



# **CATERING AND TOURISM TRAINING INSTITUTE**

**SECTOR: - CULTURE, SPORTS AND TOURISM**

**SUB SECTOR: - TRAVEL AND TOURS**

## **TOURISM SERVICE LEVEL – II LEARNING GUIDE # 1**

**UNIT OF COMPETENCY: DEVELOP & UPDATE TOURISM  
INDUSTRY KNOWLEDGE**

**MODULE TITLE: DEVELOPING & UPDATING TOURISM  
INDUSTRY KNOWLEDGE**

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**ADDIS ABABA, ETHIOPIA**

**INSTRUCTION SHEET****LEARNING GUIDE #1**

This learning guide is developed to provide you the necessary information regarding the following content coverage and topics –

- Source and apply general information on the structure and operation of the tourism industry
- Source and apply information on legal and ethical issues that impact on the tourism industry
- Source and apply information on tourism industry technology
- Source and access information on current and emerging technologies that impact on the tourism organization process.

This guide will also assist you to attain the learning outcome stated above. Specifically, upon completion of this learning Guide, you will be able to –

- Identify sources of information to understand the structure and operation of the tourism industry.
- Access and comprehend specific information of relevance to the tourism industry.
- Access and use knowledge of the tourism industry to enhance the quality of work performance
- Obtain information on legal issues to assist effective work performance.
- Conduct day-to-day tourism organization activities according to legal obligations and ethical industry practices
- Source and access information on current and emerging technologies that impact on the tourism organization process.
- Identify the potential effects of different technologies on the tourism organization process.
- Apply knowledge of current and emerging technology in day-to-day work activities.
- Identify and use a range of opportunities to update knowledge of the tourism industry.
- Monitor current issues of concern to the industry.
- Share updated information with colleagues, according to organizational procedures,

and incorporate into day-to-day work activities

**Learning Instructions:**

1. Read the specific objectives of this Learning Guide.
2. Follow the instructions described in number 3 to 22.
3. Read the information written in the “Information Sheet 1” from page 1-7. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
4. Accomplish the “Self Check - 1” in page 8.
5. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work for self-check 1.
6. If you earned a satisfactory evaluation proceed to “Information Sheet 2”. However, if your rating is unsatisfactory, see your trainer for further instructions or go back to Learning Activity #1.
7. Read the information written in the “Information Sheet 2” from page 9-11. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
8. Accomplish the “Self Check - 2” in page 12.
9. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work for self-check 2.
10. If you earned a satisfactory evaluation proceed to “Information Sheet 3”. However, if your rating is unsatisfactory, see your trainer for further instructions or go back to Learning Activity #2
11. Read the information written in the “Information Sheet 3” from page 13-17. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
12. Accomplish the “Self-Check - 3” in page 18.
13. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work for self-check 3.

**INSTRUCTION SHEET****LEARNING GUIDE #1**

14. If you earned a satisfactory evaluation proceed to “Information Sheet 4”. However, if your rating is unsatisfactory, see your trainer for further instructions or go back to Learning Activity #3.
15. Read the information written in the “Information Sheet 4” from page 19-26. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
16. Accomplish the “Self-Check - 4” in page 27.
17. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work for self-check 4.
18. If you earned a satisfactory evaluation proceed to “Information Sheet 5”. However, if your rating is unsatisfactory, see your trainer for further instructions or go back to Learning Activity #4
19. Read the information written in the “Information Sheet 5” from page 28-30. Try to understand what are being discussed. Ask you teacher for assistance if you have hard time understanding them.
20. Accomplish the “Self-Check - 5” in page 31.
21. Ask from your teacher the key to correction (key answers) or you can request your teacher to correct your work for self-check 5.
22. If you earned a satisfactory evaluation, congratulation you can proceed to next unit of competency. However, if your rating is unsatisfactory, see your trainer for further instructions or go back to Learning Activity #5.



**INFORMATION SHEET-1**

**LO1-SOURCE AND APPLY GENERAL INFORMATION  
ON THE STRUCTURE AND OPERATION OF THE  
TOURISM INDUSTRY**

**INTRODUCTION**

The tourism industry is as dynamic and exciting as ever. But it has also evolved: a success full tourism business is one that has been able to quickly and effectively adapt to whatever challenges are thrown its way—not just changes in customer preferences and economic fluctuations, not just increased competition and changes to regulatory forces (among other changes in the operating environment), but to the rise in natural disasters, increased acts of terrorism and increased hostilities in certain regions of the world.

There is no doubt that the tourism industry today remains one of the most diverse, exciting, challenging and important in Ethiopia and the world. And it is because of this that the industry is able to offer career opportunities as dynamic as the industry itself. Possibilities include work with travel agents, tour whole selling companies, tour operators, airlines, government tourism bodies, regional tourism associations, visitor information centers, and hotel chains and companies that manage and operate tourist attractions and special events.

The skills and abilities required generally fall in to the following categories: automated ticketing and reservations; sales and marketing; information and customer services; administration and accounting; policy advice and strategic planning.

New markets continue to gain strength, creating windows of opportunity for well-trained, highly motivated people to complement existing organization sort start their own businesses. In order to succeed in tourism, however, it is essential to possess adrivengenthusiasmforcustomerserviceandsatisfactioncombinedwithastrongsense of professionalism.

As new comers to the industry, to be successful in tourism we need to develop and maintain tourism industry knowledge that relates not only to the sectors in which we will work but to



the entire industry. We also need to understand how each sector is linked. We need to know what tourism is, and understand its economic, environmental, social and cultural impacts, its relationship with other industries, the roles and responsibilities of individual staff members in a successful tourism organization, the structure of the industry and what legislation impacts on our daily work routines.

The primary objective of this topic is the development of broad-based understanding and knowledge of the tourism industry. This is the foundation upon which to build employability—skills that help us succeed in our chosen field. In other words, in order to be a part of the tourism industry it is essential to develop a good understanding of how the industry works. We need to determine what information we need and where to get that information, and we need to know how to get the information. The how involves research. The where is about the sources of information, and the is about the kind of information we need.

### **WHAT IS RESEARCH?**

Gaining and maintaining tourism industry knowledge requires research. **Research** is a set of formal or informal techniques we can use to locate and process information relevant to our needs. Relevant information in this context is researching information relating to the industry in which we will work (tourism). If you have ever searched the World Wide Web, or read a book to gain information about any topic, or asked someone a question, then you have undertaken research.

**Formal research** involves systematically gathering and analyzing information from primary and secondary sources relating to a product or service, or even an industry in general. **Primary source** information is information collected through interviewing (one-on-one or group sessions) or questionnaires (e.g. from the customers), or even through chatting to colleagues. An example of primary source information, a hotel guest questionnaire, is shown in Figure 1.1. **Secondary source** information is information gathered from ready published data.

**Informal research** is not as structured or time-consuming as formal research. It involves



collection of information from sources that have already formally researched the products and services (secondary sources). This could include reading news paper articles, menus and wine lists used in the venue, or reading a brochure on other accommodation venues in the chain of venues.

Informal research can also include attending orientation and training sessions, talking with colleagues, reading the staff handbook, using the venue’s facilities, personal observation and visiting competitors’ establishments.

There are essentially two types of research: qualitative and quantitative. Which type we used depends on the information we are looking for. **Qualitative research** is looking for general information, exploring ideas and seeking feedback? For example, questions could include ‘What did you enjoy most about the tour?’, ‘How could we improve our service?’ and ‘What additional products would you like us to offer?’

**Quantitative research** measures or monitors services or performance in terms of numbers and percentages over time. For example, many tourism enterprises measure their success on satisfaction surveys: ‘How satisfied were you with the service we provided?’

1. Very satisfied,
2. Satisfied,
3. Not very satisfied.

These types of question can help us determine the quantity of satisfied customers, usually expressed as a percentage (65 percent very satisfied, 30 percent satisfied, 5 percent not satisfied). Qualitative research can help us identify what was not satisfying for customers.

## **QUESTIONING TECHNIQUES**

Much of the research we undertake to increase our knowledge and obtain relevant data requires us to ask questions. We ask our colleagues, supervisors and customers questions, and we ask



other tourism-based enterprises, associations and organizations questions. The questions need to be structured to provide us with the exact information we require. There are two types of question we can use. Which one to use depends on the type of response required.

**Open-ended questions** are questions that usually make it difficult to respond with a simple ‘yes’ or ‘no’. These types of question start with why, which, how, what and who. For example, ‘Which services are offered by your company?’ ‘How many nights would you like to stay?’ ‘How many flights depart on Tuesday?’ ‘Which departure do you prefer? 9.00 am or 1.00pm?’

**Closed questions** are those questions that generally make it easy to respond ‘yes’ or ‘no’. For example, ‘would you help me it this?’ ‘Would you like to make the booking now?’ ‘Do you have a preferred date?’ ‘Is there anything else I can do for you?’ Closed questions may also elicit a limited response, particularly if they start with do. For example, ‘Do you have a preferred departure date?’ ‘Yes, May14th.’ ‘Doyou want information on other tours?’ ‘Yes, Africans affairs.’

There is a distinct relationship between the questions we ask and the information outcome. That is, our questions must be structured to ensure we get the information we need. For example, if we want to know the number of people who visit an attraction each year, we would ask ‘How many visitors?’, not, ‘Do you get a lot of visitors?’ If we want to know where a person wants to go on holiday we would ask ‘Which destination would you like information about?’, not, ‘Do you know where you’ like to go?’

## **SOURCE OF TOURISM INFORMATION**

Sourcing information is about knowing where to get the information. Fortunately, we live in an ‘information age’. That is most of the information we need is readily accessible through a variety of channels.

🌐 **Media:** - Local and national newspapers, trade magazines and journals, specialist magazines, and travel programs on television and radio provide information about





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destinations and the facilities and services available at those destinations, emerging trends, significant events and issues that may impact our industry.

- ★ **Reference books:** - Travel guides and text books can provide in-depth coverage of specific destinations, sites, costs, how to get there, places to stay, the main attractions, historical context, local identities and a raft of other information to assist us.
- ★ **Unions:** - Unions are employee industry bodies and a valuable source of information about a worker's rights and obligations. Unions are discussed in detail later in the chapter.
- ★ **Industry associations and organizations:** - These are valuable sources of information primarily concerned with the interests of employers and organizations. They collect and compile up-to-date tourism data that they make available to their members and other industry professionals. They are discussed in detail later in the chapter. Referral so to 'A few useful contacts' at the end of this book.
- ★ **Libraries:** - Access to newspapers, magazines, the internet, reference books and computer databases relating to the tourism industry is frequently available in local libraries, schools and academic institutions.
- ★ **Visiting attractions:** - Site visits and personal experience provide opportunities to experience at firsthand the value of a tourist facility. But if we can't physically get to an attraction, a virtual tourist often an excellent option.
- ★ **Leaflets and brochures:** - Many destinations/regions/venues/attractions provide information about the area or facility including what to see and do and place to stay. Tourism companies and organizations also advertise their own individual products through this medium.
- ★ **Tourist offices and tourism bodies:** - These organizations provide up-to-date information on tourist numbers, attractions, infrastructure, strategic plans for the



region and other tourism-related information.

- ★ **Internet:** - Almost anything you ever wanted to know about the tourism industry can be found on the **World v Wide v Web**.
- ★ **Personal experience:** - Throughout our lives we participate in a range of activities and events that may be classified as tourism-based. These experiences give us a valuable insight into the tourism industry and how it operates.
- ★ **Colleagues and associates**• our colleagues and associates are valuable sources of information and are usually willing to share their knowledge. Networking is the term used to describe meeting with colleagues and associates with the intention of finding information, making contacts and developing our careers.
- ★ **Industry contacts, mentors and advisers**• throughout our careers, we can develop a vast network of contacts. They may be people we have worked for or with, and who can help us in a variety of ways including development of our industry knowledge and career opportunities. These contacts may be in professional organizations, in the form of a mentor or someone whose advice we value.
- ★ **Familiarization trips**• **Familiarization trips** are free trips offered by airlines, tour organizers and hospitality venues, and other tourism providers to industry professionals to sample(often free of charge) the products offered by those companies.
- ★ **Industry seminars and training courses**• There are frequent opportunities to attend seminars and courses that help develop our knowledge and skills. Our employers' offer some, while unions or industry association's offer others. Seminars and courses are frequently subject-specific: they focus on a particular topic, such as a change to legislation or operating procedures.



We need to know not only where to find information (sources) but, for our research time to be effective and efficient (and to ensure we eventually get the information we want), we need to identify the sort of information we want and what we want to do with it.

### **INFORMATION TO ASSIST EFFECTIVE WORK PERFORMANCE**

In whatever role we hold in tourism, we need to be informed about a range of topics that impact on us in the workplace, to assist effective work performance. As a starting point, we need knowledge about and an understanding of:

- what ‘tourism’ is and means
- the various tourism sectors
- factors affecting a tourism enterprise
- tourism markets
- the relationship between tourism and other industries
- economic impact of tourism
- the social and cultural significance of tourism
- environmental issues
- career opportunities
- industry expectations of staff
- industry working condition
- industrial relations
- quality assurance
- current and emerging industry technology

### **WHAT IS TOURISM?**

Before we go to define tourism, it is necessary to differentiate between what is meant by leisure, recreation & tourism

#### **Leisure:**



- ✪ It is most often regarded as the measure of time; the time remaining after work, sleep & essential house hold or personal chores have been completed.
- ✪ It is the time available for doing as one chooses or ‘discretionary time’. It is the time that people use to do the things they want to do rather than the things they have to do.
- ✪ For most People, leisure time includes evenings, weekends and vacations. People need leisure time in order to add pleasure to their lives and to refresh their minds and bodies.

Leisure can be thought of as a combined measure of time and attitude of mind to create periods of time when other obligations are at a minimum.

Growth of leisure: The increase in the amount of leisure time available is due to a number of factors:-

1. Working hours have been reduced.
2. Now, there is provision of holiday with pay.
3. Life expectancy has increased.
4. Technological developments like washing machines, dishwashers, computers, telephone internet and automobiles are widely used.

**Recreation:**

- ✪ It is the wide variety of activity undertaken during leisure time.
- ✪ These activities may be participatory (like playing sports, sightseeing, hobbies & pastimes) and non participatory (like watching sports, listening to radio, watching TV, home entertainment and public entertainment)

**Tourism:**

- ✪ It is regarded as an extreme form of recreation, involving longer time periods, traveling long distances and often staying overnights.
- ✪ Tourism, as distinct from other forms of leisure pursuits, requires blocks of time in order to make the journey & stay worthwhile.



- ☆ Tourism also calls for more money than most other forms of recreation because of the cost of travel, accommodation, meals & souvenirs.

According to WTO and approved by UN in 1993, "Tourism is the activity of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business, or any other purpose". From the above definitions, one may deduce the following distinct elements of tourism;

1. Involvement of travel by non residents
2. Stay of temporary nature in the area visited, and
3. Stay not connected with any remunerated activity or an activity involving earnings.

### **Nature of Tourism**

- ☆ It is clear from the above definitions that conceptually tourism is a composite phenomenon involving dynamic elements, like the movement to various places and static ones like their stay in those places.
- ☆ Thus tourism embraces the incidence of a mobile population of travelers, who are strange to the place they visit and are a distinct element from the resident and working population.
- ☆ Most importantly, tourism implies the temporary movement of people with an intention to return a few days, weeks or months.
- ☆ As such, tourism is distinct from migration, which involves the long term movement of people.
- ☆ Thus, tourism is essentially a pleasure activity in which money earned in the place of normal residence is spent in the place visited.

### **Forms of Tourism**

Basically, there are three forms of tourism. In relation to a given country (say Ethiopia), the following forms of tourism can be distinguished:



1. Domestic tourism: It involves residents of Ethiopia traveling only within their country.  
E.g. from Gondar to Bahir Dar, or from Addis Ababa to Axum.
2. Inbound tourism: It involves non residents (e.g. British) traveling in Ethiopia.
3. Outbound tourism: It involves Ethiopians (residents) traveling in another country.  
E.g. Ethiopians travelling in Japan

These three forms of tourism are combined in many ways and derive the categories of tourism. The three principal categories of tourism are:

1. International tourism: It consists of inbound tourism and outbound tourism in Ethiopia.
2. National tourism: it consists of domestic tourism and outbound tourism in Ethiopia.
3. Internal tourism: It comprises of domestic and inbound tourism in Ethiopia.

### **Definition of Traveler, Visitor and Tourist**

**Traveler**-any person on a trip between two or more countries or between two or more localities within his/ her countries.

**Visitor**- a person who travels to a country other than that in which he has his usual residence but outside to the usual environment for a period not exceeding 12 months and whose main purpose of visit is other than the exercise of an activity remunerated from within the place visited.

Visitors are classified in to two:

- a) **Same day visitors (excursionists)** - don't spend at least one night. They are temporary visitors staying less than 24 hours in the place visited.
- b) **Tourist**- stay for at least one night in the place or country visited. They are temporary visitors staying at least 24 hours in the place visited.

**International visitor-**



- ✧ An international visitor is anyone who visits a country that is not his usual place of residence.
- ✧ It includes (overnight visitor) tourist and (same day visitor) and excursionist.
- ✧ The people on holiday, visiting friends and relatives(VFR),business trip, conference, attend ace, pilgrimage, educational, for international events-all fall under this definition.
- ✧ The only people who do not come in this preview are people who get some salary or payments in the visited, commuters, immigrants, refugees, military men and diplomats.

### **Domestic visitor**

- ✧ The term domestic visitor describes any person regardless of nationality resident in a country and who travels to a place in the same country for not more than one year and whose purpose of visit is other than following an occupation remunerated from within the place visited.
- ✧ This definition covers domestic tourists, where an overnight stay is involved, and domestic excursionists where the stay in the place visited is less than 24 hours and no over night stay is involved.

### **Definition of Tourist**

- ✧ The term ‘tourist’ is derived from the word ‘tour’, meaning , “A journey at which one returns to the starting point; a circular trip usually for business, pleasure or education during which various places are visited and for which an itinerary is usually planned.”
- ✧ “Temporary visitor staying at least 24 hours in the country visited and the purpose of his / her journey can be classified under one of the following headings:
  - Leisure(recreation, health, study, religion , and sports)
  - Business, family, mission, and meeting.



**Foreign Tourist-** : “Any person visiting a country, other than that in which he resides, for a period of at least 24 hours.”

**Domestic Tourist-**

- ❖ Any person traveling within the country where he resides to a place other than his usual place of residence for at least 24 hours or one night and the purpose of his journey can be classified under one of the following headings:
  - Leisure(recreation, health, study, religion , and sports)
  - Business, family, mission, and meeting.

**DIFFERENT TYPES OF TOURISM**

Tourism attractions determine different types of tourism. On the basis of the purpose, tourism is classified:

- **Cultural Tourism:** This is concerned with learning habits, language and customs of the people in the foreign lands, visiting places rich in historical monuments, ancient civilization or paying visit to art galleries, museums or to participate in music, art, dance and festivals.
- **Sports Tourism:** These are two types (1).visiting places to witness sports like Olympics or world cup foot ball or winter sports, mountain climbing, hunting, fishing etc. (2) Participating in such sports.
- **Business Tourism:** All tours undertaken by business men, industrialist or professionals to a place of their interest for selling, buying or taking orders, etc, of products related to business.





- **Water Based Tourism:** The tourism based on water based activities is called as water based tourism, such as diving, rafting, sailing, snorkeling, swimming, etc. This type of tourism is also based on water transportation. E.g. Cruise tourism, Yachting tourism, River tourism.
- **Nature Based Tourism:** This type of tourism is based on nature related activities. E.g. Eco tourism, Wild life tourism.
- **Adventure Tourism:** Here risk, danger, and sprit of adventure are involved. E.g. White water

### **The Tourism System.**

The tourism system is an organizing framework of tourism industry dealing with the linkage of tourism components. The system is suggested by leiper in 1979 and updated in 1990. There are three basic elements of Leiper's model.

- (1) **Tourists:** - The tourist is the actor in this system. Tourism, after all, is a human experience, enjoyed, anticipated and remembered by many as a very important aspect of their lives.
- (2) **Geographical elements.**

Leiper outlines these geographical elements in his model.

1. Traveler generating region.
2. Tourist destination region.
3. Transit route region.

### **Traveler generating region.**



The traveler-generating region represents the generating market for tourism, and in a sense provides the ‘push’ to stimulate and motivate travel. It is here that the tourist searches for information, makes the booking and makes the departure.

### **Tourist Destination Region.**

In many aspects; the tourist destination region represents the ‘sharp end’ of tourism. At the destination, the full impact of tourism felt and planning and management strategies are implemented. ‘The pull to visit destinations energies the whole tourism system and creates demand for travel in the generating region. It is therefore at the destination ‘where the most noticeable and dramatic consequences of the system occur.

### **The transit route region.**

The transit route region represents not only the short period of travel to reach the destination; but also the intermediate places, which may be visited enroute. ‘There is always an interval in a trip when the traveler feels they have left his home region but have not yet arrived.

### **(3) Tourism Industry.**

Tourism industry is the place where range of business and organizations involved in delivering the tourism product. The model allows the location of the various industrial sectors to be identified. For example, travel agents and tour operators are predominantly found in the traveler generating region, attraction and hospitality industry are found in the destination region, while the transport industries are located in the transit route region.

## **TOURISM INDUSTRY SECTORS**

The tourism industry is structured around sectors. A tourism sector refers to one area of the industry, often a specialist area that is part of and contributes to the entire tourism industry. Each sector is composed of businesses that provide goods and services to tourists, visitors and all types of travelers while they are travelling.



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The tourism industry is therefore the umbrella term used to describe the three interconnected sectors of travel, hospitality and visitor services, as described in Table 1.1, which highlights the different types of businesses and organizations that operate within that sector.

HOSPITALITY	TRAVEL OPERATIONS	VISITOR SERVICES
Accommodation	Retail travel agents	Attractions (built and natural)
Restaurants	Tour wholesalers	Special events organizers
Cafés/bars	Tour operators	Government tourism bodies
Club venues	Airlines	Regional tourist associations
Gaming facilities	Cruise lines	Visitor information centers
Conference facilities	Railways	Duty-free shops
Catering services	Car rental companies	Souvenir outlets
Entertainment		Recreation/sports facilities

TABLE 1.1 **Tourism sectors**

The jobs available offer not just diversity and a career path, but the opportunity to be **multi-skilled**. Positions available vary between organizations but are offered in any number of sectors that make up the industry. The services, too, will differ, even between similar categories within the same sector.

### **Tourism services**

Each sector offers different products and services. Products are the tangible aspects of tourism, the things our customers can touch or consume. Service or services refers to an action or an experience. It is a task performed by employees that contributes to the customer's comfort and enjoyment of the tourism experience. It is something we do for the customer. Unlike goods or products, a characteristic of service is its intangibility: we cannot physically touch or hold a service, and it is not something that can be stored for future use. It is the provision of goods and services to clients and customers by individuals.



Each sector also offers services that may vary between enterprises even within the same sector. These will depend on the market each enterprise is trying to attract, its location and the infrastructure already in place in that location.

## **FACTORS AFFECTING A TOURISM ENTERPRISE**

Not every establishment is in a position to offer every conceivable service or facility available in tourism. Many establishments and organizations choose not to offer everything but instead specialize in a given area, while others are not able to offer certain services or products because of factors outside their control.

Factors that can influence an operation are either internal or external. **Internal factors**, such as pricing policies and marketing strategies, allow for some control by the enterprise, whereas **external factors**, for example government regulations and seasonal influences, are beyond the control of the enterprise. How organizations respond to the factors that impact on them can determine their level of success.

### **Internal factors**

**Standard of service/working conditions:** - The standard of service and working conditions are determined internally (although some working conditions are externally determined, such as those governed by an award). Failure to consistently achieve a high standard will negatively influence customer expectations and repeat business.

**Pricing structure:** -Pricing structure, while usually determined internally, is also influenced by demand (for the service or product), supply costs, competition and location of the enterprise, among other things.

**Financial support:** -This may be by the owners of the enterprise or government funding.



**Products and services offered:** - These are selected by the individual enterprise but may be influenced by other factors such as location of the business and therefore availability of services and products, and the enterprise's target markets.

### **External factors**

- ❖ **Trends:** Trends in tourism are external factors that can impact an enterprise positively or negatively. Why is it, for example, that two resorts, located in close proximity to each other and offering similar tourist services and facilities at similar prices, may have varying degrees of success as a business? It may be that one venue has responded to new and emerging activities while the other has not. Trends, fickle though they may seem, have a significant effect. A business must never forget that the customer has a choice. Trends influence that choice. For example, we have seen a significant shift in our dining-out habits, which have taken us away from more conventional, formal styles of dining to the 'café', as the tables and chairs have tumbled out of the restaurants and onto the pavements. The onslaught of the fast-food industry, changes in drinking habits and a new consciousness about what we consume in terms of health and diet are all trends that can have us frequenting one side of the street this week and crossing the road the next.
- ❖ **Competition:** Increased competition has forced competitors to offer better pricing and service levels and an increase in the range of facilities.
- ❖ **Market needs, expectations and demand:** Modern technology has increased customers' knowledge and understanding about what is available to them and thus influenced their choices of the products and services they buy. These external influences can, however, influence internal factors: change in policies, introduction of new services and so on.
- ❖ **Seasonality:** Many tourism-based operations are influenced by seasonality (weather conditions) and changing climate patterns that are out of their control.
- ❖ **Location:** the location of an enterprise or a destination may make it more vulnerable to trends. It might also be affected by increased competition in the area.



- ❖ **Environmental issues:** this is particularly relevant to tourism operations as the awareness of environmental issues increases. Environmental issues can also provide new marketing opportunities.
- ❖ **Economic variability:** Economics plays an important role in why and where consumers spend their money, and how much they spend, on tourism-based experiences.
- ❖ **Industry regulations and legislation:** Changes in regulations and legislation can affect a tourism enterprise both negatively and positively. It is important to understand how.
- ❖ **Suppliers:** our suppliers (of products) are likely to dictate what products we can sell to our customers and the price we can charge for their products.
- ❖ **Availability of skilled staff:** the attractiveness and location (city or regional) of the enterprise can significantly influence the availability of skilled staff.
- ❖ **Government/legislation:** the extent to which government supports tourism activities in a region or across Ethiopia can impact positively on tourism in general. Similarly, legislation, such as the introduction of no smoking in all hospitality environments (bars, gaming venues, and food outlets) and changes to industrial relations law, can have impact on a business. The impacts will be felt negatively by some sectors and positively by others.

### Class Activity

- Distinguish between open-ended and closed questioning techniques.
- What sources of information are most readily available to you? What new sources of information might you now use?
- Why does a definition of tourism usually exclude business travel?
- What is a product? What is a service?
- What is the difference between internal and external factors that can influence a tourism operation?

## TOURISM MARKETS



To help tourism-based enterprises attract tourists, it is helpful for them to understand who their markets are and from where their target markets originate. When we talk about markets, we are talking about customers. Different sectors of the industry are attempting to attract different market segments—that is, different types of customer.

It is generally accepted that tourist markets are divided into three groups:

- ✚ **Inbound tourists:** international visitors whose main place of residence is outside Ethiopia.
- ✚ **Outbound tourists:** Ethiopian residents travelling overseas.
- ✚ **Domestic tourists:** Ethiopian tourists travelling within Ethiopia, who account for

Domestic tourists travelling **interregional** are visitors travelling to a regional other than where they usually reside, for tourism purposes. Domestic tourists travelling **intra-regional** are tourists travelling within the regional in which they usually reside.

Within each of these classifications are **target markets** and **market segments**. A target market (or customer base) is defined as a category of people who have been identified as potential customers because of their income, age, place of residence and other factors. Marketing strategies for organizations usually target specific markets. Identifying a target market is sometimes referred to as market segmentation, in that it identifies a portion (or segment) of the market that has similar traits, needs and desires that the organization wants to attract to buy its product.

### **Purpose of travel**

Irrespective of where tourists originate from, there is always a purpose for the travel. The purpose of travel refers to the visitor's reason or main motivation for travel. This becomes important when we are passing on information or wanting to attract a specific type of person/traveler. By knowing why people travel we are better able to provide information that meets their specific needs for their tourism experience.



## **RELATIONSHIP BETWEEN TOURISM AND OTHER INDUSTRIES**

Tourism does not operate in isolation; it is closely aligned with other industries. It is important to have a broad understanding of the relationships between tourism and these other industries.

### **Tourism and hospitality**

When people travel away from home overnight, they need a place to stay. A large percentage chooses paid accommodation (as opposed to staying with friends or family), with the choice of accommodation depending on several factors:

- Cost
- standard or quality
- availability
- length of stay
- destination/location
- purpose of travel
- star rating standard
- types of services and facilities available

In addition, travelers also need food and drink, which they usually obtain from services in the hospitality industry. However, the relationship between tourism and hospitality does not end there. The two are intrinsically linked and need to work together to help sustain each other. For example, a travel agent may book accommodation for a client or a **package holiday**, which can include travel arrangements, accommodation, meals, tours, transfers, activities and entertainment for one all-inclusive price.

While from a travel operations' perspective tourism is mainly concerned with getting people to a destination, the role of hospitality is to provide accommodation as well as food and beverages, entertainment and activities (such as in a resort) and to offer a range of other services and facilities that tourists seek.





If a client wants to travel to a particular destination, but the destination cannot offer all the hospitality services and attractions required, this may effectively stop the person from visiting that place.

Conversely, accommodation venues are dependent on tourism; without tourists, many accommodation venues would cease to exist. Only a small percentage of accommodation venues are sustainable with business travelers and the food and beverage side of their operation as the primary source of income.

### **Tourism and travel operations**

How do people get to their destination? They travel there by car, bus, train, air or sea. Therefore we have a travel industry that helps to arrange transport and assist people to travel from one place to another.

When people travel they choose a mode of transport that meets their requirements. Their requirements may be affected by time restraints, budget, and transport comfort, convenience or preferences. Travel arrangements can usually be made directly with the transport organization—a flight can be booked directly with the airline, a train seat can be booked directly through the railway operator, and so on. Alternatively, transportation can be arranged through a retail travel operation, that is, a travel agent, and travel arrangements can be included in a package.

A travel agency often provides a link between the tourism sectors. A travel agency can book all travel requirements, transport, accommodation, attractions and tours, and can assist with travel insurance, passports and visas. It acts as the retail outlet or shop front for people to buy their travel products. It can provide the knowledge and information required to allow consumers (tourists) to make their decision about holiday destinations. It also sells packaged holidays to suit the required budget for a variety of different consumers.

### **Tourism and visitor services**



When a person reaches their chosen destination, what do they do? Apart from sleeping, eating, drinking and relaxing, they also tend to visit attractions, take part in recreational activities and tours, shop for souvenirs and visit information centers. Each of these services contributes to the enjoyment a visitor receives from visiting a particular destination.

Without these facilities and services in place, a destination may not hold the right mix of services to attract visitors. They assist with investment in basic **infrastructure** and other facilities to service tourists. Moreover, most people involved in the tourism industry at these destinations want these visitors to return again in the future, so it makes sense to make them feel welcome and offer them an interesting, relaxing and enjoyable tourism experience.

### **Tourism and other industries**

Tourism as an industry is only sustainable through the existing mechanisms that support a community as a whole. That is, the tourism industry is reliant on and usually has a direct linkage to other industry sectors that supply part of the infrastructure and other goods and services for a destination. For example, hotels must be built and fitted out so that visitors have a place to stay. Other industries are then required to supply the hotel with furnishings for the rooms and other public areas, food and beverages, linen hire, cleaning, and kitchen equipment and utensils.

Tourism establishments are also large consumers of public utilities such as power, water and gas. The industry relies on the availability and suitability of all these industries in order to survive and prosper. Other services and facilities needed within the community to maintain appeal for visitors include local transport services, a labor market, theatres, events, retail shopping outlets, banks, chemists and doctors.

In addition to the more obvious relationships between hospitality, infrastructure development, government research and marketing (of tourism products), and public utility consumption, tourism facilitates the sustainability of many other industries and thus maintains important links to other industries.



**Entertainment:** the entertainment industry includes music, festivals and theatrical events, among other forms of entertainment that benefit from tourist patronage. Many people travel specifically for these events, benefiting many businesses in a region due to visitors' need for other tourism-related services (in addition to participating in the entertainment).

Even if the entertainment is not the primary purpose of a visit, entertainment is frequently an aspect of the overall consumption experience in tourism activities.

- ❖ **Arts:** Tourist activities in the arts industry can include visiting galleries, museums and the theatre, and the purchase of artwork and souvenirs. With increasing interest in niche markets such as art tourism and Indigenous tourism, the interrelationship between art and tourism gains considerable importance. A significant relationship with the arts exists also with the ever-increasing popularity of Ethiopia for the film-making industry.
- ❖ **Sports:** as one of the major cultural features of Ethiopian life, it is not surprising a strong link exists between sport and tourism activities. It is important the tourism networks and services available at destinations are able to meet the needs of these visitors.
- ❖ **Conservation:** One of the roles of government in researching and promoting tourism is ensuring the conservation of our amazing country. While tourism is an economic imperative, it still needs to be considerate of conserving our natural features. Accordingly, the interrelationship between conservation and tourism focuses heavily on preservation. The features that make a destination attractive are often the very features that need protecting. Tourism therefore needs to be managed to ensure that the level of protection needed is provided to sustain the attraction.
- ❖ **Science and research:** an interrelationship between tourism, science and research is not always apparent. The fact is that much research is undertaken with regard to tourism activities both by the private sector and government, particularly with respect the environment.
- ❖ **Retail:** Many retail businesses are hugely reliant on tourism. Retail businesses are those businesses that sell products and services to the end user—consumers; in these instances, tourists. Some of the retail businesses that benefit from tourism spending (and thus enjoy



a relationship with the tourism industry) include fashion stores, souvenir shops, liquor outlets and supermarkets.

### Class Activity

- Explain the difference between ‘inbound tourist’ and ‘outbound tourist’.
- To what does the ‘purpose of travel’ refer? Why is it important in a marketing context?
- What is the relationship between tourism and hospitality? Tourism and travel operations, Tourism and visitor services?
- Why is the development infrastructure so important to a destination?

## ECONOMIC IMPACT OF TOURISM

Tourism contributes significantly to the economic development of Ethiopia. This means tourism is a major factor in federal, regional and territory government economic strategies, with seemingly unlimited potential as a growth industry. Due to the positive impact of tourism on the economy, the government is usually very willing to research, plan and promote it. Tourism will continue to expand, creating wealth and job opportunities, particularly in regional Ethiopia.

Each regional and territory can and does benefit from the promotion of its many attractions, tours and events that encourage visitors, irrespective of visitor origin, to generate a flow of spending in the community.

Overseas visitors bring ‘new’ money into the economy when they exchange their foreign currency for Ethiopian birr and spend it at the destinations they visit. Hence tourism is regarded as a service-based **export**, earning foreign currency that can, in turn, be used to invest or purchase **imports**.

Federal, regional and local government contributes to the development and promotion of tourism on many levels: policy development, destination planning and development, niche/sector strategy development, visitor servicing and marketing.



Tourism operates under the same economic principles as any other market—demand and supply.

Naturally, each market segment reacts differently to economic trends, depending on length of stay, reason for travel and country of origin. For example, people travelling for business purposes usually stay only a short time but spend more per head, per night, than any other market. Backpackers are usually the longest in visitor nights, spending a small amount each day but the most overall as a result of the length of stay. Irrespective of the length of stay, however, all inbound tourists are affected by the value of their currency compared with the currency of their destination.

### **Multiplier effect**

As we learned earlier, there is an intrinsic link between tourism and several other industries. Each of these industries generates a flow of spending through the community as a result of tourism. This flow of spending is called a **multiplier effect** and works in stages as the money is passed from one business to the next and on to the next as each supplies a different service or product to meet the initial demand from the tourist. How it works is demonstrated in the ‘Paint a picture’ below. It is not difficult to appreciate how large the contribution tourism makes to the economy as the money filters through these stages.

The stages of the multiplier effect do not necessarily flow in the same order each time and not all industries are going to benefit from every tourist or visitor. Also, it is not only tourists who support the tourism industry. People who travel for other reasons—such as on business, for a conference or for educational purposes—use the industry because of the need to travel away from home, creating a need for food, accommodation and other services and products while they are away.

### **Employment**

The more visitors a destination attracts, the more people that are needed to service these visitors. As mentioned previously, the tourism industry is an umbrella of different sectors and numerous businesses and organizations and these businesses must continue to employ more people to



service their growing number of customers. Many tourists in certain market segments, particularly within hotels and resorts, also demand high-quality service standards, which often mean high staff-to-guest ratios.

Thus tourism-based operations offer substantial employment opportunities, both ongoing and seasonal, in many destinations. This in turn improves the overall economic welfare of that area and generates a new flow of spending through the community, as the employees themselves often have to spend their income on a place to live, the use of local services and amenities and indeed also visit local attractions.

### **Infrastructure development**

To make any tourist destination functional, attractive and appealing for the visitor, the infrastructure of roads, bridges, airports, transport systems, telecommunications, water systems, waste disposal and so on needs to be developed and/or upgraded to a certain standard. This requires a massive investment in financial and human terms. Often tourism can act as a catalyst for this and can be of enormous benefit to local communities and residents as well as to their visitors.

### **Recent impacts on tourism**

There is no disputing the positive impact that tourism has on the Ethiopian economy; however, our distance from major tourist markets the cost of travel to Ethiopia and Ethiopia's negative image on international level can prove to be major obstacles to tourism growth in Ethiopia.

Despite all this, tourism continues. What changes, for a time, is the choice of destination, travel date and length of stay. In the future we are likely to be faced with other impacts on, or challenges to the industry, which is why it is important to understand how past incidents have affected us and why forecasting (tourism numbers) is important but isn't always correct. These events can, to some extent, help tourism businesses learn from the past and plan for the future.



## **SOCIAL AND CULTURAL SIGNIFICANCE OF TOURISM**

The tourism industry is often described as a ‘people industry’, meaning that the very nature of the activity or the experience ensures that you will meet new people in new places. As workers in the industry we also have plenty of face-to-face personal contact with our customers and clients, particularly the visitor or guest using our services. Even people who know each other well can often find out new things about each other when travelling together and sharing a tourism experience. Tourism actually encourages such social interaction, particularly when people are in holiday mode.

Tourism can also cause considerable social and cultural costs to a community. Too many tourists to a destination can cause overcrowding to the extent that local people feel their lives are being disrupted as access to services, facilities and sometimes even land becomes more difficult. However, such problems can be curtailed with more responsible planning, management and promotion of tourism. **Responsible tourism development** attempts to balance the needs of local communities with those of the tourists. It is the job not only of governments but of tourism professionals in the industry as well.

### **Better quality of life**

The economic benefits of tourism (such as increased business activity, employment opportunities, and improvements to facilities and infrastructure) can also be classed as social benefits as they help to improve the quality of life in local communities. Community pride can also be reinforced when Ethiopians generally were proud to showcase their country, culture, attractions and facilities to the many visitors. The cultural heritage of a destination, expressed through its language, arts, crafts, food, music, architecture and general historical development, can be viewed as part of an authentic tourism product and should be enhanced, maintained and preserved as part of a destination’s tourism assets.



### **Understanding other people**

The very nature of tourism means that there has to be a host–guest relationship. People travelling from their normal place of residence are bound to meet other people from different countries or regions within a country: fellow travelers, local residents or tourism and hospitality workers within the destinations visited. Tourism encourages us to learn about and perhaps attempt to understand the different lifestyles of other people. The depth and extent of such experiences will depend on the motivation for the travel. **Cultural tourism** is a term used to describe the tourism activities undertaken by many tourists who wish to participate more fully in and learn about other cultures and lifestyles. International tourism can help promote **cross-cultural understanding**.

### **ENVIRONMENTAL ISSUES FOR TOURISM**

Some of the reasons tourists visit particular destinations are the climate, the natural scenic attractions and the unspoiled beauty. The natural environment is a major factor in making destinations attractive to visit. Many tourists seek a nature-based experience for their holiday as an escape from city-based life.

### **Protecting our environment**

It is often argued that environmental assets are the very foundation for a tourist destination and should be developed and made more accessible for the enjoyment of tourists.

Conversely, too much tourism development can have harmful effects on the fragile environments found in coastal areas, mountains, national parks or islands and should be protected at all costs. The challenge is to balance the use of such areas through careful planning, sensible management policies and proper conservation techniques. The term used to describe such an approach is **sustainable development**—achieving a balance between tourism development and natural environment protection to maintain the integrity of the area for future use. Limited development and certain types of tourism usage are allowed while the sensitive environment is protected for the enjoyment of present and future generations.





## **Ecotourism**

Over the past 20 years a specialized type of tourism has emerged called **ecotourism**. Eco is short for ecological, which refers to the biological study of living organisms and their relationships with their surroundings. In simple terms, it can be defined as learning about the lifecycle of plants and animals, or biodiversity. Thus, ecotourism is the marriage between the local ecosystems (relationships between the natural environment and the life forms) and the desire of tourists to visit and enjoy these areas in a way that causes minimal harm. Ecotourism has also been more loosely described as ‘green tourism’, ‘environmental tourism’ and ‘nature tourism’. Thus, ecotourism is concerned with maintaining the natural and cultural integrity of certain tourism areas.

Although there are conflicting viewpoints as to what types of tourism products should use the term ‘ecotourism’, strictly speaking ecotourism as a special-interest tourism market should:

- be a nature-based experience
- be low-impact and small-scale
- promote a conservation ethic
- support local communities
- provide a learning experience

Ecotourism is an attempt to provide a link between the economic development of tourism and the conservation and protection of natural areas. It attempts to derive the economic benefits from tourism while helping people to appreciate, understand and protect our environment.

## **Waste management**

**Waste management** refers to how we manage the disposal of the millions of tons of waste generated each year through tourism-based activities. Waste is anything that is no longer of any use in its current form. Much of the waste we generate, however, can be recycled. This means that it can be converted into something new and thereby be of use again.



For most enterprises, as well as the benefits of managing waste effectively there is effort involved. This effort lies in educating staff and even users of the services and products to dispose of waste in a way that is thoughtful and intelligent. For example, organizations can provide facilities for sorting waste according to the following categories:

- plastic
- glass
- paper-based products
- biodegradable materials
- contaminated and non-contaminated waste

Waste management can also include the reduction of pollution generated by equipment and processes. This can be achieved by:

- maintaining plant and equipment regularly
- using environmentally friendly cleaning products
- reducing the frequency of changing and washing linen used by guests
- using environmentally friendly packaging

### **Energy-efficient operations**

‘Energy’ refers to those resources used by an enterprise to provide services such as heating, cooling and lighting. Electricity is primarily used to provide these services. Efficient and responsible use of energy resources helps reduce the potentially negative effects on our environment. It can also reduce operating costs for the enterprise. Other forms of energy include solar, hydro and wind power, all of which are renewable (can be used again), cost-effective (cheaper than electricity) and environmentally friendly.

Accordingly, many enterprises are introducing energy-efficient methods of operation. To help minimize negative environmental impacts, many facilities are converting to alternative power sources such as solar power. Some facilities also reduce their electricity usage with a power-



source room key—the guest’s room key is required to gain electrical power in the room. The key is inserted into a power slot in the room, thus turning the electricity on. When the guest leaves the room he or she removes the key from the slot, thereby switching off all services in the room that function through electricity so that unnecessary usage of electricity is avoided.

Logically, an awareness of environmental issues is beneficial for all—for tourism based enterprises, for users of the services, facilities and products, and for the environment.

Efficient waste and energy management reduces costs, protects the environment and saves our precious resources. As a greater awareness of these environmental issues develops, more and more people will use an enterprise’s attitude to environmental issues as a selection criterion for using that enterprise’s services and facilities.

### **CAREER OPPORTUNITIES**

Careers in travel and tourism enterprises are quite diverse and can include a range of employment areas spread between the private and public sectors.

Depending on the type of business, many enterprises arrange their services and facilities into **departments** or **individual business units** to facilitate the delivery of goods and services to their guests. This grouping of departments is more commonly referred to as an organizational structure. An **organizational chart** can graphically represent the organizational structure. In smaller organizations, there are fewer distinct departments. Roles and responsibilities within departments are frequently less well defined.

Each of the departments has a role to play in delivering quality services and products, and represents career opportunities. Positions within each of the departments are traditionally categorized as either **back of house**, meaning non-guest or customer contactor support roles (financial controller, brand manager), or **front of house**, meaning roles in regular contact with customers. Front-of-house roles are also commonly referred to as **front line** positions (retail travel consultant, flight attendant, visitor information representative, customer service representative, telephones, receptionist and waiter).



### **Travel operations**

The travel operations sector includes those companies and businesses that manufacture, promote, sell and distribute travel products, including retail travel agents, inbound and outbound tour wholesalers (also called tour operators) and transport operators like airlines, cruise lines, coach companies and railways. It is important to understand the roles of each of these travel companies in order to understand how the travel product is distributed to the consumer (tourist). The three main players in the distribution chain are:

- Principal: owner and/or operator of a travel/tourism product or service (an airline, hotel chain, theme park, island resort)
- Tour wholesaler: company that purchases tourism products and services (airline seat, hotel bed, travel insurance, airport transfer, car rental and theatre ticket) from the principal and packages them into a single tour product for sale normally through a retail travel agent
- Travel agent: retail intermediary who links the suppliers of travel and tourism products with the consumer through travel advice, reservations and ticketing services for direct sale to the consumer.

### **Visitor services**

This sector comprises a host of companies, businesses and organizations that are involved in attractions management (including special events), tourist information services, destination marketing, and promoting the business and events market (which includes meetings, incentive travel, conferences and exhibitions). Regional and local governments play a significant role in many of these activities. Regional tourism associations are now partnered with private tourism operators and local councils to develop and promote their particular regional destinations.



### **Sales and marketing**

Everything an enterprise does to promote itself can be considered a sales and marketing activity. This includes visiting potential clients, and creating special offers, brochures, displays, paid advertisements, public relations exercises, sponsorship deals and business cards—or almost anything that brings a name, brand, services or facilities to the attention of the public.

The sales and marketing department coordinates these activities to ensure maximum exposure to the target market in line with the objectives and goals of the organization. Sales and marketing staff usually liaise with other departments to determine suitable activities but are primarily responsible for increasing sales through attracting new and repeat business.

### **Policy and planning**

With the continued involvement of all levels of government in Ethiopian tourism there is always a need for tourism policy analysts and technical advisers. Tourism policy and planning refers to the way governments regulate and legislate for the development of the tourism industry.

Governments provide direct support for market research and the collection and analysis of statistics for use in the planning of tourism projects and programs. Regional and territory governments and many local governments are also involved in stimulating and facilitating investment opportunities to develop tourism projects, facilities and services.

### **INDUSTRY EXPECTATIONS OF STAFF—THE TOURISM PROFESSIONAL**

There are many definitions of ‘tourism professional’. The reason for this is because the requirements placed on staff vary within the industry in terms of the organization’s size, sector type; the services provided and target markets. Any definition must, however, include a focus on the customer.

One definition of a tourism professional that attempts to encompass all aspects is ‘someone who is able calmly, courteously and effectively to meet customer needs and expectations while maintaining or achieving the objectives of the organization’.



The tourism professional should at all times be ethical, honest, considerate and efficient in the performance of their duties, and demonstrate a complete adherence to the **service ethos**.

### **Personal attributes**

The debate surrounding the desired personal attributes of the tourism professional is very subjective. What is acceptable to one organization may not resemble the expectations of another. Usually, the target market of the enterprise will dictate the expectations, but an essential quality of all service professionals is the ability to communicate effectively and provide service in a timely and helpful manner.

Knowledge of the product we represent is usually also an essential requirement. The qualities that are of most value to an employer are dedication, honesty and a positive attitude, and excellence in personal presentation.

The qualities that are of most value to an employer are dedication, honesty, punctuality, a positive attitude and excellence in personal presentation.

### **Work performance**

As with any service we use—transport, retail, professional and so on—there is the expectation that the people offering that service are able to do so efficiently, knowledgeably, skillfully, ethically and courteously.

For example, when we use the services of a doctor, dentist, solicitor or retail outlet, we expect the person attending us to be qualified in their field and assist us with our needs. And we expect them to do it professionally.

When people use our services, they expect us to be all of these things too—skilled, knowledgeable, courteous, ethical and efficient.



The expectation of this in the workplace is not restricted to our customers. Our colleagues expect it, as do our employers, and if we are unable to perform according to the established standards, we are not meeting expectations. This may affect our employment and career prospects.

### **Work ethics**

In our definition of a service ethos, the concept of ethics was raised. In this context, ethics refers more to our moral behavior than to our level of physical exertion while working.

Most people like to think they have, and indeed most do have, a good work ethic. A work ethic is how we feel about the work we do and therefore affects how hard we are likely to apply ourselves or how much effort we are likely to exert. For most of us, our work ethic is determined by influences such as our culture, family, colleagues and leadership in the workplace. And we have a tendency to measure other people's work ethic based on our own efforts. For example, you may have heard someone say 'she is so lazy' or 'she works like a dog' (works hard). These are both expressions of a person's work ethic.

Many of our counterparts work 5 and half-day a week. There is strong company loyalty and considerable respect for superiors. Some other cultures may also work longer hours and have shorter weekends but work at a slower pace and stop for prayer. Others still believe strictly in the rights of the worker, work only the set times and are loyal only to them. Some cultures do not observe time as strictly as many Western cultures, so place little importance on a specified start or finish time. None of these is necessarily a better or worse work ethic; they are simply different because of the influences in each person's life.

There will be varying degrees of experience, skill and knowledge in the industry that may indicate a different standard or work ethic. If all achieve the same high standard of customer satisfaction and organizational goals, is any one attitude to work more correct than another? Remember, it's the quality of the effort within a certain time frame rather than the overall quantity of time put in that will usually achieve the desired results.



## **INDUSTRY WORKING CONDITIONS**

Depending on the sector in which we work, we may find our business operates every hour of every year. This is particularly true of many hospitality-based enterprises and travel operations (e.g. airlines). This means it's unlikely we'll be working Monday to Friday, 8.30 am to 5.30 pm and Saturday 8.30 am to 12.30 pm. Shifts and start times will vary. There is weekend work, night shifts and public holiday rostering, all of which suit many, but not everyone.

This shouldn't come as too much of a surprise. Think of every time you frequented a hospitality venue—bar, restaurant, nightclub—and think of the hour you were there; someone was serving you, someone cooked for you and someone cleaned up after you. Now think about the times you have travelled—on a plane, a coach, a train— timetables are rarely convenient to us.

The advantage of the flexibility of hours, in our industry, however, lies in the freedom it gives us to do things when others are working—shopping, studying, socializing, sleeping or sunbathing!

The working conditions in the various tourism sectors are as diverse as the industry itself; however, controls do exist for some consistency in terms of minimum wages, occupational health and safety, hours, leave entitlements and so on. These are usually covered by industry awards and enterprise or individual agreements.

Employers are bound by legislation that dictates the working conditions but there will still exist variances in how this is observed or enforced. All employees have rights (and duties) and just as there exist industry bodies that aid employers, there is also a body that supports the employee—the trade union.

## **INDUSTRIAL RELATIONS**

The diverse nature of the tourism industry and its various sectors has seen a proliferation of tourism industry organizations and professional associations.

Many of these organizations provide employers (and businesses) in the tourism industry with industrial relations representation, legal advice, operational support, training initiatives and so





on, and are commonly referred to as employer groups because they specifically represent employer interests. Others are industry bodies whose aims are to provide support for the industry as a whole or for a sector of the industry. These bodies frequently offer membership to both employers and employees. A third group is primarily concerned with the workers' rights. These organizations are known as trade unions.

### **The government's role in tourism**

Government at all levels plays an important role in tourism; all Ethiopian regions and territories have their own tourism bodies undertaking research to direct strategic planning and the development of tourism activities. These bodies are keen to maximize employment opportunities and other long-term benefits of tourism for their regional or territory (or for Ethiopia in general). They are responsible for marketing and developing their respective regions and territories as competitive tourist destinations both nationally and internationally.

They develop marketing strategies and campaigns to attract visitors from within Ethiopia and overseas. They are also involved in activities to stimulate investment in infrastructure projects, tourism product development (tours, special events, accommodation, attractions, major conferences and exhibitions) and tourism training programs in the major cities and regional areas, and work cooperatively with the recently formed Tourism Ethiopia body.

### **Trade unions**

A **trade union** is an organization that represents its members (employees of a trade or industry) and aims to protect and improve their working conditions.

As an employee representative body, the union's role is far-reaching and comprehensive. The union is actively involved in industry consultation in areas such as award negotiation, enterprise agreement negotiations, superannuation, curriculum and training, and will represent members on occupational health and safety committees and a range of other activities aimed at protecting and aiding employees' working conditions.



It is not compulsory to be a union member, and although many of the union activities represent industry or sectors collectively, employees must be a member for the union to represent them individually.

The many benefits gained from union membership include:

- assistance with grievance procedures
- assistance with and advice on unfair dismissal, redundancy and other termination issues
- legal advice relating to working conditions and non-work-related issues
- legal representation in the event of a work-related dispute
- assistance with workers compensation claims

## **QUALITY ASSURANCE**

The term ‘quality’ is not a simple concept to define and is a very subjective issue. Quality can mean the degree of excellence provided, or a relative comparison of certain standards. Assurance, on the other hand, means that each time we buy or receive that same good or service we are assured of exactly the same standard. **Quality assurance**, therefore, could be said to be the control of variations in the provision of goods and services to customers to ensure consistency of standards.

Standards for quality vary throughout tourism operations. Some standards are aligned with minimum industry expectations while others are enterprise standards. An actual **standard**, or **standardization**, is a minimum level at which output is to be produced to assure a consistent quality. By setting standards we are able to measure or judge the quality of the output against a predetermined level. Successful organizations don’t usually get that way by accident. They have in place systems and controls that consistently achieve the standards set. They work on a principle of continuous improvement in their performance and cultivate quality within the culture of the organization.

### **Quality assurance programs**



Quality assurance programs are not new and have been variously referred to as accreditation systems, total quality management (TQM), quality management systems (QMS), quality circles and teams, and a range of other names. They all have a common theme and goal—providing quality products and services to consistently meet customer needs and expectations.

Quality assurance requires commitment to the quality process. To achieve quality, everything we do as an operation must be quality-focused. We cannot sell high-quality products one day, then expect customers to be happy with second-rate products the next. What is the point of a fantastic marketing strategy if we cannot deliver the goods and services as promised? Quality must permeate the whole organization, not just parts of it. Quality is also expected in everyone's work performance—in grooming, in attitude and in skills.

Those organizations with a focus on quality assurance usually formalize their operating standards in quality control procedures and policies for every function, activity and product delivered by the enterprise.

### **Accreditation systems**

Despite many efforts to establish quality recognition programs, there is still not one national **accreditation** system across the travel and tourism industry for consumers to use as a basis for determining quality in services and products they wish to purchase.

### **The cost of not providing quality**

The importance of quality and quality assurance programs to tourism organizations lies in the cost of not providing quality. If we fail to consistently provide quality-assured services and products, customer expectations will not be met and customers are likely to complain. Work may have to be done again or the product remade. The costs associated with this include labor, wastage, loss of customers and loss of business. And although implementation of a quality system costs an organization, not establishing standards and a quality system can ultimately cost more. For example, a reputation for poor-quality service spreads quickly by word of mouth and hence impacts negatively on the business.



**TOURISM SERVICE – II**  
**DEVELOP & UPDATE TOURISM INDUSTRY KNOWLEDGE**

**Self-check – 1**

**Written test**

All materials received must be listed and be reported to monitor how many materials are already on hand, purchased or damaged.

- Effective management checks are an important means of providing assurance of the integrity and security of the benefit processes.
- They are also useful in identifying training needs; indicating

It is a requirement of this Unit you complete self-check as advised by your Trainer. You must submit documentation, suitable evidence or other relevant proof of completion of the self-check to your trainer by the agreed date. (10 pts each)

- 1 .How does tourism contributes to the economic development of Ethiopia?
- 2 How does infrastructure development impact on a destination?
- 3 Briefly explain the social and cultural significance of tourism.
- 4 What is responsible for tourism development'?
- 5 What are the key characteristics of ecotourism?

**Note: Satisfactory rating -6 points      Unsatisfactory – below 6 points**

☞ You can ask you teacher for the copy of the correct answers.



**INFORMATION SHEET-2**

**LO2- SOURCE AND APPLY INFORMATION ON  
LEGAL AND ETHICAL ISSUES THAT IMPACT  
ON THE TOURISM INDUSTRY**

**Current and emerging industry technology**

We live in an exciting age of technology that not only changes the way we do things but changes the way we think, the way we consume products and the way we receive information.

They have travelled more, seen more and done more. Technology has contributed to this. Where once the retail travel agent was the beginning and the end of travel planning and booking, technology has shifted this position of strength; consumers can access any number of relevant, recent and inspiring sources of information. That's not to say travel agents are becoming obsolete, but we need to rethink how we do business.

Much business today is conducted on the internet. **E-commerce** (electronic commerce) or e-business is increasing in popularity. Our customers can search for information, view pictures and videos, read travel blogs (journals and diaries written by consumers about their experiences and posted on their own websites), take a virtual tour and make and change bookings, all on the



internet. And because of this freely and readily accessible source of information, our consumers can do without our personal input.

Think of it this way: personal-use computer hardware and software reaches its use-by date about every two years. For some software, this occurs far sooner; for some hardware, a bit longer.

We want more speed, better applications, more portability, better graphics, clearer sound, wider screens, simpler tasking and greater connectivity with external applications than ever before. If we fail to update, upgrade or up the ante, we risk obsolescence.

If we now think about this in the workplace and the applications needed to be effective and competitive, technology takes on a whole new level of importance. In the workplace we are likely to have (and need to be able to use):

- internet/extranet/intranet
- information technology (such as computer reservation systems)
- photocopier
- facsimile machine
- bar coding devices
- telecommunication systems

### **Extranets and intranets**

The internet is most useful as the technology base for supporting other tools to help us do our job. It contains so much information that sometimes it is more a time-consumer than a time-saver when undertaking research. That said, it is still an exceptionally useful resource.

More commonly, we use extranets and intranets—tools we may have already used. An **extranet** is a private or internal (company) computerized information network that uses internet protocols and public telecommunication systems to securely communicate and share organization information with a limited group of external parties (suppliers, customers, other businesses). Extranets are not generally publicly accessible in the way the internet is. However, some



tourism-based operators may allow the public limited access to their extranet. Users usually need a password or need to log in to access the site. Examples of extranets include computerized reservation systems used by retail travel agents.

An **intranet** is also a private or internal (company) computerized information network (using internet protocols and public telecommunication systems) to securely share organization information within the organization—that is, with employees.

### **Computerized reservation systems**

A **computerized reservation system** (CRS) is a fully automated means by which we can create and amend reservations for flights, accommodation, tours and other travel related products. A CRS also facilitates the creation/alteration of itineraries, payments and special requests. It is also often the primary search tool for information we need to respond to client and customer requests. Examples of computerized information systems include:

- Sabre, TIAS, Amadeus and Galileo (airline bookings): computerized reservation systems/global distribution systems (GDS) used principally by airlines and retail travel agents but also railways and hotels.
- RMS (Reservation Management Systems) and Genesis (accommodation bookings): computer reservation systems principally used by hotels and some tour operators and cruise companies. There is any number of other computerized reservation systems available for accommodation venues to access and use. Many are developed and designed by hotel groups in a similar way to the airline booking systems, such as Sabre and Galileo.
- Campground Master: reservation and operational software suitable for caravan and camping grounds.
- Visnet (used by some visitor information centers): a networked audiovisual information system that facilitates information creation and generation with a high degree of graphical representation.



- Tour plan (used by some inbound tour operators and wholesalers): an integrated operational and accounting computer system.

These forms of technology are being refined and updated almost daily. If an organization does not change, it risks losing market share, and relevance, in an ever-increasing move toward better, faster and newer technologies.

While traditional sources of information (brochures, word of mouth, advertising, books) are not disappearing (although their use is decreasing), consumers are in more control of when and how they access information. They don't have to comply with the nine-to-five operating times of storefront retail outlets any more. This is why so many products are now available via alternative means, and it's why consumer buying habits are changing. This is also why every time we access competitors' product information sources we need to check how we compare. Is our website easy to navigate?

Does our brochure stand out in a sea of brochures? Does our sales message get across? And, of course, are our products relevant? Do they inspire? Keep in mind those consumers:

- are technologically savvy
- are increasingly taking control of how they access information
- have increased ways to purchase goods and services
- look for trustworthy and reliable sources of information
- have time constraints: they want relevant information, now
- always want value for money
- want something special
- are frequently influenced by the famous and infamous





**TOURISM SERVICE – II**  
**DEVELOP & UPDATE TOURISM INDUSTRY KNOWLEDGE**

**Self check - 2**

**Written test**

It is a requirement of this Unit you complete self-check as advised by your Trainer. You must submit documentation, suitable evidence or other relevant proof of completion of the self-check to your trainer by the agreed date. (2 pts each)

1. What are the industry expectations of tourism professionals?
2. What personal attributes do you possess that an employer may value?
3. What is the role of professional tourism industry bodies?
4. What is quality assurance?
5. What is an accreditation system?

**Note: Satisfactory rating -6 points      Unsatisfactory – below 6 points**

☞ You can ask you teacher for the copy of the correct answers.



**INFORMATION SHEET-3**

**LO3-SOURCE AND APPLY INFORMATION ON  
TOURISM INDUSTRY TECHNOLOGY**

**LEGISLATION AND TOURISM**

Of major concern to all employers is legal and regulatory compliance. But not only must employers comply with laws that affect their enterprise, so too must the employees in that workplace. The implications of this are that we must all be knowledgeable about compliance, and work in a manner that does not breach any law or regulation affecting our workplace. It is important to note that ignorance of the law is not a defense.

**LEGAL ISSUES**

Law in Ethiopia is made in several ways: Acts of federal or regional parliament and the legislative assemblies of the territories; common law as applied and modified by the courts; and by-laws, regulations. Multiple federal, regional and local government laws and regulations govern the operation of every tourism-based operation including the construction of the premises, the sale of alcohol, managing a gaming facility, venues' hours of operation, occupational health and safety, hygiene, workplace relations, consumer protection and trade practices.

The laws bind employers and employees, which means that penalties can be imposed on both the organization and an employee of that organization for breach of any law.

**DUTY OF CARE**

A **duty of care** is the responsibility one person has for the safety and wellbeing of another. Where an employer has a duty of care towards the public, their liability is extended to the actions of their employees. This is called **vicarious liability**. In other words, the employer is responsible for employees' behavior and therefore ensuring that the actions of employees meet legal



requirements and are in no way detrimental to the safety or welfare of, or discriminatory towards, guests, customers or colleagues.

Listed below are the most common laws and regulations that impact on tourism-based enterprises and employees working in those businesses. For more specific information, please refer to the relevant legislation and regulations.

- Building and construction
- Occupational health and safety
- Public health
- Industrial relations industrial relations refer to the management of relationships between employers and employees.
- Consumer protection - a consumer is someone who uses (consumes) a good or service for non-commercial purpose (personal use). Consumer law is concerned with protecting the rights of consumers.

Fair trading and sale of goods legislation has as its main purposes:

- To promote of fair trading practices and competitive fair market
- To provide for the safety of goods and services supplied and for the information that must accompany goods and services
- To regulate trade practices.
- Equal opportunity and anti-discrimination - Equal opportunity legislation takes many forms. The legislation affects industry on two levels: in employment and in the provision of goods and services.

Equal opportunity (EO) is designed to ensure people are not discriminated against because of irrelevant characteristics. In other words, employment opportunities must be granted on merit, irrespective of gender, race, sexual preference, disability, nationality or other irrelevant characteristics. Similarly, in the provision of goods and services, we cannot discriminate against people based on these characteristics.



- **Anti-discrimination legislation** - This legislation extends to the provision of goods and services and makes it illegal to **discriminate** based on factors such as race, age, marital status, gender, sexual preference, political convictions and religious beliefs, except where allowable under legislation.
  - Racial Discrimination
  - Sex Discrimination
  - Disability Discrimination.
- Other legislation - There are a number of other related laws and regulations about which we need a broad understanding. E.g. **Liquor controls** - Legislation for the control of liquor sales, disposal and consumption.

## **ETHICAL ISSUES**

While the subject of ethics is one that is being taught in business schools, its translation into everyday workplace practices remains contentious. When we speak of ‘**ethics**’ we generally are referring to a system of principles and values that govern the way we behave and act. Thus, we may think a person is ethical or unethical by the way they conduct themselves.

Unlike other behaviors, the source of our ethical behavior may not just be determined at the individual level (influenced by our family, culture, education and friends) or by the work environment (the culture of the workplace and, indeed, individuals with whom we work). Indeed, it is clear that we each make different ethical choices even if we have similar backgrounds. For the purpose of this discussion we suggest that ethical behavior constitutes the proper following of legal and accepted moral imperatives in our daily lives.

Unethical practices may have legal implications. For example, a business may substitute a cheaper quality product for a higher quality product but sell the product at the higher quality price. An example of this is selling cheap whisky in a Johnnie Walker Black Label bottle. This is generally considered unethical and is a breach of the Trade Practices Act.



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Perhaps the most common unethical behavior is lying—to customers, colleagues and supervisors. Some might rationalize that they are only telling small lies, perhaps to keep the customer happy, but this is lying nonetheless.

While there are many ethical issues we encounter in a tourism environment, here are some of the more common ones that raise ethical consideration.

- ❖ Confidentiality - In the tourism industry we frequently come into contact with high profile people or overhear things that may or may not have been meant for public airing. In addition, how the business operates and how well it is or isn't performing is generally no-one else's business. What we see and hear in the workplace should, arguably, remain in the workplace.
- ❖ Money matters- Large sums of money are handled every day in many tourism environments. In addition, many tourism-based enterprises maintain substantial physical assets in the way of fixtures and fittings, tickets, and food and beverage supplies. Some businesses have good systems of control while others do not. The temptation to steal (from the organization, colleagues or suppliers) raises not only ethical issues but also has legal implications.
- ❖ Overbooking - Most accommodation venues and transport companies (airlines, tour coaches and so on) overbook. The practice of overbooking has its foundations in maximizing occupancy. By taking reservations for more rooms or seats than are available, the enterprise can counter potential losses resulting from late cancellations, early departures (in accommodation venues) and no-shows. Both customers and employees may view the practice of overbooking as unethical.
- ❖ Product recommendations - the practice of recommending certain products over others is generally thought of as promoting and selling businesses' services and facilities. It raises potential ethical concerns when product recommendations favor one to the detriment of another because of the potential to earn greater revenue and because it may not be done in such a way that leaves the buyer with all the information needed to make an informed and unbiased buying decision.



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- ❖ Pricing -particularly during high demand periods a venue can be tempted into pricing products higher than usual. For example, a motel’s usual room rate is \$100. An unexpected demand for rooms on a particular weekend may tempt the venue to increase room rates to \$150 when the operators know that there is no alternative for the guest but to stay at that venue and pay the increased price. Of a more serious nature is the practice of price fixing. **Price fixing** occurs when a business enters into an agreement with its competitor(s) to fix the price of a good or service. This practice is anti-competitive and therefore unfair for consumers. It is also a breach of the Trade Practices Act.
- ❖ Gifts, services free of charge and familiarization - some venues and/or suppliers lure customers or buyers with gifts, free services and familiarizations in an attempt to attract their business. The gifts and free services may be considered bribes with the purpose of self-promotion, resulting in anti-competitive behavior.
- ❖ Codes of conduct - Many tourism organizations develop codes of conduct, practice or ethics as a guide for employee behavior, thus attempting to ensure an ethical, appropriate operating environment. The fact is that a code of conduct is not necessarily a legally binding requirement and cannot compel an employee to behave in a way desired by the company. But failure to comply may have employment implications. Codes of conduct often relate to how we interact with customers and colleagues, truth and honesty in the dissemination of information, the provision of services promoted (may have legal implications under trade practices law), commission procedures, familiarization, pricing and so on.
- ❖ Commission procedures - A commission is an amount of money received as payment for making a booking. The booking may be for accommodation, a tour, car hire, a flight, a theatre ticket or another tourism or hospitality product (this is the principal way in which travel agencies make money). The commission is usually built into the price of the product and disclosed to the customer at time of purchase. The customer does not pay extra for booking a product through a third party (a third party would be a travel agent or porter, for example). Commissions become problematic (potentially illegal and/or unethical) when the commission arrangement is secret and undisclosed. For example, a



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porter may agree to buy tickets for a product from one supplier, rather than another supplier, and receive a special payment ('kickback') for doing so.

- ❖ Tipping-Tipping is quite common in hospitality (particularly in food and beverage outlets) and occasionally in tourism (for tour guides or hosts and so on). Where a point of ethics may arise is when the standard procedure for the distribution of tips is not followed. For example, in some restaurants tips are pooled (all tips earned throughout the shift are added together and then divided evenly among the staff at the end of the shift). This may also be true of a tour crew. One employee may secretly keep the tips they receive and take a share of the pooled tips. While there are no legal implications here, there are ethical implications: is it fair to steal from your colleagues in this way? Many people who have behaved unethically (and been caught) have argued that others did it so why shouldn't they? Why not indeed! It is for our own conscience to decide



**TOURISM SERVICE – II  
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**Self check - 3**

**Written test**

It is a requirement of this Unit you complete self-check as advised by your Trainer. You must submit documentation, suitable evidence or other relevant proof of completion of the self-check to your trainer by the agreed date. (2 pts each)

- Explain the ‘duty of care’ employers have.
- Employers’ duty of care liability is extended to the actions of their employees
- What is OHS legislation intended to do? What are the three principles of this legislation?
- What are two main pieces of legislation concerned with public health?
- What are the key reforms of the new industrial relations laws?

**Note: Satisfactory rating -6 points      Unsatisfactory – below 6 points**

☞ You can ask you teacher for the copy of the correct answers.





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**INFORMATION**  
**SHEET-4**

**LO4-SOURCE AND ACCESS INFORMATION ON CURRENT AND EMERGING TECHNOLOGIES THAT IMPACT ON THE TOURISM ORGANIZATION PROCESS.**

We now have a general idea of the information needed in the tourism industry to perform effectively in the workplace. But as indicated at the beginning of the chapter, tourism is a dynamic industry facing daily challenges and shifts in customer preferences, social and economic trends, technology, legislation and business practices. We need to be able to identify and use a range of opportunities to update our knowledge of the tourism industry in order to remain informed.

Trends develop for a variety of reasons. A favored destination, a particular attraction or even a special event may be a trend. Next year, those trends may change.

Marketing plays a significant role in creating and sustaining trends, as does demand by the target market. That is, once a trend is created, it is only sustainable through demand. And demand will only be maintained while expectation is met (or until a new trend begins).

Identifying trends is often a confusing aspect of the industry that can make the difference between success and failure for an enterprise. Keeping in touch with trends, innovation, change and other influences on the industry requires staying in touch with the sources that report on the industry. Working in the industry will give us access to certain information that keeps our knowledge current. Membership of industry bodies, such as those listed at the end of this book, will also keep us up to date. If unsure, ask questions. Someone will know the answer.

Other substantial sources of timely and relevant information are the industry sector associations which publish regular newsletters, and various trade magazines and the daily newspapers in each capital city. Many newspapers dedicate a section to tourism and/or travel on a weekly basis.



It would not be a practical exercise to source and read every available piece of information relevant to tourism. However, to stay in touch and gain benefit from what we do have time for, it is necessary to identify and analyze the relevant information for the sector in which we work and how changes impact on our area of expertise.

## **MONITORING TOURISM ISSUES**

By identifying and using a range of opportunities to update our general knowledge we are able to monitor what is going on in the industry and monitor those events that may affect our industry (such as natural disasters, terrorist activities and changes in customer preferences). Monitoring means keeping an eye on and being alert to changes that may affect our workplace, career, living conditions, and legal and ethical obligations, such as:

- emerging markets (such as the increase in ecotourism and wine tourism)
- government initiatives (such as those relating to assisting problem gambling, changes to tobacco legislation preventing smoking in hospitality venues, and tourism-focuses marketing initiatives)
- environmental and social issues (such as the growth in cultural tourism and increased awareness of the pressure to reduce waste)
- labor issues (such as changes to industrial relations legislation and the availability of skilled employees in some areas)
- industry expansion or retraction (such as the entry into the airline industry of new airlines and the demise of others, and changes in destination preferences immediately following a significant terrorist attack or natural disaster)
- economic issues (such as fluctuations in destination economies)
- Current and emerging technology. With the exception of those working in technology fields, it is difficult to anticipate emerging technology likely to affect all sectors of the tourism industry. Computer technology is emerging so rapidly that no sooner have we installed the latest hardware and software, bought the latest BlackBerry, iPod, i-mate, i-gizmo, that the next faster, better, more technologically savvy piece of equipment lands



in the stores. A mobile phone is no longer just a mobile phone. And a mobile phone is no longer also just a camera. A mobile phone is a miniature communications network. It can SMS, email, connect to the internet, download and play music and pictures, play games, play movies and, in general terms, keep track of practically everything in our lives. And it can make and receive phone calls! The software available today can help a business in more ways than most business owners realize. The implications of this for tourism enterprises are far-reaching. It is no longer sufficient for us to be able to do our jobs well; we need to be technologically savvy. We need to understand that instead of organizations employing more people to keep up with an expanding business, they are employing better technology. When business contracts, it's not the technology that business owners cull, it is employees. It's no longer sufficient to be computer-literate in a specific computer program or software package; we need to learn how to operate a range of packages or at least be willing to learn. Remember, too, that our customers are technologically savvy. Never before have they known so much about our industry, its sectors, and its products and services, all thanks to technology.

There are many secondary sources of information that can assist us in researching and monitoring the tourism industry to update our knowledge and observe likely trends. Many of these sources were discussed in this chapter. Many other sources are discussed in other chapters and more sources are listed in 'A few useful contacts' at the end of this book.

### **USING AND SHARING THE INFORMATION**

The information collected is used in a number of ways by tourism and hospitality enterprises, primarily for planning future activities, and is usually shared with customers and colleagues. For example, a tour operator offering guided tours to Gheralta may want to know how many tourists visit Gheralta each year, from where they originate, how much they spend, how long they stay, their **demographics**, and their accommodation and transport preferences. This information can assist in the planning of future tours to the region, the prices charged, how long each tour will be, frequency of departure, accommodation options, staffing levels, market segments to target and a



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number of other factors. By contrast, an enterprise failing to monitor trends and changes or use the information they researched that can affect their workplace are likely to be reactive (take action only after a trend or change has emerged) to those changes and therefore risk potential loss of business.

At the individual level, our skills and knowledge about the tourism and hospitality industries is most useful when we have an opportunity to share it and use it positively to achieve our career goals. In hospitality, our customers and guests are seeking as much information about services and facilities as possible in order to make informed decisions about the destinations and attractions they visit the types of accommodation venues they stay in and the types of activity they are likely to participate in. Our role is to provide the knowledge and information to help them with these decisions.



**TOURISM SERVICE – II**  
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**Self-Check 4**

**Written Test**

It is a requirement of this Unit you complete self-check as advised by your Trainer. You must submit documentation, suitable evidence or other relevant proof of completion of the self-check to your trainer by the agreed date. (2 pts each)

- What are ‘ethics’?
- Do you think the practice of overbooking is unethical practice? Why? Why not?
- Why do we need to update our knowledge?
- Why monitor the sector we work in?

**Note: Satisfactory rating -5points      Unsatisfactory – below 5 points**

☞ You can ask you teacher for the copy of the correct answers.