
Glossary

The following glossary of terms is important for the following reasons:

- As marketing has become a more popular topic, marketing terms have been used more widely and perhaps increasingly with less clarity. It is vital, therefore, for the authors to define key words and phrases in terms of what they have been taken to mean when they have been used in this book.
- The meaning of some relevant terms varies between different countries and some terms may not be known to readers in some countries.
- At a time when marketing in leisure has an increasingly global dimension, there is no widely available published glossary of relevant terms.

It is clear that most of the terms used in marketing are English or, perhaps, more accurately, American. However, many relevant words also exist in other national languages.

Acorn

A method of clarifying residential neighbourhoods on the basis of who live there for use in direct mail or marketing research.

Advertising

Paid-for types of communication, designed to influence the attitudes and behaviour of the public as a whole or particular sections of people.

Allocentrics

A term coined by Plog (1977) for customers who are adventurous, outward-looking and like to take risks.

Anosff's matrix

A model developed by Igor Ansoff that suggests four different marketing strategies which organisations can adopt.

Arts

Creative activities carried out for commercial gain or personal pleasure.

Boston Consulting Group Matrix

A technique designed to show the performance of an individual product in relation to its major competitors and the rate of growth in its market.

Brand

Kotler and Armstrong (2004) define a brand as 'a name term, symbol, or design, or combination of them, intended to identify goods or services of one seller or group of sellers, and to differentiate them from those of competitors'. Well-known brands in leisure include Disneyland, Center Parcs, Club 18–30 and Big Mac.

Brand loyalty

The propensity or otherwise of consumers to continue to purchase a particular brand.

Business environment

The business world in which an organisation lives and the factors within it that influence the organisation's products and marketing activities.

Business mix

The overall balance of the different types of markets and products of an organisation.

Business tourism

Tourist trips that take place as part of people's business occupational commitments largely in work time, rather than for pleasure in people's leisure time.

Cash cow

A product that generates a high volume of income in relation to the cost of maintaining its market share.

Catchment area

The geographical area from which the overwhelming majority of a product or organisation's customers are drawn.

Chain

A term used to describe an organisation which owns a number of hotels, restaurants or travel agencies, for example, that offer a generally standardised product.

Commission

Money paid to an external agent who assists the organisation in selling a product, usually expressed as a percentage of the price paid by the customer.

Competition

The process by which organisations attempt to gain new customers from other organisations whilst retaining their existing customers.

Computer Reservations Systems (CRS)

Computer-based systems used widely in tourism and hospitality for making and recording bookings and payments made by customers.

Consumer

The person who uses a product or service. *See also* Customer.

Consumer behaviour

The study of why people buy the products they do and how they make decisions.

Cost leadership

A competitive advantage technique identified by Porter (1980) in which organisations attempt to produce a product at a lower price than their competitors.

Customer

The person who purchases a product or service. This term is often used interchangeably with the word 'consumer', but they can be different. For example, in business tourism, a company pays for the travel services but it is its employee who uses (or 'consumes') the services. *See also* Consumer.

Demand

The quantity of a product or service that customers are willing and able to buy at a particular time at a specific price.

Demarketing

Action designed to discourage consumers from buying particular goods or services.

Demography

The study of population structure including age, sex, race and family status.

Destination

The country, region or locality where a tourist spends their holiday.

Determinants

Factors which determine whether or not a tourist is able to take a holiday and, if so, then the type of holiday they are able to take.

Direct marketing

Selling directly from producer to customer without the aid of marketing intermediaries such as retailers or agents.

Discounts

A reduction in the list price of a product designed to encourage sales.

Disposable income

Money remaining after essential expenditure has been subtracted from a person's income.

Distribution

The process by which products are transferred from producers to consumers. *See also* Place.

Diversification

An extension of an organisation's activities into new markets.

Domestic tourism

Tourism where the residents of a country take holidays wholly within their country of residence.

Ethics

The moral values and standards that guide the behaviour of individuals and organisations.

Family life cycle

The stages through which people pass between birth and death that influence their behaviour as consumers.

Fast food

A form of hot food that can be prepared and served in a very short time.

Feasibility study

A study which is carried out to test the potential viability of any proposed development project or new product. A feasibility study will usually examine both the financial viability of the project or product as well as try to establish the size of its potential market.

FIT

Fully inclusive tours.

Four Ps

The elements of the marketing mix, namely produce, price, place and promotion.

Franchising

The process by which an organisation agrees to permit another organisation to sell its product and use its brand name in return for payment.

Green issues

A commonly used but rather ill-defined term used as an umbrella for a range of issues relating to the physical environment. These may range from pollution to recycling, wildlife conservation to 'global warming'.

Gross Domestic Product (GDP)

The total value of a nation's output of goods and services produced in one year.

Growth market

A market where demand is growing significantly.

Heterogeneous

A market, product type or industry sector that contains nonidentical elements that differ significantly from each other.

Homogeneous

A market, product type or industrial sector that contains elements which are wholly or largely identical.

Horizontal integration

The process by which organisations take over organisations who are, or could be, competitors.

Hospitality

In this context, hospitality is used in the way it is used in the USA, namely as an umbrella term for the whole hotel and catering field.

Intangibility

The characteristic of service products by which they lack physical form and cannot be seen or touched.

International tourism

Tourism where the residents of one country take business or leisure trips which have their destination in another country.

JICNARS

Joint Industry Committee for National Readership Surveys.

Launch

The introduction of a new product or service into a market.

Leisure

According to Collin (1994) leisure is 'free time' but it is also seen by some as an industry, or set of industries, providing products for consumers to use in their leisure time.

Leisure shopping

Leisure shopping is different to ordinary shopping in that it involves consumers choosing to shop as a leisure activity rather than treating it as a necessary task. It also implies that the products they buy will be chosen purely for the pleasure involved in their consumption rather than for their utilitarian value.

Lifestyles

The way of life adopted by an individual or community.

Market

A market is those consumers who currently are, or might potentially be, purchasers and/or users of a particular good or service.

Market focus

This is a term coined by Porter (1980) whereby an organisation seeks competitive advantage by focusing on one specific market segment and trying to become the market leader within this particular segment.

Market leader

The product which has the largest share of an individual market.

Market positioning

The position in the market of a product as perceived by customers in terms of variables such as price, quality and service.

Market share

The proportion of sales in a market achieved by a product or organisation.

Marketing

There is no single definition of marketing but a range of different definitions are offered at the beginning of the book.

Marketing audit

An analysis of the current performance of an organisation's marketing activities.

Marketing consortia

These are formal or informal groupings of organisations who cooperate in mutually beneficial marketing activities.

Marketing intermediaries

Intermediaries are organisations who provide the interface between producers and consumers. They are the retailers in the distribution system, for example, travel agents in the field of tourism.

Marketing Mix

This term refers to the four marketing variables or techniques which organisations manipulate in order to achieve their objectives, namely product, price, place and promotion.

Marketing plan

A written statement of an organisation's marketing aims and the ways in which those aims will be implemented.

Marketing planning

This is the process through which organisations plan and implement their marketing strategies.

Marketing research

Research which is designed specifically to help an organisation increase the effectiveness of its marketing activities.

Media

This term has two meanings in the context of this book. First, it relates to the news communications media in society, including newspapers, magazines and television, for example. But one can also talk specifically about advertising media, in other words, the media where advertising can be placed. These include the four previously mentioned plus cinema and poster sites, for instance.

Mission statement

A brief simple phrase or sentence which summarises the organisation's direction and communicates its ethos to internal and external audiences.

Model

A representation that seeks to illustrate and/or explain a phenomenon.

Motivators

The factors which motivate consumers to buy a particular type of holiday.

Niche marketing

This is where an organisation targets its product specifically at a particular market segment which is numerically much smaller than the size of the total market.

Off-peak

A period when demand for a product is habitually lower than at other times which are termed peak times.

Outlet

A place where products or services are sold or distributed to customers.

Pan-European

Phenomena which share similar characteristics across Europe as a whole.

Perception

The way in which people interpret the data which is available to them about a product or organisation.

Perishability

A characteristic of leisure products whereby they have limited lives, after which they no longer exist and have no value. An example is a seat on a particular flight which ceases to exist as a product that can be sold when the aircraft departs.

Personal selling

This is defined by Kotler and Armstrong (2004) as an 'oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales'. Such selling is found in leisure, for example, where hotel staff try to persuade conference buyers to use their hotels as conference facilities, for example.

Place

An element of the marketing mix which is concerned with distribution and the ways in which consumers may gain access to products. *See also* Distribution.

Point of sale

Dibb et al. (2001) define this as 'sales promotion methods that attract attention, to inform customers and to encourage retailers to carry particular products'. While this definition relates primarily to manufactured goods, it is also found in leisure, for example, in window displays in travel agents' premises.

Postmodern

A sociological theory that has major implications for the study of consumer behaviour based on the idea that in the industrialised nations the basis on which people act as consumers has been transformed in recent years. The impact of postmodernism in tourism is discussed in *The Tourist Gaze* by John Urry, for example.

Press and public relations

A range of activities usually involving the free use of the media designed to raise awareness and/or enhance the image of an organisation or product amongst the population, in general.

Price

An element of the marketing mix concerned with the money which the customer pays in exchange for a product.

Primary data

The data collected by direct original surveys and observations.

Private sector

Those organisations in a market or industry which are owned by individuals or groups of individuals and are motivated by commercial objectives.

Product

What an organisation offers to satisfy customers' wants and needs.

Product differentiation

A term coined by Porter (1980) which describes a technique whereby organisations can seek to gain competitive advantage by offering a product which has features not available in the offerings of competitor organisations.

Product life cycle

The concept by which a product has a 'life' in that it is born, grows and eventually dies.

Product portfolio

This term refers to the range of products offered by a single organisation at any one time.

Product positioning

The process by which an organisation seeks to give a particular impression of its products to potential consumers in order to encourage them to purchase these products.

Product-service mix

Renaghan (1981) defined this term as 'the combination of products and service aimed at satisfying the needs of the target markets'.

Promotion

This is an element of the marketing mix and refers to all the different techniques which are used to communicate the attributes of the product to potential customers to persuade them to buy it. This includes advertising, brochures, sales, public relations and personal selling.

Psychocentrics

A term coined by Plog (1977) for inward-looking, less adventurous consumers.

Psychographic

The analysis of people's lifestyles, perceptions and attitudes as a method of segmentation.

Public sector

Those organisations which are owned and managed by either central or local government. They are generally not commercially motivated and act on behalf of the community as a whole.

Qualitative research

Research concerned with customers' attitudes and perceptions which cannot be quantified.

Quality

The features and standards of a service.

Quantitative research

Research which is concerned with data which is measurable and can be expressed numerically.

Recreation

Defined by Torkildsen (2001) as 'activities and experiences usually carried on within leisure and usually chosen voluntarily for satisfaction, pleasure, or creative enrichment'.

Relaunch

The reintroduction of a previously available product or service into a market, usually following modification.

Repositioning

The process by which organisations attempt to change the image of a product in the minds of consumers with a view to improving the product's reputation with consumers.

Resort complex

A self-contained site, usually in single ownership, which provides all or most of the products and services required by a tourist. They tend to combine attractions with support services such as accommodation and catering. Examples include brands such as Club Med and Center Parcs.

Sales promotions

In general, these are short-term tactical offers designed to stimulate demand. This often takes the form of either price discounts or added value (giving consumer more for the same price).

Secondary data

Data which comes from existing sources such as reports and databases rather than being collected by original research.

Segmentation

The practice of dividing total markets up into subgroups which have similar characteristics.

Service gap

A term used by Parasuraman et al. (1985) to describe the potential gap which can exist between expectations of a service and the reality of the way in which the service is actively delivered.

Services

Products which are intangible processes designed to meet consumer needs.

Social marketing

Marketing in noncommercial organisations where the objectives are social rather than commercial.

Sponsorship

A phenomenon whereby an unrelated organisation provides material or financial support for another organisation's activities or products in return for some benefit, which might include raising the awareness of the organisation's products amongst the latter organisation's market.

Strategic

Thinking or action which is longer term, broad in scope and generally at the macrolevel.

Strategic alliances

A competitive advantage tool which involves working with other organisations in a close relationship for mutual benefit. Such alliances are a common feature of the modern airline industry, for example.

Strategic business unit (SBU)

A self-contained subdivision of an organisation concerned with a particular product or set of products.

Subsidy

Financial support provided by an organisation to improve the financial performance of the organisation which receives the subsidy or to allow customers to afford to buy a product they could not otherwise afford to buy.

Suppliers

The organisations which provide the supplies or 'raw materials' from which suppliers can produce products. For example, hotels are suppliers for tour operators by providing the accommodation element of their package holiday product.

Sustainability

The concept of using resources to meet our needs in a way that will not threaten the ability of future generations to do the same.

SWOT analysis

A technique used by organisations to assess their current marketing situation. It involves analysing the organisation's current internal strengths and weaknesses, and identifying specific external opportunities and threats in its business environment.

Tactical

Thinking and action which is short term, narrow in scope and at the microlevel.

Target marketing

Marketing activity aimed at a particular subgroup within the population.

Theme park

A type of attraction, usually in single ownership, which is largely based on a central theme, for example, Disneyland Paris and Legoland.

Timeshare

A type of accommodation where customers pay a lump sum and in return receive the right to use a unit of accommodation for specific times in the year.

Total Quality Management

A fashionable management approach to quality which emphasises that quality is the responsibility of all staff and that quality is about constantly seeking to improve performance.

Tour operator

Organisations which assemble 'package holidays' from components provided by other sectors such as accommodation operators and transport organisations. They then sell those packages to consumers, often through travel agents.

Tourism

The activity in which people spend a short period of time away from home for business or pleasure.

Tourist

A consumer of tourism products.

Transnational corporations

Organisations which operate across national boundaries.

Travel agents

The retailer in the tourism system, selling the products of organisations within tourism to consumers.

Unique selling proposition (USP)

A feature that is so unique that it distinguishes one product from other products.

Upmarket

Products aimed at the more expensive, high status, higher quality end of the market.

Vertical integration

The process by which an organisation takes over other organisations involved in a different stage of production or distribution from itself; for example, where a tour operator takes over a travel agency and/or an airline.

Visitor

A widely used term in the visitor attraction field for someone who makes a visit to an attraction. It recognises that not all visitors are tourists in the technical sense of the term, in that they are not all spending at least one night away from home. Indeed, most customers at attractions are not tourists but excursionists or day trippers.

Visitor attractions

A single site, unit or entity which motivates people to travel to its location to see, experience and participate in what it has to offer. Attractions can be natural or manmade, physical entities or special events.

Voluntary sector

Organisations which are composed of volunteers who join together to achieve a shared objective or work on a common interest. Examples include the National Trust and many steam railway operators in the UK.

Word of mouth

This is where consumers who have experienced a product or service pass on their views about this product or service to other people.