Chapter 52

Consumer Preferences and Key Aspects of Tourism and Hospitality Marketing on Island Destinations

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ABSTRACT

The decision of destination’s selection is almost always accompanied by hotel selection. Hence, it is essential for tourism stakeholders to understand the marketing means’ correlation toward destinations and hotels. In addition the purchasing behavior of consumers in tourism and hospitality needs to be examined in order to give the ability to optimize marketing strategies and promotional campaigns. The purpose of this chapter is to examine and present the perspectives on the island’s destination and hospitality marketing held by consumers visiting Crete. The study’s contribution is based on the clarification of consumers’ purchase behavior and consumerism patterns in tourism with reference to destination and hotel selection. It also gives an understanding for the marketing’s influential importance for tourism purchases. The research was undertaken with departed tourists from Crete. As the research findings revealed, the perspectives of tourists concerning destination and hospitality marketing may vary significantly toward gender, age, education, and income. The research findings also indicate that younger and more educated consumers seem to have better knowledge and higher use of Information Technologies. On the contrary, elder people and those who are less educated are dependant to traditional ways of advertising. Furthermore, income plays a significant role dealing with additional services, better accommodation, and – in general – higher quality of provided products, whilst pricing policy still remains crucial for all tourists, no matter their financial revenues. The chapter also provides suggestions for further destination and hospitality marketing development, and information for the importance of each marketing mean used to lure tourists to visit the destination.

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INTRODUCTION

The nature of tourism industry requires a significant degree of coordination and collaboration among the variety of different players in destination marketing (Hall, 2000; Roberts & Simpson, 1999). Tourism organizations at different levels can be involved in marketing a destination (Wang & Fesenmaier, 2007). As a consequence the major marketing tasks are elaborated and handled by the convention and visitors’ bureaus (CVBs) or similar entities that are charged with developing an image, which will position their destinations in the marketplace as a viable destination for meetings and visitors (Gartell, 1988; Richie & Crouch, 2003). In parallel, marketing has assumed an increasingly important role in the hospitality industry. The entrance of corporate giants into the hospitality market transformed it “from a mom-and-pop industry, where individually owned hotels were the norm, into an industry dominated by chains” (Kotler et al., 1999, pp. 7 - 8). These chains operate in a highly competitive environment were aggressive marketing skills are needed to win consumers.

In addition, marketing has become a fundamental aspect for business profitability since it is considered as an enterprising vision and an essential factor for success. The importance of marketing have dramatically increased in recent decades, and all organizations business areas use various forms of marketing to make their offer and to meet financial or non-profit targets (Shimp, 2003). As Mihart (2012, pp. 976-977) suggests, the process of studying consumers “helps firms and organizations to improve their marketing strategies by understanding issues such as the psychology of how consumers think, feel, reason, and select between different alternatives and how marketers can adapt and improve their marketing campaigns and marketing strategies to more effectively reach the consumer.”

Marketing a tourism destination is challenging because of the variety of stakeholders involved in the production and development. The destination experience is essentially comprised of regions, resources and amalgams of tourism facilities and services which often do not belong to individuals. Instead they represent a collection of both professional and personal interests of all the people who live and work in the area (Buhalis, 2000, p. 98). On the contrary, the challenge on marketing tourism and hospitality enterprises focuses on the gain of company’s competitive advantage and the exploitation of the most prosperous path for enterprising profitability. Even if the purposes differ, both destinations and hospitality enterprises need each other for their self existence.

According Crouch et al. (2009) the birth of new industries such as tourism and its new or continuously reformed products creates a necessity for understanding and predicting consumer choice behavior, whilst it typically presents customers with conceptually or practically radical products. In tourism, it is difficult to predict demand for products and services because due to its radical and continuous change there is little information of established past market demand, and there are no effective existing analogues that can be used to estimate future demand (Moreau et al., 2001; Wood & Lynch, 2002). In addition, tourist consumers may have the intention to satisfy several needs by purchasing a product. One more factor that complicates the task of predicting purchasing behavior and has to be taken under consideration is that tourists may purchase different products to satisfy the same need or people with different needs may want to consume the same product (Tangeland et al., 2013). All the above create the necessity for the examination of the tourist purchasing behavior and the influence of marketing in tourism consumerism. At the end of the day, as Abela (2006) suggests the connection of marketing and consumerism is very strong to be ignored, since the growth of current consumerism is directly connected with the growth of modern marketing.

The aim of this paper is to examine the tourists’ consumption perspectives concerning the used mean for the selection of hotel companies,