
Chapter 6

Locating the offer

Chapter Objectives

After working through this chapter, you should be able to:

- Understand the importance of location as a prerequisite for developing a profitable hospitality business
- Identify the main classes of hospitality locations
- Research the characteristics of potential sites using relevant criteria
- Recognize the complexity of the destination product
- Evaluate the components of a destination's image
- Understand how hospitality companies work with destination marketing organizations.

Introduction

When the target markets have been defined and the product concept has been agreed, the next crucial marketing decision is to find the appropriate location(s) for the development of the hospitality business. The characteristics of a location actually influence potential hospitality target markets and determine the demand potential. Finding suitable locations is a prerequisite for managing a profitable hospitality company. The famous quotation from Conrad Hilton, who defined the three most important factors for success in the hotel business as 'location, location, location', remains valid today.

We will now discuss in more detail why location is important for both a single-site business and for multiple-unit operators, and examine the marketing research task in the search for finding appropriate locations. Finally, we will review destination marketing from the hospitality operators' perspective.

Importance of location

For owners, the location decision is a major capital investment with long-term consequences. When the agreement to buy or rent a site or premises is finalized, it is difficult and costly to change the decision – the location is fixed. So the initial selection of the site is most important. An appropriate site will have the necessary characteristics to ensure strong demand for the business. Although there are many examples of poorly managed hospitality outlets that trade successfully because of an outstanding location, even very good marketing cannot really compensate for a poor location. Clearly, thorough research needs to be undertaken to establish the patterns of demand in potential locations. Companies need to know whether there is a sufficient level of demand from target markets for the product concept to justify the investment in a specific location. Hard Rock Café recognizes the importance of location, and can research a potential location for up to three or four years in advance (Customer Management, 2000). This ensures that a thorough evaluation of the area's future growth and economic potential is undertaken before investing in the acquisition of a site.

For the single-site operator the choice of location is even more important, since the costs of a poor decision cannot be spread amongst the chain of outlets. Unfortunately, too many individual operators have overly optimistic demand projections and underestimate how long it can take to establish a new hospitality business. This is one of the reasons why so many small hospitality businesses fail in the start-up period. There are, of course, examples of successful hospitality businesses located in difficult sites, but this is because of the extraordinary skills of the entrepreneurs involved.

Developing a network of hospitality units

Multiple-site operators, and in particular the leading branded hospitality chains, have dramatically expanded their network of outlets during the past ten years. This expansion is driven by the need to:

- Grow the business (sales and profits) to satisfy shareholders' expectations
- Locate where customers need to stay or dine
- Be where competitors are located.

If your brand is not located where your customer wants to stay or dine, then you might lose that customer forever to one of your competitors.

The theory of location strategy has primarily been developed for multiple retail shopping outlets; however, the principles are applicable to hospitality operations. Academic models concerning optimal site location strategy include sales forecasting and spatial interaction models. Although computerized models have been developed for multi-unit tourism companies, their use in hospitality is limited. Most hospitality companies use a combination of checklists, feasibility studies provided by specialist consultancies, and managerial intuition to make location decisions.

Main classes of hospitality locations

Hospitality locations can be categorized in several ways, and these are described here.

Capital city

Capital cities usually generate strong demand from business, government and leisure markets. Capital cities, like London and Paris, attract both domestic and international visitors, and often have the highest room occupancy, achieved room rate and yields in a country.

Provincial city

Provincial cities are more likely to generate good domestic business demand, with a proportion of international business customers, and limited leisure demand. Provincial cities like Leicester, Lyons and Stuttgart fall into this category.

Gateway locations

Gateway locations are locations based at convenient destination access points, such as major airport terminals, key shipping ports and railway station termini. These sites handle large volumes of travelers, although not all travelers actually stay in the gateway location. For example, Zurich is a major gateway for visitors taking a skiing holiday in the Alps, but few skiers actually stay in Zurich. Heathrow, as a major international airport and gateway to London, England, the UK and Europe, generates one of the highest levels of demand for hotels in any location in the UK.

Highway locations

Highway locations are found on motorways and roads and serve the driving public, whether on business or leisure. Highway stops are normally associated with budget accommodation, and travelers typically stay for one night only.

Resort locations

Resorts primarily focus on leisure markets, but often include conference facilities to attract the corporate business market in shoulder months and low seasons. Many resorts have been developed at coastal and country locations. Resorts offer accommodation with a wide range of leisure and sporting activities, often on an all-inclusive basis.

Rural locations

Country locations also focus on the leisure market and frequently target niche markets, for example walkers in the Lake District or climbers in the Peak District.

Honey-pot destinations

Major tourist destinations are also described as 'honey-pots' because of the large volume of day-trip and overnight visitors. European examples include York and Venice.

Researching hospitality locations

Researching suitable sites for a hospitality operation is time-consuming. One British hotelier looked at over 50 locations, which took six months, before buying a hotel. This experience is typical. For international hospitality groups, there is the added complication of deciding which countries to enter.

There are three levels of spatial analysis in researching locations (Ghosh and McLafferty, 1987). The research starts with market selection, then focuses on the area analysis within a chosen region, and finally the most attractive sites are identified from sub-areas:

- *Market selection* decisions analyze the geo-demographic and socio-economic characteristics of a geographic region or country; this includes looking at the current situation and projecting future developments.
- The *area analysis* focuses on the characteristics of specific local areas within a region.
- *Site evaluation* examines local demographics, traffic flow and accessibility, individual competitors and the attractiveness of specific sites.

We will now review the criteria used by hospitality companies in country, regional and site selection.

Country selection

We have already mentioned the rapid growth of international hotel companies. This growth has been driven by the globalization of travel markets and intense competition by the major players. As one competitor develops operations in a new country, so other competitors feel obliged to follow. A PESTE analysis identifying the advantages and disadvantages of specific countries provides the basis for analysis. Key criteria for evaluating the attractiveness of a country market include political stability, planning risk, development route and market attractiveness.

Political stability

High political stability creates a favorable investment climate. Most Western countries have stable political systems, whilst countries that have considerable political turmoil, like Columbia, Nigeria and Pakistan, are more risky and therefore less attractive to international investors. In countries with high political stability, the

option to purchase freehold properties or negotiate long leasehold agreements is likely. In countries with high political instability, the preferred entry option is to franchise the brand to a local company or negotiate an equity-free management contract, because local organizations understand how to manage their own political environment better than foreigners. The USA and British governments provide information for companies planning international investment and advice about political stability in websites such as the American Central Intelligence Agency (www.cia.gov).

Planning risk

Regardless of the stability of a political regime, countries have different approaches to planning control. This can mean there are difficulties in obtaining planning consent for building new developments, converting existing properties into hospitality outlets, or carrying out major refurbishment programs. Knowledge of the local culture and business/governmental customs is essential when negotiating planning permissions. A key aspect of international marketing is to understand the influence of culture on customers and on the way of doing business in a foreign country. It is much easier to conduct business in a familiar cultural climate.

Development route

There are three options for network expansion:

- 1 *Acquisition* – companies buy a group of hotels, and/or an independent hotel, and re-brand these properties. This is the most convenient, proven and popular approach, especially if a brand wants to grow rapidly. However, there are issues of ensuring brand conformity between the newly acquired properties and the company's international brand standards.
- 2 *Conversion* – companies buy an existing property (for example, an office block or flats) and convert the property into hotel premises. This is much more time-consuming and expensive. Whilst groups may occasionally convert a suitable property, this is the least preferred option.
- 3 *New-build development* – companies purchase the land and build their own product to their own design specifications (subject to planning controls). This can be more time-consuming than acquisition, but the advantage is that the brand standards are delivered from the moment the property opens.

The major international hospitality companies use a combination of all three development routes. Which route is preferred depends upon the target location, the form of ownership, and regulatory planning constraints.

Market attractiveness

The evaluation of market attractiveness uses demand analysis and competition analysis. The essential hard data, which help companies to forecast operating performance in a new country, include:

- Visitor arrivals, visitor mix (by country) and visitor spend
- Population and demographic statistics
- Economic statistics
- Hotel industry average occupancies, achieved room rates and yield.

The attractiveness of a country market will depend upon the potential demand from the selected target markets and the intensity of competitor rivalry. An interesting factor for ethnocentric companies is the number of home market visitors traveling to target countries. One North American hotel company used the ratio of American visitors to a city as a criterion for European site selection, because American tourists are likely to stay at brands they know and trust.

Country evaluation

When all the data have been collated, companies draw up a matrix to evaluate the attractiveness of different countries and locations. Table 6.1 provides a typical example of a European Development strategy for a major international hotel group. Each criterion is awarded marks using an internal company grading system. For example, a gateway location might be awarded between three and five marks, whilst a secondary location might be awarded between one and two marks. In the example, London, Paris and Berlin as major capital cities and the airports Heathrow and Charles de Gaulle are all gateway locations, so each might score a maximum five marks, whilst Manchester and Strasbourg are clearly secondary locations, possibly scoring one mark in this system. When all the criteria for all the destinations have been allocated, the accumulated scores for each location are computed and the ranking scheme provides a prioritization of the locations.

Regional selection

Having selected the country, the next decision is to choose which region, area or city to locate in within the country. Many hospitality organizations are domestic companies that only operate in their own country. Compared with international companies, local hospitality operators have one major advantage: they understand the local environment, the culture and markets, and how to conduct business in their own country.

Regional location decisions include the criteria discussed in Table 6.1, as well as the following factors:

- Microclimate – a detailed examination of regional climates, the hours of sunshine, level of rainfall, temperature and seasonal variations is important for companies locating in leisure resorts
- Infrastructure – establishes access for target markets via air, road, rail and sea connections
- Regional demographic characteristics – within a country there are wide differences between regions in terms of employment opportunities, disposable income distribution, cost of living, and living standards, which impact on domestic and local levels of demand
- Competitors – an evaluation of the locations of major competitors is essential; indeed, locating where your competitors are based is a logical entry strategy.

Expanding hospitality companies need to identify the location gaps with their regional network of units to complete their portfolio of properties.

Table 6.1 Location Criteria for a European Hotel Chain Development Strategy

Geographic		Population		Location		Timing	Development route			Attractiveness of market segments		Risk	Mix home tourists	Score	Ranking	
Country	City			Gateway	Secondary	Urgency	1	2	3	Business	Leisure	Political	Planning			
UK	London Heathrow Birmingham Manchester Edinburgh															
France	Paris Charles de Gaulle Lyons Bordeaux Strasbourg															
Germany	Berlin Hamburg Munich															

Urgency: Based on company internal development needs
 Development route: 1 Acquisition; 2 Conversion; 3 New build
 Political risk: Country stability
 Planning risk: Ease or difficulty of obtaining hotel planning permission.

Site selection

This decision refers to the process of identifying actual sites that are suitable for purchase, rent and development. Hospitality outlets in good demand areas can fail due to poor site selection. Sites can be categorized as follows:

- *Prime*. These sites are the best locations. They are in high demand and can be difficult to acquire (because most are already in the hands of existing operators), and expensive to maintain. An example is the famous Dorchester Hotel on Park Lane, London.
- *Secondary*. These sites are not prominent, but are still reasonably accessible. Most hospitality units are in this category.
- *Tertiary*. These sites are less accessible, and may have other negative factors – for example, being close to a lorry park or an industrial estate. An example of a hospitality company having successfully developed a low-cost product concept using tertiary sites is Accor, with its Formule 1.

Factors influencing site selection include:

- Local demographics and the characteristics of neighborhoods. De Vere Hotels has explicit site selection criteria for the Village Inns brand to ensure high hotel occupancies and membership of their health and fitness clubs. These clubs target affluent consumers, not families, aged 25–55. To generate a club membership of between 4000 and 5000, De Vere look for sites with over 100,000 ABC1 consumers within 20 minutes' drive time (De Vere Hotels, 2000).
- Accessibility, pedestrian and vehicle traffic flows and car parking. An interesting example of two new UK roadside restaurants illustrates the complexity of site selection. One restaurant opened by a busy roundabout in Humberside with a very high traffic density, and the other opened on a quiet stretch of road on the A11 in Norfolk. The A11 unit was more profitable than the Humberside unit because in the Humberside area most of the car journeys were local people traveling to school, work and shopping. Motorists traveling long distances, who needed a break during their journey, used the A11 site in Norfolk (Jones, 1999).
- Competitors. The number, size, quality, prices, occupancy and seasonality of branded and local competitors provide an insight into the local marketplace. Restaurant operators targeting local consumers often cluster together in prime sites, which is an indicator of the attractiveness of the location.
- Individual site characteristics, which include the size, landscape, adjacent buildings, aspect (south or north facing), and further development potential.

Case study 6.1 illustrates the importance of site selection.

Case study

6.1 Sophie's Steak House and Bar, Fulham Road, London

Sophie Mogford had always wanted to open her own restaurant, and her friend Rupert Powell had always wanted to own his own bar. Both already had very good restaurant and bar operational experience; Sophie worked for the Mezzanine Group, owners of Smolensky's

Restaurants, and had been involved in opening one of their new restaurants, whilst Rupert had worked at Browns and at Quaglino's – a Conran Restaurant. On holiday in New York they ate out in a different type of steak house, which really caught their imagination. The concept of Sophie's Steak House was born, but both knew that getting the right site is crucial if you're going to launch a successful restaurant business.

The search took eighteen months; they looked at hundreds of sales brochures for restaurants on the market. They visited over 50 sites, and actually asked their architect to draw up plans on five sites that were really promising. Originally they looked at the West End of London, but the property prices were too high; however, they eventually found a site in Fulham that fulfilled their criteria. They needed a minimum 90 covers to make the business viable. Rupert wanted a separate bar area, with its own license to attract non-diners, and seating for another twenty customers; and they both thought that the production kitchen should be visible to diners. This meant they needed approximately 2000 square feet of floor space.

Why was the Fulham Road such a good site for Sophie's? Rupert says the restaurant, which had been part of a chain, was situated in the middle of an affluent cosmopolitan neighborhood where house prices are high and the socio-economic profile of residents indicates high disposable income. The Fulham Road has a wide range of quality shopping, professional offices, is close to fashionable Knightsbridge, and has lots of passing traffic. It's a busy place, with several other bars and restaurants in the area. The premises are located opposite a cinema and supermarket, and only half a mile from a major hospital. Sophie and Rupert believed all of these factors would generate strong demand for their mid-market restaurant.

After eighteen months of searching, Sophie and Rupert finally agreed to buy the leasehold, and as soon as they got possession in October they closed for a three-month refurbishment. The kitchen was re-equipped, the ceiling levels altered, the décor and external signage were improved, and finally, two years after starting their search, Sophie's opened for business at the end of January. Twelve months have passed, during one of the worst economic periods for a long time, and Sophie's 90-cover restaurant is serving 2000 meals each week. They are open from midday to midnight, and can re-lay tables three times on a Saturday night, with a good spend. The cinema, hospital staff and visitors generate demand at normally low season periods, like early Saturday evening.

The long search for the right site has paid off, and Sophie's has become a very popular eating house.

(Source: Rupert Powell)

Location decisions

Clearly a considerable amount of research is invested in the location decision, and making a correct decision is fundamental to the success of the hospitality business. However, location decisions involve a trade-off between the different characteristics of potential sites and the capital available for investment. *From a marketing perspective the crucial factor is the potential demand of a site, but sites with greater demand potential have more expensive site acquisition costs.* Location decision theory assumes a high element of rational decision-making, but, historically, hospitality companies have expanded opportunistically. So despite all the research, many location decisions are based on 'gut feelings' and instinct. As Rupert Powell, of Sophie's Steak House, says: 'You walk into a property and you just know, that gut feeling is really important!'

Activity 6.1

Identify three hospitality units, one in a prime site, one in a secondary site and one in a tertiary site. Carry out some marketing research, both desk research and a site visit if you can, to evaluate the demand characteristics of each site using the following criteria:

- Local demographics and neighborhood characteristics
- Accessibility
- Competition
- Individual site characteristics.

Destination marketing from the hospitality perspective

We have discussed the importance of location, and the criteria that hospitality companies use to evaluate the attractiveness of the destination. Although chain hospitality operators do have the advantage of access to their own branded distribution systems, the activities and effectiveness of the marketing of a destination does impact on most units in the destination. However, destinations are complex products (Middleton and Clark, 2000):

- Destinations exist within a wide spectrum of different geographic levels
- Destinations have layers of administrative bodies responsible for the development and promotion of tourism, and responsibilities can either be confused and/or duplicated
- Destinations comprise physical characteristics (the natural landscape and climate), which obviously cannot be changed, and the built environment
- Destinations comprise deep-rooted cultural and historical heritages, which influence the character of local people and the visitor experience
- Destinations incorporate all the components of the tourism product – hospitality, attractions, transport, travel, intermediaries, and destination marketing organizations
- There is no single owner of the tourism product in a destination.

The confusion of geographic and administrative layers is illustrated by the example of Castleton, a village in the Hope Valley, Derbyshire, which is in the Peak District National Park. Table 6.2 details eight layers of administration, from the local parish council to the European Union. Each administrative body has an interest in tourism. However, there is often conflict within and between the different administrative organizations. This conflict reflects the differing perspectives of companies wanting to develop tourism further for more visitors, and local people and conservationists who want to control and inhibit tourism development.

Table 6.2 Layers of Tourism Administration, Castleton, Derbyshire

<i>Boundary</i>	<i>Destination</i>	<i>Administrative responsibility</i>
Village/town	Castleton	Parish/Town Council
District	High Peak	District Council
County	Derbyshire	County Council
National Park	Peak District	National Parks Board
Region	East Midlands	Regional Tourist Board
Country	England	English Tourist Board
Country	United Kingdom	British Tourist Authority
Continent	Europe	European Union

Destinations also have a polyglot of public and private stakeholders, including:

- National tourist organizations, local tourist organizations, and partnerships between government and private sectors
- Tourism companies (mainly small and a few larger businesses), their owners, management and employees
- Pro- and anti-tourism lobbies
- Local inhabitants and visitors.

No single organization has total control over the tourism product and the destination image. This has implications for tourism development, quality control, and marketing.

Tourist area life cycle

In Chapter 5, we discussed the product life cycle and explained that life cycle theory can be applied to a wide variety of products and brands, including destinations. Butler (1980) introduced the concept of the tourist area life cycle (TALC), which follows the classic stages of the product life cycle. The TALC is a useful tool for understanding the stages of development in a tourist destination, but suffers from similar limitations to the PLC. It is difficult to establish where the tourist area is located during the cycle's evolution. External environmental factors and competitor destination activity is not incorporated into the model, and the TALC is not an effective forecasting tool. The example (see Figures 6.1, 6.2) of the development of Cancun in Mexico between 1972 and 1996 illustrates how a TALC can be modeled, but the model is unable to predict accurately when growth will slow and stagnation/decline will set in.

Destination image

The image of a destination is a crucial component in today's competitive tourism market. A destination's image is a mixture of:

- Inherited physical attributes
- The built environment
- The cultural and historical heritage

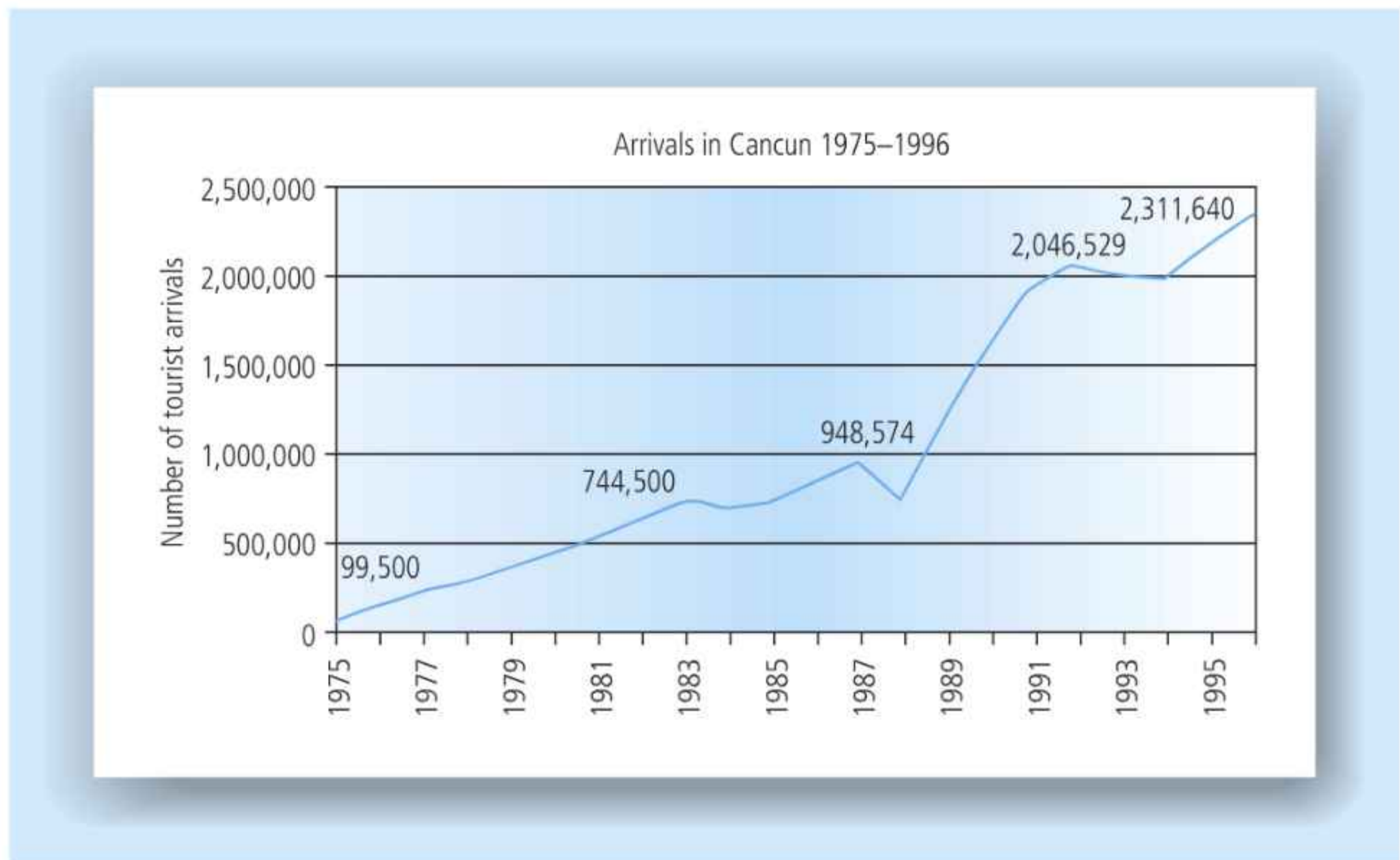


Figure 6.1 Visitor arrivals 1975-1995 at Cancun, Mexico (source: Dessylas, 1997)

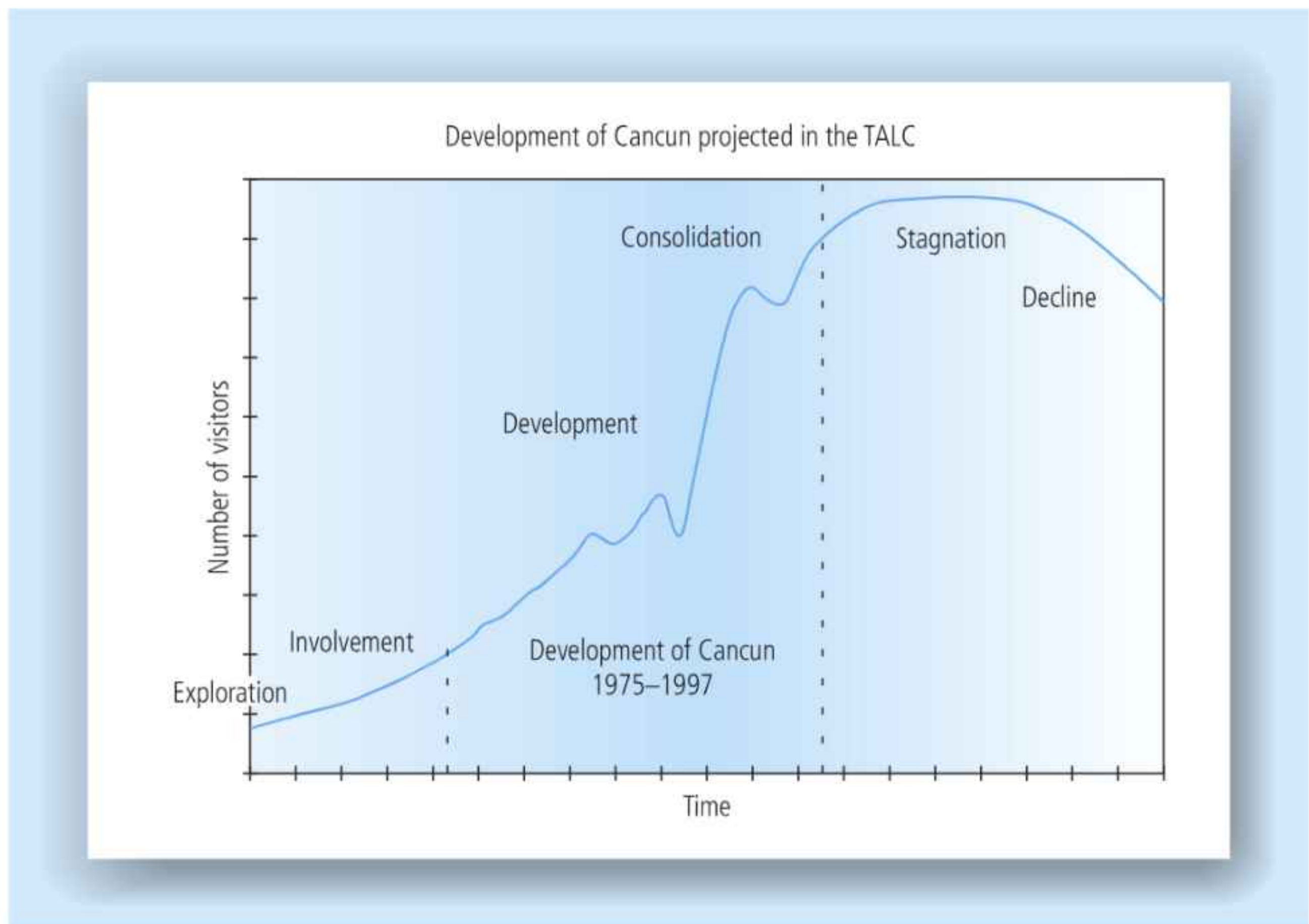


Figure 6.2 Tourist area life cycle, Cancun, Mexico 1975-1995 (source: Dessylas, 1997)

- Myth
- The people.

When we discussed brand image in Chapter 4, we explained that image is a perception in the minds of consumers. We all have images of a tourism destination,

regardless of whether we have visited the place or not. Images that are formed from indirect sources, through the media (news reports, television travel programs, newspapers and advertising) and by word of mouth from friends and/relatives, are *induced images*.

Organic images are formed by actually visiting the destination in person. Our organic perceptions are based upon the actual experiences, enjoyable or otherwise, of visiting the destination. The organic image we form is more fixed and less likely to be influenced by destination marketing activity. When we tell family and friends about our impressions of a destination, we are projecting an induced image.

Activity 6.2

- Identify two tourism destinations, one which you have visited and one that you have not.
- Analyze the 'induced' image you have formed about the destination you have not visited.
- Analyze the 'organic' image of the destination you have visited.
- Compare the image of the destinations – can you identify the differences between an induced and an organic image?

The problem with an induced image is that it may be completely inaccurate, depending upon the reliability of the source. For British tourists, the induced image of a country like Romania is largely negative, because the British tabloid media portray Romania in an entirely negative tone. Interestingly, the organic image of Romania formed by British tourists visiting the country is largely positive (Bota, 2000), but the Romanian tourist organization does not have sufficient resources to counter Romania's negative image in the British media.

The world's major tourist cities have powerful images, which in tourism terms are represented by one or a series of iconic images easily recognizable by international tourists. The iconic images of a red double-decker bus, the Eiffel Tower and the Golden Gate Bridge immediately suggest London, Paris and San Francisco. Iconic images can be manufactured; the Big Apple and 'I Love New York' campaign is a successful example of a manufactured iconic image supported by an effective marketing communications campaign.

Image and personal safety

The overwhelming majority of tourists are concerned about their personal safety when traveling. Political instability, the threat of war, war itself, terrorist incidents and crime have a major negative impact on the tourist destination image, and on visitor arrivals. The hijackings of 11 September 2001 in North America, when aeroplanes were flown into the Pentagon and into the Twin Towers of the World Trade Center in New York, provide the most obvious example of terrorism incidents damaging tourist consumer confidence in the safety of flying. The tourist massacre at Luxor in Egypt, the IRA bombing campaign and Protestant response in Northern Ireland, and the Israeli/Arab conflict have all had serious negative impacts on the image of these destinations.

Destination marketing organizations (DMO)

Destination marketing organizations can be government funded, a private company, or a combination of the public and private sector. Their primary role is to:

- Carry out marketing research and provide market intelligence for stakeholders
- Monitor visitor statistics and trends
- Coordinate marketing campaigns, and in particular Marcom activity
- Build and maintain destination websites and links
- Liaise with intermediaries
- Provide tourist information for visitors before and during visits (this may include booking services)
- Manage the brand image of the destination.

Case study 6.2 illustrates successful destination marketing.

Case study

6.2 Destination marketing at work

The Seychelles Tourism Marketing Authority is responsible for marketing the Seychelles, a collection of 115 unspoilt islands in the Indian Ocean. Tourism is a major source of employment and revenue for the Seychelles. The STMA coordinates promotion for approximately 150 resorts, hotels and guesthouses, most with less than 10 bedrooms and fewer than 6 with over 100 bedrooms. There are tourist offices in the key target countries of France, Spain, South Africa, the UK, Germany and Italy, with tourist representatives working in India, Switzerland, Dubai and Ireland.

The STMA carried out extensive research with European travelers and intermediaries to identify the positive brand attributes for the Seychelles. Francis Savy states: 'travelers have never had so many places to choose from. They're confused. So to make it easier, we're presenting the Seychelles as a brand.' The SMTA developed a marketing communication campaign with a new logo and specially commissioned, evocative black-and-white photography. The focus of the campaign is the Seychelles' untouched beauty and natural perfection. The brand logo uses four circles, which represent the lush green tropical islands, the white beaches, the coral reef, and the Indian Ocean. The positioning statement is 'As Pure As It Gets', and reflects the brand attributes of the natural image of a tropical island. The campaign includes magazine advertising with a minimal amount of copy, emphasizing the natural beauty of the Seychelles.

(Source: Seychelles Tourism Marketing Authority brochures and www.aspureasitgets.com)

We noted earlier that organizations responsible for marketing a destination suffer from limited control of the product, and have to resolve the conflicting demands of stakeholders. Limited resources and unrealistic stakeholder expectations compound these problems. Hospitality companies within a destination work with destination marketing organizations in the following ways:

- Companies join the destination marketing organization, which normally involves paying a membership fee
- Companies provide detailed information for guide entries, and pay for advertising in destination tourist brochures

- Companies participate in tourist information and accommodation booking services
- Companies provide hospitality for familiarization (FAM) visits by travel journalists, conference/exhibition organizers and other key intermediaries visiting the destination.

Proactive hospitality managers join the committees of destination marketing organizations and can leverage a degree of competitive advantage by developing good personal relationships with the personnel and management of the DMO.

Conclusion

Location decisions involve considerable research, and the consequences are significant. Attractive sites with good demand characteristics have to be balanced with the capital available. Once the location decision has been made, hospitality companies work with destination marketing organizations to market the destination.

In this chapter, we have explained:

- Why the location decision is a major investment with long-term consequences
- The thorough research that needs to be undertaken to evaluate the potential demand and competition in a location
- That tourism destinations can be categorized under the headings capital city, provincial city, gateway, highway, resort, rural, and honey-pot
- The three levels of spatial analysis in researching locations – market selection, area analysis and site evaluation
- The wide range of criteria used by hospitality companies to evaluate the market potential of locations
- That destinations are complex products with a polyglot of public and private stakeholders
- That destination image is a crucial component in today's competitive environment, and induced images are formed from indirect sources while organic images are formed by actually visiting the destination
- How hospitality organizations work with destination marketing organizations to market the destination effectively.

Now check your understanding of this chapter by answering the following questions:

- 1 Why is the location decision an important element of the marketing mix?
- 2 What are the differences between single-site owners and multi-unit hospitality retailers in making location decisions?
- 3 Discuss the site selection criteria for locating a hospitality product.
- 4 Explain the characteristics and relevance of destination image in hospitality marketing.
- 5 How can hospitality managers work with destination marketing organizations?

Review questions

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