product and analyse the ability to successfully market.
2 Analyse issues relevant to establishing the product.	2.1 Identify and analyse product preferences and requirements of different consumer markets, including those with special needs. 2.2 Consult external stakeholders on customer and tourism industry service and quality expectations for tourism products and services. 2.3 Identify and analyse external issues that impact on establishing a product. 2.4 Assess suitability of destinations at which product will be delivered for accessibility and availability of services that will meet preferences and requirements of target market. 2.5 Conduct a self-assessment of organisation's capability to provide proposed product and identify additional resources required to establish

- and deliver the product.
- 2.6 Consider issues relating to product life cycle.
- 3 Determine a profitable selling price.
- 3.1 Identify all **expenditure items** involved in delivering the tourism product to determine the nett delivery cost.
- 3.2 Identify organisations that will be involved in the product distribution network and the commission or mark-up structures that would apply.
- 3.3 Incorporate required distributor commissions or mark-ups, and determine required profit margin and mark-up for profit.
- 3.4 Make reasonable cost adjustments to ensure market take-up of price-competitive product.
- 3.5 Assess cost-effectiveness and profitability of a range of proposed products and choose products that will provide the highest yield.
- 3.6 Clearly and accurately document the full range of pricing structures.
- 4 Establish the product.
- 4.1 Communicate a clear, scheduled implementation plan for all personnel involved in establishing the operational details of the product.
- 4.2 Establish all required marketing activities to promote the product.
- 4.3 Where appropriate, test new products and services in the marketplace prior to full implementation.
- 5 Monitor and evaluate the success of the product.
- 5.1 Monitor product development initiatives in terms of response in the marketplace; feedback from the distribution network, staff and customers; and changes in the internal or external environment that may impact on plans, cost-effectiveness and profitability.
- 5.2 Identify and action changes required in a timely manner and according to any contractual obligations.
- 5.3 Communicate changes to all relevant colleagues, customers and distributors.

Required Skills and Knowledge

This section describes the essential skills and knowledge and their level, required for this unit.

The following skills must be assessed as part of this unit:

market research skills

critical thinking skills to facilitate rational and logical analysis of all input from colleagues and external stakeholders and to research information collected

high-level communication skills to conduct consultation with internal and external stakeholders

high-level literacy skills to read complex tourism research documents that relate to tourism trends, market statistics, information on market preferences and requirements

numeracy skills to enable complex budgetary costings, calculate a range of different commission and mark-up structures and assess the profitability of various product options.

The following knowledge must be assessed as part of this unit:

detailed knowledge of the tourism industry, including structure and interrelationships, tourism industry networks and information sources

in-depth knowledge of distribution and marketing networks, especially those that would support the proposed tourism product

in-depth knowledge of main 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 would meet certain market requirements and customer and tourism industry service and quality expectations for tourism products

in-depth knowledge of the current tourism product base for the proposed destination and market to be serviced

competitors' current and proposed products and services

in-depth knowledge of the destination at which the product will be delivered

environmental, cultural and legal compliance and insurance issues that will affect the delivery of the proposed product

understanding of the financial operating costs of the organisation, desired profit margins and achievement of high yield in order to determine an appropriate selling price

industry commission and mark-up procedures and rates appropriate to the varying organisations within the distribution network

planning and project management.

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, the range statement and the Assessment Guidelines for this Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

project or work activities that show the candidate's ability to research, assess and develop tourism products for a specific tourism operation and to monitor the product's success

ability to fully research, comprehend and analyse information on the full range of issues that relate to the development of the tourism product

detailed knowledge of the tourism industry, including structure and interrelationships, tourism industry networks, information sources and distribution and marketing networks

ability to consult and communicate with colleagues and external stakeholders

project or work activities conducted over a commercially realistic period of time so that the research, analysis and monitoring aspects of this unit can be assessed.

Context of and specific resources for assessment

Assessment must ensure:

that the candidate has accessed a fully equipped office environment using appropriate computers, communication technology, information programs and publications to facilitate the processes involved in developing tourism products

access to an operation for which tourism products would be developed or to comprehensive and sufficient information about that tourism operation to allow the candidate to fully research, assess and develop tourism products

access to current tourism industry data and information sources about tourism market trends and appropriate product match

involvement of key stakeholders, both internal and external, so that consultation can be achieved.

Methods of assessment

A range of assessment methods should be used to assess the practical skills and knowledge required to research, assess and develop tourism products. The following examples are appropriate for this unit:

project activities to research, assess and develop tourism products in conjunction with an industry operator

project activities to research, assess and develop a tourism product for the training college or local community

review of completed product costing and pricing structures for specific products

case studies to assess the candidate's ability to assess markets with differing product preferences and requirements

case studies to assess the candidate's ability to evaluate tourism products and markets with different distribution and marketing networks

written and oral questioning or interview to test knowledge such as structure of the tourism industry, tourism industry interrelationships, distribution networks, and mark-up and commission structures

review of portfolios of evidence and third-party workplace reports of on-the-job performance by the candidate.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

SITXMGT003A Manage projects

SITTPPD002A Research tourism data

SITTPPD003A Source and package tourism products

SITTPPD006A Plan and develop ecologically sustainable tourism operations

SITTPPD007A Plan and develop culturally appropriate tourism operations.

Assessing employability skills

Employability skills are integral to effective performance in the workplace and are broadly consistent across industry sectors. How these skills are applied varies between occupations and qualifications due to the different work functions and contexts. Employability skills embedded in this unit should be assessed holistically with other relevant units that make up the skill set or qualification and in the context of the job role.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording in the performance criteria is detailed below.

Tourism products offered within the tourism industry are diverse and may include:

products designed for:

- domestic tourists travelling within Australia
- international tourists travelling within Australia (inbound)
- Australians travelling internationally (outbound)

group tours

touring products for individuals

a single product or service

multiple products and services making up a complete tour package

brochured tours

day tours

extended touring programs

specially tailored itineraries

inclusive products or optional touring products

series tours

incentive tours

meetings and conferences

special events

cultural events

sporting events

transportation

transfers

accommodation

food, beverage and catering

entertainment
cruises
attractions or sites
exhibits
guest activities and shows
tour guiding services
adventure activities
functions
venue facilities
convention facilities.

Information sources may include:

local, regional, state or territory, and federal tourism organisations

local, regional, state or territory, and federal tourism and tourism marketing plans

other government agencies

government funding bodies

government and private tourism research bodies

tourism industry associations

destination marketing companies

others in the distribution network, which will vary but can include:

tour operators

tour wholesalers

inbound tour operators

retail travel agencies

event management companies

professional conference organisers

business management and marketing consultancies

reports on tourism

privately owned tourism businesses

national parks and land management agencies

other local communities

local people

internet.

External stakeholders may include:

local, regional, state or territory, and federal tourism organisations

other government agencies

privately owned tourism businesses

tourism industry associations

tourism marketing organisations

destination marketing companies

business management and marketing consultancies

others in the distribution network, which will vary but can include:

tour operators

tour wholesalers

inbound tour operators

retail travel agencies

event management companies

professional conference organisers

local communities and cultural groups within the destination of the product

local businesses within the destination of the product

land management authorities

special interest groups

licensing or regulatory authorities.

Product and service gaps may include:

gaps within the existing product range

gaps in product not currently delivered by any competitor or potential competitor

gaps in products delivered at current or prospective destinations

specific consumer markets not currently serviced by any competitor or potential competitor

markets for which level of demand is not being met.

External issues that impact on establishing a product may include:

legal compliance

legal liability issues

environmental considerations

cultural considerations

technological developments

general industry trends.

Self-assessment of organisation's capability to provide proposed product may involve:

consideration of the range of products currently offered and resources required to diversify

consideration of the product preferences and requirements of target market

conduct of a risk assessment of all aspects of providing required products

consideration of resources required to establish a new product

consideration of the budgetary constraints involved in providing the product and applying a profitable selling price.

Expenditure items may include:

supply of all component products and services that make up the product

capital costs of the product developer and proportion attributed to the product

fixed costs that relate to delivery of the product

variable costs

marketing costs

human resource costs for all personnel involved in planning and delivering the product

business insurances

licensing and permit fees

proportion of product developer's operating costs attributed to operating the product.

Unit Sector(s)

Tourism

Competency field

Planning and Product Development