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STOPOVER TOURISM – CONNECTING AIRLINES, AIRPORTS AND TOURISM ORGANIZATIONS

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Abstract *Air transportation has always been closely connected with tourism, being an important factor in its development and at the same time being influenced by its evolution.*
One of the important consequences of the liberalization of air transport was the development of the „hub-and-spoke" system, adopted by traditional airlines. From this angle, the number of transit passengers worldwide has increased and tourism destinations became interested in finding ways to attract them as tourists.
Moreover, the liberalization of airports, followed by the new trend of undergoing commercialization and privatization processes, determined airports to concentrate on increasing their revenue from commercial activities. In order to achieve that, the satisfaction of transit passengers became an important aspect of their development strategies, focusing on improving the services offered, diversifying the activities within the airport and even creating their own tourist attractions.
In this context, a new form of tourism appeared, „stopover tourism", based on the partnership between airlines, airports and tourism organizations.
This paper analyses the context which determined the development of „stopover tourism" and describes a few cases of successful „stopover" programs worldwide.

Key words:
stopover, airlines, airports, tourism, DMO

JEL Codes:
L93,
Z32,
L83

1. INTRODUCTION

The airline industry is very dynamic and many changes have occurred during the last years, having an impact on both air transportation and tourism. The increased competitiveness determined the creation of different partnerships and alliances within the industry and made airlines and airports focus on becoming more efficient. Airports started to be more business oriented, searching to maximize their revenue from non-aeronautical activities, therefore they became interested in improving the satisfaction of their passengers. On the other hand, airlines developed different business models in order to become more efficient, taking into consideration also their passengers' needs. The hub-and-spoke system is one of the most frequently used models adopted by traditional airlines, allowing them to reduce their costs and widen their network. This system also created new opportunities for the hub cities, exposed to a large number of connecting passengers and potential tourists.
Several airlines have already started developing „Stopover" programs, in partnership with local airports and regional tourism boards for a common strategy of attracting transiting passengers.

2. LITERATURE REVIEW

There is a strong connection between air transport and tourism development. On one side, tourism generates air traffic, on the other side, air transportation contributes to the development of tourism. Air travel has been an important factor in the development of international tourism, through decreased costs of travel, increased capacity and speed, wider networks (Palhares, 2002 cited in Lohman, Duval, 2011) and connected new destinations less accessible before.

The co-dependence between tourism and transport consists of transport's reliance on the attractiveness and the capabilities of a destination, and destination's dependence on transport for visitor access (Lohman, Duval, 2011).

A successful relationship between tourism and transport is determined by accessibility and connectivity (Page 2009 cited in Lohman, Duval 2011), which can be accomplished through well connected transport networks (Lohman et al., 2009).

According to Bowen (2000), places being part of an international airline network have wider access to global flows of goods, people, information, ideas, and capital.

After the liberalization of air traffic, most airlines have adopted the hub-and-spoke system, consisting of increased stopover traffic in specific hub locations (Page, 2007 cited in Tang, Weaver, Lawton, 2017) and a network made of interconnected links and nodes, with functions of origin, destination, hub or gateway (Pearce, 2001 cited in Lohman et al, 2009). While all nodes can be considered possible origins or destinations, hubs and gateways have the advantage of being very well connected (Lohman et al., 2009), in both domestic and international airline networks (O'Connor and Scott, 1992, cited in Bowen, 2000). According to Kasarda and Lindsay (2012), hubs are considered "world's most central places", concentrating a high number of passengers. The same authors argue that there are more passengers passing through Heathrow Airport than "Britain has citizens". Moreover, the transiting traffic generated by international hubs represent a potential tourism market (Bowen 2000).

Despite the existing potential of hubs, they were often regarded as a non-discretionary space to transit before reaching the final destination (Weaver & Lawton, 2010 cited in Tang, Weaver, 2013). According to Tang and Weaver (2013), an uncomfortable and boring experience at the hub airport may determine tourists to consider that transit represents a waste of their time. Moreover, previous research has shown that the quality of service during transit affects both tourists' overall travel experience (Grob&Schroder, 2007, cited in Tang and Weaver, 2013) and their perception of the hub destination (Tang, Weaver, Lawton, 2017).

Although previously, airports did not focus on providing high-quality services to airline customers, given the fact that passengers were regarded as part of airlines' "business parameters" (Tang, Weaver, Lawton, 2017), recently, several changes occurred and the relationship between airports, airlines and customers has changed.

First of all, the liberalization of air traffic contributed to the emergence of low-cost companies, which follow a totally different business model, focusing on connecting regional/secondary airports through point-to-point flights, by-passing major hubs and minimizing their costs. This led to the development of secondary airports, stimulated airport competition and increased airports' needs to reduce taxes and find alternative sources of revenue.

Secondly, airports started going through a commercialization and privatization process, which made them focus on gaining revenue from different non-aeronautical activities (Zenglein, Muller, 2007, Gheorghe, Sebea, Stoenescu, 2017). From this angle, passenger satisfaction became an important element for both airports and airlines, representing an opportunity for them to increase their revenue. Airports started to become more than a travel infrastructure, some of them turning into tourism attractions in their own right (Tang, Weaver, Lawton, 2017, Gheorghe, Sebea, Stoenescu, 2017). Identified as 'quasi-destinations' by Tang, Weaver, (2013), some airports offer a variety of commercial facilities such as shops, hotels, restaurants, business centres (Seyanont, 2011, Gheorghe, Sebea, Stoenescu, 2016).

At the same time, there is a bilateral relationship between the development of tourism attractions and air traffic, stimulating each other. From this angle, developing a tourism attraction at the destination has the potential of increasing air traffic, attracting airlines and even turning the local airport into an international hub, which in turn will generate more tourists (Bieger, Wittmer, 2006).

In this context, passenger satisfaction during transit is important for both airlines and airports, but also for the tourism destinations. A positive transit experience may significantly influence passengers' perception on the destination (hub airport) and can be an important factor in their decision to turn the transit experience into a stayover in the future (Tang, Weaver, Lawton, 2017). Tang and Weaver (2013) adapt Gunn's travel experience model (1988), by taking into consideration two new elements consisting of stimulus from the affiliated airline and from the 'quasi-destination' experience, before taking the decision to revisit the transit city as stopover or stayover.

Taking into account that IATA forecasts that passenger demand is expected to double by 2035 (IATA, 2016), that 54% of all international tourists travel to their destination by air (Aviationbenefits.org, 2017) and the efficiency of the hub and spoke model, as well as the setting up of airline alliances (Tang and Weaver 2013), hub cities have all the assets to increase the numbers of tourists, through high quality of service, marketing strategies and cooperation with the tourism organizations and the government (Tang and Weaver 2013).

Destinations are seen as systems connecting individual entities and depending largely on the configuration of their attractions (Bieger and Wittmer, 2006). According to Haugland and Ness (2011), destinations should follow a model based on three dimensions: destination capabilities (each destination's ability to configure and manage its resources to develop products and services), coordination at the destination level (between the participating entities) and inter-destination bridge ties (destinations strategies being integrated in those of larger geographical areas).

The process of hubs becoming destinations depends on their ability to offer facilities and attractions that would determine connecting passengers to stop for a few hours and even spend a few days, turning connectivity into interconnectivity (Lohman et al., 2009). According to Buhalis (2000), „destinations are amalgams of tourism products, offering an integrated experience to consumers". Previous research has shown that, despite the fragmentation of the system, consisting of several stakeholders with different strategies and objectives, a common coordination of activities could benefit all of the participating actors (Wang & Xiang, 2007).

In order for an airline hub to become a tourist destination, a coordination between the following entities is necessary: airline, airport, national government and private companies (Lohman et al., 2009).

Airlines and tourism organizations have always been interconnected but the relationship between them has been reinvented over time; previously, partnerships between airlines and hotels, tour operators, rental cars were frequent (Lafferty & Fossen, 2001 cited in Lohman et al., 2009), through vertical integration. Nowadays, following the development of low-cost airlines and the rise of internet, many tourism providers choose to promote their services on airlines' websites, or even create new products. "Stopover" programs represent a new form of tourism products, developed through partnerships between airlines, airports and tourism boards or tourism companies, with the purpose to turn the hub city into a tourist destination.

3. CASE STUDIES

3.1. Singapore Stopover Holidays

The Stopover Singapore concept is part of a strategy of integrated tourism and aviation, politically and governmentally supported (Albers et al., 2009 cited in Lohman et al., 2009). The project is coordinated by Singapore Airlines, Changi Airport Group and Singapore Tourism Board.

Passengers have the possibility to choose between two packages (Singaporeair.com)

1. Basic Singapore Stopover Holiday consisting of:
   - A one-night hotel stay at the participating hotels

   Return airport transfers
2. Singapore Stopover Holiday consisting of:
   - A one-night hotel stay
   - Return airport transfers
   - Complimentary rides on the SIA Hop-on Bus
   - Admission to over 15 tourist attractions

3.2. Portugal Stopover – Discover Portugal on the way

Portugal Stopover is developed by the airline TAP Portugal, in partnership with multiple companies and organizations including the airports, local tourism authorities, as well as hotels, restaurants, travel agencies. The programs allows passengers to have a stop (1 – 3 nights) in Lisbon or Porto on medium and long-haul flights, benefiting also of exclusive prices at the hotel offers, discounts or free products from different partners (wine, cultural visits) and a free Stopover mobile app.

The main goal of this project is to promote Portugal as a tourism destinations and to bring 150,000 more tourists Portugal in 2017 and 300,000 in 2018 (Tap Portugal, 2016).

3.3. Stopover Iceland

In Iceland, both the national airline (Iceland Air) and the low-cost airline (Wow Air) offer a stopover program. Passengers travelling between USA/Canada to Europe via Iceland, have the possibility to add to their trip a stopover up to 7 nights in Iceland at no additional fare. Besides that, Iceland Air constantly offers additional services to its passengers. If in 2015, Iceland Air passengers had the possibility to book their stopover stay in a private luxury hotel, adding several activities such as private tours, helicopter tours etc (Icelandair, 2015), this year they can experience for free the Stopover Buddy Service, their own Icelandair personal host for up to one day, helping them discover the destination through the eyes of a local.

3.4. Stopover Finland

Stopover Finland is managed by Finland Tours / Primera Holidays Oy (tour operator accredited by Visit Finland), in partnership with Finnair. Stopovers can be from 5 hours up to 5 nights and consist of ready-made packages including accommodation, transfers, tours etc. The project mainly targets travelers from China, Japan and South-Korea travelling to other European countries via Helsinki airport.

CONCLUSIONS

In the context of an increasing air traffic and a growing number of passengers choosing to travel by air, hub airports can contribute significantly to the development of tourism in the regions they represent. This potential has been seized by airlines, airports and tourism authorities, which started to integrate their services in a common strategy. The approach varies from one company to another, as well as the partners involved. All programs involve the airline operating in the hub but the other partners change depending on the adopted strategy.

Considering that nowadays, both airlines and airports are focusing on increasing their revenue from auxiliary activities, these types of partnerships with tourism companies can benefit them, while attracting more tourists at the same time.

On a wider level, developing tourism in hub cities or gateway cities is expected to increase competition between destinations, especially if the time allocated for the overall stay remains the same. In this case, some destinations might develop at the expense of others (Lohmann, Pearce, 2010).

As the industry constantly changes, it is likely that more and more projects of this kind take place. With the evolution of low-cost airlines, regional airports have developed and each country started to increase its number of gateways. Some low-cost airlines also created their own hub, which brings new perspectives for the development of tourism on a regional level.

Future research may determine the exact impact of stopover tourism on the development of tourism in the region, comparing also the results of the different strategies adopted and the advantages of establishing partnerships between airlines, airports and tourism authorities could be underlined.

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