

Cultural Heritage Management

European Institute of Innovation, Entrepreneurship and Technology
Lessingstraße 79, 13158 Berlin, Germany

Mahmoud Abdou| Berlin

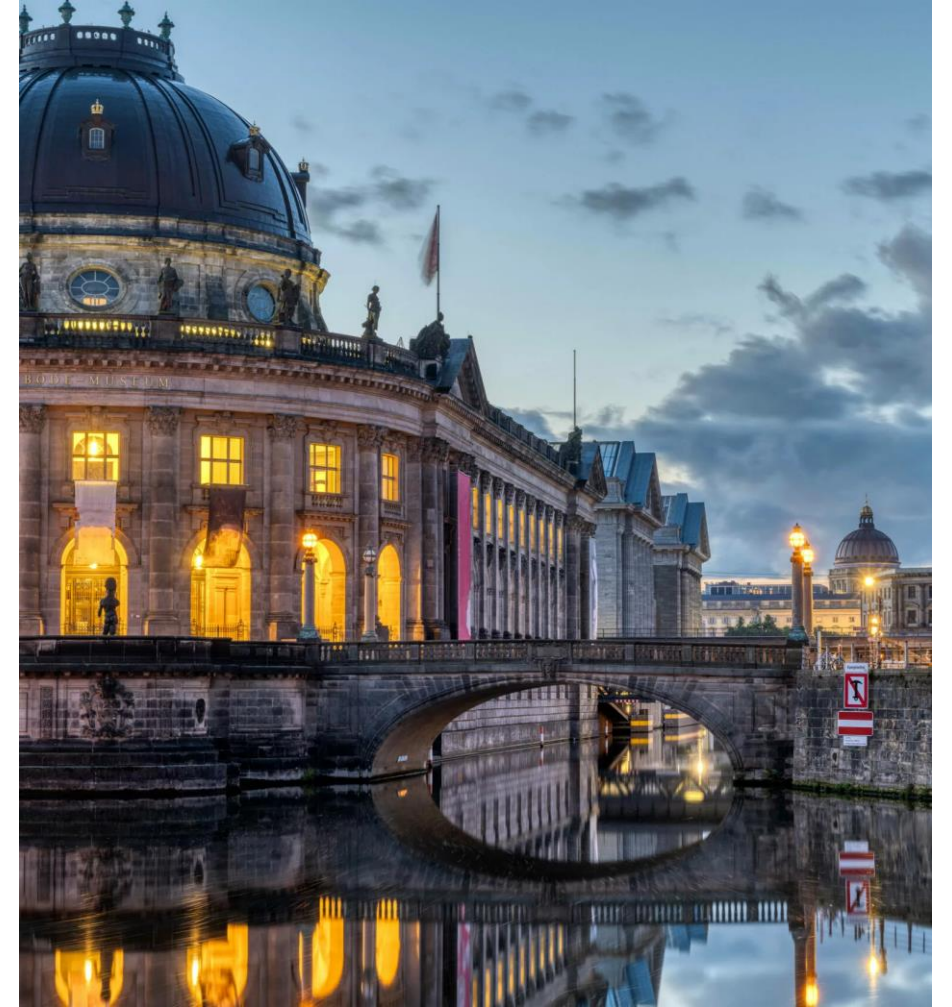


**Lessingstraße 79,
13158 Berlin, Germany**
Phone: +49 30 233618555
Fax: +49 30 233618556
Email: info@eiiet.com

Discover the world of eiIET

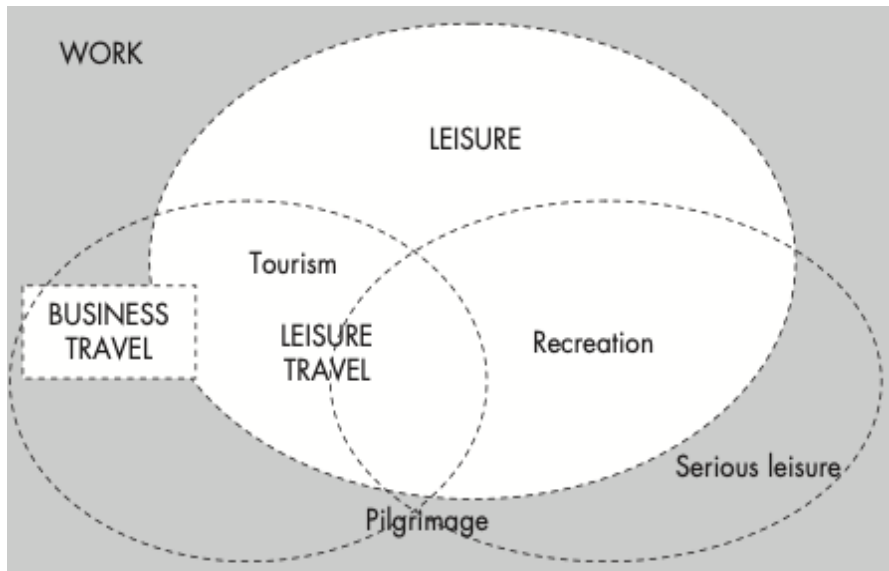
Outline

1. Definition of tourism and the tourism market
2. Characteristics of tourism services
3. Components of the tourism market



1- Definition of tourism and the tourism market

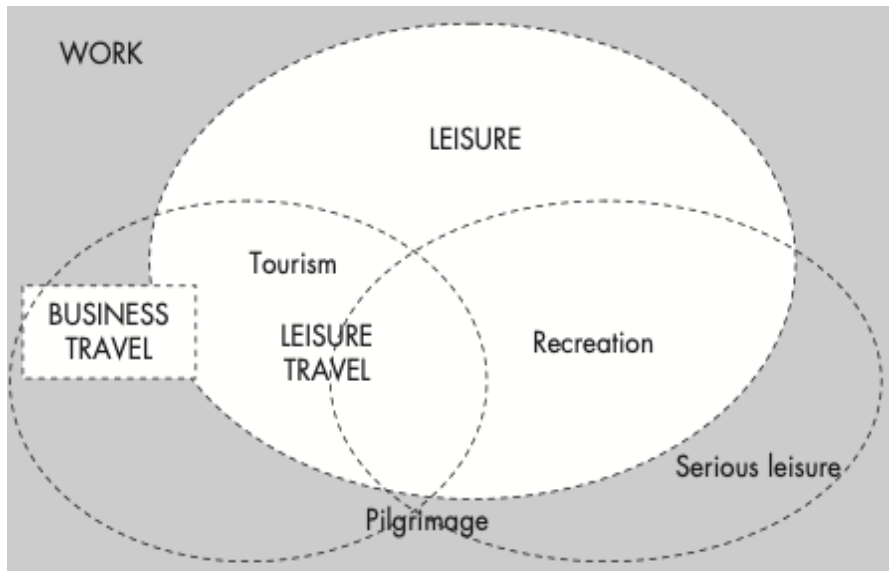
1.1- Leisure:



- Leisure is often viewed as a measure of time.
- It typically refers to the time remaining after fulfilling work, sleep, household chores, and personal obligations.
- In essence, leisure is free time that individuals can spend as they choose.

1- Definition of tourism and the tourism market

1.1- Leisure:



- The concept of leisure raises the question of whether all free time can truly be considered leisure.
- For example, the unemployed may view their free time as **enforced leisure** rather than voluntary.
- Similarly, volunteers at a sporting event might regard their activity as **serious leisure** rather than just free time.
- These examples suggest that leisure is not only a **measure of time** but also an **attitude of mind**.
- An essential component of leisure is the **element of choice**—the freedom to decide how to use that time.

1- Definition of tourism and the tourism market

1.2- recreation:



- Recreation typically refers to the variety of activities undertaken during leisure time.
- The main purpose of recreation is to refresh a person's strength and spirit, such as:
 - Watching television at home
 - To holidaying abroad

1- Definition of tourism and the tourism market

1.2- recreation:



- A useful distinction can be made between different types of leisure pursuits:

- Arts, cultural activities, and entertainment
- Physical activities

- **Sports** can be further distinguished from other **physical recreation** because:

- They involve competition
- Participants must follow the rules set by a recognised authority

1- Definition of tourism and the tourism market

1.3- Tourism:



- If leisure is considered a measure of time, and recreation refers to the activities done during that time, then what is tourism?
- Tourism can be seen as one type of recreational activity.

1- Definition of tourism and the tourism market

1.3- Tourism:



- How can we differentiate between recreation and tourism?

- A helpful way to understand the difference is to imagine a spectrum:

➤ **At one end:** Recreation based at home or in the local area.

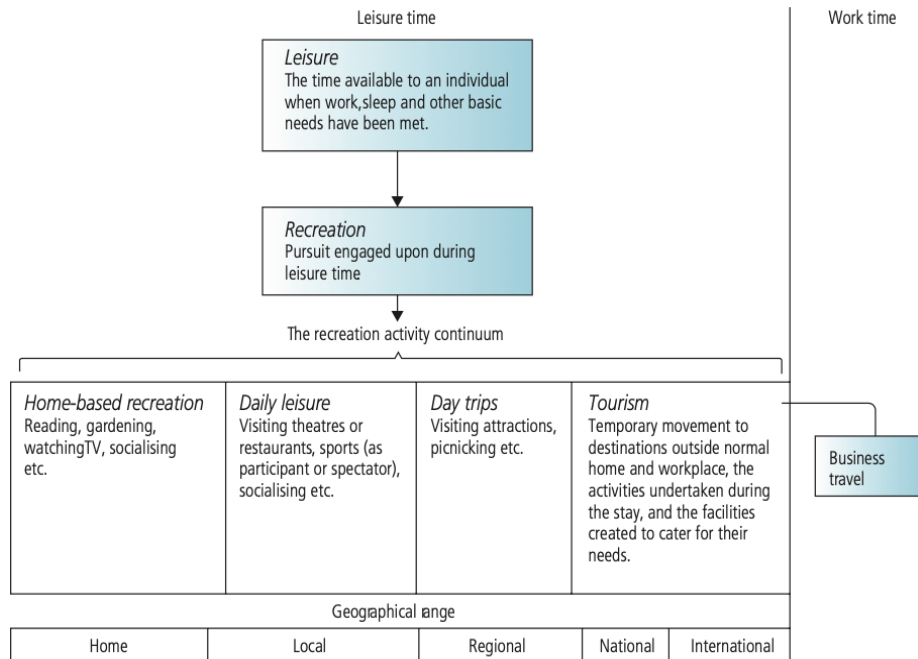
➤ **At the other end:** Recreational travel, which involves:

❖ Greater distances

❖ Possibly overnight accommodation

1- Definition of tourism and the tourism market

1.3- Tourism:



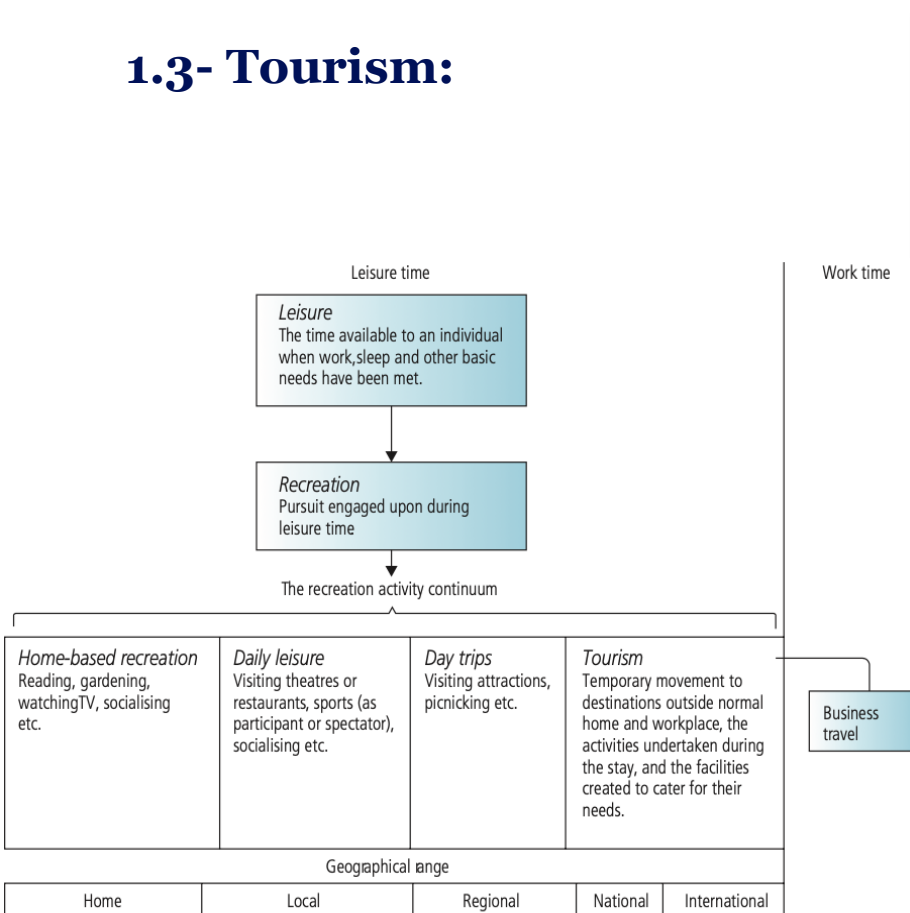
- How can we differentiate between recreation and tourism?

- A helpful way to understand the difference is to imagine a spectrum:

- **At one end:** Recreation based at home or in the local area.
- **At the other end:** Recreational travel, which involves:
 - ❖ Greater distances
 - ❖ Possibly overnight accommodation

1- Definition of tourism and the tourism market

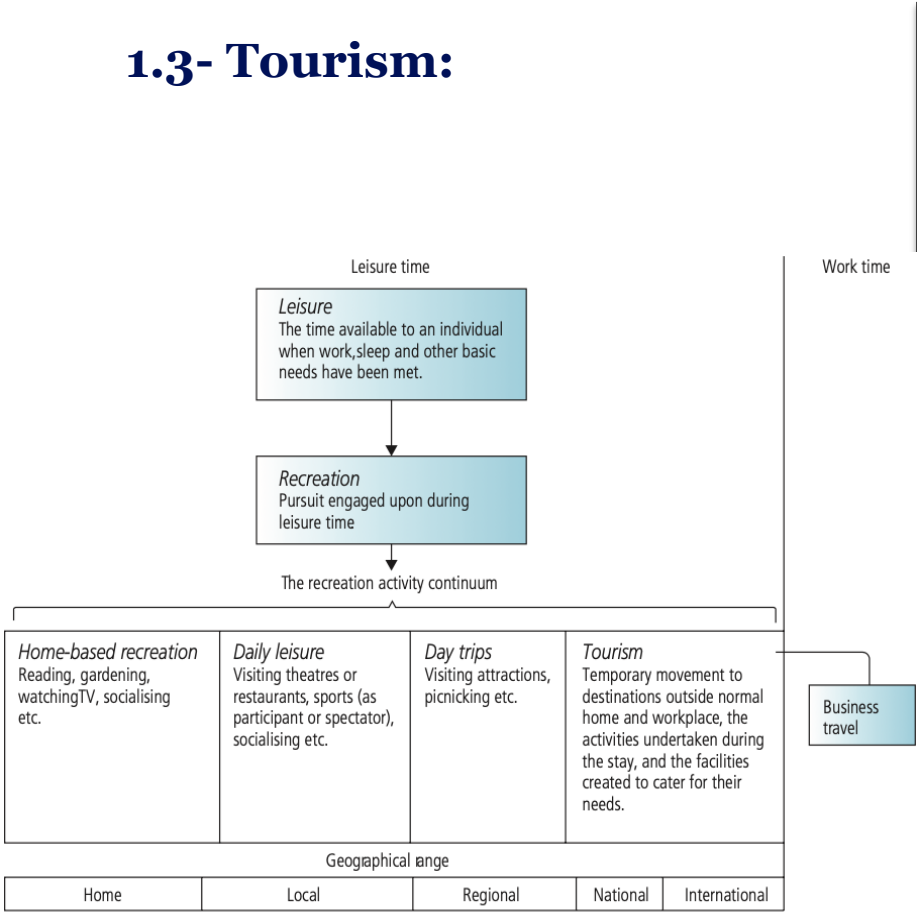
1.3- Tourism:



- The United Nations Statistical Commission defines tourism as: "The activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes."

2- Characteristics of tourism services

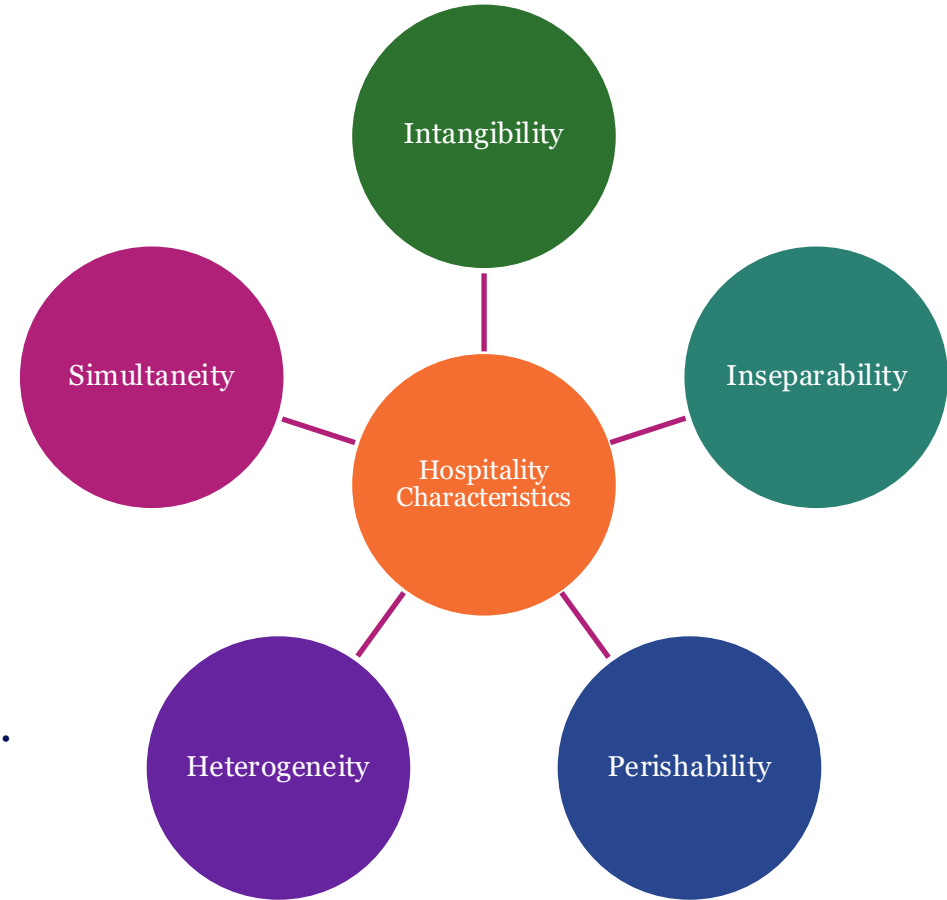
1.3- Tourism:



- The United Nations Statistical Commission defines tourism as:
"The activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, and other purposes."

2- Characteristics of tourism services

- Tourism products have different characteristics.
- They include:
 - Intangibility
 - Inseparability
 - Perishability
 - Heterogeneity
 - Simultaneity
- They are more of an experience than a physical good.



2- Characteristics of tourism services

A- Intangibility



- Services cannot be fully experienced before purchase.
- Customers rely on pre-purchase cues
- Intangible elements influence customer satisfaction.
- Intangibility makes pre-purchase evaluation difficult.

- **Unique production process:**

- Guest participation is essential in creating the service.
- Each guest interaction is unique and co-created in real time.

2- Characteristics of tourism services

B- Inseparability



- Service is produced and consumed at the same time.
- Guests must be physically present.
- Customers participate in service delivery.
- Experience is co-created with staff.
- Interaction quality affects satisfaction.

2- Characteristics of tourism services

C- Perishability



- Unsold services cannot be stored for future use.
- If not consumed at the moment, the value is lost forever.
- Hospitality must generate return on investment for owners/shareholders.
- Fair return depends on business circumstances and market conditions.
- Downturns or recessions increase the difficulty of staying profitable.

2- Characteristics of tourism services

D- Heterogeneity



- Quality varies depending on the staff, time, and conditions.
- Customer experiences are never the same.
- Even standardized chains cannot guarantee identical experiences.
- Variability is inherent in service delivery.

2- Characteristics of tourism services

E- Simultaneity



- A tourism service cannot be produced in advance or stored.
- It cannot be inspected before it is delivered
- Guests experience the service in real time

3- Components of the tourism market

- The tourism market comprises two main components:
 - The tourism demand
 - The tourism supply

3- Components of the tourism market

3.1 What is Demand?



Why is Demand Important?

- The first question in any business venture is:
- Will there be enough demand for the product or service?
- Demand determines whether a business can:
 - Survive financially
 - Grow and remain competitive
 - Generate sustainable profits

3- Components of the tourism market

3.1 What is Demand?



- In an economic sense:

“Demand is supposed to be there when there is the desire among the potential customers for the product/service being on offer along with the willingness and ability to pay”

- Example in Tourism

A traveler may want to visit Paris, but demand only exists if they:

- Have enough money for the trip.
- Are willing to spend that money.
- Plan to travel during a specific period.

Without willingness and ability to pay, desire alone does not constitute demand.

3- Components of the tourism market

3.2- What is Supply?

- Supply refers to the availability of goods and services in the market.
- It represents the quantity that producers are willing and able to offer for sale.
- Supply is measured at a specific price and during a specific period of time.
- **It refers to:**
“The availability of goods/services at a given price in the given time frame”.

3- Components of the tourism market

3.2- What is Supply?

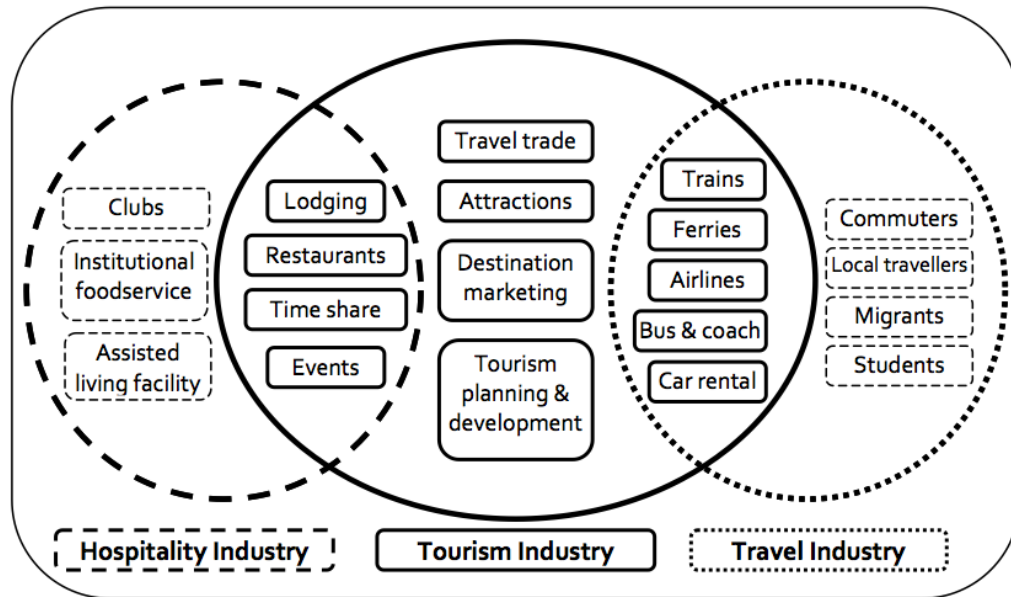


Figure 2: The relationship between the tourism, hospitality and travel industries.
Source: Adapted from Pizam (2009).

- Key Elements of Supply:

- Availability of goods or services.
- The price at which they are offered.
- Willingness of producers to sell.
- The ability of producers to provide the product or service.
- Time period over which supply is measured.

- Example in Tourism

Booking an airline ticket:

- At a lower fare, no seats are available.
- At a higher fare, seats become available.

3- Components of the tourism market

3.3- The Tourism Supply and Demand

- Definition of Tourism Demand

- Tourism demand is the demand for tourism products (goods and services) at a particular destination or market, at a given price and during a specific period of time.

- In simple terms:

- Tourism demand is the need or desire for tourism products and services by travelers who are willing and able to purchase them.

3- Components of the tourism market

3.3- The Tourism Supply and Demand

- Components of Tourism Demand

- Transport services
- Accommodation facilities
- Ancillary services /amenities
- Tour components together as tour packages.

3- Components of the tourism market

3.3- The Tourism Supply and Demand



- Definition of Tourism Supply

- Tourism supply is the provision of tourism products (goods and services) to tourists at a particular destination or market during a specific period of time.

- In simple terms:

- Tourism supply refers to everything that tourism businesses provide to meet tourists' needs and expectations.

3- Components of the tourism market

3.3- The Tourism Supply and Demand

- Tourism supply represents the products, services, and experiences offered by tourism providers to satisfy tourism demand. It includes:

- Tour packages
- Individual tourism services (tour components)
- Supplementary services (e.g., visa assistance, travel insurance)
- Creative and innovative tourism products

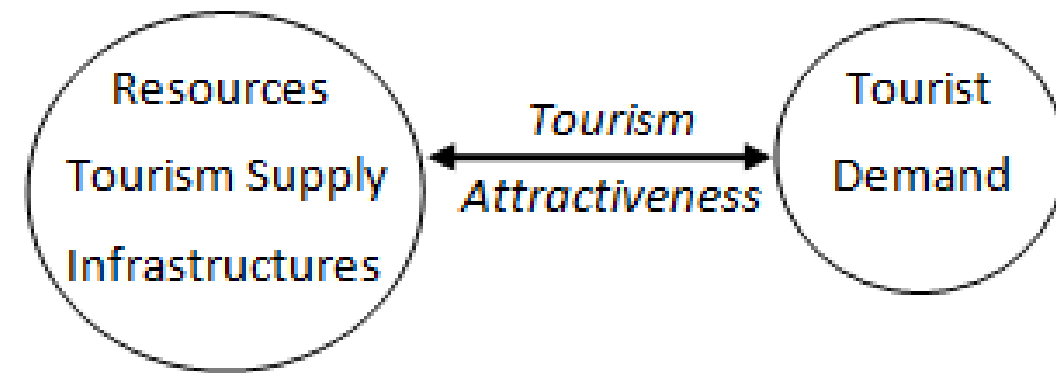
Effective tourism supply ensures that tourists have access to a complete, convenient, and memorable travel experience.

3- Components of the tourism market

3.3- The Tourism Supply and Demand

- Characteristics of Tourism Demand

- Tourism demand is dynamic and market-dependent
- Tourism demand is closely linked with tourism supply
- Tourism demand is influenced by multiple interrelated factors
- Tourism demand is flexible and sensitive in nature
- Tourism demand varies across time, space, and conditions



3- Components of the tourism market

Characteristics of Tourism

Demand and Supply

- Tourism demand is dynamic and market-dependent
- Tourism demand is closely linked with tourism supply
- Tourism demand is influenced by multiple interrelated factors
- Tourism demand is flexible and sensitive in nature
- Tourism demand varies across time, space, and conditions

Thank you



**European Institute of Innovation,
Entrepreneurship and Technology**

Lessingstraße 79,

13158 Berlin, Germany

Phone: +49 176 55524449

Discover the world of eiIET