

## **Tourism Management Course**

### **Introduction**

Tourism is travel for recreational, leisure, or business purposes, usually of a limited duration. Tourism comprises the activities of persons traveling to, and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. The World Tourism Organization defines tourists as people "traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes". Tourism has become a popular global leisure activity. Tourism can be domestic or international. Today, tourism is major source of income for many countries, and affects the economy of both the source and host countries.

Some of the pointers to nature of tourism as a service industry are:

- 1) Tourism accounts for nearly 6% of world trade.
- 2) Bulk of the tourism business is located in Europe and North America, with 1/8 of the market share being shared between the other world regions.
- 3) The highest growth rate in tourism in recent years has been in the third world.
- 4) Tourism, like most pure services, because of the characteristic of inseparability, exemplifies a product which cannot be sampled before purchase, the prospective consumers have to travel to a foreign destination. In order to consume the product. Technology today provides the opportunity of some assessment of sorts, through net generated images and rich information. While these do provide some basis for evaluation, only the actual transaction of the service act would lead to realistic assessment of the product.
- 5) The major players in the tourism market include a number of intermediary companies. Some of them transnational in character, some of them exhibit vertical integration, both backward and forward, acquiring interests in all major sectors in this service industry.

### **The Meaning of Tourism**

Tourism involves the ***movement of people***. That movement might either be within their own countries - which is called "*domestic tourism*" - or to and from other countries - which is called "*international tourism*".

In either case, the movement of people involves ***travel***, by different means (by road, or by rail or by water or by air, or by a combination of two or more of these '***modes of transport***', as they are called) over long or short distances. Therefore, tourism and travel are completely interrelated.

1976 - by the forerunner of The Tourism Society (The Institute of Tourism in Britain):-

*"Tourism is the temporary short-term movement of people to destinations outside the places where they normally live and work, and activities during their stay at those destinations; it includes movement for all purposes, as well as day visits and excursions."*

1981 - by the International Conference on Leisure-Recreation-Tourism:-

*"Tourism might be defined in terms of particular activities selected by choice and undertaken outside the home environment. Tourism might or might not involve overnight stays away from home."*

The following - a third - definition of tourism was devised by the then World Tourism Organization (WTO) and was endorsed by the Statistical Commission of the United Nations in 1993, following an International Government Conference in Canada in 1993:-

*“Tourism comprises the activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business or other purposes.”*

### **Reason for increasing importance of Tourism**

#### **a) Income Levels**

In the last 30 years, disposable incomes around the world have shown upward trends, thus allowing more money for activities like leisure travel. Smaller families have meant higher allocations per person in family. More and more women are entering the work force and in real terms the cost of the travel has fallen. The dramatic rise of tourism in the last 50 years can be attributed in a large measure to the combined effect of more leisure time and rise in both real and disposable incomes.

#### **b) More Leisure time**

Increasing unionization of labour right from 1930 onwards has reduced the number of working hours per week. Changing managerial orientations towards human resources have increased the level of pay and paid vacation time in most developed countries. Added to that is the component of social tourism, in eastern European countries where the state often pays for the cost of holiday for certain classes of employees. All this has resulted in a larger number of people having longer periods of leisure which could be allocated to travel.

#### **c) Mobility**

Better transportation and communication services have made the world a smaller place, and have brought both exposure and awareness of distant lands to large sections of potential tourists across the world. Faster modes of travel have cut down on travel time, making it easier for people to economically plan and execute trips abroad.

#### **d) Growth in Government Security Programmes and Employment Benefits.**

The growth in government security programmes and well entrenched policies of employee benefits mean that quite a large number of families may have long term financial security and may be more willing to spend money for vacations.

#### **e) Growth of Business**

Business travelers have always contributed to a large extent to the tourism. The increasing volume of transnational business and the attend an international travel has meant a spurt in the tourism business. Business travel is in fact such an important segment of the tourism market that many international airlines and hotel chains have targeted it as their key area of operation, developing a whole range of services to cater to the needs of the business travelers.

#### **f) Tourism Motivation**

Even if the people have the time, the money and the mobility to travel, tourism will not occur unless people have the motivation to take a trip. Motivation to travel may spring from a variety of needs. A variety of typologies developed for the tourists have classified tourists as those wanting to satisfy need for status and self-esteem, need for recognition as well as the need to know and understand, and the need for aesthetics.

## History and development of tourism

Leisure travel was associated with the Industrial Revolution in the United Kingdom – the first European country to promote leisure time to the increasing industrial population. Initially, this applied to the owners of the machinery of production, the economic oligarchy, the factory owners and the traders. These comprised the new middle class. Cox & Kings was the first official travel company to be formed in 1758.

The developments in technology and transport infrastructure, such as jumbo jets, low cost airlines and more accessible airports have made many types of tourism more affordable. The WHO estimated in 2009 that there are around half a million people on board aircraft at any given time. There have also been changes in lifestyle, for example some retirement-age people sustain year round tourism. The advent of information and communication technology has accelerated tourism industry in the world. Today a tourist can decide the tourist destination and schedule his trip sitting his own house.

## Segmentation in the Tourism market

The tourism market can be segmented by using variables like: (a) age groups; (b) number of trips taken per annum/season; (c) income and education; (d) purpose of the trip. In contrast to the first three the last variable i.e. purpose of the trip has been fairly extensively used by the major players in the tourism industry – hotels, tour operators and travel agents, and airlines Using this criterion segments have been identified as travel for business, vacation, convention, personal emergencies, visits to relatives and other types.

## Most popular categories of tourism

The Tourism industry has developed through the years and presently is one of the most diversified, customized and specialized industries. Let us have a brief description of some of the most popular types of tourism worldwide where tourists are categorized by the purpose of their visit.

### *a. Leisure Tourism*

Leisure time can be defined as “*free time*”, not doing any work. It is that time to do things that you normally have no time for in your daily life. Leisure tourism includes a holiday with the following:

- Leisure activities
- Relaxation: Sleep, relax, reading, walk on the beach, taking a scenic drive
- Sport activities: hiking, swimming, surfing, running
- Visit places of interest and local attractions
- Visiting friends and relatives
- Shopping for goods that will be used by the tourist.

### *b. Business Tourism*

Business tourism can be defined as “*travel for the purpose of business*”. Business Tourism can be divided into three sections:

- Trading for goods to be resold on a wholesale basis
- Conduct business transactions e.g. visiting a client, contract negotiations.
- Attending a conference, exhibition or event associated with their business.

**c. Medical Tourism**

Medical Tourism involves people who travel to a different place to receive treatment for a disease, health condition, or a surgical procedure, and who are seeking lower cost of healthcare and higher quality of care. Favorite procedures in medical tourism include Cardiology, Cardiothoracic, Cosmetic Surgery, Plastic and Reconstructive Surgery, Weight Loss, Neuron, Eye, Orthopedic Surgery, as well as Organ Transplants (kidney). Medical Tourism services include medical facilitation, travel arrangements, accommodation, transportation and tour packages.

**c. Cultural Tourism**

Cultural tourism or sometimes referred to as heritage tourism is the division of tourism concerned with the region's culture, specifically the lifestyle and history of the people, their art, architecture, religion and other elements. Cultural tourism includes cultural facilities such as museums, theatres and festivals. This is one of the most popular types of tourism and attracts tourists from different parts of the world.

**d. Adventure Tourism**

Adventure tourism is an outdoor activity that generally takes place in an unusual, remote or a wilderness area. This adventurous activity can take place in the sea, in rivers, in the air, in mountains and is associated with low or high levels of physical activity. There are many types of products and services that fall within the Adventure Tourism category such as:

Bungee jumping, mountaineering expeditions, rafting, rock climbing, diving, wind surfing, paragliding and many more.

**e. Wellness Tourism**

Wellness tourism is one of the fastest growing forms of international and domestic tourism. This form of tourism involves people who travel to a different place to pursue activities that maintain or enhance their personal health and wellness, and who are seeking unique, authentic or location-based experiences. Wellness tourism include massages, body treatments, facial treatments, exercise facilities & programs, weight loss programs, nutrition programs, pre- and post-operative Spa treatments and mind/body programs.

**f. Eco Tourism**

Ecotourism is "Responsible travel to natural areas that conserves the environment and improves the well-being of local people." The purpose of ecotourism is to educate the traveler about natural destinations, to provide ecological conservation and awareness, to benefit economic development, the political empowerment of local communities and respect for the local culture. Here the traveler can experience the natural way of life surrounded by natural circumstances.

**g. Sports Tourism**

Sports tourism refers to international travel either for viewing or participating in a sporting event. Examples include international sporting events such as the Olympics, world cup (soccer, rugby, and cricket), tennis, golf and Formula 1 Grand Prix.

**h. Religious Tourism**

Religious Tourism or faith tourism are people of faith who travel on their own or in groups to holy cities or holy sites for pilgrimages, crusades, conventions, retreats, religious tourist attractions or missionary work.

## ***i. Wildlife Tourism***

Wildlife tourism is the observation of wild (non-domestic) animals in their natural environment or in captivity. It includes activities such as photography, viewing and feeding of animals. This form of tourism offer tourists customized tour packages and safaris and is closely associated with eco-tourism and sustainable-tourism. Other minor forms of tourism include Slum tourism, Luxury tourism, Agritourism, Geo-tourism, culinary tourism and many more. Tourism is also a profitable industry for the following sectors: accommodation venues, tour guides, recreation, attractions, events and conferences, food and beverage, transportation and the travel trade.

### **Impact of tourism**

#### ***1. Economic***

Tourism increases employment opportunities. Additional jobs, ranging from low-wage entry-level to high-paying professional positions in management and technical fields, generate income and raise standards of living. Particularly in rural areas, the diversification created by tourism helps communities that are possibly dependent on only one industry. As tourism grows, additional opportunities are created for investment, development, and infrastructure spending. Tourism often induces improvements in public utilities such as water, sewer, sidewalks, lighting, parking, public restrooms, litter control, and landscaping.

Such improvements benefit tourists and residents alike. Likewise, tourism encourages improvements in transport infrastructure resulting in upgraded roads, airports, public transportation, and non-traditional transportation. Tourism encourages new elements to join the retail mix, increasing opportunities for shopping and adding healthy competitiveness. It often increases a community's tax revenues. Lodging and sales taxes most notably increase but additional tax revenues include air travel and other transportation taxes, business taxes, and fuel taxes. New jobs generate more income tax revenues.

Jobs created by tourism are often seasonal and poorly paid, yet tourism can push up local property prices and the cost of goods and services. Money generated by tourism does not always benefit the local community, as some of it leaks out to huge international companies, such as hotel chains. Destinations dependent on tourism can be adversely affected by events such as terrorism, natural disasters and economic recession.

#### ***2. Social and Cultural***

Arrival of tourists brings diverse values to the community and influence behaviors and family life. Individuals and the collective community might try to please tourists or adopt tourist behaviors. Interactions between residents and tourists can impact creative expression by providing new opportunities (positive) or by stifling individuality with new restrictions (negative). Increased tourism can push a community to adopt a different moral conduct such as improved understanding between sexes (positive) or increased illegal drug use (negative).

Safety and health facilities and staffing tend to increase at the same time safety problems such as crime and accidents increase. Traditional ceremonies may be renewed and revived by tourist interest or lost in alternative activities. Community organizations can be invigorated by facing the opportunities of tourism or overwhelmed by its associated problems. Calamities such as natural disasters, energy shortages, terrorism, political upheaval, disease outbreak, a chemical spill, or even widespread negative publicity could shut down tourism abruptly but sometimes can attract curious visitors. Tourism can improve the quality of life in an area by increasing the number of attractions, recreational opportunities, and services. Tourism offers residents opportunities to meet interesting people, make friendships, learn about the world, and expose themselves to new perspectives.

Experiencing different cultural practices enriches experiences, broadens horizons, and increases insight and appreciation for different approaches to living. Often, dwindling interest in host cultures is revived by reawakening cultural heritage as part of tourism development, which increases demand for historical and cultural exhibits. This interest by tourists in local culture and history provides opportunities to support preservation of historical artifacts and architecture. By learning more about others, their differences become less threatening and more interesting. At the same time, tourism often promotes higher levels of psychological satisfaction from opportunities created by tourism development and through interactions with travelers.

### **3. Environmental**

Areas with high-value natural resources, like oceans, lakes, waterfalls, mountains, unique flora and fauna, and great scenic beauty attract tourists and new residents (immigrants) who seek emotional and spiritual connections with nature. Because these people value nature, selected natural environments are preserved, protected, and kept from further ecological decline. Lands that could be developed can generate income by accommodating the recreational activities of visitors. Tourist income often makes it possible to preserve and restore historic buildings and monuments. Improvements in the area's appearance through cleanup or repairs and the addition of public art such as murals, water fountains, and monuments (part of making a community ready for tourism) benefit visitors and residents alike. Tourism is generally considered a "clean" industry, one that is based on hotels, restaurants, shops and attractions, instead of factories.

Tourism can also degrade an environment. Visitors generate waste and pollution (air, water, solid waste, noise, and visual). Natural resource attractions can be jeopardized through improper uses or overuse. Providing tourist services can alter the landscape's appearance. For instance, visual pollution may occur from billboard proliferation. As tourism develops, demand for land increases, especially for prime locations like beachfronts, special views, and mountains. Without forethought, natural landscape and open space can be lost. The destruction or loss of flora and fauna can happen when desirable plants and animals are collected for sale or the land is trampled. Tourists or the businesses that cater to them often remove plants, animals, rocks, fossils, coral, and cultural or historical artifacts from an area.

Uncontrolled visitation or overuse by visitors can degrade landscapes, historic sites, and monuments. Where water is scarce, tourists can overwhelm the available supply. Travelers can also inadvertently introduce no indigenous species, as can increases in the trade of animals and plants. A constant stream of visitors and domestic pets may disrupt wildlife by disturbing their breeding cycles and altering natural behaviors.

### **Travel agency**

A travel agency is a private retailer or public service that provides travel and tourism related services to the public on behalf of suppliers such as airlines, car rentals, cruise lines, hotels, railways, and package tours. In addition to dealing with ordinary tourists most travel agencies have a separate department devoted to making travel arrangements for business travelers and some travel agencies specialize in commercial and business travel only. There are also travel agencies that serve as general sales agents for foreign travel companies, allowing them to have offices in countries other than where their headquarters are located. A travel agency may offer every possible service or specializes in a certain type of business.

In that sense travel agencies can be divided into different types according to the services they offer. Here are some examples:

**Full-service travel agency**

- Offering all services and products related to international and domestic travel.
- It is equipped to handle all types of travel such as holiday and business travel on individual or group based.
- Smaller agencies situated in residential areas tend to concentrate on leisure travel.
- larger agencies serving commercial areas will concentrate on business travel.

**Corporate/ Business travel agency**

- Specialize solely in servicing the travel needs of the business or corporate clients, in that sense they deal with work-related and incentive travel.

**In-house travel agency**

- Differs from the corporate travel agency in the sense that they work with only one corporate account doing mainly business travel but also handling the leisure side for corporate clients.

**Specialty agencies**

- Result of specific market needs, serving the needs of market segments such as senior citizens, incentive groups or adventure travelers.

**Tour guide**

A tour guide or tourist guide provides assistance, information and cultural, historical and contemporary heritage interpretation to people on organized tours and individual clients at educational establishments, religious and historical sites, museums, and at venues of other significant interest. The CEN (European Committee for Standardization) definition for "tourist guide" – is:

*Tourist guide* = person who guides visitors in the language of their choice and interprets the cultural and natural heritage of an area, which person normally possesses an area-specific qualification usually issued and/or recognized by the appropriate authority.

CEN also produced a definition for "tour manager":

*Tour manager* = person who manages and supervises the itinerary on behalf of the tour operator, ensuring the programme is carried out as described in the tour operator's literature and sold to the traveller/consumer and who gives local practical information.

**Hotel**

Hotels are a vital and essential part of the tourism industry. A hotel is an establishment that provides lodging paid on a short-term basis.

**Types of hotels****1. One star hotels**

These hotels belong to the no-frills variety that offers basic bedding and bathroom facilities. The furniture, décor, etc. may not be of high quality, but is mostly comfortable. Arrangements for meals may or may not be included.

## **2. Two star hotels**

The extra star here is for a proper reception desk and some amount of staff presence. Two star hotels are suitable for people with limited budgets but who are travelling with their families and need a reasonably safe place to stay.

## **3. Three star hotels**

Three star hotels are mostly good for business travelers who are travelling for a short period on business. They are also a good option for female travelers who are travelling alone and don't want the tension of staying at a place where their security could be at risk or their belongings unsafe. Three-star hotels are generally part of a larger chain and have footprints in more than one location.

## **4. Four star hotels**

The premium variety of hotels starts from here. There will be larger rooms, better décor, more amenities, and better services like availability of porters, 24-hour room service, laundry, and multi-cuisine restaurants. Four star hotels are mostly used by corporate travelers where the company pays for the stay.

## **5. Five star hotels**

Five star hotels are top level hotels. Breakfast served in bed, shoes polished, clothes washed and facilities for getting almost. Other facilities include huge lobbies, round-the-clock room service, swimming pools, gyms, sauna, spas, badminton/tennis courts, beauty salons – etc. The staff in these hotels mostly comprises hotel management graduates from the best schools, well-trained in customer service, crisis management, etc. The clientele that five star hotels cater to include big names from fields of entertainment, business, and sports.

## **6. Five star deluxe hotels**

This type of hotels caters to the movers and shakers of the world. A private balcony, fully stocked mini-bar, personal masseur, king-sized beds – these are just some of the rare luxuries you can treat yourself to at a five star deluxe hotel. The most well-known brands belonging to this category include the Taj, Hilton, Leela Palace, Grand Hyatt.

## **Hotel Pricing and Distribution**

### ***Pricing***

It is difficult for a hotel to exercise differential pricing except for certain specific purpose. These may typically be differentials in tariffs and prices during the peak and lean seasons; group rates; contract rates for airline crew; special conference rates or special concessions to attract customers etc. However, by and large, hotel pricing tends to follow or conform to pricing standards applicable to the particular city area or resort, to competitive hotels, to the amount of traffic being generated in the hotel location, tourist location, international or national conference venue, and so on. Nevertheless, hotel pricing also suffers from a degree of lack of flexibility, although to a lesser extent than that of the hotel product.

The depreciated valuation of the hotel property, its financial management efficiencies, credit policies and other factors, specially cost of empty room-nights, fixed overheads, also have a bearing on tariffs and menu prices.

### ***Distribution***

Hotel distribution relies on interdependence with other industries serving travelers and tourists such as the transportation industry (airlines, railways, roadways, shipping lines), travel agents and tour operators, national

and state tourism organizations, shopping and entertainment providers. In sum, those services which provide certain other facilities to the traveler or the tourist which are bought when accommodation and food are assured.

### ***Communications***

This element of the hotel marketing mix is the most important one as it is directly responsible for bringing customers to the hotel. Hotel marketing communications are either direct or indirect. The direct communications are through personal selling, advertising, sales promotion and direct mail. Appropriate messages are conveyed to those who are potential buyers of the hotel product and those who directly influence decisions to buy the hotel product. Personal selling of the hotel product is effective when long-term relationship between the hotel and the customer is sought. It is also required where the level of business per customer is likely to be significant. Indirect marketing communications for hotels include public relations and publicity, both of which may and may not form a part of the hotel's marketing communication programme but may function independently. The major elements of the hotel communication mix thus are – mass media advertising, direct mail, sales promotion, public relations, and publicity.

### ***The Industry***

It is quite accurate to refer to tourism and travel as an “*industry*”, because it produces, markets and provides ‘*products*’.

However, many different business activities are involved in this industry, some of which might at first sight appear to operate independently of others. In reality, different types of activities depend upon and must interrelate with each other for success, and however diverse they might be, they must be co-ordinated and must operate in harmony in order to provide the full ‘*tourism product*’. For example:-

- **Transport** (both international and local) and accessibility are essential to tourism.
- **Accommodation** and **catering** of different kinds and standards are vital.
- Both small and large scale **entertainment** and **sporting facilities** need to be provided as the attractions to draw and attract tourists to a destination.
- Leisure and holiday centers, sports resorts, sea cruises, fly-drive holidays, coach and motoring, railroad, and walking holidays are organized and run by many **different businesses**, some small and some very large.
- There are individuals and businesses engaged in **promoting, marketing** and **selling** the tourism products: tour operators, advertising and publicity specialists, printers and, of course, the “retailers”: travel agencies, travel websites or web stores, and similar.
- In addition, many “*support*” or “*ancillary services*”, such as guide or courier facilities, travel insurance, foreign exchange, travelers cheques and credit facilities, are required to ensure full “customer satisfaction” with the actual tourist products provided.

Not every type of business within the tourism and travel industry is necessarily involved in every tourist product, of course; but generally a number of quite different ones are involved. And it is essential that those “mesh” smoothly together, to ensure a trouble-free trip or holiday/vacation for the client - the “consumer”.

In very many instances the client - the tourist - should not even be aware that the holiday/vacation involves numerous distinct business activities; he or she might have purchased the product as a ‘*package*’. That might include transport, accommodation, catering, entertainment, sporting activities, etc. Nevertheless, separate

activities **are** involved, and it requires considerable skill and experience and good “behind the scenes” organisation to ensure that they are efficiently co-ordinated.

### **The Tourism Product**

It is essential that all professionals who are engaged in the tourism and travel industry remember always that the product which they are marketing is ‘intangible’. By this term we mean that it is non-material and cannot be seen, felt, tasted, heard or smelt. For those reasons, a tourism product cannot be inspected, sampled or tested in advance by prospective purchasers as can so many “tangible” products: for example, refrigerators, clothing, foodstuffs, radios, perfumes.

A tourism product is essentially a “SERVICE”, which is itself made up of a variety of different services. And, being intangible, it cannot be measured, tested or verified in advance of the purchase of it by a customer or client; remember that only the RESULTS of the service provided can be “experienced”; that is, seen and/or felt.

Some components of a tourism product are certainly “physical” and tangible - such as the bed and other items of furniture in an accommodation unit, meals, beverages, vehicles, etc. But in reality they are also really services, and they only add to - or detract from, if they are inferior - the feelings of pleasure, enjoyment, comfort, relaxation, etc, which are what the client pays for!

Because of the huge diversity of travelers and their motives for travelling, there is no one “standard” tourism product; and although many such products incorporate similar features, there are usually many different products between which clients can choose, to suit their requirements, expectations and financial circumstances. And, of course, different categories of travelers (tourists, business travelers and excursionists) are interested in and will pay for quite different tourism products.

### ***Holiday/Vacation Products***

A holiday/vacation, because of its intangible nature, is often likened to a ‘*dream*’. Its prime objective is to turn into reality for a relatively short time the holidaymaker’s *dream or fantasy* - and the *planning and anticipation* of the holiday/vacation might be as exciting and enjoyable as is the reality in due course. And, of course, the *memory* of the holiday/vacation, and the *recalling* of it from photographs, videos, DVDs, etc, might also provide considerable enjoyment. A holiday/vacation might be the eagerly awaited “high point” in what might otherwise be an unexciting, drab, mundane and toilsome life.

### ***Excursion Products***

In some cases a short excursion trip might also realize a “dream” for some or all participants; for example, a day trip to the seaside or to some other “exciting” location for otherwise deprived children, or for the elderly or senior citizens; again, anticipation and later the memory of the trip might provide added pleasure. In other cases an excursion might be in the nature of a “break”, or might be a shopping expedition, or might be a business trip or part of one.

### ***Business Travel Products***

Although many people enjoy travelling for business - and the opportunity to travel might be welcomed - to some other people business travel is looked upon as being a “chore”, a possibly unwelcome or inconvenient one - but one which has to be performed. Frequently the business person has little choice in the matter of destination(s), in the timing(s) of a trip or in the length(s) of stay, and quite often business trips have to be arranged at short notice. The major priorities for such a business person will be convenient transport at the right

times - without unnecessary delays or time wasting, for example, between arriving on one flight or train or coach, and catching another - and also suitable accommodation at the destination(s).

The “business travel product” is therefore very different from the tourism product, although some of its components will inevitably be similar, such as transport and accommodation. The key difference is generally choice. Whereas, as we have already stated, a business traveller might have little choice as to destination(s), timing(s) or length(s) of stay, the holiday/vacation or leisure tourist frequently does have a choice - VFR travel being a possible exception in some circumstances.

That very element of choice means that the skilful marketing of tourism products, both at the tour operator level and at the retail level - at travel agencies, on websites, etc - is required. It is essential that professionals who provide the tourism product try to ensure, as far as is possible, that the “reality” fulfils - matches up to - the dream. That is no easy task, because certain features of services set them apart from tangible products (which are often called “goods”).

### Special Features of Services

It is very important for all professionals who are involved in tourism and travel to remember these important ways in which services **differ** from tangible goods:-

Firstly, as we have explained, because they are *intangible* services cannot be “tested” in advance, so neither the client nor the seller or vendor can be certain that the holiday/vacation recommended or selected is exactly what is sought. Thus to a large extent the client buys “on trust”.

Secondly, the success of a holiday or vacation can depend to a large extent on the *personnel* who provide the various services which together make up the “full” product. Such personnel might include some or all of: couriers, air hostesses or stewards, travel representatives and travel agency counter staff, hotel receptionists, restaurant and housekeeping staff, and many more, because most services - and tourism is definitely no exception - are “labour intensive”.

Therefore, the *standard of performance* of the various services can vary considerably depending on,

- (1) The *behavior of people* who are involved in the provision of the services
- (2) The *manner* in which the services are provided.

The satisfaction of travelers and tourists will be affected by whether or not the services are provided in a friendly way, efficiently, helpfully, sympathetically, offhandedly, disinterestedly, carelessly, and so on.

What is more, much depends on the attitude of the person ‘receiving’ a particular service, because very often the provision and “consumption” of a service are inseparable, and the recipient participates in the process. Some people are easy to please, whilst other people are very difficult to please; some people can overlook minor problems whilst other people are very critical and demanding; some people are determined that nothing will spoil their enjoyment, whilst other people seem equally determined not to enjoy themselves!; and so on.

- Another feature of a tourism product is that it cannot be taken to the consumer; instead the consumer must be taken to the product and, of course, part of the product actually involves the “taking to” - by one or more modes of transport, such as by road, rail, water or air.

- The many services which jointly make up a tourism product are perishable. They cannot be “saved” or “stored” for later use. For example, an “unsold” hotel bedroom or cruise ship cabin, aircraft or coach or train

seat cannot be “stored” for sale at a later date (as can be often done with many tangible products); once a sale has been lost, it is lost forever! That is why large discounts and/or other incentives might be offered for “last minute” holidays or “breaks” - in order to fill aircraft, hotels, etc.

- Finally, at least in the short-term, the supply of a tourism product is inelastic, that is, it is more or less fixed. For example, the number of hotel rooms or beds available at a particular resort cannot be substantially increased to meet higher than anticipated demand in a particular season. Some hotels and/or guest houses, etc, might close during the “off season”, but it is not easy to reopen them at short notice to meet greater than expected demand, in the way in which the rate or volume of production or manufacture of tangible products can be increased to meet increased consumer demand.

### Types of Tourism Products

It will be useful for you to learn these definitions of words commonly used by professionals in the tourism and travel business:-

- A tourism product is commonly called a ‘tour’.
- The word ‘touring’ implies relatively continuous travel, involving visits to a number of different areas or countries, by coach for example.
- A ‘cruise’ is travel by water - sea, lake, river, canal - again often involving visits to different areas or ports, frequently in different countries.
- The word ‘trip’ is often used to refer to a day excursion, although some laymen might use the word to refer to a longer tour.
- A ‘domestic’ tour is one which is taken *entirely within* the national boundaries of the traveller’s own country. For economic reasons, which we have mentioned and will consider again later, many countries encourage domestic holidays/vacations.
- An ‘international’ tour is one which is taken in one or more countries *outside* the traveller’s own home country.

### Tourist Destinations

The term ‘**destination**’ used in relation to travel and tourism refers to a place to which a tourist travels, generally with the intention of “staying” (that is, making use of accommodation) for some time. Some tourist destinations are ‘**transitory**’ ones; perhaps on the way to another destination. For example, a tourist might visit a number of islands in a “group”, staying at each one for two or three days. Many tourists, on the other hand, travel direct to their ‘**final destinations**’, where they propose to stay - or to be “based” - for the duration of their tours.

Some tours might provide a “combination”. For instance, a tourist might travel to - and stay for one or two days at - one or more transitory destinations on the way to the final destination, where he or she will stay for the remainder of the tour.

Of course, in some cases - such as fly-drive tours - there might be no “final destination” as such, because the tourists decide where they want to stay, and for how long they want to stay there. Also, some fly-drive and coach tours and cruises start and eventually finish at the same seaport or airport, etc.

The foregoing examples (and there are other variations, too!) illustrate just how wide is the range of types of tour available to tourists today.

The range of destinations available to tourists from many countries is also very wide - and is continually increasing.

Although some people are content to take the “same” holiday over and over again, in the same resort (sometimes staying at the same hotel, guest-house, camp site, etc) many other people seek variety - “something different”, new or exciting. Indeed, in some countries the “traditional” type of holiday - to a national seaside resort, for example - has declined considerably in popularity.

International travel has blossomed in recent years (although economic restraints and transport problems - such as airline and air traffic controllers’ strikes and terrorist activity - tend to reverse the trend to some degree) and peoples’ “horizons” have widened. Low-fare airlines and tour operators offering modestly priced package tours, together with ready access to holiday and travel websites, have been responsible to a large degree for this change in attitudes, but tour operators and related businesses must be constantly on the lookout for new destinations (as well as new types of tours) because tourists’ demands and expectations change.

### Features of Tourist Destinations

What, then, are the factors which help a particular tourist destination to prosper? Basically there are three such factors, which are interrelated.

- The **attractions** of the destination, and how they have been promoted.
- The **amenities** or **facilities** offered by the destination, and their costs.
- The **accessibility** for tourists of the destination, which includes the type and range of travel opportunities offered.

We now examine each factor separately briefly - and the explanations are expanded upon in later Modules.

#### *Attractions*

An ‘**attraction**’ in this context is something which appeals to a particular tourist or to a prospective tourist. It is something which creates and arouses interest and a desire to see or to participate in; it is really an appeal to the senses or to the motivations for embarking on travel.

Some tourists, particularly after a package holiday or a cruise, complain of having been treated like “sheep”, or of the “regimentation” at holiday centres or villages (note that the once commonly used term “holiday camp” even implied regimentation, hence the decline in its usage). It is true that some people do like having everything organized for them - that is part of their enjoyment - whilst others do not.

But it must always be borne in mind by professionals who organise and market travel and tourism, that tourists have individual characters and temperaments, likes and dislikes, prejudices and preferences. As a general rule they want and expect a **choice**, and in no area is that more noticeable than with attractions; the attractions offered by a destination which appeal to one person might be disliked by another, to the extent of deterring a visit to that particular destination.

Of course, in many instances the destination which is selected might have to be a “compromise” between the different likes or preferences of, say, a husband and wife. They might eventually select a destination which has

the most “plus” attractions and the least “minus” attractions, or one in which “minus” features are offset by an attractively low cost, and so on.

The choice of destinations made by parents who will be accompanied by a child (or more than one) might be strongly influenced by the activities or facilities offered - which will in effect be “attractions” - which will be suitable for youngsters; and those will in turn depend on their ages. For example, young children might need crèches (nurseries where babies and young children are cared for) or playgroups; some children might need supervised activities, such as swimming or athletics; whilst teenagers might need organized entertainment, recreational activities and amusements, such as discos.

The possible range of attractions at destinations is very large and varied, and that range is continually being widened. Nevertheless, it is possible to categorize attractions as falling into three main categories.

**Site attractions** - which might be countries or areas of countries or groups of countries, or geographical regions, islands, or cities or resorts. In effect, it is the destination itself which appeals to tourists.

**Event attractions** - which might be exhibitions, important sporting fixtures (such as the Olympic Games and the World Cup Football Final), international conferences, carnivals, festivals, religious ceremonies, and so on. Tourists opt to visit the destination because of what is taking place there at the time they propose to visit - or they will time their visits to coincide with the particular event.

**Combined site and event attractions** - many sporting and other events are likely to have greater and added appeal to tourists if they are held in locations which also have site attractions.

**Natural attractions** such as mountains (which may be individual peaks or ranges), volcanos, rivers, waterfalls, canals, lakes, deserts, glaciers, canyons, rolling countryside, beaches, game reserves, fjords, and so on; as well as climatic conditions, such as sun, blue skies, clean/fresh air, etc.

**Man-made attractions**, such as holiday resorts and complexes, theme parks, zoos, wildlife parks and marine centers, historic or religious sites and buildings and other constructions (for example the Pyramids in Egypt, the Great Wall of China and the Panama Canal), or those of architectural interest, and so on.

Despite the distinction we have just shown you, there are many tourist destinations which depend for their success on a **combination** of both natural and man-made attractions. For example, expansive golden beaches might themselves be an attraction; but relatively few tourists might visit them unless and until resorts have been developed or there are other man-made attractions in the vicinity.

Attractions in general can be further subdivided into:-

**Nodal attractions** - this term refers to the situation in which the various attractions of a destination are located in fairly close proximity to one another. Tourists stay in one resort or city, for example, which provides all or most of the attractions and amenities they seek, although they might make short excursions out of the immediate vicinity. Obviously such destinations make them particularly suitable for inclusive tours.

**Linear attractions** - this term refers to the situation in which the attractions might be spread over a fairly wide geographical area, which might encompass more than one country, often with no one “centre” of attraction. Such destinations are most suitable for touring holidays, on foot or by bicycle, or by coach or in private or rental vehicles, for fly/drive holidays, and in some cases for cruises (perhaps by inland waterways - rivers and canals) or by railway.

## The Promotion of Destinations

Whatever the types of attractions (or combination of them) of a particular destination, if tourists are to visit it - in the numbers which can be catered for - it must be '*promoted*'. By this we mean that potential tourists must be made aware of it and its various attractions. Obviously, if people do not know a destination exists, or what its attractions are, they will not visit it.

Advertising and other publicity is carried out for many destinations, and they and their attractions need to be described (often with the aid of color photographs) in brochures, pamphlets, leaflets, videos, DVDs, etc, in such a way as to appeal to potential tourists; these documents are so important that they are dealt with at length in Module 12, where we also consider the equally important matter of the promotion of destinations using websites. In very many cases, effective and regular promotion of destinations is essential for their continued success.

A "free" form of promotion which should never be overlooked, however, is "*word of mouth*"; tourists who have enjoyed a visit to or a holiday/vacation at a particular destination are likely to recommend it to other potential visitors - a vital reason for always ensuring "customer satisfaction".

However magnificent the scenery of a destination, however beneficial its climate, however appealing its other attractions, tourists to it will be limited if :-

They cannot reach it easily and conveniently (for example, by road, rail, chair lift, cable car, etc, as appropriate) or if they cannot be accommodated or otherwise catered for there.

We therefore now consider amenities and accessibility.

### Amenities

By definition, amenities are "*facilities*" provided to meet requirements or needs. The "basic" requirements which tourists want at a destination are, of course, accommodation, catering, and WCs/washrooms, cloakrooms or restrooms.

But the standards of the facilities which are expected by different tourists can and do vary enormously. What one tourist might consider a "luxury", such as a private en suite bathroom in a hotel, another tourist might consider a "bare necessity". Some tourists might be perfectly happy accommodated in tents, caravans, chalets, etc, whilst others demand "*five star*" hotel accommodation. The same applies to food, as some people are content with self-catering or self-service canteen facilities, whilst other people demand full restaurant services, or even "*gourmet*" catering. Good local transport facilities are often also essential.

The amenities expected are closely allied to motivations for travel; different people might require different entertainment, sporting facilities, guide or sightseeing or other excursion facilities, and so on. In addition, and as we have already mentioned, facilities might be required to enable tourists to reach particular attractions or to engage in the activities for which they are visiting a destination, for example ski-lifts need to be provided at a skiing resort. Adequate facilities for the safety of tourists - for example, safe vehicles for tourists visiting game reserves; and beach guards or life guards on dangerous stretches of water or coast - are also very important.

The costs of the amenities offered are often important considerations, notwithstanding the fact that the better the standards of amenities offered or expected, the higher their costs are likely to be. The individual costs of some amenities (such as a ski lift pass, or green fee for golf) might, of course, be "included" in the price of a "package", but nevertheless they will of necessity contribute to the overall cost of that package.

Cost-cutting in relation to amenities by tour operators, to try to keep prices down, can easily be counter-productive. A golfing enthusiast, for example, might be prepared to overlook uninspiring meals or even inadequate accommodation, but would complain bitterly if his golfing facilities were not up to expectation! Similarly, package tourists staying at a beach resort are often upset at being called upon to pay extra for beach chairs or loungers - even though they are often prepared to pay “over the odds” for drinks served to them on the beach.

It is important that travel brochures and websites, and other promotional media - such as advertisements in magazines, travel supplements and guides and on television - state clearly and honestly, without ambiguity, what **is** - and equally what is not - included in the price of what is described as an “inclusive” tour.

It can happen that the amenities which are offered at or by a destination become themselves the “attractions” to that particular destination. For example, hotel and/or resort complexes have been constructed in many countries, sometimes in previously unexploited areas, offering a wide variety of entertainments and other facilities which in their own right attract tourists in substantial numbers.

### **Accessibility**

Ease of access to - and from - a destination is an important factor; this is especially so if ‘mass tourism’ is what is being sought.

To large numbers of travelers, the actual time spent travelling to (and back from) a destination is considered “dead” or “wasted” time, is boring and uncomfortable - delays caused by strikes, congestion, security and immigration checks, and the like, add to the displeasure, whether travel is by rail, road, air or water. (And that can apply equally to the travel necessary to the “starting point” for coach tours and cruises, and travel back home from the “finishing point” or port of disembarkation.) It is generally important for a destination to have regular, convenient and reasonably priced modes of transport to and from it. Distance and travel-time from and back to the country/area of origin might be important considerations in deciding whether a particular destination will be visited or not.

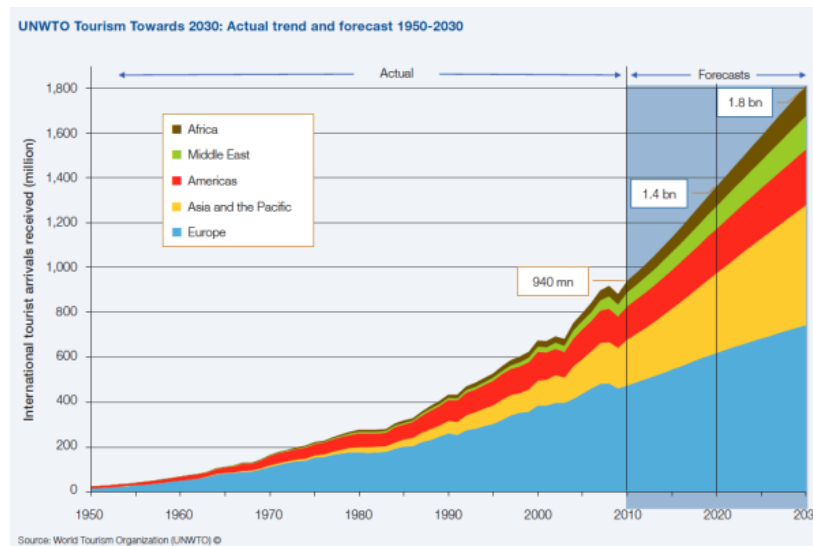
Another matter to be considered under this heading concerns immigration procedures, visas, etc. If it is a long and tedious matter to obtain a tourist entry visa, for example, then the destination is likely to lose much of its appeal to tourists - because it is not easily accessible.

The amenities for arriving/departing tourists in the ‘host’ country, or area of it, are also important, such as good, clean and efficient airports, sea ports, coach and railway stations, and good railway, coach/taxi services. Delays caused by slow immigration or “entry” processing, at baggage reclaim/handling points, and for customs clearance can all be frustrating - and can deter tourists from a further visit to the country/destination in the future. And “bad experiences” will be passed on to others “back home”, who might also be deterred from making visits there. “Bad publicity” does not help any destination.

The needs of disabled travelers should be taken into account when considering amenities and accessibility at destinations. For example, ramps are needed for wheelchair access, special toilet/WC/cloakroom facilities have to be provided, and suitable transport must be available. In addition, adequate medical services must be on hand, and peoples’ special needs must be catered for in relation to security, such as in the event of fire.

## The future of tourism

Tourism is predicted to increase in the future. The number of international tourists is predicted to increase by 3.3% per year up to 2030, reaching 1.8 billion tourist arrivals (Lee, 2017). Although all areas are set to grow, the fastest growth will be in emerging economies in Asia, Africa and the Middle East.



This increase in tourism has profound impacts on the economic and social characteristics of destinations. The total value of tourism to the world economy by 2027 could be as much as US\$11 trillion (without accounting for inflation, so the nominal value will be even higher).

Summary table of estimates and forecasts in world tourism. Source: WTTC, 2017.

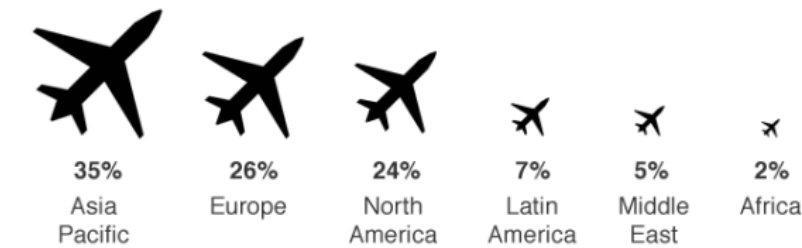
WORLD	2016 USDbn <sup>1</sup>	2016 % of total	2017 Growth <sup>2</sup>	USDbn <sup>1</sup>	2027 % of total	Growth <sup>3</sup>
Direct contribution to GDP	2,306.0	3.1	3.8	3,537.1	3.5	4.0
Total contribution to GDP	7,613.3	10.2	3.6	11,512.9	11.4	3.9
Direct contribution to employment <sup>4</sup>	108,741	3.6	2.1	138,086	4.0	2.2
Total contribution to employment <sup>4</sup>	292,220	9.6	1.9	381,700	11.1	2.5
Visitor exports	1,401.5	6.6	4.5	2,221.0	7.2	4.3
Domestic spending	3,574.6	4.8	3.7	5,414.1	3.9	3.9
Leisure spending	3,822.5	2.3	3.9	5,917.7	2.7	4.1
Business spending	1,153.6	0.7	4.0	1,719.9	0.8	3.7
Capital investment	806.5	4.4	4.1	1,307.1	5.0	4.5

<sup>1</sup> 2016 constant prices & exchange rates; <sup>2</sup> 2017 real growth adjusted for inflation (%); <sup>3</sup> 2017-2027 annualized real growth adjusted for inflation (%); <sup>4</sup> '000 jobs

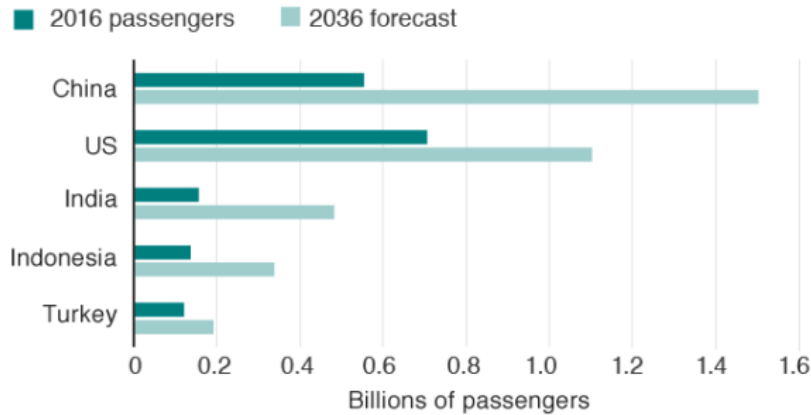
A further consequence is the increase in the number of flights that will be undertaken. This is predicted to be concentrated in Asia, unsurprisingly based on demographics: firstly, the population in many Asian countries (especially India) is still growing; and secondly, the wealth of China and India (and some other countries such as Thailand) is increasing, so more people will be able to afford to fly.

### Asia Pacific airlines carry most people

Market share of air travel by region's carriers  
(based on passenger numbers)



### Fastest growing markets



Source: IATA

BBC

## Reasons for the growth of tourism

There are two main reasons why tourism has grown and is predicted to continue to grow:

- **Demand:** There is a greater demand from people for tourism. As people have higher incomes, and as they have more leisure time, they want to travel to new places. This is also helped by technology such as TV, social media, online advertising, and online booking sites. Meanwhile, diaspora growth has meant that there are more people born in a different country to the one they live in, resulting in more travel for people to visit relatives.
- **Supply:** There is a greater supply of tourist facilities worldwide – for example, most countries now have more tourist attractions compared to the past, and there are more hotels, restaurants and so on that make places suitable for tourism. This is sometimes due to a deliberate government policy to encourage tourism. Also, technology has increased the accessibility of new places through better transport and information systems. Also, there is a greater level of **international security** so tourism is now offered to more destinations worldwide.

## Social media

Social media is replacing traditional methods of marketing and advertising. Content is generated in three ways:

- Government sources
- Private companies and organizations
- Individuals

The importance of governments and companies is declining as individuals create more of their own media. User-generated information about tourist destinations is increasingly important. Regardless of the social network being used, there are two main reasons why social media is so much more important:

1. **Argument quality.** This refers to the range and quality of the content provided. Governments and companies generally present a limited view of the destination because they want to appeal to as many people as possible. However, individuals generating their own content are aiming to appeal to a limited number of people who are likely to have similar interests to themselves, so the details that they give are more relevant and more likely to be detailed about the things that interest their audience.
2. **Peer tourist source.** This means that the source of the information is a peer, or a 'fellow tourist' and therefore more likely to be trusted than a tour company or a government tourist board.

User-generated content can provide a virtuous cycle as international tourists post pictures and descriptions which helps others to imagine themselves in that location. They then share their own experiences, which enables others to have more information about potential destinations. However, this can work in a negative cycle too – a bad experience shared on social media can influence future tourists to stay away (Lee, 2017).

There are other ways in which the tourism industry is being affected by social media (Carnoy, 2017):

- **Customer service.** Feedback from tourists to the travel provider is quick and public, leading to quicker responses and the problem being solved.
- **Loyalty.** Branded experiences are quickly shared and targeted advertising on social media can encourage future bookings.
- **Travel research reformed.** People actively seek out comments from other travelers on social media, such as ratings for hotels, regardless of whether they know the person in real life.

### **Digital Technology in Tourism**

Today, tour operators and tourists, both are equipped with latest technology. It has empowered the tourism business managers and tourists to explore, discover and reach new places by facilitating online travel and accommodation bookings, and more.

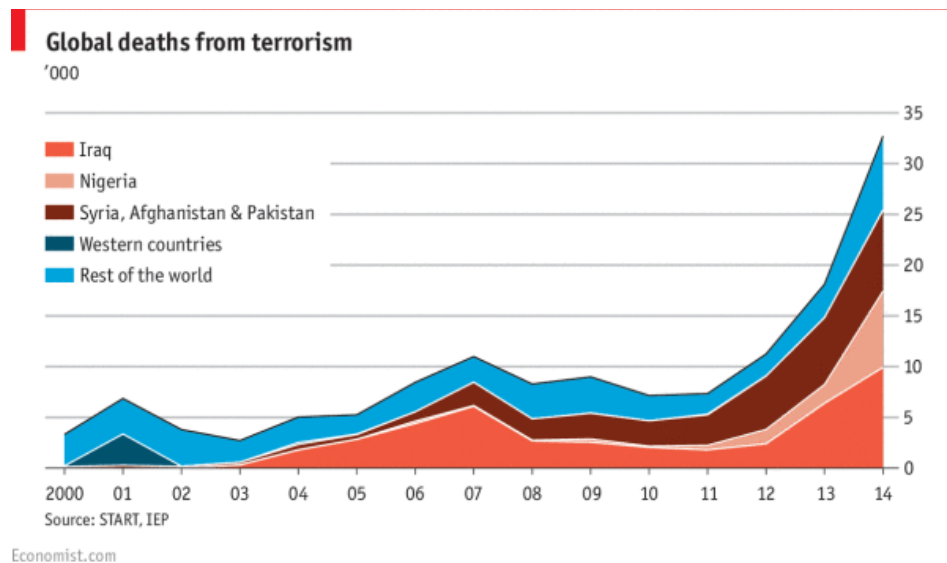
The tourists use various mobile apps as simple as a compass app, online booking apps, currency converter apps, world time apps, language translation apps, weather apps, google maps, and restaurant or accommodation locating services on their mobile device. The tourists can also add their own data to create overlay on the Google Map and explore all possibilities in visiting a location by using Google Maps API. Some apps help to plan the tour, find out cheap flights, local transport hubs, eating joints, and destination attractions.

Since technology is making tour operators reach their customers and clients at the speed of light, the tour operators use it for promoting their business and various products, increasing their brand awareness, knowing tourists' preferences, and providing easy access to their products and services.

### **International security**

Tourism is benefitting from a global standardization of safety. Airlines, airports and cruises all operate to international standards that help to reduce attacks. Although these safety standards don't guarantee a terrorist attack won't happen, they are an effective deterrent (Beirman, 2017). This leads to a greater sense of security and encourages people to travel.

The graph below shows that from 2000 to 2014, a very small proportion of the deaths from global terrorism occurred in Western countries with the exception of the 2001 attacks on the United States. Tourism between Western countries and most of the rest of the world is still very safe. However, terrorist attacks are high profile and can cause people to change travel plans to a perceived safer destination.



In addition, travel itself is safer than it has ever been. Each day, over 100,000 flights land without any safety problems. The result is that travelers feel happier more to go to more destinations, and more often, leading to a growth in international tourism.

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