

Unit 1

AC 2.2

Consumer decision-making



PACKAGE VS NON- PACKAGE

- The Package Travel, Package Holidays and Package Tours Regulations

1992 define a 'package' as follows:

The holiday must cover a period of at least 24 hours or involve overnight accommodation.

PACKAGE VS NON- PACKAGE cont.

- The holiday must consist of a combination of at least two of the following components:
- **Transport** (for example, flights, trains, coaches and ferries - free transfers from the airport to a hotel would not be included)
- **Accommodation** (this should be significant - it would include a berth on a cruise ship but not on a cross-channel ferry)
- **Other tourist services** that form a significant proportion of the package (for example, car hire).

PACKAGE VS NON- PACKAGE cont.

- A package holiday typically is made on the basis of one contract, is sold at an inclusive price and covers all your travel arrangements.
- Package holidays are required by law under the Package Travel Regulations to be financially protected.
- **Let's explore**
- [French Tourists prefer package holidays](#)

Group vs. Independent

Group Package Tour: An all-inclusive package tour sold by a travel agent at a single price to a group of persons travelling together.

Independent: An all- inclusive package sold to an individual travelling alone (by themselves).

- Common tourist services are included in this package tour, such as accommodation and transportation, a tour leader who escorts the tourists during the whole journey, and a tour guide who leads the tourists to tour around the tourist attractions and heritage sites in the destination.

Destination

- Nice/ unpolluted environment
- Environmental condition of the destination
- Seeking a place to just relax
- Personal security and safety
- Possibility of recreation activities for the entire family
- Climatic conditions in the region
- Outdoor activities
- Meeting new people

Destination cont.

- Local festivals/ events
- Historical monuments of the destination
- Destination's cultural heritage
- Explore the country
- To see unique features of the destination
- Availability of important information about accommodations and F&Bs
- Diversity of accommodations and F&Bs

Destination cont.

- Visit new places
- Wide range of local cuisine
- Hospitality of local people
- Cost of transportation
- Price of accommodations and F&Bs
- Condition of transportation
- Price of accommodations and F&Bs
- Condition of transportation

INFRASTRUCTURE AND AMENITIES



Prepared and Presented by: R. MALCOLM BROWN (Leopold)

Infrastructure and Amenities

- Tourism infrastructure can be regarded as the physical elements that are designed and erected to cater for visitors or the sum total of basic facilities, equipment and installations needed for a functioning tourism industry.
- Includes ancillary and complementary facilities, equipment, systems, processes, and resources necessary for the functioning of every tourist destination.
- Includes roads, railways, airports, and the like, which make a tourist destination accessible for tourists. In addition, infrastructure includes health care systems, services, and public services (Popesku, 2011).

Infrastructure and Amenities

- Infrastructures may be owned privately
- Maybe operated for profit or non profit
- Infrastructures serve tourists as well as local population
- Regardless of who builds and operates them, infrastructures must be carefully planned and executed.
- Infrastructures must serve higher goals of the nation, region and destination.
- Public opinions must be heard and political systems must be employed in evaluating the merits of proposed tourism projects.

Infrastructure and Amenities



Prepared and Presented by: R. MALCOLM- BROWN (Lecturer)

Infrastructure and Amenities

- Suprastructure includes building facilities, which exist only because of tourism activities.
- Their main purpose is accommodation and meeting the needs and desires of tourists, in the form of hotels, campsites, restaurants, sports facilities, etc. (Popesku, 2011).
- The importance of tourism infrastructure is reflected in the fact that it can contribute to increasing the efficiency of production and distribution of tourism services, and, in some cases, such as remote destinations, even increase the supply of tourism services.

Infrastructure and Amenities

- The arrival of tourists enhances the efficiency of human resources at the destination, as tourists require certain services in order to feel better during their stay at the selected tourist destination.
- There is an increase in the demand for infrastructure services in terms of water supply, waste disposal, communication and electricity supply, as the necessary elements for comfortable functioning of tourists at the selected destination.
- Tourism infrastructure is of special importance for long-term tourism growth and the general progress of tourist destinations in providing the required services to tourists

Infrastructure and Amenities

- **Transport infrastructure** in this chain provides destination access to tourists from the international and domestic markets, and includes roads, airports, and railways.
- **Social infrastructure** relates to accommodation facilities in the form of rooms to accommodate tourists and other supporting physical structures for various kinds of activities and services that attract tourists. This infrastructure includes hotels, convention centres, stadiums, galleries, and other necessary facilities.
- **Environmental infrastructure** is a natural value, and refers to national parks, marine parks, and reserves which visitors can tour (Tourism & Transport Forum, 2012)

Infrastructure and Amenities

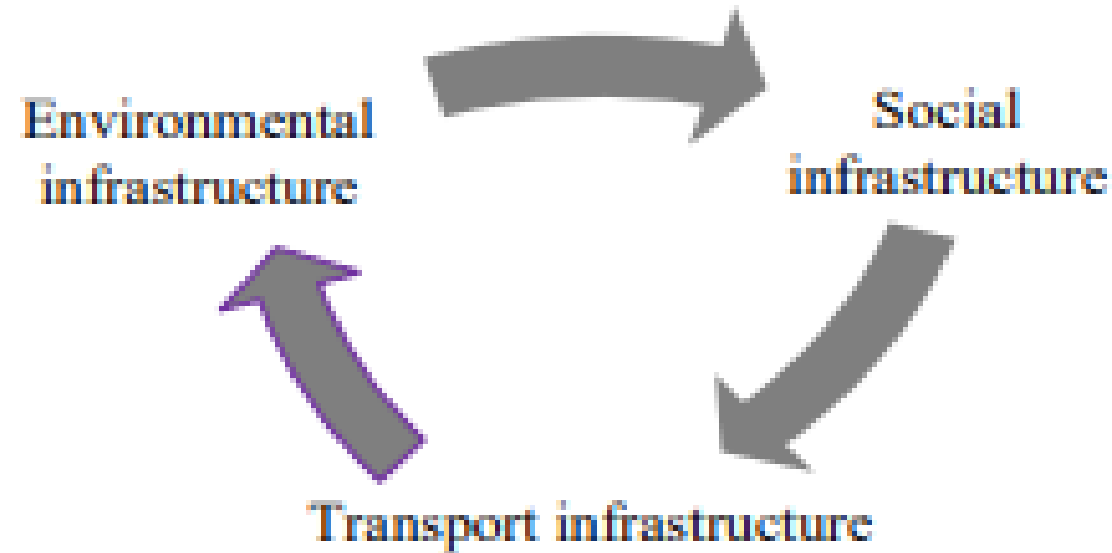


Figure 1 - Types of tourism infrastructure

Source: Tourism & Transport Forum (TTF), (2012) Tourism Infrastructure Policy and Priorities

Infrastructure and Amenities

- *In addition to these three types of infrastructure*, tourism infrastructure includes the shared infrastructure, made of a network of regional, state, and national tourism organizations on the market where there is a tourist destination, and is engaged in the distribution of tourism products (Tourism & Transport Forum, 2012).

Infrastructure and Amenities

- In addition to this classification, some literature often points to the classification of tourism infrastructure into four categories, namely:

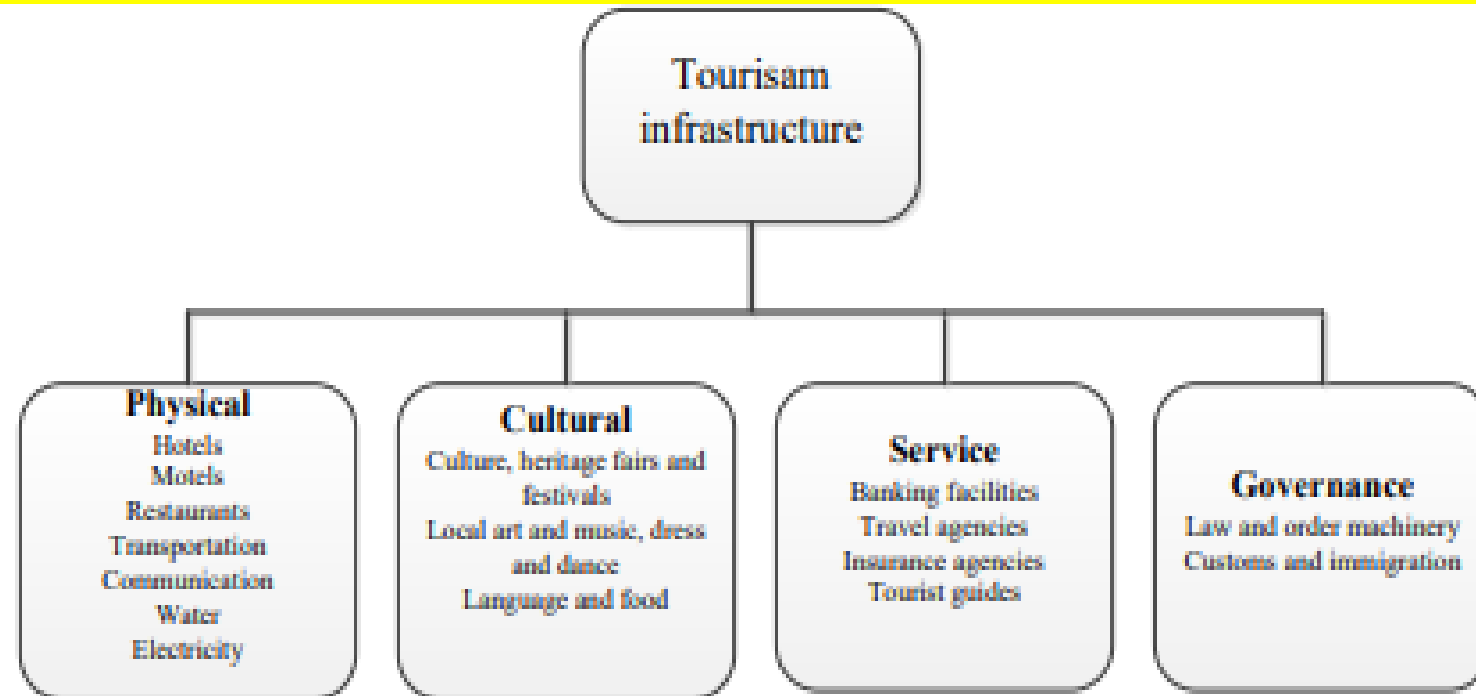


Figure 2 - Components of tourism infrastructure

Source: According to: Raina, A., Ecology, Wildlife and Tourism Development: Principles, Practices and Strategies, 2005. pp. 192

Infrastructure and Amenities

- Amenities are elements of comfort and convenience, most often in reference to a house, vehicle, resort, or rental. An example of amenities are a hot tub and room service in a hotel (YourDictionary.com, 2018).
- Amenities are very essential for any tourist centre.
- There are two types of amenities- **natural and manmade**. Beaches, sea-bathing, fishing, climbing, trekking, viewing etc. fall under the natural category.
- Various types of entertainments and facilities which cater for the special needs of the tourists come under the manmade category
- [The Impact of Airport Amenities on Tourism](#)

Duration and Expenditure

- Research published in the Journal of Happiness Studies, found that ***the ideal length of a vacation is exactly eight days.***
- A vacationer will feel an increase of happiness over the first several days of vacation, with that feeling peaking on the eighth day (The Times-Picayune, 2018)
- An eight-day trip gives travellers enough time to unpack, get their bearings, and settle into a new, more relaxed routine.

Duration and Expenditure

- The length of the average vacation lasts just over four days! Only 25 percent of workers say they take all the time off that's due them (Glassdoor Employee Satisfaction Survey, 2014)
- The average vacation costs \$1,145 per person (or \$4,580 for a family of 4). Cost covers for example pay for airfare, hotels, food, and activities (Kim P, 2014).

Duration and Expenditure

Average Vacation Expenses per Trip	Domestic Trip (4 nights)	International Trip (12 nights)
Transportation	\$224	\$1,755
Lodging	\$150	\$683
Food/Alcohol	\$155	\$520
Entertainment	\$52	\$293
Total	\$581	\$3,251
Cost-per-day	\$144	\$271

Source: ValuePenguin/ValuePenguin

MODELS OF CONSUMER BEHAVIOUR THAT INFLUENCE THE BUYING PROCESS

Consumer Decision Making

- The basic model of consumer decision making process comprises three major components, viz., **marketing and other stimuli** (these act as influences), **the buyer's black box** (these are related to the consumer) and **the buyer responses** (this is the response part) (Kotler and Armstrong, 2018).

Consumer Decision- Making

The three categories of consumer decision-making are cognitive, habitual, and affective.

A cognitive purchase decision is the outcome of a series of stages that results in the selection of one product over competing options.

Consumer Decision- Making

The way information about a product choice is framed can prime a decision even when the consumer is unaware of this influence.

We often fall back on well-learned “rules-of-thumb” to make decisions.

Marketers often need to understand consumers' behavior rather than a consumer's behavior.

Consumer Decision- Making

The decision-making process differs when people choose what to buy on behalf of an organization rather than for personal use.

Members of a family unit play different roles and have different amounts of influence when the family makes purchase decisions.

Consumer Decision- Making

The three categories of consumer decision-making are cognitive, habitual, and affective.

Consumer Decision- Making



Models of Consumer Behaviour

Let's Explore more

[Consumer Behaviour Models](#)

[Models of Consumer Behaviour](#)



QUESTIONS?

Prepared and Presented by: R. MALCOLM- BROWN (Lecturer)

Works cited

- Malra (2018). Motivations for tourism. [online] Slideshare.net. Available at: <https://www.slideshare.net/malrarenu/motivations-for-tourism> [Accessed 6 Oct. 2018].
- Malra (2018). *Motivations for tourism*. [online] Slideshare.net. Available at: <https://www.slideshare.net/malrarenu/motivations-for-tourism> [Accessed 6 Oct. 2018].
- prezi.com. (2018). The 8 Sectors of the Tourism Industry. [online] Available at: Saint (2018). Sectors in Tourism. [online] Slideshare.net. Available at: <https://www.slideshare.net/enairrasaint/sectors-in-tourism> [Accessed 10 Sep. 2018].
- <https://prezi.com/agbbi8nlahq/the-8-sectors-of-the-tourism-industry/> [Accessed 10 Sep. 2018].
- ABTA. (2018). *What is the difference between a package holiday and a 'flight-plus' holiday?*. [online] Available at: <https://www.abta.com/help-and-complaints/frequently-asked-questions/what-difference-between-package-holiday-and-flight> [Accessed 12 Oct. 2018].
- Zurnalai.vu.lt. (2018). [online] Available at: <http://www.zurnalai.vu.lt/ekonomika/article/viewFile/10332/8356> [Accessed 8 Oct. 2018].
- Webcache.googleusercontent.com. (2018). INFRASTRUCTURE AS IMPORTANT DETERMINANT OF TOURISM DEVELOPMENT IN THE COUNTRIES OF SOUTHEAST EUROPE. [online] Available at: <http://webcache.googleusercontent.com/search?q=cache:tLzX8LPoD6EJ:www.ecoforumjournal.ro/index.php/eco/article/download/329/216+&cd=1&hl=en&ct=clnk&gl=jm> [Accessed 15 Oct. 2018].
- Travel + Leisure. (2018). <https://www.travelandleisure.com>. [online] Available at: <https://www.travelandleisure.com/trip-ideas/yoga-wellness/ideal-vacation-length> [Accessed 15 Oct. 2018].
- CreditDonkey. (2018). Average Cost of a Vacation. [online] Available at: <https://www.creditdonkey.com/average-cost-vacation.html> [Accessed 16 Oct. 2018].
- Mic.com. (2018). Is your vacation spending normal?. [online] Available at: <https://mic.com/articles/178818/heres-how-much-you-should-really-be-spending-on-a-vacation-average-cost-of-a-trip-flights-hotels-and-entertainment#.s0SuegRXz> [Accessed 16 Oct. 2018].
- Slideplayer.com. (2018). 9 Decision Making CONSUMER BEHAVIOR, 12e Michael R. Solomon - ppt download. [online] Available at: <https://slideplayer.com/slide/13106678/> [Accessed 17 Oct. 2018].