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# Introduction

## Chapter outline

The term *tourism* is used in this book as a broad descriptor subsuming an array of activities, including travel, holidays, hospitality, lodging, recreation, events, entertainment and leisure. On the demand-side, the participants of tourism are referred to as travellers, tourists, vacationers, holidaymakers, daytrippers and visitors, and the tourism industry caters to a wide range of market segments and travel situations beyond holidays. Our *industry* represents around 10% of annual global economic activity, the majority in the form of *intangible services*. On the supply-side, around 99% of organisations catering to the needs of travellers are small to medium size businesses. These enterprises have different opportunities, challenges and constraints than the big brands, and operate in competitive markets with scarce resources. This chapter introduces the focus of the book, which is to explore how marketing principles can be applied by small tourism businesses and not-for-profit organisations engaged in *tourism*. A key theme throughout the book is the challenge of *differentiating* tourism services against competitors, offering similar features and benefits, in the minds of target consumers who are spoiled by choice. What is critical is the need for a *marketing orientation*, an outward and forward thinking philosophy dictating that all marketing decisions are made with the target consumer in mind.

## Learning aims

To enhance your understanding of:

- the distinguishing characteristics of tourism services
- the challenge of differentiating tourism services
- the importance of a marketing orientation

## Key terms

### **Tourism**

Used as a generic descriptor, subsuming the many interrelated activities related to travel, holidays, hospitality, lodging, leisure, events, entertainment and recreation.

### **Differentiation**

Standing out from competitors as being different, in the minds of consumers, on the basis of an attribute or benefit that is meaningful to them in the purchase situation.

### **Marketing orientation**

An outward and forward thinking philosophy that dictates all marketing decision making is made with the interests of target consumers in mind.

## A bridge between theory and practice

The aim of this book is to serve as a bridge between academic theory and industry practice, by exploring how marketing principles can be applied in the tourism industry. While academic theories can be used by large and small tourism businesses, this book provides a contemporary approach to formulating, implementing and monitoring marketing plans for small tourism businesses and not-for-profit enterprises (e.g. galleries and museums), which make up over 90% of our industry. The text draws on research from a number of fields, such as psychology, marketing, strategy, management, information technology and tourism, to present the practical relevance of academic theory. As someone who spent 20 years working in the tourism industry, and 20 years as a marketing academic, I appreciate how theory can inform effective industry practice, and vice versa.

The success of a small tourism business requires a hands-on entrepreneurial approach with a skill set not necessarily developed at a university. If you never went to university, and never read an academic journal, would you understand the value of academic research? Often, tourism entrepreneurs are actually implementing theories that they are not aware of, developed through experience or word of mouth advice from those who came before them. The business models commonly used by the management consulting firms, and discussed in business books and blogs, were all derived from theory, whether explicitly acknowledged or not. Therefore, the academic literature plays a major role in this book.

A global perspective has been adopted to highlight the commonality of challenges and opportunities facing small tourism businesses everywhere. Practical examples and cases from many different parts of the world are included. My years in the tourism industry included working as a tour guide, barman, travel agent, sales representative, tour wholesaler, and destination marketer. I

was fortunate that these roles took me to many parts of the world. The more I have travelled, the more I have seen how tourism marketers everywhere face a commonality of challenges and opportunities. Much of my research as an academic has explored the practical challenges faced by tourism marketers, and I have published four books on destination marketing (see Pike 2004, 2008, 2010 and 2016). So, I bring to this book biases from my own travel experiences and from working in tourism as a practitioner and researcher for over 40 years. I lay no claim to being an expert, but rather as someone who appreciates both sides of the industry/academic divide, and in particular how marketing theory can be adopted by small tourism businesses and not-for-profit enterprises.

### Critical point: A good theory is really practical!

A good theory provides a substantiated explanation of some aspect of our world. This explanation clearly and succinctly defines the key concepts involved, and the relationships between them, in a way that enables us to observe and measure, and make predictions about the outcome of future actions.

## Readership

*Tourism Marketing for Small Businesses* is primarily designed for undergraduate students undertaking a degree or diploma in tourism and/or related disciplines such as travel, hospitality, recreation and leisure. Another audience of interest is students in business schools and creative arts programmes, where tourism is not the degree/diploma major. Given the scale and presence of the global tourism industry, many students heading for careers in public relations, advertising, digital communications, financial services, branding or business consulting are going to engage with tourism clients at some stage. Those students destined for roles with art galleries, museums, parks and gardens, local government, orchestras and events will benefit from an understanding of the nature of tourism marketing. It is also my hope the book will also be a useful reference for those already involved in the management and marketing of small tourism businesses and not-for-profit organisations.

## Overall learning goals

The aim of *Tourism Marketing* is to explore how marketing principles can be applied by small businesses and not-for-profit organisations in the tourism industry. The key learning goals are to enhance understanding of:

- the challenge of differentiating tourism services
- a framework for tourism and travel marketing planning
- the role and importance of destination marketing organisations
- factors influencing tourism demand