



European Institute of Innovation, Entrepreneurship, and Technology (EIET)

Structure of Tourism Markets

Assignment 1

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Assignment: Structure of Tourism Markets

Study Programme: Bachelor in Tourism and Tourism Business Management

Question 1

Tourism services have several unique characteristics. Explain any five characteristics and discuss how each one affects the management and marketing of tourism businesses.

Tourism services are different from physical goods because they are mainly experiences and services. Five important characteristics are intangibility, inseparability, variability, perishability and lack of ownership.

1. Intangibility: Tourism services cannot be touched or inspected before purchase. A hotel room, flight or sightseeing experience is purchased based largely on expectations. Businesses therefore use branding, photographs, reviews and testimonials to make the service more tangible and reduce perceived risk.

2. Inseparability: Production and consumption often happen at the same time, and customers interact directly with employees and the destination. Employee behaviour is therefore important for service quality. Tourism managers need to train staff and manage customer contact carefully.

3. Variability: Service quality can vary because different employees, customers, locations and situations influence the experience. Businesses need clear service standards, training, monitoring and feedback systems to maintain consistency.

4. Perishability: Tourism capacity cannot normally be stored for later sale. An empty hotel room or an unused airline seat represents capacity that is lost once the selling period passes. Managers therefore use forecasting, flexible pricing, promotions and yield-management techniques to balance demand and capacity.

5. Lack of ownership: Customers generally purchase temporary access or an experience rather than ownership of the tourism service. Marketing should therefore emphasise benefits, experiences, convenience and memories rather than physical possession.

These characteristics mean that tourism businesses must focus strongly on customer experience, service quality, employee performance, demand management and effective communication.

References

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Question 2

Choose a tourist destination and identify: tourism products and services offered; main tourism suppliers; target tourist market.

Chosen destination: Paris, France

Tourism products and services offered: Paris offers a wide range of cultural, leisure and hospitality products. Major attractions include the Eiffel Tower, Louvre Museum, Notre-Dame area, Arc de Triomphe, Montmartre and the Seine. Visitors can also purchase guided tours, museum visits, river cruises, food and wine experiences, shopping, entertainment and event-based tourism. Accommodation ranges from luxury hotels and boutique properties to budget hotels, hostels and serviced apartments. Transport services include metro and rail networks, buses, taxis, ride services and airport connections.

Main tourism suppliers: Key suppliers include hotels and other accommodation providers, airlines and rail companies, restaurants and cafés, museums and attractions, tour operators, travel agencies, local guides, transport providers and destination-management organisations. These suppliers work together to create the overall visitor experience.

Target tourist market: Paris attracts several market segments, including international leisure tourists, couples, families, cultural and heritage visitors, luxury travellers, students and younger independent travellers. Business travellers and visitors attending conferences and events are also important. The destination's cultural heritage, gastronomy, shopping, fashion and entertainment make it attractive to tourists with different motivations and budgets.

Overall, Paris is a diversified tourism destination where many suppliers contribute to a broad tourism product. Its strong cultural identity and variety of experiences allow it to target multiple domestic and international tourist segments.

References

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