Sixth Edition

TOURISM

The Business of Hospitality and Travel





Roy A. Cook | Cathy H.C. Hsu | Lorraine L. Taylor



TOURISM

The Business of Hospitality and Travel

Sixth Edition

Roy A. Cook

Fort Lewis College, Professor Emeritus

Cathy H. C. Hsu

The Hong Kong Polytechnic University, Chair Professor

Lorraine L. Taylor

Fort Lewis College, Assistant Professor



Vice President, Portfolio Management: Andrew Gilfillan

Portfolio Manager: Pamela Chirls Editorial Assistant: Lara Dimmick Development Editor: Melissa Mashburn Senior Vice President, Marketing: David Gesell Marketing Coordinator: Elizabeth MacKenzie-Lamb Director, Digital Studio and Content Production:

Brian Hyland

Managing Producer: Cynthia Zonneveld Managing Producer: Jennifer Sargunar

Content Producer: Rinki Kaur

Manager, Rights Management: Johanna Burke

Manufacturing Buyer: Deidra Smith Full-Service Project Manager: Anju Joshi,

Cenveo® Publishers Services Cover Design: Studio Montage

Cover Photos: Matej Hudovernik/Shutterstock;

Leungchopan/123RF

Composition: Cenveo® Publishers Services Printer/Binder: LSC Communications, Inc. Cover Printer: Phoenix Color/Hagerstown

Text Font: Sabon LT Pro

Credits and acknowledgments borrowed from other sources and reproduced, with permission, in this textbook appear on the appropriate page within the text.

Copyright © 2018, 2014, 2010 by Pearson, Inc. All rights reserved. Manufactured in the United States of America. This publication is protected by Copyright, and permission should be obtained from the publisher prior to any prohibited reproduction, storage in a retrieval system, or transmission in any form or by any means, electronic, mechanical, photocopying, recording, or likewise. To obtain permission(s) to use material from this work, please submit a written request to Pearson, Inc., Permissions Department, One Lake Street, Upper Saddle River, New Jersey 07458, or you may fax your request to 201-236-3290.

Many of the designations by manufacturers and sellers to distinguish their products are claimed as trademarks. Where those designations appear in this book, and the publisher was aware of a trademark claim, the designations have been printed in initial caps or all caps.

Library of Congress Cataloging-in-Publication Data

Names: Cook, Roy A., author. | Hsu, Cathy H. C., author. | Taylor, Lorraine L. author.

Title: Tourism: the business of hospitality and travel / Roy A. Cook, Fort Lewis College, Professor Emeritus, Cathy H. C. Hsu, The Hong Kong Polytechnic University Professor, Lorraine L. Taylor, Fort Lewis College, Assistant Professor.

Description: Sixth edition. | Boston: Pearson, 2018. | Includes bibliographical references and index.

Identifiers: LCCN 2016057377 | ISBN 9780134484488 | ISBN 0134484487

Subjects: LCSH: Tourism.

Classification: LCC G155.A1 C674 2018 | DDC 910.68—dc23 LC record available at

https://lccn.loc.gov/2016057377



ISBN 10: 0134484487 ISBN 13: 9780134484488

Dedication

To my wife, Gwen, who continues to support and encourage me in the completion of all my writing endeavors.

Roy

To my husband, Thomas Sun, for his TLC and support.

Cathy

To my parents, Robert and Harriet, from whom I inherited an insatiable sense of wanderlust.

Lorraine

CONTENTS

Ack	face x nowledgments xiii out the Authors xiv			Tourism's Challenges and Opportunities Where Do You Fit in? Topics Covered in Each Chapter	29 31 31
PA	RT 1 The Traveling Public and Tourism Promoters 1			Summary You Decide Net Tour	32 32 32
1	INTRODUCING THE WORLD'S LARGEST			Discussion Questions	33
	INDUSTRY, TOURISM	2		Applying the Concepts	33
				Glossary	33
	Learning Objectives	2		References	34
	Chapter Outline Could a Career in Tourism Be in Your Future? Introduction	2 3 4	2	MARKETING TO THE TRAVELING PUBLIC	35
	Services and Tourism	4		Learning Objectives	35
	What Is Tourism?	5		Chapter Outline	35
	A Tourism Model	6		A Ride on the Wild Side!	36
	The History of Travel and Tourism	8		Introduction	36
	The Empire Era	8		Decisions, Decisions, Decisions	37
	The Middle Ages and the Renaissance Era	10		Information Seeking	39
	The Grand Tour Era	11		It's All in the Details	40
	The Mobility Era	12		Foundations for Understanding Tourist	
	The Modern Era	12		Motivations	41
	Bringing Tourism into Focus	14		Push and Pull Motivations	41
	Geography Describes the Traveler's World	15		Maslow's Hierarchy of Needs	42
	Maps	16		The Travel Career Patterns	44
	Reading Maps	17		The Psychocentric–Allocentric Model	44
	Indexes and Locators	19		Segmenting the Tourism Market	47
	Scales	19		Geographic Segmentation	48
	Legends	19		Demographic Segmentation	49
	Physical Geography	20		Psychographic Segmentation	49
	Landforms and Vegetation	21		Product-Related Segmentation	50
	Water	21		Putting Segmentation Knowledge	E 1
	Climate and Seasons	21		to Work	51
	Human Geography	23		Specialized Tourist Segments	54
	Regional Geography	24		Business and Professional Travelers Incentive Travelers	54
	Studying Tourism from Business	25		SMERFs	56 56
	Perspectives Marketing	25		Mature Travelers	57
	Management	25 26		Special-Interest Travelers	59
	Management Finance	26 27		Delivering High-Quality Service	61
	i iliaiile	41		Delivering ingli-Quality Scivice	UI

				Contents	s v
	Summary	62		One Stop Does It All!	91
	You Decide	62		Introduction	92
	Net Tour	62		Serving Traveler Needs	92
	Discussion Questions	63		Why Use Intermediaries?	94
	Applying the Concepts	63		One-Level (Direct) Distribution Channels	94
	Glossary	63		Two-Level Distribution Channels	95
	References	64		Travel Agencies	96
				Three-Level Distribution Channels	100
3	DELIVERING QUALITY TOURISM SERVICES	66		Tour Operators	100
	Learning Objectives	66		Tours	101
	Chapter Outline	66		Consolidators and Travel Clubs	103
	All's Well That Ends Well?	67		Event Planners	103
	Introduction	68		Tapping the Power of Multiple Distribution	107
				Tourism Boards and Other Intermediaries	108
	Quality Defining Quality	69 69		Selling Adds a Personal Touch	109
	Quality Differences	71		Acquiring Product Knowledge	110
	Service Encounters	71		Approaching the Client Qualifying the Client	110 110
	Service Quality Model	73		Making the Sales Presentation	110
	Quality and Customer Satisfaction	76		Closing the Sale	111
	Human Resources: The Key to	70		Following Up	111
	High-Quality Service	77		Building Relationships	112
	Bringing Employees into the Organization	78		Summary	112
	Working with Organized Labor	79		You Decide	112
	Setting the Stage for Peak Performance	79		Net Tour	113
	Achieving and Maintaining Peak			Discussion Questions	113
	Performance	79		Applying the Concepts	113
	Anticipating and Meeting Guest Needs	80		Glossary	114
	Building Service Teams	81		References	115
	Service Mistakes Mistakes Happen	82 83			
	Be a Can-Do Problem Solver	84	5	CAPTURING TECHNOLOGY'S	
	Service Guarantees	85		COMPETITIVE ADVANTAGES	116
	Summary	87			
	You Decide	87		Learning Objectives	116
	Net Tour	87		Chapter Outline	116
	Discussion Questions	88		Staying on the Cutting Edge	117
	Applying the Concepts	88		Introduction	118
	11 / 0			Improving Operating Efficiency	440
	Glossary References	88		and Effectiveness Management Information Systems	119 119
	Keterences	89		Point-of-Sale Systems	120
4	BRINGING TRAVELERS AND TOURISM			Property Management Systems	121
T	SERVICE SUPPLIERS TOGETHER	90		Providing Customer Convenience	
				and Enhancing Service	122
	Learning Objectives	90		Changing Communication	
	Chapter Outline	90		and Distribution Channels	124

vi Contents

	Internet and Travel Product Distribution	125		Summary	171
	Internet-Based Distribution for Hotels	126		You Decide	172
	Internet as a Travel Tool	127		Net Tour	172
	The Power of User-Generated Content	128		Discussion Questions	172
	Improving Profitability	129		Applying the Concepts	172
	Operational Considerations	130		Glossary	173
	Revenue Management in Practice	130		References	174
	Summary	132		neierelices	174
	You Decide	133	7	ACCOMMODATIONS	175
	Net Tour	133	-		
	Discussion Questions	134		Learning Objectives	17!
	Applying the Concepts	134		Chapter Outline	17!
	Glossary	134		Expect the Unexpected	176
	References	135		Introduction	177
	Integrative Cases	136		Oh, So Many Choices!	177
	Whose Money Is It?	137		No Two Are Exactly Alike	178
	Measuring and Managing Employee			Living Like a Local	180
	Turnover at Tastee Max Restaurants	138		Same Time, Same Place?	181
	Boss or Friend	144		Living, Learning, and Leisure	183
	100% Satisfaction Guaranteed	147		Enjoying the Great Outdoors	183
				Rooms, Rooms, and More	184
PAI	RT 2 Tourism Service			Making Sense of Classifications	
	Suppliers 148			and Ratings Systems	186
6	TRANSPORTATION	149		Lodging Lexicon	188
U	INAMOFUNIATION	143		Operating Structures	188
	Learning Objectives	149		Going It Alone Franchising	189 190
	Chapter Outline	149		Management Contracts	190
	The Graduation Gift	150		Chain Operations	191
	Introduction	151		Strength in Numbers	192
	Surface Transportation	153		It All Begins with Marketing	192
	Plying the Waves	153		Providing a Home Away from Home	192
	Riding the Rails	154		Organizing for Success	193
	Canada and the United States Follow			Meeting Guests' Needs	194
	Similar Tracks for Rail Service	155		Achieving Profitable Operations	196
	Asian and European Rail Service			Summary	198
	Blazes Ahead	156		You Decide	199
	Scenic Railroads	157		Net Tour	199
	Cruising the Highways and Byways	158		Discussion Questions	199
	Automobiles	158		Applying the Concepts	200
	Motorcoaches	161			
	Important Transportation Links	163		Glossary	200
	Soaring Through the Skies	164		References	201
	Operating in a Deregulated Environment	165	8	FOOD AND BEVERAGE	202
	Decoding the Language of the				
	Airline World	169		Learning Objectives	202
	Airports	170		Chapter Outline	202

Sometimes It's More Difficult Than It Seems	203		Museums and Historical Sites Zoos and Aquariums	231 232
Introduction	204		Parks and Preserves	233
Major Influences on the Development	201		Fairs and Festivals	235
of Food and Beverage Services	204		Commercial Attractions	238
Travel and Discovery	204		Amusement Parks	238
Science and Technology	205		Theme Parks	239
Building a Culinary Heritage	206		Gaming	240
The Beginnings of Modern Foodservice			Gaming Segments	241
Practices	206		Place Your Bets	243
Planning to Meet Guest Expectations	207		Shopping	244
It All Comes Down to Rhythm,			Live Entertainment	246
Timing, and Flow	210		Sporting Activities	246
Adding Value to Food and Beverage Experiences	211		The Performing Arts	247
From Ten to Ten Thousand	213		Summary	248
Building Profitable Operations	214		You Decide	249
Balancing Payroll Costs with	214		Net Tour	249
Productivity	215		Discussion Questions	249
Food Quality and Food Costs Are			Applying the Concepts	249
the Results of Effective			Glossary	250
Purchasing	216		References	250
An Ounce of Prevention Is Worth			Tiererences	230
a Pound of Cure	217	4.0		
Beverages	219	10	DESTINATIONS	252
Beverage Operations	219		Learning Objectives	252
Keeping Spirits Under Control	220		Chapter Outline	252
Coffee, Tea, Or?	221		Dreams Can Come True	253
Summary	221		Introduction	254 254
You Decide	222			
Net Tour	222		From Resorts to Urban Destinations	255
Discussion Questions	222		Classifying Destinations	255
Applying the Concepts	222		Far from the Maddening Crowd	258
Glossary	223		Links to the Past	259
References	223		Seasonal Delights	260
			Spotlight on Sporting Activities	26 1
ATTRACTIONS AND ENTERTAINMENT	225		Snow Holiday Resorts	26
			Golf Resorts	262
Learning Objectives	225		Year-Round Playgrounds	26 4
Chapter Outline	225		Spas	264
So Many Things to Do and So			Cruise Ships	265
Little Time	226		Casino Resorts	272
Introduction	227		Integrated Resorts	273
A World of Opportunities	228		Bright Lights and City Sights	273
Foundations for Hadaustanding			Building on Success	27 4
Foundations for Understanding				
Attractions and Entertainment Heritage Attractions	229 231		Summary You Decide	275 275

Contents

vii

viii Contents

Net Tour	275		Summary	322
Discussion Questions	276		You Decide	323
Applying the Concepts	276		Net Tour	323
	276		Discussion Questions	323
References	277		Applying the Concepts	323
Integrated Cases	278		11.7	324
				324
U.S. Airline Industry	279			
Georgia's Restaurant Businesses	288	40		
Taking a Dive	293	12		
			CULTURAL IMPACTS OF TOURISM	326
T 3 The Tourism			Learning Objectives	326
Environment 299				326
COMOMIC AND DOLLTICAL			•	327
	000		_	328
IMPACTS OF TOURISM	300			328
Learning Objectives	300			329
	300			330
•	301			332
				335
	552		Host Community	335
	304		Social and Cultural Benefits	
Comparative Advantage	304		ofTourism	336
Tourism and Foreign Exchange			-	337
				338
			=	339
	306			340
	308		External Influences and Internal	0.0
•			Problems	341
· · · · · ·			Summary	342
Potential Problems in Tourism-Based			You Decide	343
Economies	311		Net Tour	343
Tourism in the Economic Balance	313		Discussion Questions	343
Tourism and Politics	313		Applying the Concepts	344
	314		Glossary	344
_				344
•	317			
	217	40	OLIOTA INUNIO TOLIDIONA/O DENIFFITO	0.40
		13	2021 VINING LOOKIZING REWELLIZ	346
			Learning Objectives	346
•	520		Chapter Outline	346
Tourism	321		Green's the Dream	347
	Applying the Concepts Glossary References Integrated Cases Flying the Competitive Skies: U.S. Airline Industry Georgia's Restaurant Businesses Taking a Dive The Tourism Environment 299 ECONOMIC AND POLITICAL IMPACTS OF TOURISM Learning Objectives Chapter Outline Chamber Director Headache #1456 Introduction Looking to Tourism for Economic Growth and Vitality Comparative Advantage Tourism and Foreign Exchange Rates The Multiplier Concept Realizing Tourism's Export Potential What Goes Around Comes Around Tracking the Impact of Tourism Expenditures Economic Impacts Potential Problems in Tourism-Based Economies Tourism in the Economic Balance Tourism and Politics The Role of Government in Tourism Tourism Promotion Agencies Public/Private Organizations Chambers of Commerce and Convention and Visitors Bureaus Convention Centers Tourism Planning Political "Tugs of War" Over	Applying the Concepts Glossary References Integrated Cases Flying the Competitive Skies: U.S. Airline Industry Georgia's Restaurant Businesses Taking a Dive Ta The Tourism Environment 299 ECONOMIC AND POLITICAL IMPACTS OF TOURISM Learning Objectives Chapter Outline Chamber Director Headache #1456 Introduction Looking to Tourism for Economic Growth and Vitality Comparative Advantage Tourism and Foreign Exchange Rates The Multiplier Concept Realizing Tourism's Export Potential What Goes Around Comes Around Tracking the Impact of Tourism Expenditures Economic Impact Analysis Other Economic Impacts Tourism in the Economic Balance Tourism and Politics The Role of Government in Tourism Tourism Promotion Agencies Public/Private Organizations Chambers of Commerce and Convention and Visitors Bureaus Convention Centers Tourism Planning Political "Tugs of War" Over	Discussion Questions Applying the Concepts Glossary References Integrated Cases Flying the Competitive Skies: U.S. Airline Industry Georgia's Restaurant Businesses Taking a Dive TONOMIC AND POLITICAL IMPACTS OF TOURISM Learning Objectives Chapter Outline Chamber Director Headache #1456 Introduction Looking to Tourism for Economic Growth and Vitality Comparative Advantage Tourism and Foreign Exchange Rates The Multiplier Concept Realizing Tourism's Export Potential What Goes Around Comes Around Tracking the Impact of Tourism Expenditures Economic Impact Analysis Other Economic Impacts Tourism in the Economic Balance Tourism in the Economic Balance Tourism Promotion Agencies Public/Private Organizations Chambers of Commerce and Convention Centers Tourism Planning Political "Tugs of War" Over	Applying the Concepts 276 Net Tour Glossary 276 Discussion Questions References 277 Applying the Concepts Integrated Cases 278 Glossary Flying the Competitive Skies: References U.S. Airline Industry 279 Georgia's Restaurant Businesses 288 Taking a Dive 293 12 ENVIRONMENTAL AND SOCIAL/ CULTURAL IMPACTS OF TOURISM Environment 299 ECONOMIC AND POLITICAL IMPACTS OF TOURISM 300 Introduction Tourism and the Environment Learning Objectives 300 Defining Carrying Capacitys Chapter Outline 300 Determining 300 Determining Carrying Capacitys Chapter Outline 4 Determining 300 Determining Carrying Capacity 4 Determining Carrying Capacity 5 Determining 300 Determining 300 Determining 300 Determining Carrying Capacity 5 Determining 300 Determining Carrying Capacity 5 Determining 300 Determining 300 Determining 300 Determining 30

	Introduction	348	Vocation and Real Estate Tourism	381
	When Is Tourism Too Much	346	Space Tourism	381
	of a Good Thing?	348	MarijuanaTourism	382
	Planet	349	Meeting Future Tourists' Needs	382
	People	351	Transportation Transformations	384
	What's in a Name?	352	Moving into an Era of Competitive	
	Ecotourism	353	Cooperation and Consolidation	385
	Niche Markets	355	Service Enhancements	387
	Establishing Standards	357	Amplifying Guests' Experiences	388
	Going Green	359	Safety and Security Strides	389
	A Future of Sustainability	363	Keeping the Human Touch	390
	Summary	364	The Green Frontier	390
	You Decide	364	Tourism Research	391
	Net Tour	365	Types of Tourism Research	392
	Discussion Questions	365	Who Conducts Tourism Research?	393
	Applying the Concepts	365	When Where and How In Tourism	394
	Glossary	365	When, Where, and How IsTourism Research Conducted?	394
	References	366	Tourism Research Is Hard to Do	395
			Conclusion	395
14	THE FUTURE OF TOURISM	368	You Decide	396
•			Net Tour	396
	Learning Objectives	368	Discussion Questions	396
	Chapter Outline	368	Applying the Concepts	396
	On the Road Again	369	Glossary	397
	Introduction	370	References	397
	The Shape of Coming Tourism			399
	Markets	370	Integrated Cases It's Not a Bird House	400
	Demographic Shifts Travelers with Disabilities and	371	Coping with Crisis	403
	Special Needs	375	Any City Can be a Tourist Destination	406
	Changes in Business, Professional,	0.0	Struggling to Serve the Cannabis	
	and Conference Travel	376	Tour Niche	412
	Emerging Tourism Markets	377	Glossary	419
	SlowTourism	377	•	
	Adventure and Extreme Tourism	378	Index	427
	MedicalTourism	380		

Contents ix

PREFACE

This text provides a holistic view of the tourism industry through the use of cases and real world examples. We have taken a global perspective with numerous international examples and included current trends and industry developments in every industry segment.

We set out to write a book that would be as interesting and multifaceted as the field itself. Like the five previous editions, the sixth edition of *Tourism: The Business of Hospitality and Travel* features a conversational style, making it fun to read, yet providing a thorough overview of the tourism industry, giving balanced coverage to each component part. The role of travel intermediaries, technology, transportation modes, accommodations, cruise lines, destinations, attractions, and food and beverage operations are all covered in detail. As the importance of the industry has continued to grow we have paid increasing attention to the economic, political, environmental, and social/cultural impacts of tourism and the critical issues of sustainability.

As our title suggests, we look at the tourism industry through the lens of business, specifically by considering the management, marketing, and finance issues most important to industry members. In addition, the book starts with a comprehensive model of tourism and unfolds by considering each piece of the model in succession. All students should find the book enjoyable and educational, no matter which facet of the industry they find most interesting.

New to the Sixth Edition

We have built on the success of the previous editions of *Tourism: The Business of Hospitality and Travel* and created an even better learning tool in the sixth edition.

A new four-color format is intended to enhance engagement with a text students have already said they enjoy learning from and reading. Additional key additions and revisions include:

- We have addressed the ways that environmental and sustainability issues have continued to grow in importance throughout the industry by highlighting key issues and emerging trends. Chapters 12 and 13 include an expanded discussion of the triple bottom line for evaluating the impacts of tourism and sustainability.
- We have added a significant number of academic references in all chapters for readers who are seeking resources for more in-depth analyses and discussions.
- We increased coverage of the rapidly evolving impact of technology on the tourism industry and expanded coverage of the dynamics of distribution. Chapter 4 discusses the growing importance of social media to tourism and Chapter 5 includes coverage of beacon technology, for example.
- We increased the presence of international practices and perspectives with multiple new examples.
- Chapter 3 includes an expanded discussion of human resources in the context
 of the service-profit chain, especially as it relates to improving and maintaining
 service delivery.
- Chapter 10 includes enhanced coverage of cruise line topics with the addition of new material, especially the growth in fleets and river and Asian cruises.

Who Should Use This Book

We designed this sixth edition of *Tourism: The Business of Hospitality and Travel* so that it can be tailored to suit a variety of needs. Its engaging writing style and hundreds of updated industry examples make it the perfect textbook for students taking their first hospitality or tourism class. The thoroughness of content also makes it suitable for upper-level hospitality and tourism courses. To meet the advanced critical-thinking needs of junior and senior students, we have augmented the text's basic content with integrative cases that they can use to apply their knowledge and refine their problem-solving skills.

No matter how experienced the instructor or students, we believe this sixth edition is one that professors can teach with, not simply from. The various text features and teaching supplements allow each instructor to develop the course to fit his or her style to successfully deliver the content in a way that engages and inspires students.

How the Text Is Organized

The sixth edition of *Tourism: The Business of Hospitality and Travel* introduces students to an integrative model of tourism as a dynamic industry and then unfolds, considering each of the model's components in turn. Part 1 focuses on the traveling public and tourism promoters, explaining the importance of providing quality service, the critical linking role of distribution channel members, and the importance of technology to all industry participants. Part 2 familiarizes students with each of the tourism service providers in turn, beginning with transportation and concluding with destinations and resorts. Part 3 elevates students' attention to macro-issues facing the industry, such as the important impacts tourism can have on host communities and the world. Each part of the book is followed by several integrative cases.

Special Features

Tourism: The Business of Hospitality and Travel includes a variety of features to support student engagement and understanding and to allow instructors the greatest flexibility in teaching their courses.

- Every chapter opens with learning objectives and a detailed outline.
- Every chapter features an engaging opening vignette that illustrates a major component of the chapter and then is mentioned again within the chapter pages.
- All chapters include ethical/critical-thinking dilemmas (termed "You Decide") that are useful in generating class discussion and encouraging students to practice critical-thinking skills. Each "You Decide" is written to be especially relevant to the chapter in which it appears.
- Every chapter includes tables and figures that will help students understand the more abstract concepts and theories presented.
- For Your Information (FYI) boxed items are sprinkled throughout the chapters. These items serve as examples of chapter concepts and provide helpful travel tips or useful business information.
- Every chapter includes "Tourism in Action" topics that provide students with in-depth industry examples.
- Discussion questions at the end of every chapter are based on the learning objectives and are intended to help students retain and deepen their understanding of text material.

- The "Applying the Concepts" section within each chapter offers professors and students a variety of thought-provoking topics to explore or to use as a blueprint for applying newly acquired knowledge.
- Key terms are listed at the end of each chapter and a full glossary is placed at the end of the book.
- Integrative cases follow each major section of the textbook, offering the instructor supplemental material and examples for student discussion.

Instructor Resources

To fulfill our goal of making this sixth edition of Tourism: The Business of Hospitality and Travel customizable for individual instructor needs, we have developed a comprehensive instructor's toolkit of resources. The instructor's manual includes the usual elements—detailed chapter outlines and a test bank—but also includes supplemental lecture material and discussion guides to support the cases provided in the text. In addition, discussion suggestions are offered throughout the chapter outlines to generate student debate on several of the textbook features, such as the "You Decide" chapter dilemmas. The power of the written word in our text is also supported with PowerPoint slides.

To access supplementary materials online, instructors need to request an instructor access code. Go to www.pearsonhighered.com/irc, where you can register for an instructor access code. Within forty-eight hours after registering, you will receive a confirmation email, including your instructor access code. Once you have received your code, go to the site and log on for full instructions on downloading the materials you wish to use.

ACKNOWLEDGMENTS

We would like to thank those educators who reviewed our text for this sixth edition and made it better through their suggestions and constructive criticism: Ping He, Troy State University; Karen Trevino, Pulaski Technical College; and Wayne Smith, College of Charleston.

Our colleagues and students in the School of Business Administration at Fort Lewis College have always supported and challenged us to remain current and continually improve each edition of this textbook. We would also like to thank our colleagues at The Hong Kong Polytechnic University, School of Hotel and Tourism Management, who provided expert knowledge and updated information about various subject areas in the travel and tourism field. Their generosity made the updating of the book a much easier and enjoyable process.

We would also like to add a special thank you for the support of two dedicated librarians, Lateka Grays, University of Nevada, Las Vegas and Shane Roopnarine, University of Central Florida who provided invaluable research support.

ABOUT THE AUTHORS

Roy A. Cook, DBA (Mississippi State University), is Professor Emeritus, Fort Lewis College, Durango, Colorado. He has written several textbooks: Tourism: The Business of Hospitality and Travel, Human Resource Management, Meeting 21st Century Challenges, An Accidental Hotelier and Guide to Business Etiquette. He also serves as the editor of The Source: A Guide to Academic Journals and Publishing Opportunities in Hospitality, Leisure, Tourism & Travel (now in its third edition). He has authored over 100 articles, cases, and papers based on his extensive working experiences in the tourism and hospitality industry and research interests in the areas of strategic management, tourism, human resource management, communications, and small business management. In addition to serving as past editor of Annual Advances in Business Cases, he serves on the editorial boards of the Journal of Teaching in Travel and Tourism, Journal of Case Studies, the Business Case Journal, and the Journal of Business Strategies. He is a long-standing member of the International Society of Travel and Tourism Educators, Academy of Management, and Society for Case Research (past President and Executive Director). Dr. Cook served as Associate Dean of the School of Business Administration at Fort Lewis College and as the Director of the Colorado Center for Tourism Research. He taught courses and consults in Tourism and Resort Management, Human Resource Management, Strategic Management, and Small Business Management.

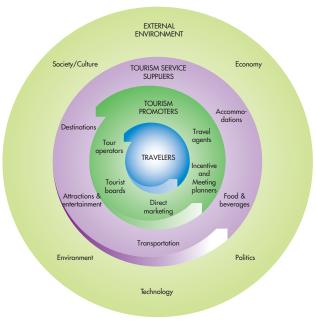
Cathy H. C. Hsu, PhD (Iowa State University), is the Chair Professor of Hospitality and Tourism Marketing in the School of Hotel and Tourism Management at The Hong Kong Polytechnic University (PolyU). Prior to joining PolyU in July 2001, she taught in the United States for 12 years in two different state universities. She is the lead author of the books Tourism Marketing: An Asia-Pacific Perspective, published in 2008 by John Wiley & Sons Australia, Ltd., and Marketing Hospitality, published in 2001 by John Wiley & Sons. She has coedited a book, Tourism and Demography, published by Goodfellow Publishers, Ltd., in 2011. She is the editor and chapter author of the book, Legalized Casino Gaming in the U.S.: The Economic and Social Impact, published in 1999, and of the book, Casino Industry in Asia Pacific: Development, Operations, and Impact, published in 2006, both by The Haworth Hospitality Press. Her research foci have been tourism destination marketing, tourist behaviors, hotel branding, service quality, and the economic and social impacts of casino gaming. She has over 200 refereed publications. She is the Editor-in-Chief of the Journal of Teaching in Travel and Tourism and serves on 10 journal editorial boards. She received the John Wiley & Sons Lifetime Research Achievement Award in 2009 and International Society of Travel and Tourism Educator's Martin Oppermann Memorial Award for Lifetime Contribution to Tourism Education in 2011.

Lorraine L. Taylor, PhD (Clemson University) is an Assistant Professor of Management in the School of Business Administration at Fort Lewis College in Durango, Colorado. There, she teaches courses in the Tourism and Hospitality Management concentration including Sustainable Tourism, Event Management, and Critical Issues in Tourism and Hospitality Management. Prior to earning her doctorate, she pursued a career in the hotel industry and worked for Walt Disney World, Marriott International, and the Five Star and Five Diamond rated Sanctuary at Kiawah Island Golf Resort. She also worked as an inspector for a luxury hotel guidebook, Condé Nast Johansens. Dr. Taylor's research interests are in tourists' motivations, decision making, and behavior. Her current projects apply these concepts to the development of profiles in niche markets. She is a member of the Travel and Tourism Research Association, the International Society of Travel and Tourism Educators, and the North American Case Research Association. She sits on the editorial review board for the e-Review of Tourism Research and also reviews for Event Management.

The Traveling Public and Tourism Promoters

CHAPTERS

- 1 Introducing the World's Largest Industry, Tourism
- 2 Marketing to the Traveling Public
- 3 Delivering Quality Tourism Services
- **4** Bringing Travelers and Tourism Service Suppliers Together
- 5 Capturing Technology's Competitive Advantages



An integrated model of tourism.

CHAPTER 1

Introducing the World's Largest Industry, Tourism

Travel is fatal to prejudice, bigotry, and narrow-mindedness.

-Mark Twain

LEARNING OBJECTIVES

After you have read this chapter, you should be able to:

- Understand and explain the basic definition of tourism.
- 2. Identify the major participants and forces shaping the tourism industry.
- 3. Explain historical factors that encouraged the development of tourism activities.
- 4. Explain the impact of physical, human, and regional geography on tourism activities.
- 5. Explain why tourism should be studied from marketing, management, and financial perspectives.
- 6. Identify future challenges and opportunities facing the tourism industry.
- 7. Discuss career prospects in the tourism industry.

CHAPTER OUTLINE

Could a Career in Tourism Be in Your Future?

Introduction

Services and Tourism

What Is Tourism?

ATourism Model

The History of Travel and Tourism

The Empire Era

The Middle Ages and the Renaissance Era

The Grand Tour Era The Mobility Era

The Modern Era

Bringing Tourism into Focus

Geography Describes the Traveler's World

Maps

Reading Maps

Indexes and Locators

Scales

Legends

Physical Geography

Landforms and Vegetation

VVater

Climate and Seasons

Human Geography

Regional Geography

Studying Tourism from Business Perspectives

Marketing

Management

Finance

Tourism's Challenges and Opportunities Where Do You Fit In? Topics Covered in Each Chapter Summary You Decide

Net Tour
Discussion Questions
Applying the Concepts
Glossary
References



Tourism is a Worldwide and Growing Phenomenon. Prasit Rodphan/Shutterstock

Could a Career in Tourism Be in Your Future?

From the day he entered the hospitality management program at Central Piedmont Community College, Bruce Moss knew he wanted to be in the business of serving people. The twists and turns his career took after graduating have been as varied and exciting as the industry that became part of his life—tourism. Bruce's career began with a bang and soon skyrocketed. It started with the job of assistant manager at a 177-room Ramada Inn franchise in Charlotte, North Carolina, right after graduation. He was soon promoted to the position of general manager at another Ramada Inn with the same company in Clearwater, Florida. Based on his successful track record of profitable operations, he was recruited to open the 244-room Tampa Airport Hilton. The promotions and opportunities just kept coming.

Just six years after graduation, Bruce was recruited to fill the position of director of Front Office Operations of the Innisbrook Westin Resort, a four-star, four-diamond golf/tennis resort in Palm Harbor, Florida. After two short years, he was promoted to vice president/resident manager of this resort complex covering 1,000 acres with over 1,200 condominium units, three championship golf courses, four restaurants, over 60,000 square feet of banquet space, and a staff of 1,000 employees.

Like almost everyone in the tourism industry, Bruce was presented with many new and challenging opportunities on a regular basis. His next assignment found him moving from the seashore to the mountains as he accepted a transfer to Innisbrook's sister property, Tamarron Resort, high in the Colorado Rockies. "Bitten by the resort operations bug," Bruce decided to complete a four-year degree in tourism to open up even more opportunities. Armed with additional education and a broad base of operational experience, expanded career opportunities led him to general manager positions at Purgatory Village in Durango, Colorado, and later in Jackson Hole, Wyoming.

His most recent career move finds Bruce as a business owner, serving all segments of the tourism industry. After 25 years of serving the traveling public, Bruce and his wife

Lori purchased a central reservations business, which books lodging, destination activities, and vacation packages for individuals and groups traveling to the southwest Colorado region. Achieving success in this multimillion-dollar tourism operation hasn't happened by accident. Intensive employee training focused on the highest quality customer service and constant technology investments (over \$100,000 in just one year) keep Gateway Reservations (http://www.gatewayreservations.com) on the cutting edge of service delivery.

As you approach the study of tourism, let your imagination soar, learning all you can to prepare yourself to grow as your career advances. Like Bruce, who earned two degrees in hospitality/tourism management and continues to maintain his Certified Hotel Administrator (CHA) designation, never stop learning. The opportunities that await you are endless.

Introduction

Welcome to the study of a dynamic group of industries that have developed to serve the needs of travelers worldwide—tourism! Tourism is the business of hospitality and travel. Whether we are travelers or we are serving travelers' needs, this exciting and demanding group of visitor services industries touches all of our lives. In this book, you will explore the many and varied segments of this multifaceted industry. As you learn more about tourism, begin thinking about the future challenges and opportunities that lie ahead for all of these industries and how they may influence your life.

Services and Tourism

Services and tourism go hand in hand. You will learn more about services in Chapter 3. However, as we begin our study of tourism, it is important to know that these activities make a significant economic impact on almost every nation in the world! Services are growing at a faster rate than all agricultural and manufacturing businesses combined. In fact, tourism-related businesses are the leading producers of new jobs worldwide.

Tourism has developed into a truly worldwide activity that knows no political, ideological, geographic, or cultural boundaries. For a long time, tourism was disparate and fragmented, but as this industry has continued to grow and mature, a sense of professional identity has emerged. It has formed lobbying groups such as the World Travel and Tourism Council (WCTT), which includes executives of airlines, hotel chains, and travel agents among its members and concentrates on making the case for tourism's global importance and economic value. The future prospects for tourism are brighter than ever as people continue to travel for work or pleasure. "Given its historical performance as a luxury good during expansions and a necessity during recessions, travel and tourism's future economic prospects look quite bright" (p. 51). As we will see later, the growth and popularity of tourism activities have not been accidental. Growth projections indicate that tourism will support almost 350 million jobs worldwide by 2025. This will be an increase of over 70 million jobs when compared to 2015.

Tourism has become more than just another industry; it has developed into an important part of the economic fabric of many communities, regions, and countries. Tourism activities have historically demonstrated a general upward trend in numbers of participants and revenues. Tourism is one of the few industries that is sensitive to economic ups and downs, and yet at the same time rebounds quickly from any negative economic conditions or other environmental impacts. Even in the face of a dramatic credit crunch, an economic slump, and political uncertainty, the impact on international tourism was not as severe as the downturn experienced in foreign trade and industrial production.³ "Over the past six decades, tourism has experienced continued expansion and diversification, to become one of the largest and fastest-growing economic sectors in the world" (p. 2).⁴

What Is Tourism?

As tourism-related activities have grown and changed, many different definitions and ways of classifying the industry have emerged. Use of the term *tourism* has evolved as attempts have been made to place a title on a difficult-to-define group of naturally related service activities and participants. As we embark on our study of tourism, it is helpful to begin with a common definition that has been accepted for decades: "the temporary movement of people to destinations outside their normal places of work and residence, the activities undertaken during their stay in those destinations, and the facilities created to cater to their needs."

As our definition shows, tourism includes a wide array of people, activities, and facilities, and most people would agree that it is a unique grouping of industries that are tied together by a common denominator—the traveling public.

Can you describe tourism in your own words? Take a moment to think about this question. You might find it easy to answer this question in general terms, but more difficult to answer if you were asked to provide specific details. In fact, you might find yourself facing a task similar to the one depicted in Figure 1.1. Tourism is much like the elephant: diverse and sometimes hard to describe, but, just like the elephant, too big to be ignored.

Specific segments of tourism, such as air transportation, theme parks, eating and drinking establishments, lodging and accommodations, and museums, have their own industrial classification codes in every industrialized country. However, the overall grouping of related activities and organizations that come together to create the more comprehensive tourism industry does not have its own distinctive industry code. To address this concern organizations such as the WTTC and the United Nations World Tourism Organization (UNWTO) have spearheaded efforts to highlight the breadth and economic impact of tourism. Even though tourism may not be classified as a distinct industry, it is generally agreed that "[t]ourism' appears to be becoming an acceptable term to singularly describe the activity of people taking trips away from home and the industry which has developed in response to this activity."

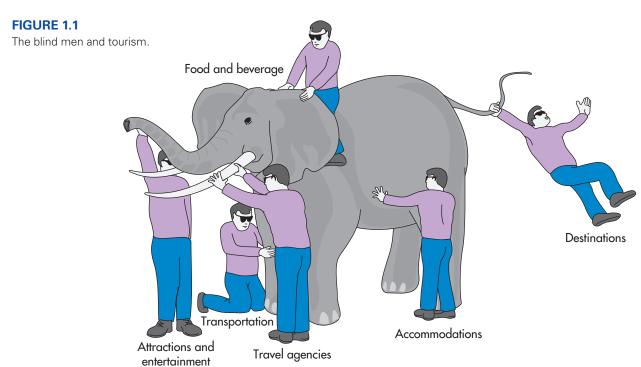


Table 1.1 Components	s of the Tourisn	n Industry		
Accommodation Services		Food and Beverage Services		
Railway Passenger Transport Services		Road Passenger Transport Services		
Water Passenger Transport Services		Air Passenger Transport Services		
Transport Equipment Rental S	ervices	Travel Agencies and Other Reservation Services		
Cultural Services		Sport and Recreational Services		
Country-Specific Tourism Goo	ds	Country-Specific Tourism Services		

Based on: International Recommendation for Tourism Statistics 2008, UNWTO, 42.

Both the WTTC and UNWTO track and report tourism statistics to highlight the size, scope, and impact of tourism-related businesses. Comparable data from around the world is made possible through the use of a common definition of tourists or visitors. As defined by UNWTO, tourism is a social, cultural, and economic phenomenon, which entails the movement of people to countries and places outside their usual environment for personal or business/professional purposes. These people are called visitors . . . and tourism has to do with their activities, some of which involve tourism expenditure. The U.S. Travel Association has taken the commonly agreed upon definition of tourism and restricted its scope by defining these activities as trips away from home of 50 miles or more, one way, or trips that include an overnight stay in paid accommodations.

By using a common umbrella definition, data can be collected and analyzed for each of the industry subgroupings shown in Table 1.1 in Tourism Satellite Accounts.

Even as the debate continues for a common definition, it has been suggested that the definition be expanded to include the concept of displacement. This inclusion would expand the definition to capture, "the decision of tourists to leave the familiar behind in order to participate in something new" (p. 122). Because definitions conjure up different meanings and can be used for different purposes, some critics have suggested using a term other than *tourism* to describe the industry. One of these suggestions has been to use a more inclusive and descriptive term such as "visitor-service industry." For convenience and ease of understanding, however, we will refer to tourism as an industry in this book.

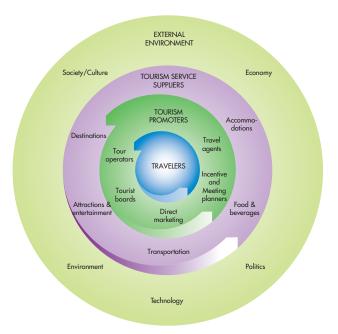
A Tourism Model

In an attempt to overcome some of the problems encountered in describing tourism, the **model** presented in Figure 1.2 was developed to highlight important participants and forces that shape the tourism industry. The model, like a photograph, provides a picture that begins to capture the dynamic and interrelated nature of tourism activities. This model can be used as a reference throughout the entire text. Although many of the terms in our tourism model may not be familiar at this time, you will be learning more about each one and its importance in later chapters.

As you study our tourism model, notice its open nature and how each of the segments is related to the others. Let's begin our study of tourism by looking at travelers (tourists), who serve as the focal point for all tourism activities and form the center of our model. Radiating from this focal point are three large bands containing several interdependent groups of tourism participants and organizations.

Individual tourists may deal directly with any of these tourism service suppliers, but they often rely on the professional services provided by tourism promoters shown in the first band of our model. Tourism promoters, such as travel agencies and tourist

FIGURE 1.2 An integrated model of tourism.



boards, provide information and other marketing services. Moving to the next band of our model, we see key tourism suppliers who provide transportation, accommodations, and other services required by travelers.

Tourism suppliers may provide these services independently; they may compete with each other; and, at times, they may work together. For example, airline, bus, railroad, cruise ship, and car rental companies may compete individually for a traveler's business. However, they may also team up to provide cooperative packages such as fly–ride, fly–cruise, and fly–drive alternatives. Or, as airlines have discovered, they must establish strategic alliances with many other carriers to provide seamless travel across states, nations, and continents. Hotels and resorts may also compete against each other for the same traveler's patronage yet cooperate with transportation providers to attract tourists to a specific location. Service providers representing all segments of the tourism industry may often work together to develop promotional packages designed to attract tourists to destinations.

How closely these individuals and organizations work together is ultimately influenced by the forces shaping the face of tourism activities. As our model shows, the tourism industry does not operate in a vacuum. All of the participants, either individually or as a group, are constantly responding to a variety of social/cultural, political, environmental, economic, and technological forces. These forces may range from subtle changes, which are noticeable only after many years, to more dramatic changes, which have immediate and visible impacts. Examples of these forces can be found all around us.

Gradual changes may be noticed in destinations that were once fashionable but eventually faded in popularity, such as Niagara Falls on the Canadian/U.S. border and Brighton in England. Similar shifts can also be seen in transportation. Steamship passage across the North Atlantic was eclipsed by the faster and more efficient airplane, which opened new horizons for travelers. Immediate impacts can be seen in sudden shifts brought about by currency devaluations, wars, fuel shortages, natural disasters, and economic conditions. Rapid adoption of new technologies such as the Internet can have immediate and far-reaching impacts on tourism activities and service providers. A country that was once avoided may suddenly become a popular tourism destination because it is more affordable or accessible. Conversely, a once-popular destination may be avoided because of a recent natural disaster or political upheaval.

The number of travelers from and to nations also varies dramatically due to political and economic changes. Through the year 2020, Europe will continue to see the largest number of tourist arrivals followed by East Asia and the Pacific and then the Americas. At the country level, China will be the largest tourist receiving country by 2020, surpassing France, and the United States. Now that China has developed a sizable middle class due to its economic growth, it has become the biggest Asian nation in terms of outbound travelers and a domestic market that is growing 15% to 20% a year. 6,13

Let's look at how our model might work. Suppose you (a tourist) want to visit a sunny beach or a snow-covered mountain. You might begin planning your trip by browsing the websites of different airlines, condominiums, hotels, and/or resorts (tourism service suppliers) searching for possible flight schedules and accommodation options. You could simply call a travel agent (tourism promoter) who would search out the best alternatives to meet your needs, rather than spending time and money contacting each supplier. Another option would be taking a "virtual trip" to your desired destination by browsing offerings on the Internet. Finally, you could contact your preferred destinations' local chambers of commerce or visitors' bureaus to learn more about their offerings.

As you progress through this book, we will focus our attention on specific features of our model, learning more about each component and how it interacts with other components of the tourism industry. We will begin our journey into the study of tourism by looking back in time to discover the origins of these activities and the foundations they laid for tourism as we know it today.

The History of Travel and Tourism

Table 1.2 lists some of the milestones in the development of tourism. Long before the invention of the wheel, travel occurred for a variety of reasons. In the beginning, it was simple. As seasons changed and animals migrated, people traveled to survive. Because these early travelers moved on foot, they were confined to fairly small geographic areas. Travel may have remained a localized experience, but people by nature are curious. It is easy to imagine these early travelers climbing a mountain or crossing a river to satisfy their own sense of adventure and curiosity as they sought a glimpse of the unknown.

We can only guess at the wonder and amazement of early travelers as they made each new discovery. However, there is a rich history of people and cultures that forms the foundation of tourism. History provides important insights into the reasons for travel and the eventual development of tourism. Based on early records, we know that many cultures and nations moved great armies and navies to conquer and control resources and trade routes. Although military forces often traveled great distances, it was probably not until the emergence of the Egyptian, Eastern Mediterranean, and Roman Empires that travel began to evolve into tourism as we know it today.

Early recorded history provides a glimpse into ancient tourism activities. The Phoenicians, like many travelers, were interested in travel because of a sense of curiosity and discovery as well as a means of establishing trade routes. Although written records are scarce, other peoples such as the Mayans on the Gulf Coast of what is now Mexico and the Shang Dynasty in what is now present-day China probably traveled for many of the same reasons as the Phoenicians. Evidence of their travels can be found in the artifacts they collected during their journeys to faraway places. One thing we know for sure is that as civilizations became established and spread geographically, travel became a necessity.

The Empire Era

The point at which simple travel evolved into the more complex activities of tourism is hard to identify. However, tourism as an industry probably began to develop during the

Table 1.2 Milestones in the Development of Tourism

Table 1.2 Miles	stones in the Development of Tourism
Prerecorded history	Travel begins to occur out of a sense of adventure and curiosity.
4850 в.с715 в.с.	Egyptians travel to centralized government locations.
1760 в.с1027 в.с.	Shang Dynasty establishes trade routes to distant locations throughout the Far East.
1100 в.с800 в.с.	Phoenicians develop large sailing fleets for trade and travel throughout their empire.
900 в.с.–200 в.с.	Greeks develop common language and currency, and traveler services emerge as city- states become destinations.
500 B.CA.D. 300	Romans improve roads, the legal system, and inns to further travel for commerce, adventure, and pleasure.
A.D. 300-A.D. 900	Mayans establish trade and travel routes in parts of Central and North America.
A.D. 1096-A.D. 1295	European travel on failed religious crusades to retake the Holy Lands from Muslim control introduces these military forces to new places and cultures.
A.D. 1275-A.D. 1295	Marco Polo's travels throughout the Far East begin to heighten interest in travel and trade.
14th-16th centuries	Trade routes develop as commercial activities grow and merchants venture into new territories.
A.D. 1613-A.D. 1785	Grand Tour Era makes travel a status symbol for wealthy individuals seeking to experience cultures of the civilized world.
18th–19th centuries	Industrial Revolution gives rise to technological advances, making travel and trade more efficient and expanding markets; increasing personal incomes make travel both a business necessity and a leisure activity.
1841	Thomas Cook organizes first group tour in England.
1903	Wright Brothers usher in era of flight with the first successful aircraft flight.
1913	Westinghouse Corporation institutes paid vacations for its workers.
1914	Henry Ford begins mass production of the Model T.
1919	First scheduled airline passenger flight debuts between London and Paris.
1945	World War II ends and ushers in new era of prosperity, giving rise to millions of people with the time, money, and interest to travel for pleasure and business.
1950	Diners Club introduces the first credit card.
1952	Jet passenger service is inaugurated between London and Johannesburg, South Africa.
1950s	Rapid expansion of hotel and motel chains in the United States via franchise agreements.
1978	Competition on routes and fares begins with signing of Airline Deregulation Act.
1978	American Airlines expands access to electronic reservation system, SABRE, to travel agencies.
1984	The State Council of China approves the organization of tours to Hong Kong and Macao for mainland residents visiting relatives, which was the prelude to the outbound tourism of Chinese citizens.
1996	Expedia is founded as a division of Microsoft.
2000	TripAdvisor is founded.
2001	Dennis Tito launches the advent of space tourism as he pays \$20 million for an eight-day vacation aboard the International Space Station.
2001	Transportation Security Administration (TSA) in the United States is created to ensure airline passenger safety in the wake of the September 11th terrorist attacks on the World Trade Center in New York City and the Pentagon in Washington, D.C.
2002	The euro currency is introduced, signaling liberalization of travel among member nations of the European Union.
2004	Mark Zuckerberg, a Harvard student, launches a social networking service Facebook.com.
2007	Air Bed and Breakfast (AirBnB) launched, signaling a wave of new services such as Uber and an expanding sharing economy in tourism services.
2011	Google provides an online flight-booking service, Google Flights, to public.