

The Tourism Experience

Tourism & Parks

Discussion Topics

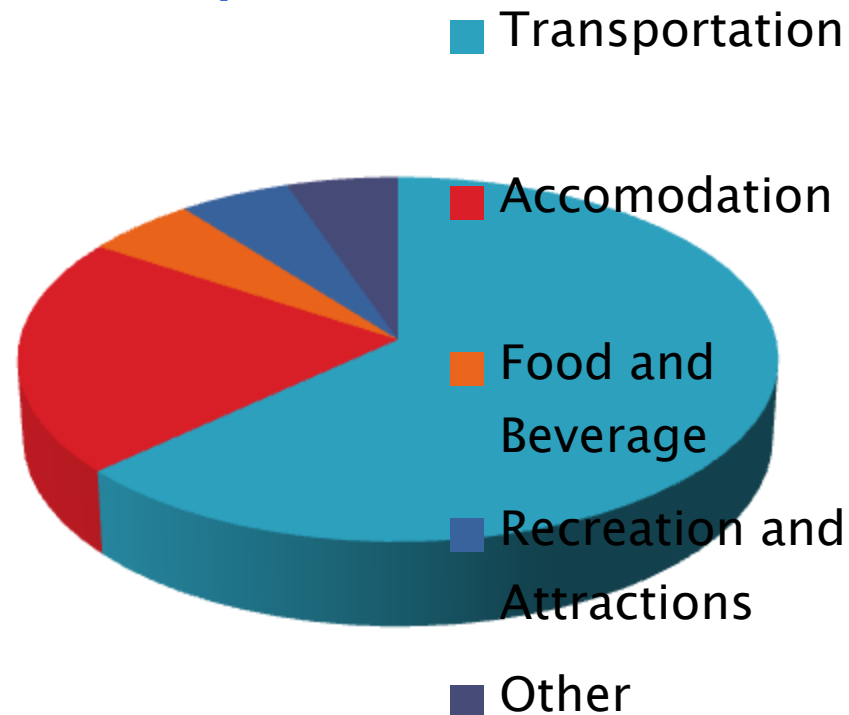
1. **What is the Tourism Industry?**
 2. **Necessary conditions for tourism development**
 3. **Economic drivers and the business cycle**
 4. **Benefits of tourism: sustainable community economic development**
 5. **Traveller motivations**
 6. **Segmenting the markets**
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The Tourism Experience


What is Tourism?

There is no tourism industry!

Tourism combines portions of different industries



Necessary Conditions for Tourism Development

1. **Supporting services** (accommodation, transportation) must be available – supply side
 2. **Accessible and interesting destinations** – supply side
 3. **Safety** – supply side
 4. **Disposable income** – demand side
 5. **Sufficient time** – demand side
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Economic Perspective

1. Travel highly correlated with disposable income
2. Wealthiest nations are the main sources of international travel and tourism spending
3. As GDP per capita increases, the propensity to travel increases
4. People become tourists once appetites for major durable goods have been satisfied

Tourism and the Business Cycle

1. Tourism is highly sensitive to the business cycle
2. Tourism industries tend to do better than average during expansionary phases, and worse than average during contraction (travel is a discretionary purchase)
3. Business travel less sensitive than leisure travel to the business cycle

Other Drivers

1. **Relative exchange rates**
 2. **Seasonality**
 3. **Competition**
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Benefits of Tourism

1. Economic
2. Cultural
3. Environmental

Tourism development can have both positive and negative impacts; maximizing benefits, and minimizing the negatives, can be achieved through community based tourism development conducted on principles of sustainability

Benefits of Tourism: Economic

Tourism brings new dollars into a region or community, and is therefore an export industry, equivalent to mining, oil or gas development

Tourism allows participation of small businesses in a variety of areas: accommodation (guest houses, B&B's), tour services, restaurants, gas stations, and local arts and crafts

Benefits of Tourism: Cultural

Tourism can support the continuation of local culture and language by creating demand services and products for built on authenticity

Tourism can encourage interest and pride in younger generations in their culture, history and heritage

Benefits of Tourism: Environmental

Tourism can support the preservation of natural areas of significant ecological and cultural value by creating demand for services built around these areas (this demand must be carefully managed)

Demand for these services generates not only financial resources to manage these areas, but demonstrates to government and industry that the natural attributes of natural areas have a value to society in their pristine state

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Top 10 Tourism Destinations

1980	1990	1995	2004
France	France	France	France
Italy	US	US	Spain
Spain	Spain	Spain	US
US	Italy	Italy	China
UK	Hungary	UK	Italy
Austria	Austria	Mexico	UK
Switzerland	UK	China	Hong Kong
Belgium	Mexico	Hungary	Mexico
Canada	Germany	Austria	Germany
Greece	Canada	Poland	Austria

Why Do People Travel

To develop a good travel product that meets the needs of the market place, it is essential to know why people travel

Why Do People Travel

Motive	Percent Choosing
Relax	69
Spend more time with spouse/family	60
No Schedules	59
See and do new things	56
Feel more alive/more energy	33
Enrich perspective on life	31
Have others wait on me	24
Gain history/cultural knowledge	23
Want solitude & isolation	16
Want low-risk outdoor adventure	14
Want high-energy outdoor adventure	10

Why Do People Travel: Segmentation

1. *Demographics*
2. *Psychographics*

Why Do People Travel: Demographics

1. *Age*
 2. *Income*
 3. *Gender*
 4. *Origin*
 5. *Ethnicity/Cultural Background*
 6. *Lifestyle Groups: combination of different demographic characteristics*
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Why Do People Travel: Psychographics

Psychographics based on the idea that a deeper understanding of travel motivations can be gained from understanding the travellers' personality characteristics

Several firms currently conducting psychographic profiling

Why Do People Travel: Psychographics and Venturesomeness

Venturers – Active, self-confident, inquisitive personalities who want to reach out and explore the world around them

Dependables – More timid, less-exploring and less-confident

Why Do People Travel: Venturer Characteristics

Venturers

Travel more than average

Take longer trips

Spend more per day

Prefer air, will travel by road

Couple or small group travel

Will accept inferior accommodations if historic, environmentally friendly

Prefer less-developed destinations

Participate in local customs, food

Travel independently most of the time

Active Explorers

Buy authentic gifts and crafts

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Why Do People Travel

Motive	Percent Choosing	
Very motivated by the desire to:	Dependables	Venturers
Relax	65	75
Spend more time with spouse/family	58	64
No Schedules	55	66
See and do new things	47	72
Feel more alive/more energy	25	51
Enrich perspective on life	22	51
Have others wait on me	23	30
Gain history/cultural knowledge	16	38
Want solitude & isolation	14	25
Want low-risk outdoor adventure	10	22
Want high-energy outdoor adventure	5	26

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Discussion, Questions?

