

CASE STUDY



Fáilte Ireland

National Tourism Development Authority

FOOD TOURISM LISBON

Draft in
Development

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Lisbon Viewpoints
(Pinterest)



SECTION ONE

INTRODUCTION AND OVERVIEW

1.1 INTRODUCTION

As the capital and largest city of Portugal with a population in excess of 500,000 (three million in the greater metropolitan area), Lisbon is not only recognised as an alpha-level global city because of its importance in finance, commerce, the arts, international trade and education but also a pivotal tourism destination.

As mainland Europe's westernmost capital city and second-oldest after Athens, its attraction is derived from an impressive cocktail which combines its historical and cultural appeal, rugged Atlantic coastline, extensive transportation system and quality touristic infrastructure.

Tourism in Lisbon is represented by the LISBON TOURISM ASSOCIATION - VISITORS & CONVENTION BUREAU (LTA) that was established in 1997. Its main objectives are:

- the sustained tourism development in its area of intervention
- the promotion of Lisbon as a tourist destination in leisure markets.
- the promotion of Lisbon as a venue for congresses, fairs and as an incentive trip destination
- the provision of Information and support for visiting tourists.

The LTA is a non-profit private association

Agency for the Region of Lisbon since 2004, maintaining international tourism promotion as its main activity; it is responsible for promotion and tourist information of Lisbon and collaborates in the organisation of events in the city of Lisbon. It provides the Vice-President of the Portuguese Tourism Confederation and is a member of the Strategic Business Council of the Portuguese Industrial Association, the Strategic Council for Tourism Promotion.

The strategy and work of the LTA is directed by Governing Bodies, elected every three years, whose composition includes Official Bodies, Business Associations and individual associates in a total of 23 elements representing the various categories of members. The Presidency of the Board is held by the Municipality of Lisbon, and the Deputy Presidency is exercised by a private entity.

The LTA has a Tourism Development Fund (an annual budget of c€12m derived from tourist bed taxes and a percentage of rentals from restaurants). This is used for product development ("to enhance experiences for the tourists and quality of life for the citizens").





SECTION TWO

PRE-COVID19

2.1 DESTINATION TOURISM STRATEGY – MARKETS AND PRODUCT FOCUS

The current tourism strategy covers the period 2015-2020 and is 'The Strategic Plan for Tourism in the Lisbon Region and Lisbon Metropolitan Area' (Rural-Urban Outlooks Robust Program, 2020) in which the concept of intra-regional experiences is pursued which aims to link the urban centre with the rural hinterland by 'boosting synergies' between the urban and rural communities, especially in the area of food production and consumption in a new integrated approach. It also encourages private investment in hotels and restaurants and cultural attractions by the private sector.

In May 2017, a report (entitled 'The Microeconomics of Competitiveness: The Tourism Cluster in Lisbon') highlighted that tourism represented the biggest sector of the city's economy worth €6bn per annum (14.5% of GDP), employing 8,000 and attracting over 10m international tourist arrivals primarily from the German, UK, French, Spanish and Dutch markets of which the majority (90%) were the leisure markets with just 10% in the MICE markets. The average daily tourist spend per day (excluding accommodation) is c€36 (occupancy rates at 74% and increasing REVPAR at €74 per night). The report noted that the fastest growing sector within tourism and hospitality was the new start-up enterprises.

The pre-Covid market focus was the development of city breaks targeting 35-54 year age groups and higher earners with a proposition of 'Authentic Lisbon' and a core focus on restaurants and nightlife.

Tapas & Tascas
Food Tasting Experience
(www.viator.com)



The 'integrated approach' to destination development had a system of interrelated activities supporting this 'Authentic Lisbon' restaurant offer. Thus, food and wine suppliers from the rural area work closely with the processing and logistics parts of the food industry, hospitality schools and culinary training institutions and The National Restaurants and Catering Association to ensure a flow of local produce to well-trained chefs and the hospitality industry as a whole.

The current LTA Action plan focuses on using the Lisbon Tourism Development Fund to support these key areas for product development which is then supported by the marketing effort - in which Lisbon's food and drink offer is a strong feature:

- Creative economy and the Creative Hubs Forum and related projects such as Fashion Week, Picnic Week.
- The Marine Economy including development of food related actions.
- Historical stories to help promote food in local neighbourhoods - the city's main marketing is focused upon encouraging tourists to explore the city's neighbourhoods on foot and using the famous trolley car system. It is within these highly localised areas that the authentic (often highly differentiated) food experiences are available.
- The Shopping Destination project (within which local foods are promoted).



2.2 SPECIFIC FOOD TOURISM STRATEGY

There does not appear to be a specific food tourism strategy. Food and wine tourism is fully integrated into the overall approach to city tourism development linked to the accessibility of food and drink from the rural hinterland.

The LTA overall approach is to create an environment within which entrepreneurs and enterprise can flourish. The LTA reports that there had been 'significant investment taking place to develop restaurants and bars across the city in the five years up to 2020.'

There are now over 3,650 accredited restaurants in the city including seven Michelin-star establishments and 24 wine service companies.

In terms of significant investment pre-Covid in the development of food tourism experiences, the LTA worked closely with ADDICT, the creative industries agency for Portugal, to support start-up businesses by providing a range of advisory and financial services and combining traditional business supports with a creative twist. There is a regular 'Tourism Start-Up Day' which resulted in a €5m investment in tourism and food start-ups in 2019.

BRAND PROPOSITION

The brand focuses on 'authentic food and drink often with a contemporary twist in authentic, historic, neighbourhoods and traditional settings where there is a close relationship between the local residents and the restaurants and bars.'

The strength of this positioning is illustrated in the way that the hospitality sector has responded to the Covid-19 situation within their neighbourhoods.

The key to the success of the clusters from a commercial point of view i.e. tourism impact has been driving innovation and the creation of start-ups fostering an agile and highly localised response to Covid challenges and the different issues that arise in the diverse neighbourhoods of the city.

One of the most obvious and striking aspects of tourism in Lisbon is the volume of food tours and itineraries in the city. This involves multiple local companies that offer combinations of food and drink experiences that are often themed or highly geographically focused within a neighbourhood. They range on their duration, type of food and drink explored and in price. They are always a collaboration between the tour operator and the restaurants.

The range of choices for the tourist has resulted in several websites offering price comparisons for the food/gastronomy tours. For example, www.authenticfoodquest.com/Lisbon shows the following:

\$95 per person Taste of Lisbon by Local in Lisbon

\$79 Discover the Culinary Diversity of Mouraria by Secret Food Tours Lisbon

\$60 Taste the Flavours of Portugal in a Locals' Home by Unique Eat With Experiences

\$245 per couple for Private Food Tour with a Chef

Other tours listed include: Gourmet Food and Wine Walking Tour by Inside Lisbon Food Tours and the Lisbon Food Tours by Urban Adventures Lisbon with the tours being promoted using interesting titles such as 'Lisbon Awakens' (breakfast food tour) and 'The Song of the Sea' seafood and maritime music and songs.

Key food and drink tour operations in Lisbon are:

- Taste of Lisbon www.tasteoflisboa.com
- The Culinary Backstreets of Lisbon www.culinarybackstreetsoflisbon.com

ROLE OF FOOD IN THE VISITOR EXPERIENCE

The discovery of the city and its neighbourhoods using food and drink as the driver for exploration at anytime of the day or night incorporates markets, restaurants of all types, street food and hotels and other forms of accommodation. Innovation in the offer stimulated by linking the hospitality sector with the creative industries ensured interesting interior design of the venues and creative approaches to the food design and pairing with drink.

MARKETING COMMUNICATIONS & DIGITAL PRESENCE

Food and drink is a major feature of the various layers of official tourism marketing and promotion

from National Tourist Board www.visitportugal.com to the city marketing www.visitlisboa.com

The power of the city's gastronomic appeal is reflected in the extraordinary number of blog and websites highlighting the 'best' food tours, restaurants and food experiences in the city:

www.viator.com
www.timeout.com
www.crazytourist.com
www.secretfoodtours.com
www.withlocals.com
www.travelmag.com

FOOD AS A DIFFENTIATOR

Authentic sourcing of food supported by local networks stretching across the urban and rural area linked to the revival of local markets, local supply chains and innovation around traditional recipes, venues and a strong contemporary twist. The restaurant Oficina do Duque (www.oficinadoduque.pt) is an exemplar of this type of re-imagining of a traditional restaurant in a historic part of the inner city.





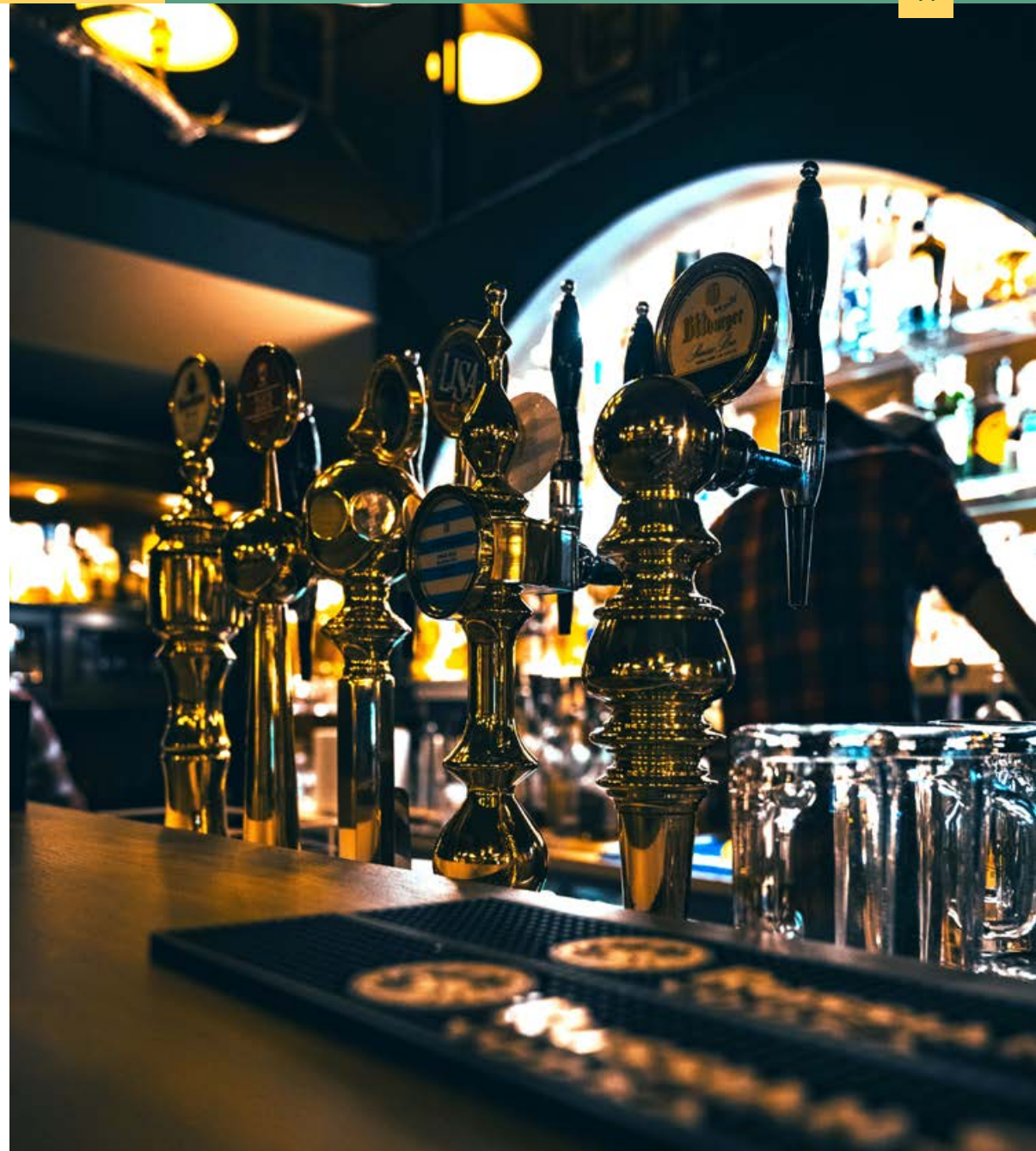
SECTION THREE

CURRENT SITUATION DURING COVID-19

3.1 DESTINATION AND INDUSTRY RESPONSE

Best practice examples found in Lisbon in response to the Covid-19 pandemic include:

- (i) The appropriation of the traditional street food kiosks by well known chefs to (a) keep the tradition of the kiosks alive during the pandemic and (b) to give the chefs and their brands a more prominent and popular position in the city's neighbourhoods thus developing local business and enhancing brand reputation. A good example is in the traditional Quiosquede dating from 1872 in Sao Paulo neighbourhood where prominent chef Andre Magalhaes from Taberna da Rua das Flores in Casa de Sadre has taken over the kiosk and is leading a revival of the petisco tradition (the street snack).
- (ii) The re-purposing of existing restaurants and other public spaces. This is exemplified at Chapito a circus skills training school in the historic neighbourhood below the Sao Jorge Castle where two of the canteens in the school has now been taken over and re-imagined by a local restaurant using the large circus tent as additional space to service traditional dishes to local residents.
- (iii) The development of the neighbourhood markets as places of consumption and not simply the purchase of local food and drink. In part this is a reaction to the development by Time Out of two of the city's markets into highly touristic experiences. As a result, for example, Maria do Rosario Onofre is project managing the Mercado Campo de Ourique to meet the needs of a local market that will continue after Covid to drive tourists into a more unique Lisbon food market. The market has a fine website that is innovative in its design and the presentation of information www.mercadocampodeourique.com



3.2 BUSINESS SUPPORTS AVAILABLE

Creating local networks and encouraging cross fertilisation of ideas and local collaborations.



3.3 ROLE OF LOCAL GOVERNMENT AND INDUSTRY GROUPS

Frameworks of action have been to support the development of networks and collaboration alongside strategies to encourage localisation and the regeneration of local neighbourhoods in and across the city.



www.onthegotours.com

3.4 NEW INCENTIVES DEVELOPED LOCALLY

The primary vehicle appears to be the development of collaborative walking tours and the market initiatives, notable examples include:

- From the start of the lockdown in Lisbon, the restaurants and some hotels began a programme called 'em casa' = 'at home' a delivery and takeaway initiative that was conceived on the basis of 'putting the hospitable (taking care of) back into hospitality. A good example is Grupo Atalho and its GM, Ricardo Francisco that has shifted to takeaways and the concept of delivering ingredients for a meal to your home with a recipe and on-line cookery advice.
- There have been some extremely strong collaborative activities during the Covid period with leading restaurant owners and chefs working together on community-focused and altruistic initiatives designed to enhance brand values and reputations, these included:
 - (i) 'Food for Heroes' platform which began with six trendy restaurants joining forces to provide and distribute free meals to hospital staff and healthcare professionals (restaurants were Pasta Non Basta, Aruki, Chickinho, Home Sweet Sushi and the Burger Guy) – the collaboration also reported a secondary benefit of their staff feeling a sense of purpose as well as maintaining their jobs. This platform has now gone national.
 - (ii) The Boteco da Linha restaurant in the up-market suburb of Sao Pedro de Estoril began working full-time for the Hospital de Cascais providing meals for the key workers.
 - (iii) Portugal's best known chef, Jose Avillez (two Michelin stars at his Belcanto restaurant) is offering dozens of meals each day for the most vulnerable people in two of the city's most historic neighbourhoods where his restaurants are located.



- (iv) The Associacao Crescer is an NGO to create jobs for homeless people in Lisbon and working with E um Restaurante (literally It's a restaurant) courses were developed to teach homeless people to cook and to prepare meals for other homeless people using food donated from across the region. Today 200 meals a night are provided, overseen by Chefs Nuno Bergonse and David Jesus from two of the cities leading restaurants who are driving this initiative.
- (v) Winemaker, Antonio Macanita (Azores Wine Company) launched an on-line shop to sell wines that had only ever been available in the city's fine dining restaurants and is sharing 50% of the profits with the Portuguese Red Cross in a programme to support vulnerable people - his charitable activity has developed nationally and now across Europe.

The walking tours and the extension of the restaurants into street locations together with the expansion of the takeaway and home food kits movement are illustrative of Value for Money packages developed for the domestic market.

Developing and strengthening brand awareness and reputation is a major driver of innovation in the city with many of the leading brands.



3.5 CHANGING/ EMERGING CONSUMER HABITS AROUND FOOD IN DESTINATION

The primary emerging consumer habit identified relates to a desire for local food and drink with a contemporary twist in an interesting, highly local setting.





SECTION FOUR

KEY LEARNINGS

4.1 KEY LEARNINGS

The top five learnings identified in context of the destination approach to how the destination and businesses adapted are:

1. Creating an environment that supports business level innovation and creativity.
2. Supporting industry start-ups.
3. Encouraging cross-sectoral collaboration.
4. Driving localism in supply chains and in terms of points of consumption.
5. Using these challenging times to develop brand awareness, networks and trialling new ideas.



Time Out Market
(www.timeout.com)

4.2 DESTINATION BEST PRACTICE TOURISM/ HOSPITALITY EXAMPLES

The following tourism/hospitality industry examples are specifically highlighted as best practice in how they applied innovation for recovery:

1. The extension of restaurants into new venues and locations – street food, unusual venues, re-invention of local markets.
2. The importance of the intermediary to provide food and drink tours that work with local networks and help disperse tourism across the city.
3. Ensuring that all layers of tourism marketing and promotion are telling the same stories and aligned messages.
4. Encouraging and supporting start-up small businesses.



