

Unit 2 Concept of Tourism Demand and Supply for Tourism Marketing

Topic

Tourism demand and supply and tourism consumers' decision making model

Tourism marketing and the concept of experience in tourism

Implication for tourism marketing

Objectives

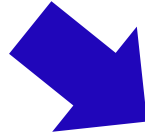
Students should be able to:

- Make a linkage of how the study of consumer decision making model relates with tourism marketing
- Identify tourist demands and supplies in each stage of consumer decision making.
- Recall an importance of tourism experience in tourism marketing.
- Explain how tourist physical and emotional engagement in tourism can promote success of tourism destination marketing.

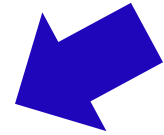


1. Tourism Demand and Supply and Tourism Consumers' Decision Making Model

Intangible products
Service encounters
Experience



**Production and
consumption meet**



The concept of tourism demand and supply for marketing concerns:

- ❖ “What and how marketing strategies should be implemented from the different stages of tourist decision making process”
- ❖ “Designing the marketing mix strategies”

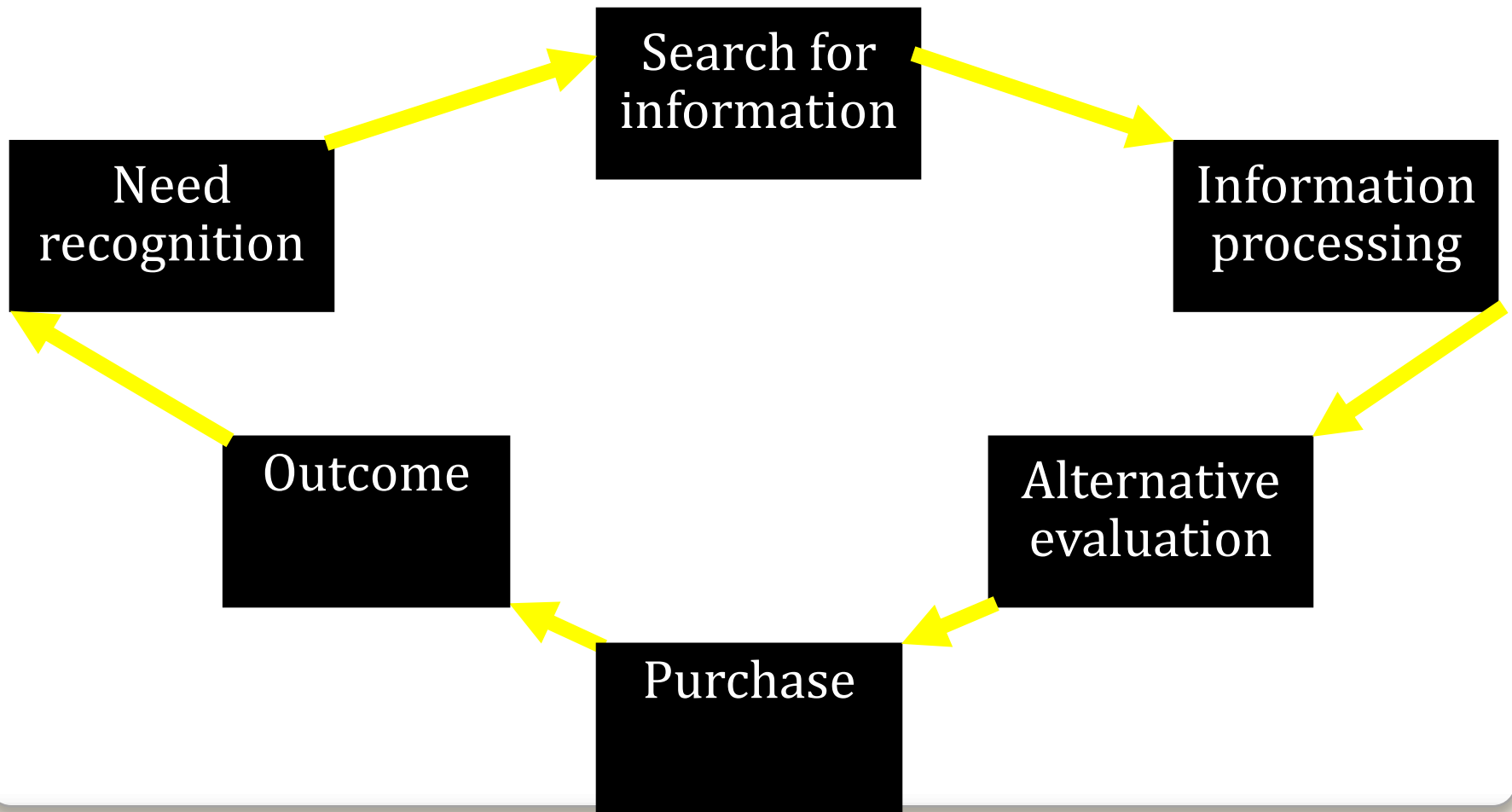
5 characteristics of service products

- Intangibility
- Inseparability
- Heterogeneity
- Perishability
- Lack of Ownership





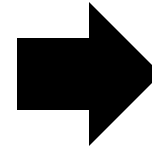
- Pre- trip stage (pre- purchase stage)
- During- trip stage (consumption stage)
- Post- trip stage (evaluation stage)



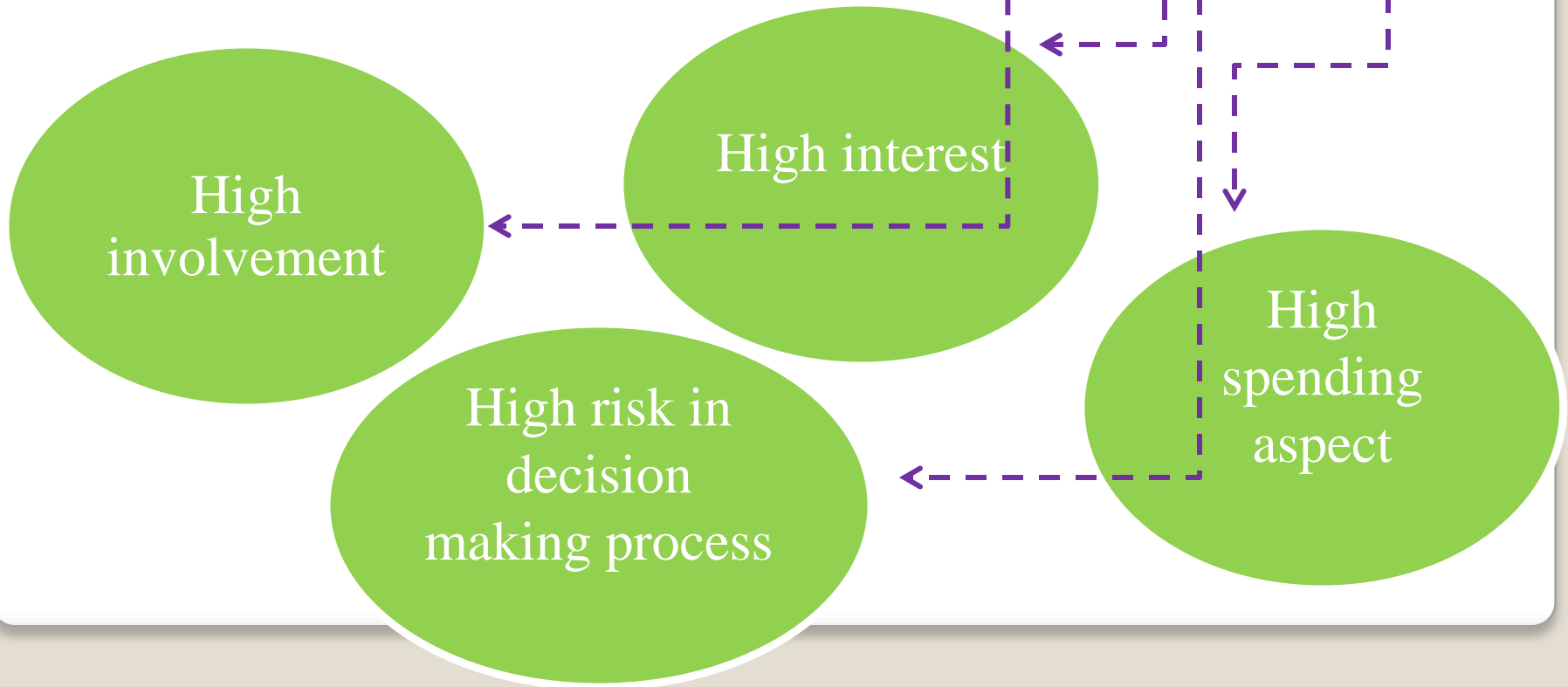
- Need recognition (drawn from memory)
- Search for information – internal (memory) and external (marketer dominated)
- Information processing (exposure, attention, comprehension, acceptance, retention)
- Alternative evaluation (comparison of different products and brands) until the choice is narrowed to a preferred alternative
- Purchase
- Outcome (such as satisfaction and dissatisfaction)



The intangible nature of the service offering will have a considerable effect on the consumer during the decision-making process involved with purchase.



Tourism
purchase
decision
making



“They involve committing large sums of money to something which cannot be seen or evaluated before purchase. The opportunity cost of a failed holiday is irreversible. If a holiday goes wrong that it is for another year. Most people do not have the additional vacation time or money to make good the holiday that went wrong.”
(Seaton, 1994)

Tourists- to- be will certainly engage with the following 5 stages.

- Anticipation or expectation during pre- purchase stage
- Travel to the “site segment”
- An “on- site experience”
- “A return travel” component
- An “extended recall” and “recollection stage”



Consideration of the facts about tourism products and consumers in tourism

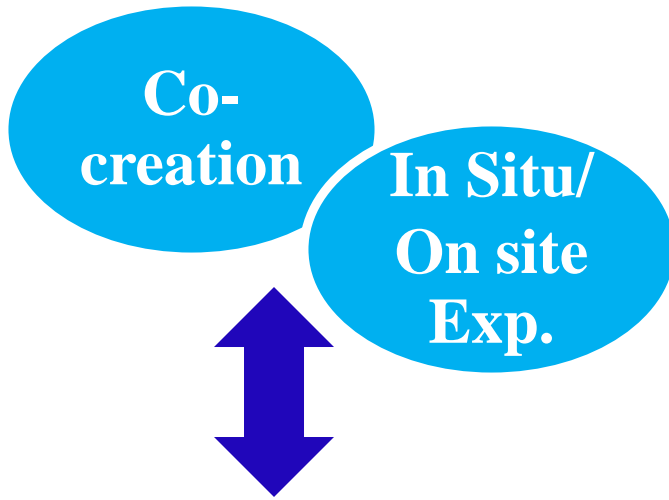
- ❖ Tourism is social business or people- to- people business.
- ❖ Tourism is experience product which can be “augmented”.
- ❖ Tourism product relates to emotions.
- ❖ Tourists have high involvement.
- ❖ Tourists have high perceived risk.
- ❖ Tourists have expectation formed by existing images towards particular tourism products (i.e. tourist destination, travel companies, behaviour of local people...).
- ❖ Tourists have some limitations in engaging travel activities.

2. Tourism Marketing and the Concept of Experience in Tourism



Quality of tourist experience concerns not only tourism supply side, but also tourist behaviour and their level of physical and emotional involvement during visiting destinations and engaging in tourism activities en route and at destinations.





Experience in tourism
is.....

- Subjective
- Based on sensations
- Involving participation in activities
- Resulting in learning or knowledge acquisition



Selection of Definitions of Tourist and/ or Leisure Experiences

Definition	Source
An experience is “any sensation or knowledge acquisition resulting from a person’s participation in activities”	Smith (2003: 233)
An experience is “the subjective mental state felt by participants during a service encounter”	Otto and Ritchie (1996: 166)
An experience can be seen as “events that engage individuals in a personal way”	Bigne and Andreu (2004: 692)
“Experience is the result of a process of assimilating the world into a structure of cognitive ‘maps’ or schemas”	Vitterso et al. (2000: 434)
“Tourism experience is a multi- functional leisure activity, involving either entertainment or learning, or both, for an individual”	Li (2000: 865)
“An experience is a complex concept with many dimensions, influenced by situational and personal variables, and composed of many characteristics”	Den Breejen (2007: 1418)

Core features of tourist experience

1. Series of events or activities
2. Meaning of experience constructed by the information available in the experience setting
3. Symbolic value to participant
4. Expression of memories through stories
5. Experience has multi- facet
6. Physical places and the characteristics of these places and their management influence experience
7. Social interactions
8. Choice, expected benefit or value, desired lifestyle and/ or personal interests
9. Tourist experiences depart in some way from everyday experiences

3. Implication for Tourism Marketing

Marketing should incorporate these ideas:

- ❖ Sense of place for marketing and branding (**place- making marketing**)
- ❖ Site interpretation to promote the meanings and understandings brought to or influenced by or negotiated at the site (**involving public environmental education and visitor communication.**)
- ❖ Built- environment design where motivations of physical movement and emotional or sensual interaction will be fostered and encouraged.
- ❖ Service- orientation design which concerns people management and marketing
- ❖ Information and content design both by offline and online channel, or printed and digital content





Pair Assignment (10 marks)

- ❖ Choose one destination from its website
- ❖ Read about marketing mix in the lecture note (Unit 3)
- ❖ Use the destination you have chosen, and try identifying its marketing mix
- ❖ Prepare power point presentation based on each component of marketing mix with explanation

