



UNIT-3

Marketing in Travel & Tourism

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Discuss the Marketing Strategies in Travel and Tourism
- ✓ Analyse the importance of market research in Tourism

Unit 3

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A Marketing Strategy

The strategies of marketing can be printed as a brief deed, as well. Such a deed can be prepared using the below outlined framework.

- The affiliation between the tourism developing policies and marketing – a quick statement explaining their applications to marketing;
- Growth of international tourism – world and regional – including the global trends and competitor performance;
- Previous accomplishments and results, the findings of Market Research, and the association with regards to the future outlook;
- The marketing prospects made available by the tourism industry – in relation to the reasons for travel and other market division criteria;
- The existing tourism produce – its Strengths, Weaknesses, Opportunities, and Threats (SWOT);
- An explanation of the required product development and enhancements by the tourism development locations (or state, province, region, or county) – blanketing: better access, more resort areas, restaurants, hotels, tourism services, and shopping. The improvement of cultural, scenic, and heritage draws and the add-ons of other appeals like sporting and recreational facilities;
- An explanation of the alterations in markets to be followed. Detailed plans to be pursued to reach these objectives. The anticipated development of the tourism with some idea of the expected numbers of tourists and tourism revenues, according to area/region;
- An endorsement agenda that has been officially developed covering sales, advertising, public relations, representation, and other promoting activities; and
- The advance towards sales in every major market, and the sufficiency of distribution and sales networks. This outline of the strategy provides the framework for the marketing plan. The general approach is depicted in Figure 5.1.

The GTA's Marketing Role

The private sector is greatly caught up in each facet of marketing. Usually, in the well-known destinations, its marketing expenses are much more than those of the public sector. It only makes sense for the public sector to undertake the destination's marketing programme in partnership. The GTA must hold on to the responsibility for portraying the basic image of the country's tourism sector. Also, the GTA itself, in collaboration with the private sector should bring together marketing policies and strategies. The GTA has a main role in product development. It has vital role in shaping and keeping up the total

tourism product to reach marketing goals. Its promotional job is to portray the destination in an overall way; away that differentiates it for the competition. The private sector will then take over to sell in a wide array of ways, using a variety of programmes to different markets. The division of the public and private sector duties is, at times, played out through the statement – “We promote the dream, they sell the package.”

The tour operator’s brochures might be published in the hundreds of thousands, containing very precise marketing objectives. They can contain a destination with many full colour pages, endorsing targeted packages. However, the association between GTA and the private sector makes certain that this type of a picture is in line with the overall marketing strategy. The largest tour operators and travel business interest holders, the airlines, and hotels are

The powers that make marketing success out of a destination.

The GTA helps them in the venture. The GTA portrays a country in the best light possible, adding to its attractions as a holiday venue. Building an image requires continuous work. The GTA and the private sector working together can share the marketing costs of some marketing activities. This can be carried out by establishing a joint marketing committee or a board, or it can be done through ad hoc basis. The chances are greater that the private sector will support activities with visible and precise outcomes. For instance, the travel agency’s getting acquainted trips, travel trade shows, special promotions, and exhibitions.

Figure 5 .1 Marketing plan



The GTAs product development and marketing departments can also work in partnership on investment promotion. They can create a promotional strategy that blankets domestic, as well as, foreign investment.

Market Research

Market Research depends greatly upon managing information system and the GTAs' research department. There has to be a continuous flow of tourism statistics. In many countries, these are frontier statistics, where the processing of the early data is carried out by the immigration authorities frequently in partnership with the government's statistics department. The trends are identified by the GTA and described in regular reports. It is necessary to keep an eye on the performance of the rival destinations and compare.

A note has to be made of which destinations are performing better than others and why? It is simple enough to share statistics with other nations and exchange data on regular basis. Desk research can monitor worldwide movements in tourism. The GTA should acquire continuous intelligence on market behaviour, especially in regard tour operators and main intermediaries selling a destination. A great amount of information can be ascertained by keeping in frequent contact with the travel trade and studying the news. One also has to depend on the GTA managers of the representative tourism offices abroad.

Promotional Activities

If a great portion of tourism is being sold through tour operators and a comparatively low portion through independent travel, this will affect the choice of promotional support by GTA. Alternatively, the high portion of independent travel will need different types of support. Business travel will need yet another approach to promotion, as will health tourism and convention tourism. Domestic tourism will need a more aggressive GTA part, using a different media outline altogether. For instance, radio, billboards, and television are unlikely to be employed in international tourism, but can be used locally.

All promotional activities have to have clear cut objectives. What are the goals? The message has to be clear. What is being said and to whom? The appropriate media has to be employed. Is this the way and the place the give the message and will get it to the right people? In the upcoming sections, a variety of marketing tactics and techniques are explained: advertising, audiovisual and various printed material, travel writing, direct mail, familiarisation trips of travel agents', travel trade shows and exhibitions, special promotions, representative offices abroad, and other public relation methodologies.

Advertising

Advertising is the communication of any non-personal messages and ideas, normally paid, and with the function of selling goods or services. It is recommended to make use of an advertising agency having prior experience, a good record in tourism, and first-hand knowledge of the features of a given market. It should be aware of the most appropriate media to be employed and based on prior experience the

testing and effectiveness of the varying copy, segmentation, layout, coverage, and frequency. The agency will put together a media plan in collaboration with the client, and lay out the marketing justifications for the plans drafted.

The media's advertising costs are discounted to make up for the agency's commissions. Hence, the expenses of the agency to the client can be, for the most part, covered or bargained on a fee basis. GTA advertising is, for the most part, focused on image building. It is always essential to maintain the image of a destination at the forefront. Using advertising to build an image is an expensive prospect, as it typically requires involvement of well reputed newspapers, magazines, and even, television. So, it is all determined by the advertising budget. This in turn will be determined on the size of the country, level of development, and the tourism sector's scale there. Prestigious advertising, such as, a full page spread in *Time* magazine or *Newsweek* is routinely used by many countries. These types of endorsements can also be highlighted in national airlines. Whether image building is effective or not is too hard to measure. When tourism is successful and growth rates are steady, at the same level or better than competitors, it is thought to be effective. If it drops, then, a portion of the fault is usually put on advertising. There might be no significant basis for either deduction.

Better researching techniques have allowed researchers to make a closer association between sales and advertising. But, this is more easily done with consumer products than tourism. The smaller destinations with restricted budgets can depend on other methods of reinforcing the image; most usually through coverage by press – of note are travel writers – and public relations in general. Small destinations are frequently blamed for distributing their budgets too thin. It is recommended that they concentrate their resources, focus their buying power and purchase smaller volumes of image building advertising. It is however, a judgement call. A lot will be determined by how well a destination is performing and the capacity that exists. If sales have to be enhanced significantly, then the high profile advertising approach may be justified. If a lot of the tourism is made up of independent travel, the GTA can place some advertisements in the travel trade press. If a significant market of business traffic exists, it too might justify some travel trade endorsements. The GTA can also link with tour operators and airlines to put travel trade advertisements associated with a specific promotion or programme. It is not likely, except, in case of some domestic promotions, for the GTA to advertise by itself. They will more likely work in association with the private sector. Combined marketing initiatives normally include some advertising.

More commonly, television and radio are employed in promoting domestic tourism. A few destinations do however make an effort to use television and radio in major markets. Television marketing can have wide ranging effects, but it is expensive in terms of producing and air time. Many Caribbean destinations make use of television endorsements in North America during their winter season.

Printed and Audiovisual Material

The function of printed or visual material (mainly, video) in tourism is to inform, promote or educate. For instance, a brochure is created to promote a destination, whereas a city map informs and a museum leaflet can mainly be educational. All three functions can also be combined in a single form of printed

matter. A brochure can be printed which is not solely promotional; a city map can promote tourist appeals and have advertising; a museum leaflet

can have recommendation for other things to see or do, in addition to carrying advertising. People usually do not hold on to material that is only promotional, but if it has useful information, or educational information usable for future reference, they may keep it.

The function of any such item must be defined as clearly as possible.

- What is the reason for this?
- Towards whom it is aimed.
- What should be said?
- What result is to be achieved?
- Where will people get it from? At what localities will it be available?
- Will it be mailed, or distributed? If so, how?
- How many should be printed?
- How will it be used or distributed?

A large proportion of promotional material is generated without ever considering these questions thoughtfully. Material without specific function is a waste of funds. If a piece of material is going to be mailed, then its size and weight are essential considerations. Traditionally, brochures are printed for mailing purposes. However, a destination brochure can be meant for a display rack; in which case, it may be larger, bolder, and striking.

Brochures

As stated, the exact function and use of the brochure must be defined. This is important for determining size, design, and layout. A brochure must not contain too many photographs or excessive amounts of text. Important information like maps, telephone and fax numbers, agencies/reservations, and addresses should be included. Brochures have to be brief, crisp, and imitate the style of the destination. The number of varying brochures produced is determined by the destination; for instance, you can have a brochure with general appeal, a sports appeal and a cultural appeal. It all will be determined on the composition of the product and market, inclusive of mainstream and special interest segments. Individual brochures can be created for specific activities like diving or trekking. A special brochure can be created jointly with a tour operator and an airline to encourage a special programme.

Posters

Posters are a trendy and efficient method of promotion. If they are first-rate they can be displayed. They have to show the image of a destination prominently. They can also be put up for sale to the public and help cover the costs.

Collateral Material

Materials like lighters, pens, writing cases, credit card wallets, and postcards are considered collateral materials. This type of materials carries the GTAs logo and is employed in public relations and endorsement needs, typically as giveaways. Once again, it must have a design and quality that is compatible with the image.

Promotional Videos

Endorsement videos are the most common audiovisual content employed. These types of videos are a major image projecting tool of any destination. A video communicates a strong total message – this is the location, this is who we are, and this is what you will get. The has to be approximately 15 – to - 20 minutes, no longer, and must fast - paced, comprehensive with immediate impact. It has to captivate the viewer's interest from the beginning to the end. Hence, it needs to be professionally produced. It is best to invite bids. This allows for assessing the creativity and originality of the film makers. It will also allow for the verification of the destination's correct image interpretation. The CD-Rom and multimedia applications will provide numerous future potential for tourism endorsements.

Travel Agents' Manual

While this is frequently known as a manual, it can just as easily be called a guide or a directory. It is a suitably produced material including a complete description of the destination. It must contain all inbound tour operators, hotels, travel agencies, tourist attractions, restaurants, sporting and recreational facilities, entertainment facilities, and the total range of tourism services offered. This makes available to agents an important tool. It is a priceless source of reference and the destination's visiting card. It contains the needed information to make bookings and carry out business with a destination. While a costly item to put together, a significant portion if not all may be recovered through advertising. Information regarding rates and tariffs is better printed on a different sheet to accommodate reprinting and updating.

This type of a manual is geared toward retailers and small independent tour operators and not really for the larger establishments. This is because the large companies will bargain their contracts directly and probable sell through their own catalogues. It will be of great value to agents booking independent and small travel groups.

Direct Mail

Direct mail is another advertising medium. The postage cost makes it fairly expensive, but it is an efficient method of communication with the travel trade. It is better to hook it with the distribution of a normal newsletter or information bulletin. The updated mailing list of tour operators and agencies can be kept in the MIS. Sub-lists can be made up of clubs and associations connected to special interest markets. For instance, diving clubs, historical associations, golf clubs, and cultural groups. Databases permit mailing lists to be published for any given purpose; country, type of agency or establishment, and geographical area.

It is generally not suitable for GTA to make use direct mail for a restricted sales purpose. It is better used for general advertising and Public Relations; to supply revised information, keep in contact and keep the destination in the front of the public's mind.

Travel Writers

The market information system should bear the specifics of the chief travel writers of possible significance to a destination. The files should be maintained up to date, with particulars of published articles. Some of the writers may, of their accord, opt to visit or write about the destination. They may do this through GTA or independently. The GTA has to appraise any request on the basis of its collected criteria. Other than this, the GTA should come up with its own list of travel writers on an annual basis. The selected writers should be invited to pay a visit to the destination and write about it.

The GTA should take care of the transport and accommodation costs at the destination. To take care of these arrangements, the GTA should coordinate with the private sector. Writers should be invited on an individual basis and never together. Writers may get in touch with the GTA, requesting for visits to be made possible and accommodations set up. An introductory editorial letter or an appointment may be requested. The GTA might decide to cooperate if the magazine (readership and circulation) and the offer seem to be acceptable.

Alternatively, it may only be willing to arrange a discount and help with the agenda. Certain kinds of proposals may not be useful, at all. Certain magazines will offer editorial space provided advertising space is taken. Several employ a fixed formula – a certain amount of advertising is equated with a given amount of editorial. While some of these offers might be worth bearing in mind, one needs to be careful.

Advertising and editorial space need to be thought of as one package. The goal has to be transparent and the expenses warranted. Writers occupied with guide books or travel books have to be judged on a criteria parallel to the above mentioned. Are they recognised? Are they carrying an editorial letter from publishers? Is the piece of work meaningful? If yes, then, GTA should provide maximum cooperation. GTA can take the lead in endorsing proposals for specific types of guide books or travel books. It should establish contact with publisher to provide proposal outlines and explicitly state the assistance which it is ready to provide. The function, and precisely why a given book is required, should be justified clearly. The quantity of copies, readership, distribution, and the expected impact – should all be considered.

Travel and Agency Familiarisation Trips

Familiarisation trips should be an ongoing process. It is vital to keep successive waves of travel agency staff moving through and becoming acquainted with a destination, the staff having this type of first hand product know how plays a major role in sales. Having been to a destination and they will be able to talk of it with greater conviction and passion. The agencies that are invited need to be among the largest producers of business. The tour operators selling the destination can provide recommendations for agencies so can the airlines.

A GTA, by taking visitor surveys, working in collaboration with inbound operators, airlines, and hotels can also accumulate their own files. The MIS needs to keep files on all agencies, and slowly build a record of the varying supporting networks of retailers. The representative offices of the GTA abroad can also supply beneficial advice on which agencies should be included. The agenda should be produced in partnership with the private sector. This is the type of a task which a joint marketing committee or board and take up. For a majority of destinations, the duration of trips usually last three to five days. Visiting groups can be composed of 30 agency personnel or even more. Sometimes, the tour operator might even dedicate the whole flight, at the programme's start, to getting agents acquainted. The personnel are shown the facilities and hotels, tourist appeals and all other key features of a destination. They have their meals in wide ranging types of restaurants and make note of the entertainments available. They should try out everything a destination has to offer.

Travel Trade Shows and Exhibitions

There are a number of reasons for a destination's presence at travel trade shows and exhibitions:

It is an opportunity to strengthen the destination's image – to clearly display what it represents and has to offer. It allows for cooperation with other tour operators already selling the destination, providing a chance to reinforce their sales efforts.

- It allows some productive public relations activities – press conferences, receptions, interviews, and radio;
- It may incorporate television appearance with the accompanying singers, dancers, and musicians;
- It may allow for direct sales check-ups with the general travel trade; and
- It can prove to be critical in forging the first contact with one or more operators of tours, with follow-up destination visits arranged.

It is a general conception that some new deals are made at trade shows. The quantity of selling done is entirely dependent upon the inbound operators and hotels going with the GTA team. As these are the individuals doing the selling, come up with a variety of new arrangements and packages, and carrying out the bargaining on location. The stand has to be of a quality and standard that indicates the image of the destination. Designers specializing in the field should be used to create something imaginative and eye catching. It is also beneficial to get help of musical groups and dancers, and have the country's best artists or performers having international fame perform. It is not uncommon for destinations to hold special nights, using national themes combined with dinner and entertainment. If this is to be carried out, there has to be sufficient budgeting for it. Some activities must be carried out for the sole purpose of overall image building.

Special Promotions

Special promotions overseas might, at times, be run in cooperation and involvement at travel shows. Different activities can be held in the same week: a food and culinary festival, fashion shows, dance/folklore performances, pop concerts, and music recitals. This can be a portion of the campaign

related to a there. One has to be, as always on the goal to be reached. Success will be determined for the most part on coverage, timing, preparation, support, and budget.

Representative Offices Abroad

The offices abroad play a vital role in marketing. Their function is not to work for the ambassador of the country; assist in local reservations, travel, or airport 'meet and greet' services for official government visitors. They have to be independent and separate from the local embassy.

This office plays a vital role in pinpointing market information. It has to keep an eye on what is going on in the market and make frequent reports to the GTA. It will also carry out Public Relations work, by maintaining close contact with travel writer, radio producers, and other people in media. It can coordinate with local advertising outfits, which are hired by the destination.

Other Public Relations Activities

The GTAs Public Relations department of the marketing division can take up the duties of in a number of areas already examined, like the familiarization trips and travel writers. There are additional key public relation duties. A damage control plan should be ready to handle any sudden and negative publicity. Like an earthquake, civil disturbance, a natural disaster, or even, the murder of a tourist. Quick action is required to try to minimize the effect of the bad news coverage. It can be telephone calls to people who offer public opinions, press conferences, emergency advertising, or any other activity determined by the occurrence and the market or how it is affected.

Dealing with letters of complaints is a whole other field. Complaints have to be followed up and probed, and an in - depth answer, which was made ready for the GTA's Chief Executive's signature. There needs to be close cooperation with the regulation and control department, as some establishments might disregard the minimum standards set. Occasionally, complaints should be studied and printed into a report form. It may be beneficial to set up press conferences occasionally, headed by the GTA Chief Executive, as these can serve as a productive way to communicate with the media. An unrestricted question-answer session at the end can help to create a relaxing and open environment. It will aid in winning positive media support for carrying out future plans and development of tourism.

Measuring Promotional Effectiveness

Rules of thumb are mentioned regarding how many items of endorsement material are required to bring in one tourist. But no general rule exists. However there is a link in the minds of many people about the successful an endorsement is and the budget. A destination reaches a specific noteworthy rate of growth and this is in part due to the endorsements. It is believed that the promotional budget amount was correct. As previously mentioned, this is not necessary. There are standard rules about the percentage of tourist revenues that have to be used for endorsements. They are also prone to misinforming. The endorsement required is that which will produce an expected result. *Nothing more or less.*

Endorsements – the types and contents are a matter of judgement. There are a large number of factors in play, that it is impossible to pinpoint the precise reasons for a destination's results. The GTA endorsements prepare the stage and supplement the private sector. It 'sows the seeds' in the market and the private sector needs to follow through. This is what image building is. Upon the private sector's following through, the GTA moves on with other promotional programs that provide support; for instance, travel writers, trade shows, newsletters, and familiarisation trips.

A nonstop movement of feedback through tour operators, surveys, trade press, advertising agency studies, and hotels is a must. It gives the ground work to be able to assess the effectiveness of promotional activities. As experience is gained, it is understood what works and what doesn't and what can work but has not yet been attempted. Suppose the GTA did not spend money on promotion starting tomorrow, would it matter? This is the main question. The promotional usefulness of the private sector is measured with ease. The tour operator's catalogue – the most essential promotional tourism tool – can, in part, be appraised by the sales results reached. But there numerous factors contributing to an individual's buying decisions; endorsement is just one.

Marketing Objective and Results

The objectives and results reveal the marketing strategy explain at the beginning of this unit.

Objective

To go over and execute a marketing strategy, discover the market segments whose attention is to be gained, the marketing standard to help with product development, and the plans and programmes for all related endorsements, sales, promotional, and Public Relations activities.

Result 1

Review the marketing prospects and tourism product, the choice of market segments, and putting in action of the marketing strategy.

Result 2

A marketing plan, created and sanctioned, with details of printed material, promotion, advertising, direct mail, representation, and Public Relations activities – including the appropriate budget.

Marketing Activities

According to the results desired above, one group of activities deals with the review and putting into action the marketing strategy. While the second group manages the planning and putting into action the promotional agenda.

Result 1 - Marketing Strategy

When putting into action, the marketing strategy when possible must include goals for every market segment. This can take into account the number of tourists, duration of stay and (for international

tourism) the foreign exchange earnings value. Such a division can follow the purposes of travel listed already; recreation, leisure, and holidays (mainstream, special interest, and alternative tourism), a visit to friends and relatives, professional and business, religion/pilgrimage, or other. In each of these divisions, the marketing strategy and be concluded and put into action in accordance to the following activities:

- Go over the Market Research and findings of intelligence (from desk research, surveys, and MIS) relating to visitor contentment, needs, and competitor advantages etc. coordinate with the research department? Recognise and fulfill the requirements for any more information;
- Get a background brief ready of previous tourism performance and recognise trends. Recognise marketing prospects by the country of tourist origin, market segment, gauge the matching appeal, and effect of the tourism product in marketing value;
- Re-examine and create the marketing mix: price, image, promotion, product, and supply by area/province/region chosen-facilities, location, services, and attractions: Strengths, Weaknesses, Opportunities, and Threats (SWOT);
- Organise the produce – separate by province/area/and region;
- Work together in the preparation of developing the plans and putting them in action;
- Get an evaluation of every market: profile, gender, nationality, stage of life, type of transport, social grade, and distance travelled;
- Pinpoint the psychographic background – if information is available, state any possible changes that are happening;
- Have a plan for the marketing results desired – duration of stay, quantity of tourists, and expenditure, by area/region;
- Design and put into action the promotional program (see separate activities); and
- Incorporate marketing activities with areas outside research and product developing; of note would be development of management its organisation, regulation and control, development of human resource, and programs to create public awareness.

Result 2 - Promotional Activities

The below mentioned activities are required to develop and execute the promotional program (Result 2 of marketing objective):

- Go over all of the working relationships with retailers, tour operators, and methods to develop the network of sales for each market;
- Establish the marketing partnership with major airlines;
- Evaluate the image in chosen markets in relation to identity and appeal (positive, as well as, negative points) and the appropriate marketing mix. Hold talks with private sector on shared marketing scheme and funding, also, arrange and settle on a budget;

- Go over and design printed material – posters, brochures, folders, and publications, also, put together a production and distribution agenda and equivalent costs;
- Put together a schedule for producing any audiovisual matter;
- Collect mailing lists of both tour operators and retailers, plan the use of direct mail, publication, and delivery of newsletter or comparable matter;
- Arrange any advertising to be taken on and placed – by chosen market;
- Develop yearly plans in cooperation with each representative office overseas and or arrange for other overseas functions;
- Put together travel agents' familiarisation trips and representation at trade shows;
- Make arrangements to work with travel writers and journalists, make a list of who to invite and when to invite them;
- Put together other required Public Relations' festivities;
- Join forces on investment promotion activities;
- Plan any special endorsements. For instance, during a Tourism Week, by joining forces with private sector geared towards both tourism promotion and public knowledge;
- Get ready and reach an agreement on marketing budget; and
- Put the promotional program in action and keep a close - eye on how effective it is.

Further Reading:

- ✓ *Victor T.C. Middleton, Jackie R. Clarke, (2001), Marketing in Travel and Tourism*
- ✓ *J. Alf Bennett, Johan Wilhelm Strydom, (2001), Introduction to Travel and Tourism Marketing*
- ✓ *Mike Morgan, Ashok Ranchhod, (2009), Marketing in Travel and Tourism*