

## ITM Bachelor 1. Sem 8029: Introduction International Tourism Management

### DEMAND SIDE: TOURISM DEMAND

Tourism theories and concepts can be divided in demand side orientated and supply side orientated approaches.

**Demand-side** orientated: Looking at tourism through the eyes of the **consumers**.

Examples:

All parts of destination part of product.

Destination defined by visitor.

Next member of hotel staff should help.

UNWTO definition:

The activities of persons travelling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited.

Most social scientists have demand-side orientation.

Over-supply in post-industrial societies leads to concentration on demand side.

**Supply-side** orientated: Looking at tourism from **producers** point of view.

Example: Direct and derived (abgeleitetes) product.

Destination defined by political border and financing.

Responsible member of hotel staff should help. ("Kollege kommt gleich")

Pearce/Morrison/Rutledge definition:

Tourism is the sum of government and private sector activities which shape and serve the needs and manage the consequences of holiday and business travel.

Most economic scientists (especially in Germany) have supply-side orientation.

Under-supply in industrial societies lead to concentration on supply side.

## Demand

Tourism depends on

- the opportunity to travel and stay in another place (resources)

and on

- the wish of people to become tourists (demand)

**What kind of resources to you need to travel?**

Let us find them together.

freedom, money, time, fitness, no family constraints

### **Definitions of Touristic Demand**

Supply-side orientated definition: "The total number of persons who travel, or wish to travel, to use tourist facilities and services at places away from their places of work and residence" (Mathiesson/Wall 1982)

Demand-side orientated definition: "The relationship between individuals' motivation to

travel and their ability to do so." (Pearce 1995)

### Forms of Touristic Demand

- effective or actual demand
  - ➔ travel propensity / departure rate  
(the percentage of a population that actually engages in tourism.  
Net t.p. = percentage of population with at least one trip/year  
Gross t.p. = total no. of trips / population)

Example:

Travel Propensity	Germany	France
Net t.p.	1964: 39 1984: 55 1994: 78 (2002: 75)	1994: 63
Gross t.p. (1994)	109	101

- suppressed demand:
  - potential demand
  - deferred (postponed) demand
- non-demand

- reasons not to travel:
  - expense
  - lack of time

- physical limitations
- family circumstances
- lack of interest
- ♦ limitations can be changed by tailor-made offers

**How to overcome lack of money, time, fitness, interest or existing family constraints?**

Let us develop some ideas together for offers from the tourism industry for this potential customer groups.

**Non-personal restrictions on Demand**

However, not all restriction on Demand are personal:

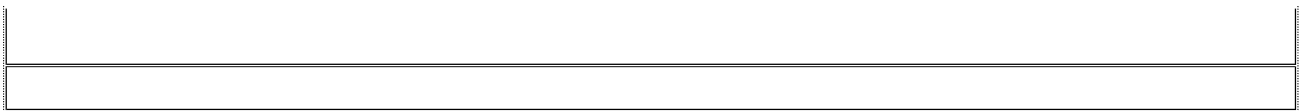
- restrictions to leave the home country (passport)
- restrictions to enter the guest country (visa)
- restrictions on currency exchange
- restrictions on religious or ethnical grounds

**Please name some examples of such non-personal restrictions**



➔ **Demand is open to subjective and objective changes**





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