

THE BUSINESS OF TOURISM

Tenth edition

J Christopher Holloway
Claire Humphreys



THE BUSINESS OF
TOURISM

PEARSON

At Pearson, we have a simple mission: to help people make more of their lives through learning.

We combine innovative learning technology with trusted content and educational expertise to provide engaging and effective learning experiences that serve people wherever and whenever they are learning.

From classroom to boardroom, our curriculum materials, digital learning tools and testing programmes help to educate millions of people worldwide – more than any other private enterprise.

Every day our work helps learning flourish, and wherever learning flourishes, so do people.

To learn more, please visit us at www.pearson.com/uk

THE BUSINESS OF TOURISM

Tenth Edition

J. Christopher Holloway
Claire Humphreys

PEARSON

Harlow, England • London • New York • Boston • San Francisco • Toronto • Sydney
Auckland • Singapore • Hong Kong • Tokyo • Seoul • Taipei • New Delhi
Cape Town • São Paulo • Mexico City • Madrid • Amsterdam • Munich • Paris • Milan

Pearson Education Limited
Edinburgh Gate
Harlow CM20 2JE
United Kingdom
Tel: +44 (0)1279 623623
Web: www.pearson.com/uk

First published 1983 (print)
Ninth edition 2012 (print)
Tenth edition published 2016 (print and electronic)

© Pearson Education Limited 1983 (print)
© Pearson Education Limited 2012, 2016 (print and electronic)

The rights of J. Christopher Holloway and Claire Humphreys to be identified as authors of this work have been asserted by them in accordance with the Copyright, Designs and Patents Act 1988.

The print publication is protected by copyright. Prior to any prohibited reproduction, storage in a retrieval system, distribution or transmission in any form or by any means, electronic, mechanical, recording or otherwise, permission should be obtained from the publisher or, where applicable, a licence permitting restricted copying in the United Kingdom should be obtained from the Copyright Licensing Agency Ltd, Barnard's Inn, 86 Fetter Lane, London EC4A 1EN.

The ePublication is protected by copyright and must not be copied, reproduced, transferred, distributed, leased, licensed or publicly performed or used in any way except as specifically permitted in writing by the publishers, as allowed under the terms and conditions under which it was purchased, or as strictly permitted by applicable copyright law. Any unauthorised distribution or use of this text may be a direct infringement of the authors' and the publisher's rights and those responsible may be liable in law accordingly.

All trademarks used herein are the property of their respective owners. The use of any trademark in this text does not vest in the author or publisher any trademark ownership rights in such trademarks, nor does the use of such trademarks imply any affiliation with or endorsement of this book by such owners.

Contains public sector information licensed under the Open Government Licence (OGL) v3.0. <http://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/>.

Pearson Education is not responsible for the content of third-party internet sites.

ISBN: 978-1-292-06324-9 (print)
978-1-292-06326-3 (PDF)
978-1-292-06325-6 (eText)
978-1-292-06330-0 (ePub)

British Library Cataloguing-in-Publication Data

A catalogue record for the print edition is available from the British Library

Library of Congress Cataloging-in-Publication Data

Names: Holloway, J. Christopher, author. | Humphreys, Claire, author.

Title: The business of tourism / J. Christopher Holloway, Claire Humphreys.

Description: Tenth edition. | Harlow, England ; New York : Pearson Education Limited, [2016] | Includes bibliographical references and index.

Identifiers: LCCN 2015041201 | ISBN 9781292063249

Subjects: LCSH: Tourism. | Tourism—Marketing.

Classification: LCC G155.A1 H647 2016 | DDC 910.68—dc23 LC record available at <http://lcn.loc.gov/2015041201>

10 9 8 7 6 5 4 3 2 1
19 18 17 16 15

Cover image © Chris Holloway

Print edition typeset in 9.5/12 ITC Giovanni Std by SPi Global

Print edition printed in Malaysia

NOTE THAT ANY PAGE CROSS REFERENCES REFER TO THE PRINT EDITION

Brief contents

Preface to the tenth edition	xii	14 Tourist transport by water	449
List of abbreviations	xiii	15 Tourist transport on land	498
Acknowledgements	xvii		
PART 1			
<hr/>			
Defining and analysing tourism and its impacts	1	Intermediaries in the provision of travel and tourism services	533
1 An introduction to tourism	2	16 The management of visitors	534
2 The development and growth of tourism up to the mid-twentieth century	21	17 The structure and role of the public sector in tourism	558
3 The era of popular tourism: 1950 to the twenty-first century	51	18 Tour operating	592
4 The demand for tourism	71	19 Selling and distributing travel and tourism	649
5 The economic impacts of tourism	103	20 Ancillary tourism services	686
6 The socio-cultural impacts of tourism	133		
7 The environmental impacts of tourism	157	PART 4	
<hr/>			
PART 2		Case studies	707
<hr/>			
The travel and tourism product	191	1 Sightseeing and river cruises	708
8 The structure and organisation of the travel and tourism industry	192	2 Golf tourism and Myrtle Beach, USA	716
9 Tourist destinations	211	3 European Tourism Association	721
10 Tourist attractions	265	4 Sex tourism	727
11 Business tourism	318	5 Coaching holidays: Cooks Coaches	731
12 The hospitality sector: accommodation and catering services	346	6 ExCeL Exhibition Centre and London International Convention Centre	739
13 Tourist transport by air	390	7 Mobile technology	746
		8 The Canterbury Tales	753
		Index	762

Contents

Preface to the tenth edition	xii	The years 1900–1950 and the origins of mass tourism	44
List of abbreviations	xiii	Summary	48
Acknowledgements	xvii	<i>Questions and discussion points</i>	49
		<i>Tasks</i>	49
		<i>Bibliography</i>	49
		<i>Further reading</i>	50
PART 1		3 The era of popular tourism: 1950 to the twenty-first century	51
Defining and analysing tourism and its impacts	1	<i>Learning outcomes</i>	51
1 An introduction to tourism	2	Tourism since World War II	52
<i>Learning outcomes</i>	2	The growing importance of business travel	61
Why study tourism?	3	The all-inclusive holiday	64
Defining tourism	5	Mass market tourism in its maturity	64
The tourist product	10	The influence of information technology	66
The nature of tourism	11	Summary	69
The tourist destination	15	<i>Questions and discussion points</i>	69
Summary	19	<i>Tasks</i>	69
<i>Questions and discussion points</i>	19	<i>Bibliography</i>	69
<i>Tasks</i>	20	<i>Further reading</i>	70
<i>Bibliography</i>	20	4 The demand for tourism	71
		<i>Learning outcomes</i>	71
2 The development and growth of tourism up to the mid-twentieth century	21	Introduction	72
<i>Learning outcomes</i>	21	The tourist's needs and wants	72
Introduction: the early years	22	Travel motivation	74
Travel in the Middle Ages	25	Travel facilitators	79
Developments in road transport in the seventeenth to early nineteenth centuries	26	Segmenting the tourism market	80
The Grand Tour	27	Consumer processes	86
Authorisation to travel	28	Making the decision	91
Other political hindrances to travel	30	Fashion and taste	91
The development of the spas	30	Factors influencing changes in tourist demand	94
The rise of the seaside resort	33	The future pattern of tourist demand	96
Conditions favouring the expansion of travel in the nineteenth century	35	Summary	99
The age of steam	36	<i>Questions and discussion points</i>	100
Other late nineteenth-century developments	42	<i>Tasks</i>	100
		<i>Bibliography</i>	101
		<i>Further reading</i>	102

Historic buildings and heritage	276	13 Tourist transport by air	390
Museums and art galleries	283	<i>Learning outcomes</i>	390
Parks and gardens	289	Introduction	391
Other attractions	295	The airline business	392
Events	298	The organisation of air transport	398
Other influential factors attracting visitors	302	Air transport regulation	415
The scope for innovative tourism	313	The deregulation of air transport	422
Summary	315	The economics of airline operation	429
<i>Questions and discussion points</i>	315	Environmental concerns	438
<i>Tasks</i>	315	The marketing of air services	439
<i>Bibliography</i>	316	What is the future like for air transport?	445
<i>Further reading</i>	317	<i>Questions and discussion points</i>	447
<i>Websites</i>	317	<i>Tasks</i>	447
11 Business tourism	318	<i>Bibliography</i>	447
<i>Learning outcomes</i>	318	<i>Websites</i>	448
Introduction	319	14 Tourist transport by water	449
Meetings	319	<i>Learning outcomes</i>	449
Incentive travel	327	Introduction	450
Exhibitions and trade fairs	331	The ocean liners	451
Individual business travel	335	Cruising	453
Trends in business tourism	339	Ferry services	479
Summary	344	Coastal and inland waterways tourism	489
<i>Questions and discussion points</i>	344	Seagoing pleasure craft	493
<i>Tasks</i>	344	What does the future hold for water transport?	494
<i>Bibliography</i>	345	<i>Questions and discussion points</i>	495
<i>Websites</i>	345	<i>Tasks</i>	495
12 The hospitality sector: accommodation and catering services	346	<i>Bibliography</i>	496
<i>Learning outcomes</i>	346	<i>Further reading</i>	496
Introduction	347	<i>Websites</i>	497
The structure of the accommodation sector	349	15 Tourist transport on land	498
Classifying and grading accommodation	359	<i>Learning outcomes</i>	498
The nature of demand for accommodation facilities	365	Introduction	499
Categories of accommodation	372	The role of the railways in tourism	499
The distribution of accommodation	381	Coach travel	513
Environmental issues	382	The private car	519
Catering	383	Cycling and tourism	524
Future developments in the hospitality sector	387	Tourists on foot	527
<i>Questions and discussion points</i>	387	Future developments in land transport	528
<i>Tasks</i>	388	<i>Questions and discussion points</i>	529
<i>Bibliography</i>	388	<i>Tasks</i>	529
<i>Websites</i>	389	<i>Bibliography</i>	530
		<i>Further reading</i>	530
		<i>Websites</i>	530

PART 3

Intermediaries in the provision of travel and tourism services

16 The management of visitors 534

<i>Learning outcomes</i>	534
Introduction	535
Controlling the impacts of visitors	535
Meeting the cost of visitor management	538
Operational approaches to visitor management	539
Technology that can assist in visitor management	555
Future issues	555
<i>Questions and discussion points</i>	556
<i>Tasks</i>	556
<i>Bibliography</i>	556
<i>Further reading</i>	557
<i>Websites</i>	557

17 The structure and role of the public sector in tourism 558

<i>Learning outcomes</i>	558
Introduction	559
The nature of government involvement	559
Planning and facilitating tourism	563
Supervision and control of tourism	572
The organisation of public-sector tourism	575
The role of the European Union (EU)	588
The future role of the public sector in tourism	589
Summary	589
<i>Questions and discussion points</i>	590
<i>Tasks</i>	590
<i>Bibliography</i>	590
<i>Websites</i>	591

18 Tour operating 592

<i>Learning outcomes</i>	592
Introduction	593
Tour operators – why a European perspective?	593
The role of the tour operator	595
The role of air brokers	603
Tour operating within the European Union (EU)	605
The changing marketplace in tour operating	608
The nature of tour operating	614
Planning and marketing of package tours	621

The role of the resort representative	626
Pricing the package tour	628
The tour brochure	633
The reservations system	639
Operators selling direct	644
The information technology revolution and its impact on tour operating	646
The future for tour operators	647
<i>Questions and discussion points</i>	648
<i>Tasks</i>	648
<i>Bibliography</i>	648
<i>Websites</i>	648

19 Selling and distributing travel and tourism 649

<i>Learning outcomes</i>	649
Introduction	650
Historical context	650
The scale of the retail sector	651
The power of the travel agency chains	653
The profitability of travel agents	655
The role of travel agents	655
Distribution trends	657
Setting up and running a travel agency	663
Travel agency appointments	677
The impact of computer technology	681
The future of travel retailing	683
<i>Questions and discussion points</i>	684
<i>Tasks</i>	684
<i>Bibliography</i>	684
<i>Websites</i>	685
<i>Consortia</i>	685

20 Ancillary tourism services 686

<i>Learning outcomes</i>	686
Introduction	687
Services to the tourist	687
Services to the supplier	697
Marketing services	701
Technical services	702
The future of ancillary services	703
<i>Questions and discussion points</i>	704
<i>Tasks</i>	704
<i>Bibliography</i>	704
<i>Websites</i>	705

PART 4

Case studies

1 Sightseeing and river cruises	707	5 Coaching holidays: Cooks Coaches	731
2 Golf tourism and Myrtle Beach, USA	716	6 ExCeL Exhibition Centre and London International Convention Centre	739
3 European Tourism Association	721	7 Mobile technology	746
4 Sex tourism	727	8 The Canterbury Tales	753
		Index	762

Lecturer Resources

For password-protected online resources tailored to support the use of this textbook in teaching, please visit www.pearsoned.co.uk/holloway



Preface to the tenth edition

For more than 30 years this text has been a source of knowledge and education about the many facets of the tourism industry – reporting the changes and adaptations of this dynamic business. Over this time period patterns of demand have changed, with many more people travelling further and more frequently, and with new markets emerging as economies develop increasingly affluent populations. As freedom to travel opened new possibilities for much of eastern Europe in the 1990s, so the first decade of this millennium saw increased travel from India and China – the latter now the highest spending country for international tourism. Throughout this period economic turbulence has often curtailed, yet rarely stopped, the rapid expansion of the industry. The text therefore strives to balance the need to present an enduring overview of the industry with an appreciation of current trends and influences.

As formerly, examples are included which are designed to provide additional context and flavour to the explanations found in the main body of the text. These are drawn from a variety of countries across the globe and have been selected to offer insight into the current practices shaping the business of tourism today.

We would like to thank the numerous contributors from the travel industry for their input in this new edition, and in particular our thanks go to Dr Rob Davidson for his review of the chapter on Business Tourism.

Chris Holloway
Claire Humphreys

List of abbreviations

AA	(1) American Airlines (2) Automobile Association	AVE	Alta Velocidad Española (Spanish high-speed train)
AAA	American Automobile Association	B2B	business to business
ABTA	Association of British Travel Agents	B2C	business to consumer
ABTAC	Association of British Travel Agents' Certificate	BA	British Airways
ABTOT	Association of Bonded Travel Organizers Trust	BAA	British Airports Authority (organisation that operates airports, now privatised, formerly publicly owned)
ACE	(1) Association of Conference Executives (2) Association of Cruise Experts	BABA	book a bed ahead
ACORN	A Classification of Residential Neighbourhoods	B&B	bed-and-breakfast accommodation
ACTE	Association of Corporate Travel Executives	BCG	Boston Consulting Group
ADS	approved destination status	BEA	British European Airways (later merged with BOAC to form British Airways)
AENA	Aeropuertos Españoles y Navegación Aérea	BHA	British Hospitality Association
AFTA	Australian Federation of Travel Agents	BH&HPA	British Holiday and Home Parks Association
AFI	Airline Failure Insurance	BIS	Department for Business, Innovation and Skills
AI	all-inclusive	BITOA	British Incoming Tour Operators' Association (now renamed UKinbound)
AIC	Airbus Integrated Company	BITS	Bureau International de Tourisme Sociale
AIDA	Awareness, Interest, Desire, Action	BOAC	British Overseas Airways Corporation, later merged with BEA to form British Airways
AIEST	International Association of Scientific Experts in Tourism	BRADA	British Resorts and Destinations Association
AIT	Air inclusive tour	BRIC	Brazil, Russia, India and China
AITO	Association of Independent Tour Operators	BSR	Business for Social Responsibility
ALM	additive layer manufacturing	BTA	(1) British Tourist Authority (now VisitBritain) (2) British Travel Association
ALVA	Association of Leading Visitor Attractions	BVEP	Business Visits and Events Partnership
AONB	area of outstanding natural beauty	CAA	Civil Aviation Authority
APD	Air Passenger Duty	CAB	Civil Aeronautics Board (USA)
APEX	Advance purchase excursion fare	CBI	Confederation of British Industry
APM	air passenger miles	CECTA	Central European Countries Travel Association
ARDA	American Resort Development Association	CI	Conservation International
ARTAC	Association of Retail Travel Agents' Consortia	CILT	Chartered Institute of Logistics and Transport
ASEAN	Association of South East Asian Nations	CIM	Chartered Institute of Marketing
ASM	available seat mile	CIMTIG	Chartered Institute of Marketing Travel Industry Group
ASTA	American Society of Travel Agents	CITES	Convention on International Trade in Endangered Species
ATC	air traffic control		
ATOC	Association of Train Operating Companies		
ATOL	Air Travel Organizer's Licence		
ATP	Accredited Travel Professional		
ATTF	Air Travel Trust Fund		
AUC	Air Transport Users' Council		

CLIA	Cruise Lines International Association	(3) foreign inclusive tours (when referring to ticketing of international packages)
CPD	continuous professional development	
CPT	Confederation of Passenger Transport	FOC flag of convenience
CRC	Cooperative Research Centre	FTO Federation of Tour Operators
CRN	Countryside Recreation Network	FTTSA Fair Trade in Tourism South Africa
CRS	computer reservations system	GBTA Guild of Business Travel Agents
CSR	corporate social responsibility	GDP gross domestic product
CTAC	Creative Tourist Agents' Conference	GDS global distribution system
CTC	(1) Certified Travel Counsellor (2) Coach Tourism Council	GIP Global Infrastructure Partners
DCLG	Department for Communities and Local Government	GIT group inclusive tour-basing fare
DCMS	Department for Culture, Media and Sport	GNP gross national product
DDA	Disability Discrimination Act	GRT gross registered tonnage
DEFRA	Department for Environment, Food and Rural Affairs	GWR Great Western Railway
DfT	Department for Transport	HCIMA Hotel and Catering International Management Association (now Institute of Hospitality)
DMO	(1) Destination Management Organisation (2) Destination Marketing Organisation	HSS high-speed sea service
DTCM	Department of Tourism and Commerce Marketing (responsible for planning and marketing tourism in Dubai)	IAAPA International Association of Amusement Parks and Attractions
DTI	Department of Trade and Industry	IAE International Aero Engines
DVT	deep vein thrombosis	IAG International Airlines Group
EADS	European Aeronautic Defence and Space Company	IATA International Air Transport Association
EC	European Commission	IBTA International Business Travel Association
ECPAT	End Child Prostitution, Pornography and Trafficking	ICAO International Civil Aviation Organization
EIA	environmental impact assessment	ICE intercity express
ELFAA	European Low Fares Airlines Association	ICT Information and communications technology
EPA	Environmental Protection Agency	IEFT International Education Fairs of Turkey
ERDF	European Regional Development Fund	IHEI International Hotel Environment Initiative
ETB	English Tourist Board (later, the English Tourism Council)	IHG Intercontinental Hotels Group
ETC	(1) English Tourism Council (now integrated with VisitBritain) (2) European Travel Commission	II Interval International
ETS	emissions trading scheme	IIT independent inclusive tour
EU	European Union	ILG International Leisure Group
FFP	frequent flyer programme	IMO International Marine Organization
FHA	Family Holiday Association	IPS International Passenger Survey
FIT	(1) free independent travellers (when referring to markets) (2) fully inclusive tour (when referring to ticketing)	IRTS International Recommendations for Tourism Statistics
		ISIC International Standard Industrial Classification
		ISP Internet service provider (a company providing Internet access for commercial payment)
		IT (1) inclusive tour (2) information technology
		ITG Institute of Tourist Guiding
		ITM Institute of Travel and Meetings (formerly Institute of Travel Management)
		ITT Institute of Travel and Tourism
		ITX inclusive tour-basing excursion fare

IUCN	International Union for the Conservation of Nature	PSR	passenger–space ratio
IWM	Imperial War Museum	PTA	Polytechnic Touring Association
IYE	International Year of Ecotourism	QAA	Quality Assurance Agency
LAC	Limits of Acceptable Change	QC	quota count
LCLF	low-cost low-fare	RAC	Royal Automobile Club
LDC	lesser-developed countries	RCI	(1) Resort Condominiums International (2) Royal Caribbean International
LGBT	lesbian, gay, bisexual and transgender	RDAs	Regional Development Agencies
LMS	London, Midland and Scottish Railway	RFF	Reseau Ferré de France (French equivalent of Britain's Network Rail, responsible for operating the national rail track)
LNER	London and North Eastern Railway	RFID	radio frequency identification
LOCOG	London Organising Committee of the Olympic and Paralympic Games	RPK	revenue passenger kilometres
MIA	Meetings Industry Association	RTB	Regional Tourist Board
MICE	meetings, incentives, conferences and events	RV	recreational vehicle
MMC	Monopolies and Mergers Commission (now Competition Commission)	SARS	severe acute respiratory syndrome
MOMA	Museum of Modern Art, New York	SAS	Scandinavian Airlines System
MTOW	maximum take-off weight	SATH	Society for Accessible Travel and Hospitality
NAITA	National Association of Independent Travel Agents (later Advantage, now part of Triton)	SDR	Special Drawing Rights
NATS	National Air Traffic Service	SME	small- to medium-sized enterprise
NBC	National Bus Company	SMERF	social, military, educational, religious and fraternal
NEAP	Nature and Ecotourism Accreditation Programme	SNCF	Société Nationale des Chemins de Fer
NGO	non-governmental organisation	SOLAS	Safety of Life at Sea, International Convention for the
NHS	National Health Service	SPR	size to passenger ratio
NITB	Northern Ireland Tourist Board	SR	Southern Railway
NQAS	National Quality Assurance Schemes	SSSI	Site of Special Scientific Interest
NRS	National Readership Survey	STB	Scottish Tourist Board (now VisitScotland)
NTB	(1) National Tourist Board (2) former National Training Board of ABTA	STOL	short take-off and landing
NTO	National Tourist Organization	SUV	sports utility vehicle
NVQ	National Vocational Qualifications	TAC	Travel Agents' Council
ODA	Olympic Delivery Authority	TALC	Tourist Area Life Cycle
OECD	Organisation for Economic Co-operation and Development	TCF	Travel Compensation Fund
OITS	International Organisation of Social Tourism	TCN	Tourism Society Consultants' Network
ONS	Office for National Statistics	TDAP	Tourism Development Action Plan
OTE	Organization for Timeshare in Europe	TEFL	Teaching English as a Foreign Language
PATA	Pacific Area Travel Association	TEN-T	Trans-European Network for Transport
P&O	Peninsular and Oriental Steam Navigation Company	TGV	Train à Grande Vitesse
PCO	Professional Conference Organiser	TIC	Tourist Information Centre
PNR	passenger name record	TIER	Tourism Industry Emergency Response Group
PPP	public–private partnership	TIES	The International Ecotourism Society
PSA	Passenger Shipping Association	TIM	Tourism Income Multiplier
		TIP	tourist information point
		TMC	travel management companies

TOC	Tour Operators' Council	VAT	value added tax
TOP	Thomson Open-line Programme (Thomson Holidays' computer reservations system)	VFR	visiting friends and relatives
TOSG	Tour Operators' Study Group (now Federation of Tour Operators, FTO)	VLJ	very light jet
TSA	Tourism Satellite Account	VTOL	vertical take-off and landing
TTA	Travel Trust Association	WAM-V	Wave Adaptive Modular Vessel
TUI	Touristik Union International	WCS	Wildlife Conservation Society
UATP	Universal Air Travel Plan (the airline-owned payment network)	WHO	World Health Organization
UGC	user-generated content	WHS	World Heritage Sites
UKTS	United Kingdom Tourism Survey	WIG	wing-in-ground
UN	United Nations	WISE	wing-in-surface effect
UNEP	United Nations Environment Programme	WPC	wave-piercing catamaran
UNESCO	United Nations Educational, Scientific and Cultural Organization	WTB	Wales Tourist Board
UNWTO	United Nations World Tourism Organization	WTO	World Tourism Organization (now UNWTO)
VAQAS	Visitor Attraction Quality Assurance Schemes	WTTC	World Travel and Tourism Council
		WWF	World Wide Fund for Nature
		WWW	World Wide Web
		YHA	Youth Hostels Association

Acknowledgements

We are grateful to the following for permission to reproduce copyright material:

Figures

Figure 1.1 adapted from *2008 International Recommendations for Tourism Statistics*, UNWTO (UNWTO 2007) © UNWTO, 9284405615; Figure 2.1, p.17; Figure 1.2 adapted from *The framework of tourism: Towards a definition of tourism, tourist, and the tourist industry*, *Annals of Tourism Research*, Vol. 6(2), pp.390–407 (Leiper, N. 1979); Figure 4.1 from *Motivation and Personality*, Pearson Education, Inc. (Maslow, A. 1987), ©1987. Reprinted and Electronically reproduced by permission of Pearson Education, Inc., New York, New York; Figure 5.2 from *Cooks Coaches*; Figure 12.6 from *Seasonality in the tourist accommodation sector* http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Seasonality_in_the_tourist_accommodation_sector) European Commission (Eurostat 2014), source: Eurostat, <http://epp.eurostat.ec.europa.eu>, © European Union, 1995–2013; Figure 19.2 from <http://www.thomson.co.uk/editorial/features/brochures.html>; Figure 2 on page 710 from *Map of Pier Locations*, <http://www.citycruises.com/pier-locations.aspx>; Figure 2 on page 756 from *Continuum Attractions*, Image courtesy of Continuum Attractions.

Tables

Table 3.1 from *Membership Rate and Terms* (<http://www.cvent.com/events/etoa-membership-2014-15-gbp/custom-36-d31b24b39f9e40adbd23673725ac95cd.aspx>), ETOA (ETOA 2014); Table 3.2 from *Tourist Taxes* (<http://www.etoa.org/policy/regulation-and-taxation/tourist-taxes>) ETOA (ETOA 2014); Table 3.1 from *Consumer expenditure on Package Holidays*, Euromonitor (Euromonitor 2015), © Euromonitor International 2015; Table 4.3 adapted from *The European Socio-economic Classification (ESeC), Draft User Guide* (<http://www.iser.essex.ac.uk/archives/esec/user-guide>), University of Essex (Harrison, E. and Rose, D. 2006) Table 1, p.5; Tables 5.3, 18.1 adapted from *UNWTO Tourism Highlights*, World Tourism Organization (UNWTO 2014) p.13, © UNWTO, 9284405615; Tables 5.5, 5.6 from *Participation in tourism for personal purposes (tourists as share of total population)* (http://epp.eurostat.ec.europa.eu/portal/page/portal/tourism/data/main_tables), European Communities (Eurostat 2014), Source: Eurostat, <http://epp.eurostat.ec.europa.eu>, © European Union, 1995–2015; Tables 5.5, 5.6 from *Participation in tourism for personal purposes (tourists as share of total population)* (http://epp.eurostat.ec.europa.eu/portal/page/portal/tourism/data/main_tables), European Communities (Eurostat 2014), source: Eurostat, <http://epp.eurostat.ec.europa.eu>, © European Union, 1995–2013; Table 5.9 from *Economic Impact Data and Forecasts* World Travel and Tourism Council (WTTC 2014), CC BY-ND 4.0. Licensed under a Creative Commons Attribution-NoDerivatives 4.0 International License; Based on a work at wttc.org; Table 5.10 from *Benchmarking Travel and Tourism – Country results*, World Travel and Tourism Council (WTTC 2014), CC BY-ND 4.0. Licensed under a Creative Commons Attribution-NoDerivatives 4.0 International License; Based on a work at wttc.org; Table 6.1 from *The Impact of Tourism: Travel Research Association Sixth Annual Conference Proceedings, San Diego*, Travel Research Association (Doxey, G. V. 1975) pp.57–72; Table 6.2 from *Hosts and Guests: The Anthropology of Tourism*, 2nd, University of Pennsylvania Press (Smith, V.L. 1992) Table 1, p.12, reprinted with permission of the University of Pennsylvania Press; Table 7.1 from *International Association of Antarctica Tour Operators*; Table 9.1 from *Holiday Review – UK*, Mintel (Mintel 2014); Table 9.2 from *Euromonitor International's top city destinations ranking* (<http://blog.euromonitor.com/2014/01/euromonitor-internationals-top-city-destinations-ranking.html>), Euromonitor (2014), *Top 150 City Destinations: London Leads the Way* (<http://blog.euromonitor.com/2007/10/top-150-city-destinations-london-leads-the-way.html>), Euromonitor (2007) and *Euromonitor International's top city destinations ranking*

(<http://blog.euromonitor.com/2011/01/euromonitor-internationals-top-city-destinations-ranking.html>), Euromonitor (2011); Table 9.6 adapted from Highways Agency, Contains public sector information licensed under the Open Government Licence (OGL) v3.0.<http://www.nationalarchives.gov.uk/doc/open-government-licence>; Table 10.2 from Euromonitor 2014, © Euromonitor International 2014; Table 10.5 from *Visits made in 2013 to visitor attractions in membership with ALVA* (<http://www.alva.org.uk/details.cfm?p=423>), ALVA (ALVA 2014); Table 12.1 from *National Quality Assessment Scheme* (www.qualityintourism.com), VisitEngland (2014); Table 13.5 adapted from JACDEC – www.jacdec.de/safety-ranking-2014 and Airline Ratings – www.airlineratings.com/safety_rating_per_airline.php; Table 14.4 from Carnival Corporation Annual Report, 2013; Table 14.6 from *Sea Passenger Statistics*, Department for Transport (DfT 2011), Contains public sector information licensed under the Open Government Licence (OGL) v3.0.<http://www.nationalarchives.gov.uk/doc/open-government-licence>; Table 15.1 from *Global Rail Transportation – Picking Up Speed*, Euromonitor (Euromonitor 2010), © Euromonitor International 2010; Table 17.3 adapted from Summer school holidays could be slashed to just four weeks, says Michael Gove, *Daily Mail*, 21/06/2011 (Loveys, K); Table 19.2 from *Travel Retail in the United Kingdom*, Euromonitor (Euromonitor 2014), © Euromonitor International 2014.

Photographs

(Key: b-bottom; c-centre; l-left; r-right; t-top)

Alamy Images: Barry Lewis 47, Iain Masterton 392; **Chris Holloway:** 32, 54, 57, 136, 146, 166, 167, 169l, 169r, 218, 221, 226, 238, 255, 275, 282, 287, 288, 297, 298l, 298r, 359, 373, 458, 465, 480, 483, 514, 518, 527, 544t, 549, 585, 625, 690, 32, 54, 57, 136, 146, 166, 167, 169l, 169r, 218, 221, 226, 238, 255, 275, 282, 287, 288, 297, 298l, 298r, 359, 373, 458, 465, 480, 483, 514, 518, 527, 544t, 549, 585, 625, 690, 32, 54, 57, 136, 146, 166, 167, 169l, 169r, 218, 221, 226, 238, 255, 275, 282, 287, 288, 297, 298l, 298r, 359, 373, 458, 465, 480, 483, 514, 518, 527, 544t, 549, 585, 625, 690, 32, 54, 57, 136, 146, 166, 167, 169l, 169r, 218, 221, 226, 238, 255, 275, 282, 287, 288, 297, 298l, 298r, 359, 373, 458, 465, 480, 483, 514, 518, 527, 544t, 549, 585, 625, 690; **Claire Humphreys:** 18, 43, 61, 63, 77, 142, 171, 176t, 176b, 179, 181, 197, 214, 217, 219, 233, 242, 245, 250l, 250r, 256, 259, 273, 278, 284, 299, 311, 323, 325, 334, 358, 360, 366, 375, 427, 440, 455, 457, 462, 471, 485, 492, 509, 522, 526, 528, 541, 544b, 552, 554t, 554b, 584, 666, 691, 694, 710, 718, 732, 740, 741, 758, 18, 43, 61, 63, 77, 142, 171, 176t, 176b, 179, 181, 197, 214, 217, 219, 233, 242, 245, 250l, 250r, 256, 259, 273, 278, 284, 299, 311, 323, 325, 334, 358, 360, 366, 375, 427, 440, 455, 457, 462, 471, 485, 492, 509, 522, 526, 528, 541, 544b, 552, 554t, 554b, 584, 666, 691, 694, 710, 718, 732, 740, 741, 758; **Miriam Humphreys:** 48, 65, 48, 65.

Cover image: © Chris Holloway

PART 1

Defining and analysing tourism and its impacts

1	An introduction to tourism	2
2	The development and growth of tourism up to the mid-twentieth century	21
3	The era of popular tourism: 1950 to the twenty-first century	51
4	The demand for tourism	71
5	The economic impacts of tourism	103
6	The socio-cultural impacts of tourism	133
7	The environmental impacts of tourism	157

1

An introduction to tourism

Contents

Why study tourism?	3
Defining tourism	5
The tourist product	10
The nature of tourism	11
The tourist destination	15
Summary	19

Learning outcomes

After studying this chapter, you should be able to:

- recognise why tourism is an important area of study
- define what is meant by tourism – both conceptually and technically – and distinguish it from travel, leisure and recreation
- identify the composition and major characteristics of tourism products
- outline the various forms of tourist destination and their appeal
- explain why destinations are subject to changing fortunes.

Due to the expansion of the global tourism infrastructure in the latter part of the last century, contemporary tourists can travel to nearly every corner of the globe and find facilities to accommodate them with relative ease.

Harrison (2003) Being a tourist: finding meaning in pleasure travel, 27

Why study tourism?

Tourism is a global industry, with more than a billion international trips taken annually, and it is forecast that this will expand to 1.8 billion by 2030 (UNWTO, 2014). This text will introduce you to this vast and fascinating industry. Through its various chapters, you will first learn about the factors that have led up to making this the world's fastest-growing business, then examine what that business entails. You will look at the nature of tourism, its appeal, its phenomenal growth over the past half-century, the resulting impact on both developed and developing societies and, above all, its steady process of **institutionalisation** – that is to say, the manner in which tourism has become commercialised and organised since its inception, but more especially over the past half-century. It will also be about travel, but only those forms of travel specifically undertaken within the framework of a defined tourism journey.

The tourism business deals with the organisation of journeys away from home and the way in which tourists are welcomed and catered for in destination countries. Those who plan to work in this industry will be responsible for ensuring that the outcome of such journeys, whether domestic or international in scope, is the maximising of satisfaction in the tourist experience.

Formal study of tourism is a relatively recent development, introduced in part to address a perceived lack of professionalism in the industry. Indeed, in many destination countries it remains the case that much of the industry is in the hands of amateurs – sometimes inspired amateurs, whose warmth and enthusiasm is enough to ensure that their visitors are adequately satisfied, but amateurs nonetheless. However, a warm climate, friendly natives and a few iconic attractions are no longer enough in themselves to guarantee a successful tourism industry – least of all within the principal destination countries of the developed world, which now find themselves in an increasingly competitive environment in the battle to attract global tourists.

In itself, this unwillingness to develop a more professional approach to delivering the tourism product and building careers in the industry is a surprise, given that, for many developing nations, tourism was, even in the early twentieth century, if not the key industry, then certainly among the leading industries in their economies. This attitude is still more surprising in the developed world, given the early importance of international and domestic tourism in countries such as the USA, Spain, France, Switzerland and the UK.

It was the expansion of tourism in the 1960s and 1970s that finally led to the recognition that the study of tourism was something to be taken seriously. Up to that point, the educational focus had been on training for what were perceived to be low-level craft skills that could be learned principally by working alongside experienced employees, to watch how they did the job and emulate them. This would be typical of the way in which hotel and catering workers, travel agents, tour operator resort representatives, visitor attractions employees and airline ground handling staff would be expected to learn their jobs. Not surprisingly, in many cases this merely helped to perpetuate outdated modes of work, not to say errors in practice. In due course, those who performed best in these skills would be promoted to management roles – once again with no formal training – and expected to pick up their management skills as they went along. Gradually, it became recognised that this was not the ideal way to amass knowledge and skills, and that a more formal process of learning, based on a theoretical body of knowledge and its practical application, would lead to improved professionalism in the industry. From basic-level craft skills, academic courses emerged in the 1970s, 1980s and 1990s at diploma, degree and, ultimately, post-graduate levels to train and educate the workers and managers of the future, as well as equip them with the necessary knowledge and skills to cope at all levels with the rapid changes that were to occur in the tourism industry in the closing years of the last century.

Recognition of the need for formal training is one thing. Determining the body of knowledge that should be appropriate for someone planning to spend a lifetime career in the industry is something else. Tourism is a complex, multidisciplinary subject, requiring knowledge of not only business and management but also such diverse disciplines as law, town and country planning, geography, sociology and anthropology. There is as yet no common agreement among academics, or between academics and practitioners, as to what should form the **core curriculum** of a tourism programme (although attempts at this have been made, as we can see in the example below) and, in many countries, practitioners still make clear their preference for courses delivering practical skills over more academic content. The difficulty the tourism industry faces is that trainers will deliver only the knowledge required by employees who will be taking up work in a specific tourism sector, while a career in that industry today is likely to require frequent transfers between the different sectors – and, initially, an overview of how each of these operates. Any formal programme of tourism education must take these needs into account and prepare students for a life in the industry as a whole. Due to the multidisciplinary nature of tourism, however, courses offered in this subject in colleges and universities around the world differ substantially in content, some choosing to deliver what is essentially a business and management programme tuned to the specific needs of the industry, others focusing on issues such as sustainable tourism or public-sector planning for tourism. Still others may choose to deliver courses where the focus is on understanding tourists, drawing on the disciplines of psychology, sociology and anthropology. A well-rounded student of tourism is going to require some knowledge of all of these disciplines, and it is to be hoped that, given time, common agreement can be reached globally between academics and across the industry on what best mix of these disciplines would form the ideal curriculum for a career in tourism.

EXAMPLE

UK Quality Assurance Agency – benchmark for tourism programmes

The QAA introduced benchmark statements to clarify academic expectations and standards related to degree qualifications. Initially developed in 2000, the tourism benchmark statements were last reviewed and updated in 2008 to reflect developments in the industry.

The current UK QAA benchmark for tourism proposes that an honours graduate in tourism should be able to:

- demonstrate an understanding of the concepts and characteristics of tourism as an area of academic and applied study, including being able to:
 - understand and appreciate the potential contributions of disciplines that help to explain the nature and development of tourism
 - explain and challenge theories and concepts which are used to understand tourism
 - explain and challenge the definitions, nature and operations of tourism
 - demonstrate an understanding of the domestic and international nature and dimensions of tourism
 - utilise a range of source material in investigating tourism
 - demonstrate an awareness of the dynamic nature of tourism in modern societies
 - understand the intercultural dimensions of tourism
- demonstrate an understanding of the nature and characteristics of tourists and, in particular:
 - be able to explain the patterns and characteristics of tourism demand and the influences on such demand
 - have an understanding of the ways in which tourists behave at destinations
 - understand the cultural significance of tourism for tourists and societies

- demonstrate an understanding of the products, structure of and interactions in the tourism industry, including being able to:
 - demonstrate an understanding of the structure, operation and organisation of the public, private and not-for-profit sectors and their activities
 - evaluate the factors that influence the development of organisations operating in tourism
 - analyse relations between consumers of tourism and the providers of tourism services
- demonstrate an understanding of the relationships between tourism and the communities and environments in which it takes place, in particular:
 - ability to evaluate the contribution and impacts of tourism in social, economic, environmental, political, cultural and other terms
 - understanding of, and ability to evaluate, the approaches to managing the development of tourism through concepts of policy and planning
 - appreciation of the ethical issues associated with the operation and development of tourism
 - understanding the issues and principles of sustainability and social responsibility in the context of tourism.

Source: QAA, 2008

Defining tourism

A good starting point for any textbook that sets out to examine the tourism business is to try to define what is meant by the terms 'tourist' and 'tourism' before going on to look at the many different forms that tourism can take. While an understanding of the term's meaning is essential, in fact the task of defining it is very difficult. It is relatively easy to agree on technical definitions of particular categories of 'tourism' or 'tourist', but the wider concept is ill-defined.

We can say that, self-evidently, the tourist is one who engages in tourism. Tourism involves the movement of a person or persons away from their normal place of residence: a process that usually incurs some expenditure, although this is not *necessarily* the case. Someone cycling or hiking in the countryside on a camping weekend in which they carry their own food may make no economic contribution to the area in which they travel, but can nonetheless be counted as a tourist. Many other examples could be cited in which expenditure by the tourist is minimal. We can say, then, that tourism usually, but not invariably, incurs some expenditure of income and that, further, money spent has been earned within the area of normal residency, rather than at the destination.

The term 'tourism' is further refined as the movement of people away from their *normal* place of residence. Here we find our first problem. Should shoppers travelling short distances of several kilometres be considered tourists? Is it the *purpose* or the *distance* that is the determining factor? Just how far must people travel before they can be counted as tourists for the purpose of official records? What about that growing band of people travelling regularly between their first and second homes, sometimes spending equal time at each?

Clearly, any definition must be specific. In the USA, in 1973, the National Resources Review Commission established that a domestic tourist would be 'one who travels at least 50 miles (one way)'. That was confirmed by the US Census Bureau, which defined tourism 11 years later as a round trip of at least 100 miles. However, the Canadian government defines it as a journey of at least 80 kilometres from home, while the English Tourism Council proposed a measure of not less than 20 miles and three hours' journey time away from home for a visit to constitute a leisure trip, so consistency has by no means yet been achieved.

Early attempts at defining tourism

One of the first attempts at defining tourism was that of Professors Hunziker and Krapf of Berne University in 1942. They held that tourism should be defined as ‘the sum of the phenomena and relationships arising from the travel and stay of non-residents, in so far as they do not lead to permanent residence and are not connected to any earning activity’. This definition helps to distinguish tourism from migration, but it makes the assumption that both *travel* and *stay* are necessary for tourism, thus precluding day tours. It would also appear to exclude business travel, which is connected with ‘earning activity’, even if that income is not earned in the destination country. Moreover, distinguishing between business and leisure tourism is, in many cases, extremely difficult as most business trips will combine elements of leisure activity.

Earlier still, in 1937, the League of Nations had recommended adopting the definition of a ‘tourist’ as one who travels for a period of at least 24 hours in a country other than that in which he or she usually resides. This was held to include persons travelling for pleasure, domestic reasons or health, those travelling to meetings or otherwise on business and those visiting a country on a cruise vessel (even if for less than 24 hours). The principal weakness in this definition is that it ignores the movements of domestic tourists.

Later, the United Nations’ Conference on International Travel and Tourism, held in 1963, considered recommendations put forward by the International Union of Official Travel Organizations (later the United Nations World Tourism Organization) and agreed to use the term ‘visitor’ to describe

any person visiting a country other than that in which he has his usual place of residence, for any reason other than following an occupation remunerated from within the country visited. (UNWTO, 2010)

This definition was to cover two classes of visitor:

1. tourists, who were classified as temporary visitors staying at least 24 hours, whose purpose could be categorised as leisure (whether for recreation, health, sport, holiday, study or religion) or business, family, mission or meeting;
2. excursionists, who were classed as temporary visitors staying less than 24 hours, including cruise travellers but excluding travellers in transit.

Towards an agreed definition

Once again, these definitions fail to take into account the domestic tourist. The inclusion of the word ‘study’ above is an interesting one as it is often excluded in later definitions, as are longer courses of education.

A working party for the proposed Institute of Tourism in the UK (which later became the Tourism Society) attempted to clarify the issue and reported, in 1976:

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 these destinations; it includes movement for all purposes, as well as day visits or excursions.

This broader definition was reformulated slightly, without losing any of its simplicity, at the International Conference on Leisure–Recreation–Tourism, organised by the International Association of Scientific Experts in Tourism (AIEST) and the Tourism Society in Cardiff, Wales, in 1981:

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

Efforts to standardise data gathering for tourism led the UNWTO to review and revise definitions. In 1993 their definition was endorsed by the UN's Statistical Commission, following an International Government Conference held in Ottawa, Canada, in 1991:

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.

More recently, the 2010 International Recommendations for Tourism Statistics further revised these definitions, declaring:

A visitor is a traveler taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited. (UNWTO, 2010)

Finally, the UNWTO glossary of terms clarifies that a visitor (domestic, inbound or outbound) is classified as a tourist if his/her trip includes an overnight stay.

These definitions have been quoted here at length because they reveal how broadly the concept of tourism must be defined in order to embrace all forms of the phenomenon and how exceptions can be found for even the most narrowly focused definitions. Indeed, with the growth of timeshare and second home owners, who in some cases spend considerable periods of time away from their main homes, it could be argued that a tourist is no longer necessarily 'outside the home environment'. Furthermore, it is increasingly recognised that defining tourists in terms of the distances they have travelled from their homes is unhelpful, as locals can be viewed as 'tourists' within their own territory if they are engaged in tourist-type activities, and certainly their economic contribution to the tourism industry in the area is as important as that of the more traditionally defined tourist.

Classifying travellers

Figure 1.1 illustrates the guidelines produced by the United Nations World Tourism Organization (UNWTO) (then the WTO) to classify travellers for statistical purposes. Some loopholes in the definitions remain, however. Even attempts to classify tourists as those travelling for purposes unconnected with employment can be misleading if one looks at the social consequences of tourism. Ruth Pape (1964) has drawn attention to the case of nurses in the USA who, after qualifying, gravitate to California for their first jobs as employment is easy to find and they can thus enjoy the benefits of the sunshine and leisure pursuits for which the state is famous. They may spend a year or more in this job before moving on, but the point is that they have been motivated to come to that area not because of the work itself, but because of the area's tourist attractions. Frequently, too, students of tourism, after completing their course, return to work in the areas in which they undertook work placements during their studies, having found the location (and, often, the job) sufficiently attractive to merit spending more time there. People increasingly buy homes in areas where they can enjoy walking, skiing or other leisure activities, so that tourism is literally on their doorsteps, yet this growing group of 'resident tourists' is not taken into consideration for statistical purposes. Indeed, the division between work and leisure is further blurred today by the development of e-mail and websites that offer immediate access from wherever a worker happens to be spending time. This has led many to buy second homes in the countryside, where work may be engaged in between bouts of leisure and relaxation. Cafés with Internet access via Wi-Fi, mobile computing and smartphones allow workers to keep in touch with their business while away from home, further blurring the distinction between travel for work and travel for leisure.

Finally, we must consider the case of pensioners who choose to retire abroad in order to benefit from the lower costs of living in other countries. Many northern Europeans move to Mediterranean countries after retirement, while Americans similarly seek warmth, and

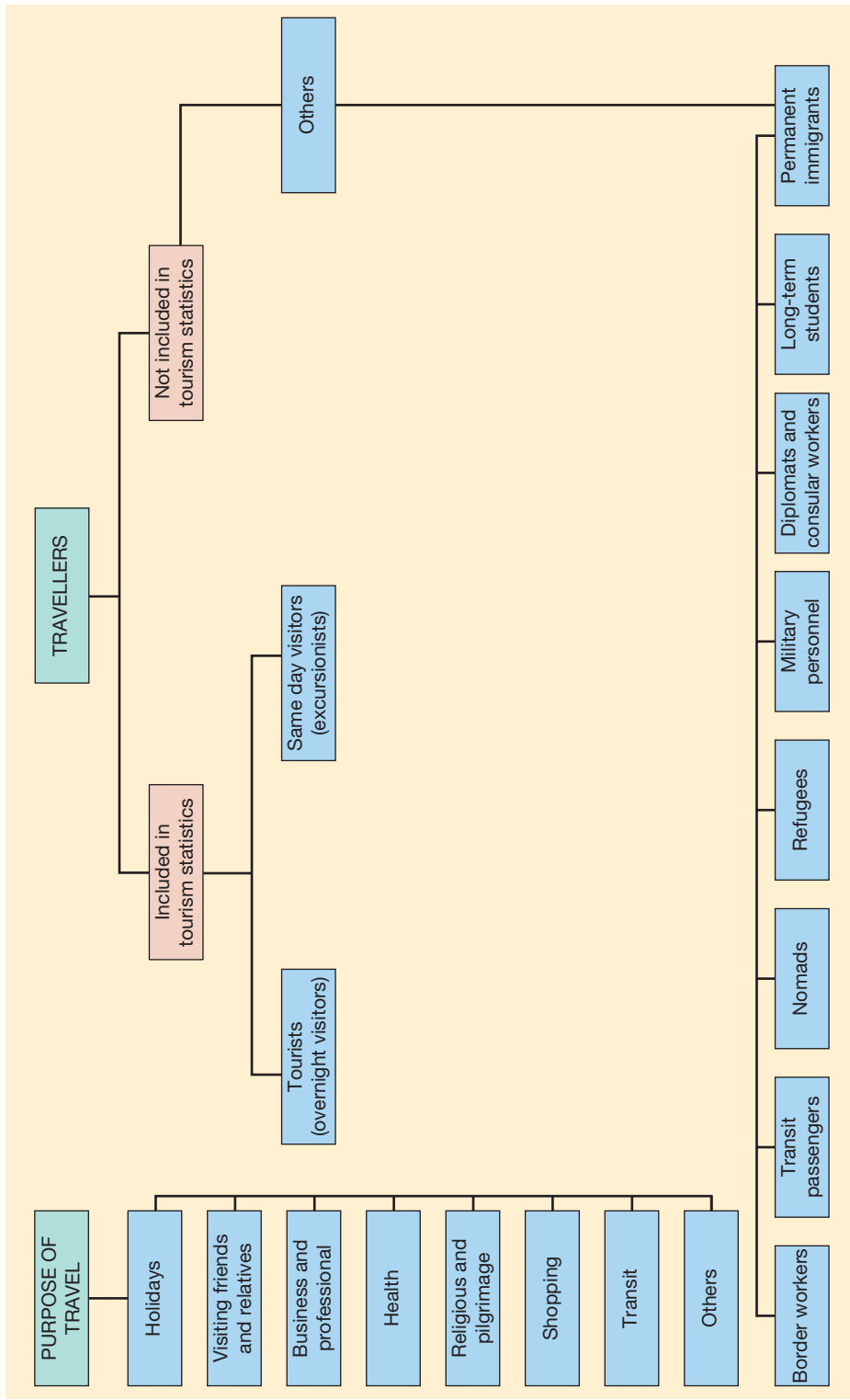


Figure 1.1 Classifying travellers
Source: Courtesy of the UN World Tourism Organization

gravitate to Mexico; they may still retain their homes in their country of origin, but spend a large part of the year abroad. Canadians, and Americans living in northern states, are known as 'snowbirds' because of their migrant behaviour, coming down in their mobile homes and caravans to the sunshine states of the US south-west during the winter months to escape the harsh winters of the north. Once again, the motivation for all of these people is not simply to lower their costs of living but also to enjoy an improved climate and the facilities that attract tourists to the same destinations.

EXAMPLE Classifying tourists

The UNWTO classifies three basic forms of tourism based on border crossing:

- Domestic tourism, involving residents of the given country travelling only within this country.
- Inbound tourism, involving non-residents travelling in the given country.
- Outbound tourism, involving residents travelling in another country.

For example, if the country being considered is Australia then visitors arriving in Australia for a holiday would be counted as inbound tourism, while Australian residents travelling out of the country on vacation would be counted as outbound tourism. Australians visiting any other part of this vast country would be measured as domestic tourists, regardless of distance travelled.

It is important to consider the country of reference (in the example above, Australia) because an outbound traveller for one country will be an inbound tourist for another. Thus, any Australian travelling to Singapore would be counted as an outbound tourist for Australia, but an inbound tourist from Singapore's perspective.

Up to this point, definitions and classifications have been discussed in terms of their academic importance and for the purposes of statistical measurement. We need to recognise that the terms are used much more loosely within the industry itself, with a distinction being made between travel and tourism. If we think of **tourism as a system** (Leiper, 1979) (see Figure 1.2) embracing a generating region (where the market for tourism develops), a destination region or regions (places and areas visited by the tourist) and a transit

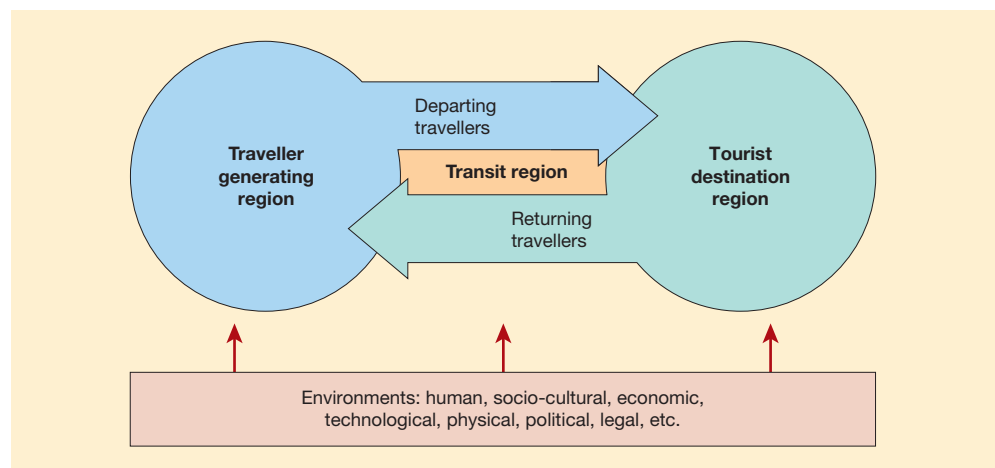


Figure 1.2 The tourism system

Source: adapted from Leiper, 1979

zone (where some form of transport is used to move the tourist from, and back to, the generating region and between any destinations visited), it is becoming common practice among practitioners to refer to the second of these as comprising the *tourism industry*, with the other two referred to as the *travel industry*.

Conceptually, defining tourism precisely is a near-impossible task. To produce a technical definition for statistical purposes is less problematic. As long as it is clear what the data comprise, and one compares like with like, whether inter-regionally or internationally, we can leave the conceptual discussion to the academics.

The tourist product

Having made an attempt to define the concept of the 'tourist' and 'tourism', we can now look at the tourist product itself.

Intangibility

The first characteristic to note is that this is a **service** rather than a tangible good. This intangibility poses particular difficulties for those whose job it is to market tourism. A tourist product cannot, for example, be inspected by prospective purchasers before they buy, as can a washing machine, DVD player or other consumer durable. The purchase of a package tour is a speculative investment, involving a high degree of trust on the part of the purchaser, the more so as a holiday is often the most expensive purchase made each year (although, with increasing affluence, many consumers are now able to purchase two or more such holidays annually). The necessary element of trust is heightened by the development of sales via the Internet and the introduction of electronic ticketing for much air travel.

It has often been said that 'selling holidays is like selling dreams'. When tourists buy a package tour abroad, they are buying more than a simple collection of services, such as an airline seat, hotel room, three meals a day and the opportunity to sit on a sunny beach; they are also buying the temporary use of a strange environment, incorporating what may be, for them, novel geographical features – old world towns, tropical landscapes – plus the culture and heritage of the region and other intangible benefits, such as service, atmosphere and hospitality. The planning and anticipation of the holiday may be as much a part of its enjoyment as is the trip itself. Then, recalling the experience later and reviewing videos or photos are further extensions of the experience. These are all part of the product, which is, therefore, a psychological as well as a physical experience.

Heterogeneity

The challenge for the marketer of tourism is to match the dream to the reality. The difficulty of achieving this is that tourism is not a homogeneous but a **heterogeneous** product – that is, it tends to vary in standard and quality over time and under different circumstances, unlike, say, a television set. A package tour or even a flight on an aircraft cannot be consistently uniform: a bumpy flight, or a long technical flight delay, can change an enjoyable experience into a nightmare, while a holiday at the seaside can be ruined by a prolonged rainy spell.

Because a tour comprises a compendium of different products, an added difficulty in maintaining standards is that each element of the product should be broadly similar in quality. A good room and fine service at a hotel may be spoiled by poor food or the flight may mar an otherwise enjoyable hotel stay. An element of chance is always present in the

purchase of any service and, where the purchase must *precede* the actual consumption of the product, as with tourism, the risk for the consumer is increased.

The introduction of **dynamic packaging**, which is rapidly changing the traditional package tour, is beginning to complicate this. Dynamic packaging is the process by which travel agents, or other retailers of travel, themselves put together flights, accommodation and other elements of travel and sell the resulting package of components to consumers. Of course, tourists can today put their own packages together through Internet suppliers, but if they choose to do so, uncertainty about the uniformity of the product is heightened. Even when packages are tailor-made by the travel agent or other retailer in a similar manner, the lack of a single tour operator or supplier to oversee the final package threatens to undermine the concept of a 'standard quality' product.

Inseparability

One of the factors influencing the heterogeneity of the product is that often people are involved in the delivery of the service and this human involvement may not be consistent in behaviour or demeanour. The interaction between the service provider – a waiter in a restaurant, for instance, or the holiday representative at a resort – and the customer can be influenced by the moods and emotions of each. But this highlights another characteristic of tourism: that it cannot be brought to the consumer. Rather, the consumer must be brought to the product and be present for the delivery of the service. This **inseparability** also means that the tourism product cannot be 'manufactured' at a place and time convenient to the supplier. For example, if the holidaymaker has been sold a guided tour then both the tour guide and the tourist need to be present at an agreed time and place for the transaction to take place.

Perishability

A fourth characteristic of tourism is its inability to be stockpiled for future use. If the hotel room is not sold for a particular night then that 'product' is lost forever – no one would buy a hotel room for use last month! Similarly, the unsold aircraft seat cannot be stored for later sale, as is the case with tangible products, but is lost forever once the plane is airborne; hence the great efforts that must be made by those in the industry to fill empty seats. This has implications for the industry and, as we will discuss in Chapter 18, tour operators work hard to ensure they maximise sales, perhaps offering last-minute discounted deals, to ensure that they earn money from these products before they are lost.

In the short term, at least, the supply of this product is fixed; the number of hotel bedrooms available at a particular destination cannot be varied to meet the changing demands of holidaymakers during the season. If market demand changes, as it does frequently in the business of tourism, the supply will take time to adapt. A hotel is built to last for many years, and must remain profitable throughout that period. These are all problems unique to tourism and call for considerable marketing and management ingenuity on the part of those in the business.

The nature of tourism

It is useful to examine the characteristics of a tour in terms of the following five broad categories – motivation for the trip, the characteristics of the trip, the mode of organisation, the composition of the tour and the characteristics of the tourist.