



Government Initiatives, Collaboration & Partnerships

Interview with Luís Araújo

In this second blog about the effects of Covid-19 pandemic on tourism in Portugal, Luís Araújo, President of Turismo de Portugal, first explains more about the government support for initiatives to assist the tourism industry.

He then goes on to describe some of the innovative collaboration and partnerships taking place in Portugal both internally and externally as a result of the pandemic.

Luís, you have mentioned the support you were giving to the industry through the government, can you expand a little bit more of the type of help you've provided the sector during this time. Has it been more on the financial side? or in other ways?

Well, mostly financial, during this period since March. We have around 130,000 companies working in tourism in every sector, from local lodgings to hotels. What we did was focus on keeping jobs. We have a very effective lay off system where companies could just send people home, and the government would pay for their salaries. Then we have active measures to help those companies survive.

We have spent roughly 1.5 billion Euros on financial support. But the most effective ones were the ones which were very quick, for instance, delaying the period of mortgage repayments, so a company doesn't pay any mortgage until March next year. And rent for the use of the public buildings was also deferred until March next year.

We launched a specific credit line with 90 million Euros which gives money to any company that requests it up to 750 Euros per worker for three months. That was also very effective. It forced us to create a digital platform in one week, and train almost 100 people to work with those processes. Because we're a public organisation, everything needs to be very clear and controlled and audited. But in one week, we managed to issue that assistance, so financial help was first.

The second form of assistance was training. I mentioned previously that our hotel schools had to send all the students home. Then we had to change from physical to virtual training in one week. We had such a good reception from the students that we decided to open that training to any company. We opened the online courses for free to any industry workers, from business managers to maids. Over four months, we had more than 64,000 people take up our online training.

And the most incredible thing was seeing which kind of training people were looking for. Because we offered several types of training such as financial or customer relations but what was most searched for were courses related to sustainability. How can I improve the efficiency of my company through sustainability? And digital marketing, which is very impressive. We were blown away by the idea that people were focusing on the right things for the future.

That's excellent. Europe, as we know, at the moment, is going through a second wave of the pandemic. What has been the impact on Portugal and what you see across wider Europe? And what have you changed in the areas that you've undertaken so far, in the first wave, to help counteract that to the degree where you possibly can?

Well, the situation was very clear. In the beginning, we looked like mice running round in circles with no exits. Everyone was doing what they wanted to do.

There was no coordination at all, from the European institutions. It appeared that countries and leaders were not talking with each other about closing borders or not closing borders.

And I understand that, because there is a big fear, and there is as we always say a big conflict of time and space. For tourism, one day that passes is one day lost if your bed is not occupied, or if your restaurant is not full. For health, it's one day they win. Because it's one day that we're closer to the vaccine or the treatment, and it's a good day.

Then it's a question of movement. We need movement, in our jobs and our businesses. But the health authorities require us to be quiet at home, so it's completely the opposite. The question here is how can we reach the balance? I don't think that this balance was ever considered until now. I think now, we've seen a shift and there is a discussion between the two areas of the economy and health at a local and national level and the international level.

I believe this cooperation is crucial. We're planning on looking at opportunities in terms of having a seamless travel experience with the lowest risk possible. We know an airport or a museum will never be as safe in terms of COVID transmission as an operating theatre in a hospital, that's for sure. But we need to reach a balance between what we can do and how safely can we do it. In Europe, things are hopefully changing, and they get this.

“We have had several events over recent weeks from the European Commission and the German presidency also had an excellent webinar last week addressing these issues. Portugal will have the presidency of the European Commission next semester, starting on the first of January. So these issues will be very much addressed and focused on over the coming weeks.”

We talked about collaboration being crucial in this time, not just within the destination, but also outwards. Have you observed any best practice of new partnerships being formed or groups, to tackle the pandemic within Portugal and how, as a Tourism Authority, have you worked closely with the industry?

We have regular meetings, with all the associations and with many companies, from the Hotel Association, the companies offering travel experiences, travel agents to the tour operators. Our biggest concern is understanding their needs and focusing on their needs with any decision we take. From camping to promotion and campaigns, everything we do right now focuses on what businesses need.

In terms of collaboration, we've seen some very interesting approaches, and I would say very effective for the future. I'm also President of the Innovation Centre, the Nest in Portugal. Nest has a very clear mission, which connects a sector that is very much focused on product and service with technology—just that, connecting dots.

What we see right now is that many business people, who have had very solid enterprises for more than 100 years, are currently looking for ways to make their business more efficient, more sustainable, in terms of understanding their ecological and environmental steps. This, for me, is one of the best partnerships I've seen. And with one of the best relations between the two parts which I think will be very effective for the future.

And it's really interesting to see how start-ups in Portugal are developing new solutions in this situation. Another relationship which has to do with us, is an approach that we had with Nova Medical School. It started with very simple studies about Covid-19 and how can we improve on our efficiency in the battle with Covid-19 and has evolved to something bigger.

We are now designing how to bring tourists into medical courses in a different way by thinking about what kind of materials we should use inside our hotels or restaurants that have a more significant effect in terms of health, and in terms of health protection and training. This is so that our doctors are considering the necessities and the needs of the tourism industry.

I believe this will be a very interesting relationship and partnership for the future, especially because now we're working with the same university, with all the other faculties. So we're working with the law, engineering, architecture, with this perception; it's not just bringing them into tourism, but bringing tourism needs to them, and letting them work over the top of this. This is something for the future.

Do you believe Tourism Board budgets will focus more and more on partnerships to extend funding to assist with the limited budgets you have – whether it be more regional partnerships or, even looking at other areas in Europe and combining strategies to market as well?

That's a very good point, and I think it has to be the future, that's for sure. Our biggest concern is that life goes back to normal, but we can't go back to normal. We can't go back to running like crazy, without considering who's coming on our side. The clean and safe situation clearly indicated what we needed to do together with our colleagues and friends. I'm very good friends with my biggest competitors, and of course, we can compete.

Sometimes, it's much more effective and simpler to go together, copy an example, or just say, if you want to use this campaign, you can use it for free, no problem. The idea is here. I don't care if I reach 170 million people a year, so if you can reach 170 million from your side, good for you.

I think we will see that much more, not only in the private sector. As I mentioned, the reach out from the sector to technological companies or to other businesses that have nothing to do with tourism is booming, at least in Portugal. But in public promotion or destinations, there has to be more significant coordination externally and internally.

The biggest challenge is having it internally as externally it's simpler, which may be a little difficult to understand. In terms of promotion in local markets we have some relations with Spain because we have products which are very similar like the Ways of Santiago, for instance, that we also have in Portugal. And we've added Fatima, our pilgrimage destination, to the Ways of Santiago.

We have our Jewish heritage in Portugal, so we're adding that too, of course. We're working with the resources that we have; with our history and our culture. Some countries don't have a similar culture, but we can work together.

Last week I had a webinar with Morocco. I'm very good friends with the CEO of Visit Morocco, and he asked me for a movie, which we have sent to him and we agreed we have to work more together, especially for the long haul markets and how to attract them and give them the best seamless experience.

I believe the future will also be about how we can give someone a seamless experience inside a continent, or between two countries, or inside a city or whatever.

That's good to hear. Tough times ahead but hopefully, with a bit more synergy and collaboration, you'll be able to get through this.

Yes.....and the thing everyone asks is when will we open to long haul destinations? If we can't open internally, how can we open to long haul? We need to start and then grow on top of what we have inside our country. I think that is the most important thing to focus on and then increasing to another level, which would give us safe travel to other destinations. Because the virus does not choose nationality, that's for sure.



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