Index

ABTA (Association of British Travel Agents) 161
accommodation establishment records 90
ADLM (autoregressive distributed lag model) 93, 105–8
aeronautical revenues 272
African countries 177, 184, 234, 469
AIDS (almost ideal demand system) model 100–102
Air Asia 477
Air Berlin 235
Air China 209
air fares 225–6, 236, 446
and airline alliances 215–17, 220–21
and airline mergers 220–21
deregulation 232–3, 446
long-haul markets 233–4
low-cost carriers 234–5
regulation 228–9
Air France 194, 196, 211, 477
Air New Zealand 219–20, 230
air-package tours, pricing 165–6
air traffic control 239
air travel demand 226, 227
airline alliances 473–7
benefits 196, 198–9, 212–14
complementary 193, 213, 215–16, 475
definition of 198
disadvantages 213, 477
and distribution systems 193–4
economic theories of 216–17
effect on fares 215–17
effect on tourism 218–19, 230
dominant alliance 191–207
exogamic 193, 195, 200–205
evolution of 191–207
importance of 191–2, 209–11, 212
mega 203, 205–6
see also airline sector; alliances
airline sector
alliances 191, 192–3
charter markets 231–2
code sharing 197, 204, 209, 405
deregulation 191, 232–3, 477
economic regulation 228–9, 231
and globalisation 473–7
government owned 229
and hotel ownership 194
and information technology 402, 405, 408, 411
liberalisation 229, 231–6, 476
and long-haul markets 233–4
low-cost carriers see low-cost carriers (LCCs)
mergers 220–21, 230, 475
passenger levies 241–2
regulations 476
reservation systems 193, 194, 238, 402, 408
and travel agency ownership 244
airline tickets 158, 159
airports 240
capacity 239–41
congestion 239
and information technology 402
investment in 240–41, 271–3
operational restrictions 240
ownership 271–2
privatisation of 272
subsidiary 478
alliances 191, 192–3
complementary 193
definition of 197–8
difficulties of 213
global 192–6
inter-firm 192–3
mutual dependency of partners 199–200
resource profiles 200–202
see also airline alliances
almost ideal demand system (AIDS) model 100–102
Amadeus 193, 194, 203
American Airlines 193–4
American Society of Travel Agents (ASTA) 157, 158

481
amusement taxes 256
anti-competitive practices 86, 119
see also competitiveness
APEC 293, 294, 477
ARC-accredited sellers of travel services 158
Asia 235, 240, 477
Asia Pacific Economic Cooperation (APEC) 293, 294, 477
Association of British Travel Agents (ABTA) 161
ASTA (American Society of Travel Agents) 157, 158
asymmetric market information 142–3, 149
Atlantic Excellence 195
Australia
airline alliances 218–20
airline deregulation 229, 233, 234
destination management systems 410
hospitality sector training 385
long-haul markets 229, 233–4
low-cost carriers 235
small and medium-sized enterprises 404
special events 316, 317, 322–3
tourism and the economy 305–7
Tourism Satellite Accounts (TSAs) 289, 294, 297
Australian Competition and Consumer Commission (ACCC) 219–20
Australian Industries Assistance Commission 224
Austria 408, 410
autoregressive distributed lag model (ADLM) 93, 105–8
aviation industry 477
infrastructure 239
regulation 228–9
taxation 241–3
and tourism, policy conflicts 226, 228–30
and tourism, supply-side integration 243–4
see also airline sector; airports
aviation technology and tourism patterns 236–9
back-to-back charters 164, 165–6
Balearic Islands 255
barriers to trade in services 468
basic structural model (BSM) 99
Bass Hotels 471
beggar-thy-neighbour policies 254
benefit principle of taxation 260
benefit taxes 268
bequest value 362, 368–9
Bermuda 149
Bertrand-Edgeworth models 145, 146–7
bespoke products 150
Best Western International 471
bidding game CVM 369, 370
Box-Jenkins ARIMA model 97, 99
brand names 83, 204
Brazil 232
British Airways 209, 220, 235, 475
business tourism 49
business travel 61, 90, 217, 469
campsites 181–2
Canada 46, 232, 235, 386
Tourism Satellite Accounts (TSAs) 292, 294
capacity charges 179–81
capacity constraints 126, 146
capital resources 423
car rental companies 168, 244, 402
carbon dioxide tax 256
career paths in tourism 382, 383
carrying capacity of destinations 459–60
case-base querying 407
CBA (cost-benefit analysis) 320, 345–8
Cendant 194
CGE tourism analysis 301–4, 310–12, 321–2
assumptions of 324, 332–3
dynamic models 303–4, 311
evaluation 310–11
further research 311–12
and I–O models 304–5, 310
CGE tourism models
Australia, tourism demand changes 305–7
comparison with I–O models 322–40
economic impacts of special events 322–3, 325–7
economic impacts of tourism 321
EU membership and fiscal policy changes 309–10
impact of tourism on developing countries 308
taxation policies 308–9
UK government policy to foot and mouth 307
US government policies to 9/11 (September 11) 307
characteristics model and tourist choice 74, 77–83
price and time constraints 79–82
separability 78
territorial scale and discrete choice 78–9
charter airlines 164, 243, 244
charter market 231–2
China 46, 48, 184, 209, 469
choice see consumer choice; tourist choice microfoundations
choice modelling 365, 373–4, 375
classical economic theory 139
classical microeconomics model and tourist choice 73–7
discreteness in choice 75
essence of tourist choice 76–7
existence of representative consumer 75–6
separability in choice structure 74–5
classical regressions 102
coach tax 256
code sharing 197, 204, 209, 405
cointegration analysis 100, 103
cointegration and error correction analysis 103, 104–5, 107–8
commercial risks 163–8
Commonwealth Games 317
communications technology 466
comparative advantage 422–3, 434, 450–51, 461
destination competitiveness 422–3, 426
factors of production 423
in OECD countries 434, 459
travel-revealed indices 452
competition 144–5
Competition Commission (CC) 119
competition policy 150
competitive advantage 422–3, 426
competitiveness 421–3
in tourism 435–49
see also anti-competitive practices;
destination competitiveness;
destination countries, external competitiveness
complementarities, qualitative 202–3, 204
complementarities, quantitative 202–3
complementary alliances 193, 213, 215–16, 475
computable general equilibrium (CGE) models see CGE tourism models
computer reservation systems (CRSs) 238–9, 244, 402, 470
conceptual models 425
conflict costs 186
congestion 186, 239, 240, 268
conservation 361, 362, 364–5, 369
consumer choice 141–2, 406
and Veblen effects 83, 84
see also tourist choice microfoundations
consumer price indices (CPIs) 58–9, 79, 91
consumer relationship management 405
consumer satisfaction 402
consumers, use of intermediaries 156–7
contestability 121, 122, 127, 131
Continental Airlines 194, 196
contingent valuation methods (CVMs) 365–6, 368–71, 373, 374
contract of allotment 164
correlation centres 257, 273–4
coordination alliances 475
see also airline alliances, alliances
core resources and attractors 427, 428
cost-based pricing 166
cost-benefit analysis (CBA) 320, 345–8
cost of living 96
Costa Rica 184, 185
costs, transportation 59–60
Cournot model 145–7
CPIs (consumer price indices) 58–9, 79, 91
crime 45
cross-section studies 50, 51
CRSs (computer reservation systems) 238–9, 244, 402, 470
cruise ship sector 471–3
cultural resources, pricing principles 173–86
cultural trends affecting globalisation 466
Cunard line 473
currency fluctuations in destination competitiveness 443–4, 446
customer see consumer
CVMs (contingent valuation methods) 365–6, 368–71, 373, 374
Cyprus 46–7, 309–10
data sources 51, 90
database marketing 150
decentralisation in hospitality sector 470–71
Delta Air Lines 194, 196, 205
demand forecasting see tourism demand forecasting
demand modelling see tourism demand modelling
demand theory 373
demographic developments and globalisation 466
departure taxes 256
dependent variables 54–6
deregulation 212–13, 473
in airline sector 232–3, 477
in cruise ship sector 472
descriptive case-study research 128–9
destination competitiveness 419–31
comparative advantage 422–3, 426
competitive advantage 422–3, 426
core resources and attractors 427, 428
and currency fluctuations 443–4, 446
endowed resources 425, 426
factors of production 423
further research 429–31
general conceptual model 425–9
management component of model 427, 428–9
price competitiveness 442–50
qualifying and amplifying determinants 429
research studies 424–5
supporting factors and resources 427, 428
see also competitiveness; destination countries, external
competitiveness
destination countries, external competitiveness 434–8
changes in demand 436, 442, 449
comparative advantage 446–61
real exchange rate (RER) fluctuations 442–9, 460–61
see also competitiveness; destination competitiveness
destination management 420, 425, 427, 428–9
destination management systems (DMSs) 406, 410–11
destination specialisation 434–62
comparative advantage 446–61
evolution of (econometric analysis) 453–60
external competitiveness 435–49
variables 434–5
destinations 141–2
carrying capacity 459–60
cost of living 96
evolution in position of tourism industry 445
and globalisation 426, 464, 473
information on 82, 83, 399
and information technology 407, 410–11
life cycle of 459–60
location-specific information 399
management think tank 429, 430–31
marketing 420
planning and development framework 428
stopover 238
and taxation 242, 252–7
traditional 434
unique 177
world top 46–9
see also destination competitiveness; destination countries, external
competitiveness; destination specialisation
developing countries 240–41, 308, 473
and globalisation 469
provision of infrastructure 269
and tourism taxation 242, 256
diagnostic checking of forecasting models 94, 103
diagnostic tests 63–5
dichotomous-choice CVM 370, 373
differential pricing 181–2
discrete choice 75, 76, 78–9
discretionary income 95
diseconomies of scale 178
displacement effects 342–5
distribution channels 406, 407, 408
DMSs (destination management systems) 406, 410–11
domestic deregulation 232–3
downstream segments of tourism industry 451
dummy variables 92–3, 97
e-tickets 405
easyJet 211, 213, 235, 239
ECM (error correction model) 93–4, 105–8
economic activity indicators 61
economic development and public infrastructure investment 269
economic regulation in aviation industry 228
economic resource allocation 359
economic valuation 359, 361–5, 368–9
economies, modelling
  displacement effects 342–5
  and labour markets 342
  political economy of events strategies 348
  regional and national economies integration 339, 341–2
  economies of density 236–7
  economies of scale 177–8, 203, 212, 236, 400–401
  economies of scope 212, 400–401
ecotourism 369
Ecuador 177
education and training 380–87, 389, 391–4
efficient pricing 176
elasticity of demand 182
electronic distribution channels 406
electronic marketing 409
Emirates Airlines 211
employment in tourism 45, 118
  conditions 381, 390
  see also workforce
endogamic alliances 193, 195, 200–205
endowed resources 425, 426
Engle, R.F. 104–5, 107
entertainment taxes 256
entrance fees 261
entry taxes 256
environment, effects of tourism on 45, 239, 243, 256
  see also natural resources
environmental capacity 460, 476
environmental levies 243
environmental protection and information technology 413
environmental resources 360
environmental taxes 308
error correction model (ECM) 93–4, 105–8
euro, introduction of 81
European destinations 48–9, 434
  see also destinations
European travel agencies 158–61
European Union 150, 467
  membership 309–10
  Tourism Satellite Accounts (TSAs) 294
events see special events
exchange rates 60, 91, 96
  see also real exchange rates (RERs)
existence values 368–9
exit taxes 256
exogamic alliances 193, 195, 196, 200–205
expectations of tourists 84–5
Expedia.com 202, 471
experience industry 399
experience products 142
explanatory variables 56–62, 90–93, 98
exports of commercial services 468
exports, taxation 242
Extensible Markup Language (XML) 407
external competitiveness and destination countries 434, 435–8
  changes in demand 436, 442, 449
  comparative advantage 446–61
  real exchange rate (RER)
  fluctuations 442–9, 460–61
external costs 186
external shocks 213
externality, negative 243, 256
extranets 409

  factors of production 423
  fixed costs 175
  Flags of Convenience (FOC) 472
foot and mouth outbreak 307
forecasting tourism demand
almost ideal demand system (AIDS)
model 100–102
cointegration and error correction
models 104–9
current research, critique 102–4
diagnostic checking of models 94
explanatory variables 90–93, 94–7
further research 109–11
model specification 93–4
neural network models 99
single-equation models 93, 98–9
studies 93–102
system equations models 99–102
variables, selection of 94–7
vector autoregressive (VAR) models
99–100
foreign currency holdings 434–5
foreign currency restrictions 92
Formula 1 Grand Prix 317
France 48–9, 270, 438, 451
franchising 198
free-riding 256–7
free trade 464, 472
French National Railways Company
(SNCF) 202
frequent flyer programmes 213–14,
217, 234, 405
frontier counts 90
Galapagos Islands 177
Galileo 193, 194
GDSs (global distribution systems)
192, 193–4, 204
General Agreement on Trade and
Tariﬃ c s (GATT) 464, 466
General Agreement on Trade in
Services (GATS) 464, 466, 467,
476–7
general equilibrium (GE) framework
302–3
gen eral-to-speciﬁ c modelling 103–4, 108
geographic information systems (GISs)
405, 413
Germany 95, 158, 166–7, 270
GISs (geographic information systems)
405, 413
global airline alliances 193–6
see also airline alliances
global conglomerates 86–7
global distribution systems (GDSs)
192, 193–4, 204, 402, 405–6
global open skies policy 477
global positioning systems (GPSs) 413
globalisation 464–78
and airline sector 473–7
and cruise ship sector 471–3
definition of 465
factors affecting 466–7
future research into 477–8
and hospitality sector 469–71
and tourism industry 467–77
true costs of 478
and world economy 477
goods and services tax (GST) 242
government involvement in special
events 318, 346–7
GPSs (global positioning systems) 413
Granger, C.W.J. 104–5, 107
Granger Representation Theorem 105
Great Barrier Reef 368
Greece 438, 451
green tax 256
greenhouse gas emissions 256
gross domestic product (GDP) 95
gross national income (GNI) 95
gross national product (GNP) 95
grounded theory 129
growth of tourism 224, 231–6, 238–41
guest history systems 403
Hawaii 258
Heathrow airport 240
hedonic pricing 82, 150, 365, 371, 372
highways 270–71
holiday homes 289
Holt Winters method 99
Hong Kong 234, 240
horizontal alliances 202, 213
hospitality sector 469–71
and information technology 402–3
mergers and acquisitions 471
quality of service 385
reservation systems 402
room taxes 254–5, 257, 258–9
small and medium-sized enterprises
470, 478
training 380–81, 384, 385
host communities, living standards 473
host irritation 460
hotel function indicator 459
hotel function rate 455
hotels see hospitality sector
human capital 379–81
career paths and skills 383
economic analysis 387–94
education and training 380–88, 391–4
further research 394–5
labour demand 392–3
in tourism literature 382, 389–90
human resource management and
globalisation 468, 472, 478
hygiene 81
I–O analysis 304–5, 318–21
assumptions of model 304, 318–19, 324
IMPLAN modelling system 319–20
I–O and CGE models, comparison
322–40
IATA (International Air Transport
Association) 158, 198
Iberia 194, 475
IMF (International Monetary Fund)
472
impact fees 270–71
imperfect competition 144–5
inclusive tours companies 243–4
see also package tours
income elasticity 95, 96
income variable 57–8, 90–91, 95, 97
India 469
indirect taxes 242
Indonesia 235, 308
industrial organisation (IO)
general applicability to tourism
supply 122
literature on package tour industry
123
literature on tourism supply 121
see also SCP–IO analysis of tourism
inflation rates 60
information 467–8
acquisition 83
of destinations 82
revealed by tourist choices 83–4
information technology 236, 238
and airline alliances 405
and the airline sector 401, 402
and airport operations 402
destination management systems
410–11
and hospitality sector 402–4
importance of 399–401
in marketing 407–8
mobile technologies 411
research into 411–14
and strategic management 404–5
and travel distributions systems
405–6
see also internet
_Information Technology and Tourism: A
Challenging Relationship_
(Werthner & Klein) 404–5
infrastructure 45, 266–78, 423
air transport 239–41
airports 271–3
convention centres 273–4
definition of 266
Olympic cities 276–7
private sector investment in 267,
271–2, 274
public sector investment in 266–8
roads and highways 270–71
stadium and arenas 274–6
innovations 389–90
input–output analysis see I–O analysis
inscope expenditure 317
intangible benefits 317
intangible costs 317
integration strategies 149
intelligent query management 413
intensity rate of tourism 456, 459
inter-firm agreements 197, 204
inter-firm alliances 192–3, 197–8, 200,
203
see also airline alliances; alliances
intermediaries 155–7, 170–72
see also tour operators; travel
agencies
International Air Transport
Association (IATA) 158, 198
international competitiveness see
destination countries, external
competitiveness
International Monetary Fund (IMF)
472
international tourism demand
forecasting
almost ideal demand system (AIDS) model 100–102

cointegration and error correction models 104–9

current research, critique 102–4
diagnostic checking of models 94

explanatory variables 90–93, 94–7

further research 109–11

model specification 93–4

neural network models 99

single-equation models 93, 98–9

studies 93–102

system equations models 99–102

variables, selection of 94–7

vector autoregressive (VAR) models 99–100

international tourism demand modelling 45–6, 49–66

data description 50–52

dependent variables 54–6

diagnostic tests 63–5

explanatory variables 56–62

factors affecting demand 49–62

method of estimation 62–3

model specification 52–4

international tourist, definition 48

international trade 435, 466

international travel 57, 61

internationalisation 466–7, 473

internet 83, 149–50, 171, 408–9

and low-cost carriers (LCCs) 239

and marketing 403, 407–8

see also information technology

internet-based travel agencies 194

internet booking systems 238–9, 244, 405–6

intranets 409

inverse elasticity rule of taxation 260

investment 89

in airports 240–41, 271–3

in human capital 391–2

in infrastructure 266–78

in stadia and arenas 274–6, 319

IO (industrial organisation)

general applicability to tourism

supply 122

literature on package tour industry 123

literature on tourism supply 121

see also SCP–IO analysis of tourism

Iraq war 213

Ireland 438

IT see information technology

Italy 48–9, 438

Jamaica 46–7

Japan 229, 239, 240, 453

Japan Airlines 211

Jetstar 235

Kaldor-Hicks principle 360

Kenya 184, 367, 369

KLM Dutch Airlines 194, 205, 211, 235, 475

knowledge management systems 405

knowledge resources 423

Korean Airlines 476

Kuala Lumpur 240

labour force 380–81, 472

conditions 381, 390

earnings 342, 379, 392, 468

education and training 380–87, 389, 390, 391–4

migrant 472

overeducation of 392

lagged dependent variables 92, 97

Lake Nakaru National Park 367, 369

LCCs see low-cost carriers

legislation, anti-competitive 475

leisure travel 80, 226, 235

liberalisation 465, 477

of airline sector 229, 231–6, 473, 476

of services sector 468

of trade and investment 466, 467

licensing agreements 197–8

linear model 53–4

liquidity of travel agencies 161–2

LL model 53–4, 93

location-based services 411

location theory 140–41

log-linear model 53–4, 93

London Heathrow airport 240

long-haul travel 229, 233–4, 237–8

long-run decisions 174, 176

long-run economies of scale 177–8

loose alliances 474, 475

see also airline alliances; alliances

low-cost airlines see low-cost carriers (LCCs)
low cost and price leadership strategies 147, 148–9
low-cost carriers (LCCs) 147, 205, 234–6, 244
and deregulation 477
impact on tourism 235–6
and information technology 239, 405
as monopoly suppliers 150
subsidised airport use 242
Lufthansa 194, 195, 235

Malaysia 235
Maldives 47
Malta 309–10
marginal cost pricing 175–6, 177–81, 185–6
marginal excess burden (MEB) 309
marginal tax reforms 309
marginalist controversy 128
marginalist theories 128–9
market-based pricing 166
market failure, correction by taxation 256–7
market information, asymmetric 142–3, 149
market signals 143
marketing 91–2, 96–7, 420
analysis applications 407–8
expenditures 61
and information technology 149–50, 403, 407–8
markets
defining boundaries 139, 140–43, 150
performance of 139
structures 139, 143–7
Mauritius 83, 309
MC pricing see marginal cost pricing
MEB (marginal excess burden) 309
mega alliances 194–5, 203–6
see also airline alliances; alliances
mergers and acquisitions 199, 471, 472
Mexico 48, 438
migrant labour 472
minimum-cost production 176–7
mobile phones 411
mobile technologies 399, 411
Mon Repos Conservation Park 369
monopolies 143–4, 150
monopolistic competition 144–5
monopoly pricing 177
moose hunting 373
Motor Cycle Grand Prix 317
motor fuel tax 270
mountain gorilla tourism 177
multi-media information 413
multi-purpose journeys 367
multinational corporations 465, 471
multipliers, derivation of 318–21
My Travel Group 168

naïve models 97–8, 99, 103
Nakaru National Park 367, 369
Nash equilibrium 146
national parks 365, 367, 369, 413
natural oligopolies 145
natural resources 186, 413
pricing principles 173–86
valuation of 361–5
natural resources’ valuation techniques 365–72
choice modelling 365, 373–4, 375
contingent valuation 365–6, 368–71, 373, 374
hedonic pricing 365, 371, 372
limitations of 374–5
random utility model 372, 373
revealed preferences methods 365–6, 367, 371, 372
stated preference methods 365–6, 367, 368, 373
travel cost methods 365–8, 374
nature conservation 364–5
net total economic value 362–3
network technologies 413
neural network models 99
neutrality principle of taxation 259
New York 213, 254–5
New Zealand 150, 229, 234, 438
New Zealand Commerce Commission 219–20
niche markets 127, 132, 147, 148–9
9/11 (September 11) 213, 307
no-change model 97
no frills airlines see low-cost carriers (LCCs)
nature and emissions externalities 243
noise tax 256
non-commercial goods and services 419
non-price components in tourism competitiveness 442
non-storability 141
non-use values 362, 374, 375
Northwest Airlines 194, 211
Norway 148–9, 256

OECD countries 48, 434
comparative advantage 434
competitiveness in tourism 438–49
intermediate tourist destinations 438, 441, 442, 453
major tourist destinations 438, 441
price competitiveness 447–9
real exchange rate fluctuations 444
specialisation in tourism, analysis 450–53
travel-revealed comparative advantage indices 452
oligopolies 130–31, 145–6, 465
oligopoly theory 121, 125
Olympic cities 276–7
Olympic Games 93, 322, 328
on-line reservation systems 194, 408
one-off events 92–3, 97
Oneworld alliance 195, 209, 474, 475
open-ended question CVM 370
open skies policy 233, 477
opportunity costs 186
optimal tax rates 259–60
option values 362
Orbitz 194
Organisation for Economic Cooperation and Development (OECD) see OECD countries
origin countries 57, 90, 96, 426, 434
overcapacity 469
overseas visitor spending 118
own price variable 91, 96

Pacific Blue 477
package tours
pricing of 164–70
SCP–IO analysis of supply 121–7
parallel alliances 213, 215, 216–17, 475
see also airline alliances; alliances partnerships see airline alliances;
alliances
passenger levies 241–2
passive tourism 361
payment card approach 370
PDAs (personal digital assistants) 408
peak load pricing 179–81
per capita income 434
personal digital assistants (PDAs) 408
personal navigation technologies 411
physical capacity 461
physical resources 423
PMSs (property management systems) 402–3
point-of-sale systems (POSs) 402–3
point-to-point networks 234
policy modelling 301–12
political stability 466
pollution 45
pooled data 50–51
population as explanatory variable 90
Portugal 451
POSSs (point-of-sale systems) 402–3
poverty alleviators 477
PPPs (purchasing power parities) 443
price competitiveness 441–9, 458–9, 460–61
price discrimination 183–4
price elasticity of demand 182–3, 184
pricing 173–86
and diseconomies of scale 178
importance of 173–4
interaction in tourism management 182–4
and long-run economies of scale 177–8
minimum-cost production 176–7
principles of 174–5
see also marginal cost pricing; peak load pricing; two-part pricing
pricing strategies 147–9, 175–84
Principles of Economics (Marshall) 120
private investment in tourism infrastructure 266–7, 271–2, 274
privatisation 473
product differentiation 144, 147, 148–9, 150
production specialisation 466
products of tourism 419
profitability of tour companies 126, 127, 130
promotion expenditure 61, 91–2
property management systems (PMSs) 402–3
property rights 360
protectionist practices 468
public investment in infrastructure 266–9
airports 271–3
convention centres 273–4
for economic development 269
Olympic cities 276–7
roads and highways 270–71
stadia and arenas 274–6
public sector airports 272–3
see also airports
public services 251
purchasing power parities (PPPs) 443
Qantas 209, 219–20, 230, 235, 475
qualifications in tourism careers 390
Qualifyer alliance 195, 196, 209, 474
qualifying and amplifying determinants 429
qualitative complementarities 202–3, 204
quantitative complementarities 202–3
Queensland 369
random utility method 372, 373
rational nexus test 271
RCA see revealed comparative advantage
real exchange rates (RERs) 434–5, 442–9, 455, 460–61
fluctuations 444, 458–9
see also exchange rates
recommendations, word-of-mouth 85, 92, 97
recreation management costs 184–5
referendum CVM 373
regional integration 467
regional jets 237
regionalisation 467
regression models 93, 102
regulation, economic 228–9, 231
see also deregulation
regulations in airline sector 477
relative prices as explanatory variable 58–9, 60
rent-a-car companies 168, 244, 402
repeat visiting 85
representative consumer 75–6
RERs see real exchange rates
reservation systems 193, 194, 402
resource deployment 426
resource profiles 200–202
restaurant taxes 256
revealed comparative advantage (RCA) 434, 450–51
revealed preferences methods 365–6, 367, 371, 372
revenue 402
revenue self-sufficiency 177
Rewe Touristik 166, 168
risk-aversion of tourists 81
risks, commercial 163–8
roads 270–71
Ryanair 211, 213, 235
Sabena 205
Sabre 193–4
safety 81, 477
SARS (severe acute respiratory syndrome) 213, 429
satellite accounts 284–5
see also tourism satellite accounts
scheduled airlines 231, 232
SCP–IO analysis of tourism 117–34
future research into 128–32
literature on tourism supply 121, 123
package tour industry 123, 124–7
SCP paradigm 120–21
sea turtles 369
Seabourn Cruises 473
search behaviour of consumers 132
secondary destinations 235–6, 237
secondary residences 289
security levies 243
separability, assumption of
in characteristics model 78
in choice structure 74–5
September 11 (9/11) 213, 307
service, quality of 381
services sector
barriers to trade 468
liberalisation 468
research 388, 394
shadow pricing 347
Shanghai 240
sharing alliances 475
see also airline alliances; alliances
short-run pricing 174–5
simple-to-general modelling approach 102
simultaneous equations model 99–102
Singapore 229
Singapore Airlines 235
single-equation models 93, 97–9, 100
situational conditions 429
SkyTeam alliance 195, 196, 203, 474
see also airline alliances; alliances
slot control systems 239–40
small and medium-sized enterprises (SMEs) 45
and globalisation 470, 478
and information technology 403–4
SNA (System of National Accounts) 284–5
SNCF (French National Railways Company) 202
social carrying capacity 460, 461
social conflict resolution 375
social cost-benefit analysis 359, 360
social variables 460
socio-economic benefits 399
South Africa 234
South America 234, 386
Southwest Airlines 211, 213, 234, 235, 477
Spain 232, 438, 451
taxation system 308–9
spatial aggregation 78–9
spatial impacts of tourist choice 85
special events
assessment, I–O models 318–21
benefits 350
cost-benefit analysis 320, 345–8
definition of 316
government involvement 318, 346–7
impact assessment 317
multipliers in I–O models 318–21
rational strategy 348–51
special taxes 256, 257
specialisation in tourism destinations 434–62
comparative advantage 446–61
competitiveness 435–49
evolution of, econometric analysis 451–61
variables 434–5
specialist tour operators 166
specific-to-general modelling 102–3
stadia and arenas 274–6, 319
Star Alliance 195, 196, 209, 474
see also airline alliances; alliances
Starwood 471
stated preference methods 365–6, 367, 368, 373
static regression models 93, 98
stopover tourism 229, 238
strategic alliances 192–3
see also airline alliances; alliances
strategic management 404–5, 424
structural time series model (STSM) 98
structure conduct and performance paradigm see SCP paradigm
subcontracting 198
subsidiary airports 477
subsidised special events 338
substitutability of transport modes 80, 142
substitute prices 91, 96
supplemental spending 150
supply
SCP–IO literature 121–3
UK package tour industry, case study 122–7
supply constraints 92
supply-side integration, aviation and tourism 243–4
supporting factors and resources 427, 428
Swissair 196, 205
Switzerland 438
system demand models 99–100
system of equations models 99–102
System of National Accounts (SNA) 284–5
Taiwan 148
tax exporting 251–2, 254–5
taxation
ability-to-pay principle 260
on aviation 241–2
benefit principle 260
indirect 242, 253
inverse elasticity rule 260
neutrality principle 259
and special events 338
see also tourism taxation; tourist taxation
technology 459, 466, 467
see also information technology
terrorism 92, 213, 429
Thailand 386
Think Tank on Tourism Destination Management 429
third degree price discrimination 183–4
Thomas Cook 126, 166, 168
Thomson Group 126, 243
time charter contract 164
time constraints 80–81
time series models 50, 97–8, 103, 105, 110
time trend variables 60, 97
time varying parameter (TVP) model 93, 98–9, 108
TISCover 406, 410
Tokyo airport 240
total economic valuation 361, 362–3, 368–9
tour companies 243–4
profitability 126, 127, 130
tour operators 119, 155–7, 243
and airline ownership 244
commercial risks 163–8
economics of 163–8
and globalisation 465
inclusive tours pricing 164–70
income 167–8
integration of 166, 171
specialist 166
and yield management 168–70
tourism
growth of 224, 231–6, 239–41
importance of 118–19
as tax base 241
tourism comparative advantage 446–61
tourism competitiveness see destination competitiveness;
destination countries, external competitiveness
tourism demand forecasting
almost ideal demand system (AIDS) model 100–102
cointegration and error correction models 104–9
current research, critique 102–4
diagnostic checking of models 94
explanatory variables 90–93, 94–7
further research 109–11
model specification 93–4
neural network models 99
single-equation models 93, 98–9
studies 93–102
system equations models 99–102
variables, selection of 94–7
vector autoregressive (VAR) models 99–100
tourism demand modelling 45–6, 49–66
data description 50–52
dependent variables 54–6
diagnostic tests 63–5
explanatory variables 56–62
factors affecting demand 49–62
method of estimation 62–3
model specification 52–4
tourism destination specialisation 434–62
comparative advantage 446–61
evolution of, econometric analysis 451–61
external competitiveness 435–49
variables 434–5
tourism intensity rate 434
tourism intermediaries 155–7, 170–72
see also tour operators; travel agencies
tourism markets 139, 140–47, 149, 150
defining boundaries 139, 140–43, 150
performance of 139
structures 139, 143–7
tourism patterns and aviation technology 236–9
tourism prices as explanatory variable 58–9
tourism receipts 55, 118
tourism-related industries 289, 292
Tourism Satellite Accounts (TSAs) 283–99
in Australia 289, 294, 297
benefits of 292–3
in Canada 287–8, 292, 294
capital formation 297
concepts and definitions of tourism 288–90
development of 286–8, 294
employment module 295
in European Union 294
further directions and extensions 295–9
implementation of 293–5
as indicators of economic performance 298–9
international comparisons of 296
for macroeconomic modelling and
forecasting 298
reasons for 285–6
Recommended Methodological
Framework 288, 290, 294
structure 290–91
subnational and regional 297–8
and tourism modelling 301, 312
tourism specialisation
dynamic, analysis of 451–6
and level of development of tourism
451–61
variables 434–5
see also destination specialisation
tourism supply
SCP–IO literature 121–3
UK package tour industry, case
study 122–7
tourism taxation
as benefit to community 254
correcting for market failure 256–7
definition of 252–3
efficiency of 259–60
equity of 260
on hotel rooms 254–5
incidence of 258–9
industry-specific 241–3
for market failure correction 256–7
to pay for public services 254
reasons for 253–7
special types 256
for tax base diversification 253
see also taxation
tourist choice microfoundations 73–87
characteristics model 77–83
classical microeconomics model 74–7
in a dynamic context 84–5
information revealed by tourist
preferences 83–4
see also consumer choice
tourist, definition 48
tourist expectations 84–5
tourist price indices (TPIs) 58
tourist taxation 252–3
see also taxation; tourism taxation
TourMIS 407–8
trade agreements 467
trade in services barriers 468
traditional destinations 434
training and education 380–87, 389,
391–4
trans-Tasman routes 219–20
transaction cost analysis 121
transportation costs as explanatory
variable 59–60
tavel agencies 119, 156–62, 238, 402,
405, 406
comparison between Europe and
USA 157–9
economics of 157–62
internet-based 194
ownership by airlines 244
travel bookings 405–6
travel companies see tour operators
tavel cost methods of valuation 365–8,
374
travel destinations see destinations
tavel distribution systems 399, 405–6
travel information 399, 406
travel insurance 119, 159
travel intermediaries 155–7, 170–72
see also tour operators; travel
agencies
travel-revealed comparative advantage
indices 452
tavel taxation 252, 256
see also taxation; tourism taxation
tavel websites 407
Travelcare 119
trend variables 97
trip planning systems 406–7
TSAs see Tourism Satellite Accounts
TUI Group 86, 166–7, 168
TVP (time varying parameter) model
93, 98–9, 108
two-part pricing 178
UK 270, 438
employment, tourism related 118
hospitality sector 148
hospitality sector training 385
overcapacity, creation of 469
package tour industry 122
small and medium-sized enterprises
404
stadia and arenas 274
taxation 258–9
tourism expenditure 118
tourism impacts 307
unification alliances 475

see also airline alliances; alliances
uniform tax rates 259, 260
United Airlines 196, 205, 235
United Nations Conference on Trade
and Development 468–9
urbanisation 85
US Airways 209
USA 47, 48, 365, 434
air transport deregulation 191, 232,
233, 234
competitiveness in tourism 438
economic impact studies 320
and information technology 403
low-cost carriers (LCCs) 477
Olympic cities 276–7
overcapacity, creation of 469
public sector airports 272–3
ski resort sector 149
stadia and arenas 274
tourism impacts 307
transportation, public spending on
270
travel agencies 157–9
use values 361, 362
user charges 251, 260–61, 268, 270
vacation homes 289
valuation of natural resources see
natural resources' valuation
techniques
value added tax (VAT) 242, 253
demand chains 200, 201, 202–3
VAR (vector autoregressive) models
99–100, 108
variable user fees 179
variables in demand analysis 90–93,
94–7, 98
VAT (value added tax) 242, 253
Veblen effects 83, 84
vector autoregressive (VAR) models
99–100, 108
Venice 256
Vermont State Park 181–2
vertical alliances 202, 213
see also airline alliances; alliances
vertical integration 132, 465
in hospitality sector 471
in leisure travel concerns 166–7,
168–9
by tour operators 166, 171
between tour operators and travel
agencies 119
Virgin Atlantic 209
Virgin Blue 235, 477
virtual reality 399, 413
visiting friends and relatives (VFR) 90,
95, 469
WAP (wireless application protocol)
410
war, threat of 92
websites for travel 407, 413
Westjet 235
wholesalers 156
wildlife conservation 362, 413
Wings alliance 195, 209, 211
see also airline alliances; alliances
wireless application protocol (WAP)
410
withholding strategies 149
word-of-mouth recommendations 85,
92, 97
workforce 380–81, 472
conditions 381, 390
earnings 342, 379, 392, 468
education and training 380–87, 389,
390, 391–4
migrant labour 472
overeducation of 392
World Bank 472
World Cup, South Africa 328
world economy and globalisation 477
world gross domestic product 434,
473
World Tourism Organisation 48, 224,
301, 429
World Trade Organisation 464, 465,
467
World Travel and Tourism Council
(WTTC) 119, 252, 301, 380, 434
World Wide Web 408
Worldspan 194
XML (Extensible Markup Language)
407
Yellowstone National Park 365
yield management 148, 168–70, 236,
238, 402