Contents

Preface to the Second Edition ix
Acknowledgements xi
Dedication xiii
Foreword xv
List of Figures xvii
List of Tables xix

1 Economic Characteristics of the Tourism Sector 1
   What Is Tourism? 1
   The Economic Characteristics of Tourism 9
   What Is a Tourism Destination? 20

2 The Measurement of Tourism 23
   Introduction 23
   A TIS or Destination Management Information System 24
   The TSA 28
   WTO Tourism Statistics 42
   Tourism and/or Holiday Surveys 43
   The Tourism Production Index — WES 47
   The Swiss Tourism Barometer 48

3 Tourism Demand 61
   Determinants of Tourism Demand 61
   Trends in Tourism Demand 68
   Tourism Demand Worldwide 77
   Holiday Propensity and Holiday Frequency 81
   Seasonality 87

4 Tourism Supply 95
   Tourism Supply in the Tourism System 95
   Tourism Supply, the Tourist Product and Its Life Cycle 99
   Tourism Supply and Market Structures 101
   Supply Trends 108

5 Pricing and Taxation 131
   Pricing in Tourism 131
   Tourism and Taxation 140
### Contents

#### 6 Competition and the Tourism Destination
- Introduction 147
- The Competitive Forces of Porter 149
- Porter's Generic Competitive Strategies 153
- The Determinants of Competitive Advantage in Tourism 155
- The Poon Concept 159
- The WES Approach 163
- The Price-Competitiveness Approach 165
- The Bordas Model 167
- The Ritchie and Crouch Conceptual Model of Destination Competitiveness 169
- The Dwyer–Kim Model 177
- Synthesis of the Models 178
- Ten Key Factors for a Competitive Destination 179
- The Travel and Tourism Competitiveness Index – TTCI 184

#### 7 Forecasting Tourism Demand
- Introduction 193
- Concepts of Demand Measurement 194
- Qualitative Methods 197
- Quantitative Methods 201
- Case Studies of Regression Analysis 211
- Final Remarks 218

#### 8 The Economic Impact of Tourism
- Introduction 223
- Tourism as a Strategic Dimension of Economic Development 225
- Economic Disadvantages 229
- Balance of Payments and Tourism 232
- The Magic Tourism Multiplier 239
- Measurement of Income Generation 250
- Measurement of Employment Generation 256
- Special Characteristics of Employment 261
- The Impact of Events – Special Features 262
- CGE Models 262

#### 9 Micro- and Macro-Evaluation of Projects in the Tourism and Hospitality Industry
- Introduction 281
- The Nature of a Tourism Investment Appraisal 282
- Externalities in Tourism: What Does It Mean? 285
- The Discounting Methods 290
- The Necessity for a Feasibility Study 294
- A Business Table: A Practical Example 295
- Cost–Benefit Analysis 297
- Two Case Studies of CBA 306