Tourism product

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Definition

- Tourism Product is "a combination of tangible and intangible elements, such as natural, cultural and man-made resources, attractions, facilities, services and activities around a specific center of interest which represents the core of the destination marketing mix and creates an overall visitor experience including emotional aspects for the potential customers. A tourism product is priced and sold through distribution channels and it has a life-cycle,, (UNWTO)
- <u>https://www.unwto.org/tourism-development-products</u>
- Tourism product is *"an experience that is achieved through the combination of a diverse array of products and services"* (Heath and Wall, 1992:4)





Definition

• "...the experiences of each traveller differ from those of every other traveller in some way. These differences are part of the intangible benefits, the sensations of well-being, acquired by each traveller. The extent of the benefits and their value can be even harder to measure, since they vary with the personality and disposition of the recipients." (Cullen, 1989:447)





- Tourism Product
 - Object of transaction between the tourist (demand) and provider (supply)
 - Total travel experience
 - Should be seen from perspective of a consumer (=total travel experience) rather than from producer (=the product from the producers perspective is just a part of product from the consumers perspective)
 - The total price is established only after the trip
 - Some elements of the tourism product are not produced for tourism purposes, but become part of the tourism consumption when the tourists include them in the tourism product





- Tourism Product
 - Is determined in relation to a specific tourism destination, but should be differentiated from the destination (the product is not the destination), destination usually offers more products (Christmass Prague, Jewish heritage tour of Prague, tour of historic sights in Prague, international conferences, etc.)
 - Tourists perceive the tourism product in a subjective way (based on their socio-economic background, temperament, previous experience, motivation, expectations,...), so two tourists will have a different tourism experience based on the same composition of the tourism product....therefore the exact combination of experiences and consumed elements can only be established after the trip (Koutoulas, 2004)





- Tourism Product is complex, consisting of variety of components that are interdependent (each provides part of a total sum of experience) and can be found at:
 - various environments
 - destination (taxi to/from airport, local transportation, restaurants, events, tickets to attractions, souvenirs)
 - transit route (gasoline, food)
 - place of residence (suitcase, travel guide, insurance, airline ticket, taxi to/from airport, development of photos)
 - various points of time
 - pre-trip (suitcase, travel guide, vaccination, insurance, airline ticket)
 - trip (accommodation, local transportation, events)
 - post-trip (development of photos)





- Tourism product is an instrument to satisfy tourist needs; a carrier of benefits
 - Primary tourist needs (that urge someone to make a tourist trip, the purpose of a tourist trip; for example the primary need to relax can be satisfied by bathing in the sea and sunbathing the tourism product provides clean beach, warm water, abundance of sunshine, ...); need for attractions that let tourists to get involved in the desired activities
 - Secondary tourist needs (that arise from decision to make a tourist trip); need for elements facilitating the transition to the destination and satisfaction of the secondary needs





Levels

- Tourism product levels
 - The total tourist product
 - comprises a combination of all the elements, which a tourist consumes during his/her trip
 - is a complex of tangible and intangible components that create the total travel experience
 - composite product/amalgam/package/bundle/...
 - The specific products
 - are components of the total tourist product
 - can be sold as individual offerings such as accommodation, transport, attractions and other facilities for tourists





Elements of tourism product

- Integral products
 - can be sold independently on the market
 - hotel accommodation
 - air transport
 - admission to visitor attractions etc.
- "Free" or "public" goods
 - can be used or consumed by tourists free of charge (Scheuch, 1982:87; Leiper, 1990:147)
 - the climate and the scenery
 - Note: if they play a role in the tourist experience, they are part of the product (warm weather at SSS product vs. warm weather at conference product)
- Complementary services
 - cannot be sold independently on the market
 - services provided by a tourist information office or by a tour leader





Tourists responses to TP

- Experiential
 - Festivals
 - Activities
 - Community
 - Dining
 - Entertainment etc.
- Emotional
 - Human
 - Cultural and history
 - Hospitality
- Physical
 - Infrastructure
 - Natural resources
 - Accommodation
 - Restaurants
 - Shops





Framework for TP development

- Institutional infrastructure
 - For planning, development, administration and marketing
- System of coordination
 - Between all levels of government, government agencies
 - International, national, regional, local level
- Planning system
 - procedures that provide guidance, encourage innovation, and stimulate investment





- Purpose of creation
- Origin
- Tangibility
- Variability
- Time of consumption
- Functional role

(Koutoulas, 2015)





Purpose of creation (Krippendorf, 1971:19; Kaspar, 1991:64; Mrnjavac, 1992:117)

- Primary tourist supply
 - Components created for a purpose not connected to tourism (historic sites, natural attractions)
- Secondary tourist supply
 - Components created on purpose to satisfy tourists needs (hotels, theme parks)

Origin (Jaenecke, 1955:2; Hanrieder, 1992:399; Mill and Morrison 1992:375)

- Man-made elements
- Natural elements





Tangibility (Zolles et al., 1981:44)

- Tangible elements
 - hotel, restaurant
- Intangible elements
 - brand, history, climate

Variability (Paul, 1977:16)

- Invariable elements
 - climate, scenery
- Variable elements
 - infrastructure, transportations services





Time of consumption (Taylor, 1980:57)

- planning or anticipation phase
- travel to the destination
- destination activities
- travel back home
- recollection phase

Functional role (Medlik and Middleton, 1973:132; Coltman, 1989:80; Gunn, 1993:769)

- primary tourist supply / attractions / primary causal elements
 - components attracting tourists to the destination
- secondary tourist supply / amenities / facilitators
 - components facilitating the travel and stay at the destination





Tourism product layers

- Product core is (basic product, formal product) bound to the satisfying the needs of the visitor (adrenalin, relaxation, education) and at the same time being rewarding for the visitor, representing a product value for the visitor (air trip brings comfort to the traveller, speed, affirmation of social status).
- Own product (real product) represents a concrete offer with a given services/destinations set up, for a set price (7-day bus trip).
- Extended product usually includes another service "free of charge" or discounted (transfer, discount for buying an extra trip, etc.).





Tourism product-making process

- Product should be inherent in other marketing activities and shouldn't be created separately.
- During the product-creation process the analyses of macro-/micro-/internal environment should be considered, instead of proceeding intuitively.
- Product focuses on a specific segment of the demand that it is created for.
- Product should minimalize economic, social and environmental impacts, respect the sustainable development.
- During the product-making process the cooperation of all stakeholders is important in order to provide a quality product and a complex experience to the customers. (Palatková and Zichová 2014:68)





Tourism is service-based industry and services (intangible) have specific qualities as opposed to the tangible products:

- Intangibility
- Inseparability
- Perishability
- Heterogenity
- Temporary ownership





Tourism is service-based industry and services (intangible) have specific qualities as opposed to the tangible products:

- Intangibility
 - Most tourism products are mixture of tangible and intangible
 - = performance or experience rendered by the service provider to the service consumer
- Inseparability
 - Services are usually produced and consumed at the same time
 - This can make it difficult to separate the provider of the service from the service itself
 - The consumer must be present at the place and time of the delivery of the service





Tourism is service-based industry and services (intangible) have specific qualities as opposed to the tangible products:

- Perishability
 - Services can't be stored or saved as they expire during the simultaneous process of production and consumption
- Heterogenity
 - It is difficult to achieve a standardised product in people-based service industry (standardisation, labels)
- Temporary ownership
 - Service customers usually have only access to a facility where the service is performed (use of a hotel room for the holiday - you have a temporary access to the hotel room/facility)





- Tourism is more supply-led than other services.
- Distribution channels are reversed (monuments, heritage etc. are already here, we are looking for the ways to attract customers as opposed to the situation when we bring product to the customer).
- Tourism products involve cooperation of several suppliers (package holidays) as well as the co-creation from the side of the customer.
- Tourism is a complex, extended product experience with no predictable critical evaluation point (pre-trip anticipation and post-trip reflection). Even trips to the same destination have different variables, so they might be difficult to compare.





- Tourism is a high involvement, high risk product to its consumers (involves commiting large sums of money to something reasonably unknown).
- Tourism is a product partly constituted by the dreams and fantasies of its customers (tourism is usually not consumed for rational, functional purposes).
- Product is highly sensitive to external factors (weather, seasonality, other participants, complexity).
- Trial, sampling, test drives etc. are not possible before consumption of the service (X fam trips for TOs)
- Expected characteristics of the services are reliability, safety, good price/quality ratio, speed of the service provision, complexity and possibility of individualization of the service.





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