## Introduction to Marketing



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Chapter 1. Introduction:
Marketing for Hospitality and Tourism
Text book page 10 to 22
Kaoruko Miyakuni



## Importance of Marketing

◆Mom-and-pap industry





- ◆24 companies account for 1/3 of all restaurants in U.S.
- ◆Mcdonald's...30,000 restaurants in 119 countries serving 47 million customers.

- Food and beverage manager → general manager
- Rooms division manager → general manager
- Marketing Director → general manager

#### **Tourism Marketing**

- Successful hospitality marketing is dependent on the entire travel industry.
  - Many resort or hotel guests purchase travelhospitality packages assembled by wholesalers (e.g. JTB) and offered through travel agents (e.g. Okinawa Tourist)



#### **Tourism Marketing**

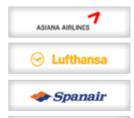
- Successful hospitality marketing is dependent on the entire travel industry.
  - Hotel and rental car companies have developed cooperative relationships with airlines that offer Frequent Flyer plans (Star Alliance/One World/Sky Team)
  - Star Alliance
    - 21 companies
    - 975 airports in 162 countries
    - 18,000 flights







TURKISH AIRLINES







## Tourism Marketing-Success of Cruise Lines

- The port of Boston
  - Massport wanted to attract cruise line business.
  - Massport promoted Boston to travel agents (97% of the cruise line businesses.
  - Boston doubled the number of port calls and added
     \$17 million to the local economy.
  - Few industries are as interdependent as travelhospitality.



# **Needs**, Wants, & Demands

Physical needs...food, clothing, warmth, safety

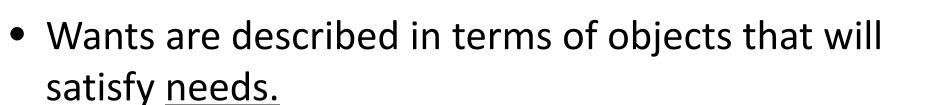
Social needs...belonging, affection, fun & relaxation

Esteem Needs...prestige, recognition& fame

# Needs, *Wants*, & Demands

How people communicate their <u>needs</u>.

— What is "the need" here?



#### Needs, Wants, & *Demands*

 People choose products that produce the most satisfaction for their money. When backed by bur power, "wants" become "demands".

 Consumers view products as bundles of benefits choose those that give them the best bundle for their money.



**♦**Luxury

◆Comfort

**♦**Status



#### **Products**

 A product is anything that can be offered to satisfy a need or want.

 Suppose that an executive feels the need to reduce the stress of his or her job in a highly ... competitive industry.



ideas, etc.



