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Distribution at the Destination:

An underestimated force to improve hospitality services and enhance sustainable development

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Learning goals

This chapter should help readers to understand the issue of distribution in the destination from a hospitality perspective, and to reflect on possible means and techniques to distribute positive impacts and minimise negative impacts on all three sustainability dimensions. After reading this chapter the reader will:

- 1 Be aware of the opportunities and responsibilities of the hospitality providers for distributing at the destination;
- 2 Be able to critical evaluate the challenges and dilemmas hospitality providers might face in regards to spreading visitors;
- 3 Be acquainted with techniques that hospitality providers can use to distribute guests at the destination.

Introduction

Distribution at the destination is in itself a critical topic for hospitality businesses. One might argue straight away, that a hospitality company such as a hotel does not distribute and particularly not to any parts of destination beyond the facilities of the hotel itself. In addition, distribution is rather abstract: distribution of wealth, of risk, of commitment? This chapter is going to mainly focus on the distribution of people, as this is the factor that will positively (or negatively) influence the destination the most, and will also result in a distribution of benefits and reduce/spread negative impacts on all three dimensions of sustainability.

Hence, this chapter introduces the importance of this topic for a hospitality business and, indeed, shows that many hotels or accommodation businesses are already heavily involved in the distribution at the destination. It will show how hospitality businesses can enhance positive impacts and reduce negative effects on the economic, social and environmental dimensions. Finally, from a sustainability standpoint it is also argued more and more that hospitality businesses are responsible, both for their guests (which might include tourists coming from far away and who are not all familiar with the destination), for the resources that their guests use, and for the people at the destination on whom the guests leave an impact.

The word *distribution* is often applied to goods being distributed in a region. However, in relation to the hospitality and tourism industry, distribution is a bit more complicated. You are certainly familiar with the fact that hospitality and tourism products are classified as service products, and that service products have different characteristics from goods in that they are intangible (cannot be touched), heterogeneous (different people will experience them differently), perishable (cannot be stored, e.g. an unoccupied hotel room is lost). In addition, services are directly delivered to people by people, so both the supplier and the guests are part of the product and the production process. There is one more characteristic of a service that is crucial to understand when linked to the concept of distribution at the destination, as services are also in most cases place-bound (a hotel can only deliver its services within its facilities).

The location where the service takes place cannot usually be moved; it is the customer that has to be moved. If you think of going to visit a city for a weekend that include a hotel stay, visits to restaurants and cafes, an evening at the theatre, a shopping tour and a guided tour; all of these services are bound to their place, and you are the one that moves.

If you now consider distribution at the destination from the perspective of a hospitality business, a major factor is the movement of the guests within the destination. One might now think two things: first, it is not the business of, for example, a hotel to be concerned with what its guests do during the day; and second, the hotel has no influence on where its guests go. The first has been a long-standing argument and has served as an excuse for denying responsibilities (further explanations and examples are below). The second argument is partly correct as, indeed, a hotel does not necessarily have a direct influence on choices where the guests go, as visitors will take their own decisions. However, the moment a hotel distributes maps of the place, recommends certain sites or services to its guests or distributes discount vouchers for a free drink in their own restaurant, it is influencing the movement of its guests. Even small actions might have a significant contribution in relation to sustainability. Think of a hotel offering reduced price or even included tickets for public transportation, this will influence many guests to leave their car at the hotel and travel with public transport in the destination.

Hotels and other hospitality providers indeed have been involved in distributing the guests for a long time. However, this has been mostly done to enhance only one of the sustainability dimensions, namely the economic. The most common form here are loyalty cards or memberships, and package tours or special offers. A general issue for hospitality providers is the fact that hospitality is usually not the main feature of the tourism product, but is a secondary element (Jansen-Verbeke, 1986; Page and Connell, 2014). This means that the tourists who stay in a hotel, in most cases will not be there for the purpose of visiting that hotel. Their primary purpose for visiting the destination, for leisure tourists, may be to see its sites, or visit friends and relatives; while business travellers will be there for meetings or conferences. These guests need accommodation or other hospitality, and will search for these having chosen the destination.

As a consequence, hotels and particularly hotel chains have developed loyalty/membership cards. Most major chains or even smaller ones have programmes where customers receive discounts or smaller special gifts when they book with the same hotels. This is particularly common for business travellers (Swarbrooke and Horner, 2016; Freyer, 2015) where companies make agreements with hotel chains and then, as a consequence, only book with that chain. Hence, guests will be more likely to visit a certain hospitality business. Similar loyalty programmes now also exist with other hospitality providers, e.g. restaurants, where you a customer might receive an incentive such as free drinks after having visited a certain number of times. From the perspective of the hospitality provider, these loyalty programs offer the possibility of attracting customers again. Otherwise, there are not many ways to ensure a long-term relationship with the customer, apart from delivering an extraordinary service or superb value for money so the customer would like to return again. A hotel has no possibilities for long-term contracts as there are in other industries.

Special offers or packages fall into a similar category of adding value, by offering additional services or experiences which should differentiate the hospitality provider in the eyes of the customers and offer them an outstanding value for money, while producing increased financial benefits for the provider. A lot of these special offers are focussed on keeping the customer in the facilities of the hospitality provider, and are especially common with hotels. On many hotel websites you will find special offers where, for example, a guest can book a 'wellness weekend' which includes not only the overnight stay but also meals, a couple of wellness treatments (often just one or two of each kind so a customer might book additional ones if they liked them) and access to the spa facilities. When these offers are not focussed on the facilities of the hospitality providers, they often focus on cooperation partners, with the hotel receiving a commission, if it is a major sight with limited carrying capacity (think of Madame Tussauds or the Alhambra), guests might receive special tickets, e.g. with no waiting time, that they can sell to their guests and therewith have a special added value in their offer. Of course, in examples, the main focus of this kind of visitor management