

UNIVERSITY OF ESWATINI
FACULTY OF COMMERCE
DEPARTMENT OF BUSINESS ADMINISTRATION
MAIN EXAMINATION PAPER
APRIL 2021

TITLE OF PAPER : TOURISM MARKETING
COURSE CODE : BUS 423
TIME ALLOWED : THREE (3) HOURS

INSTRUCTS:

1. SECTION A IS COMPULSORY
2. ANSWER ANY THREE (3) QUESTIONS IN SECTION B
3. THE MARKS TO BE AWARDED FOR EACH QUESTION ARE INDICATED ALONG SIDE THE QUESTION

NOTE:

MARKS WILL BE AWARDED FOR GOOD COMMUNICATION IN ENGLISH, AND FOR ORDERLY AND NEAT PRESENTATION OF WORK. FURTHER MARKS WILL BE AWARDED FOR USE OF RELEVANT EXAMPLES

SPECIAL REQUIREMENTS: NONE

THIS PAPER SHOULD NOT BE OPENED UNTIL PERMISSION TO DO SO HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A.

THE EFFECT OF TRANSPORTATION ON TOURISM

THE ROLE OF TRANSPORTATION IN TOURISM

New modes of transportation have revolutionized the tourism industry by improving distance-travel capabilities, travel speed, travel time, and comfort level. The introduction of railway laid the foundation for modern tourism, followed by the revolution of the automobile, which changed the style of regional and inter-regional tourism.

International tourism was made possible soon thereafter by innovations in long-haul air transportation, which allowed for tourism in previously unreachable destinations. While energy-intensive forms of motorized transportation are preferred for long-haul travel because they save so much time, riding bicycles or walking at the destination can provide tourists with the on-site experiences they desire, such as relaxation or adventure. Cruise ships and ferries, categorized as modes of water transportation, have not only recovered the travel demand at the end of 20th century and into the 2000s, but have also become tourist destinations in their own right and formed tourism destinations in some cases.

In general, a tourist destination's accessibility can also be improved by developing the transportation infrastructure network or by improving connectivity between the network and tourist facilities. For example, adding a direct link between two locations within the transportation network can reduce the distance from a tourist's place of origin to the desired destination.

Activities that widen links, or providing well-organized taxi connections for tourists near central bus or train stations can also improve connectivity between the transportation network and accommodations. In some exceptions, improving transportation infrastructure may reduce accessibility. For example, in congested conditions, adding a new link or improving an existing link may increase average transportation costs, due to the potential differences between users' equilibrium and the transportation system's optimum state. This phenomenon can be addressed by integrating management measures into well-designed networks to reduce total travel time. The impact of transportation

improvements on tourism may be different for different types of travelers, depending on the role of the link to the destination. For instance, the introduction of an inter-regional high speed rail line may increase inter-regional accessibility. This development will affect tourism flows from the place of origin to the destination, rather than enhance tourism flows generated at the destination itself.

Cost is a major consideration determining the demand for a destination. It generally includes two elements: the cost of travel; and the cost of living and other services at the destination. For tourists, the time they spend traveling represents one portion of the total cost. The time cost varies according to their value of time; i.e., travel costs include the actual amount of money they pay for the transportation service and the cost in terms of their travel time. Travel cost savings result from accessibility improvements.

The enhanced quality of related tourism services – specifically, communication and information, booking procedures, restaurants, accommodation, and related transportation services etc. – can not only improve the accessibility of the destination, but can also affect tourists' preferences. Many studies have shown the importance of travel-related services in tourism. For example, the lack of luxury hotels at a destination poses a problem, as business travelers require this type of accommodation. It is also noted that limited restaurant services on the weekends can be problematic for the tourism industry. One service practice utilized in the Bahamas, called the "One-stop online booking and Immigration Card", allows tourists to book and change their reservations online, and interact with their travel companions via email in real time. The Immigration Card, which holds travelers' information, was designed and produced by the government of the Bahamas to improve security and simplify procedures for tourists. This service improved accessibility and attracted more tourists to the Bahamas.

Despite the fact that the role of transportation in tourism has been widely acknowledged in the literature, quantitative research measuring the impact of transportation on tourism using computable general equilibrium (CGE) models is scarce. A CGE model is a system of equations that describes an economy as a whole, the interactions among its parts, the motivations and behaviors of all producers and consumers in the economy, and the

linkages among them. CGE models are well-suited to tourism analysis, as they have the capability to simulate the inter-relationships among tourism, other sectors of the domestic economy, as well as the effects of foreign producers and consumers. The model can be adjusted for alternative conditions, and can be used to quantify the effects of actual policies, such as changes in taxation, subsidies, and transportation laws. Specifically, the CGE model can simulate production decisions in multiple industries; therefore, the impacts of alternative transportation scenarios on tourism can be estimated both directly and indirectly, if there are no limitations on the data. There is no doubt that CGE modeling is a useful analytic tool for evaluating different economic scenarios.

- Q 1. Using the Kingdom of Eswatini as an example, explain how the innovations in long-haul air transportation allow for tourism in previously unreachable destinations. (10 marks)
- Q 2. Discuss how a destination can improve visitation to attractions. (10 marks)
- Q 3. a. Why is cost a major consideration in determining demand in a destination? (5 marks)
b. Can dual pricing help to mitigate cost to attractions and how? (5marks)
- Q 4. How many luxury hotels do we have in Eswatini and how does the lack of luxury hotels stifle travel to destinations? (10 marks)

.....
40 marks

SECTION B.

Q1. Discuss the relevance of market segmentation to the marketing of tourist destinations in the context of Eswatini. (20 marks)

Q2. Discuss the issues, which lead to an evaluation of each of the components that are seen to influence destination choice between individual travellers. (20 marks)

Q3. The marketing battle will be a battle of brands; branding is not only essential for companies producing physical products, it is also critical for service companies especially tourism companies. Discuss with examples. (20 marks)

Q 4. A tourism service as a product has its own unique characteristics, discuss these using realistic examples. (20 marks)

Q 5. Marketing planning has several definite advantages for a company. Discuss with relevant examples. (20 marks)

(60 marks)

(100 marks)
