

## Confronting world tourism's changing economic times

By Peter E. Tarlow 3 Jan 2019

Perhaps Charles Dickens said it best when he stated that we live in the best and worst of times. There is little doubt that the tourism industry is facing some interesting and challenging times.

Its transportation component has to deal with the irregular and hard to predict cost of fuel, both in the form of gasoline and jet plane fuel, but also the fact that antiquated air systems combined with a major decline in customer service have made millions of travellers understand why we derive the word "travel" from the French word "travail" meaning (hard) work.



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To add to the industry's challenges in 2018, not only was there continual terrorism threats and health challenges that seemed to crop up on an almost daily basis, but also murders that had no political or economic agenda. These were acts of evil for evil's sake. Additionally, poor air quality on many airplanes, high hotel and restaurant prices; currency fluctuations, increased criminal attacks on travellers and tourists, and often poor customer service are universal problems that underline many of the reasons the travelling community finds travel to be increasingly less pleasant, harder and more costly.

The New Year means that the worldwide travel industry will have to work hard to change perceptions, some of which are unfair. It also provides the additional challenge that in an industry based on expendable income our customers' moods often fluctuate with economic news. To help you face the challenges that come with a constantly changing world, we at Tourism Tidbits offer the following suggestions:

Do not forget that most people have a choice to travel or not, and which destinations to choose. All too often tourism and travel employees act as if they are doing the public a favour in providing customer service.

Make sure that your employees understand that most people do not need to travel and when they do, that they have multiple destination options and choices to choose from. In most cases, coming to your community is a choice and not an obligation. Tourism is a voluntary experience and when the public chooses another experience, then that choice will be reflected in our bottom line.

**Know your product.** Know what you are selling! Are you selling experiences, leisure, rest, or history? Are you selling basic transportation or the travel experience? Is your hotel dedicated to providing a nights rest, or does it act as more than just a place to sleep within the overall experience? Does your narrative reflect your reality?

Take the time to assess what you have and what you need to offer. If your clientele is basically business-travellers, are you devaluing your product by charging for something as simple as a wireless connection or for local telephone calls?

If your product is romance, have you checked the quality of your lighting, the ambience of your entrance way and the colours of your rooms? If you seek the "young family market", is your attraction or hotel family-friendly, or is this merely a slogan based on nothing? Ask yourself what will my guests remember about my hotel or attraction one month after they return home. Will their memory reflect your marketing?

Show your clientele that you appreciate their business. All too often tourism businesses act as if they are doing the customers a favour.

This is the time to develop creative ways to show appreciation. For example, locales may want to develop "welcome passports" to be used at restaurants and hotels where visitors are provided with a free "extra" as a way of showing appreciation. Follow-up letters may also be sent in which the local tourism industry thanks people for visiting. The letters can even be e-letters and used as a way to encourage visitors to return for another visit.

On the other hand, most frequent travellers see right through surveys that are designed to avoid negative feedback. The best surveys are an oral survey where the tourism business not only listens, but acts.

Know what people do not like about your tourism business. It is always amazing how rarely people in the tourism business forget to ask what bothers their clients. It takes very little to destroy the tourism industry.

If you are a tourism office or CVB how often do you work with your community's public service such as police and rescue squads? If you are an attraction, have you considered that the "tourism family" of today may be composed of grandparents and grandchildren rather than parents and children? If you are a hotel, what services are you lacking and are you charging for something that can be absorbed in the price and then given for free? For example, many business travellers are only permitted two meals a day and thus seek out hotels that offer free breakfasts, even if the room's price is slightly higher.

Remember that people love freebies even if they have to pay for them. Even when people are feeling good about their economic situation, people love to receive something for nothing, even if they have to pay for it!

Think through how you can combine your basic costs into the cost of an admission ticket or a free night's stay. If hospitality is based on the idea of being taken care of and pampered, then charging for extras may be a poor strategy. The most disliked part of the tourism industry is the airline industry, that charges extra for almost everything. Travellers today often see flying as nothing more than buses in the sky.

Think of your tourism industry as an integrated whole rather than as a series of independent components.

Additional travel costs mean that visitors will be seeking ways to economise. Visitors do not see their tourism experience as separate experiences: hotels, restaurants, transportation and attractions, but rather as a unified experience.

The tourism industry needs to do the same. Each tourism component needs to work with other sectors of the industry to find ways to increase the quality of the tourism experience despite higher prices. If visitors do not see the total experience as worthwhile, then all of the industry's components will suffer.

Be creative and flexible when facing a crisis. The tourism industry has no control over the cost of fuel, but it does have control over how it faces this cost.

For example, consider expanding your market by finding more visitors closer to home. This temporary solution may help not only the local hotel industry, but also permit retailers to weather the storm by adding to the community's economy as tourism revenues from outside of the local region begin to fall. In areas where there are geographic limitations, such as many island destinations; develop creative pricing, along with creative airport hospitality.

Get travellers to forget the woes of travel as soon as they deplane by making use of creativity at entry points, at customs stations or at passport control. Also, do not forget that the last impression is often the lasting impression, so consider being creative when people leave a destination. For example, hotels can give a restaurant coupon to departing guests, passport control can hand out a come-back-soon brochure or gas stations can offer a free cup of coffee-for-the-road.

The cost of the item is a lot less important than the memory and positive word-of-mouth advertising that it will create.

## ABOUT THE AUTHOR

Dr Peter E. Tarlow is a world-renowned speaker and expert specialising in the impact of crime and terrorismon the tourism industry, event and tourism risk management, and tourism and economic development. Since 1990, Tarlow has been aiding the tourism community with issues such as travel safety and security, economic development, creative marketing, and creative thought.

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