Unit #1   Section 2

Here's a look at what will be covered during this Section:
•Tourism
•Five Industry Groups of the Tourism Sector
•Types of Travelers
•Needs, Wants and Motivators
•Positive and Negative Impacts of the Hospitality and Tourism Industry

Tourism can be divided into different 7 elements:

Domestic Tourism
Travel for any reason, other than work related, for any length of time, more than 80 kilometers from home and which includes an overnight stay. This may include visitors from outside the country.

Domestic Travel
Travel for any reason or any length of time but not more than 80 kilometers from home.

Outbound Tourism
Travel across the Canadian border to enter another country.

Inbound Tourism
Travel across the Canadian border, into Canada. There are no distance restrictions as there are with domestic travel and tourism. Inbound tourism may also include same day visitors entering Canada and those who return to their country without spending a night.

International Tourism
Includes inbound and outbound tourism.

National Tourism
Travel within your own country. May include outbound visitors who leave Canada to go to another country to travel there.

Internal Tourism
Travel within a country and may include inbound visitors from other countries.

Five Industry Groups of the Tourism Sector

1. Accommodation
The hospitality and tourism division that provides lodging.
Examples: hotels, conference centers, bed and breakfasts, RV parks and institutions

2. Recreation and Entertainment
The hospitality and tourism division that provides outdoor and recreational activities, attractions, entertainment, event management and coordination.
Examples: kayaking, heli-skiing, fishing, Hopewell Rocks, Acadian Village, gambling, concerts, trade shows and conferences

3. Food and Beverage
The hospitality and tourism division that provides various food and beverage services to the consumer.
Examples: bars, cafeterias, buffet, catering, air planes, institutions

4. Transportation
The hospitality and tourism division that provides a way for the customer to get to and from a destination. This can be by air, road, rail or water.
Examples: air planes, ferries, cruise ships, motor coaches, car rentals and taxis

5. Travel Services
The hospitality and tourism division that provides specific services suited to the customers' needs and wants. This division also promotes the needs of the travel and tourism industry.
**Examples:** tour guides, travel agencies, retail operators, banks, service stations, visitor information centres, tourism associations, education and training councils

Who is Travelling?
When we think of a typical traveler, we think of the person who is going away on a vacation for leisure purposes. We often forget to include the business traveler or the professional traveler who travel for business but who also have needs and wants. If the goal of the hospitality and tourism industry is to provide services that meet the needs of the customer, then it is necessary to look at the needs, wants and motivations of the travelers.

Definition: According to the World Tourism Organization (WTO) A TRAVELLER is anyone on a trip, anywhere, regardless of the reason or length.

Travelers can be divided in three sections
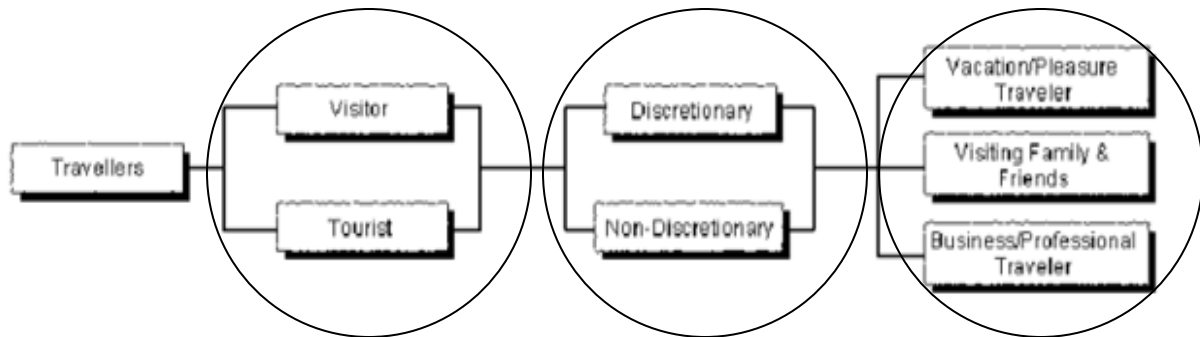
Visitor - Same day visitors are people who travel on day trips.

Tourist - The tourist travels and stays overnight.

Discretionary Traveler - a traveler who can choose or decide to travel when and where, and the main purpose of the trip, is for pleasure and to relax.

Non Discretionary Traveler - is a traveler who must travel. These travelers are usually on a schedule and can be travelling for business, attending a conference related to work or travelling due to an illness or death in the family.
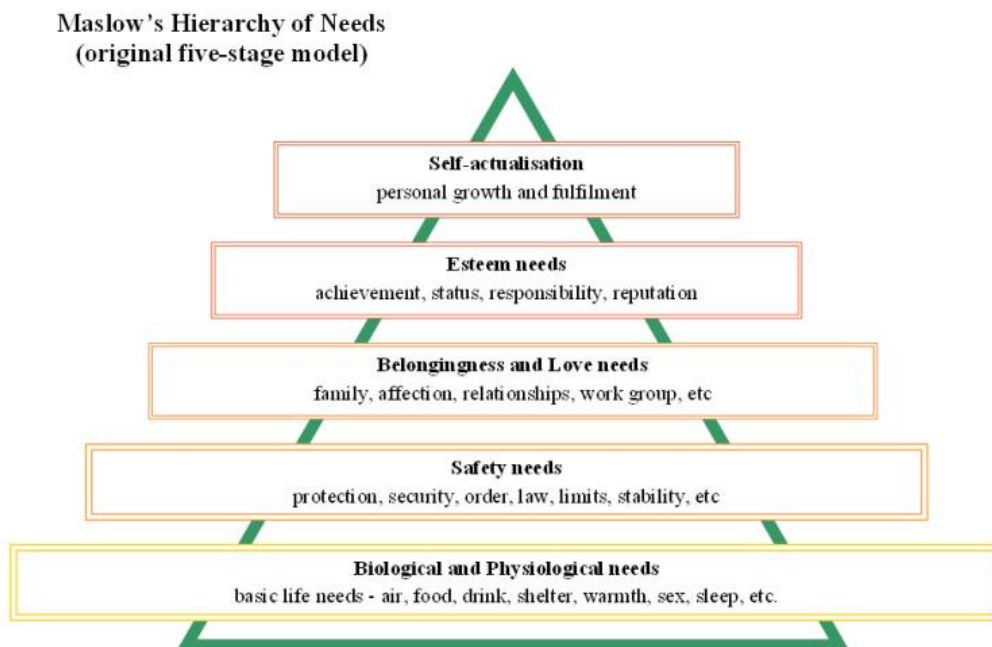
Vacation/Pleasure Traveler – can be anybody including families, university students, and retired couples. They make a decision to go on a trip and choose a location based on pleasure. They fall under the discretionary category because they choose to travel and because they may want to get away from everyday stress, for cultural experiences, or just for fun.

Visiting Family and Friends Traveler – can be either discretionary or non-discretionary. The discretionary would choose to visit family or friends for special events like school or family reunions. The non-discretionary are those who must be visiting family or friends for things such as illness or a death.

Business/Professional Traveler – these travelers are usually business people who are on a tight schedule and need to get to and from their destination quickly and efficiently. They could be sales representatives, physicians attending a conference, or business executives who travel 10 or more times a year. They would be considered non-discretionary travelers. If they were to take their families with them to enjoy activities on the weekend then it would be a combination of discretionary and non-discretionary.

What makes people travel?

- Why does one family choose to travel to the Grand Canyon, to Disney World or to travel through Mexico for six months?
- How can the hospitality and tourism industry serve their customers' needs and wants unless they know what motivates people to travel?
- Two strategies that the hospitality and tourism industry relies on to provide some of these answers are:
  - Psychographics
  - Demographics

- Psychographics is the term used to describe the market research into what motivates people to travel. These can be based on motivational needs, drives and values.
- There are many motivational theories that provide information on what drives or motivates people.
- One of the most famous is Maslow's Hierarchy of Needs. Maslow was a psychologist who believed people were motivated based on five needs.
- As a person attained or felt comfortable with each level, they would then go to the next need and fulfill this until they had achieved the top level of self-actualization.
- If, at any time, a person's needs were not met, they would return and fulfill the need below and then climb up again.
- Maslow believed that people could not jump over a stage. He broke the five needs into:

Maslow's Hierarchy of Needs
(original five-stage model)

Self-actualisation
personal growth and fulfilment

Esteem needs
achievement, status, responsibility, reputation

Belongingness and Love needs
family, affection, relationships, work group, etc

Safety needs
protection, security, order, law, limits, stability, etc

Biological and Physiological needs
basic life needs - air, food, drink, shelter, warmth, sex, sleep, etc.

© alan chapman 2001-4, based on Maslow's Hierarchy of Needs

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Another theory specifically relating to travel motivators, developed by Robert McIntosh, is a representation of four needs, or motivators.

These are: 1. physical,
              2. cultural,
              3. interpersonal
              4. status needs.

1. **Physical needs** are things like rest and relaxation. So when travelling, these needs could be met by visiting an all inclusive resort or going to warm destinations during the winter.

2. **Cultural needs** are met by developing an understanding of different cultures and traditions. For the traveler, this could be a visit to Europe or Mexico and may include activities such as visiting museums and viewing the different architecture of buildings and ruins.

3. **Interpersonal needs** for the traveler include meeting new people or visiting with family and friends. This could also be a convention or travelling for educational purposes.

4. The **status need** causes one to strive for recognition. Perhaps just the idea that you have travelled extensively to different destinations enables the traveler to satisfy the status need.

Demographics - is the term used to describe a person's
A. income
B. age
C. occupation
D. location and
E. family status

All have an influence on motivation to travel.

A. Income
The dual income family is a major contributor to the income level of most families. They have more expendable money, that is to say, more money to spend on travel and leisure activities.

B. Age - 5 Categories in this section

1. Children, teenagers
With more double income families travelling, it is important to create travel incentives that include children and teens.

2. Young adults
A number of young adults, or the 18-24 age groups, travelling during school breaks to various destinations.

3. Baby Boomers (born between mid 40's to early 60's)
They generally have more money and are able to travel more because their children are in the young adult category.

4. Middle to late age
This age group, 55 and over, are travelling more now than ever before. They have no debts. They are free to choose where they want to go and when. Money is often not an issue. We normally see these travelers in the fall and off season months as they are free to travel any time of the year. It is generally cheaper to travel in the off season.

5. Seniors.
As the population changes, so too must the industry. More people are living longer so the middle to senior age population may travel longer.

C. Occupation
Most employers are offering their employees many more benefits now than in previous years. People working twelve hour shift work, where they may work five days or nights and then be off for five days or nights, may choose to make small trips during their off time. Some people work weekends and nights and have the weekdays to travel.

More and more people are able to be flexible in their work schedules and receive more vacation time during the year than before. What we saw in the past, two week vacations during the summer has been changed to include two week paid vacations during other times of the year and often to a total of four weeks paid vacation time throughout the year.

We should also look at the early retirement incentives. People who retire early are able to travel and enjoy their leisure time because of pensions and retirement funds.

D. Location
Where a person lives has a huge impact on when and where they decide to travel. Someone living in Toronto has the ability to take a plane to virtually anywhere at a lower price than a person living in Cape Breton who has to make connections, thus increasing the cost.

Location also affects the income level of travelers. The cost of living in the Atlantic Region is lower than that of Toronto or Vancouver.

Choosing to travel to Asia and the Pacific regions for someone living in British Columbia may be similar to someone in the East travelling to Europe. The closer you are to a destination, the easier it may be to get there in relation to costs and effective means of transportation.

E. Family Status
There are many more single parent families than in the past. This can also affect the industry. Single parent families may not be able to afford southern, warm destinations that dual income families may. These families may choose to make smaller trips, closer to home rather than to exotic destinations. They may choose to camp or stay in convenient inns with kitchenette privileges.

The section of motivation, needs and wants would not be complete unless we touch on the reasons **why people choose not to travel.**

1. **Cost or income** can determine how far and/or how often people will travel. Also included in the cost factor is the number of travelers.

2. **Age, physical and mental health** also play a major role in determining where and when to travel. Often the elderly cannot travel due to health issues.

The younger travelers may choose destinations where extreme outdoor adventures await, whereas someone 65 and older may choose an all inclusive resort in Florida because they know there are accommodations to suit their needs.

3. **Time and destination** are also factors. How long it takes to get to a certain destination can hamper a traveler. How much time off the traveler has will also determine whether or not that person will go to certain destinations. It is impossible to visit the Caribbean from Canada in two days.

4. **Diseases** also may hinder people from travelling and visiting countries. SARS was an issue for inbound travel in Canada in 2002.

5. **People's views, opinions and experiences** can also determine whether to travel or not. If someone has travelled to a certain destination and has had a negative experience, they are not likely to return and will also tell many people about their bad experience.

6. One of the hardest factors to overcome is **fear.** Many people have fears related to flying or visiting new places. For some, prescriptions may help overcome this fear; however for others, travelling by air or leaving home is just not a possibility.

The tourism industry has been hit hard by the continuing effects of 9/11 and also by world events, including wars, infectious diseases, airline sector troubles and a general economic slowdown.

When you fly from one country to another, you are asked to fill in a customs and immigration form. On that form it asks for **personal** or **demographical** information as well as the **reason of the trip.** The information on these forms is given to **Statistics Canada,** where they collect and report their findings.

You may have been asked to fill in a comment card on an airline or at a resort you have visited or to rate the type of service you received while visiting a family style restaurant.

There are many basic research methods used in the Hospitality and Tourism industry.

1. **Survey or questionnaire** is most common and often used to gather information about travel.

2. **Factual surveys** - The factual survey asks participants direct questions that have specific responses. For example, what was your destination? Which airline did you use?

3**. Opinion surveys** - focuses on a participant's thoughts and feelings about their experience. An opinion question might be how you rate the service received in a restaurant.

4. **Interpretive** - asks the participant why they chose to travel to a particular destination or why they chose a certain type of travel or company.

5. **Personal, telephone, mail and online surveys** are aimed at the person or individual. Personal interviews take more time than the telephone interview, but both can be adapted to suit the individual during the interview. Mail and online surveys can be of a factual, opinion-based, interpretive or personal in nature. These are cost effective and are based on mailing lists.

Tourism is the world's largest industry. **Globalization or the ability to travel worldwide** is becoming more popular and globalization also includes hotel and restaurant chains. The World Tourism Organization (WTO) anticipates that by the year 2020, there will be more than 1.6 billion people travelling internationally.

Positive/ Negative Aspects

There are both positive and negative aspects of the hospitality and tourism industry.
Some of these in relation to:
- Economical
- Social
- Cultural
- Environmental issues.

Economical
Positive - According to the Tourism Industry Association of Canada, (TIAC) the hospitality and tourism industry is important to all Canadians. It adds significantly to the standard of living and Canadian quality of life.

Canada received approx. $16.9 million in tax revenues which can support all levels of government services from municipalities to federal initiatives. This helps creates new facilities such as theatres, parks, stadiums.

According to Statistics Canada, the Service Producing Industries make up most of the Canadian workforce. The accommodation and food services employs 1,022,000 people, Canada wide. It is interesting that the educational services only employs 1,050,000 and trade represents 2,460,000.

In the Atlantic Region, the accommodation and food services alone accounts for almost 70,000 jobs. Tourism is good for a country's economy. Job creation and tax revenues affect the overall revenue for our country. (Gross National Product (GNP).

Canada's tourism industry is made up of more than 180,000 companies, involved in all Five Industry Groups and more than a million people rely on it for their incomes. Overall, an estimated 1.66 million Canadians rely on the Hospitality and Tourism industry for their livelihood. In 2007, Canada's inbound and internal tourism showed over 30.4 million visitors.

Negative -

1. Problems with an economy which relies on seasonal workers. They must move for employment or may be unemployed for a period of time.

2. Local residents may not appreciate tourists who have more money and who flaunt it, especially in underdeveloped countries.

3. The tourism industry may also contribute to inflation or rising property values in certain areas.

Social and Cultural

Social and cultural issues can include the clothing, language, behaviours, food, ethnic background, social spaces, manners, gestures and values of a local community or country.

Positive
One of the best ways to reduce problems is through education. Many people who travel to countries to learn about that country's culture and to see how the local people live can help remove the prejudices surrounding an unknown or unfamiliar culture.

For example, if we look at the ethnic perspective of Atlantic Canada, especially the Acadian population, 40% of New Brunswick, 14% of Prince Edward Island and 10% of Nova Scotia people are Acadian. The Acadian way of life is not lost in the Maritimes. There are many arts and crafts which are made locally. There are cultural events and historic attractions that have been developed around the Acadian culture that help preserve and educate visitors about the Acadian way of life.

Negative
1. Overcrowding is a problem in some attractions and cultural events. For example, there are so many people on the beaches of the French Riviera that it is almost impossible to find a spot to sit. In Paris, they have had to limit the number of people visiting the famous Notre Dame church to under 500 daily, due to deterioration by so many visitors.

2. Can lead to an increase in crime, prostitution and gambling, can threaten the family unit.

3. When people from the western world visit an eastern or underdeveloped country, **one common problem is the visiting country or destination will change and adopt western thoughts, values and traditions.** This can be devastating to some cultures. One example of this is the mass production or commercialization of local arts and crafts. Religious ceremonial dances have, in certain areas, been used only for entertainment.

Environmental

Positive
On the positive side, the new trend of the hospitality and tourism industry is **Eco-tourism.**

This is often referred to as nature tourism, soft tourism, sustainable tourism, adventure travel, responsible tourism and appropriate tourism.

Eco-tourism is **positive** for the environment because it is a sector of the industry that educates about local culture, nature and environments. It balances the number of visitors while protecting and preserving the natural state of an area.

Negative
Littering, traffic, construction, air, water, noise pollution and depletion of the ozone layer are all negative factors associated with the hospitality and tourism industry.

Transportation is perhaps the worst sector with respect to environmental concerns. Road construction and traffic congestion leads to air and noise pollution as do airplanes.

Littering is common alongside roadways and in national parks and forests.

In Canada's national parks, in British Columbian parks in particular, animals have been moved away from highways so that they are not being fed and killed by the travelling visitor.

Cruise ships create problems for the environment too. Waste water from sinks and showers flows directly into oceans.

Oil discharges from engines, pollution from smoke stacks and disposal of garbage are but a few issues of concern to the environment.

Positive	Negative
Creates employment, provides employment for both skilled and unskilled workers	Seasonal employment, can cause inflation, unbalanced economic development
Tax revenue at all levels of government	Creates pollution, causes environmental depletion and issues
Creates new facilities such as theatres, parks, stadiums	Can create cultural issues
Creates community awareness, education and acceptance of other cultures, tolerance, peace and understanding	Can lead to an increase in crime, prostitution and gambling, can threaten the family unit
Benefits the traveler	Commercialization of cultures, religion and the arts, can create conflicts in society
Increases incomes, increases the Gross National Product, can enhance local economy and industry	Can cause disease, economic imbalance, transportation issues

Improves quality of life, improves standard of living	Creates higher property values
Increases environmental awareness, cultural and heritage awareness, promotes the global community which helps to overcome the obstacles of language, culture, gender and religion	Increases emergency services
	Overcrowding, tension and hostility
	Excessive demands on natural resources
	Negative attitudes
	Creates issues between developers and environmentalists