

TOURISM MARKETING

INDEX

1. GOALS
2. BENEFITS
3. TOURISM MARKETING
4. MARKETING STRATEGY
5. THE PRODUCT
6. THE PRICE
7. THE DISTRIBUTION
8. THE COMMUNICATION
9. DESTINATION MARKETING
10. CONCLUSIONS

1 GOALS

The objectives of this guide are:

- Define a marketing strategy applicable to tourism businesses.
- Describe the techniques for the development of tourism products.
- Apply adequate prices for tourism products.
- Expose the new trends in business communication.

2 BENEFITS

The benefits of the tourism marketing guide are:

- Availability of quality information on the range of services and products offered by the establishment.
- Ease of access to the advertising information of the establishment.

3 TOURISM MARKETING

To understand what tourism marketing is, first we must know what marketing is

Marketing comprises a set of concepts and techniques programmed to establish a sales process aimed at achieving greater efficiency in the production and sale of products or services, helping to achieve greater business profitability.

What do we call tourism marketing?

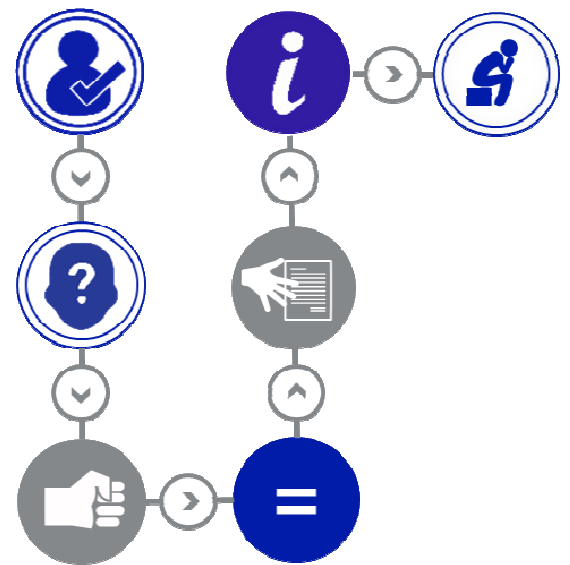
Tourism marketing is an instrument of action that allows the company:

- Research the market.
- Segment.
- Position.
- Develop a product strategy.
- Communicate.

- To sell.

Marketing objectives

1. Identify
2. Investigate
3. Decide
4. Coincide
5. Provide
6. Report
7. Made a decision



Marketing mix

It is a coordinating action of marketing on one, several or all its elements:

Product.

Price.

Distribution.

Communication.

We need these concepts to elaborate our MARKETING STRATEGY.

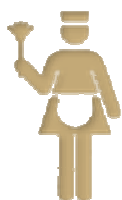
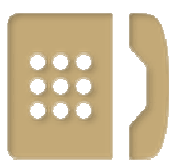
4 MARKETING STRATEGY

To develop our own marketing strategy, we must follow a series of steps:

- A. Define our portfolio of services.
- B. Perform an internal and external analysis.
- C. Define customer segments.
- D. Select our positioning strategy.
- E. Define our goals.
- F. Plan actions to achieve the goals.

DEFINE OUR PORTFOLIO OF SERVICES.

We must put in a document what services we offer to our clients; complementary services may be more important to our clients than the main ones.



Example: Complementary services in a hotel:

A hotel offers as its main product accommodation in different types of rooms: single, double, triple, suite, junior suite, etc.

The accommodation, which covers the basic needs of the tourist together with the maintenance services, is complemented with other (complementary) services, depending on the clients:

- Breakfast / Lunch / Dinner
- Parking
- Minibar
- Laundry
- Wi-Fi access, Internet
- Pool, gym, spa
- Meeting rooms, fax, projector, laptop, screen, copier, coffee break
- Others: shop, press, hairdresser, nursery, transfers, leisure proposals, bike rental, entertainment, etc.



KEYS FOR REFLECTION::

Identify the services offered by the company and their characteristics.

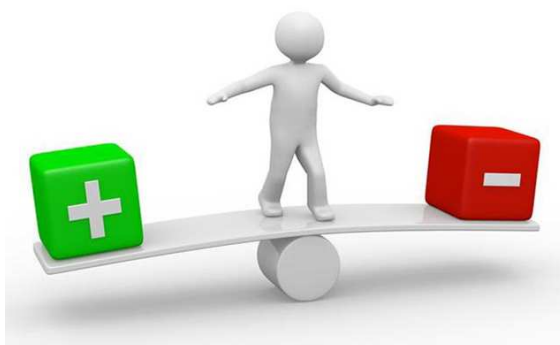
- Central services.
- Complementary services.

Make a double reflection:

- Is my portfolio of services ENOUGH to satisfy the needs of my clientele?
- Are all the services I offer PROFITABLE?

B PERFORM AN INTERNAL AND EXTERNAL ANALYSIS.

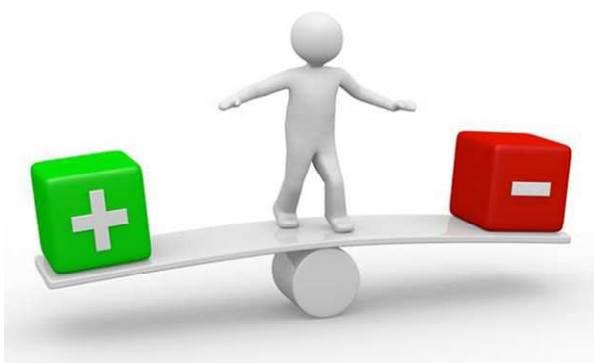
We must analyze both our business and the social and economic reality that surrounds us. Positive and negative aspects related to the environment of the organization, which may have an impact in the future.



Some of the keys to identifying opportunities or threats are obtained by asking ourselves questions such as:

- Are there new tourist's resources in the destination that can have an impact on the influx of tourists?
- Have the trends in purchasing our service changed?
- What impact new technologies have had on our sector (reservations, information search, etc.?)
- Are new competitors emerging? What are they better / worse than us at?

We must also analyze our own organization, what are our strengths and what are our weaknesses.



Do we have qualified and motivated people?

Are we well organized internally?

How do we assess the adequacy and quality of the facilities?

Have we incorporated the new technologies?

How do we rate the relationship with suppliers?

Do we have enough allies to complement our service offering and / or support the development of our business?

With this analysis we seek to take advantage of the opportunities offered by the market, enhancing our strengths, and correcting our weaknesses.

C DEFINE CUSTOMER SEGMENTS.

What is market segmentation?

Market segmentation divides the market into groups with similar characteristics and needs in order to suggest a differentiated offer adapted to each of the target groups. This allows us to optimize resources and use our marketing efforts effectively.



“THE COMPANIES THAT WORK FOR ANYONE THEY END UP WORKING FOR NOBODY”

Market segmentation variables:

- Sociodemographic: the market can be segmented according to age, income, area of origin, family situation, etc.
- Lifestyle / interests: ecologists, urbanites, athletes, interested in culture, interested in gastronomy, etc.

A clear example of a good market segmentation strategy in the fashion sector is Inditex. The Spanish fashion manufacturer and distributor has perfectly known how to segment a mature and complex market into groups with similar characteristics. The Inditex group addresses the market through its chain stores: Zara, Pull and Bear, Massimo Dutti, Oysho, Uterqüe, Stradivarius and Berska. Each of them targets a different market segment with a different product offering, depending on the needs of each segment.

How can we get to know our clientele?

- Carrying out surveys and providing recommendations.
- Observation and continuous dialogue with customers.
- Opinion portals. Ex: Tripadvisor.
- Studies of institutions - observatories.
- The destination data: managing bodies, tourists' offices, Provincial Councils, tourists' observatories, etc.

“MANY BUSINESSES FAIL BECAUSE THEY DO NOT KNOW WHAT THE CUSTOMER IS LOOKING FOR”

KEYS FOR REFLECTION::

1. Detect the different customer segments, analyze their characteristics and reasons for purchase..

2. Select the target market::

- What is the growth forecast for the segment?
- Is it a segment served by multiple competitors?
- Are the factors that influence your purchasing decisions in line with the aspects that differentiate us as a company?



D. Select our positioning strategy.

POSITIONING is the image perceived by my company clients in relation to the competition.

To improve our positioning, we must choose one or several distinctive factors that differentiate us from our competitors; price, quality of service, innovation, exclusivity, location, customer service, wide range, flexibility.... are some of the factors that we can use to differentiate ourselves and improve our position in the market.

IT IS NECESSARY TO STRENGTHEN AND MAKE THE DIFFERENTIAL FACTOR VISIBLE THROUGH SPECIFIC MARKETING STRATEGIES

KEYS FOR REFLECTION::



1. What is the factor or factors that differentiate us from the competition?
2. Do you think that the clientele recognizes us for our differential factor?
3. What concrete actions have we put in place to strengthen and make this factor visible?
4. Could we launch additional actions?

WE DEFINE OUR GOALS.

In any strategy, it is necessary to establish objectives to define where we want to go and to have a reference that allows us to know if we are progressing correctly towards the objective or if we stagnate or even regress due to the count.

To establish a good measurement system we need objectives, indicators, and goals:

Objectives

It is the expression of what you want to achieve.

Indicators are magnitudes used to control the achievement of the objectives.

Goals serve to quantify and specify the indicators and therefore the objectives they are associated with.



OBJETIVES	INDICATOR	GOAL
• Build customer loyalty	• % of repeat customers	• 25%
• Increase the turnover of Romanian customers	• % increase in turnover	• 5%
• Increase presence at Romanian tourism fairs	• number of fairs attended	• 2



KEYS FOR REFLECTION:

Taking into account the chosen positioning and segmentation strategies, what objectives and indicators can we set to track them?

IF PLAN ACTIONS TO ACHIEVE THE GOALS.

To plan the actions that allow us to reach the goals, we must establish concrete actions, determining for each one of them: deadline, responsible person within the company and budget.

For the establishment of actions we must consider:

- 1) Defined segmentation and positioning strategies and defined objectives..
- 2) Strategies linked to the different areas of the marketing mix: PRODUCT, PRICE, DISTRIBUTION



“The marketing plan is a written document in which, in a systematic and structured way, and after the appropriate analyzes and studies, the objectives to be achieved in a given period of time are defined, as well as the programs and means of action that they are necessary to achieve the stated objectives within the foreseen term”

MARKETING PLAN



It is important to monitor and measure the actions included in the marketing plan to assess results, effectiveness and return on investment.

5 THE PRODUCT

WHAT IS THE PRODUCT?

A product is a tangible or intangible element that satisfies a consumer desire or need and that is marketed in a market; that is to say, it is the object of exchange.

The purpose of the product is to satisfy a specific need of a customer.

The benefit of a product is what a customer perceives and / or values.

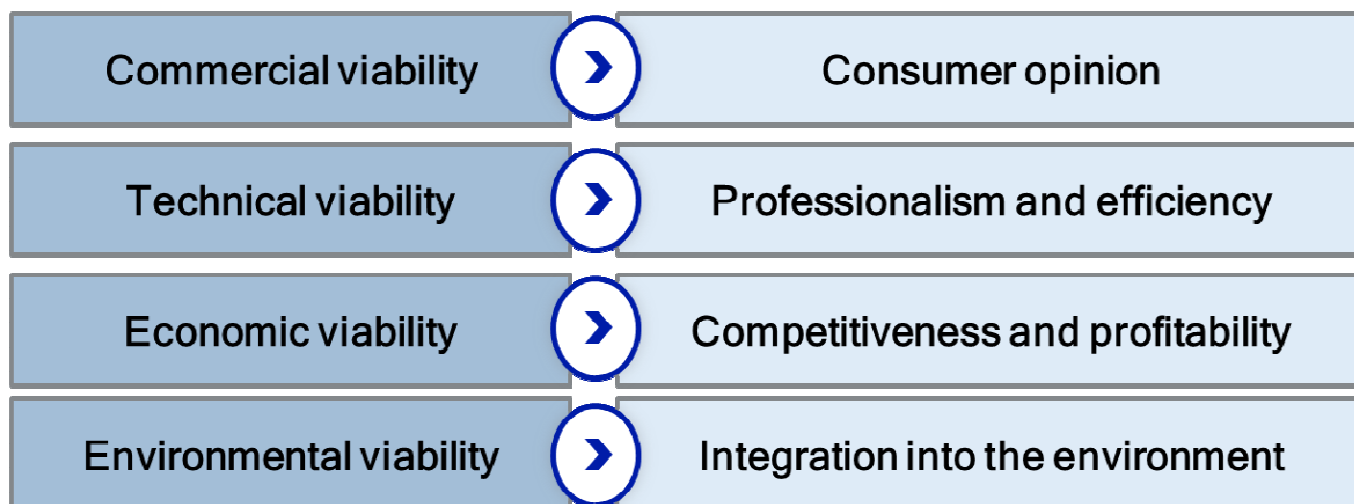
CHARACTERISTICS OF THE TOURISM PRODUCT

- It is intangible at the point of sale.
- Your purchase only gives you a right of use, at a specific time and place.
- It cannot be resold.
- It cannot be proved; does not exist prior to purchase.
- It is perishable; it cannot be stored.
- It cannot be transported; customers move to the place of consumption.
- Its production and consumption are simultaneous, with the direct participation of the buyer.
- Contact with the customer is direct.

Characteristics	→	Product itself
+		
Functions	→	needs that it solves
+		
Image	→	Brand contribution, additional services
+		
Price	→	Adequate and competitive
+		
Comunication	→	Message and value
+		
Distribution	→	Accessibility
=		
Product		

TOURISM PRODUCT DESIGN.

To design a tourism product, its viability must be studied.



Factors that contribute to define the tourism product

- The facilities and infrastructures of the company.
- The location and the site.
- Skills, experience, management, and initiative of the company.
- Human capital: the company's staff.
- The destination and its tourism resources.
- Complementary service companies.
- The competition.
- Innovation and technological advances.
- The target: characteristics, tastes, preferences, needs, etc.
- Market trends.
- The differentiating element.
- The season (high-low).
- Regulatory regulations.
- Tourism policies: destination / territory / State.

6 THE PRICE

The price is the value set by the tourist and the provider of a tourist service at the time of establishing a voluntary exchange.



TOURISTS' PRICING

If we use the cost + model, we must include the costs of the product, advertising, communication, and insurance.

To all of this we complete our benefit and obtain the final price of the tourist product.

To establish a pricing strategy, a process must be followed.

First, collect information about:

- Cost evaluation.
 - a) Facilities.
 - b) Equipments.
 - c) Personal.
 - d) Working capital.
 - e) Basic services.
 - f) Taxes.
 - g) Administration.
 - h) Maintenance.
 - i) Guarantee and security systems.
 - j) Raw Materials.
 - k) Personal.

- Customer identification.
 - a) Current customers
 - Origin and econometric characteristics.
 - Consumption motivations.
 - Price sensitivity.
 - b) Potential customers
 - Identification and segmentation.
 - Consumption motivations.
 - Price sensitivity.
- Identification of competitors.
 - a) Immediate competitors
 - Competitor prices in the same market.
 - Price strategy.
 - Strengths and weaknesses.
 - Levels of diversification, quality and added values.
 - b) Replacement competitors
 - Competitor prices in replacement markets.
 - Price strategy.
 - Strengths and weaknesses.
 - Levels of diversification, quality and added values.
 - Advantages of the value of the alternative destination.

Second analyze:

- Relationship between price and sales. What is the customer's perspective on the relationship between product attributes and price?
- Relationship between price and costs.
- Relationship between price and customer perception. What is the value perceived by the customer for the service offered?
- Competitor reactions to our price variations:
 - How can the competition react to a variation in our prices?
 - Where can penetration barriers be established for competitors?
 - For which customer segments do we have an advantage over the competition?

What customer groups are critical to your competition?

Finally, we set the prices

- We prepare a price list. It is a contractual document that collects the prices per service, as well as the conditions that regulate the segmentation by seasons, clients, offers by quantity, commissions, discounts, and surcharges.
- Communication campaign to value our product. Respond to purchase impulses. Relate prices with demand segments (appearance of tailored prices). Associate prices with service advantages over the competition. Support the market value of quality brands (obtain benefits from the investment made in guaranteed systems).

Fixing prices

- 1) The prices must be included in a coherent and complete rate document. (The tourism sector, and specifically the business, related to hotels and tourists' apartments, due to its rigid structure of fixed costs and low variable costs, has a great capacity to adapt and segment its rates to many hiring cases and demand segments).
- 2) Prices are not negotiated; payment conditions, reservation period, variable supplements ... are negotiated (haggling reduces the perception of the value of the service in the customer).
- 3) If the customer or the intermediary wants a lower price, they will have to give something in return.

7 DISTRIBUTION

Distribution is the external structure that allows establishing the physical link between the company and its markets to allow the purchase of its products and services.

The distribution seeks to achieve the following basic objectives:

- Formalize and develop the purchase and sale operations of the products and services of the companies.

- Generate greater purchase opportunities for consumers.
- Facilitate the user or consumer to obtain information and purchase the company's products and services.

DISTRIBUTION COMMERCIAL STRUCTURE.

The tourists' product reaches its fullness when the target audience makes the purchase decision, perform the trip, and pays for it.

It is necessary to consider the peculiarities of the tourists' product in the commercialization: it is intangible and perishable.

In the act of sale, the product does not change hands if the transmission of its right of future use is not ensured.

In the provision of the tourist service, the contact between the provider and the consumer is established directly, normally outside the distributor.

8 THE COMMUNICATION

Communication consists of transmitting, in the most effective way, the chosen message to the target audience, to allow them to react favorably and make the purchase decision.

Instruments of communication are those means through which the message is transmitted to potential customers.

	COMMUNICATION OBJECTIVE	SUPPORT
Brand and corporate image	Transmit the values of the company.	Business cards, leaflets, brochures, advertisements, web, guides ...
Advertising	Generate knowledge. Create and modify consumption habits	On-line and off-line media.

Direct marketing	Customize the offer.	email, smart advertising based on customer search history
Fairs	Improve the positioning of a tourist product / destination .	Stand at fairs, presentations, conferences, online broadcasts.
Relationship with the media	Improve the image. Create and modify attitudes.	Communication cabinets.
Promotions	Boost the sale.	Gifts, discounts and loyalty club.

THE WEBSITE

The first, and probably most important, communication tool is the website. The creation of a website must consider:

- The visual impact and ease of navigation.
- The usability and accessibility.
- The adaptability to resolutions (desktop, tablets, and smartphones).
- The segments to which it is directed.
- The updates of the contents.
- The conversion systems: call, book, chat and write @.
- Languages.
- Interaction with the user and their participation: ratings, comments, photographs
- Opening of social media accounts: Facebook, twitter, Instagram, Pinterest, blog ... (important: only open those that are going to be updated).

Keys to keep in mind when creating a website:

- The design must be attractive and intuitive for users.
- The message must create an expectation of enjoyment or benefit.

- The content of photographs and images must exceed the textual content.
- The target market segment must be identified with the image of the website.
- Textual content must be informative, using concise and clear language.
- The composition of the text must be structured in various sections and in a font that favors reading.

9 DESTINATION MARKETING

It is one of the branches with the most projection of tourism marketing. It is a way of selling that goes beyond a product and an experience.

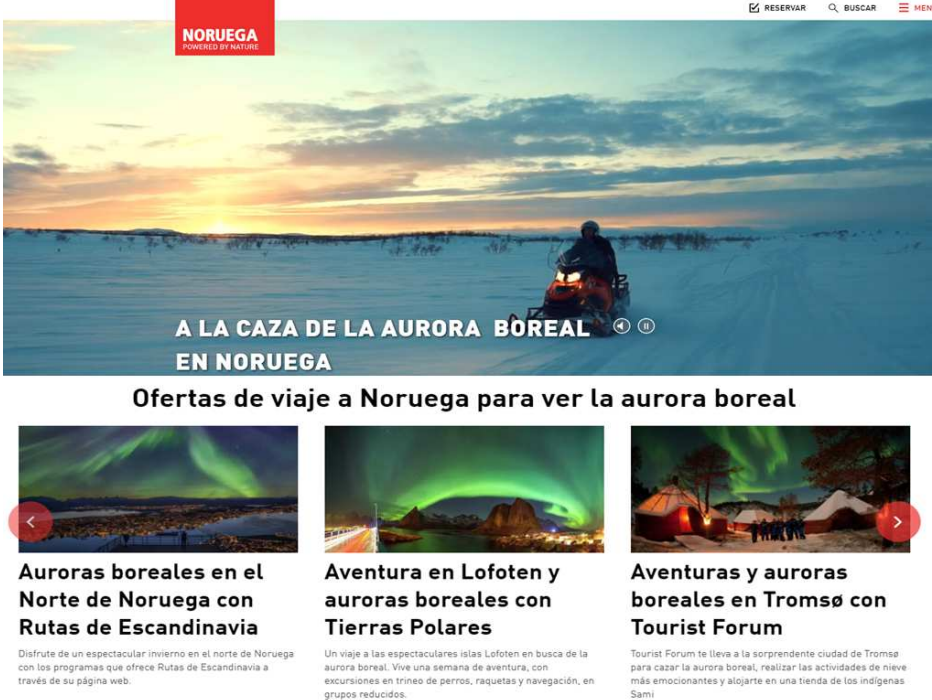
Destinations are created by grouping the tourist assets of a region and promoting them together to create a more plural and attractive offer; gastronomy, nature, heritage, archeology ... It is a way of generating value for various sectors in a specific territory, taking advantage of the synergies that are generated between them.

WHERE DO WE DIRECT OUR CURRENT MARKETING CAMPAIGNS?

Destination promotion campaigns seek interactivity with potential customers, using new technologies, with 360° promotion and marketing actions, experiential marketing, and a strong presence on social networks.

Online customer loyalty campaigns are frequent, every day more powerful and high-quality content is used for use on smartphone or tablet devices.

An example of exclusive experience, hunting for the Northern Lights in Norway



NORUEGA
POWERED BY NATURE

RESERVAR BUSCAR MENU

A LA CAZA DE LA AURORA BOREAL EN NORUEGA

Ofertas de viaje a Noruega para ver la aurora boreal

Auroras boreales en el Norte de Noruega con Rutas de Escandinavia
Disfrute de un espectacular invierno en el norte de Noruega con los programas que ofrece Rutas de Escandinavia a través de su página web.

Aventura en Lofoten y auroras boreales con Tierras Polares
Un viaje a las espectaculares islas Lofoten en busca de la aurora boreal. Vive una semana de aventura, con excursiones en trineo de perros, raquetas y navegación, en grupos reducidos.

Aventuras y auroras boreales en Tromsø con Tourist Forum
Tourist Forum te lleva a la sorprendente ciudad de Tromsø para cazar la aurora boreal, realizar las actividades de nieve más emocionantes y alojarte en una tienda de los indígenas Sami.

10 CONCLUSIONS

- 1) Marketing expresses the philosophy of companies that focus their strategy on satisfying the needs and desires of consumers.
- 2) A product is a tangible or intangible element that satisfies a consumer desire or need and is traded in a market system; that is to say, it is the object of exchange.
- 3) To set profitable prices, you must gather information and do a strategic analysis.
- 4) Distribution can be defined as the external structure that allows establishing the physical link between the company and its markets to allow the purchase of its products and services.
- 5) Communication consists of transmitting, in the most effective way, the chosen message to the target audience, to allow them to react favorably and make the purchase decision.
- 6) Digital strategies are essential to opt for a good position in the market.
- 7) The mobile phone and social networks are key pieces to capture the attention of customers and talk with them.