

# Perspectives on Tourism and New Business Models

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**Abstract**—Tourism represents one of the most important economic sectors in the world and with the greatest growth in recent years. It is presented as the third major socio-economic activity in the EU and with a positive impact on economic growth and employability (UNWTO & OECD). With regard to international rankings, Portugal has been distinguished in recent years having been considered as the 12th most competitive destination in the world, according to the World Economic Forum in 2019. Having as a case study a company that operates in the tourism sector (called “Get Your Paradise Unipessoal Lda.”) and whose customers are looking for a more diversified tourism, experiences-based tourism, it is, in this study, intended to answer the following question: how should the company adapt and respond to this market niche? What kind of business model should the company implement in order to adapt to the paradigm shift in the tourism sector? The proposal is the implementation of a new digital platform, called Epic, and the adoption of the Business Model Canvas as a business model due to its simplicity and intuitive display of the interrelations between the nine components of the model.

**Index Terms**—Business Models, Case Study, Experiences, Portugal, Tourism.

## I. INTRODUCTION

Among other advantages, well-developed tourism in a country brings more jobs and economic diversification (Debarliev & Mitrovska, 2016). On the other hand, the business model is a central concept that helps professionals and researchers to understand the existing ways of doing business and how to change these ways for the benefit of the tourism sector (Reinhold, Stephan et al., 2017). The structure of the proposed Canvas model is a structured and practical approach to characterize business models applied in the tourism industry (Benjaminsson et al., 2019), hence its application in this work. The importance of the tourism sector is reinforced in the work of Diaconu and Dutu (2017) denoting that the hospitality industry (which includes accommodation and food services, as well as services from travel agencies, clubs, casinos, resorts, events and entertainment) is one of the fastest growing industries in the world. This industry supports the development of the economy, the emergence of new jobs and the development of the social environment. The authors also emphasize that innovation and technology are among the main

factors that influence success in the hospitality services industry (Langvinienoa, N. & Daunoraviņinjtob, I., 2015, p.908). Due to innovation, hospitality companies can improve the quality of products and services, reduce costs, better meet customer needs, ensure profit growth and gain a competitive advantage. Administrative and product innovation can be translated into new ideas for services and products. The use of recent technologies, in turn, allows for a pleasant experience for customers. With the introduction of a new digital platform, called Epic, the company that serves as a case study is innovating through the introduction of a new product and making use of the latest technologies, combining both factors mentioned. Additionally, a model will be built to create a distinct value proposition through the application of updated business model tools (Debarliev & Mitrovska, 2016), in this specific case, applying the Business Model Canvas model.

Using the company “Get Your Paradise Unipessoal Lda” as a case study, it is intended to answer the following question: the customers of the company are looking for a more diversified tourism – a tourism of experiences – and the company is not addressing this niche market. How should the company adapt? Throughout this work, the evolution of tourism and new business models are described, the company and its position in the market are analyzed and, finally, a digital solution (Epic platform) is proposed to respond to the need identified by the company and to bring competitive advantage.

It is expected that this work will contribute to a better understanding of the importance of tourism, both globally and nationally; main challenges inherent to the tourism sector and to the implementation of innovative and sustainable business models.

### A. Abbreviations and Acronyms

|                 |  |
|-----------------|--|
| <b>COVID-19</b> | Corona Virus Disease 2019                              |
| <b>EU</b>       | European Union   |
| <b>GDP</b>      | Gross Domestic Product                                 |
| <b>OECD</b>     | Organization for Economic Co-operation and Development |
| <b>UNWTO</b>    | United Nations World Tourism Organization              |

## II. TOURISM IN THE WORLD AND IN PORTUGAL

### A. Tourism in the world

#### A1. Tourism in the World Economy

Data shows that sustainable growth in tourism has been essential to support the economic recovery of many European countries, contributing largely to job creation, GDP and balance of payments. Today, tourism is one of the essential pillars in the European Union's strategy for work and inclusive growth. It contributes to 10% of the Eurozone's GDP and creates jobs for 26 million people, particularly, for young people, women and migrants. (UNWTO & OECD, 2019).

In the European Union, international tourism represents one of the main sources of export revenue for several economies. In 2016, and after growing 3% over the previous year, the EU received 342 billion Euros in revenue from international tourists (corresponding to 31% of total receipts from tourism worldwide) and had an expense of 315 billion Euros, resulting in a positive difference corresponding to 27 billion Euros in the economic balance. For the same year, 2016, total exports derived from international tourism amounted to 409 billion Euros. This figure represents 6% of Exports of Goods and Services and 22% of exports of services from the European Union. Thus, Tourism is presented as one of the main economic activities in most countries belonging to the European Union (European Union Tourism Trends, 2019).

Tourism is one of the most dynamic and resilient economic sectors as well as with a great capacity to generate jobs, especially among the youngest, women and entrepreneurs. In this way, tourism contributes to reducing youth unemployment. In times of difficulty, employability in tourism has remained more stable and has recovered more quickly than other economic sectors (European Union Tourism Trends, 2019).

#### A2. World Tourism Evolution

Tourism is one of the fastest growing sectors in the world (Gross, 2018) and its importance for world destinations has been well documented in the literature (Santamaria & Filis, 2019). 2017 was an extraordinary year for tourism in the European Union, showing an 8% growth compared to 2016 and thus rising the global average. It was the 8th consecutive year with sustained growth in EU tourism (UNWTO & OECD, 2019).

International Tourism Highlights (UNWTO, 2019b) provides an overview of the results of international tourism around the world based on the results of 2018. Traveling for leisure and flying dominate international tourism. Regarding the purpose of travel, globally, about 56% of trips are made for leisure, recreation or vacation, 27% for reasons of visiting friends and family, health or religious, 13% for professional or business reasons and 4% not specified. Regarding the means used to travel, 58% are air travel, 37% by road, 2% by train and 4% by boat.

The top 10 destinations receive 40% of world arrivals and comprise the following countries, in descending order: France, Spain, United States of America, China, Italy, Turkey, Mexico, Germany, Thailand and the United Kingdom.

#### A3. Perspectives of Evolution of Tourism

The World Tourism Organization expects international arrivals in the European Union to grow by 1.5% per year between 2010 and 2030. During the same period, international arrivals worldwide are expected to grow at a rate of 3.3% per year. In other words, international arrivals from markets outside the EU are expected to grow faster than arrivals from EU countries. Greater growth by region is expected to occur in Asia and the Pacific, where arrivals are expected to grow 4.9% per year, rising from 337 million to 545 million in 2030. The Middle East and Africa are expected to more than to double their number of arrivals, growing from 55 million to 135 million and from 50 million to 134 million, respectively. Comparatively, Europe and the US are projected to show lower growth.

These projections (until 2030) were made in 2011 based on the year 2010, immediately after the economic and financial crisis of 2009 and, therefore, were cautious. In recent years, international arrivals have grown faster than expected, particularly in Europe (European Commission, 2016). This growth is explained by a strong recovery from the 2009 crisis and a higher growth in tourist demand from several markets. It should also be noted that the European cities that currently lead the world rankings with regard to the arrival of tourists are those whose local governments have actively promoted tourism, such as Barcelona and Berlin (Albaladejo & Bel, 2009).

Until now, actual international tourist arrivals in the EU have exceeded long-term forecasts. We can deduce that in 2030 the total number of arrivals will also be higher than expected. In addition to a solid economic recovery, other reasons that explain this difference are greater air connectivity, more accessible travel and new tourism and information services made available by digital platforms. Although real growth is higher than projections, global and regional projections up to 2030 serve as benchmarks to assess the performance of international tourism.

In terms of trends (Ministry of Economy, 2017), some international trends that have an impact on tourism are the following:

- Information and Communication Technologies as a driving vehicle in the New Economy;
- Impact of millennials in redefining and creating business models;
- More informed and demanding consumers;
- Greater focus on customized offer;
- Shared economy.

Also, the study "Tourism 2020" (Tourism of Portugal, 2014) presents a list of international trends and consequences for tourism. Some of these trends are:

- Growing importance of the Internet as a communication, information and commercialization channel;
- Providing more and better information globally;
- Emergence of new communication channels and reservation and payment systems;

- Evolution and modification of tastes, needs and preferences;
- Search for unique and true experiences.

Some of the consequences for the tourism sector are the following:

- Greater control by tourists, due to the increasing possibility of comparing prices and products;
- Use of technologies while traveling (digital platforms) to search for information and purchase tourist and cultural products online;
- More competitive global environment and tourists more aware of the quality-price ratio;
- Difficulty in retaining visitors to destinations and brands, due to the tendency for visitors to look for new experiences and products;
- Search for wellness products, fitness, antistress, spiritual retreats and boot-camps.

The trends and consequences presented above are especially relevant for those who want to offer new solutions for tourists as the company considered as case study in this work.

### *B. Tourism in Portugal*

In Portugal, in particular, tourism is one of the main economic activities in the country and strategic for the competitiveness of the economy (Lopes-Costa, A. & Munoz-Canavate, A., 2015). Considering the decade from 2005 to 2015, Portugal managed to establish itself in a competitive way in the international rankings and tourism had a significant economic impact. Between 2007 and 2013, Portugal presented an average annual growth superior to the Mediterranean and Europe regions and represented in Europe, about 2.5% of the total international tourist revenues (Tourism of Portugal, 2014).

In recent years Portugal has registered a strong demand and has been highlighted as a destination of choice. It was elected as the best European destination for the third time in 2019 (after 2017 and 2018). The city of Lisbon has also been distinguished as the best “city break” European destination (2019), best city European destination (2018) and best world destination city (2018) (World Travel Awards, 2019). Tourism as an industry in Portugal has experienced great growth and, in these times of economic crisis, it has become essential for the country's economic development (Lopes-Costa, A. & Munoz-Canavate, A., 2015).

According to the World Travel and Tourism Council (2013), the total contribution of tourism to GDP is expected to grow 1.6% per year to \$ 31.0 billion, corresponding to an additional 6.3% of GDP, up to 2023. The total contribution to employment is expected to grow 1.0% per year to 954,000 jobs, or 20.7% of total employment, by 2023. These figures give a general idea of the importance of tourism to Portugal. Andraz, J. & Rodrigues, P. (2016) analyzed and followed the cyclical evolution of the main outbound tourism markets for Portugal, that is, Germany, Holland, Spain and the United Kingdom, which together represent on average 75,0% of the number of total overnight stays in the country. The study shows a close relationship between economic cycles and tourism flows to Portugal and demonstrates the urgency to diversify the markets that emit

tourism in order to reduce the country's vulnerability to external shocks and economic fluctuations. On the other hand, national tourism also plays an important role in Portugal's economic growth. Bento, João (2016) investigated the contribution of domestic tourism to the country's economic growth and concludes that there is a long-term causal relationship between national tourists and the gross domestic product. Thus, the study highlights the role of national tourists in promoting the tourism sector and economic growth in Portugal.

### III. NEW BUSINESS MODELS IN TOURISM

The business model is an approach, applied mainly by companies in the context of creating a product or service (Debarliev, S. & Mitrovska, S., 2016). Magretta (2002) defines business models as “stories – stories that explain how companies work” and in a similar way, Teece (2010) as well as Osterwalder & Pigneur (2005) and Osterwalder & Pigneur (2013) defined business models as a description of how companies create, market and deliver value to customers, and how that value should be captured in profitable revenue streams. The implementation of a new business model is one of the ways that allows companies to remain competitive, including different innovations. In fact, business models are of great importance to managers (Chesbrough 2010, Johnson et. al 2008) since their design and implementation determine organizational success (Baden-Fuller et al., 2010).

The economic crisis has prompted consumers to increase their expectations regarding the cost / benefit ratio in terms of quality and overall experience in services, making it necessary for companies to do more to satisfy customers' needs. In order to survive and prosper, successful companies have introduced innovations, which have generated changes within companies through implementation processes and consequences in their business model, enabling profit generation (Rusu, B., 2016). In this way, the economic crisis has given rise to new business models. One of the frameworks developed to create and analyze business models is the Business Model Generation Canvas, proposed by Osterwalder and Pigneur (2010).

Osterwalder and Pigneur (2013) aspired to create a model that encompassed all aspects of the business and that was still easy to use and understand in practice (Benjaminsson et al., 2019). Hence, they developed the Business Model Canvas composed of nine elements that cover the four main areas of a business: customers, offer, infrastructure and financial viability. The nine blocks of the model are: Customer Segments, Customer Relationships, Channels, Value Proposition, Key Activities, Key Resources, Key Partners, Cost Structure and Revenue Streams (Rusu, B., 2016).

The Business Model Canvas is one of the most comprehensive strategic management and entrepreneurial tools that allow to describe, design, challenge, create and pivot business models. The model provides a systematic view of the “big picture” composed of a wide range of products or services and its value proposition (Debarliev, S. & Mitrovska, S., 2016). This framework was selected in this work as a basis for analysis due to its simplicity and intuitive display of the interrelationships between the components of the model

(Osterwalder and Pigneur, 2010). Therefore, based on the information obtained through bibliographic research and the interview conducted with the founder of the company that serves as a case study, the “Business Model Canvas” will be applied to redefine the business model and demonstrate the general framework for the new Epic platform.

#### IV. METHODOLOGY

The case study was the approach chosen because it is a qualitative research method for investigating and understanding the principles underlying an occurrence within a real-life context (Yin, 2009) and for allowing a holistic view. When applying the case study method, an in-depth investigation is made about a phenomenon, individual, organization or event. The present case study comprises an organization – Get Your Paradise Unipessoal Lda. – and the research question is how to respond to the niche identified by the company in order to satisfy the customers’ needs and adapting to the paradigm shift in the tourism sector?

Below is the case study as a research process as explained in Hallier et al. (2016):

A case is the case study research unit of analysis (Yin, 1994, p.21), as an individual person, organization or part of an organization. The process of researching and making a case study follows a specific pattern. The number of steps for conducting a case study research differs from author to author, because some authors aggregate some steps into one. In general, the six steps introduced by Yin (2014, p.1), presented in the figure below, are essential to follow. The Yin process shows that it can be a linear but also an iterative process.

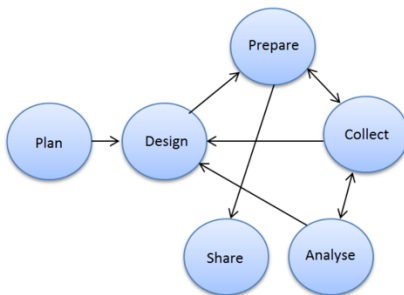


Fig. 1 – Case study methodology by Yin (Hallier et al., 2016)

##### 1. Plan research question

The first step requires defining the research question that is “probably the most important step to be taken”, according to Yin, using the words related to the who, what, where, how and why questions (Yin, 2014, p.10-11). In addition, the investigator must identify which method – explanatory, exploratory or descriptive – is the most suitable for the study.

##### 2. Case study design

The second step, according to Yin (2014, p.29), comprises the following elements in addition to the research question:

- Propositions, if any;
- Unit(s) of analysis;
- The logic linking the data to the propositions; and

- The criteria for interpreting the findings.

##### 3. Prepare to collect case study data

This stage focuses on the investigator’s skills in conducting a case study. It is crucial that researchers are aware that they can be biased and therefore avoid influences when conducting case study research, in order to ensure validity and reliability (Yin, 2014, p. 76).

##### 4. Collecting case study data

There are six sources for collecting data for a case study. According to Yin (2014), these are documentation, archival records, interviews, direct observation, participant observation and physical artifacts. The use of more than one of these sources of evidence is suggested to improve the quality of research (Yin, 1994, p. 91).

##### 5. Analyse case study data

This step seeks to analyze the case study data to obtain results, but the literature provides little guidance on how to analyze the case studies, which may result in an unstructured approach.

Due to the lack of a defined analytical strategy, the following four general analytical techniques described by Yin (2014, p. 136-142) can be used as guidelines:

- Trust theoretical propositions;
- Work the data from the bottom up;
- Develop a description of the case;
- Examine plausible rival explanations.

The importance of analyzing the case study data resulted in the development of more analytical techniques, such as pattern matching, construction of explanations, analysis of time series, logical models and synthesis of cross cases (Yin, 2014, p. 142-168).

##### 6. Report case study findings

Finally, the case study and its results must be reported and reported to a specific target group. In this sense, texts and/or graphics must be prepared so that the target group can develop its own conclusions (Yin, 2014, p. 176).

#### V. CASE STUDY

##### A. Case Study Data

Considering this work, the case study data comes from documentation (scientific articles), participant observation and interview. Observation provides insight into the patterns of behavior and the organizations that operate and constitute a specific system or case. The interview, in its turn, is the most used technique in social research (Moreira, 2007). Spink (2000) describes the interview as a procedure and practice for discursive research. According to this author, this type of instrument has a certain degree of structure, as a guide that lists the issues of interest (Jesus et al. 2009).

In this work, a semi-structured interview was conducted with open questions based on a script, in order to obtain information about the company “Get Your Paradise”, its customers (tourists), current needs and prospects for solutions that meet the real needs of tourists.

## B. Tourism of Experiences

### B1. Context

There have been significant changes in the needs and behavior of tourists. Modern tourists are increasingly demanding, do not identify themselves as part of the “masses” and are not satisfied with inflexible traditional all-inclusive packages. They look for differentiated and customized products at reduced costs (Richards, 2006); authenticity and offering memorable experiences (Brandão et al., 2019).

Regarding mobile technologies and the tourist experience, although these technologies play an increasingly important role in the tourist experience, tourists present dilemmas with regard to their mobile connectivity (Dickinson et al., 2016). Dickinson et al. concludes that the tourist is not always connected and that about 50% of the tourists want to disconnect. These results have implications for those who develop mobile solutions for tourism, such as the company considered in this case study.

Next, the case study is presented – the company Get Your Paradise Unipessoal Lda. – which intends to launch a digital platform (called Epic) in order to respond to its customers looking for a tourism of experiences as well as present a business model suitable for modern times and tourist needs.

## C. Company and New Business Idea

### C1. Background

The company “Get Your Paradise Unipessoal Lda.” was founded in 2015 and it is part of the “Local Accommodation Operation” sector. Its activity, therefore, relates to the rental of houses to tourists, in Lisbon and Algarve, and, since 2015, has already received around 4000 customers. Since it assists customers during the check-in, stay and check-out processes, it ends up establishing a close relationship with them. The first contact as well as the reservation of the stay is made online, later there is a closer monitoring (during the stay). During this activity, customers’ requests for activities to be carried out during their stay are very frequent. Many ask for restaurants, cafes and bars, others for museums and art galleries. In order to provide a better service, the company decided to create a welcome manual where customers can find recommendations, thus being able to enjoy better experiences. Get You Paradise’s business idea is to deepen this offer and provide a new digital platform, called Epic, offering customized experiences so that its customers find what they are looking for and take the most of their visit to Portugal. Also, the company will broaden its range of clients by making this platform available to any tourist.

### C2. Product

Epic is a platform that allows the discovery and scheduling of experiences. Users can discover different activities and join their group, or, new people looking for the same activities. It will be available online, through a website and a mobile app.

The platform will be distributed mainly to tourists as it is designed to meet their needs. On the platform, tourists can find and schedule some attractions and activities recommended in the city and, mainly, discover more local activities, done on a daily basis by the citizens who live in the city. Among the different types of activities, one can find, for example, a run, a

crossfit workout, a trip to a certain art exhibition, a healthy brunch or a quick lunch.

### C3. Historical and Forecast Evolution of the Sector

The smartphone market is booming, both nationally and globally. This industry has been growing, not only in terms of the market but also in terms of product offer and number of suppliers. According to Statista (2020), the number of smartphone users worldwide already exceeds 3 billion users and it is estimated that by 2021 this number will grow to 3.8 billion users.

In addition to this trend, there is also a growing availability of the internet at a global level, as well as its access from mobile devices. According to the “ Digital in 2020 - Global Digital Overview” report, currently around 59% of the world's population has access to the internet and 67% of traffic comes from mobile devices. Therefore, the use of mobile applications is at the highest level ever.

On the other hand, considering that the market is absolutely saturated with an overwhelming offer of mobile applications in all categories, users are becoming increasingly demanding in relation to the content presented to them. The user experience thus takes a prominent place. Therefore, it is expected that customization and personalization of content are crucial, with curatorship being one of the answers provided for this need.

## D. Positioning the Company

### D1. Focus on the Tourism of Experiences

As previously seen, tourists are increasingly demanding in relation to the content presented to them and are looking for more differentiated and personalized products. On the other hand, they are increasingly open to authentic and memorable experiences, looking for “unique and true experiences” which is precisely in line with Epic's offer, which focuses on the Tourism of Experiences. The platform aims to provide a set of different experiences in order to complement the accommodation offer that the company Get Your Paradise has. In order to meet industry trends and potential customer needs, Epic will have a range of healthier experiences (well-being, fitness, antisstress, spiritual retreats and bootcamps) and also others linked to nature, culture and adventure.

At the same time, the company Get Your Paradise always guarantees close contact with guests, with check-in and check-outs being done in person. During the tourists 'stay, the company's employees are always available to answer customers' needs or provide recommendations to improve the travel experience as much as possible.

Finally, with regard to mobile technologies, although these are increasingly present, tourists do not intend to always be connected and in this sense, the Epic platform aims to be a tool for discovering and booking experiences that meet the interests of customers, quickly and practically, and not a platform that makes users spend a lot of time on it, like so many others.

### D2. New Business Model

With the Epic Platform, the company Get Your Paradise, intends to introduce a new business model, adapted to the new business models in tourism as well as to the latest needs of the

company's customers. In this sense, the business model was prepared following the Business Canvas Methodology.

- The block corresponding to the customer segments defines the different groups of people or organizations to be reached and served. In this case, they are leisure travelers, who visit Portugal who, as previously identified, are mostly families with young children or groups of young people.

- The value proposition block describes the package of products and services that create value for a specific customer segment. Thus, the defined value proposal is as follows: "Find the best experiences for your trip!" since the focus is on the experiences that the tourists seek.

- The block corresponding to the channels describes how to communicate and reach customer segments to deliver the value proposition. In this case, the channels are digital: a website and mobile applications available in Android (Google Play Store) and iOS (Apple Store) stores.

- The customer relationship block describes the type of relationship that is established with specific customer segments. Because the channels are digital, the relationship with the customer is made through newsletters and in-app support.

- The revenue streams block represents the gains that the platform generates from each customer segment. Considering that the Epic platforms adopt a commission-based monetization model, the gains are thus generated through a percentage over the price of each activity.

- The block corresponding to the key resources describes the most important assets needed to make the business model work, which are, in this case, human resources and content in order to make the experiences available to customers.

- The block of key activities describes the most important operations that the platform must ensure for the business model to work. The key activities here are the selection and curation of experiences and marketing (essentially online advertising).

- The key partner block describes the network of suppliers and partners that make the business model work. These are local businesses (such as restaurants, museums and galleries) and local suppliers (experience providers, such as artists, surfers, etc.).

- The cost structure describes all costs associated with the respective business model. Therefore, costs with mobile applications (human resources for development and maintenance), website (domain and server) and marketing are included.

The model created presents some interesting ideas to meet the current needs of tourists who visit Portugal and who, among other aspects, are looking for a more diversified, personalized and experience-based tourism. On the other hand, the Epic platform is a digital platform, which meets the current technological reality, for greater convenience and involvement of tourists.

## VI. TOURISM SECTOR AND COVID-19: REFLECTION

The rapid spread of the severe acute respiratory syndrome Coronavirus 2 (SARS-CoV-2) has led to a pandemic of

Coronavirus 2019 disease (COVID-19) worldwide. As a consequence, mitigation strategies were implemented to control dissemination in the community, including mandatory social detachment, restrictions on non-urgent medical care and non-essential business closings. Despite these efforts, the spread of SARS-CoV-2 continues to spread, having created a public health crisis and impacting the population worldwide. While most coronaviruses in humans cause mild illnesses, the new SARS-CoV-2 has been associated with respiratory tract infections, acute respiratory distress syndrome and death (Segars et al., 2020). As of May 15, 2020, there were more than 4.4 million cases and 302 493 deaths attributed to the virus worldwide (John Hopkins, 2020). The pandemic thus poses a threat to the daily lives of people around the world.

Considering the evolution of the situation, it is too early to estimate the total impact of COVID-19 on international tourism. Assuming an initial assessment, the World Tourism Organization (UNWTO) takes the SARS scenario of 2003 as a reference, considering the volume and dynamics of global travel, the geographical distribution of COVID-19 and its potential economic impact. Thus, the UNWTO estimates that, in 2020, the arrival of international tourists may decrease by 20 to 30% worldwide, below an estimated growth of 3 to 4% predicted in early January 2020. This scenario represents a loss of 30 to 50 billion dollars (international tourism revenues). Data updated to May 2020 already point to a reduction in the order of two digits (22%) in the 1st Quarter of 2020, with arrivals in March decreasing 57%. These figures reflect losses of 67 million in international arrivals and \$80 billion in revenue. (UNWTO, 2020).

Regarding Portugal, a study by Oxford Economics reveals that it is the third European country with the biggest drop in international tourism due to the pandemic COVID-19. The study reveals that this year Portugal should register seven million fewer international entries, a drop equivalent to 40% compared to 2019, surpassed only by Spain and Italy. Together with Italy and Spain, Portugal is one of the countries most dependent on tourism (The Portugal News, 2020). It is expected that 2020 will be the year of national tourism and that domestic flows will be significant.

## VII. CONCLUSION

Tourism is one of the fastest growing sectors worldwide (Gross, 2018) and its growth is related to a relatively strong global economy, growing middle class in emerging economies, technological advances, new business models, more accessible travel costs and easier acquisition of visas. (UNWTO, 2019b). Europe continues to concentrate the largest number of international tourists (more than 50%) and, regarding the purpose of travel, these are mostly for leisure, recreation or holidays, visiting friends and family, health or religious, professional or business related and other unspecified. On the other hand, international arrivals from markets outside the EU are expected to grow faster than those from EU countries. With regard to Portugal, in recent years it has registered a strong demand and has been highlighted as a destination of choice. The

report “Estratégia Turismo 2027” demonstrates that it is intended to position Portugal as one of the “most competitive and sustainable tourism destinations in the world”.

Regarding the international trends pointed out by the Ministry of Economy (2017), Information and Communication Technologies will be predominant, millennials will have a strong impact on the redefinition and creation of business models, consumers will be more informed and demanding and there will be greater concentration of customized offer. In relation to Portugal, the offer of accommodation will be more qualified and there will be an increase in air connections. Improving, among other factors, is the digitization of the tourism offer and information about Portugal in foreign markets.

The sharing economy and the emergence of different needs of travelers led to a change in the configuration of business models. One of the most recent methodologies developed to create and analyze business models is called the Business Model Generation Canvas, proposed by Osterwalder and Pigneur (2010). This methodology facilitates the analysis of the business model due to its simplicity and display of interrelationships between the components of the model.

With regard to the sharing economy and new business models, digitization, new technologies, introduction of low cost carriers and changes in tourists' preferences and behaviors - these factors have had a very significant effect on tourism globally in recent years. The exponential growth of new business models in the accommodation industry has led to the expansion of platforms such as Airbnb, HomeAway and Booking.com and, consequently, new business models in the hotel and tourism industry (UNWTO, 2019b). The new economy, facilitated by online platforms, is said to have radically changed consumer behavior and broken the traditional business model, known as Business-as-usual (Kannisto, 2017). The new business models digitally connect tourism services with consumers.

Modern tourists are increasingly demanding. They look for differentiated and customized products at reduced costs (Richards, 2006); authenticity and offering memorable experiences (Brandão et al., 2019). The company Get Your Paradise Unipessoal Lda., which serves as a case study in this work, intends to launch a digital platform - called Epic - in order to respond to its customers looking for a tourism of experiences as well as presenting a more appropriate business model considering the tourists' needs. It is an online platform, where customized experiences will be made available, so that your customers find what they are looking for and enjoy more of their stay. In this way, the company Get Your Paradise can also expand its range of customers, since the platform is distributed online and can reach any tourist (not just the company's customers). On the platform, tourists can find and schedule some attractions and activities recommended in the city and, mainly, discover more local activities, done on a daily basis by the citizens who live in the city they visit. Compared to other existing platforms, Epic's differentiation lies in: focusing on

experiences, bringing together new people with the same interests, working in real time, customization and curation, feedback within the platform. Epic presents a business model that is adapted to the new models in Tourism, since, through a digital platform, it links tourist experiences to customers (tourists).

When carrying out this work, the COVID-19 virus emerged, which is expected to have a very negative impact on the tourism sector, especially for countries that are more dependent on tourism, such as Portugal. In the European Union, people have been advised not to travel outside their countries as the virus continues to spread and the return to “normal life” will be done gradually. Although it is premature to estimate the impact of the virus on international tourism, the initial assessment by the World Tourism Organization that takes the SARS of 2003 as a reference, estimates that in 2020 the arrival of international tourists may decrease by 20 to 30% worldwide, a scenario that represents a loss of 30 to 50 billion dollars.

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