

UNIT 37: Consumer Behaviour & Insight

UNIT 20: Tourism Consumer Behaviour & Insight





TOPIC

Investigate the different cultural, social, personal and psychological factors that influence consumer behaviour and attitudes within a tourism context.

ESSENTIAL CONTENT

- Lifestyle determinants of demand for tourism
- The challenges of quality service delivery to meet consumer expectations



Analyse how cultural, social, personal and psychological factors that influence consumer behaviour and attitudes are changing and driving trends in tourism



How The Factors Are Driving Trends

In the past, consumer behaviour was dictated mostly by differences in cultural and socio-economic factors. Today the markets are influenced by a number of variables and technology is one of the biggest indicators that influences how we research, buy and interact with brands and one another.

(Vidili, 2019)

Types Of Consumer Trends Impacting Consumer Spending

- The less is more consumer
- The consumer goes mindful
- The champion consumer
- The self-sufficient customer
- The I want it now consumer

(Vidili, 2019)



How The Factors Are Driving Trends

One of the biggest challenges in the tourism sector is to be able to offer products tailored to customer needs. And the world is changing faster due to the impact of technology on our lives.

(Ortiz, 2017)



How The Factors Are Driving Trends

The dynamic has changed with increasing disposable income, rising life expectancy and technological developments empowering customers, who quite literally have the power to plan and book their travel in the palm of their hand.

(Hendryx, 2019)



Lifestyle Determinants Of Demand For Tourism

Broadly speaking, demand is a desire of consumers and clients for a commodity or service. Therefore, the travel sector defines demand as the number of consumers who travel and use tourism facilities in a given timescale.

(Feliu, n.d.)



Lifestyle Determinants Of Demand For Tourism

To illustrate, demand is affected by disposable income, costs, competition, distribution of wealth, supply competition, advertising, vacation entitlements, exchange rates, government regulations, and tax policy.

(Feliu, n.d.)



Lifestyle Determinants Of Demand For Tourism

Different people participate in tourism for different purposes. Seemingly, every purpose comes with specific tourism demand. One of the most common demands is for accommodation.

(Pulina and Biagi, 2010)

**Primary
Motivations:**

***High Resources
High Innovation***

Innovators

- Take-charge
- Sophisticated
- Curious

Ideals

Thinkers

- Reflective
- Informed
- Content

Achievement

Achievers

- Goal-oriented
- Brand conscious

Self-Expression

Experiencers

- Trendsetting
- Impulsive
- Variety seeking

Believers

- Literal
- Loyal
- Moralistic

Strivers

- Contemporary
- Imitative
- Style conscious

Makers

- Responsible
- Practical
- Self-sufficient

***Low Resources
Low Innovation***

Survivors

- Nostalgic
- Constrained
- Cautious



Lifestyle Determinants Of Demand For Tourism

In the face of the significant and unalterable effects of seasonality, geopolitics, and global economics, suppliers encounter particularly challenging obstacles.

Although marketing and lobbying can shift consumers behavior, these key challenges continue to present hurdles.

In response, the industry needs to ensure its operations and marketing efforts are agile and customer-centric.

(Feliu, n.d.)



The Challenges Of Quality Service Delivery

Customer service in today's world is an essential part of a company. With the increasing competition among all industries, the challenge is to deliver high-quality products accompanied by great customer service.

(Feliu, n.d.)

The Challenges Of Quality Service Delivery

1. Understanding Customer Expectations
2. Reaching Out to Customers
3. Exceeding Customer Expectations
4. Consistency
5. Employing Skilled Customer Service Professionals
6. Creating a Customer-First Culture

(Gunion, 2018)



TOPIC

- Critically analyze the emerging trends in consumer behavior and attitudes, using specific examples from the tourism industry to support your arguments



WHAT IS AN EMERGING TREND?

- An **emerging trend** is a topic area that is growing in interest and utility over time.



(Varadarajan, 2009)

EXAMPLES OF EMERGING TRENDS

- E-COMMERCE
- CONVENIENCE SEEKERS
- CONSUMER EXPRESSION
- SOCIAL MEDIASCAPE
- BRAND ADVOCACY
- ONLINE COMMUNITIES



(Varadarajan, 2009)



EXAMPLE OF A CRITICAL VIEW

The modern consumer's attitude and behaviour has changed due to the emerging trend of online shopping. A decade ago, the mall was the place to be on the weekend for teenagers and young adolescents.

Today, however, consumers have become too lazy or time concerned to go shopping, instead they prefer to shop from the comfort of their homes.

(Baird, 2017)



EXAMPLE OF A CRITICAL VIEW

The positives is that this change in behaviour has reduced travel cost and saves consumer time.

However, the limitations include reduced foot traffic and sales in stores and an inactive consumer.

(Baird, 2017)

EXAMPLES OF EMERGING TRENDS IN TOURISM

- RESPONSIBLE TOURISM
- EXPERIENTIAL TOURISM
- ONLINE REFERRALS
- TOURISM BLOGGERS
- HEALTHY TOURISM
- AFFORDABLE LUXURY
- PERSONALIZATION IN TRAVEL



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(Cohen, Prayag and Moital, 2014)



EXAMPLE OF A CRITICAL VIEW

An emerging trend in tourism is booking all vacations online. A decade ago, customers would book tickets, vacation packages and research holidays in the office of a travel agent or travel agency.

Today, customers conduct their own research online and do their purchasing online, cutting out the need for travel agents (Note, the consumer attitude has changed).

(Cohen, Prayag and Moital, 2014)



EXAMPLE OF A CRITICAL VIEW

This has been a positive for the tourism industry as more people are able to travel more freely without the hassle and additional fees associated with travel agents/agencies.

However, it also puts a strain on the economic opportunities of the industry itself, as less jobs are provided for people in tourism.

(Cohen, Prayag and Moital, 2014)

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