

Bonita M. Kolb



TOURISM MARKETING FOR CITIES AND TOWNS

Using Branding
and Events to
Attract Tourists



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Bonita M. Kolb, Ph.D.



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PREFACE

Tourism Marketing for Cities and Towns teaches readers how to develop a city's brand to attract tourists and their spending. The brand that is developed will use a city's already existing tourist attractions, distinctive cultural features, natural beauty, and/or heritage. These unique features plus the available tourist services can then be packaged together and promoted to tourist segments, including day visitors, business travelers, and traditional tourists. To create this branded package the reader must learn how to analyze the urban tourist product, target the correct visitor group, research their needs, and then develop a promotion plan. Special emphasis will be given to designing a promotion plan using branded events and tourist packages targeted at specific tourist segments.

What is unique in this book's approach is that it encourages those studying or working in tourism to view tourism development as a community-based effort to encourage economic development. Partnering with other city organizations and tourism businesses in planning events will provide the tourism office with additional resources. Collaborating with public groups will help to ensure that the community feels involved rather than isolated from the tourism industry. This information will be of especial value to smaller cities and towns that do not have a developed tourist industry.

Particular attention is given in the book to the concept of analyzing the city as a product. The city's main features, tourism services, and image are all carefully discussed because a thorough analysis of the city as a product is essential to developing a successful marketing strategy. Numerous checklists are provided of ideas for features and services that can be incorporated into a branded image. In addition to targeting potential tourists, the book contains information on promoting the city as a tourist destination to tour companies and convention-planning businesses.

This book is a combination of theory and practice. The theory is introduced first, but each chapter quickly focuses on how marketing can be implemented to develop tourism. In every chapter, numerous examples are presented of cities and towns that have successfully utilized branding and packaging to attract tourists. Of particular interest to teachers and practitioners is the inclusion of worksheets at the end of each chapter. The worksheet questions can be used immediately to put into practice student or practitioner ideas. When completed, the worksheets will form the basis for a strategic marketing plan.

This book is intended for students enrolled in tourism and travel programs. Specific classes in which it could be adopted include those on urban tourism, tourism marketing, destination marketing, and general tourism and travel marketing. The book could also be helpful in urban studies programs. Because many cities and towns rely on cultural facilities to attract tourists, the book would also be of value in cultural or arts marketing classes. Practitioners in the fields of travel and tourism, city management, economic development, and destination marketing will find this book useful in implementing their job responsibilities. In addition, practitioners in arts marketing will find this book helpful in targeting tourists as part of their audience development strategy.

The organization of the book follows the marketing process. The first chapter explains the history of tourism marketing and presents a broad overview of the subject. Chapter 2 discusses marketing theory and provides information on how to analyze the external environment for threats to the tourism industry and opportunities of which tourism marketers can take advantage. Chapter 3 goes into great detail on how to analyze the city by means of the concept of a core, supporting, and augmented product. How to analyze all of the information from the environmental analysis and the product analysis for strategic marketing opportunities is covered in Chapter 4. Chapter 5 examines how to segment potential tourists into groups based on external and internal characteristics, while Chapter 6 examines the motivation of tourists in choosing destinations. To attract tourists it is important to understand their needs, so Chapter 7 covers the topic of tourism research. Chapters 8 and 9 describe ideas on how to package and brand the city as a tourist product. Tourism promotion via advertising, public relations, sales incentives, direct marketing, and websites is covered in Chapters 10 and 11. Chapter 12 describes how to promote to tour companies and convention-planning businesses using personal selling, trade shows, and familiarization tours. In addition the chapter covers budgeting and ideas for collaborative efforts with neighboring cities and the state tourism office.

Tourism to Cities and Towns

CHAPTER OBJECTIVES

- Examine the history and current status of urban tourism.
- Establish the connection between tourism and economic development.
- Explain the application of marketing concepts to tourism promotion.
- Introduce the purchase process and its connection with targeting visitor groups.
- Present the relationship between branding and promotion.

TOURISM MARKETING DEFINED

Although marketing is a new field of academic study as compared to such fields as chemistry and philosophy, marketing is not a new human activity. After all, people have always produced surplus goods or services that they wanted to barter or sell. To do so they first needed to find someone willing to make the exchange. The practice of marketing simply takes this basic human behavior and plans its strategic implementation.

Tourism is also a new field of academic study, but it too is an activity with a long history. After all, people traveling to visit other places is not a recent phenomenon. As early as the religious pilgrimages of the Middle Ages, seeing the sites was always a part of the reason for undertaking a trip.

The marketing of tourism is simply applying the appropriate marketing concepts to planning a strategy to attract visitors to a destination, whether resort, city, region, or country. While there are many definitions of marketing, the definition used by the American Marketing Association on their website, www.marketingpower.com, perhaps defines marketing best: “the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational goals.”

The definition describes marketing as an exchange that satisfies both the individual (the visitor) and the organization (in this case, the city and its citizens). Unfortunately marketing is sometimes misunderstood as only selling; with the city convincing the tourist to visit even if they really don't want to come. While selling is an important part of promotion, there would be no long-term gain for a city to focus only on convincing people to visit without first making sure the city offers the experiences they desire. Even if a city used high-pressure sales techniques to convince tourists to visit, this would be a shortsighted strategy because tourism success relies on repeat visitors. A tourist swayed by a sales pitch that paints an unrealistic picture of what the city has to offer would most likely be unhappy with the experience and not visit again.

The definition states that the marketing exchange should also meet the needs of both the city and those who live there. The city has a mission to provide for the needs of its citizens, including maintaining the infrastructure, providing for public safety, and encouraging economic development. Therefore developing the city as a tourist destination should be undertaken only if the economic benefits improve the quality of life for the city's citizens. The economic benefits tourism can provide include increasing tax revenue so that more money is available for infrastructure maintenance, attracting visitors who may someday relocate to the city, and providing for economic development through attracting new businesses. Therefore marketing cities is providing a product that meets the needs of visitors while improving the quality of life for the city's citizens—the primary mission of the city.

What's in a Slogan? Topeka by Any Other Name . . .

The City of Topeka decided they needed a new marketing campaign to attract tourists, so they assembled a committee of 11 citizens to provide ideas on an appropriate brand image. The group decided to focus on Topeka's railroad heritage and the importance of freedom, themes that were to be incorporated into a logo and slogan.

To involve the community in the process of developing the campaign, the group then requested ideas for slogans from local residents. Good suggestions were received, such as "Topeka, a great place to grow" and "Topeka, the beat of the heartland." Sorry to say, not everyone had such a positive view; or else they just had a sense of humor. Other suggestions included "Topeka, not as bad as you think" and "Topeka, you won't get a lot of unwanted relatives visiting you." It is not anticipated that the last two will be used! (*Topeka Capital-Journal*, 2004)

Questions to Answer

- Do we have a slogan we can use in promoting our city?
- If we do, when was our slogan last reviewed?
- If a new slogan is needed, how can we involve the community in its development?

HISTORY OF URBAN TOURISM

The activities of cities and towns have always been of interest to both visitors and those who stayed at home. Postcards of city scenes produced in the late 19th century were designed to show Main Street bustling with markets, parades, and festivals. In fact, when Main Street developed, one of the most important criteria in planning the layout of a building's site was to maximize the traveling public's exposure to each business (Francaviglia, 1996).

The marketing of places in the United States can be traced back to the selling of the western frontier to American citizens. Once the railroads had connected the populated east with the sparsely populated west, efforts were initiated to motivate people to travel. The "See America First" movement, an early example of such an effort, was started to encourage U.S. citizens to use the new cross-continental railroads to visit the west. To meet the needs of the new tourists, entrepreneurs first built luxury hotels in places such as

California's Yosemite Valley that duplicated the luxurious ambience of eastern resorts. While enjoying the natural splendors was the first inducement to tourism, it was only a short time later that experiencing the excitement of the new cities, particularly San Francisco, became the reason to travel west. Early promotional messages contrasted the adventure of exploring the cities of the United States with visiting the old civilizations of Europe. A good example of this approach was used by the See America First movement, with the slogan "See Europe if you will, but See America first" (Shaffer, 2001).

The construction of the transcontinental railroads also led people to settle permanently in the vast geographic region between the two coasts. These fledgling towns located in the United States heartland marketed to easterners to encourage them also to move west. Many cities were successful in attracting visitors by marketing the advantages of their new town in comparison with other, older, established cities. For example, the city of Wichita, Kansas, grew from 50 people in 1870 to 40,000 in 1888. This growth was the result of a collaborative effort between the local newspaper, businesspeople, and civic organizations that positioned Wichita as a new, and better, Chicago (Ward, 1998).

Growth in Urban Tourism

The recent growth of the tourism industry results from three social changes: development of the transportation infrastructure, increased disposable income, and improved access to communication technology. The development of the transportation infrastructure allowed tourists to easily visit locations that were once considered remote. In addition, more people now have sufficient disposable income to use for travel, the cost of which has meanwhile decreased due to competition between companies in the tourism industry.

Access to improved communications technology has also sparked a growth in tourism. People now have an increased awareness of different countries and cultures. This awareness can in part be credited to the vast amount of global information provided by the Internet. This knowledge of other people and cultures, combined with convenient transportation systems and the necessary income to fund the trip, means more people are motivated to travel to new destinations, including cities.

These three social changes—transportation systems, increased disposable income, and communications technology—have increased the number of people traveling and also the frequency of travel. This overall increase in tourism provides an opportunity for even a small city or town to develop as a tourist destination. However, for this to happen, cities and towns need to understand marketing strategy. Attracting tourists will occur only if the city or town has a desirable product that is properly branded and promoted.

Everyone's Heard of Vancouver BC, But What about Vancouver, WA?

What happens when everyone has heard the name of your city but thinks it's someplace else? When Hilton Hotels decided to open a \$73.1 million hotel and conference center in Vancouver, Washington, just across the border from Portland, Oregon, they realized they had a problem. To sell the Hilton as a conference destination, they would have to sell the city as a location. Fortunately, since the hotel is the key to revitalization of downtown Vancouver, business leaders were happy to help in developing promotional materials that would portray a new, vibrant image for their city.

A year before the hotel was even opened the city had already produced a brochure with a short history of Vancouver and a map of local businesses. The Hilton used this promotional material to help attract conferences. The hotel and the community are working together because each has an interest in ensuring that both the hotel has customers and the city has visitors (Nelson, 2004).

Questions to Answer

- Is the name of our city distinctive in any way?
- Does it have any positive or negative associations?
- Is the name of our city similar to that of a better-known city?
- How can our name be incorporated into a slogan that can be promoted to tourists?

TOURISM AND ECONOMIC DEVELOPMENT

The idea of using tourism to encourage economic development is now new. The City Beautiful movement, which was influential at the beginning of the 20th century, maintained that physical improvements to a city's infrastructure would in turn help to improve social relations among its citizens. Of course the recommended improvement projects, such as civic centers, parks, and street improvements, cost money that taxpayers were not always willing to spend. Therefore those involved with the movement reminded local citizens, particularly those with businesses, that not only would the improvements make the city a more pleasant place in which to live, they would also attract tourists. The movement's supporters argued that these visitors would then

spend money that would increase business revenue and therefore indirectly benefit all citizens (Cocks, 2001). The same argument is still being made today.

While cities welcome the money spent by visitors, tourism is not the total answer to improving the economic health of economically troubled cities and towns. However, it can be one part of the solution to increase business revenue and provide employment opportunities. Developing a tourism industry can also change the image of the city, and this new more positive image can be the catalyst for other positive economic changes, such as attracting new residents and new businesses.

Economic Health of Cities and Tourism Development

Cities can be described as being in one of three stages of economic health: economically strong, in decline, or in transition. An economically healthy city will have expanding business and industry sectors that induce new residents to move to the city because of employment opportunities. Such a city probably will already have an established tourism industry because its positive image attracts tourists. In fact local residents might even complain about the negative effects caused by the many tourists visiting the city.

Warhol in Slovakia?

Although Andy Warhol's parents were both born in Medzilaborce in eastern Slovakia, he never even visited the city. However Medzilaborce decided there was enough connection to brand itself as "Warhol City." How was this strategy implemented? Tourism officials had nine houses and four bus stops in the town center decorated in Warhol's signature pop style. Photos of the houses and bus stops were then used on the city's promotional materials, including giant billboards. Surprisingly, in a place that was never even on the tourist map, the Warhol Family Museum of Modern Art now welcomes 10,000 visitors a year (Reid, 2004).

Questions to Answer

- Was anyone famous, or infamous, ever born or ever live in our city or the surrounding geographic area?
- If not, have such a person's relatives been born or lived here?
- If so, how can we use their association with our city in promoting our image to potential tourists?

However, there are two reasons that even economically strong cities must still think about promoting their image. First, if their tourism strategy is successful, it may be copied by a competing city that offers similar attractions with less crowding. Second, even if the city has no fear of competition, a change in the public's opinion of the city or a desire for a new experience can cause a decline in tourist numbers. For these reasons, even cities that are successful tourist destinations must remember that marketing is an ongoing effort.

On the other end of the spectrum are cities that have lost businesses and industry and are in economic decline. This decline may be because the industries have become outdated or because businesses have moved elsewhere, taking with them jobs and tax revenue. The result is an out-migration of the city's residents, who must look for new opportunities in other cities. Many of the citizens still living in the city will suffer from a high level of unemployment and as a result need a variety of social services. Unfortunately the city is less prepared to meet these needs because of the loss of tax revenue. To find the funds to help unemployed citizens, cities often must neglect maintaining the city's physical infrastructure. This neglect results in a further decline in the city's image.

This type of economically depressed city may find it too difficult to attract tourists because of the neglected infrastructure and the city's negative image. If the city does put its resources and energy into developing a tourism market, it can result in developing a tourist enclave surrounded by an economically depressed community whose residents feel shut out from any benefits tourism might bring.

The Importance of Saying It and Meaning It

"I Love New York" and "Virginia Is for Lovers" both have instant associations in people's minds because the slogans have both been in use for more than 25 years. One of the secrets to successful branding is to ensure that the slogan and logo are remembered, by using it frequently over a long enough period of time. In addition, what the slogan says about the city must actually be true. Whether the new Dallas slogan of "Live Large, Think Big" or San Francisco's "Only in San Francisco" is successful remains to be seen. However, it may be Columbia, South Carolina's new slogan of "Where Friendliness Flows" that will last the longest. Why? Because the city is having hotel workers, waiters, and taxi drivers take "friendliness" training so that the slogan will be more than just words (DePasquale, 2004).

(continued)

Questions to Answer

- Does the positive image that will be used to promote tourism accurately reflect our city?
- If not, how can we make sure that the city reflects the positive view of the slogan?
- What steps can be taken to ensure that the attitude and behavior of our city's hospitality workers reflect our slogan?

Developing a new tourism sector where one does not already exist works best for a city that is in a state of economic transition. The city may decide to focus on developing tourism as a result of external influences, such as the loss of business and industry. Rather than waiting until the number of lost jobs results in an economic crisis, tourism is seen by the city as a way to diversify the economy. Because the city is not yet in decline, it still has the ability to attract the funds necessary to improve the city's infrastructure. Citizens will support investing in infrastructure improvements because they understand that, besides attracting visitors, the strategy will retain and attract new businesses and residents. A city in economic transition is able to develop as a tourist destination because it still has the available tax revenue and citizen enthusiasm to support the implementation of a marketing strategy.

Of course as the tourism marketing strategy is implemented, the city still needs to be aware of possible complaints from the community about the development of a tourism strategy. Usually these complaints are on three subjects: overcrowding, undesirable visitors, and low-paying jobs. The way to address the first two complaints is by carefully targeting the correct segments of potential visitors. The way to avoid the last is by not relying on tourism alone as a means of economic development. In fact, if tourism is the only option for economic development, the city may be too far in decline to successfully attract tourists.

MARKETING CONCEPTS APPLIED TO TOURISM

The standard strategic model for marketing a product is an equal focus on the "Four P's" of product, place (distribution), price, and promotion. However, when applied to the marketing of cities, this model must be adjusted. The city as a product can only be experienced or consumed by traveling to that city. Consequently the product is also the place. Different visitors can consume this

product/place at various price levels. For example, the city can provide expensive events, such as an opera festival, while at the same time providing free events, such as free concerts in the park. As a result, when marketing cities, price is not the primary strategic focus.

Proud of Being Navy

That Norfolk, Virginia, is a Navy town was simply taken for granted by its citizens. It wasn't until recently that the city decided to embrace and promote the fact that the U.S. Navy has major military installations in the area. The Norfolk Convention and Visitor Bureau has now packaged the military attractions into a military-themed "Rediscover Your Freedom" package. The package includes hotel accommodations and admission to the Armed Forces Memorial, The MacArthur Memorial, the Virginia War Museum, and the Battleship Wisconsin. The promotion of this popular package is also benefiting other businesses and attractions. Since the start of the promotion, attendance and revenue have increased for the MacArthur Center Mall, the Chrysler Art Museum, local restaurants, and other nonmilitary attractions.

What is the lesson that can be learned from Norfolk's experience? Don't ignore what is right under your nose. What might be taken for granted by the local residents could be an exciting new experience for tourists (Connolly, 2003).

Questions to Answer

- Do we have any active military installations in our area?
- Does our area have any important or unique military history?
- How can this military presence be used to brand and promote our city to tourists?

However, promotional strategy is essential when marketing cities. Developing a promotional strategy for a city is challenging because much of what a city has to offer is intangible and can only be promoted indirectly through communication of an image. Even if a city is a place worth visiting, tourism will not develop unless this positive image is promoted. Because people must spend considerable time and money to visit the city, unless the promotion effectively communicates the city's positive image, the potential tourist will

not take the risk of visiting. Therefore when developing a marketing plan to attract tourists, the emphasis must be equally on developing the city as a product/place worth visiting and promoting what the city has to offer.

The City as a Product

A product can be a physical good (something tangible), a service, an idea, or an experience. Marketing a city is unique because it is a product composed of a physical good, a service, and an idea, which combined provides the visiting experience. A city contains physical goods, such as the buildings (with their architecture), the parks, the streets, the monuments, and even the transportation system. These physical features will be an important component in developing the city's image, whether as a historical, traditional, or modern city. Another feature of the physical product is the city's geographic setting. Being located by a river, ocean, or mountains adds to the value of experiencing the city. The cultural facilities and religious buildings are also an important component of the physical product. All of these together will be used to develop the city's image.

The services the city provides tourists are also part of the visit experience. These tourist services include the obviously needed hotel rooms and the dining establishments. However, tourist services can also include events such as theatrical productions, dance performances, concerts, festivals, parades, shopping, and even sports (Hughes, 2000).

Combining the physical city and the services/events creates the city's image. This image can be of beauty, excitement, charm, or artistic value. The image can also arise from the lifestyles and values of the local residents, such as an ethnic culture, the friendly attitude of the residents, or an emphasis on family fun. This combination of the physical product, the services/events provided, and the image the city conveys is part of the experience of visiting the city. It is actually this entire experience that must be promoted when marketing a city as a tourist destination (Table 1.1).

THE URBAN MARKETING PROCESS

While the traditional marketing process and the marketing process for cities and towns may look similar, the differences are crucial. The traditional marketing process starts with an examination of the external environment to discover if social, political, legal, and technological changes have resulted in a potential consumer market. If there is a market for the product, the next step is selecting a consumer segment to target. After an analysis of this segment's

TABLE 1.1 Product Components of the City

Place	Services/Events	Image
Interesting architecture	Festivals	Exciting
	Parades	Historical
Historical buildings	Cultural events	Charming
Cultural facilities	Plays	Friendly
Churches, temples, mosques	Sports	Beautiful
Unique street patterns	Tours	Artistic
Public parks or squares	Cinema	Ethnic
Walking paths, canals	Hotel rooms	Spiritual
Mountains, rivers, oceans	Dining	Licentious
Monuments	Entertainment	Family fun
Transportation system		

TABLE 1.2 Differences in Marketing Process

Traditional Marketing Process	Process for Marketing Cities and Towns
Analysis of external environment	Analysis of external environment
Selecting a target consumer segment	Product analysis
Choosing a product	Selection of consumer segment to target
Deciding on price and distribution	Product packaging and branding
Planning the promotion mix	Developing the message and promotion
Evaluating the results	Evaluating the results

needs and wants, a product is then developed that will provide the benefits desired by this specific group of consumers. The product is then priced appropriately, based on the consumer segment's income level. A distribution plan is developed to ensure that the product is placed in the most convenient purchase location for the consumer. Then a promotion plan is created using the components of advertising, public relations, personal selling, direct marketing, and sales incentives that will best communicate the product's benefits. Finally the results of the marketing effort are analyzed (Table 1.2).

While the marketing process for cities and towns also starts with analysis of the external environment, because the desire of people to travel to cities is an established fact, less emphasis is placed on analyzing if there is a potential

consumer market. It is safe to assume that although external factors may cause variation in both the numbers of people who travel and their chosen destinations, there will always be segments of potential tourists to target.

While the first step is similar, there is an important difference in the second step of the marketing process. In the process of marketing cities and towns, conducting a product analysis is of critical importance. While a for-profit company may have the choice of developing a completely new product focused on what consumers may need or desire, this is not true for cities, where the product already exists. However, the city as a product can be more fully developed to meet the needs of tourists. To do so, a thorough and objective product analysis of the city's strengths and weaknesses must be undertaken.

After the city has been analyzed, a group of potential tourists is chosen as the target market segment that would be most likely to visit the city. Marketing a city is challenging because so much of what a city has to offer consists of intangible benefits, such as excitement, a sense of history, and architectural beauty. For this reason, packaging and branding, which are usually just one part of the promotion process, are given additional emphasis when marketing cities. Packaging involves bundling the city's main attraction with other tourism services. Branding involves creating a slogan and logo that will place the image of the city in the mind of the potential visitor along with the benefits a visit will provide. A promotion plan is then created using the methods of advertising, public relations, sales incentives, and direct marketing. Finally, after the tourism strategy has been implemented, an analysis of results is undertaken to assess if the plan has been successful or if adjustments need to be made.

Analyzing the City's Tourism Potential

The most important step in the process of developing a marketing plan to attract tourists is a thorough and honest analysis of what features and benefits the city has to offer. First the physical features of the city must be analyzed to determine which can be used to attract tourists and which need to be improved. Second, a survey of the local businesses and nonprofit organizations must be conducted to determine which offer services or events that might be of interest to tourists, even if the business or organization is currently not marketing to visitors.

When analyzing the city as a tourist destination it is important to focus not only on the city's features and services but also on the benefits the experience of visiting can provide. It is equally important to promote these benefits. Potential visitors have many destination options. They will not take the risk to visit somewhere new unless assured of the benefits they will receive (Table 1.3).

TABLE 1.3 Relationship between Product and Benefit

Tourist Product	Benefit Provided
Historic sites	Reinforcement of national values or identity
Entertainment venues	Excitement not found in everyday life
Cultural organization	Quality art experience not found elsewhere
Amusement park	Family togetherness

For example, visiting historic sites provides visitors with the benefit of reinforcing their national values or identity. Visiting a city might also provide tourists with entertainment options that offer the benefit of excitement not found in their everyday lives. Tourists may also visit a city and attend a cultural performance to receive the benefit of a quality arts experience that is not available to them at home. Likewise, a visit to an amusement park can provide the benefit of family togetherness. The analysis of the city as a product to discover both these features and benefits is one of the most important steps in the development of a city’s strategic marketing plan.

However, analyzing the city as a product can be difficult because the citizens may no longer notice the city’s history, beauty, educational institutions, cultural opportunities, or even climate because they are taken for granted. Nevertheless it is still the city’s citizens who have the most knowledge about what the city has to offer. Rather than have a top-down approach, where the city brings in a consultant to develop the brand image, it is better if the community works together with local citizens to develop a marketing plan. This type of community involvement is also an excellent means of encouraging local residents to have a more positive view of the idea of developing a tourist industry. Once the marketing plan is implemented, this more positive perception of their community as a tourist destination can lead to a more welcoming attitude toward visitors.

Beach + Arts = San Diego

What do you do when your city has two conflicting images: one as a city of beach bums and the other as a city for cultural aficionados? San Diego decided to promote a combined image of having both the beach and the arts. City tourism officials developed a new slogan “San Diego Art + Sol” campaign. As the website www.sandiegoartandsoul.com explains,

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San Diego may have the weather of the Mediterranean, but it also has the culture of a big city. Since 2000, San Diego has been successfully promoting itself as one of the great cultural cities of the nation, without turning its back on its beach image (Bowen, 2004).

Questions to Answer

- What are the unique characteristics of our city that immediately come to mind?
- Do any of our city's unique characteristics present conflicting images to potential tourists?
- Can we creatively package these images together to position our city as truly unique?

CONSUMER BEHAVIOR AND THE PURCHASE PROCESS

The traditional model for understanding how consumers purchase a product describes a rationale process of need recognition, information search, evaluation of alternatives, purchase, and postpurchase evaluation. However, in real life the process is not so neat and tidy. This is especially true when consumers make decisions regarding tourist destinations they have not previously experienced.

Consumers may visit a city because they first decided to travel and then found a location that provides the experience they desire. For example, a consumer may be faced with deciding where to go on his or her annual vacation. Because of the commitment of time and money involved in making the trip, the potential tourist will probably spend a considerable amount of time searching for information and comparing various options before deciding what city to visit. The sources of information he or she may rely on include promotional material that presents factual information on the city's products, services, and benefits. The person may also research competing cities on the Internet and ask friends and relatives for recommendations.

However, the decision to visit a city can also be made without an extensive information search. In this case a person might feel a desire for relaxation or excitement without identifying travel as a way to meet this need. The person may not conduct an information search because of time pressure from daily responsibilities. Since the city can't rely on potential tourists always taking the time for an informational search, the city must create promotions that com-

TABLE 1.4 Differences in the Purchasing Process

Tourist Buying Process	Trade Buying Process
Identification of need for visit	Identification of needs
Search for destination information	Establishment of specifications
Emotional evaluation of choices	Visiting feasible locations
Visit	Evaluation based on factual information
Postvisit Assessment	Negotiation of terms

municate emotionally the benefits that a visit will provide. The city also must ensure that this promotional message can be easily seen by using media that reach the targeted potential tourist. This often means creating an image of excitement or uniqueness to catch potential tourists’ attention and help them realize that a visit to the city is exactly what they need.

Because of differing levels of motivation, promotion needs to be focused on persuading the potential tourist to visit, using factual information, emotional persuasion, or both. Even if the potential tourist may initially choose the location based on factual information about the physical city and tourist services and events, it may be the promoted image of the city that supplies the emotional appeal that finally motivates the visit (Table 1.4).

Travel Intermediaries and the Purchase Process

Travel intermediaries are companies that also purchase tourist products, such as tour packages, but for resale to their customers rather than for their own consumption. The purchase process differs because most travel intermediaries, including tour operators and convention associations, are interested in cities that will provide specific benefits they know are desired by their customers. The travel intermediary first establishes these specifications as to the physical city, services/events, and image that their customers prefer. They then will identify feasible locations based on factual, rather than emotional, information provided to them by the city’s tourist office. To verify this information, a travel intermediary representative will make a personal visit to the city. Because the tourist trade consists of businesses that need to make a profit, this representative will be very interested in negotiating a good purchase price, including discounts and additional free services. While interested in the benefits the city can provide for its customers, the benefits the travel intermediary desires will be reasonably priced packages with events that can be easily sold.

Even Climate Can Be Used to Brand a City

Lake Tahoe, California, has decided to brand itself as the cooler alternative to Las Vegas. In addition, tourism officials want to promote the benefit that Lake Tahoe, unlike Las Vegas, offers more activity options to the visitor than just gambling. While tourism officials don't anticipate that hard-core gamblers will forsake Las Vegas, they do anticipate that their promotion will persuade people living in the southwest that Lake Tahoe, unlike Las Vegas, offers a resort area where golfing can be enjoyed even in the afternoon. To communicate this message, they created this slogan: "Lake Tahoe. So Close. So Cool" (Gardner, 2004).

Questions to Answer

- Is our city known for its climate, either positively or negatively?
- Do we have any unique climatic occurrences, such as storms, extreme cold, or rainfall?
- Can we use our climate and its unique occurrences in our image?

TARGETING VISITOR SEGMENTS

Developing the tourist product, packaging and branding, and then planning the promotion must always focus on the needs and desires of a specific visitor group or segment. Therefore developing tourism requires segmenting potential visitors into different groups and then deciding which segments could be most easily persuaded to visit. These are the segment or segments that will be targeted with a promotional campaign.

It may seem easier and more cost effective to target everyone. However, this strategy will not be successful in attracting visitors because people's needs and desires differ and a message that is appealing to one group may be unappealing to another. The tourism official might decide to target a single group of potential tourists or more than one segment. However, targeting more than one segment will result in the need to develop a different promotional message for each.

Potential visitors can be segmented using various methods, only one of which is the traditional demographic targeting strategy. When segmenting demographically, the focus is on grouping potential tourists by gender, age, income, occupation, and family life cycle. A growing focus in marketing the

TABLE 1.5 Visitor Segmentation

Means of Segmentation	Target Group
Demographic	Age, income, gender, family status, ethnicity
Geographic	Local, regional, national, international
Psychographic	Relaxation, excitement, nightlife, adventure, romance
Usage	Traditional tourists, day visitors, business visitors

city as a tourist product is to segment demographically by ethnic group. Many members of ethnic groups have the means and desire to travel but are not currently the focus of promotional efforts.

In addition potential visitors can be segmented geographically, including locally, regionally, nationally, or internationally. Where to focus geographically depends on whether the city's image is so attractive that people are willing to travel great distances to visit. In addition, the decision on what geographic areas to target will depend on whether the city has the budget to promote on a regional, national, or international scale.

Another useful means of segmenting potential visitors is by psychographics. This method segments visitors based on common interests, lifestyle, values, and social class. Categorizing visitors by psychographics will also result in the need for different promotional messages for each benefit segment.

In addition, potential visitors can be segmented by usage, such as traditional tourists, day visitors, or business visitors. Traditional tourists travel to a specific location for an extended stay and look on their trip as a vacation or holiday from their regular routine. They have traveled specifically to consume the tourist product. Day visitors are tourists coming from the local region to visit the city for at most a weekend. Day visitors also include people on their way to another destination who stop because they need to use tourist services. Another usage segment is business travelers. Although the reason for their visit is to conduct business, they also need activities to fill their free time, such as sports, entertainment, and cultural activities (Table 1.5).

Targeting Travel Intermediaries

The city as a product can also be marketed to trade associations for conventions and meetings. In addition, the city can target tour operators, who then sell tours or packages to their customers. Of course a city should only target those trade organizations or tour operators with customers who will most likely enjoy the benefits the city provides. Finding these organizations will

require investing time and money into researching the customers served by different travel intermediaries. The city will then focus its promotional efforts on a segment of trade associations or tour operators it believes will be most interested in what the city has to offer. Of course, this cannot be done without first having a well-developed tourist product to sell. There is no shortcut to developing a tourism industry by trying to attract conventions or tour groups.

BRANDING THE CITY'S IMAGE

A consumer product can be so new and revolutionary that the company merely has to promote its features and benefits to have consumers willing to purchase. Such products often incorporate new technology or are existing products with a significant improvement in quality. Cities face a different situation. Since tourists have many different cities they can potentially visit, a city must carefully brand itself in the consumer's mind. Branding involves promoting the unique benefits that the tourist will experience while visiting the city, rather than the city itself. Branding answers the question "Why should I visit your city?"

Targeting the City to the MTV Crowd

The Greater Philadelphia Tourism Marketing Corporation was quick to realize the potential of MTV's reality TV show *Real World Philadelphia*. The tourist office brought in real young people to help develop the "Real Fun, Real Young, Real Philly" city package featuring the sites and places that were shown on the TV show. Having young people involved in the development process ensured that the package would include the benefits desired by the targeted segment, young people who watched the MTV show.

The city then "got real" by inviting U.S. and Canadian media journalists to visit Philadelphia and experience the tour. The specific journalists were chosen because their audiences were the young adults that Philadelphia is targeting with the new promotion. Because the city wanted to target young people from many ethnic groups that are often ignored as potential tourist segments, the journalists included ones from *Ebony* and *Nuvo* magazines (PR Newswire, 2004).

Questions to Answer

- How do young potential tourists view the image of our city?
- Do we need a separate image to be promoted to those young people who want an authentic, or “real,” experience?
- Do we place our promotion in media that will reach them?

For the branding to reflect the true image of the city, image development should not be a top-down process. While using consultants may seem like a timesaving and therefore cost-saving approach, they may only use an idea that has worked well elsewhere. Ideally the process of developing the city's image into a brand should involve the participation of a great many people and institutions, including government officials, existing tourism agencies, tourist attractions, managers of cultural venues, university officials, civic organizations, entertainment and hospitality managers, and members of different community groups and neighborhoods. Obtaining various opinions is the most effective method to develop a city's image that can then be packaged and branded for different tourist segments. This is especially true when developing marketing strategies that will appeal to more than one income, age, or ethnic group.

Cities with an already existing tourism industry may sometimes decide to rebrand their image when visitor numbers decline. A decline in visitors can result when the city no longer is perceived by potential tourists as an attractive destination. In this case, an analysis of the product's deficiencies must first be addressed before the image can be rebranded. Cities should routinely assess how they are branding themselves in a crowded tourism marketplace and adjust their brand if needed.

Be Careful with Your Image

When Oklahoma tourism officials decided to publish the “2005 Annual Events Guide,” it seemed an easy enough task. But then why were the 200,000 brochures thrown in the trash? Well, the person who designed the brochure decided to motivate tourists to visit by including photos of people tossing cow manure as a “fun” tourist activity. However, tourism officials decided that including the photos of cow manure tossing, the use of the Confederate flag, plus the brochure's many spelling and

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grammar mistakes were perhaps giving the wrong image of Oklahoma. Needless to say, the person responsible for producing the brochure is “no longer with the office” (Reuters, 2004).

Questions to Answer

- How is the person put in charge of writing publicity materials screened to ensure he or she is qualified?
- Even if we are short on staff and resources, how can we ensure that all written material seen by the public is accurate and appropriate?

Using the Brand

The use of a brand when promoting the city has a number of advantages. First, it can be copyrighted, which means that it will remain unique to the city. The brand can also become a symbol of quality that can be used to reassure the visitor. In addition, when used over time, the brand becomes a shorthand method of reminding the potential tourist of all the benefits the city has to offer.

However, even a well-promoted branded image will not substitute for a bad product. In fact, if the city does not provide the type or quality of experience represented by the brand, it will develop a negative association. Seeing the brand in the future will only remind past visitors of the city's failings.

A One-Stop Tourism Shop

Not all cities can have New York City's attractions, but they can all learn from how the city is marketed by NYC & Company. This nonprofit organization's mission is to encourage both tourism and economic development by promoting the city's image. NYC & Company's four objectives are:

- Marketing to tourists.
- Coordinating citywide promotional activities.
- Ensuring the success of the city's convention business.
- Bringing major events to the city.

Bringing in visitors, the creation of promotional activities, catering to the business market, and ensuring that the city has events should be included among the goals of all tourism offices (Trade Show Week, 2004).

Questions to Answer

- Do we have clear objectives of what we are trying to accomplish with our marketing strategy?
- Are these objectives in writing and reviewed annually?
- Do they need to be updated?

Promoting the Brand

Once the tourist product is analyzed, a segment of potential visitors is targeted, and the city's image has been branded, the next step in the marketing process is planning the promotion. The promotional plan will be designed to communicate to the targeted tourist segment the city's image and the benefits provided by visiting the city. Much more is involved in developing a promotional strategy than putting together a clever slogan and a glossy brochure. To successfully attract tourists, the promotional material must communicate to the visitor the intangible benefits of the visit experience.

Promotion can be designed to persuade rationally by providing factual information that potential visitors need for decision making. Promotion can also be designed to use emotional persuasion to attract potential tourists. Whether a rational or emotional approach is used, the city's promotional message must compete for the consumer's attention with numerous other messages. To be heard through this "noise," a combination of promotional methods must be used. The different methods available to promote are usually referred to as the *promotion mix* and include advertising, sales incentives, public relations, personal selling, and direct marketing. The choice of which method to use depends on the complexity of the information needed to be communicated, the best means of communicating this information to the tourist market segment, and the city's marketing budget.

The method most commonly used to communicate information to potential visitors is advertising. This would include ads, brochures, flyers, billboards, and television and radio. However, sales incentives are of growing importance in the field of tourism marketing because they can be used to motivate specific groups to choose the city over competing destinations. They are also relatively inexpensive compared with the cost of advertising. Sales incentives that can be used for tourism promotion include price deals, contests and sweepstakes, premiums, and frequency programs. Sales incentives can provide the potential tourist with the needed extra inducement to visit. Public relations uses press releases, speeches, photos, and sponsorship to keep a positive image

of the city in the public's mind. Direct marketing uses technology to communicate a customized message to individual potential tourists.

The effort needed to create promotional material is increased if the city decides to promote to both individual tourists and travel intermediaries, for different methods of promotion will be needed for each group. However, marketing to travel intermediaries can be worth the effort because each convention or tour can bring in many individual visitors. In promoting to travel intermediaries, more personal communication methods can be used, because there are fewer contacts with whom to communicate. These personal communication methods include personal selling, trade shows, and familiarization tours. Familiarization tours are when the decision makers from the travel intermediary visit the city. Personal selling is also important and involves visiting tour operators and exhibiting at trade shows.

SUMMARY

Marketing is the process of providing goods, services, ideas, and experiences that are needed and desired by consumers. Urban tourism is not a new phenomenon; there is a long history of people traveling to visit cities. Cities have always been seen as places that provide excitement and new experiences. The number of people traveling has increased dramatically because of increased economic ability to do so and the growth in communications technology and transportation infrastructure.

There is also a history of cities wanting to attract tourists because of the money they spend. A city deciding to develop a tourism industry may be in a stage of economic health, decline, or transition. Developing a new tourism sector works best for cities in a state of transition, when they still have attractive features to promote to tourists and available funds to develop and implement a marketing plan.

Marketing theory is built around the concept of the four P's of product, price, place, and promotion. The marketing of cities is unique because the product is also the place. This means that promotion is critical because the potential tourist must be motivated to take the time and make the expense of visiting. Marketing cities is also unique because the city is a combination of a product and service that provides the visit experience. These differences result in a need to adapt the traditional marketing process by starting with an in-depth product analysis.

This product analysis process will examine the features of the city and the benefits they provide. The potential tourist may be motivated to visit by rational or emotional reasons. Promotion must be created and communicated that provides the information that will motivate a visit. The visitor groups

targeted with promotion must be those who will find attractive the benefits the city offers.

To effectively market a city, the city's image and brand must be developed and then communicated to the potential visitor. This positioning will describe a particular benefit the city has to offer. Once this has been accomplished, a brand image consisting of a slogan and logo will be created. As a final step in this process, communications will be developed to promote the brand. The brand should be incorporated into all the promotional material created by the city.

Strategic Tourism Marketing Plan Worksheet

Having a plan with a timeline is critical to keeping on track as you start to develop a tourism marketing strategy. When planning the development of the strategy it is important to be realistic when assigning responsibilities and deadlines. If you complete your tasks early, great! However, if you fall far behind, you might become discouraged. Tourism marketers or students can both use the following forms as the first step in developing a tourism marketing plan.

What community groups, government offices, businesses, and nonprofit organizations will be available to assist in the development of a marketing plan? Who is the contact person?

Group	Contact Person

Now start planning which of the groups and people will be responsible for each task and assign a completion date (Table 1.6).

TABLE 1.6

Task	Responsibility	Completion Date
Analysis of external environment		
Product analysis		
Selection of segment to target		
Product packaging and branding		
Developing the promotion		
Evaluating the results		

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Marketing Theory and the External Environment

CHAPTER OBJECTIVES

- Explain the evolution of marketing, from the production approach to the current consumer approach with its emphasis on meeting consumer needs and desires.
- Examine how external forces can impact marketing and the process of environmental scanning that is used to analyze these forces.
- Discuss the macro environmental forces, including economic, social, and demographic, that can affect marketing tourism.
- Discuss the micro environmental forces, including the competitive, governmental, and community, that can affect the success of a marketing plan.

THE EVOLUTION OF MARKETING THEORY

Marketing is not a modern invention. In fact it is an age-old human behavior that was in use even before the invention of money. Even when bartering was the means used to exchange one good for another, unless both parties to the

exchange were equally motivated, it was necessary for one party to convince the other to make the deal. When businesses started to develop they were at first small and located within the community. Everyone knew the business owners, so it was in their self-interest to keep their neighbors satisfied by producing the goods they needed and desired. When businesses were located in the community, marketing practices could be based on the owners' personal knowledge of their customers.

When the size of businesses grew, they were no longer located in the community. With the mass production of goods, owners no longer personally knew their customers and now had to seriously consider how to market their product. Businesses now needed to communicate the benefits of their product to potential consumers they did not know who had many products from which to choose. For this complicated task the business needed to employ people with marketing knowledge. During the early 20th century the demand from businesses for trained marketing professionals started to increase. To supply these professionals, marketing became a field of academic study at colleges and universities.

The marketing approaches used to motivate people to make the exchange of money for a product have changed as marketing theory has developed (Table 2.1). During the 19th century, businesses could rely on the production approach because there was a great demand for mass produced goods. However, when competition increased and demand decreased, businesses started to use a sales approach, where the focus was on developing the right sales technique. The current consumer approach to marketing focuses instead on the needs and desires of consumers. It is important for tourism marketers to understand how modern marketing theory evolved and why the consumer approach, although it takes more effort, is best suited to attracting tourists.

The Production Approach

Imagine a world with only a handful of cities for a tourist to visit. If this were the case there would be little need for marketing. If it is accepted that most people have a desire to experience new places, this handful of cities would only have to wait for the tourists to arrive. While this approach to marketing

TABLE 2.1 Evolution of Marketing Theory

Approach	Description
Production	Build a product and it will be bought.
Sales	Use the right sales technique and the product will be bought.
Consumer	Ask consumers what they want, build it, and they will buy.

may seem far-fetched, it is actually what happened when industrialization occurred during the late 18th and early 19th centuries. Before the establishment of factories, many of the goods needed by families had to be produced at home by family members. Furnishings, clothing, and many tools had to be laboriously, even if lovingly, made by hand. When mass-produced products became available that reduced this labor, it was a tremendous time savings. It was not surprising that there was a ready market from consumers for items, such as sewing machines, that could reduce labor time.

This immediate demand from consumers for mass-produced goods is what allowed companies to follow the production approach to marketing. Because of the consumer demand, manufacturers had to spend little effort on marketing. They could follow the production approach, which was based on the company's then-correct belief of "build it and they will buy it." To attract customers to purchase their product, all a company had to do was use advertising to let the public know that the product was available and sales would take care of themselves. This consumer demand for mass-produced goods allowed the manufacturer to produce a product without considering consumer preferences. If the company was able to produce more than one product, the choice as to which to manufacture was left to the people working in management. Managers would make the production decision based on such factors as available raw materials, employee skills, and personal preference without concern for the consumers' needs or desires.

Although easy to implement, the production approach is no longer followed by companies. It is not the most effective approach to marketing because consumers now have so many products from which to choose. Therefore if the company's product does not have the features and benefits consumers desire, they will purchase competing products that do.

Unfortunately too often those working in marketing cities still follow the production approach. They may use this approach because their city is already a well-known tourist destination. Therefore tourism officials feel they no longer need to concern themselves with attracting tourists. However, following the production approach is still not recommended, because there are always competing cities trying to attract the same tourists by providing a better visiting experience.

Even when marketing less well-known cities, tourism officials may still use the production approach. This is not because they are uninterested in what potential visitors might need or desire. Instead it is because tourism officials have such a firm belief in the superiority of their city that they find it difficult to believe that tourists would want to travel anywhere else once they hear about "Our City, USA." However, an increasing number of cities are developing tourism marketing efforts providing potential tourists with many destination choices. Therefore, only using the production approach to say in an ad or brochure, "We're here, come visit us!" will not be enough to attract tourists.

The Sales Approach

By the mid-20th century, companies became aware that increased production of goods had provided consumers with increased product choice. Companies now realized they would have to do more to sell products than merely place advertisements. The new approach was for companies to hire a sales staff to convince the consumer to purchase.

The core of the sales approach was based on the belief that competition could be beat by hiring the right salespeople, who would persuade the consumer to purchase the company's product instead of the competitors. Often the sales staff used the approach of claiming the product was the "best," the "greatest," the one and the only product the consumer "must have," without any consideration of what the consumer might actually want. Even when companies used this approach, consumers still often chose to purchase from competitors.

Some tourism officials believe that the sales approach can be successfully used to attract tourists. They may believe that using force of argument to persuade people to purchase is how marketing works. However, the sales approach is ineffective because potential tourists can also base the destination decision on information about the city obtained through other sources, such as publications, radio, and television. The sales approach would certainly not work now that people have access to the almost unlimited information available on the Internet. Tourism marketers must remember that consumers are not easily manipulated and are quite capable of making their own informed decisions.

Another reason the sales approach is not the best marketing approach is that even if tourists can be persuaded to visit by means of dubious claims, if the experience does not live up to expectations, they will never visit again. Since the real key to marketing success is attracting repeat visitors, the sales approach is not a recommended technique for marketing cities.

Yuma: Not Just for RV'ers Anymore

Yuma, Arizona, is a small desert city near the California and Mexico borders. Tourism officials could always count on tens of thousands of retired people in their RV's coming south during the winter to camp in the desert. However, the community decided that Yuma could also attract a different type of tourist. Civic organizations, the local government, the private sector, and the Quechan and Cocopah Indian Tribal Councils joined together to develop a plan for targeting a new tourist segment of

ecotourists by developing features of the city that already existed. The focus of the effort was the historic interpretation of the Yuma Crossing over the Colorado River. Ecotourism programs were developed that celebrated the foliage and wildlife of the desert environment. One of the events specifically designed to attract the new target market segment is the well-attended annual Birding and Nature Festival.

Advertising inexpensive living and 340 days of sunshine was all that was needed to attract the tourist segment of retirees. Fortunately the city and community realized they could increase visitor numbers by working together to attract a new segment of young ecotourists (Houser, 2005).

Questions to Answer

- Are we already known as the preferred destination for one segment of tourists?
- Do we already have the assets and facilities that might be desired by a different segment?
- Do we have the resources in staff, time, and money to develop and promote the benefits that this second segment desires?

The Consumer Approach

The modern approach to marketing is to consider it to be a process, not a single task. This marketing process starts with determining what consumers need and desire from products, rather than focusing on only the company's production or sales. The consumer approach stresses that a company producing goods must first research what consumers want. Although this research will cost the company time and money, it will provide the information needed to design products consumers will want to purchase. The consumer approach to marketing is only sensible, since it is the consumer who is going to make the purchase decision.

The production approach relied on advertising and the sales approach relied on personal selling, both of which are still important components of the marketing process. For example, all tourism officials will need to use advertising to inform potential tourists about the city. The use of personal selling is particularly important when tourism marketers promote to travel intermediaries. However, those working in tourism need to understand there is much more to marketing than merely having the right ad and sales technique. Even with attractive promotional material and a convincing salesperson, if the city does not offer the desired visiting experience, tourists will not arrive.

Tourism Marketing and the Consumer Approach

A company using the consumer approach to marketing will produce a product with the features and benefits desired by consumers. However, cities do not have the advantage of being able to change into a type of city that may be more preferred by potential tourists, nor should they. This would be ineffective, even if it was possible, because tourists visiting a city desire an authentic experience. The way a tourism marketer follows the consumer approach to marketing is by first determining what features and benefits the city already has to offer. This information will then be used to find a specific group of tourists who are attracted by these features and benefits. The city tourism marketer will then target this group with a promotional message that communicates the features and benefits. Tourism marketers can increase the attractiveness of the city by packaging these features and benefits into special events that provide the overall visit experience desired by the targeted segment of tourists.

First You Need a Ferry to the City—Unless They Can Walk on Water!

City tourism officials in Hull, located on the east coast of England, developed their tourism industry by successfully targeting visitors from Holland and Belgium. These foreign tourists usually arrived from Zeebrugge or Rotterdam on the P&O ferry line. When tourism officials heard that due to internal economic difficulties P&O would be cutting routes, they immediately realized they needed to act. Tourism officials understood that a closure of routes into the Port of Hull would negatively affect their visitor numbers. So rather than just worry about what P&O might do, as soon as they heard the news tourism officials worked together with the ferry line to retain the service. Happily for the city, P&O decided to keep the ferries running, and the tourists continue to arrive (Hull Daily News, 2004).

Questions to Answer

- How do tourists travel to our city?
- Is there any possibility of a disruption (highway construction, airline bankruptcy, etc.) that would increase the difficulty of traveling to our city?
- Do we have a plan for handling such an eventuality?

MARKETING'S RELATIONSHIP TO THE EXTERNAL ENVIRONMENT

Hopefully tourism officials will not be the only members of the community interested in developing a tourism sector. Other individuals and groups in the city may also understand the benefits that will result from increasing the number of visitors. For example, business owners, especially those who provide products and services needed by visitors, may be motivated by self-interest to support the idea of developing a tourism industry. The local economic development authority may also be supportive because they are aware of the positive economic impact that visitors have on the economy. The Chamber of Commerce will support developing tourism in the hope that some visitors may decide to relocate to the community. In addition, local government officeholders may support increased tourism because they understand that increased business revenue and a growing population will result in higher tax revenue.

While all of these individuals and groups may support the idea of expanding tourism, it is those directly responsible for tourism marketing that face the difficult reality of how to actually get tourists to arrive. While the other individuals and groups may want increased tourism, they may not be aware that getting tourists to visit is much more complicated than just hanging out the welcome sign. In fact many members of the community may believe that all that is necessary to attract potential tourists is to create a promotional brochure. However, tourism officials must understand that developing a successful tourism marketing strategy actually involves a multistep process. The process begins with an analysis of the impact any changes in the external economic, demographic, and social environments will have on tourism marketing efforts.

Components of the Macro Environment

The external environment that affects marketing can be divided into the macro environment and the micro environment. The factors that need to be analyzed on the macro, or "big-picture," level include the current level of economic growth, changes in the demographics of the population, and social changes in how people live and travel. What is occurring in these areas is fundamental for tourism officials to understand before a successful marketing plan can be developed. Unfortunately this task is often neglected, because the process of obtaining the information can be difficult, while those working in marketing rarely receive any public praise for such research.

Many businesspeople, community members, and government officeholders who will be involved in developing the marketing plan believe that marketing

consists of only advertising and sales. As a result, they may not understand why it is necessary for tourism marketers to take the time to analyze the external environment. For example, local government leaders may support tourism officials when they request funds to target a new visitor segment or design a new brochure. These are types of marketing tasks that will receive support. However, these targeting and promotional efforts may be wasted if an analysis of the external environment is not conducted first.

For example, an analysis of the social environment prior to targeting a new market segment may have uncovered that the members of the targeted segment prefer to vacation as a family, whereas the promotional message the city developed sold the city's active nightlife. Also, an analysis of the economic environment might have revealed that a slowing of the economy had resulted in a decline in tax revenue. As a result of this decline it could have been predicted that the tourism budget would be cut, meaning no money would be available to print the already-designed new brochure. First analyzing the macro external environment could have helped tourism marketers to avoid these types of costly mistakes.

Components of the Micro Environment

The micro environment includes such important stakeholder groups as businesses, civic associations, and government officeholders. Because the continuing support of these groups is critical to the success of any tourism marketing effort, it is essential that tourism officials assess on an ongoing basis their level of support for tourism development. Tourism officials may carefully develop a tourism marketing plan that takes into account all the most relevant macro environmental issues. However, this same plan will fail if those responsible for providing the needed community leadership and financial resources are unwilling to provide the necessary support (Table 2.2).

ENVIRONMENTAL SCANNING METHODS

The process of continually researching and analyzing events and changes that are occurring in the external environment is referred to as *environmental scanning*. This scanning of what is happening in the larger world should not be thought of as a task that needs to be conducted only occasionally. Instead, environmental scanning should be considered an ongoing part of the marketing process. Those responsible for developing a marketing plan must invest the necessary time and effort in environmental scanning if they are to

TABLE 2.2 The External Environment

Macro Environment	Micro Environment
Economic	Businesses
—Growth or decline	—Chamber of Commerce
—Disposable income	—Hospitality associations
Social	—Business owners
—Values	Civic Groups
—Lifestyle	—Civic associations
Demographic	—Neighborhood groups
—Age	—Local leaders
—Family status	Government officeholders
—Ethnicity	—Mayor and city council
	—Departmental managers

discover the threats or opportunities that could affect their efforts to increase tourism.

Direct Contact Method

One of the easiest means of conducting this environmental scanning is for tourism marketers to have direct contact with both tourists and other tourism professionals. This can be an enjoyable task because tourism marketers will naturally be curious about the tourists who visit their own and other cities. By simply speaking with visitors to their city, tourism marketers can obtain information about changes in the social and demographic environments that affect why and where people travel. In addition, visiting other cities to observe tourists and to speak with other tourism professionals can provide tourism marketers with valuable insights on their competitor’s strategy.

For example, asking tourists what motivated them to visit the city can provide information on social changes, including how lifestyle affects destination choice. Asking tourism officials at another city about their visitors can provide the tourism marketer with information on demographic changes such as an increase in travel by older tourists. Taking the time to speak to tourists and visiting competing cities can provide useful information, such as new targeting and promotion ideas, that can be incorporated into the tourism marketer’s own strategy (Table 2.3).

In addition, the tourism marketer should also attend the industry’s professional association meetings. Networking with other marketing professionals is

TABLE 2.3 Direct Contact Analysis of the External Environment

Sources for Macro	Sources for Micro
Tourists: social changes	Civic association meetings: community support
Tourism offices: creative ideas	City council meetings: funding support
Professional associations: new marketing strategies	Chamber of Commerce meetings: Business community support

an excellent method of obtaining information that can result in new marketing strategies. Although attending these meetings may seem like an unnecessary expense, attendance should pay for itself by taking advantage of opportunities and also avoiding the mistakes made by others.

The people responsible for developing a city's tourism marketing strategy should also use direct involvement to continually scan the local micro environment. Tourism marketers should routinely attend the local Chamber of Commerce and civic association meetings. By attending these meetings, those developing the marketing strategy can gain an understanding of how the community views their efforts. If the view is negative, they can then take the necessary action to increase community support. It is especially vital for tourism marketers to be present at these meetings when tourism issues are on the agenda. Those responsible for developing the tourism plan must also regularly attend City Council meetings to analyze the level of support from both individual council members and the mayor. If their support is low, action needs to be taken to build support, because governmental support is necessary to provide the resources that are crucial to the success of the marketing plan.

Research Method

Besides direct contact, the tourism marketer can obtain additional information by analyzing general and business news (Table 2.4). This scanning is necessary because it is a marketing responsibility to be the person who sounds the alert if world or business events present a new challenge or opportunity. The tourism office should also subscribe to tourist trade publications that can provide more specific information on how economic, social, demographic, and competitive trends are affecting tourism. Besides these general sources of information, marketers will need to conduct their own research on specific topics. The Internet can be a means of obtaining needed information, but the tourism marketer must take care that the information is accurate and reliable. The

TABLE 2.4 Researching the External Environment

Source for Macro	Source for Micro
Tourism publications: competitive trends	Local broadcast news: community issues
Census.gov: demographic changes	Local newspaper: community support
Travel magazines: social trends	
General and business news: events	

business librarian at the local community or university library can also be an invaluable source of assistance when specific information is required.

Researching the news can also be used to scan the micro environment. Local broadcast news can be researched for occurrences that will affect tourists’ ability or desire to visit the city. In addition, editorials and letters to the editor in the local paper can be researched to help determine the level of community support for developing tourism.

SCANNING THE MACRO ENVIRONMENT

A business selling a consumer product would use environmental scanning of the macro environment to analyze issues, such as current or pending legislation, that could affect the sales of their product. They would also analyze how local and national politics, changes in technology, the economic situation, social trends, consumer demographics, and sources of materials and supplies could impact their sales. While all of these are important macro environmental issues, not all are relevant to city tourism.

One of the issues most relevant for tourism marketers to analyze is the current economic situation, because it affects whether people will have the money they need to travel. Because tourism is a “people” business, another important macro environmental issue to analyze is the social environment, including changes in people’s values and lifestyles. In addition, the population demographics must be analyzed, because the age, ethnicity, and family status of the population will affect the development of the targeting and promotion sections of the plan.

Economic Environment

The state of the economy affects all businesses, not just the tourism industry. Because considering the impact of economic data is crucial when making organizational decisions, there are many readily available sources of information.

Both news broadcasts and newspapers will contain information about whether the stock market is up or down and about the current level of U.S. economic growth.

Tourism officials need to understand that the national, state, and regional economies will go through cycles from periods of economic growth to periods of decline and then back again to growth. During periods of economic growth, unemployment is low, incomes rise, and, therefore, consumer buying power increases. If economic growth slows, the country may enter a period when the opposite happens, with unemployment rising and incomes falling.

When economic growth slows, people are less likely to make unnecessary purchases. Of course even with slow economic growth most people are still employed and have sufficient incomes to travel. However, changes in the economy have an interesting psychological effect that impacts consumption decisions, including whether to travel. When the economy is performing poorly, even people with jobs and good incomes tend to become fearful that they may also be laid off. As a result they tend to conserve their financial resources by putting off purchases they can actually afford. Likewise, during periods of prosperity people hear how well the economy is doing and tend to spend more freely, even when their personal incomes have not risen.

The economic news will often refer to the average U.S. income level and how much it is increasing. While this is important information, the figure of more interest to tourism marketers is the amount of disposable income that people have to spend. This is the amount of money people have left after taking care of the basic necessities of life, such as food, clothing, and shelter. This figure is important, because people must have a sufficient amount of disposable income for them to justify spending money on travel. Therefore, the better the economy is performing, the more likely that people will have the disposable income to travel.

Of course, it is easier to attract tourists during times of economic prosperity, when people have enough disposable income. However, even during times when the economy is doing poorly, people can still be motivated to visit the city. Most people will still have enough disposable income to travel, but to motivate them to do so the marketing plan must be adjusted to respond to the psychological effect of economic bad news. For example, a city's promotion can focus on the low cost of visiting their city as compared with other, more expensive destinations. If this is not true, then a special promotional package with lower pricing may need to be developed and promoted. In fact, if tourists can be offered lower costs, the poor economy may be an opportunity to attract tourists away from more expensive destinations. Understanding how the economy is performing will assist tourism marketers in adjusting their promotional efforts to address the economic concerns of potential visitors.

It's Time to Start Tracking the Currency Exchange Rate

Do you neglect to track the exchange rates between the U.S. dollar and other currencies because you think attracting foreign tourists is impossible? After all, your city may not be a well-known destination located on the east or west coast. The City of Phoenix knows better. Those marketing resorts in the Phoenix area have reported a surprising number of visitors with foreign accents. The U.S. Office of Travel & Tourism Industries reported at 15.3% increase in the number of visitors entering the United States from western Europe and a 26.7% increase from Japan during the first nine months of 2004. And the tourists are not just staying on the coasts. Arizona has become a popular destination for foreign tourists, with international arrivals up at the Phoenix Airport by 11.1% through October of 2004.

What is motivating these foreign tourists to visit now? This should not be surprising to anyone tracking the exchange rate between the U.S. dollar and the British pound, the Euro, or the Japanese yen. The currency of many other countries has increased in value against the dollar, effectively putting travel to the United States on a discount sale. Why spend the time promoting to international tourists? Ask Arizonans, and they will tell you foreign tourists stay longer and spend more than domestic tourists! (Stearns, 2004).

Questions to Answer

- Have we targeted any tourist segments from other countries?
- If we do, do we track the currency exchange rate so that we can take advantage of the promotional opportunities that arise from the appreciation of the foreign currency?
- Should we start thinking about targeting international tourists, especially ones from countries with an exchange rate in their favor?

Social Environment

The social environment influences a person's choice of where to travel, when to travel, and with whom to travel. Among the social factors important to tourism marketing are peoples' values and their chosen lifestyle. Therefore, tourism marketers must analyze the values and lifestyles of current and potential tourists because they directly affect the choice of travel destination.

Cultural values are strongly held, enduring beliefs about how life should be lived. These values will affect when, where, and with whom people travel. For example, an increasing emphasis on family values may lead more families to wish to vacation together. If tourism marketers want to take advantage of this value shift, they must include in their promotional material information on children's activities and events.

One of the basic American values that can affect tourism is the importance of hard work and that those who work hard should be rewarded. For people who hold this value, the annual vacation may be seen as a just reward for working all year. However, these same people may not be currently taking any weekend breaks because they view them as extravagant. To entice a person holding this value, a tourism marketer may need to create promotion that includes the message that a short weekend break can lead to increased productivity when work is resumed. Another value held by many Americans is the importance of the natural environment. To attract tourists holding this value, a tourism marketer may promote the city's parks, waterways, bike paths, and nearby outdoor recreational activities.

Many Americans value the past by holding an idealized view of small-town America, where, so they believe, time moved more slowly and everyone was friendly. Many smaller cities can benefit from this nostalgia by emphasizing their own charm and friendliness to attract tourists who value the past. Of course, groups of Americans will also hold cultural values that pertain to national origin or ethnic group, and these also must be considered. If a foreign market segment is being targeted, it is important to understand the particular national values and to adjust the marketing message and promotion accordingly.

Lifestyle refers to the wide range of choices people make on how they spend their time, the products they purchase and consume, and with whom they wish to associate. In previous generations, occupation, income, and social class mostly determined lifestyle. For instance, doctors with high incomes belonged to the upper social class. As a result they were expected to maintain a certain lifestyle. Meanwhile manual workers had lower incomes, were considered to belong to a lower social class, and would have their own lifestyle. As a result, marketers could segment people by grouping them on the closely related factors of occupation, income, and social class and design a marketing plan based on an assumption of how members of each group spent their time, what they wanted to consume, and with whom they wished to associate.

However, people now tend to define themselves more by lifestyle choice rather than by their income and occupation. Because of this change, businesses are becoming increasingly aware of the need to track changes in lifestyles among their potential customers and to promote their products accordingly (Michman et al., 2003). Likewise, tourism marketers should target potential

tourists by lifestyle choice rather than just by demographic characteristics. For example, both the doctor and the manual worker may be interested in participating in biking, cooking, or nightlife while on vacation.

An example of how new lifestyles can provide an opportunity for cities is the growth in interest in extreme sports. Cities located near wilderness areas now can develop a marketing strategy to attract this new segment of extreme sports fans as tourists. By becoming aware of lifestyle changes, tourism marketers can develop a promotion that responds to either the opportunity or challenge presented.

Iowa Tourism Cashes in on Those Interested in Farming—and Sports!

Polk County, Iowa, home to the City of Des Moines, saw a 7% increase in tourist spending from 2002 to 2003, and tourism officials expected tourist spending in 2004 to go even higher. What marketing strategy did they use to attract these higher visitor numbers to Polk County? First, agriculture is a huge industry, and agricultural events such as trade shows and the State Fair bring in many business visitors and tourists. In fact, the Farm Progress Show near Allman alone attracted 200,000 visitors.

However, Des Moines can't only rely on agricultural tourism. Therefore tourism officials have made the strategic marketing decision to increase the numbers of leisure tourists by targeting sports fans. Since Polk County did not have the advantage of Major League teams, tourism officials decided to package and promote events such as the Junior Olympics, disc golf, softball games, and youth soccer. These are sporting events that attract not only participants, but also their families and friends and interested spectators. In addition, these amateur sports fans are a target market segment that is overlooked by the marketing efforts of larger, more "sports-endowed" cities (Elbert, 2004).

Questions to Answer

- Do we have any major sporting events we can market?
- If not, do we have any minor league or amateur events we can use to attract sports enthusiasts?
- Can our city volunteer to become the sponsor of a nonprofit organization, youth league, or charity sports event?

Demographic Environment

Demographic changes are another aspect of the macro environment that can affect the development of a tourism marketing strategy. *Demographics* are the characteristics of individuals that can be expressed using numbers or statistics. They include people's ages, marital status, family size, and ethnicity. Overall the American population is aging, people are marrying later, family size is shrinking, and the number of people who identify themselves as members of ethnic groups is growing. All of these changes are important for tourism marketers to understand as they plan their marketing strategy. For example, if there is an increase in the number of families in the geographic area from which the city attracts many of their tourists, tourism marketers may decide to develop vacation packages aimed at families. If the opposite is happening and there are more young single people, then the marketing strategy should emphasize the city's nightlife.

Those involved in designing a marketing strategy should take into account any changes in the ethnic demographics of the population that could affect their visitor numbers. According to the 2000 U.S. Government Census, people who identify themselves as members of minority groups make up 28% of the U.S. population, or more than one of every fourth potential visitor. In 2000, 12% of the population identified themselves as being of Hispanic origin, 12% as African American, and 4% as Asian. Not only are these ethnic and national origin groups growing in size, their economic status is rising. A survey of average income, the percentage of home ownership, ownership of small businesses, and college graduation rates for Hispanics, African Americans, and Asians found the growth in these figures to be increasing at two to three times the rate of Americans who are not members of an ethnic group. This means that there are many potential tourists among ethnic groups with the disposable income available to travel.

Tourism marketers might target ethnic groups by using specially designed culturally relevant packages that focus on the groups' past heritage or current interest. Of course the city might not have the historical or ethnic relevance needed to create such a package. In this case tourism marketers can attract members of ethnic groups by modifying the city's promotional materials to address any special values or lifestyles that they might hold in common. Tourism marketers at the least can ensure that these groups are represented in pictures and wording contained in the city's promotional materials. This is one way of demonstrating that ethnic group members are considered welcome visitors (Schreiber, 2001).

The Tourists Came to Buy Beads, Not to Sell Them: How the Lakota Tribe Is Benefiting from Tourism

Many people are fascinated by the history of Native Americans. Unfortunately, often their only knowledge of Native Americans is based on what they have seen in films. The Alliance for Tribal Tourism Advocates is an organization of tribes whose mission is to promote tourism both as a means of economic development and to increase knowledge of modern Native American life. To do so the Alliance is providing travel opportunities to Native American reservations so that visitors can experience and appreciate the values and lifestyle of modern-day Native American life while at the same time providing the tribes with a new revenue source.

The organization is not just targeting Americans. The first international tour group arrived from Britain in South Dakota to spend nine days with the people of the Lakota tribe. What the British liked best about the experience was meeting the Lakota people. However, they also made use of the opportunity to buy Native American arts and crafts. While the visitors enjoyed the experience, the reservation also benefited from the money they left behind (Melmer, 2004).

Questions to Answer

- Are there any distinctive ethnic, religious, or lifestyle groups in our community?
- Are there potential tourists who share an interest in the lives of group members?
- Can we sensitively design a marketing plan that would allow tourists to interact with members of these groups while providing a means for economic development?

SCANNING THE MICRO ENVIRONMENT

Besides being continually aware of the macro environment, or big picture, it is important for tourism marketers to analyze the micro environment of their local community. When developing and implementing a marketing plan it is essential for tourism marketers to be aware of the attitudes and opinions of business owners, community members, and government officeholders. The

attitudes of these groups in the micro environment can affect the success of the marketing plan. For example, business owners must be willing to provide the products and services needed by tourists, while community members must support the marketing strategy if visitors are going to feel welcome. In addition, government officials must provide the required financial resources if the marketing plan is to be implemented.

Business Community

It is more than likely that the business community will, at least initially, be very supportive of a strategy to bring in an increasing number of tourists. However, this support may be based on the assumption that all that is necessary for the creation of a tourism industry is for someone in the tourism office to write a plan. The business owners may believe that all they need do is wait for the tourists to arrive at their door.

The support of business owners who have this unrealistic view of their role in developing a tourism industry may decline, or even turn to opposition, when they realize that they will also have to contribute to the effort to attract tourists. Business owners may oppose a plan if they are expected to change their usual business practices, such as carrying different product lines that are wanted by tourists. Business owners may plead that they don't have the funds to improve their image by fixing up their storefronts. While businesses want the money that results from tourist spending, they may object to having longer operating hours, particularly in the evening or on weekends. Their initial support may soon change to nostalgia for an imagined "good old days" before attracting tourists became an economic necessity.

Therefore it is essential for tourism marketers to monitor on an ongoing basis the support of the business community to address any negative attitudes. Joining and attending meetings of the local downtown or merchant association and the meetings of the local Chamber of Commerce on a regular basis are essential in maintaining positive relations. Tourism marketers must always come prepared with facts and figures explaining why the effort to establish a tourism market is worthwhile.

Bike Racing in Racine

Biking enthusiasts might dream about winning professional races just like Lance Armstrong does. But instead of traveling all the way to France, amateurs might want to head to Racine, Wisconsin, where local volunteers have organized their own amateur bike race. In an effort to bring tourists to the area, organizers developed a 56-mile route that takes advantage of the area's beautiful scenery and Racine's historic neighborhoods. The Spirit of Racine Triathlon has now become so popular that the economic impact has been estimated to be over \$800,000 a year, and the 2005 race was expected to draw over 1,500 bikers and their fans. If you attend, you probably won't see Lance, but you will see lots of tourists dreaming of their own chance at glory! (Lalwani, 2004).

Questions to Answer

- Is our location already known for any particular sport?
- If not, does our scenery, sports facilities, geography, or climate lend itself well to any currently popular sport?
- Could we start an annual competition for amateurs?

Civic Community

An important consideration of which tourism marketers must always be aware is that the city is also a place lived in year-round by a community of people. Moreover, these people lived in the city before the tourists arrived and will remain after the tourists have returned home. To be successful, a tourism marketing plan must have the understanding and support of members of the community. After all, it is local residents, not tourists, who vote for the mayor and city council. Therefore, if government officials receive complaints from the community about the problems caused by developing a tourism industry, they may respond in ways that obstruct tourism marketers' efforts.

The best method for tourism marketers to monitor the opinions of local citizens is to be involved in civic organizations. Through attendance at these meetings, tourism marketers can analyze public opinion regarding tourism. Furthermore, by being actively involved through holding an association office and volunteering for community projects, tourism marketers will become more trusted members of the community. These are not "extra" responsibilities for the tourism marketers; they are part of the job.

Everyone Loves Tourism! Don't They?

When 7,000 people marched in front of the City Hall in Jakarta, Indonesia, it was at first cause for some apprehension. That was until people read the slogans on the T-shirts that said, "I Love Tourism" and "Enjoy Jakarta." The march was organized by the Jakarta Chapter of the Indonesian Tourism Community to mark International Tourism Day. One of the objectives for the gathering was to impress the local community with the importance of the tourism industry to the economy. Another reason was to encourage government officials to provide the safe and comfortable city needed by both local residents and tourists. To add a festive feel, the march included songs, balloons, and contests. To make a more serious point, the participants also picked up litter as they walked, to impress everyone with the importance to tourism of the city's having a positive image (Jakarta Post, 2004).

Questions to Answer

- How does our community view the tourism industry?
- In what ways (marches, open houses, volunteering, etc.) can people in the tourism industry interact with local citizens to promote a better image?
- How can we approach government officials in a positive manner on what is needed to ensure that the tourism industry continues to grow?

Government Officials

To ensure success, a tourism marketing strategy needs to receive support from government officials. While those holding government offices, such as the mayor and city council members, may initially agree on the desirability of increasing the number of tourists visiting the city, the response may change when action requiring financial or other resources is needed. This change in the level of support may result from the need of elected officials to balance the request for funding from the tourism office with the needs of other constituent groups. Money provided to fund a tourism effort might be seen by voters as money being taken away from another need, such as neighborhood street repair. The mayor is sure to receive calls from citizens with potholes in the

street in front of their homes complaining about the “waste” of spending money to attract tourists.

Therefore it is important for those developing the city’s tourism strategy to be truthful about the resources they will need from the city and then to accurately gauge the level of support the requests will receive. If it is determined the level of support is inadequate, those responsible for creating the marketing plan must explain the benefits tourism will provide. A rational case should be presented that clearly states the economic benefits of tourism, using both relevant facts and examples from other cities as arguments. This information must be provided to government officials so that they can use it to respond to the concerns of voters.

Self-Improvement Tourism, or More Than Just Having Fun

Taking a vacation with the intention to learn or improve a skill or talent is an important motivation for travel. In fact, one-fifth of all Americans have taken a trip for the purpose of learning more about their favorite sport, hobby, or skill. Who are these self-improvement tourists? They are mostly male (56%), with an average age of 39. Forty-nine percent are college graduates, and 38% have a professional or managerial occupation. With these demographic statistics it is not surprising that on average these tourists have a higher-than-average income of \$75,000. These are travelers who have money to spend but want more from the travel experience than just having fun (Travel Industry Association of America, 2004).

Questions to Answer

- Does our city have a college, university, or trade institution?
- Do they offer any specialized classes or training that might be appropriate for an adult with an interest in this field of study?
- Are they interested in packaging the class or training as a one- or two-week session that could be sold to tourists along with accommodations and other tourist services?

SUMMARY

Marketing has always been a part of business, but it grew in importance with the growth in industrialization and the need to sell products that were now being mass-produced. In the early days of mass production, little marketing was needed, because there was a great demand for consumer goods. When more goods were produced than were needed by consumers, the approach changed to using specialized sales techniques. However, now the consumer approach is used to focus on what consumers need and desire. Therefore tourism marketers must first understand their city's features and benefits and then target a group of potential tourists that desire what the city has to offer.

Part of the responsibility of a marketer is always to be aware of what is happening in the external world and to use this information to improve marketing strategy. The macro environment consists of economic, demographic, and social factors. The micro environment consists of businesses, civic groups, and government officials. The means of obtaining this information is environmental scanning through direct contact or research.

Macro environmental factors of which marketers must be aware include the current state of the economy as any anticipated change for this will affect the amount of disposable income tourists have to spend. Social values held by tourists and their choice of lifestyle will affect their choice of destination and preferred activities. Demographic changes in the population, including age, family stage, and ethnicity, will affect the city's choice of target market segment.

The marketing plan needs to be developed with the macro environmental factors in mind, but it is the micro environmental factors that can keep the plan from achieving success. The development of a tourism effort needs the support of government officeholders, the business community, and local citizens or it cannot succeed.

External Environmental Analysis Worksheet

Use the list in Table 2.5 as a guide to start analyzing the macro environmental factors that could affect your city’s ability to develop a successful marketing plan. Now use the list in Table 2.6 as a guide to analyzing the micro environmental factors that could affect your city’s ability to develop a successful marketing plan.

TABLE 2.5

Macro External Factor	Analysis	Effect on Tourism
Economic Issues: (How is the economy performing? Is the level of available disposable income increasing or decreasing?)		
Social Changes: (Have there been any recent changes in people’s values? Are there any new lifestyle groups that we might attract to our city?)		
Demographic Changes: (Has there been any change in the age of potential tourists living in the areas we target? Has family status changed? Has the ethnic composition of the area altered?)		

TABLE 2.6

Micro External Factor	Analysis	Effect on Our Plan
Business (Are businesspeople willing to develop the products and services that are needed by tourists?)		
Community (Are individuals and associations aware of our efforts? Are they supportive?)		
Government (Are the mayor and city council willing to provide the needed resources?)		

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Tourism Product Analysis

CHAPTER OBJECTIVES

- Explain the importance of conducting a thorough product analysis when developing a marketing plan for cities.
- Discuss how to increase the support of local businesses, community members, and government officeholders by involving them in the product analysis process.
- Introduce the steps in conducting a product analysis, including analyzing the city's core, supporting, and augmented products.
- Discuss the methods of analyzing competing cities as tourism destinations using promotional material, on-site visits, and direct testimony.

IMPORTANCE OF PRODUCT ANALYSIS

The heart of the marketing concept is the process of matching the features of the product and the benefits these features provide with the needs and desires of the consumer. This matching process is easier for a business because it can

change its existing product. A new business can even develop a completely new product by first researching the needs and desires of its targeted consumers. Using the information from this research, the business can then develop and introduce into the marketplace a product that will have the features and benefits desired by the targeted consumer segment. For example, auto manufacturers designed and developed backseat DVD players in minivans as a direct result of research data on one of the benefits parents wanted in a vehicle: a way to keep children occupied on long road trips.

Of course the process of developing a city as a tourist destination starts differently. For tourism marketers, the product already exists. The architectural style of the buildings, the parks and scenery, the city's history, and the ethnic heritage of the residents are already in place. While these features can be enhanced, they cannot be fundamentally changed. Businesses have the advantage of being able to research consumers before developing a product. In contrast, tourism marketers first analyze their city's existing features and benefits and then find the potential tourists who will be interested in what the city already has to offer.

The process of marketing cities is further complicated by the fact that different segments of potential tourists will desire different features and benefits from the visit experience. For example, the demographics of potential tourists, such as their family status, will affect the destination decision. For instance, because families are often on a budget, the availability of low-cost lodging and inexpensive activities will be an important consideration when deciding on a travel destination. In addition, the family's values will help determine what activities they desire. Families who value togetherness will be looking for attractions that parents and children can enjoy at the same time.

The demographic segment of single potential visitors will also choose a destination based on their needs and desires. For this segment, cost will probably be less of a consideration when choosing a destination. In addition, these single visitors will not be attracted by activities that involve children. Instead, singles may be looking for an exciting destination with the possibility of romance.

Because potential tourist segments will need and desire different benefits from visiting a city, tourism marketers must first complete a product analysis of what the city has to offer. Only then will the tourism marketer have the information needed to decide which potential tourist segment to target.

Adapting the Product

As a result of the product analysis, the tourism marketer may discover that the city offers the features and benefits desired by only a small group of visitors.

Unfortunately, attracting only these visitors may be insufficient to maintain a tourism industry. In this case, the product analysis can then be used to adapt the product by determining what additional features the city is missing that are desired by a larger segment of potential tourists. Those responsible for developing the marketing plan can then work with the business community to add these features and benefits.

For example, a city may already attract a small number of older tourists because of its beautiful parks and gardens. Because the city needs to attract a larger segment, tourism marketers may decide to promote the city as a destination for families. However, to attract families, the city would need to add activities in the parks that parents and children can enjoy together. In addition, the city will need to ensure that at least one of its lodging establishments is “family friendly.” Doing so means the features the city already has to offer are enhanced and then can be promoted to a larger segment of tourists.

However, it isn’t possible to change a city so that it provides a completely different travel experience. For example, if a city is known as a destination that is attractive to older tourists because of its many parks and gardens but has little active nightlife, attempting to target an entirely new segment of young people would be difficult.

It’s Not the Tour That’s the Benefit— It’s the Transportation

The Segway, the self-balancing people “transporter,” never quite caught on with the public as a means of transportation. However, while people may not have been motivated to purchase one for their own use, the vehicles are catching on as a means of transporting people on guided walking tours. After all, who hasn’t heard a tourist on a walking tour complain of sore feet?

In fact, not only have Segway tours become big business for walking-tour companies, they are even replacing tour buses in crowded city centers, from Phoenix, Arizona, to Lille, France. It isn’t just that the Segway takes the walking out of the walking tour, leaving tourists free to concentrate on what they are seeing; they are also popular with tourists because the tourists find that the Segway experience is fun in itself and that it provides something new to talk about when they get home (Soukup, 2005).

(continued)

Questions to Answer

- Are walking tours or bus tours an important component of our tourism product?
- Could an investment in using another means of transportation (Segways, bikes, mopeds, etc.) make the tours more popular?
- Could we then target a new target market segment for our tours based on the use of alternative transportation?

CORE, SUPPORTING, AND AUGMENTED PRODUCTS

Before a product's benefits can be matched to consumer needs and desires, it is necessary to thoroughly understand a company's product. For cities this means the tourism marketer must first analyze all the features the city has to offer potential tourists. These features can be divided into the core product, supporting tourist services, and the augmented product. After conducting a product analysis that catalogues all the features in the core, supporting, and augmented products, the next step will be for the tourism marketer to determine all the potential benefits each feature provides that could be promoted to a targeted segment of potential tourists.

The core product can be defined as the main feature that motivates tourists to visit the city. Some examples of core products the city may be able to provide to visitors include tourist attractions, cultural institutions, historical sites, entertainment venues, sporting events, and unique shopping opportunities. The supporting products are the additional services and products that make the visit experience enjoyable but that are not enough on their own to motivate a visit. Some examples of supporting products include souvenirs, tours, restaurants, lodging, transportation, and emergency services. The augmented product of the city is the packaging around the core and supporting products. It is the physical environment of the city and includes the streets and sidewalks, parks and paths, buildings and storefronts, the friendliness of the people, and safety issues.

Tourism marketers can obtain a great deal of useful information on the city's features and benefits by conducting a product analysis. After completion of the product analysis, the tourism marketer will analyze all of the information obtained to determine the city's strongest core product that can be promoted to a specific segment of tourists. In addition, tourism marketers will now have the information they need to identify any product deficiencies that must be addressed. For example, the product analysis may uncover that the city's

core product is the opportunity for visitors to purchase unique arts and crafts but that the city lacks the supporting services needed by tourists, such as quality lodging near the shops. Or the tourism marketer may discover that while the city has strong core and supporting products, problems with the augmented product, such as deteriorating streets and buildings, will keep visitors away.

Involving the Community

It may well be that the person in charge of developing a tourism industry is working alone or with a very small staff. In a desire to develop a complete marketing plan as soon as possible, the person may attempt to conduct a product analysis on his or her own. However, conducting a thorough analysis of all the products and services a city has to offer tourists is an extensive undertaking that will require the commitment of considerable time and resources. For this reason it is not recommended that a single person alone conduct the product analysis.

Even if tourism marketers feel they have the necessary time and resources, they should resist the temptation to work alone. A city is a complex product consisting of businesses, services, attractions, buildings, natural scenery, culture, and people. Opinions on what the city has to offer will vary because individuals experience the city differently, depending on their gender, age, occupation, religion, ethnicity, social class, values, and lifestyle. Therefore people's opinions as to the features and benefits the city might provide to tourists will vary. For example, older citizens will perhaps not be aware of the nightlife scene, while younger citizens may pass by sites of historical significance without a glance.

Therefore a group of diverse individuals should be brought together to conduct a product analysis. It is important that both older and younger people be included in the product analysis process, for both of these groups will have their own unique views on what the city has to offer tourists. These insights can be very useful when designing a promotional message to target either older or younger tourist segments. In addition, it is very important that members of local religious and ethnic communities be involved. Members of a religious group that follow specific dietary laws may notice a lack of restaurants that meet their needs. Also, members of an ethnic group may point out the need for additional information on how members of their group have impacted local history. All of these differing views and opinions on the city's features and benefits as well as its deficiencies are needed for a complete analysis. In fact, the more differing views obtained, the more useful will be the resulting information.

To Attract a New Segment, You May Need to Change Your Old Slogan

Atlantic City had been branded as “Atlantic City: America’s Favorite Playground.” However, Atlantic City tourism officials had decided to target a hipper and younger group of tourists and wanted a slogan that would reflect all the activities the city offers younger, active tourists, including golf, shopping, dining, spas, and nightlife. The new slogan, “Atlantic City, Always Turned On,” was designed to communicate the vibrancy that the tourist will experience all day, every day. After all, tourism officials decided, a playground is for children, whereas Atlantic City is for adults—and adults get to stay up late! (Travel Weekly, 2003).

Questions to Answer

- What message does our current slogan communicate?
- Does our slogan accurately promote what we have to offer our targeted visitor segment?
- If not, what features should our slogan communicate?

Stakeholder Involvement

To ensure that the information obtained by a product analysis is both useful and accurate, tourism marketers should involve a group of citizens with differing opinions on the city. The tourism marketer should also ensure that the group includes individuals who have political and social influence. These people will have the power either to prevent the implementation of the marketing plan or to ensure its success. People with political or social influence are often referred to as *stakeholders*, because they have a financial, emotional, or political stake either in retaining the status quo or in supporting change.

The identity of these stakeholders will vary, depending on the city’s government, business, and social structure. The stakeholders might include government officials, managers of financial institutions, trade union heads, large business and property owners, civic organization leaders, and members of community and neighborhood groups. It is critical that tourism marketers identify and communicate with these stakeholders throughout the develop-

TABLE 3.1 Stakeholders in the Tourism Development Process

Organization	Stakeholder
Chamber of Commerce	President or committee chair
Downtown association	President
City government	Mayor or city council member
Economic development authority	Director
Churches	Religious or lay leader
Real estate owners	Business property developer
Educational institutions	Department chair or faculty member
Library, museum, performing arts center	Manager or board member
Cultural organizations	Board president
Civic and neighborhood organizations	President
Hotels, restaurants, tourist attractions	Owner or manager

ment of the tourism marketing plan, even if the stakeholders do not wish to be directly involved.

Although they may not all wish to be involved directly in the work of conducting a product analysis, the success of developing a tourism sector will depend on making use of the expertise of these stakeholders in the planning process. Stakeholders, besides having political and social influence, will have needed professional knowledge about how the city operates and its power structure. Hopefully they will also be enthusiastic about tourism and will use their influence with others to ensure the plan's success. If they are not enthusiastic, it is even more important to involve them in some way in the process. Their involvement might result in a change of opinion and in their becoming more supportive of developing a tourism industry. Even if their opinions do not change, because they have been consulted they hopefully will not use their influence to obstruct the implementation of the plan (Table 3.1).

Forming the Tourism Committee

The process of conducting a product analysis is an opportunity for the tourism marketer to form an official committee that will support the development of a tourism industry. Those whose job responsibility it is to create the marketing strategy will be the organizers of the committee. Besides including a diverse group of citizens and the necessary community stakeholders, tourism mar-

keters must ensure that businesspeople are included. Among the businesspeople included should be owners or managers of any food and lodging establishments, current tourist attractions, entertainment venues, and retail establishments that might be used to target tourists. Managers of nonprofit organizations such as the library, museums, and any theaters or performing arts center should be asked to join because they also can potentially provide services to tourists.

Of course, it is essential that stakeholders from the government be involved. This might be the mayor if time and interest permits. It certainly should include a city council member. In addition, a representative or an employee of any city department that will be affected by tourism, such as streets and parks or public safety, should be considered to become a member of the group. If there is a local or county economic development organization, a member should also be asked to join the committee.

It isn't necessary that everyone on the committee agree on the advisability of developing a tourism industry. Committee members who have doubts will also be useful by challenging easy assumptions. However, everyone involved should love the community and be concerned about its future. Although everyone does not need to be enthusiastic about the idea of tourism industry development, it probably is not wise to include someone who is adamantly opposed.

The formation of this committee can be an informal process. Those responsible for developing the city's marketing plan need to sit down with supporters from the business community and government. Based on their knowledge of community stakeholders they can produce a list of potential committee members. They will then determine from this list who might possibly be asked to be members.

Of course, the people who are invited to join the planning effort need to be people who are actually willing to make the commitment. The list may contain names of people who are stakeholders but do not have the time or desire to be involved with the committee on a working level. Even though not involved, it is important to keep these stakeholders informed on the process.

The invitation to join the committee should come from both those given the responsibility for developing tourism and an official from the government or the economic development agency. Of course, those offering the invitation should be on good terms with the person being invited to participate. Because most people are already busy with multiple commitments, personal influence can be helpful in having the invitation accepted. Each person being invited to join should be provided with clear information on responsibilities, time commitment, and work assignments.

South Beach Is Hot and So Is Art Deco

It was once thought that the art deco style, popular from the mid-1920s to the mid-1940s, was not “historical” enough to motivate tourists to visit. However, the Miami Design Preservation League believed that art deco lovers were a potential tourist segment that could be motivated to visit the art deco buildings in the South Beach area of the city. Once the tourists arrived, the Preservation League planned to use the money they spent to help with needed building restoration.

To attract tourists they developed the annual Art Deco Weekend in South Beach, a package of events focused on art deco lovers. Over the more than 25 years of its existence, the annual event has grown to include walking tours, lectures, films, music, and a parade. In addition, vendors come from everywhere to sell everything art deco. Though the festival has become so successful that attendance has grown to over 300,000 annually, tourists who love art deco now also visit year round (Cross, 2005).

Questions to Answer

- Do we have a distinctive architectural style used in our commercial buildings, churches, schools, or even cemeteries?
- Are there groups or associations devoted to the study and appreciation of this architectural style?
- Can we develop a tourist package, including events or festivals, that can motivate these tourists to visit our city?

CONDUCTING A PRODUCT ANALYSIS

Once the committee has formed, the work of analyzing the city as a product is ready to begin. However, first the tourism marketer must understand the different components of a product. All products have a core feature plus supporting products or services and an augmented packaging that surrounds the product. When analyzing products, it is important to remember that the core product is what motivates the consumer actually to make the purchase. The core product can be defined as the main benefit the consumer receives from the purchase. The supporting product increases the value of the main benefit but will not alone motivate purchase. The augmented product is the package that surrounds both the core and supporting products.

For example, a consumer may purchase a DVD player to provide the benefit of being able to watch movies at home. The consumer also will purchase other, supporting product goods and services to better enjoy the core product. For example, for purchasers to enjoy the DVD player, they will also need to buy DVDs. In addition, to ensure that they can continue to enjoy the benefit of watching movies at home, the consumer may purchase a service warranty. Since part of the enjoyment of watching a movie is snacking, they may also purchase microwave popcorn and other refreshments to enjoy.

Retailers receive revenue from selling the core product of the DVD player. They then receive additional revenue by selling the supporting products of DVDs: service warranties and snacks. Not only are these supporting products a source of additional revenue, providing them also increases the convenience for consumers, who now only need to make one stop for everything they require for “movie night” at home. It is therefore not surprising to find that an electronics store will also sell DVDs, warranties, and snacks. In addition, the ambience of the store, the friendliness of the staff, and the availability of parking are all part of the augmented product that will encourage, or discourage, the consumer from making the purchase.

The City as a Tourist Product

The process of analyzing a city is complex, because the definition of the core product will vary, depending on the tourist segment that is targeted. In fact, the same city may contain multiple core products, each of which may be attractive to a different group of potential tourists. For example, the city's core product might be a summer classical music festival that is attended by music lovers. In addition, the same city might provide a core product of a transportation museum that is attractive to train buffs year round.

Supporting products are made available to consumers to enhance their enjoyment of the core product. Some of the supporting products offered to visitors will be unique to each core product. For example, the music lovers attending the summer concerts may also desire to purchase CDs of their favorite performing group, while the train buffs will want to buy books on the history of the railroad. Another supporting product a visitor might also purchase are tours specifically geared toward the tourist's area of interest.

Both tourist segments, no matter if they are visiting for the concerts or for the museum, will also need other general tourism supporting products. These supporting products include the essential tourist support services of food, lodging, and transportation. Also needed are services that are optional, such as car rental, car repair, medical care, religious services, and general tours and souvenirs of the area.

The core product and supporting products are surrounded by another level of product that provides the city's critical first impression to a visitor. This is the augmented product, which can be described as the packaging that envelops the city. While difficult to analyze, it is a critical component of the city's image.

The augmented product includes the city's character, image, accessibility, and human interaction. For example, upon arrival to attend the music festival or to visit the transportation museum, visitors will first notice the overall cleanliness of the city. They will also notice the style of the buildings, the availability of parking, and whether the local residents are helpful in providing needed information. If the visitors' first impression is negative, they may not stay long enough to appreciate the core product and supporting services.

First Impression Analysis

Analyzing the tourist potential of a city can be difficult for local residents because they may be unaware of what benefits the city has to offer visitors. The city is simply accepted the way it is, without considering what might be attractive to others and what needs to be improved. To overcome this limitation it is recommended that a structured process be followed when analyzing the city as a tourism product, to assist local residents in taking a fresh look.

One approach is to have communities partner so that people could assess the strengths and weaknesses of another community, the better to appreciate their own (Lewis & Schneider, 2002). If this approach were not possible, as part of the product analysis process a team of committee members would analyze their city as it would appear to a first-time visitor. The first step in this initial analysis process would be taking a drive through the city to evaluate the appearance of the downtown area, buildings, parks, monuments, and anything else of immediate notice. Particular attention should be given to the approaches to the city.

The second step in the process would be for committee members to speak to local people at the City Hall or Chamber of Commerce to assess the knowledge and helpfulness of the staff. Any printed material that is provided would be analyzed for both its usefulness to the visitor and its overall attractiveness and accuracy. The group would then walk through the city to analyze its physical attractiveness. They would take notes on their general impressions using adjectives such as *lively*, *deserted*, *deteriorating*, and *thriving*. The description would also include comments on the city's sights, sounds, and smells. Having the group members take photos is a very useful way to document the best and worst that is noticed. If they do not wish to use their own cameras, members of the team could be supplied with disposable digital cameras to record their

impressions. This is particularly important so that the information can be easily shared.

After the analysis is completed, the participants' notes of their impressions should be compared. There should be a variety of positive and negative impressions. However, general themes on which everyone agrees may appear. In addition, participants should summarize what they liked best about the city and what they liked least. The supporting photographs will be very helpful in compiling a report because they eliminate the need for lengthy written descriptions. The final report, with photos, will then be distributed to all members of the committee working on the marketing plan and other interested stakeholders.

Core Product Analysis

After analyzing the first impression the city provides to the visitor, the next step in the product analysis process will be an in-depth analysis of the city's core, supporting, and augmented products. If there are enough members on the marketing committee, separate teams could be assigned to each. This approach has the advantage of moving the process along faster. However, having the same team do all of the analysis has the advantage of making the committee members very knowledgeable on all aspects of the city.

If the product analysis is to be conducted sequentially, the committee should start with the core product. The committee members will assess what they believe is the main reason or reasons tourists might visit their city. This process should be interesting, because committee members will bring differing opinions as to what the city has to offer. At this point in the process it should be understood that all core product ideas should be included (Table 3.2).

As part of the core product analysis, the city's historical sites and monuments should be analyzed for any that might be of interest to tourists. If sufficiently available, sports viewing or participation may also be found to be part of a city's core product. In addition, an analysis of retail businesses and the products they offer will be needed, because unique shopping opportunities may be a reason for visiting the city.

The core product analysis would include all local tourist attractions. These are businesses that have been established for the express purpose of providing entertainment to visitors. However, community nonprofit organizations, which include arts and cultural organizations, universities and colleges, and even churches, should be incorporated because they may also provide attractions and events of interest to tourists.

When the word *culture* is mentioned, many people immediately think of the fine arts. However, when analyzing the city, tourism officials need to consider

TABLE 3.2 Questions to Ask When Analyzing the City's Core Products

Core Product	Questions
Tourist attractions	What for-profit tourist attractions does the city have? What type of people does each appeal to? Is the attraction in good condition? Does it tie into a current lifestyle or interest? Could its image be updated to increase its attractiveness to visitors?
Cultural and nonprofit attractions	What theatrical and musical groups is the city home to? Are there touring companies that perform in our city? Are there local amateur or professional performance groups? Are there ethnic or cultural groups that have activities in which visitors could participate? Are there any existing music, visual, ethnic, or community festivals that might be attractive to tourists? Do the colleges or universities offer plays or concerts to the public? Are the churches and libraries distinctive in any way?
Historical sites or monuments	Are we home to any historical sites? Do we have significant historical monuments or cemeteries? Are we known for any historical events? Are we the home to any famous (or infamous) persons or groups? Do we have a past well preserved in the city's buildings? Do we have a history museum?
Entertainment	Do we have an active nightlife scene? Are we known for any specific type of entertainment? Do we offer a variety of entertainment venues focused on a specific lifestyle group? Do we have entertainment suitable for families?
Sports	Do we have major or minor league teams? Do we have an active amateur sports league? Do we have sports activities in which tourists can participate? Is the surrounding area known for any specific type of sports activity?
Shopping	Do we have a variety of retail establishments? Do we have any specialized retail establishments? Do we offer the opportunity to purchase unique arts or crafts? Are we the center for any type of discount shopping? Do we have antique stores or used-book stores?

culture in a much broader context. The cultural environment includes the physical representations of culture, such as heritage or historical sites, history museums, churches, the architectural style of buildings, historic homes, and monuments. However, it also includes the cultural heritage that is represented by ethnic communities or organizations.

The cultural core product can also include the visual arts. The committee will certainly consider as part of the core product the paintings and objects

that can be enjoyed in museums or galleries. However, any public art, including civic and funeral monuments, should also be included in the analysis. The performing arts are also an important part of the core product that can be enjoyed by tourists. The city may provide tourists the opportunity to listen to various types of live music, including classical, folk, rock, popular, and ethnic. The opportunity to experience dance might also be provided to tourists through performances of ballet, modern dance, or ethnic dance. Also included in the analysis should be opportunities to enjoy theater, including popular or serious plays, musicals, and variety shows. All of these cultural opportunities may be presented by professional organizations. However, local amateur companies can also provide tourists with an enjoyable experience.

Entertainment is also a part of the city's core product. Entertainment opportunities include going to movies, dance clubs, and bars and pubs. The venues might also provide additional activities that tourists will enjoy, including open-mike nights, karaoke singing, and dance lessons. The venues at which this entertainment might take place include hotels, restaurants, bars, building lobbies, parks, and even retail establishments.

While it is increasingly difficult to make the distinction between what is considered art and what is considered entertainment, the city does not need to worry about the distinction. The core product the city provides can be a menu of cultural and entertainment opportunities from which the tourist can choose.

Supporting Product Analysis

The next step in the product analysis process will be to analyze the city's supporting products. Some supporting products are unique to a core product, while all visitors need other supporting products. For each core product the committee should analyze the availability of souvenirs and tours desired by tourists visiting the core product. Also included in the analysis should be the availability of general city souvenirs and tours (Table 3.3).

Businesses that provide services needed by tourists should be analyzed and catalogued. Since food is a basic necessity for all tourists, the product analysis process should include compiling a list of all types of restaurants, whether a fine dining opportunity or a hotdog stand. Because this cataloguing process requires only routine research using a business directory or footwork, it is a task that could be undertaken by student interns from a nearby educational institution rather than committee members. The routine information obtained should include the name of the establishment, hours, phone and address, and name of the owner or manager. It should also include information on the type of establishment, the menu, the clientele, and cost (Table 3.4).

TABLE 3.3 Questions to Ask When Analyzing Supporting Products

Supporting Product	Questions
Souvenirs and tours	Are there products geared toward the specific interests of tourist segments visiting a core product? Are there general city souvenirs available to purchase in different price ranges? Are there tours designed for specific interest groups? Are there general tours to acquaint tourists with the area?
Restaurants	Do we have a variety of types of restaurants with different menus? Do the different restaurants offer dining opportunities to different segments of tourists? Does the price range fit in with what tourists would be willing to pay? Are the restaurant facilities clean and well maintained? Are they conveniently located? Are they open sufficient days and hours to meet the needs of tourists? Do they welcome tourists?
Lodging	Do we have a sufficient variety of lodging establishments to meet the needs of different tourist segments? Does the price range fit in with what tourists would expect? Are the facilities clean and well maintained? Are they conveniently located? Do they currently market to tourists?
Transportation	Is there transportation from the airport, bus station, or parking facility to the city center and hotels? Is there local transportation around the city so that the tourist can easily get to attractions and events?
Other Services	Is car rental available? Can a tourist get emergency car repairs done? Are medical emergency services available for tourists? Can visitors attend religious services of their choice? Is police assistance readily available? Do the hotels offer childcare? Is there a staffed visitor center?

TABLE 3.4 Restaurant Cataloguing

Clientele	Menu	Hours	Cost	Concept
Families	Gourmet	Breakfast	Inexpensive	Fine dining
Couples	Family	Lunch	Moderate	Casual
Young people	Ethnic	Dinner	Expensive	Trendy
Elderly	Fast food	Late night		Themed

Once this information is compiled, it can be analyzed by the committee to determine if there is a sufficient number and range of establishments. Hopefully there are sufficient establishments to provide tourists the opportunity to have breakfast, lunch, dinner, and even a late-night snack, with a choice of menus at different price ranges. It is especially important that a range of menu prices be available to match the expectations of different groups of tourists. For example, while expensive fine dining might be enjoyed by one tourist segment, also needed are places to take the family for an inexpensive breakfast.

The food establishments can then be analyzed for any unique concepts that can be marketed to tourists. For example, the city may have a number of restaurants that fall into a certain category, such as ethnic food, fine dining, or family style, that can then be promoted as supporting a specific core product. For example, ethnic food restaurants could be packaged with an ethnic arts festival.

The analysis of available lodging will be an easier process, because there will be fewer establishments to catalogue and analyze. While hotels and motels should be included in the analysis, alternative lodging opportunities, including bed-and-breakfast establishments, long-term-stay apartment facilities, youth hostels, and the YMCA or YWCA, should also be included. In addition, the city may provide campgrounds, RV parks, and even lodging in private homes.

The information to be catalogued should include the name of the establishment, address and contact information, clientele, service, style, and the cost of the establishment. The lodging should be then analyzed for any additional services it offers that would be attractive to the tourist segment that may be targeted with the city's core product. This information on food and lodging, besides being an essential part of product analysis, can be useful in other ways. It can be provided on the city's website, while the visitor center can also have a complete listing of all establishments. In addition, the list can be analyzed to determine what food establishments and lodging to package with the core product to promote to different tourist groups (Table 3.5).

Often forgotten when analyzing the supporting product is the city's transportation system. It also needs to be analyzed as to its adequacy and ease of use for tourists. If it is unique enough, the transportation system can even be a core product in itself. In addition, the availability of other services that might be needed by tourists that may not come immediately to mind should be catalogued. These include services such as emergency medical care, food to meet special dietary needs, religious services, late-night pharmacies, childcare, and police assistance.

While this information will not become part of the promotional message for the city, such a list will still be of use. The information obtained on the

TABLE 3.5 Lodging Cataloguing

Clientele	Services	Style	Cost
Families	Pool	Motel	Free
Couples	Fitness center	Hotel	Inexpensive
Young people	Bar	Extended stay	Moderate
Elderly	Free breakfast	Campground	Expensive

availability of the services, including what establishment offers the service, where it is located, contact information, and the days and hours it is available, can be printed in a brochure that is available at the visitor center and local hotels. Even if the visitor does not need the information, it is just another means of making the visitor feel welcome.

Augmented Product Analysis

The augmented product is the physical environment of the city, which will need to be analyzed for its potential to appeal to tourists. It includes the cleanliness and attractiveness of the streets and sidewalks and also the condition of the buildings and their architectural style. Other physical features that should be noted during the product analysis are the condition of the city's street amenities, including benches, landscaping, lighting, and signage. In addition, the availability of any parks, bike paths, waterways, rivers, or canals should be noted. These amenities will need to be analyzed as to whether they are attractive or need to be improved.

The living heritage of a city can be difficult to assess because it is so interwoven into the fabric of the community. As a result it may not be considered unique simply because it is what members of the community live with every day. However, a desire to experience this unique living heritage can motivate tourists to visit. The living heritage could include the city's handicrafts, religion, occupational history, ethnic groups, languages, customs, and festivals (Hughes, 2000). The city should consider all of these examples of the city's heritage as something that can potentially be promoted to tourists (Table 3.6).

ANALYZING COMPETING CITIES

Tourism is a highly competitive industry, with many cities vying for the attention of the potential tourist. Therefore it is not enough for tourism marketers

TABLE 3.6 Questions to Ask When Analyzing the Augmented Product

Aspect	Questions
Streets and sidewalks	Are the streets clean? Are the sidewalks washed down or swept? Are the sidewalks shoveled and iced if necessary? Do the street lighting fixtures provide adequate light and are they attractive? Are there benches to sit on for those who need to rest?
Living heritage	Is our city home to any distinctive religious or ethnic groups? Is our city known as the home of any specific industry, either now or in the past? Do our citizens speak other languages, practice unique customs, or have festivals based on their heritage?
Street fixtures	Are trashcans in good shape and emptied when needed? Are there working payphones with instructions on their use for international visitors? Are there drinking water fountains?
Buildings	Are the buildings well maintained? Is there landscaping, flowers, and public art? Are street addresses clearly displayed? Are there plaques on buildings of historical significance?
Stores	Are the storefronts well maintained? Are the window displays attractive? Are the opening and closing times posted—and followed? Are there signs in the windows welcoming tourists?
Safety	Is there adequate policing of tourist areas? Is there posted information on where people can get assistance if they are lost or in trouble? Are there visible signs of security?
People	Are local residents friendly to strangers? Are workers in stores willing and able to answer questions about the city?
Parks and paths	Is there information for tourists who want to use these facilities to maintain physical fitness? Are there bike or boat rental facilities for tourists? Do any restaurants provide box lunches to take to the park? Are there play areas for children? Are the parks used for free concerts, movies, or other events?
Overall	Are stray cats or dogs a problem? Are the parking lots clean? Are they manned? Do the meters work? Are there public restrooms? Are they clean? Is there adequate signage to help tourists walk about the city? Is there adequate signage to help the tourist get from the main road, airport, or bus station?

to conduct a product analysis of their own city; they must also research competitors. When analyzing competitors, the city should carefully research the core product that attracts visitors to the competing city. In addition, they should analyze the tourist services and the competing city's image. Once it is known what attracts the visitor to its competitor, tourism marketers can decide if they can also attract similar tourists by enhancing or adding to their own product. Tourism marketers can also avoid replicating promotional ideas or special events that have not worked well for competitors.

When choosing a competing city for analysis, it is important for the tourism marketers to note if the competing city is targeting a similar or different visitor segment. If the competing city has developed a marketing plan that targets similar visitors, the tourism marketer can analyze how the competing city brands and promotes for ideas it can also use. If the competing city is targeting an entirely different visitor segment, it might be worthwhile for the tourism marketer to consider if perhaps this group could also be attracted to their own city. For example, another city might be successfully attracting a lifestyle segment of tourists interested in ethnic food. If the tourism marketers' own city has a number of good ethnic restaurants, this is an idea that can be adopted by developing a promotional message that communicates the availability of ethnic food. Another reason for analyzing nearby competitors is to discover whether they are starting to duplicate the targeting and promotional methods of the tourism marketer's own city, and respond immediately to this threat.

Varying methods can be used to conduct competitor research, including interviewing tourism marketers at the competing city, visiting the city personally, and analyzing promotional material. When conducting competitor analysis, tourism marketers must first identify which cities should be considered as competitors. Cities, wherever they are located, that offer a similar unique core product will be competing directly for the same target market segment of potential visitors. A second type of competitor would be nearby cities that offer similar general tourism products and services and are competing for the same regional tourists.

Tourism marketers may have discovered during the product analysis that their city has a unique core tourism product, such as a Celtic music festival, outstanding golf course, or unique antique stores. This city will be attractive to a segment of tourists willing to travel a considerable distance to experience the product. If this is the case, the city will be competing for this segment's attention with other cities offering a similar product, even if they are at a distance. For example, if the core product the city offers is the availability of nearby award-winning golf courses, then the city's competitors would be other cities known as golf destinations. In this case the target market segment would be serious golfers willing to travel to cities to enjoy the sport. Tourism marketers should analyze what benefits the competing city delivers to the golf

tourist. They must also analyze what supporting products are delivered and the augmented image of the city. They then must match these features and benefits if they are to effectively compete for this market segment.

Tourism marketers may discover during the product analysis that the city's core product will not attract tourists from a distance. However, they do have enough core, supporting, and augmented products to define an image that can be developed to attract local and regional tourists. In this case, the city's competitors would be nearby cities with a similar tourism image.

Competitor Analysis

Tourism marketers should develop a systematic means to analyze the tourism marketing strategies of similar cities. The methods that tourism marketers can use to research competitors are making on-site visits, reviewing the competing city's promotional material, gathering information from tour guides, travel articles, and direct testimonials. These methods will allow tourism marketers to learn from their competitors' creative ideas regarding targeting potential tourist segments or developing promotional material.

It is best if those responsible for developing the marketing plan could visit competing destinations. If they can visit, tourism marketers should follow the same approach for analyzing the competing city as they did for their own. This process would include interviewing the tourism officials in charge of managing the city's tourism sector. If this is not possible, they should at least conduct informal interviews with people working in the visitor center. They should then experience the city as a tourist by staying in local lodging, eating at a variety of restaurants, and visiting tourist attractions. All the while they will be taking notes on what they feel are product and promotion ideas that can be duplicated or problems that should be avoided.

Analyzing Competing Cities

- On-site visits
- Promotional materials
- Tour guides and travel articles
- Direct testimonials

While it would be best if tourism officials could visit their competitors, this may not be possible, particularly if the city is at a distance. However, there is another means of conducting competitor research: analyzing the competing city's promotional material. The tourism marketer should regularly review all available advertising by their competitors, including brochures, videos, and ads and other promotional communications. The information analyzed should

also include the city's website and press releases. The tourism marketers should analyze this information to determine the city's targeting and promotional strategy.

Because competitor information is so useful, it's a good idea for all tourism marketers to be on the mailing list of competing tourism offices. If this is not possible, they should obtain their promotional information, such as press releases and brochures, by some other means. Promotional materials can be used to list the products that are available in the competing city. The brochures will highlight festivals, events, cultural activities, and other core products. The guidebooks will discuss other types of services that are available, including lodging, tours, restaurants, and shopping. When competing cities announce the availability of new tourist packages or new promotional offers are received, these should be analyzed for potential marketing strategy ideas.

Also available for research are opinions and comments from other sources about the city as a tourist destination. To obtain this information, the city should review tourist guides that would normally be read by the target market segment. These sources will tell the tourism marketers not only what products and services are available, but also which are receiving good reviews. Tourism marketers can use this information to better position themselves relative to their competition.

The competing city also needs to be examined from the tourist's viewpoint. The tourism marketer should seek out direct testimonials from tourists who have visited the competing city. Because of the Internet this information is now readily available. Visiting chat rooms about tourism and checking online rating services can provide evidence of strengths that should be of concern and of weaknesses that can be exploited. When analyzing the information, tourism marketers can learn what activities tourists prefer when they visit the city and their opinions of the experience.

SUMMARY

For-profit companies will start the marketing process by researching consumers to determine what features and benefits they desire in a product. For cities the process starts differently, because the city as a product already exists. The process starts with an analysis of the city as a tourist destination by examining the core, supporting, and augmented products. After determining the city's features and benefits, the tourism marketer will find a segment of potential tourists that desires what the city has to offer.

It is critical that the community be involved in the product analysis process. First the city needs to be examined for the benefits it provides to many different groups. Therefore the more different types of individuals that are

involved in the process, the more benefits will be discovered. In addition, the process of involving the community will help to gain support and enthusiasm for developing a tourism industry. The stakeholders who should be involved include business owners, community groups, and city government officeholders.

A thorough analysis of the city as a product is essential to developing a successful marketing strategy to attract tourists. The city can be thought of as having a core product, which might include tourist attractions, cultural institutions, historical sites, entertainment venues, sporting events, and even unique shopping opportunities. In addition, the city provides supporting products and services needed or desired by tourists, including souvenirs, tours, restaurants, lodging, transportation, and emergency services. The most difficult task will be to analyze the augmented product, which consists of the city's physical environment, including the streets, sidewalks, parks, buildings, storefronts, and even people. This product analysis is essential, because the promotional strategy of the city will involve communicating the city's core product, tourism services, and image to a segment of potential tourists.

The competing cities that should be analyzed are cities with a similar unique core product, no matter where they are located, and cities that offer a more general tourist experience that are located nearby. This analysis can be conducted through personal visits, by analyzing promotional and other materials, and direct testimony. The purpose is to learn from other cities' successful strategies and mistakes.

Product Worksheet

Use the following tables as a guide to developing your own worksheets to use when conducting the product analysis. A similar worksheet can be developed for competitor analysis.

We offer the core product shown in Table 3.7.
Our city also offers the supporting products and services shown in Table 3.8.

TABLE 3.7

Core Product	Description	Benefits
Tourist attractions		
Cultural organizations		
Historical sites		
Entertainment venues		
Sports		
Shopping		
Other		

TABLE 3.8

Supporting Product	Description	Benefits
Souvenirs		
Tours		
Transportation		
Restaurants		
Lodging		
Other		

Table 3.9 shows how we need to improve the physical packaging of our product.

TABLE 3.9

Augmented Product	Description	Suggested Improvements
Sidewalks		
Streets		
Buildings		
Storefronts		
Safety		
People		
Parks, paths		
Other		

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Strategic Analysis

CHAPTER OBJECTIVES

- Describe the steps in conducting a SWOT analysis using information obtained from environmental scanning and the product analysis.
- Select the city's marketing strategic approach based on strengths and opportunities.
- Decide on which weaknesses and threats to address based on their negative impact on the city's ability to attract tourists.
- Develop a mission statement to unite the community behind the tourism development effort.

INFORMATION AVAILABLE FROM ENVIRONMENTAL SCANNING

As a first step in the process of developing a marketing plan, the tourism marketer has analyzed the external environment. Environment scanning of the macro environment has provided information on the current economic situa-

tion, including economic growth and disposable income for both the region and the nation. Useful information on any social trends that could affect tourism, such as an increased interest in cultural or sports tourism, has been gathered. Demographic information has been compiled on issues such as the rate of growth in ethnic populations and an increase in the number of families living in the area. Analyzing the micro external environment has resulted in information on the level of support from the community for developing tourism. The tourism marketer will use all of this information to make the strategic decisions necessary to develop a marketing plan.

INFORMATION AVAILABLE FROM PRODUCT ANALYSIS

The product analysis of the city has provided the tourism marketer with essential data on the city's core, supporting, and augmented products. The data now available includes information on the city's core products, such as the types and condition of major tourist attractions. Other core products on which the tourism marketer has information may include sites of historical significance, such as monuments and churches. In addition, the product analysis has documented entertainment and cultural opportunities that are available, including plays, music, museums, and galleries. Any opportunities for viewing or participating in sports have been included. For some cities the availability of retail shopping may also have been analyzed as part of the core product. The information obtained from the product analysis of the city's core products will be used to choose which core product can be packaged and promoted to attract visitors.

The tourism marketer will also have information on the city's supporting products, such as the opportunity to purchase souvenirs and tours that are unique to one of the core products, such as souvenir programs for a musical festival or tours of historic homes. In addition, there will be information on the availability of souvenirs and tours that are related to the city in general, such as T-shirts, postcards, and bus tours. Other supporting product information that has been compiled also includes a complete listing of the names of food and lodging establishments the city has to offer tourists, along with their price range and the clientele they serve. Information on the availability and adequacy of the city's transportation system to meet the needs of tourists will now be ready for analysis. In addition, information on the other services tourists might need, including auto repair, medical assistance, and childcare, will be available. This information needs to be analyzed by the tourism marketer to determine if the services adequately meet the needs of tourists.

Probably the largest volume of data available to the tourism marketer will be information on the augmented product. This information will be difficult

to analyze because so much of it will describe aspects of the city that are intangible and therefore are difficult to describe in words. For this reason any photos of the city taken during the product analysis will be very helpful. The information available for this analysis will be a description of the condition of the streets and sidewalks, including parking, lighting, benches, trashcans, and landscaping. It will also describe the condition of the buildings and storefronts as to their uniqueness and condition. The parks, bike and walking paths, and any waterways will be analyzed for their potential attractiveness to tourists. In addition, the analysis of competing cities has provided useful information.

New Orleans Is More Than Just Jazz, or New Branding Can Attract New Visitors

Of course everyone associates New Orleans with jazz. However, the New Orleans Tourism Marketing Corporation wanted to change people's perception of what New Orleans has to offer. Therefore they decided to brand the city as an international center of arts and culture—not just of jazz. Tourism officials knew the city already had the available core product, because the Warehouse District, concentrated in a revitalized waterfront area, has 22 art galleries and museums alone. The purpose of the branding campaign was both to attract new tourists and to encourage repeat visits by those tourists who had thought they had seen it all.

This branding of New Orleans as a cultural center also ties into the current attractions the city has to offer tourists. After all, the French Quarter itself is a living museum. Another reason for tourism officials to choose the branding strategy of promoting the city as a cultural center is that travelers interested in cultural attractions, in comparison with the average tourist, tend to spend both more nights and more money while visiting.

To let the visitor know about their cultural riches, the museums are collaborating on joint promotions, including their own website at www.neworleansmuseum.com. To help visitors find the experience they desire, the website helpfully groups museums by psychographic interest area, including art, history, family, historic homes, multicultural, nature, religious, and, of course, Mardi Gras (Arby, 2004).

(continued)

Questions to Answer

- Do we have enough core product involving art and culture to brand ourselves as a cultural center?
- How can our museums, galleries, theaters, concert halls, and other cultural organizations work together to attract visitors?
- What type of joint promotional campaigns or events can be organized?

THE SWOT ANALYSIS TOOL

All of the information obtained from both environmental scanning and the product analysis will be used to develop a city image that can be packaged, branded, and then promoted to a specific target market segment of visitors. However, before these strategic decisions can be made, some method is needed to analyze all of the available information. A SWOT analysis is a very effective tool that can be used for this purpose. SWOT stands for strengths, weaknesses, opportunities, and threats. A SWOT analysis will help the committee process all of the available data so that those responsible for developing the marketing plan can decide on the right strategy to use to attract tourists. The process will involve drawing on information from the product analysis to determine the city's major strengths that could be potentially promoted to attract tourists and the weaknesses that must be corrected for the promotion to be successful. In addition, the information from environmental scanning will be analyzed for opportunities that the city might use to its advantage and threats that must be avoided.

Determining Strengths

The SWOT process will involve an analysis of all of the information on the core, supporting, and augmented products to determine the city's main strengths. These strengths are the features of the city and the benefits they provide that can be used to attract visitors. The city's strengths may be the result of previous decisions the city has made, such as developing a scenic bike pathway, or they may be the result of chance, such as having a number of historical sites. When conducting the SWOT process, all of the city's strengths should be included, without regard to what type of tourist they might attract.

For example, the product analysis may have identified a major commercial tourist attraction, such as an amusement or a theme park, as a core product. The committee may have also identified strong cultural attractions, such as a theatrical company or an interesting local ethnic culture, that might motivate tourists to visit. The product analysis may even have uncovered core products that were not initially considered by the committee as possible tourist attractions, such as entertainment, sports, or shopping opportunities.

Examples of strong supporting products identified during the product analysis could be interesting tours, good dining facilities, and the availability of quality lodging. In addition, the committee might have decided that among the strengths of the augmented product are interesting architecture, a good transportation infrastructure, and striking scenery. Hopefully the analysis will also have identified the friendly attitude of the city's citizens toward tourists.

Determining Weaknesses

The SWOT process will also analyze the city's weaknesses that could potentially keep tourists from visiting. Possible weaknesses uncovered during the product analysis might include the aging or poor condition of core products such as theme parks or recreational facilities. The analysis may have found that cultural attractions have programming that is not attractive to tourists; and even if they do, a weakness may be that the programs take place at inconvenient days and times. Even if a city has historic sites, they could be identified as a weakness if they are poorly maintained or have little available information for tourists about their significance.

An analysis of the supporting product may uncover that the services needed by tourists are insufficient or that emergency services such as auto repair are not available on weekends when needed. The augmented product may also have weaknesses, such as the downtown area's being too dark at night and having little signage. An additional weakness would be an unfriendly attitude of service workers and residents toward tourists.

Of course, after completion of the SWOT analysis, as many of the city's weaknesses should be addressed and eliminated as possible. However, addressing all the city's weaknesses may take more financial resources than are available. Therefore, the tourism marketer should first concentrate on addressing those weaknesses that directly affect the city's ability to attract the tourists who will be interested in its strengths. These weaknesses will certainly need to be corrected before a complete tourist product will be ready to be packaged, branded, and promoted.

Even Paradise Sometimes Needs to Brand Itself

The city of Honokaa, Hawaii, was a prosperous industrial city until the mid-1990s. However, with the decline of the sugar industry, many of the city's residents needed to move to Kona to take tourism-related jobs. As a result of this out-migration, the city decided it should develop its own tourism industry. To differentiate itself from other competing Hawaiian cities, Honokaa decided to focus its image on the city's history. Fortunately some of the history still survives in the city's buildings. For example, the Honokaa Trading Company building still looks like something from the 1940s. To further build on this image, the city then turned an old factory into a Live Arts Center where tourists can visit artist studios and an art gallery. Food is also a part of history, and tourists can still enjoy *delaciese*, a sweet similar to a donut brought to the island by the Portuguese. If visitors have the money, there are elegant shops that sell vintage Hawaiian styles. To really get in the spirit of the past, tourists can even stay at a hotel built in 1908 as a club for plantation managers.

Honokaa has been successful in developing as a tourist destination because instead of becoming just another place to visit in Hawaii, it has created a unique historical experience for visitors (Kayal, 2004).

Questions to Answer

- Does our city have a unique history that could be attractive to tourists?
- Are any of our old buildings or neighborhoods of architectural or historical interest?
- Do we have any cuisine or food products unique to our area that we can promote to visitors?

Analyzing Opportunities

The city's internal strengths and weaknesses, which affect its ability to attract tourists, can be determined by carefully analyzing the information provided by the product analysis. However, to analyze the external opportunities of which the city might take advantage, the SWOT process will need to use the information obtained from the environmental scanning of economic, social, and demographic trends that affect tourism.

By studying current trends affecting tourism, those responsible for the marketing plan can find opportunities to target groups of tourists who have the specific desires that the city has the ability to fulfill. For example, environmental scanning may have found that interest is growing among young people in using city buildings as places to rock climb, while the product analysis may have identified that the city has older buildings that could be used for this purpose. This match between the city's strength and what is happening in the external environment is an opportunity that the city has not created but of which it can take advantage. Tourism marketers may then decide to use this opportunity by developing and promoting a weekend urban sports package, complete with equipment rental and lodging.

Likewise, environmental scanning may discover that a growing number of people have a serious interest in the arts and crafts building style. The committee may have also discovered during the product analysis process that the city has many arts and crafts homes, along with a local museum that offers an exhibit on the history of the use of the style in the city. Therefore an opportunity presented to the city is to target tourists interested in the arts and crafts movement. This opportunity could be further developed by strengthening the already-existing core product by adding supporting products such as tours of home interiors and a summer festival with workshops and speakers on arts and crafts design.

Analyzing Threats

Threats to successfully developing a tourism sector may also have been uncovered during environmental scanning. General threats to the possibility of attracting tourists are events that discourage people from traveling, including poor economic conditions that decrease the amount of disposable income people have to spend on travel and an increase in the price of gasoline or airline tickets. If at all possible, rather than react passively, the tourism marketer must plan a marketing strategy that addresses these threats. For example, if the economy is poor, tourism marketers must promote the availability of free attractions and reasonably priced lodgings. Another example of a general threat is an external event, such as news of a natural disaster or war, that distracts people's attention from a desire to travel. In this case the city's promotion needs to stress that this is exactly the right time to strengthen family ties by spending time together visiting the city.

Threats to developing a tourism sector may also be more specific to one of the city's strengths in attracting tourists. Specific threats can be the result of a change in people's values and lifestyles that causes the city's strength to become less attractive to visitors. For example, a specific threat would be waning

interest in amusement parks when the city's major strength is an amusement park. In this case tourism officials must work with the owners of the tourist attraction to encourage them to renovate to keep it popular and attractive. Another example would be a city that attracts families where the core product is an annual classical music festival held in a historic concert hall. If interest in classical music concerts is declining, this poses a threat. The tourism marketer must meet this threat by encouraging the concert organizers to consider adapting the product by changing the packaging of the event. To do so the festival's organizers need to provide more of the benefits desired by families by holding some of the concerts in the park. The festival organizers might also better target families by adding additional supporting products that families would enjoy, such as picnic lunches.

Turning Around a Negative Image, or What to Do When People Only Hear the Bad

Cincinnati's image as a city was badly damaged by news coverage of a police shooting and subsequent riots in 2001. Of course it was important for the city to get to the root causes of the problem. However, it was also important for the city's tourism officials and managers of the city's attractions to let potential tourists know that despite the bad news there were still reasons to visit the city. Tourism officials and business managers worked together to create an image of Cincinnati as a "family-friendly" city with numerous attractions for both children and adults.

Have they been successful in changing the city's image? Travel publications and tourists both seem to believe so. Travel publications give Cincinnati high marks for the quality of the cultural and entertainment features the city has to offer families. Furthermore, a survey included in the *U.S. Family Travel Guide* found that tourists ranked the Cincinnati Art Museum, with its educational center for family activities and free admission, right up with the Metropolitan Museum of Art in New York and the Art Institute of Chicago.

How was this image turnaround accomplished? The vice president of the Greater Cincinnati Convention and Visitors Bureau gives the credit to collaboration. The Bureau, the attractions, the food and lodging establishments, along with the Chamber of Commerce all worked together to project the same family friendly-image (Cornwell, 2004).

Questions to Answer

- What negative information about our city have people received from the media?
- What more positive image can we project to counteract this negative information?
- How can we use promotion to project this more positive image to the right market segment?

CONDUCTING A SWOT ANALYSIS

Conducting an effective SWOT analysis requires the necessary information, people, and time. The information required will have already been obtained from conducting the external environmental scanning and the product analysis. The people required include a moderator and enthusiastic committee members. If the SWOT analysis is to be successful, the time required will be at least a morning or afternoon and at best a complete day.

Before the SWOT analysis is conducted, the information obtained from the environmental scanning and the product analysis should be summarized into one document that is then distributed to all committee members who will be involved in the SWOT. This summarization, duplication, and dissemination of the information can be time consuming, and yet it is essential if all the previous work on environmental scanning and product analysis is not to be wasted. The reason for distributing this document before the SWOT analysis takes place is so that all those participating will have time to read the information and start to develop their own ideas on the city’s strengths and weaknesses. The committee members can then come to the SWOT analysis prepared with some preliminary thoughts on opportunities and threats the city may confront as it attempts to develop a tourism industry (Table 4.1).

TABLE 4.1 Those Handling Responsibilities for Conducting a SWOT Analysis

Task	Responsibility Handler
Environmental scanning	Tourism marketer
Product analysis	Tourism committee
Dissemination of information	Tourism office
SWOT analysis	Moderator, tourism marketer, committee
Strategic decisions	Tourism marketer, city officials

The SWOT Process

The SWOT analysis meeting should be held at a convenient and comfortable location. The tourism marketer should ensure there is comfortable seating, tables for working, and the necessary supplies. Refreshments should also be provided. Once at the SWOT analysis meeting, the moderator should explain that everyone is encouraged to participate and that all ideas and opinions are welcome. A simple but effective means of obtaining people's ideas is to brainstorm. The moderator should ask everyone for his/her opinions on what are perceived as the city's strengths. These ideas may be based on preexisting personal opinions, or they may be new ideas that resulted from reading the report that was provided. During the brainstorming process it is the moderator's responsibility to ensure, even though the discussion may become lively, that there is no censoring of opinions. At this stage in the process it is important to get everyone's ideas, no matter how improbable or impracticable they may seem at first. The committee members' ideas on strengths can be listed on large pieces of paper that are then posted about the room for everyone to see and consider. The same process is then repeated for determining the city's weaknesses.

After lists of both strengths and weaknesses have been created, the committee is now ready for consensus and prioritizing. Ideas that have little support from the majority of the members should at this point be discarded. Some features of the city may be strengths, but they may also have very limited tourist appeal. Therefore, they could not be the focus of a successful marketing strategy. For example, the committee may list a single exhibit on the area's history at the local museum and the existence of a local group that performs barbershop music as strengths of the city. Both of these are strengths in which the city can take pride, but they are not strong enough attractions on their own to develop and promote as a tourist product. After the strengths with limited appeal are deleted from the list, what will remain are the major strengths that can be used to attract tourists. If there are several, the committee then must prioritize by choosing the most important.

After consensus is reached on the city's major strengths, the same process of listing and prioritizing is repeated for the city's weaknesses. The prioritizing is particularly important, because the city has limited resources that can be used to correct weaknesses. Therefore the weaknesses that the group prioritizes as critical should be those most likely to detract from the city's ability to exploit its strengths. For example, one of the city's strengths may be the many historic buildings in its downtown area. However, if a weakness is the poor condition of the storefronts and streets, this must be corrected before visiting the historic buildings can be promoted to tourists. Another example of a critical weakness is when the city lacks the necessary supporting products of

adequate lodging and food establishments. The committee must then work with local businesspeople or the economic development authority to encourage the expansion of these services.

After compiling lists of the city's major strengths and critical weaknesses, the committee will next focus on opportunities and threats. Community members have a vital role to play during the first two steps in the SWOT analysis process of determining strengths and weaknesses because they have an intimate knowledge of what the city has to offer. However, local citizens may not have as much knowledge of external opportunities and threats. While everyone should be involved in suggesting opportunities and threats that will be listed and prioritized, the final decision on what opportunities will be the focus of the marketing strategy will be the responsibility of tourism officials. The opportunity on which the marketing plan will focus is a strategic decision that must be based on the availability of resources and the possibility for success. However, it is still important to have everyone on the committee involved in the analysis process to help build consensus.

SWOT Analysis for Williamsport, Pennsylvania: An Example

Williamsport is a small city located in the heart of north central Pennsylvania, a rural area of rivers, streams, and hills. A regional hub for culture, education, and finance, the city is now developing its tourism sector. Williamsport is best known as the birthplace of Little League Baseball and the home of the Little League World Series. However, it also has outstanding Victorian homes from the days when it was a wealthy lumber industry town. What follows is a sample SWOT analysis that might be developed for the city.

Strengths

- Name recognition because of Little League Baseball World Series
- Victorian housing stock
- Many lovely old churches and other public buildings
- Beautiful surrounding scenery
- Several fine restaurants (particularly Italian)
- Availability of live music at restaurants and bars, with focus on folk singers

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- Reasonably priced art and antiques stores
- Home to artisans that make handcrafted jewelry
- Accredited local history museum

Weaknesses

- Empty storefronts on Main Street
- Limited hours of opening for existing businesses
- Limited nightlife because of early closing of bars and restaurants
- Few opportunities to view interiors of historic buildings and homes
- Lack of tourist services such as walking tours
- Little League Baseball activity only two weeks a year

Opportunities

- Interest in people residing in Philadelphia and New York City for weekend getaway locations
- Growing popularity of Little League Baseball due to national press coverage
- Interest in home renovation, particularly of older homes

Threats

- Increasing price of gasoline increasing cost of travel
- Travel time required to the city from major population areas
- Other cities competing as historic Victorian destinations

GOALS, STRATEGY, AND PLANS FOR DEVELOPING A TOURIST SECTOR

The city started the process of developing a marketing plan with the goal of attracting visitors—and their money—to the city. Having a goal is an important first step in developing strategy because the goal expresses the dream of what the city hopes to achieve. However, the goal will remain a dream unless there is a strategy to achieve the goal.

The strategy describes the approach the city is going to take to make the dream of attracting visitors a reality. Then a plan must be developed to implement the strategy. A marketing plan is the “game plan,” which includes all the details on how the strategy to achieve the goal will be implemented. The plan will include details on the specific tasks that must be completed and who will be responsible for their completion. All three—goals, strategy, and plan—are needed if the dream of attracting tourists is to become a reality.

Strategic Development Process

- *Goal*: What the city wants to achieve
- *Strategy*: The approach the city will take to achieve the goal
- *Plan*: The tasks involved in implementing the strategy

Marketing strategy refers to the process of deciding on which component of the marketing mix to focus to reach an organization’s goal. Marketing strategy requires decisions on what customers to target, what product to sell, at what price, where, and with what type of promotion. A for-profit company using information from a SWOT analysis may decide to focus its efforts on any of these areas.

If the focus is on the customer, the company will concentrate its efforts on finding and targeting a segment of consumers who will want to purchase the already-existing product. If the focus is on the product, the opposite approach is taken and the strategy becomes one of developing a product to meet the needs of a specific group of consumers. Pricing strategies are widely used by for-profit companies to attract customers by providing the product at lower cost than competitors. A strategy focused on distribution assumes that consumers will purchase the product as long as the company provides it in a convenient location. A company focuses on using promotional strategy when consumers are unaware of the product’s benefits and promotion is needed to communicate information (Table 4.2).

TABLE 4.2 Strategic Focus and Tourism

Focus	Strategy	Tourism Application
Customer	Target new market segments of consumers.	Find potential tourist segment that will enjoy city as it is.
Product	Differentiate; extend product.	Promote unique core product; improve city’s supporting and augmented tourist products and services.
Price	Lower price to beat competitors; use prestige pricing to communicate quality; use promotional pricing.	Promote lower cost of visiting city compared with expensive destination; package prestige weekends for more affluent visitors; lower prices during off-season.
Place	Distribute product to appropriate location for target market segment.	Since city can’t be moved, concentrate on communicating convenience to local geographic area.
Promotion	Develop message, use correct method or appropriate media.	Develop attractive promotional message communicating benefits; use advertising, PR, sales incentives, or direct marketing; concentrate on local media in target geographic area.

Consumer Strategic Focus

Tourism marketers are faced with making difficult decisions when deciding on a tourism strategy. The information from the SWOT analysis on opportunities and threats is critical to choosing the most appropriate strategy to achieve the goal of attracting tourists. By choosing the strategy that is most applicable to the available opportunities, the tourism marketer will decrease the likelihood of making a costly strategic mistake.

A tourism marketer can use a consumer focus strategy by finding and targeting a visitor segment that will enjoy what the city already has to offer. This strategic focus can be used when the SWOT analysis has found that the city already has a strong core product. In this case the tourism marketer will focus on finding a segment of potential tourists who will enjoy the city's core product.

Segmentation, or the process of finding and targeting groups of potential tourists, is the strategy that is applied when the city uses a consumer focus. The segments that can be targeted can be described by their demographic characteristics, such as gender, age, income, and family status. In addition, tourists can be grouped geographically, by where they live. Marketers also segment potential tourists based on psychographic traits, such as values and lifestyle. Usage segmentation is when people are grouped, despite their demographic or psychographic characteristics, by the purpose of their visit to the city.

Product Strategic Focus

Product strategy is probably the focus that is most important for cities new to developing a tourism industry. For cities, new product development is not an option because the city already is in place. However, there are two approaches to product strategy, differentiation and product extension, that a tourism marketer can use. Product differentiation will be employed if the SWOT analysis revealed that the city's core product and the benefits it provides are similar to those of other, competing tourist destinations. In this case, the focus will be on differentiating the city from its competitors by communicating this difference.

For example, it is wonderful if the city has fine examples of Greek revival architecture. However, if competing cities that are already established tourism destinations also provide a similar core product, attracting visitors will be difficult. Therefore the city must find a reason for the visitor to choose it as a destination. Because changing the city's core product is not an option, a

tourism marketer needs to use product differentiation to stress how this city is unique. For example, if the city has an arts festival that is similar to another city's, tourism marketers must find some way of differentiating their festival from the competitor's. This might be though promoting the fact that the arts fest is focused on the city's history, its attractiveness thereby making it unique. Another example would be where the city has a strong core product of entertainment opportunities, but so do other competing cities. Tourism marketers can differentiate their city by promoting the unique cultural or ethnic entertainment. Tourism marketers differentiate their city by stressing the difference so that a visit will be more attractive to the target market segment. This difference may lead potential tourists to choose to change their purchase behavior and to travel to the new destination.

Another approach to implementing a product strategy is for tourism marketers to use the product extension strategy to develop their product more fully. With this strategy, tourism marketers focus on extending their product by developing additional supporting or augmented products that the city is missing and that potential tourists want. For this strategy to be effective, the city must already have a solid core product capable of attracting tourists. In addition, the core product must already be differentiated from what is offered by competing cities. For example, the SWOT analysis may have found that the city has a core product, such as unique history, local culture, active nightlife, or scenery, that is attractive to a segment of potential visitors.

However, although the basic core product is available, more is needed to motivate tourists to visit. Tourism marketers will use product extension strategy to develop additional supporting and augmented products that can be packaged with the core product to better meet the needs of potential tourists. For example, a city might have a large number of Victorian homes as a core product but lack supporting or augmented products. In this case the city will need to develop walking tours and provide tourists with opportunities to view the home interiors. In addition, the city's downtown area will need to be revitalized with attractive period lighting and quaint eating establishments. Another example would be where the city is home to sporting events but does not provide any additional supporting services. Using the product extension strategy, the tourism marketer would ensure there was transportation to the stadium, reasonably priced lodging for families, and sports bars for the singles crowd.

Product Strategy

- *Differentiation*: Stressing unique features and benefits
- *Extension*: Adding supporting and augmented product/services

Price Strategic Focus

While price may be the easiest component of the marketing mix for a business to adjust, this is not true for a city. Tourism officials do not have direct control over prices charged by attractions, restaurants, or lodging establishments. However, there are pricing strategies, including competitive pricing, prestige pricing, and promotional pricing, that a city can use to attract tourists.

Competitive pricing is when companies charge less than competitors for a similar product. While tourism marketers cannot lower the price of a visit, this approach can be used when it is found that the city offers a product and benefits that are similar to another, larger, well-known, and, therefore, more expensive destination. In this case the tourism marketer should advertise that the city has similar benefits but that the ticket prices for admittance to attractions are lower and that reasonably priced food and lodging are available.

For example, the city's core product might be a nearby ski resort. However, the city may be located near another city well known as a ski destination. If the skiing experience offered by both cities is similar, tourism marketers can use competitive pricing to attract tourists by promoting lower lift-ticket and hotel prices. This pricing strategy assumes that some visitors will be motivated to change their destination because they will receive a similar experience at lower cost.

Another strategy that marketers can use is *prestige pricing*. With this strategy the marketer will encourage businesses to price high-quality, unique products above the cost of competing products. The theory is that this higher price communicates to purchasers an image of superior quality and exclusivity. While the tourism marketer might not want to brand itself as a place that only the wealthy can afford to visit, it may promote part of its core product with a more exclusive image and high-priced packages. A city with luxury spas, upscale hotels, shopping, and gourmet dining opportunities could use this pricing approach. When following this strategy, the price can actually be set too low, which then ruins the image of quality and exclusivity.

A third strategy is *promotional pricing*, where prices are selectively lowered to attract purchasers. Tourism marketers can use this approach with specially reduced prices to attract tourists who might otherwise not visit. Tourism marketers should not employ this strategy to increase the number of visitors at already-busy times of the year, because there is no sense in cutting prices when visitors are willing to pay full cost. However, tourism marketers can use promotional pricing to increase visitor numbers during the off-season. For example, tourism marketers could collaborate with attractions and lodging establishments to offer visitors lower-priced packages when visitor numbers are down. The strategy allows visitors who normally could not afford the city to visit at a discount.

Pricing

- *Competitive*: Charge less than similar, well-known destinations.
- *Prestige*: Use high price as a sign of quality and exclusivity.
- *Promotional*: Reduce package prices to attract tourists during the off-season.

Place Strategic Focus

Companies use place strategy when they have the product available to purchase at the most convenient location for the customer. Of course this strategy has limited use for tourism marketing, in that the city cannot be relocated. However, it does apply when tourism officials are thinking of targeting potential visitors who live nearby and yet travel to other, more distant cities.

To implement this strategy, the tourism marketer would communicate the promotional message that the city can provide the visitor with the same experience as more distant cities, with less travel. This will save tourists time and money while providing them with a similar but more convenient visit experience. Another strategy would be to promote the low cost of visiting the city because of inexpensive transportation. This is particularly effective with the growth of low-cost airlines.

Place Strategy

- *Convenient location*: Target potential tourists in nearby geographic areas.
- *Low-cost access*: Stress convenient and inexpensive transportation to city.

Build Your Image on What You Already Have

Everyone has heard of the U.S. Open tennis tournament and the Belmont Stakes horse race. However, how many people associate these events with Long Island, New York? Local tourism officials decided not enough when they discovered in 2004 that hotel occupancy had fallen to only 75%, a decrease of 6% from the previous year. One strategy to meet this challenge was suggested by the Long Island Hotel/Motel Association. They recommended a slowdown in hotel construction to improve occupancy rates by limiting the availability of the product.

However, the president of the Long Island Convention and Visitors Bureau suggested another strategic approach. Rather than limit the avail-

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ability of the product, they chose a consumer segmentation strategy designed to increase the number of visitors by targeting the psychographic tourist segment interested in sports. Since Long Island already had well-known sporting events that attracted large numbers of visitors, a new brand image of Long Island as a sports destination was promoted. The goal of the strategy was to attract tourists by differentiating the area on the basis of both the well-known and the many other sports events available on Long Island (Solnik, 2004).

Questions to Answer

- For what type of major events or activities, such as sports, festivals, parades, and culture, is our city already well known?
- Does our city host other, smaller and less well-known events of the same type?
- How can we build a brand identity by packaging and promoting all these events to attract more visitors?

Promotion Strategic Focus

Sometimes the SWOT and product analysis for a city will discover that it already has the core, supporting, and augmented products needed to become a strong tourist destination. In addition, a sufficiently large segment of tourists that will be interested in what the city has to offer have already been identified. If this is the case, the strategy must focus on promotional communication with the target market segment of potential tourists.

The strategy must include developing an appropriate promotional message, using the right promotional method and the appropriate choice of media. First an attractive promotional message that communicates the city's benefits must be created. The message must identify the benefits in such a way that it attracts the interest of the targeted market segment. In addition, the promotional method chosen, whether advertising, sales incentives, or direct marketing, to communicate the message must be correct. If advertising is to be used, the choice of media, whether print or broadcast, must also be appropriate for the targeted segment. To be successful the promotional strategy must have the right message, communicated with the correct promotion, and using the appropriate media.

Promotional Strategies

- *Message:* Use the right words and image to convey the benefits.
- *Method:* Select the correct promotional method.
- *Media:* Choose the appropriate form for the segment.

Combining Strategies

Tourism marketers have used the information from the SWOT and product analyses to evaluate possible consumer, product, pricing, place, and promotional strategies. Tourism marketers must now make a decision on which strategy to focus their limited resources. However, even with limited resources the tourism marketer may need to focus on more than one strategy.

Since all marketing plans must identify the product's customers, tourism marketers will need to use a consumer focus to identify a specific potential tourist segment. The tourism marketers must also decide whether they will need to focus on product strategy by differentiating or extending their product to develop a tourism sector. Differentiation strategy is used to contrast the city with competing destinations, while product extension focuses the tourism marketer's attention on determining what additional product and services are needed. Tourism marketers may decide that competitive pricing, prestige pricing, or promotional pricing will be the focus of their strategy.

The tourism marketers might also focus on place by communicating convenient and low-cost transportation. Those responsible for developing the marketing plan may decide they have targeted the correct tourist segment and that they have an attractive product in a convenient location; therefore promotion may be the focus of their marketing strategy to increase tourism.

Marketing Strategies Appropriate for Williamsport

Consumer: Target families and couples from tri-state area interested in history and relaxation.

Product: Use product extension to develop weekend getaway package of Victorian home tours, history museum, antique shopping, and historic lodging.

Promotion: Promotional message of "A visit to the past is closer than you think" using advertising in travel magazines.

Place: Promote package to couples in nearby rural areas as "A big-city getaway right next door" with shopping and shows at the performing arts center.

Pricing: Promote similar product but with lower prices than more well-known destinations.

MISSION STATEMENT

At this stage in the process the committee has completed the SWOT analysis and the tourism marketer has chosen the marketing strategic focus. One way to help consolidate all that has been accomplished so far in the process of developing the marketing plan is to have the committee write a mission statement. A mission statement for a commercial company answers specific questions of who the company is, the type of product the company provides, and the customers it serves. However, the mission statement addresses another issue: what the values of the company are regarding being a good member of the community.

For instance, a family-owned company that builds new roofs and repairs old ones might have a mission statement that says that the company can offer expertise in shingle, slate, and industrial roofing materials. It will also state that the company provides services to both private homeowners and construction companies. Its values would be demonstrated by the fact that it guarantees that the roof will be done right, on time, and at the price quoted to the consumer. In addition, the company would demonstrate that it values the entire community by including in the mission statement its ongoing support for Habitat for Humanity.

Mission Statement Questions

- Who are we?
- What is our product?
- Who do we serve?
- What are our values?

Mission Statement for Williamsport

Here is an example of how the City of Williamsport could develop a mission statement.

Who are we? A small, historic city in north central rural Pennsylvania, a regional hub for industry, finance, and culture, the birthplace of Little League Baseball, and home to the Little League World Series.

What do we have to offer tourists? Beautiful natural scenery, architecturally unique homes and buildings, and an old-fashioned downtown that brings back memories of Main Street.

Whom do we serve? Visitors who love history, Victorian homes, nature, and small town friendliness and in August the best Little League Baseball players in the world.

What are our values? Williamsport believes in maintaining a beautiful city for the enjoyment of its citizens and visitors while encouraging the values of community caring for the present and future generations.

Mission Statement: The tourism office of Williamsport is committed to attracting visiting couples and families from the tri-state area to our city to enjoy its architectural heritage and beautiful scenery while at the same time using tourism to develop our city economically.

A completed mission statement for a city would describe what it has to offer visitors and what type of tourists it hopes to attract. In addition, the mission statement would include a statement on the benefits creating a tourist industry will provide to the community. Having the community members and stakeholders involved in the process of writing a mission statement can help to build consensus on the city's goals and values as related to tourism. While the committee can write the mission statement, it will also need to be reviewed by the other stakeholders in business, government, and the community. Although the creation of the mission statement may seem like just one more task to be completed, unless there is agreement about the mission it is unlikely there will be agreement on the plan.

Not All Visitors Are Welcome

What happens when your city becomes known as the place to go to spend time getting drunk? What happens is that respectable travel companies will no longer recommend a visit to your city to their clients. This is what occurred when the BBC ran a program that discussed binge drinking in Nottingham, England. When Nottingham city leaders heard that travel companies might drop the city from their itineraries, they took action to counter not just the image, but also the negative drinking behavior. Why the concern? The city knew that the negative image would not only hurt visitor numbers; it could also negatively impact business investment.

Nottingham was already communicating to the public their many fine attractions, such as historical significance, beautiful scenery, and fine shopping. What was needed, and then followed, were ways to discourage visits from tourists who only wanted to come to drink. Among the

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steps the city took to discourage visits by binge drinkers was the introduction of minimum drink prices. All other tourists, of course, are welcome! (Europe Intelligence Wire, 2004)

Questions to Answer

- Have we developed a reputation as the place to visit for negative types of activity?
- Is so, what have we done to actively discourage both the activity and visits by these groups?
- What positive image can we project that these troublesome groups will find unattractive?

SUMMARY

After conducting environmental scanning and a product analysis, performing a SWOT analysis is the next step in the marketing process. The SWOT analysis will use information obtained by the environmental scanning on the external macro environment, including data on economic growth and social and demographic trends. The SWOT analysis will also use information on the city's core, supporting, and augmented products generated by the product analysis. This will include a listing of core products, the availability of supporting products needed by tourists, and information on the augmented product.

The SWOT analysis itself consists of listing the city's strengths that could be used to attract visitors and its weaknesses that would keep visitors away. Matching the city's strengths with changes in the external environment determines the opportunities of which the city can take advantage. The process of conducting a SWOT analysis involves having the tourism marketer and members of the community agree on strengths, weaknesses, opportunities, and threats and then prioritizing them for needed action.

Once the SWOT analysis is completed, the next step in the marketing process is to decide on a strategy that will take advantage of one of the opportunities discovered. Consumer strategies would focus on segmentation by targeting a group of visitors who would enjoy the city as it is. Product strategies would involve using differentiation or product extension to attract visitors. Pricing strategy could be used, including competitive, prestige, and promotional pricing. A place strategy takes advantage of the city's location and inexpensive transportation to attract nearby visitors. Promotional strategy assumes

that the customer segment being targeted is correct and that the product is acceptable but that what is needed is improved promotion by improving the message, method, or media choice. Of course, more than one strategy can be used at one time. In fact most cities will need two or even three.

Once the SWOT analysis is done and a strategy chosen, the city should develop a mission statement. This mission statement defines the identity of the city's tourism effort by answering questions on what the city has to offer, who the city serves, and what the city's values are regarding developing tourism. While developing the mission statement will take time, it can bring to conclusion all the work that has been accomplished. In addition, when future strategies are planned, the mission statement provides a guideline on how they will fit in with the mission in meeting both the needs of tourists and the city's citizens.

SWOT Planning Worksheet

For a SWOT analysis to be successful, advanced planning is required. Use the form in Table 4.3 to get started.

TABLE 4.3

Task	Responsibility	Date to Be Completed
Distribution of material		
Booking of location		
Finding moderator		
Providing materials		
Lunch and refreshments		

SWOT Agenda Worksheet

Part of the advanced planning is to develop an agenda. The form in Table 4.4 can be used to plan a full day or can be adapted to a half day SWOT analysis.

TABLE 4.4

Time	Task	Responsibility
	Welcome	
	Presentation on environmental scanning results	
	Presentation on product analysis results	
	Explanation of SWOT process	
	Break	
	Brainstorming on strengths	
	Brainstorming on weaknesses	
	Lunch	
	Prioritize strengths and weaknesses	
	Brainstorming on opportunities and threats	
	Break	
	Prioritize opportunities and threats	
	Write mission statement	
	Wrap up and next steps	

Strategic Focus Worksheet

After the SWOT analysis has been completed, it is time to start considering the overall strategic focus for the marketing plan (Table 4.5).

TABLE 4.5

Focus	Strategy	Potential
Customer		
Product		
Promotion		
Place		

Mission Statement Worksheet

Developing a mission statement can be a means to bring to closure the environmental scanning, product analysis, and SWOT process. The form in Table 4.6 could be used individually or with a group.

TABLE 4.6

Question	Answer
Who are we?	
What do we have to offer tourists?	
Whom do we serve?	
What are our values?	

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Segmenting and Targeting Potential Tourists

CHAPTER OBJECTIVES

- Discuss the theory of segmentation and its relevance for effective promotion.
- Explain the difference between concentrated, differentiated, and undifferentiated targeting strategies.
- Examine the types of segmentation methods available, including usage, demographic, psychographic, and geographic segmentation.
- Introduce the importance of cultural tourists as a potential tourist segment for cities to target.

THE MARKETING PROCESS

Tourism marketers, along with the members of the committee, have now completed important preliminary steps in the process of developing the city's marketing plan. They have analyzed the macro external environment, including economic, demographic, and social factors, to determine if there are

positive or negative trends that will affect the success of their tourism plan. For example, they are now aware of the current economic situation and how demographic trends and any changes in values and lifestyles might impact tourist travel. They have also analyzed the micro environment to determine if stakeholders in the community will support or resist the effort to develop a tourism industry.

In addition, tourism marketers working together with members of the committee have spent considerable time and effort conducting a thorough analysis of their city as a tourism product. They have analyzed features of the city's core product, including tourist attractions, historic sites, buildings of architectural significance, cultural and entertainment opportunities, shopping, and sports, for benefits that tourists might enjoy. They have also analyzed the city's supporting product to ensure that the services needed by tourists are available. In addition they have analyzed the augmented product of the city, including its appearance and image, to determine the impression it presents to tourists.

Those working on developing the tourism marketing plan then used a SWOT analysis to make sense of all this data. Using the information from the product analysis, the SWOT analysis helped the committee to determine the strengths and weaknesses of the city as a product. Using the information from the environmental scanning, the tourism marketer and committee looked for opportunities that would match with the strengths the city possessed. It is this match between strength and opportunity that is the basis of a marketing strategy. They also used the information from the product analysis to determine the city's weaknesses. These were then prioritized to determine what weaknesses needed to be addressed so as not to distract from the city's strengths. The committee now has a clear picture of the opportunities of which they can take advantage and the threats they must either correct or avoid.

SEGMENTATION AND TARGETING

Now that tourism marketers have an understanding of what their city has to offer to potential tourists, they may be eager to begin promotion. In their enthusiasm to promote their city as a tourist destination, those responsible for developing the marketing plan may come to the conclusion that all potential tourists will be eager to visit. This conclusion is understandable, for everyone believes their city is the best. However, because promotion is expensive, though tourism marketers should welcome everyone, they should not attempt to promote to everyone. Because of limited staff and financial resources available to tourism marketers it only makes sense for them to promote the city to those potential tourists who can be motivated to visit.

The process of choosing the potential tourists most likely to respond is called *segmentation and targeting*. Segmentation groups tourists into segments based on similar characteristics. Targeting chooses from among these segments the one or more that are most likely to respond positively to a promotional message on the city's features and benefits. This process of segmentation and targeting is not intended to discourage other tourists from visiting. Instead it is used to communicate the promotional message about the city's benefits to those who will be easiest to motivate to visit.

Defining Terms

Target market segment is a term that may need some explanation for those new to marketing. First, the word *market* refers not to a place but rather to all possible consumers who might conceivably purchase the product. The market is the largest number of consumers that could potentially be reached with a promotional message. The term *segment* refers to a group of consumers in the market who all share at least one and usually more characteristics.

These segments can be based on either external or internal characteristics. Obviously the external characteristics, or demographics, of consumers, such as age, income, ethnicity, gender, and family stage, will vary. However, consumers also differ internally, or psychographically, in their values, interests, and lifestyle. These external and internal distinctions result in consumers' purchasing different types of products.

Besides external and internal characteristics, the market can be divided into segments based on the consumer's geographic location, whether local, regional, national, or international. A final means of segmenting would be by the consumers' use of the product. For tourism this would be the purpose tourists have for travel, whether an impulsive weekend trip, a long-planned family vacation, or business travel. Tourism marketers can use more than one means of segmentation simultaneously.

The market is grouped into segments before a promotional message is communicated, for two reasons: cost and efficiency. First, using promotion to try to communicate a message to everyone in the market would be too expensive. Second, even if such an extensive promotional campaign could be afforded, it would be ineffective because the needs and desires of the consumers who make up the market differ widely. Therefore different messages must be created and communicated to motivate different segments of consumers.

After the market has been divided into segments, the tourism marketer then chooses the one or more segments most likely to enjoy a visit and then aims the promotional message to these groups. The word *target* refers to this process of

choosing the segment or segments to which the city decides to communicate its message. The city's promotional message must be designed to directly address each segment's different needs and desires if they are to be motivated to visit.

The Process

The example of planning the invitation list to a party can help to explain the segmentation and targeting process. In this example, the market would be everyone that could potentially be invited, whether they are interested in attending the party or not. Of course, common sense dictates that some immediate segmentation takes place. Therefore, the party giver might first segment using geographic location by restricting the invitation list to everyone who lives in the same city. However, mailing invitations to everyone who lives in the city would be too expensive. In addition, the party giver knows that sending out invitations to everyone is ineffective because not everyone will be interested in attending.

Therefore, after geographic, the next segmentation would be demographic. People in the city could be divided into segments by demographics, such as age, so that only young adults will be invited. On the other hand, some demographic segmentation, such as by gender, may be unwise, because both young women and men could equally enjoy the party. The people in the city could also be divided psychographically, by interest and lifestyle, so that only those who enjoy dancing are invited. If the party were on a Saturday night, usage segmentation could be helpful. In this case the party giver would send invitations to only those people who needed an activity for a Saturday night date.

The party giver then decides which of these segments in the neighborhood to target with invitations: young people, people who enjoy dancing, or people who need an activity for a date. The party giver could base the choice of which segment to target on a single segmentation method, whether geographic, demographic, psychographic, or usage. However, it is possible to refine the invitation list by using more than one means of segmentation. For example, to increase the likelihood that people who are sent the invitation will respond positively, the invitation can be targeted at those who are young, who love to dance, and who also need an activity for a Saturday night date. The more carefully the group to be invited is segmented, the more likely that members of the segment, when targeted with the invitation, will respond positively. Of course, the more methods used to segment the market at the same time, the smaller the resulting segmented group will become. For example, after consideration, the usage segmentation of inviting only those who need somewhere to go on a date may be discarded because it would result in the segment becoming too small.

Cemeteries as Tourist Attractions, or Vacationing with Great-Great-Great-Grandpa

Womelsdorf, Pennsylvania, settled in 1723, has a population of only slightly over 2,500, and yet still manages to attract visitors. Why do tourists come to such a small, out-of-the-way city? Surprisingly, tourists are coming in increasing numbers to visit the Tulpehocken Settlement Society and the local cemetery. Their motivation is to search the society's historical archives for information on any ancestors who might have lived in the area and then visit their graves.

It is believed that this interest in finding ancestors is being fueled by the use of the Internet. After all, genealogy message boards and newsgroups are second only to sex sites as the most visited content on the Internet. However, once people have used the Internet to find out facts about their family tree, they then develop an interest in seeing the actual place their ancestors lived and are buried. A growing segment of tourists are making this ancestor hunt the basis of their summer vacation.

These ancestor-seeking tourists are particularly welcomed by small towns because of the money they spend on tourist services. In addition, the historical societies that retain the birth, death, and other records of past citizens have found that the access and copying fees paid by tourists help pay for staff and facilities. Some historical societies are even entering as much of their data as possible on the Internet so as to attract even more ancestor-seeking tourists to their town (Kilborn, 2001).

Questions to Answer

- Do we have a historical society or local museum that has genealogical information?
- How can we promote this information source on our own website and other, genealogical websites?
- Can we package a visit to the society or museum with other activities these ancestor-seeking tourists might enjoy, such as lodging in a historic hotel and walking tours of the cemetery?

UNDIFFERENTIATED, CONCENTRATED, AND DIFFERENTIATED TARGETING STRATEGIES

Segmentation refers to the process of dividing the market of consumers into groups based on one or more shared internal or external characteristics. After the segmentation process is complete, the next step is targeting, which involves the tourism marketer's choosing a segment or segments to which to communicate the promotional message. There are three different targeting strategies that a tourism marketer can implement. The tourism marketer must make the important decision as to whether he or she wishes to use an undifferentiated, concentrated, or differentiated targeting strategy (Table 5.1).

Undifferentiated Strategy

An undifferentiated targeting strategy is used when a company decides to communicate the benefits of its product by sending the same promotional message to everyone. For an undifferentiated strategy to be successful, the company's product must be readily available and affordable and must provide the same benefits to all consumers. Very few companies with consumer products meet these criteria. However, very large companies can use this strategy to market widely consumed inexpensive products, such as soft drinks and fast food. The city as a product certainly does not fall into this category because the city's core, supporting, and augmented products will provide benefits that will be attractive to specific groups.

TABLE 5.1 Segmentation Strategies

Strategy	Description	Example
Undifferentiated	Sending the same promotional message to everyone	Promoting the city as a historic destination by placing ads in widely read newspapers
Concentrated	Designing a promotional message that communicates the benefits desired by a single specific segment	Promoting the city as historic by targeting elderly members of historical societies by placing ads in their newsletters
Differentiated	Designing more than one promotional message, with each communicating different benefits	Also targeting families by communicating a promotional message about the importance of children learning history

Unfortunately, if tourism officials are unfamiliar with marketing strategy, this undifferentiated strategy is the one most likely to be implemented. In their enthusiasm for the benefits the city has to offer they forget that all tourists do not have the same desires. They therefore will proceed directly from the SWOT analysis to planning the promotion. Regrettably, following an undifferentiated process results in a promotional message that tries to communicate to everyone. As a result the message is very general and is actually heard by few. Therefore, while it may seem quicker and easier to implement, the undifferentiated strategy for marketing cities is both ineffective and wasteful.

Concentrated Strategy

A concentrated strategy is implemented when a company decides to communicate its promotional message to a single targeted segment of consumers. The reason for targeting only one segment may be that during the process of segmentation it was found that only a single segment of people is interested in the product. Another reason for targeting only a single segment is that, although more than one segment could be targeted, the company can afford only one promotional campaign. Because the promotional message must be written to communicate the specific benefits desired by each segment, targeting more than one segment requires the company to create a new promotional message for each.

Tourism marketers use a concentrated strategy when they decide to communicate a promotional message to only a single target market segment of potential visitors. Before reaching this decision, the tourism marketer will first have analyzed the benefits the city has to offer visitors and found that they will be of interest to only a specific group. The tourism marketer then develops a promotional message that communicates these benefits in a way that will motivate the members of the targeted market segment to visit. The advantage to the city of implementing a concentrated segmentation strategy is that it saves both effort and money. Following a concentrated strategy saves effort because consumer research needs to be done on only one segment of the market. It also saves money because only one promotional message and set of promotional materials needs to be developed.

Differentiated Strategy

A company implements a differentiated targeting strategy when it decides to target more than one segment, each with a different promotional message. The company first determines which segment of consumers is most likely to

purchase the product. This is the primary target market segment. However, in addition the company will also target a second, smaller segment as a source of additional sales revenue.

Tourism marketers can also use a differentiated segment if they have the available financial and staff resources. First they will decide on the primary segment of visitors who will be most motivated to visit. Developing the promotional message and materials for this target market segment will receive the bulk of the city's effort and funds. However, tourism marketers may decide to target a second, smaller segment that they can also motivate to visit using a different promotional message. For example, a city that provides many recreational activities may target families as the primary segment. The promotional message communicated to this segment will stress the city's many sports activities that can be enjoyed by families while spending time together. A second, smaller segment of single people interested in sports may also be targeted. However, the promotional message communicated to this group will stress the availability of modern sports facilities rather than family activities.

SEGMENTATION METHODS

Segmentation is the process of dividing potential consumers into groups based on shared characteristics. There are probably as many methods to segment consumers as there are different external and internal personal characteristics. The choice of which method to use when segmenting consumers depends on the features of the product and the benefits it provides. For example, a company marketing organic hair coloring may target older, well-educated women who desire a youthful appearance, are concerned about the environment, and live in urban areas anywhere in the United States. A small café may target large families who live in the neighborhood, have low incomes, and want an inexpensive, quick meal. Both the company and the café cannot design their promotion until they know their segment.

Geographic, demographic, psychographic, and usage segmentation are the most important segmentation methods to consider when segmenting the market of potential tourists. *Geographic* segmentation targets potential tourists based on where they live. Via geographic segmentation, potential tourists can be targeted locally, regionally, nationally, and internationally. *Demographics* refer to the external characteristics or facts about the potential tourist that can be easily identified and quantified. These characteristics include the tourist's age, gender, family life cycle stage, ethnicity, income, education level, and religious background.

TABLE 5.2 Segmentation Methods

Method	Description	Example
Geographic	Local, regional, national, international	Regional versus national visitors
Demographic	Gender, ethnicity, age, family stage, income, occupation	Single professional Asian women, ages 22–35, with incomes over \$75,000
Psychographic	Values, lifestyle, social class	Independent, adventurous tourists interested in winter sports
Usage	Business travelers, those visiting family/friends, day/weekend tourists, traditional vacationers	Business travelers who wish to add additional activities to their agenda while visiting

Psychographics refers to internal characteristics that are not immediately apparent. These psychographic characteristics are usually shaped by family and life experiences and include the person’s values, lifestyle, and social class. *Usage* segmentation refers to how consumers use the product. For tourism marketing this would mean segmenting based on the purpose of the visit. Tourists can be segmented into business travelers, day and weekend visitors arriving for a special event, tourists arriving for the traditional vacation, and people traveling to the city to visit relatives. All of these usage segments will have different needs and desires (Table 5.2).

Choosing a Segmentation Method

The likelihood of success in reaching the target market segment with a promotional message will be increased if the segment is easy to identify. To help with identification, the description of the segment should be as specific as possible. After the message has been designed, the appropriate media must be chosen to communicate the message. If the description of the segment is too vague, locating the appropriate media that will reach the segment will be difficult. In addition, even if tourism marketers find a segment interested in visiting, the segment must be large enough to justify the expense of developing the promotional message.

Forget About Potatoes! Idaho Resegments, Retargets, and Rebrands Its Image

Survey research had a bit of bad news for Idaho tourism officials. More than half of those surveyed associated Idaho only with potatoes, and many of the rest associated the state with nothing at all. So tourism officials decided to get to work redefining their segmentation, targeting, and branding of the state to tourists. Tourism officials had a budget of only \$5.5 million for tourism promotion. Compare this with the \$30 million spent each year by Las Vegas and it's easy to understand why Idaho had to spend its promotion dollars carefully.

Idaho has always been popular with skiers, so tourism officials first segmented psychographically by lifestyle and targeted those who enjoy winter sports. Next they segmented geographically and targeted winter sports fans in Seattle, Spokane, and Salt Lake City. But skiing takes money, so they further segmented demographically, by income, targeting those sports fans who live in these cities with yearly incomes of \$75,000–\$100,000. For this segment, Idaho's promotional message is that it is the premier winter sports destination.

What about attracting visitors during the summer? Tourism officials decided to target the segment of baby boom generation families interested in outdoor activities. A new promotional campaign was developed for summer, or what the state's tourism officials decided to brand as the "prime season." For this segment the state will position the city as a getaway destination far from the stress of modern life. The promotional campaign will use such messages as "Recharge your spirit, not your cell phone" and "Idaho, Nowhere Near Monday Morning" (Bailey, 2004).

Questions to Answer

- Do we have information on what people think of first when the name of our city is mentioned?
- Can a new target market segment of tourists be motivated to visit by using a more attractive brand image?
- Can we find a new targeting and branding strategy for seasons when visitor numbers are low?

USAGE SEGMENTATION

Usage segmentation focuses on the potential tourist's purpose in making the visit. These usage segments would include business travelers, travelers visiting friends and relatives, day and weekend visitors, and traditional vacationers.

Business Travelers

One usage segment of visitors that travels to the city comes for the primary purpose of conducting business. These business travelers may visit the city to attend a meeting, visit another company, or make sales calls. In this case the visitor will most likely use the city's lodging and eating establishments but consume little other tourist products and services.

However, tourism marketers should not overlook this usage segment of business visitors as a possible secondary tourist segment. Though they travel to the city to conduct business, this segment may also be interested in activities that could fill their free time after the workday is completed. Therefore tourism marketers may decide to promote to this usage segment evening activities such as cultural and sports events. Besides increasing attendance at these events, targeting business travelers can be another means of increasing overall visitor numbers. If business travelers enjoy what the city has to offer, they may also consider it as a possible vacation destination for their families.

Friends and Family

Another usage segment that is often overlooked is people who travel to the city to visit local residents. The local residents who host these visitors will be looking for activities to share with their friends and relatives. In fact this may be the only time that local residents actually spend time visiting attractions in their own city. In this type of usage segmentation, tourism marketers will target the promotional message to local residents (Table 5.3).

Day/Weekend Tourists and Traditional Vacationers

Day and weekend tourists comprise a usage segment that visits only for a specific activity or event, whether culture, sports, or shopping. If they are only visiting for a specific purpose, the tourism marketer must target this segment with a promotional message about what else the city has to offer. The purpose is to motivate members of this segment to use more tourist services that will

TABLE 5.3 Usage Segmentation

Segment	Description	Need and Desire	Promotion Strategy
Business travelers	Primary reason for visit is to conduct business	Activities to fill free time during evenings	Provide information to hotels
Those visiting friends and family	Visit local residents	Highlights of what city has to offer	Aim message at local residents
Day and weekend tourists	Attend special events with possible overnight stay	Convenient package of tickets and lodging for event	Ads for special events and packages
Traditional vacationers	Visiting for week or longer	Full schedule of events	Brochures and website on range of activities and services

result in their spending more money and perhaps even staying longer. For a small city new to tourism, this segment may be the primary target segment on which to focus its marketing efforts. The promotional message would communicate the availability of economical packages that include events, activities, and lodging.

Take Back Your Vacation!

According to the America Travel Industry Association, Americans are taking fewer and shorter vacations. As a response to this trend, the Universal Orlando Resort developed a clever website with the promotional message “I Want My Vacation.” The iwantmyvaction.com website includes a page on “Are You at Risk?” that asks the website user how many hours were worked each week and the number of vacations days taken in the last year. A VDQ, or vacation deficiency quotient, is then calculated that provides “statistical proof” that a vacation is needed. A Bash the Boss video game is available to help those who are “vacation impaired” to relieve their frustration.

On the serious side, the website’s promotional message is designed to remind viewers that the average number of vacation days is 37 in France, 42 in Italy, 26 next door in Canada, and only 13 in the United States. Serious information and entertaining games are both provided to motivate potential visitors to take the next step and book a trip. The website is also designed to allow viewers to email for additional customized information (Universal Orlando Resorts, 2004).

Questions to Answer

- How can we use humor on our website to motivate viewers to access the more serious information?
- What means can we use to make the online experience more enjoyable by making it more interactive?
- Can we use the website to provide additional information in the future?

DEMOGRAPHIC SEGMENTATION

Demographic segmentation refers to grouping consumers on the basis of such characteristics as age, ethnicity, family stage, gender, income, occupation, and religion (Table 5.4). Demographic and geographic segmentation are the most frequently used methods of segmentation. A reason for the popularity of demographic segmentation is the possible correlation between demographic characteristics such as a consumer’s income and occupation and psychographic characteristics such as lifestyle. In fact most marketers have believed that income and occupation often determine a person’s choice of lifestyle. Marketers therefore tended to focus on demographics, since it is easier to determine external demographic characteristics than internal psychographic characteristics. However, this correlation is no longer as true. Today consumers are more likely first to identify themselves through a self-chosen lifestyle that can be very different than what might be assumed from their income and occu-

TABLE 5.4 Demographic Segmentation

Characteristic	Description	Relation to Tourism
Age	Children, teens, adults, elderly	Types of activities desired
Gender	Male, female	Specialized activities such as shopping vs. sports
Ethnicity	African American, Asian, Hispanic, Native American	Historical sites, museum exhibits, arts and handicrafts
Income	Low, average, high	Destination choice based on disposable income
Family stage	Single, newlyweds, divorced, families, empty nesters	Types of activities desired
Religion	Catholic, Protestant, Jewish, Muslim, Hindu	Religious history, spiritual sites

pational role. Despite this change, demographics are still important, but the method should not be used in isolation (Michman et al., 2003).

Another reason for the popularity of demographic segmentation is that a considerable amount of data is already available from sources such as the U.S. Census, which gathers data on age, income level, ethnicity, and family status along with other demographic characteristics that can be used to segment potential tourists. For example, if the marketing strategy is to target families as potential tourists because an amusement park is the city's core product, then the nearby geographic areas where most families live can easily be identified using census data.

Age and Gender

One demographic characteristic that tourism marketers should consider during the segmentation process is age, because of the often-important differences in the activities preferred by different age groups. Because of these differences, the activities desired by children vary dramatically from those desired by teens. Likewise young adults will want a different travel experience than older tourists.

Gender is often the basis for segmentation for marketing consumer products. Most clothing and personal care products are designed, targeted, and promoted with either men or women in mind. While some products, such as automobiles, are gender neutral, gender is still important when a promotional message is communicated. Women and men often consider different factors, such as technical specifications, style, and dependability, important when buying a car.

Gender differences also exist in the choice of travel destination and activity. Of course the tourism marketer must be careful not to stereotype based on gender because it can result in losing or even offending potential visitors. For example, while most males may prefer attending sports to the opportunity to go shopping, this is not always true. Some women want to attend the game, while some of the guys will head to the shops. Although tourism marketers can use gender differences as one method of segmenting and targeting, this should be done only in combination with other methods.

Ethnicity

Segmenting by ethnicity is another means of defining a group of potential tourists. Ethnic segmentation is based on the assumption that the shared external characteristic of ethnicity is a sign of shared values, interests, and lifestyle.

The tourism official must also be careful when using ethnicity to avoid stereotyping. However, tourism marketers may decide to target an ethnic group when their city has a historic site relevant to the group's history. Additional reasons for using ethnic segmentation and targeting would be when the city has neighborhoods that reflect the current culture of this group or the city is home to cultural institutions that present programming of interest to the group's members.

However, just as with gender segmentation, the demographic characteristic of ethnicity cannot be used in isolation, because the interests of the people who belong to a group will still vary widely. For example, tourism marketers may target African Americans because the city has a historic site that is important to their history. However, not all African Americans will be interested in history.

Income

Marketers of consumer goods use income segmentation early in the development of new products. A company will design a product at a price that is attractive to consumers at a specific income level. Consumer goods marketers also use income segmentation when designing promotion, because it would make no sense to target consumers with a promotional message for a product they cannot afford.

For tourism marketers, income segmentation is useful as a secondary method of segmentation because the city's tourism products can be packaged to provide different price levels. For example, tourism marketers might package a luxurious weekend with expensive tickets to an exclusive event and five-star accommodations. At the other end of the income scale, a city can develop a budget package emphasizing free activities and lower-cost lodging choices, such as motels or even nearby camping during the summer. While these targeted tourists will not bring in as much money as other, wealthier segments, targeting them is still a viable strategy to bring in additional visitors. Of course, separate promotional messages will be needed for the two income segments because higher-income tourists will not need or want to hear about the local campground.

Family Stage

Marketers for consumer products often use family stage segmentation. For example, minivans were designed specifically with families in mind. Family stage segmentation can also be useful in defining segments of potential tourists

because the tourism product is often targeted to families, couples, or singles. For example, some lodging establishments are often specifically designed to be attractive to families, while others attract couples. The city's tourist activities may also be more attractive to families, couples, or singles segments. If the city has a wide variety of activities, it can then potentially focus on targeting all three.

However, it is more likely that the city's core product will be attractive to only one segment. For example, if the city's core product is an amusement park or a children's museum, then it will make sense for the tourism marketer to concentrate on segmenting and promoting to families as potential tourists. Likewise, if the city is known for active nightlife, the tourism marketer may wish to target only singles and couples.

Religion

Religion is a type of segmentation that companies would use for very specialized products. For instance, manufacturers of halal food would obviously segment by religion and target Muslims, while companies producing products for use in religious ceremonies, such as rosaries, would target Catholics. Tourism marketers can also use religion to segment when the city has a core product that will appeal to a specific religious group. However, it is important to remember that sights with religious significance, such as cathedrals, may be of interest to members of the faith as well as those who appreciate the architecture.

PSYCHOGRAPHIC SEGMENTATION

While demographic segmentation groups people based on characteristics that are external, psychographic segmentation groups people on characteristics that are internal. Because psychographic characteristics are internal, they are more difficult to determine. These characteristics include lifestyle, values, and social class. For some products these internal characteristics have a stronger influence on determining the purchase preferences of consumers than do external demographic characteristics. A tourism destination is just such a product where the choice is more dependent on the psychographic characteristics of the potential tourists than on their demographics.

Of course, a strong correlation can exist between demographic and psychographic characteristics. Family stage and lifestyle can be used as an example of just such a correlation. Singles, because they are free of the responsibility of childcare, are more likely than parents with young children to lead

an active lifestyle. Therefore tourism marketers developing a segmentation strategy for a city with a youthful nightlife scene will use demographics to target young singles as potential visitors. However, tourism marketers should remember that parents also enjoy nightlife; they just do not often have the opportunity because of family responsibilities. This provides a possibility for tourism marketers to use psychographic segmentation to target a promotional message to parents that they can enjoy nightlife while on a weekend getaway that they do not get to enjoy while at home.

The primary psychographic characteristics that would be most useful for tourism marketers are lifestyle, values, and social class. Lifestyle segmentation is becoming increasingly popular with consumer marketing. This is because consumers today are more likely to define themselves by interest than by demographics such as age and family stage. Age particularly is becoming less relevant because people are living longer, healthier lives (Harris, 2003). The stereotype of the gray-haired grandma who only wants to bake cookies and travel with the grandchildren is no longer accurate. Now grandma might use her vacation time to run marathons. And if she is interested in cooking, rather than bake cookies, she may want to take French cooking lessons.

VALS Model

Values, internal beliefs of how life should be experienced, and lifestyle, how life is lived, are important segmentation tools. A number of different classifications models have been developed that can be useful in segmenting the market of potential travelers based on values and lifestyle. Each of these models may be used alone or in conjunction with demographic and geographic segmentation.

Perhaps the best-known model of psychographic segmentation is VALS, or values and lifestyles, which was developed by SRI International (SRI, 2005). The VALS model was based on answers provided by consumers in response to questions regarding their values and lifestyles. This information was then correlated with information on the products they purchased. The purpose of the study was to examine whether marketers for consumer products could better identify who might buy their product by analyzing the values and lifestyles of people who bought similar products. Using the data obtained, consumers were segmented into eight categories based on both the consumer's internal motivation and their external resources.

VALS found three primary motivations that affect a consumer's activities, including consumption, which are ideals, achievement, and self-expression. If consumers are mainly motivated by ideals, they will be interested in products that correspond to their values, while consumers motivated by achievement

tend to purchase status products. Consumers motivated by self-expression are interested in purchasing social experiences and physical activities. VALS found that the level of resources also affect consumption. While income is one type of resource, the term *resource* also refers to internal characteristics such as leadership, impulsiveness, self-confidence, and vanity. These are also important motivators because even if consumers have the financial resources to purchase, they must also have the internal motivation to do so.

The VALS categories include innovators, thinkers, achievers, experiencers, believers, strivers, makers, and survivors. An example of how VALS could be used in tourism segmentation and targeting is to compare the opposite segments of innovators and survivors. Innovators are consumers high in resources and motivation, while survivors are those low in resources and motivation. Because innovators have the internal and external resources and motivation to consume, they are also more likely to have the curiosity and self-confidence to travel. Survivors live more narrowly defined lives not only because they do not have the resources to travel, but also because they lack the internal motivation.

Gallup Tourism Model

The classification developed by the Gallup Organization for American Express was specifically designed to develop a model relevant to tourism (Table 5.5). Because the model is based on a survey conducted of travelers living in the United States, the United Kingdom, Germany, and Japan, it also provides a useful cross-cultural perspective. Of those interviewed for the study, two-thirds were travelers and the remaining third did not travel. The study segmented people into five classifications: adventurers, worriers, dreamers, economizers,

TABLE 5.5 Gallup Classification Model

Classification	Description	Impact
Adventurers	Better educated, higher income	Attracted to new cultures and experiences
Indulgents	Wealthier, both men and women	Want to be pampered and willing to pay
Economizers	Older, men, average income	Vacations are routine part of life
Dreamers	Older, women, modest income and education	View travel as meaningful experience, play safe on choice, but dream of more adventure
Worriers	Less educated, lower income	Do not like to travel because of discomfort with unknown

and indulgers. These classifications are ranked from most likely to travel, adventurers, to least likely, worriers. The segments vary as to their willingness to travel but also in the benefits they expect to receive from the travel experience (PR Newswire, 1989).

This segmentation model has implications for both tourism targeting and promotion. For example, if the city is an undiscovered tourism destination with the core product of a unique cultural experience such as contemporary art, then promoting the city to adventurers makes sense. On the other hand, because the city is a new destination, indulgers will probably not find the developed tourism infrastructure including luxurious hotels and fine dining experiences they require.

Likewise, a one-time trip to experience contemporary art may also not be enough to motivate economizers to travel. However, they might visit if they were targeted with a promotional package that was easy to understand and easy to purchase and could be a repeatable experience. The dreamers could be a potential market segment. However, to motivate them to visit, the city would need to present itself as a unique experience that appeals to their values but that will also provide a safe experience.

Social Class

Social class is usually considered a demographic characteristic because it is often correlated to a consumer's income and education. However, tourism segmentation can use social class as a psychographic characteristic because a reason tourists travel is that they want to be a different social class. Usually the higher the social class of the potential tourist, the more likely that the tourist will have an interest in travel. Members of a high social class usually have been well educated, so they find new experiences attractive and not threatening. However, they will also want a luxurious or at least comfortable travel experience, because this is the lifestyle their income allows them to live at home (Williams, 2002).

Potential tourists who are lower or working class usually have limited funds to travel. Less education may also have resulted in their having less interest in travel. In fact they are more likely to fall into the psychographic category of worrier. However, area residents of a lower social class may not be interested in travel but may be interested in attending local tourist events.

Middle-class potential tourists offer a unique segmentation opportunity to cities. Though living a middle-class lifestyle at home, these consumers may be very interested in experiencing a different lifestyle while on vacation. Tourism marketers could develop a tourist package that offers them a chance to experience upper-class luxury, at least while they are on vacation.

TABLE 5.6 Psychographic Segmentation

Characteristic	Description	Relation to Tourism
Lifestyle	Sports, history, shopping	Choice of destination
Values	Adventurers, indulgers, economizers, dreamers	Type of experience desired, level of risk, level of comfort
Social class	Lower, middle, upper	Economical packages, events close to home; luxurious, exclusive, and unique experiences

Tourism marketers should take into consideration that some tourists may visit destinations with the express purpose of acting as if they belong to a higher social class. The benefit they desire on vacation is to live, even if just for a while, as though they are the leisured rich. Of course, this vacation package would still need to meet their financial constraints (Table 5.6).

GEOGRAPHIC SEGMENTATION

Geographic segmentation refers to grouping consumers based on where they live. Because a city is a product that the consumer must travel to consume, it makes sense to include geographic segmentation along with any other chosen method. The reason for the importance of tourism marketers' considering geographic segmentation is that promotional media is usually tied to a certain geographic area or market. The larger the geographic segment chosen, the more media coverage that will be needed and the more expensive the promotion will be. For this reason it makes sense to determine early in the segmentation process the geographic limits of promotional efforts.

This realistic approach to geographic segmentation also makes sense because the further from the city the potential tourist lives, the more expense and time involved in traveling. Therefore to attract tourists from a distance, the city's core product must be unique. On the other hand, if what the city has to offer is unique and attractive to a lifestyle or interest group, it may be appropriate to target members of this specific psychographic segment no matter where they live.

Tourism marketers can use geographic segmentation to target only the surrounding communities. This limited approach is wise for a small town trying to attract only a few additional visitors to attend the local arts fair. However, tourism marketers may also use geographic segmentation to target the entire state or even a region that encompasses neighboring states. Larger cities can even decide to use national geographic segmentation. However, this method

TABLE 5.7 Geographic Segmentation

Characteristic	Description	Example
Local	150-mile range	Small towns
State	Pennsylvania	Cities new to tourism
Regional	New England	Destinations in growth stage of product life cycle
National	United States	Larger cities with well-established brands
Single foreign country	Poland	Cities with immigrant communities
International	Global approach	Established international destinations

is only appropriate for cities that are already well known as tourist destinations. The additional expense of both researching and paying for the appropriate media to use for national promotion makes this strategy inappropriate for cities new to tourism.

Tourism marketers could use international geographic segmentation and target tourists from a single foreign country, such as Ireland, or from a region, such as northern Europe. While only the largest cities can attract a significant number of international tourists, small cities may attract international tourists from a single country based on shared ethnic or national heritage. For example, a small city in Minnesota might be able to attract tourists from Sweden because so many Swedes settled in Minnesota during the 19th century (Table 5.7).

TARGETING CULTURAL TOURISTS

There is a growing segment of cultural tourists whose main purpose when traveling is to experience culture. The term *cultural tourist* is used to refer to someone whose primary purpose when traveling is to visit historic sites, participate in an arts or ethnic festival, view visual arts, or attend the performing arts. However, while they may be traveling to experience culture, at the same time they also will want an enjoyable tourist experience. Besides enjoying the cultural activity while on vacation, cultural tourists will enjoy sharing the experience with friends when they return home. Therefore cultural tourists will only be attracted to a core cultural product that is unique and not available at home.

Cultural tourists can fit any of the other segmentation criteria. Demographically both older and younger cultural tourists can be targeted, depending on the type of cultural event. Older cultural tourists may be attracted to performances of the typical high arts, such as classical music, ballet, and opera.

Younger cultural tourists may be more attracted by arts and music festivals and contemporary art exhibits. The cultural tourist product can also be used to attract different ethnic groups, depending on what culture is being exhibited or performed. However, all cultural tourists share one unique demographic fact: They tend to be better educated.

Cultural tourists can also fit into a variety of usage segments. Local residents will often use cultural events as a means of entertaining their visiting family and friends, even when they would not normally attend on their own. Business travelers may take in a performance when they are on the road, because they do not wish to spend the evening in their hotel room, even though when at home they might just get comfortable and watch a video. Day visitors often can also be classified as cultural tourists if they visit for a specific cultural event.

Benefits Desired by Cultural Tourists

In addition, cultural tourists can be segmented by the benefits they desire from the experience. Some cultural tourists seek escape and want to experience culture that is totally different from their everyday life experience. For example, these cultural tourists will be attracted to an event such as a living history museum or a medieval fair. For them the purpose of the visit is not necessarily to learn more about the culture, but simply to be immersed in a completely different experience (Boniface, 1995).

Status seekers have another reason for wishing to experience culture. For them the experience of traveling to consume culture is a secular pilgrimage that has an internal meaning related to their values. They believe in the importance of the cultural experience and its ability to change people. By enjoying the unique experience, the cultural tourist gains status not shared by other tourists. For example, traveling to an opera festival or an art exhibit that is being shown in only a few cities across the country can serve to demonstrate to others the cultural tourist's sophistication.

For some cultural tourists, consuming culture is truly a religious or spiritual experience. They want to visit a cultural site or community that reflects their own or others' spiritual values. These cultural tourists are interested in visiting great cathedrals, early Quaker Meeting Houses, and sites of ancient religions, such as Stonehenge. Of course, other tourists visit these sites because of their history or architecture, but cultural tourists are attracted by their spiritual qualities.

A fourth group of cultural tourists are researchers and students. For these cultural tourists the purpose of the visit is to further educate themselves on the culture or art form. This group will be less interested in the entertainment

TABLE 5.8 Segmenting Cultural Tourists

Segment	Description	Example
Escapists	Immersion into unique experience	Living history museums, renaissance fairs
Status seekers	Unique experience to brag about	Opera festival
Spiritual seekers	Experience that corresponds to values	Religious pilgrimage, churches, temples, mosques
Researchers	Educational aspect of visit	National libraries, historical societies

aspect of the visit. However, they will be very interested in informative tours or seminars (Table 5.8).

Cultural Tourists and Services

Tourism marketers must work with cultural organizations to meet the unique needs of cultural tourists. Some cultural tourists will take the risk of experiencing culture on vacation that they would not at home. This is a tremendous opportunity for cultural organizations to work with tourism officials to expose more people to their cultural art form. In fact, the additional revenue from tourists can help cultural organizations keep their doors open. However, to attract cultural tourists the cultural organization must be willing to meet their special needs. Because these tourists may not regularly experience culture, they will need more information about the event or site. This is especially true if the culture is unique to the local area. However, the cultural organization must provide this information in a format that is accessible and, hopefully, even entertaining. After all, cultural tourists may be interested in culture, but they are also still on vacation (Kolb, 2004).

Cultural tourists must also be made to feel welcome. Cultural tourists may be more open to taking the risk of entering a concert hall, visiting a historic site, or viewing contemporary art than when they are at home. If new to the cultural experience, they may find the event slightly intimidating. Therefore the cultural organization must make them feel welcome and reassure them that all they need to do is relax and enjoy.

Tourism officials should work closely with the managers of nonprofit cultural organizations to develop the market for cultural tourism. The revenue provided by tourists will be welcome, along with the knowledge that the cultural organization is fulfilling their mission of exposing more people to their art form.

Want to Know More About Malay Culture But Don't Know How to Learn?

Officials at the Malaysian Tourist Center understood that before visitors to the country can understand and enjoy its art forms they first need information on the local culture. Tourism officials decided on an ingenious method of helping visitors learn about Malaysian culture. A theatrical performance was produced in collaboration with the Majlis Kuala Lumpur Theater Company to teach tourists about *ghazal* dance, a Malaysian art form that is still used today at weddings and other formal occasions. The play not only entertained the tourists while teaching them about a Malaysian art form, it was also written to communicate important Malay cultural values, such as friendship and cooperation (Alwi, 2004).

Questions to Answer

- Do we have any cultural traditions unique to our area?
- How can we use the art itself as a means of teaching tourists about our cultural tradition?
- What important cultural and community values can we teach visitors using the art form?

SUMMARY

After conducting external environmental scanning, product analysis, and a SWOT analysis, segmentation is the next step in the marketing process. Since the city cannot change as a product, tourism marketers need to segment and target potential tourists who will enjoy what the city has to offer. The market is the entire group of potential tourists, while the process of grouping them on shared characteristics is segmentation. Targeting is deciding which of the segments would be most likely to be motivated to visit. Segmentation and targeting is necessary because the marketing concept calls for providing consumers with a product that provides the benefits they desire.

Tourism marketers may implement segmentation by using an undifferentiated, concentrated, or differentiated strategy. An undifferentiated strategy is when segmentation is ignored and a single promotional message is communicated to the entire market. A concentrated strategy, when a single segment is targeted, is used when only a single group of tourists can be attracted because

the city has a unique core product with specialized appeal. Tourism marketers use a differentiated segmentation strategy when more than one segment is targeted. Usually there is a primary segment that will provide most visitors to the city. However, additional tourists can be motivated to visit by targeting a second, smaller segment.

There can be many approaches to segmentation, depending on the product. However, the main segmentation approaches used in tourism marketing for cities include demographic, psychographic, geographic, and usage segmentation. Demographic segmentation includes external characteristics that can be quantified, including income, age, gender, religion, and ethnicity. Psychographics include values, lifestyle, and social class. Geographic segmentation will require a decision as to whether to promote to tourists locally, regionally, nationally, or internationally. Usage segmentation groups tourists by the purpose of their visit and includes day visitors, traditional vacationers, business travelers, and those visiting family and friends. In addition, cultural tourists are a growing segment that can be targeted by tourism marketers.

Segmentation Worksheet

Use segmentation to describe a primary group of potential tourists that can be attracted to your city. Then describe a second tourist segment you could also target with promotion. Table 5.9 should help organize your ideas.

Our primary target market segment can be described as:

Our secondary target market segment can be described as:

TABLE 5.9

Method	Primary Tourist Segment	Secondary Tourist Segment
Demographic (What is their gender, ethnicity, age, and family stage?)		
Geographic (Are they from the local area, region, state, nation or other countries?)		
Psychographic (What are their lifestyles, values, and social class?)		
Usage (Are they business travelers, day/weekend visitors, family and friends, or traditional vacationers?)		
Cultural (Are they escapists, status seekers, spiritual seekers, or researchers?)		

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Tourist Purchase Behavior

CHAPTER OBJECTIVES

- Examine the five steps in the decision-making process and their relation to promotion.
- Analyze how consumer motivation impacts the development of the city as a tourist product.
- Describe the introduction, growth, and decline of a city's tourism industry using the product life cycle model.
- Discuss the diffusion of the innovation model, which describes consumers based on their acceptance of new products.

BUYER DECISION PROCESS

Before tourism marketers can create a promotional message that will effectively motivate potential tourists to visit, they need to understand how consumers make purchase decisions. The standard model of the purchase process is a rational, five-step progression of need identification, search for information,

evaluation of alternatives, purchase, and postpurchase evaluation. However, consumer decision making can be either a quick-and-easy or a lengthy and complicated process, depending on the consumer's level of involvement with the process.

The Purchase Decision Process

- *Need recognition*: Recognizing an external problem or internal need
- *Information search*: Obtaining product information from the company and other sources
- *Evaluation of alternatives*: Determining which product provides the desired benefits
- *Purchase*: Completing the transaction by exchanging money for the product
- *Postpurchase evaluation*: Deciding if the product provided the desired benefits

Need Recognition

The term *need recognition* refers to the moment when consumers realize they have a problem that needs to be solved or a desire that needs to be met. This need recognition may result when consumers suddenly realize that a problem requires them to find a solution. The problem can be as mundane as the need to buy more cereal for breakfast or as important as the need to buy a larger house because of the impending birth of twins. Whatever the need, the realization of its existence requires the consumer to take some action to find a solution.

Need recognition can also result when consumers realize they have an unmet desire. Here *need recognition* refers to the internal dissatisfaction a consumer may feel as the result of an inner state rather than from a problem caused by external circumstances. For example, consumers may realize they have an internal desire for relaxation or excitement. As a result they will be motivated to take some action to fulfill this desire. When consumers decide to travel, they are usually fulfilling an internal emotional desire rather than an external need.

Information Search

The second step in the purchase process is the consumers' search for information. Before consumers exchange money for a product, they will want reassurance that their purchase decision is correct. To reduce the risk of making a mistake, they will therefore take the time and effort to research which product

will most likely fill their need or meet their desires. Of course the higher the purchase price, the more reassurance that will be required and, therefore, the more extensive will be the consumer's information search.

Consumers can search for information by evaluating promotional material provided by the company. However, this is only one of the sources of information used by consumers. Because they realize the company will always stress a product's benefits, they will also seek out additional information from objective sources, such as magazine ratings and newspaper reports. In addition, consumers will ask friends and family who have already purchased the product for their opinions. While the company's promotional material may attract consumers' initial interest, it is often the more objective sources of information that will most effect the purchase decision.

Potential tourists will conduct the information search by evaluating the printed and broadcast promotional information produced by the tourism office. They will also check the city's website for any information about visiting the city. Potential tourists may read travel magazines and books and also search the Internet for information on various destinations. In addition, potential tourists will ask family, friends, and colleagues what destinations they prefer to visit and why.

Evaluation of Alternatives

Consumers will analyze all the information on different products to determine how closely each available product provides the benefits desired. While the overall quality of a product is an important factor, even after the product has met any external quality criteria, it will still be judged by the consumer's own internal preferences. For tourists this evaluation of alternatives will involve matching the core product and supporting services provided by each destination against their travel preferences. Potential tourists will now decide which destination provides the product benefits that will most meet their needs, which might be a desire to visit an art museum, to watch a major league baseball game, or to do both. In addition, potential tourists will evaluate whether the needed services are available, the price meets their expectations, and the destination is within the preferred travel distance.

Purchase Process

The process for purchasing a consumer product may be as simple as walking to the checkout stand to buy a cup of coffee. However, if the product is expensive and the consumer is unfamiliar with its features, the purchase process will

become more involved. For example, the purchase of a house will include making an offer, booking a home inspection, securing the financing, and signing the deed. At any stage in the process the deal might end because the consumer realizes he or she cannot, or does not want, to complete the purchase.

Purchasing travel can also be a multistep purchase process. It may start with the potential tourist speaking with a staff member in the visitor's bureau to confirm ticket availability for a special event. The purchase process will then require researching and making hotel reservations. It may also require the separate purchase of transportation to the city, whether train, bus, or air. If at any stage of the purchase process tourists are not provided the necessary assistance and information, the process might end and they may decide to travel elsewhere.

Telling Everyone's Story

Many museums attempt to make history come alive for their visitors by featuring exhibits on the history of former residents. Often this history only includes the stories of residents who have been successful financially, held a position of authority, or been part of the majority ethnic group. There is nothing wrong with telling these stories. But if the city wants to attract a variety of visitors, then the history and stories from all relevant ethnic groups must be represented.

The Shirley Plantation in Charles City, Virginia, has always told the story of the Carter family, which has lived on the plantation for going on 200 years. However, now the museum is also telling the story of the slaves who lived on the plantation. The story of their lives, also an important part of history, has, unfortunately, gone untold. This silence will end because archeologists are now in the process of uncovering the homes of the plantation's former slaves. These homes will be used as exhibits to inform the plantation's visitors about the experiences of the slaves who lived there. While this is history that everyone should know, it is of special interest to African American tourists (Taylor, 2004).

Questions to Answer

- Do our historical attractions tell the story of all ethnic groups or just the group that wrote the city's history?
- Do we have any historical sites that are part of the history of the African American people?
- How do we acknowledge and maintain these former homes and sites?

Postpurchase Evaluation

Postpurchase evaluation will involve consumers deciding if the product they purchased has met their expectations. If the purchase has been for a tangible good such as an evening gown or mattress, it will often be sold with a return policy that will allow the consumer to return the product if not satisfied. This return policy is designed to encourage the consumer to complete the purchase process by providing a way to reduce purchase risk in case the product does not meet expectations.

Because services such as travel are consumed when purchased and are not returnable, they involve more purchase risk. If after visiting the city the tourist is unhappy with the experience, there is little tourism marketers can then do to change the situation. Furthermore an unhappy visitor will make a point of informing others about the negative experience. Therefore tourism marketers must be very careful to ensure that the experience of visiting will be satisfactory.

HIGH-INVOLVEMENT AND LOW-INVOLVEMENT PURCHASE DECISIONS

The traditional buyer decision process model works very well when explaining how a consumer makes the decision to purchase an expensive consumer good. The multistep process involved in the purchase is necessary because very few consumers can afford to make an impulse purchase of an expensive item. However, consumers do not go through all the process steps when purchasing products that are inexpensive.

High-Involvement Purchase Decisions

Purchasing a car is an example of what is termed a high-involvement purchase decision. A car is too expensive to purchase on impulse. Purchasing a car is complex because most people have little preexisting knowledge of the style and technical differences between models. In addition, a car purchase is a unique experience that happens only every few years. This combination of high purchase price, product complexity, and unique purchase experience means consumers are willing to spend time and effort researching the product before they buy. In fact, consumers will research a variety of variables, including style, safety records, gas mileage, dependability, and insurance costs. After purchase they will evaluate as to whether the car meets their expectations and will be upset if it does not.

Some tourism products can also be described as high-involvement decisions. Expensive luxury vacations fall into this category; where to take a honeymoon or the annual two-week vacation is also a high-involvement decision. When the trip is expensive, the travel decision is a complex one that will require an extensive information search or is a unique experience that cannot be repeated, such as a trip for a 10th wedding anniversary.

High-involvement decisions also are relevant when consumers purchase a complex product with which they are unfamiliar. Because the product is unknown, an extensive research on the features it offers will be needed before purchase. Tourism products particularly fall within this category because one of the motivations for travel is to experience the unfamiliar. Even if consumers are attracted to a new destination, they will still want to reduce the purchase risk by making sure that the hotels, restaurants, and attractions meet their expectations. To assist potential tourists in making this evaluation, the tourism marketer must provide promotional material that has the answers to all possible questions.

High-Involvement Purchases

- *Expensive*: cruise
- *Complex*: two-week vacation
- *Unrepeatable*: honeymoon

Low-Involvement Purchase Decisions

Consumers purchasing dish detergent at the grocery store is an example of a low-involvement decision. Consumers may make the purchase almost unconsciously, with little thought and no research. In fact consumers may always purchase the same brand of detergent because they are not motivated to spend time researching the different benefits of competing brands. Since the product price is low and the product benefit of clean dishes seems similar no matter what brand is chosen, there is little motivation to spend time researching the various alternative products.

Some tourist products are also considered low involvement because they are inexpensive, simple, or familiar. Low-involvement travel decisions made by tourists include inexpensive camping trips, simple purchases such as short getaway packages, and familiar repeat business trips. Because these trips are low cost, simple to purchase, and have already been experienced there is little need for tourists to spend a great deal of time and money on researching what the destination has to offer (Table 6.1).

Using the campground outside a city for a weekend trip reduces the price and makes it a low-involvement decision. Business travelers who frequently

TABLE 6.1 Low- and High-Involvement Purchase Process

Stage	Low-Involvement Tourist Product	High-Involvement Tourist Product
Need identification	Decide during the week to go away on weekend	Realize need to find destination for annual two-week vacation
Information search	Remember hearing about nearby location	Gather information from travel guides, brochures, and Internet
Evaluation of alternatives	None	Settle on likely destinations, compare price and special activities
Purchase	Book inexpensive package	Book trip to destination that best meet needs
Postpurchase evaluation	Unless product is very bad, enjoy getting away	Decide if vacation met expectations

visit the same city have a familiar purchase decision because they stay at the same hotel and eat in the same restaurant. Therefore they will not ordinarily conduct an information search about any other events or services the city has to offer. Tourism marketers can address this missed opportunity by providing business travelers with information in their hotel. This gives them information on activities without their having to conduct an information search.

Low-Involvement Purchases

- *Inexpensive*: overnight camping trip
- *Simple*: weekend getaway package
- *Familiar*: repeat business trips to destination city

Level of Involvement and Promotion

Determining whether the travel purchase decision is high or low involvement helps the tourism marketer decide on the amount of promotional information that tourists will require to assist them in making decisions. In addition, this model can help tourism marketers to choose whether they should use an emotional or rational promotional message to help potential tourists make their decision. Tourists making high-involvement decisions will usually respond to a rational message. Motivating low-involvement tourism decisions requires an emotional message.

Of course, even decisions that should be rational can have an emotional component. While vacation travelers may be rationally researching costs, they may also be dreaming of impressing their neighbors with their vacation

adventure stories after their return. Understanding the consumer purchase decision model can help tourism marketers to communicate the necessary rational message and also, when appropriate, an emotional message in their promotion. The differences in the process of purchasing high- and low-involvement goods affects the buyer purchase decision model. Therefore it also affects what type of promotion information tourists need to provide.

Tourists Bring in Money While Also Building Community

Cathedrals in the UK are more than just beautiful buildings designed for worshipers; they also attract many tourists. In fact more than 9 million people annually visit England's cathedrals. These tourists have a strong economic impact on the local community. For example, the 80,000 tourists who visit Peterborough's famous cathedral each year add more than GB91 million to the local economy. However, the tourists also have a social impact on the city. According to tourism researchers, the visitors help to keep the cathedral "alive" and at the center of the social life of the community (Peterborough Evening Telegraph, 2004).

Questions to Answer

- Do we have historic places of worship that tourists would like to visit?
- How can we work sensitively with the people in charge of these places to open them to visitors?

CONSUMER MOTIVATION

Another important topic for tourism marketers to consider before developing a promotional plan is a basic understanding of human motivation, because it affects consumers' decisions. Understanding how consumers are motivated to make purchases because of internal psychological needs can help tourism marketers to develop tourist packages and design promotions that directly address these needs. Since motivation is an internal force and is difficult for an outsider to determine, it is useful to use a psychological model to help understand the process. A number of psychological theories regarding human motivation have already been developed that can be applied to marketing tourism.

Maslow's Hierarchy of Needs

One of the best-known psychological theories of motivation was developed by Abraham Maslow. Maslow described five levels of needs that all people are motivated to fulfill. The theory further describes these needs in a hierarchy, starting with the most basic human needs. Maslow believed that the first physiological needs that all humans seek to fulfill are the basic needs of survival, such as obtaining food, clothing, and shelter. Once people have these basic survival needs met, the next need in Maslow's ranking is to provide for safety and security. People will strive to be physically safe from harm and also to ensure that their basic needs will be met in the future.

Once the basic physiological and safety needs are met, people are free to meet their belonging needs by looking for social relationships with individuals that provide a feeling of belonging to a group. Part of a person's social identity is formed by these social relationships with family and friends and by belonging to organizations, such as churches and clubs. People may also meet their social needs through belonging to informal groups that result from shared occupation, interests, or lifestyle.

At the same time that people want to belong to groups to provide a sense of belonging, they also need to develop a sense of self-esteem by being thought of as unique and special. Therefore, once people have met their belonging needs, they seek to gain self-esteem by distinguishing themselves in some way. One way to do so is through mastery of a skill or by other means of self-improvement. The final level of need is for self-actualization, or using education or experience to become the best person one can possibly be.

Maslow and Consumer Purchasing

Maslow's theory has direct application for marketing because many of these needs are met through the purchase of products. In fact once a consumer has all the food, clothing, and shelter they need, all other purchases are made to meet higher needs. For example, people will buy their first pair of shoes to meet the basic physiological need of keeping their feet dry. The second pair of shoes will be purchased to meet their safety needs so that there is a spare pair in case the first pair of shoes is wet or lost. However, a third pair of shoes is not necessary but may still be purchased to meet the need to belong because others are wearing the same style. Furthermore, the fourth pair may be bought because the shoes enhance the purchaser's self-esteem by making him or her look attractive. In fact, the purchase of a pair of shoes, as with many other products, may be made to meet several needs simultaneously.

Chess Lovers Love Chess, Particularly Chess in Lindsborg, Kansas

Lindsborg, Kansas, may not be the first city that comes to mind when chess is mentioned, but it is the first U.S. city to have become home to a Karpov International School of Chess. The school provides instructions in chess for everyone, but it particularly attracts chess players who want to study at the grand master level. Lindsborg had already hosted several chess tournaments before the school opened. However, with the opening of the chess school, the city has now decided to target potential tourists by using special events packaged around chess.

The city promotes tourist packages built around events such as the two-day “Clash of the Titans” battle between two world-class chess champions. But how do they motivate tourists to visit who are not interested in playing chess? To attract these tourists, the city has held events such as a chess parade with a real live chess king and queen. In addition, just for fun they had 300 students playing chess at tables right out on Main Street. While they target the segment of chess fans who want to improve their skill by providing an opportunity to take lessons from a grandmaster, they also provide activities that their family and friends can enjoy (Lindsborg Chamber of Commerce, 2004).

Questions to Answer

- Do people in our community have any special skills or interests that can be shared with tourists?
- How can we become known as the “home” for any special interest, such as gardening, arts and crafts, woodworking, or amateur musicals?
- Can we build a festival around these skills or interests that would have enough appeal to attract not only people who share this skill or interest but also their friends and relatives?

MASLOW AND TOURISM MARKETING

Maslow describes human needs as a hierarchy where people must first meet one need before moving on to the next. Of course, people must continue to meet their basic need for food, clothing, shelter, and security even while they are meeting their higher belonging, social, and self-esteem needs. A well-

designed tourism package will allow tourists to meet many of their needs at the same time. After all, no matter how exciting are the city's attractions, the tourist will still need good food, a comfortable bed, and personal security. Therefore, tourism marketers must provide information in their promotional material on how tourists can meet their basic needs while at the same time promoting how a visit to the city will meet the tourists' need for belonging, self-esteem, and even self-actualization.

A Guide to Everyone's History

The Convention and Visitors Bureau of the City of High Point, North Carolina, decided it was time to promote the city's African American heritage. They did so by producing a guide that highlights the people, places, and events important to African American heritage. The foldout guide celebrates the past by including biographies of famous African American former residents and also provides information on African American historical sites. However, it also celebrates more recent history, such as that the city is the home to "American Idol" winner Fantasia Barrino. The guide, while written to be of interest to everyone, was specifically designed to attract interest—and visits—from African American tourists (Johnson, 2005).

Questions to Answer

- Do we have former residents or local history significant to an ethnic group?
- Do we have promotional material targeted at members of this ethnic group?
- If not, how we can work together with members of our city's ethnic community to develop promotional material?

Meeting Physiological and Safety Needs

The further tourists have traveled from home, the more concerned they may be about their ability to meet their basic needs for food, shelter, and safety. Tourists want assurance that the city can provide acceptable hotel rooms and quality restaurants. In addition, the only information tourists may have received about the city's safety may have been acquired from negative crime

stories on the news. Therefore, promotional materials should provide information on the city's restaurants, overnight accommodations, and safety. While this information alone is not enough to motivate a visit, if potential tourists believe these services are not available, they will not investigate the destination any further.

Meeting Belonging Needs

The next two needs, of social belonging and self-esteem, are most relevant to tourism marketers when developing a promotional message that will successfully motivate potential tourists to visit. While there are some tourists who want to get away from it all on a two-week solo canoe trip, visitors to cities are usually the type who enjoy being with others. A small city can meet tourists' belonging needs by communicating a friendly and welcoming atmosphere. If the potential visitor is from a minority ethnic group, this promotional message of welcome is especially important. The promotional message can be tailored to communicate this welcome through using appropriate languages and pictures.

A larger city must communicate that no matter how many tourists the city attracts, each is important and welcome. In fact, the number of tourists from everywhere can be promoted to make visitors feel like they belong to a new social group. If the city is a major tourist destination, another strategy to enhance a feeling of belonging is to communicate that while they visit, tourists will be considered honorary citizens. A feeling of belonging to the city, even temporarily, may help to motivate a repeat visit.

If the target tourist segment is couples, a different aspect of belonging can be used to motivate a visit. Tourism marketers can use belonging as a means to target couples by presenting the city as the place to rekindle romance and love. The same approach can be used to attract singles with the message that the city is where their romantic fantasies might just come true!

To meet tourists' belonging needs, all cities must provide social activities and events that allow tourists to socialize both with local residents and with other tourists. Part of the motivation to visit a city, which is distinctly different from the motivation for visiting a beach resort or theme park, is the desire to know what it is like to live in the city on an everyday basis, both in the past and today. If the city attracts tourists because of its history or ethnic communities, walking tours should be conducted, not just to provide historical facts but also to help tourists feel a connection with the people who have lived in the city in the past and are living there now. If the city has active nightlife, information should be provided on what types of venues might be of interest to different tourist groups where they can associate with local residents. To

provide tourists with an opportunity to be together, the city could even sponsor nightlife tours that take visitors to the venues using free transportation.

Meeting Self-Esteem Needs

The need for self-esteem can also be used to motivate potential tourists to visit. The motivation for travel may be to fulfill a personal desire, but sharing the information about the trip with others after returning home is also an important way to gain self-esteem. Tourists may also feel enhanced self-esteem while on vacation from the experience of being treated special, which may not happen in their everyday life. The experience of having someone else do the cooking and make the bed, much less treating them as special guests, can help to boost their self-esteem.

Tourists can also enhance their self-esteem by traveling to learn or improve a skill or pursue a new or existing interest. For tourists seeking self-esteem, the chance to take lessons from a pro or listen to lectures from an expert may be more exciting than just taking in the view. The skill or interest tourists may wish to develop might include dancing the tango, playing sports, cooking, technology, political activism, or opera singing. Providing the lessons in a group can be very attractive to tourists because it will meet both their belonging and self-esteem needs.

The tourist's self-esteem can also be enhanced by participating in activities that are unique or of limited availability. While much of the city's tourism product may be available all year round, events such as festivals have a special appeal, partly based on the fact that not everyone can attend and so those who do have "bragging rights." This is especially true if the event has star performers or celebrities. Of course, the resources of smaller cities are limited, but even these cities can use local stars or celebrities that can be billed as special.

Longhorns in the Big Apple, or Cars and Cattle in Times Square

How do you get New Yorkers interested in visiting Fort Worth, Texas? By bringing Fort Worth to New York! And what better way to attract a New Yorker's attention than to exhibit five Texas longhorn steers in a specially constructed pen right in the middle of Times Square. Since the purpose was to get media coverage for Fort Worth and especially the

(continued)

Texas Motor Speedway, two NASCAR race cars were also put on display. Having the cattle and cars on exhibit at one of the most traveled intersections in the city promoted Fort Worth to potential tourists. After all, if the sight of longhorn cattle on the streets of New York doesn't get a New Yorker's attention, what will?

In addition, Fort Worth tourism officials hosted promotional events for travel intermediaries, including journalists from New York newspapers and sports publications. The "road trip" for the cattle and cars and the events for journalists were expensive. However, Fort Worth tourist officials thought the impact of the image portrayed by the combination of cattle and race cars was worth the price (Wethe, 2005).

Questions to Answer

- What product—or person—best represents the image of our city?
- How can we incorporate this symbol in our image?
- How can we send the product or the actual person on the road to promote the city?

Meeting Self-Actualization Needs

Self-actualization needs can also be met through travel. A visit to a city may provide the opportunity for tourists to develop their own special skills or interests to a professional level. To achieve this, the tourism marketer could develop a tourist package that includes advanced lectures by experts or training by celebrities. The city might also package a special event with limited availability on the city's unique architecture or history that involves noteworthy speakers and unique tours. Another example of meeting the self-actualization needs of tourists would be for a city known for its world-class Italian restaurants to host a yearly event that includes cooking lessons from local celebrity chefs.

Self-actualization also includes the need to do good for others. Tourism marketers should consider hosting special events for tourists that also have an altruistic purpose. Volunteering with special-needs groups, helping to restore homes, and landscaping of scenic public areas can be ways that people can visit the city and leave knowing that not only did they have a good time but also that they did good. Maslow's hierarchy can be a guide to ensuring that the city has the resources to meet as many of the tourist's needs as possible (Table 6.2).

TABLE 6.2 Maslow's Hierarchy and Tourism

Need	Description	Relation to Tourism
Physiological	Food, clothing, shelter, and other basic necessities	Dining establishments Grocery stores Suites with cooking facilities Barbeques at campgrounds Hotel, motel, B&Bs Public toilet facilities
Security	Personal safety and sense of well-being	Phone number to summon police Private security guards Guides on streets Information center Signage Safe transportation
Belonging	Need to feel welcome and part of a group	Friendliness of community Greetings from store owners Ethnic community outreach Social activities Nightlife tours Romantic activities
Self-esteem	Need to feel special and unique	Unique activities not found elsewhere Status events with limited availability Celebrity contact Opportunity for lessons
Self-actualization	Need to feel they are the best person they can be	Participation in lessons with professionals Opportunity to volunteer for worthy cause

THE PRODUCT LIFE CYCLE

Products, just like people, have life cycles in which they are born, grow, reach maturity, and die. Products are born when they are developed by companies, introduced into the competitive marketplace, and promoted to a targeted consumer segment. If the target market segment of consumers finds the product acceptable, the product survives in the marketplace and enters a period of growth. After every consumer in the target market segment that can be convinced to purchase the product has been reached, product growth slows and a period of maturity is entered. This period of maturity can last for either a short or a long time, depending on the type of product and also on what is happening in the external competitive environment.

At the end of the maturity stage of the product life cycle, the product will enter a period of decline, which ends with the product's being removed from the marketplace or being revised and reintroduced as new and improved. This

period of decline occurs naturally for all products, no matter how popular initially, because the external environment in which the product exists is constantly changing. These changes usually result in a product's becoming obsolete and being replaced by one more technologically advanced. Even if the product does not become obsolete, consumers may still choose to purchase an improved competing product or a similar product sold at a lower cost. Another decline scenario results when the product has simply lost the interest of consumers.

A company develops and introduces a product to the marketplace to increase revenue. However, at first the expense of developing and introducing the product will far exceed the flow of revenue from sales. During the introduction stage, the company will have considerably more expenses than revenue because the company must bear the cost of developing and promoting the product even before there are buyers. Even in the growth stage, revenue will at first be low because buyers are just being introduced to the product. Revenue flow will not peak until the maturity stage of the product life cycle. Because a great deal of resources in development costs and staff time must be invested even before the product is introduced, a company must have funds available to successfully develop and launch a new product.

Now It's Easier—and Cheaper—to Get to Nottingham

One of the factors that is boosting tourism to smaller cities is the growth in low-cost flights to regional airports. As a result, foreign and UK visitors are flying not just to London anymore. With the growth in inexpensive flights to regional airports, other UK cities are getting more attention from tourists. In Nottingham, businesses and passionate community members collaborated to increase the number of tourists by taking advantage of this new ease of transportation to the city. The city launched the "Experience Nottingham" promotional campaign for tourists that highlighted the city's castle, parks, monuments, and historic buildings. However, in addition, the material also informs potential tourists that they can now visit more easily and cheaply by flying directly to the local airport. The promotional effort has resulted in a 50% increase in tourism from 2001 to 2003. In 2004, to make transportation to the city even easier for tourists, a bus service between the airport and the city was added (Nottingham Evening Post, 2004).

Questions to Answer

- Do we promote the low cost of traveling to our city by train, bus, ferry, or air?
- Can we establish a good working relationship with the transportation companies to try to keep the fares low?
- Once people arrive at the airport or bus or ferry terminal, is there a safe, convenient, and inexpensive way for them to get to the city center?

The Introduction of Cities

Cities as tourist destinations also have life cycles. If the city has just entered the tourism marketplace, it is in the process of being born as a tourist destination and, as a result, will still have low visitor numbers. At this introduction stage in the product life cycle, considerable resources are needed to develop a strategic marketing plan. Even though the revenue received from tourism may be low, the city must still invest in infrastructure improvements and in attracting the needed tourist businesses. The city will also need to create the necessary promotional material. Before a city even contemplates entering the tourism marketplace it must ensure that the necessary funds are available.

Fortunately, a city can get assistance with start-up financial expenses and staff resources. State grants may be available to help with initial expenses. Tourism marketers should also investigate receiving funds from a local hotel tax. In addition, local businesses should be approached to help support the effort to develop tourism, either financially or by donating needed goods and services such as office supplies, the printing of needed promotional materials, or providing broadcast time or ad space. To keep expenses low, volunteers can be used as a replacement for paid staff for many of the tasks. However, this approach relies on having community members with the necessary skills who are willing to help because they support the idea of developing tourism.

The Growth of Cities

A city enters the growth stage of the product life cycle when it has successfully implemented a marketing plan. The city's promotional strategy has generated interest among members of the target market segment. As a result the city now has name recognition and tourists are starting to visit. At this stage in the product life cycle, all the services, attractions, and events needed and

desired by tourists are available and of good quality. As a result, tourist numbers should continue to increase.

During the growth stage in the product life cycle, communication between tourism officials and local businesses must be maintained to deal with any real or perceived negative impact that results from increased tourism. Now that the number of visitors is growing, tourism marketers need to routinely monitor the adequacy of tourism services, such as restaurants, lodging, transportation, and tours. If more services are needed, tourism marketers must work together with the business community to attract new service providers. The effectiveness of the promotional campaign must also be assessed and adjusted as needed.

While in the growth stage, the city faces the challenge of finding resources to deal with the impact of tourism on the community. Negative impacts of tourism may include lack of parking in the city and overcrowding at attractions due to the increasing numbers of visitors. Local residents may also be concerned that while stores increase the number of products tourists wish to buy, they might cut back on the items needed by local residents.

Besides providing additional opportunities, the growth stage can be dangerous. It is at this stage that the city develops its reputation in the marketplace; and as tourist numbers increase, pressure is put on the available tourist businesses and services. Service workers are now faced with situations they may find difficult to handle, and the infrastructure starts to show signs of wear. Tourism marketers must remember that maintaining quality is critical. If tourists have bad experiences, it can harm the reputation of the city as a destination, and growth in visitor numbers will slow.

Since the number of visitors the city is receiving is increasing, the city may be tempted to cut back on promotion. Rather than cut back, because the city's tourism industry continues to grow and its name recognition increases, tourism marketers now have the opportunity to build on their success. Those marketing the city should not pause and sit back, but should continue to be aware of the opportunities and challenges at the next stage of the product life cycle.

Challenges Posed to Tourism by Product Life Cycle

- *Birth*: availability of financial and staff resources
- *Growth*: adequacy of services and negative impact on community
- *Maturity*: finding new target market segments and updating of services
- *Decline*: repositioning the city

The Maturity of Cities

The city enters the maturity stage of the product life cycle when the growth in the number of visiting tourists has stabilized, hopefully near what was predicted by the marketing plan. By this stage the majority of the expected and unexpected negative impacts of tourism on the community have been dealt with. The supply of tourist business services and attractions and also the infrastructure needed by tourists are adequate. In addition, the community has accepted tourism as just another industry that supplies needed employment and tax revenue.

Since visitor numbers have stabilized, if the city wants to continue to grow as a tourist destination, tourism marketers may decide to attract a new target market segment. Attracting this new segment will involve developing new events, packages, and promotional material. Another way to increase tourist numbers, now that the city has name recognition, is to work with tour operators and other travel intermediaries to bring in tour groups and convention business. Even if the city decides that the optimal number of visitors has been reached, there is still work to be done to maintain visitor numbers in the face of competition from other cities.

The Decline of Cities

All products can decline and die when consumers stop purchasing. This decline can occur because the product is no longer considered desirable or because consumers are now purchasing a competing product. Cities can also enter a period of decline if visitors no longer find the city attractive as a tourist destination or if they choose to travel to a competing destination. If this is true, eventually a city's visitor numbers will begin to decrease. There is also the possibility that tourism will start to be taken for granted and as a result the quality of the services, infrastructure, and attractions will decline. Visitor numbers will then decrease because potential tourists are now choosing to visit a competing city.

For instance, the city's main attraction may be a historical site related to Civil War military history that has caught the attention of potential tourists because of a recent movie. If public interest in this period of history declines, the city will no longer be as attractive as a destination and visitor numbers may fall. The same decline can occur if tourism to the city depends on visitors who have an interest in a specific sport or a particular type of music. For example, social changes may cause interest in a once-popular sport, such as rock climbing or snowboarding, to decline.

Tourism marketers should continually conduct environmental scanning so that they will be aware of social changes that could negatively affect tourism numbers. If necessary, to avoid the death of the city as a destination, tourism marketers need to be ready to adjust the promotional message by marketing a new, more attractive benefit of visiting the city. Rather than having death follow decline, the city can position itself as a new and improved product targeted at the same target market segment, or it may reposition itself as a different type of experience for a new target market segment.

Single Travelers Are on the Move

The single traveler segment accounts for 27% of all domestic trips. However, segmenting tourists based on only their marital status will not be effective. This group needs to be further segmented by age into young, middle-aged, older working, and older retired tourists because each segment has its own unique travel preferences. Young singles enjoy short getaways with an emphasis on nightlife.

Middle-aged singles often travel on business. But when they do travel for pleasure, they have money to spend. Older working singles enjoy visiting historical places and attending cultural events and festivals. In contrast, older retired singles take the longest trips, travel by RV/bus, and are looking for good value.

This example is a good reminder that tourism marketers must always remember to use more than one demographic characteristic to describe their visitors if they are to successfully meet their needs (Keefe, 2003).

Questions to Answer

- What type of short getaway packages using nightlife can we design for young singles?
- Do we target business travelers with other evening activities?
- How can we promote our history and culture to older working singles?
- Does our city provide bus tours and RV parking for retired singles?

DIFFUSION OF INNOVATION

Another model of consumer behavior that can be useful in understanding tourist behavior is the diffusion of innovation theory (Rogers, 2003). This theory examines the likelihood that people will try new products. The model

ranks consumers along a continuum from innovators to nonadopters based on their acceptance of new products. When the theory is applied to tourism, it determines whether tourists will visit new places.

When promoting the city as a new destination, tourism marketers should first target the potential tourist segment most likely to want to experience something new. The diffusion of innovation theory categorizes these consumers as innovators. Because of their youth, money, and education, innovators, who make up only 2.5% of the population, are predisposed to try something new. They are socially well connected with other innovators, who share inside information about the newest “hot” destination. This is the group most likely to visit a city before it is discovered by the crowds.

Once the trend-setting innovators have visited the city, the early adopters, who comprise 13.5% of the population, are the next group to visit. They are demographically similar to innovators but are not as informed or socially connected. They will wait to visit until the word is out that the place is the trendy place to be seen. If early adopters are happy with what the destination has to offer, they will further spread the word.

Diffusion of Innovation and Travel

- *Innovators*: Travel to the newest destination before it is widely known
- *Early adopters*: Follow where innovators are visiting
- *Early majority*: Rely on information received from promotion and then visit
- *Late majority*: Only visit after hearing about the destination from friends and relatives
- *Laggards*: Disregard the promotional message because they are uninterested
- *Nonadopters*: Message is unheard because they do not consider traveling

Once the early adopters have visited, the early majority of potential tourists (34%) will start visiting. This larger group, which is older and middle class, wants to know that a destination has a developed tourism infrastructure before they will visit. They will wait until they hear a promotional message that assures them that their visit will be comfortable. They are not interested in risking their limited vacation time and money on the unknown. After the early majority start visiting the city, it will become established as a known tourist destination.

Now the late majority (34%) will start to visit. The late majority will not take the risk of visiting a city based only on promotional messages. They will wait until someone they know visits. To reduce risk, the late majority only trusts the information provided by friends or family. Of course, by now innovators and early adopters are no longer interested in visiting the city and have moved on to a new destination. However, the innovators and early adopters

are only a small share of the total potential tourist market. For repeat visitors the city will rely on the more substantial early and late majorities.

There are also the groups termed *laggards* (13.5%) and *nonadopters* (2.5%). Laggards will only reluctantly take the risk on trying a new product. They find the idea of new experiences upsetting rather than exciting. They will usually travel to the same destination year after year because they find repetition comforting. The nonadopters do not travel and have no intention of doing so. Both of these groups are difficult to motivate to travel with any type of promotional message.

SUMMARY

The purchase decision model can assist tourism marketers in understanding how consumers make purchases. The first step in the model is need identification, where potential tourists realize they have a need for travel resulting from an external problem or a desire resulting from an internal need. Information search will involve the consumers' finding out what products can solve the problem or meet the need. The consumers will then evaluate the alternatives to decide which product will be best for them. The purchase process can be simple or involved, based on the cost and complexity of the product. Post-purchase evaluation consists of the consumers' deciding if the product meets their expectations.

This purchase process will vary, based on whether the purchase of the product is high or low involvement. Products that are expensive, complex, and unrepeatable are high involvement. Low-involvement decisions involve products that are inexpensive, simple, and familiar. This depends on the cost of the product; both monetary and opportunity costs. It will also differ based on the consumers' familiarity with the product.

Consumers are motivated to make purchases based on inner motivations. Maslow's hierarchy of needs describes these motivations in a ranking of five levels. The levels start with meeting basic survival and safety needs, move to meeting social needs, and then focus on the higher needs of self-esteem and self-actualization. This model can be used as a guide when developing tourism packages so that they meet several levels of needs at the same time.

All products have life cycles of introduction, growth, maturity, and decline, including cities as tourism products. To introduce a city as a tourist product requires financial and staff resources. In addition, the city as a product must be developed, including infrastructure, services, and attractions. When the city enters a period of growth, a continually increasing number of tourists start to arrive. This presents the challenge of maintaining an adequate quantity and quality of product supply while at the same time managing any negative impacts

tourism is having on the community. The period of maturity is when new opportunities can be explored. The period of decline is when the city needs to reposition itself as a new product to a new target market segment or risk losing visitors.

The diffusion of innovation theory groups consumers on their propensity to accept the risk of trying a new product, including visiting new destinations. Innovators and early adopters have the financial and educational resources to be attracted to new products. The early majority is a large share of the market that will visit when they have heard enough promotional messages that assure them that the destination will provide the desired benefits. The late majority is another large group that will only visit after they have heard from family and friends that the destination is acceptable. Laggards visit the same place year after year, while nonadopters do not travel. It would be an inefficient use of resources to target a promotion message to these last two groups.

Maslow Worksheet

Use the Maslow Hierarchy of needs (Table 6.3) to consider how your city’s tourism products and services meet the needs of tourists.

TABLE 6.3

Need	Product or Service
Basic	
Security	
Social	
Self-esteem	
Self-actualization	

Purchase Process Worksheet

Use Table 6.4 to describe how a visitor to your city might go through the purchase decision of visiting your city.

TABLE 6.4

Stage	Process
Need identification	
Information search	
Evaluation of alternatives	
Purchase	
Postpurchase evaluation	

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Tourism Research

CHAPTER OBJECTIVES

- Discuss the importance of research to the marketing concept and also the various issues that might be researched.
- Clarify the difference between secondary and primary data and quantitative and qualitative research.
- Establish the difference between descriptive, exploratory, and causal research approaches.
- Describe the research methods available, including surveys, interviews, focus groups, projective techniques, observation, and experimentation.

THE IMPORTANCE OF CONDUCTING MARKETING RESEARCH

The heart of the marketing concept is to provide consumers with products that satisfy their needs and desires. Therefore tourism marketers must learn what potential tourists need and desire from the visiting experience. The only

way for tourism marketers to obtain this information is by conducting research.

The official definition of marketing research can be found on the American Marketing Association website, www.marketingpower.com. It states:

Marketing research is the function which links the consumer, customer, and public to the marketer through information. This information is used to identify and define marketing opportunities and problems; generate, refine and evaluate marketing actions; monitor marketing performance; and improve our understanding of marketing as a process.

This definition defines four ways that a company or organization can use research. The definition states that research is what “links the consumer, customers, and public to the marketer.” This type of research involves the tourism marketer in analyzing the external environment for any changes that will affect the tourism industry. The tourism marketer has already conducted this type of research through environmental scanning. Second, the definition states that research can be used to “generate, refine, and evaluate marketing actions.” This research would assist in determining if the organization’s strategic choices regarding product features, price level, promotional message, and distribution are meeting consumer needs. For tourism marketers this research would focus on determining tourist preferences. Other research, designed to “monitor marketing performance,” is used to confirm if the organization is meeting its goals, such as sales revenue (or, in the case of tourism marketing, visitor numbers). Lastly, research can be used to “improve our understanding of marketing as a process” or to learn to market more effectively.

Uses of Research During the Marketing Process

- *External environment:* Scanning to determine threats and opportunities to tourism
- *Meeting consumer needs:* Research on tourist preferences
- *Meeting goals:* Research on visitor numbers
- *Effectiveness of promotion:* Research on design and wording used on brochures and ads

Marketing Research Issues

Marketing research can help organizations to succeed by providing an answer to the question of what consumers want. Consequently the ability to conduct marketing research is a skill required by all organizations, including small businesses, nonprofit organizations, large corporations, and even city tourism offices. Tourism marketers may believe that they do not have the financial or staff resources to conduct marketing research. However, research must be con-

ducted if the city is to successfully attract visitors. Conducting research will pay for itself with additional visitors to the city because even a small percentage gain in visitors will result in additional revenue for the city. Tourism marketers especially should research what core products and tourist services visitors need to have a satisfactory visit experience so that they will not lose tourists to competitors.

Among the different issues that tourism marketers should consider researching are current and potential tourist segments, travel motivation, visitor satisfaction, product acceptability, and effectiveness of promotional material (Table 7.1). Researching current visitors can help to identify the internal and external characteristics of the market segments already attracted to visiting the city. Researching the entire tourism marketplace can assist in identifying new potential tourist segments that tourism marketers can target in the future.

Conducting motivation research determines tourists' rationale for visiting and is critical to creating an effective promotional message to attract additional visitors. Satisfaction research is conducted after the city has been visited to examine how tourists' experiences compared with their expectations. Information gathered from both motivation and satisfaction research will assist the tourism marketer in learning how they can improve the visit experience. Tourism marketers also need to routinely examine the city as a product to determine how it can be improved by adding additional features and benefits. Research on the effectiveness of the city's promotional materials, including the design and wording used in ads and brochures, is also important to determine their effectiveness in attracting visitors.

TABLE 7.1 Research Issues

Issue	Purpose	Question
Segmentation	Composition of tourist market segments	Who is our current and potential visitor?
Motivation	Reasons for purchase	What is the tourist's motivation for visiting our city?
Satisfaction	Degree product meets expectations	How can we improve the visit experience?
Product	Improvement of product	Does our city provide the benefits desired by visitors?
Promotion	Effectiveness of different promotional methods and media	Does our promotional material motivate our targeted segment to visit?

THE RESEARCH PROCESS

Too often, conducting research begins without proper planning. However, the chance that tourism marketers will find the needed information is greatly increased if they follow a specific research process. This process starts with the tourism marketer determining what information is needed and where the information can be obtained. The researcher then must choose the most appropriate research approach and create the research method. After the research is conducted, the final step is for the tourism marketer to analyze and report the findings (Table 7.2).

THE RESEARCH QUESTION

The first step in the process is designing the research question. Because there is often pressure to complete the marketing plan as quickly as possible, it will be tempting to start research without first determining exactly what information is needed. The tourism marketer may believe that obtaining the information will be easy, but it will not (Figure 7.1). A poorly designed research question may provide information but not the needed answer. For example, if the research question is too broadly defined, it will provide too much information that will be difficult to interpret. However, if it is too narrowly defined, not enough information will be obtained. Even worse, if the wrong question is asked, the research effort will be wasted.

TABLE 7.2 Steps in the Research Process

Step	Question
Write research question	What do we want to know about the people who visit—or don't visit—our city?
Decide on sources of information	Is there information already available to answer the question, or will we need to ask ourselves?
Choose research approach	What is the best approach to use to obtain the information?
Choose research method	What tool will we use to obtain the information?
Plan research design	Who will we ask, where will we ask, and when?
Conduct research	Who will do the research?
Report the findings	What should we do with the answers we get?

Why do tourists visit our city?



Why do young tourists visit our city?



Why do male tourists 22–28 visit our city?



Why do male tourists 22–28 visit our city in the winter?



What attractions motivate male tourists 22–28 to visit our city in the winter?

FIGURE 7.1 Narrowing the Research Question.

DECIDING ON SOURCES OF INFORMATION

When following the research process, tourism marketers will next determine if the needed information is already available. If information has already been collected by other research studies, it is called *secondary* data. If secondary data is not available, tourism marketers will need to personally conduct the research. The resulting information is then referred to as *primary* data. Because secondary data already exists, it has the advantage that it can often be obtained free. The disadvantage of secondary data is that it will probably not provide exactly the answer the tourism marketer needs.

Numerous sources are available for tourism marketers to obtain secondary data. Data on demographics, including population characteristics such as age, income, ethnicity, and educational level, has already been collected through the U.S. census and can be obtained by visiting the website www.census.gov. This demographic data can be broken down by state, city, zip code, and even voting precinct. More specific demographic data, such as who travels, when they travel, and where they travel, can be obtained from a number of sources, including the American Travel Association, at www.ata.com. In addition, the National Endowment for the Arts collects information on arts participation through the Statistical Profile on Participation in the Arts (SPPA) survey. This report, which includes data on who visits museums and cultural performances, can be found at www.nea.gov or www.cpanda.org.

Sources of Information

- *Secondary*: Data already collected by previous research studies
- *Primary*: Data collected by the researcher

Quantitative and Qualitative Data

Marketing research data can be divided into two different types: quantitative and qualitative. Quantitative data comprises facts that can be expressed in numbers and statistics and is used to answer questions such as who, what, how many, and how often. Qualitative data instead is used to answer the questions of why and what if. Because of financial and staff restrictions, most tourism marketers will only be conducting small research studies. These small research studies will usually obtain either quantitative or qualitative data. However, for large-scale studies, tourism marketers may first gather quantitative data that would then be used to design a research study to obtain qualitative data. For example, a descriptive research survey might first be used to obtain quantitative data on what cities tourists prefer to visit. The findings from this study might reveal three top choices. An exploratory approach might then be designed to obtain qualitative data using interviews on why these three cities are preferred.

Quantitative data is unique because it can provide proof of a fact or a hypothesis (guess or assumption). However, to obtain this proof it is necessary to determine exactly how many people must participate in the survey. To determine the required number of participants, the researcher uses knowledge of statistics and sampling. When the correct number of participants is asked, studies designed to collect quantitative data can provide statistical proof for such questions as the gender composition of the city's visitors.

If the tourism marketer wants to know why tourists are motivated to visit a specific competing city, then qualitative data obtained via exploratory research is needed. Studies designed to obtain qualitative data are not concerned with statistical proof but, rather, with gathering insights on opinions and attitudes. When properly analyzed, qualitative data can provide information on issues such as why more women than men are motivated to visit the city.

Types of Data

- *Quantitative*: Findings expressed in numbers and percentages
- *Qualitative*: Findings expressed in opinions and insights

First Comes Qualitative Research

Tourism officials for the city of Madrid wanted to reinvigorate tourism, so they decided it was time to create a new brand image for marketing the city. Their marketing plan called for branding Madrid as one of the

leading European destinations for tourists. Because of the difficulty of the task, tourism officials decided to hire a professional marketing agency for assistance. Six international marketing firms were finalists for the job. The Landor Madrid agency was chosen for their experience in branding and because they had developed tourism marketing campaigns for other major cities. However, even with all their expertise, Landor Madrid didn't immediately start to develop the image and brand. Because they were professionals they knew that the first step was to conduct qualitative research on how tourists already perceived the city (Billings, 2004).

Questions to Answer

- Do we need a new image and brand for our city?
- Do we have the branding expertise to do so, or do we need outside assistance?
- Before starting to develop the brand what type of qualitative research should we conduct to gather information on tourists' current perceptions of the city?

CHOOSING THE RESEARCH APPROACH

The next step in the research process is for tourism marketers to choose the appropriate research approach. There are three general approaches to research that can be used, including descriptive, exploratory, and causal. The choice of research approach will depend on what type of information the city needs to obtain. If the research question is simple, such as "What is the average age of our tourists?" or "How many families versus single people visit?," then the city should take a descriptive approach using a survey to obtain quantitative data.

However, if tourism marketers want to research motivation and ask questions regarding why people visit, then a descriptive approach using a survey will not be effective. To obtain this information, tourism marketers will need to take an exploratory approach and interview visitors in depth or conduct focus groups to collect qualitative data. If tourism marketers have to determine the effectiveness of promotional materials, a causal approach with an experimental method where the materials are shown to different segments of tourists and their reaction is recorded will be best (Table 7.3).

TABLE 7.3 Research Approaches

Approach	Purpose	Example
Descriptive	Provides details on demographic characteristics of tourists, frequency of visiting, activities preferred	Survey on average age of tourists correlated with activities preferred
Exploratory	Obtains insights on attitudes, opinions, and values	Focus group on why visitors choose destinations
Causal	Determines effect of change	Experiment with extended evening hours for visitor center

Descriptive Research Approach

Descriptive research studies are used when the research question asks for specific statistical demographic data on tourists. A survey is the usual research method used to conduct such a descriptive study. These quantitative surveys ask participants questions such as “Did you visit the art fest?” and “What is your annual income?” The advantage of such a quantitative descriptive study is that if enough tourists from the targeted segment are questioned, the answer can be said to be true of the entire group. Therefore a descriptive quantitative research study using a survey can obtain answers such as 20% of tourists who visit the arts fest have an annual income of \$75,000 or higher.

Surveys are not the most commonly used method of marketing research, for two reasons. First, surveys cannot answer the important question of why someone prefers or does not prefer a product. Second, it is becoming increasingly difficult to motivate people to participate in a survey. This reluctance may be because of privacy concerns or because people are just too busy to respond.

What Can You Learn from Research?

Jack Vettriano is Scotland’s most famous living artist. However, Banff is not the most famous Scottish town. So it was a marketing challenge when the Duff House gallery in Banff hosted a Vettriano exhibition. Could a high-profile event with a well-known artist raise the profile of a little-known city?

The answer, according to research conducted by the museum, was yes. The research found that a large number of people who visited the exhibit had previously been unaware of the town, which proved that the event did bring in visitors who ordinarily would never have traveled to Banff.

Tourism marketers were very interested in determining how to motivate these first-time tourists to visit again after the exhibit was finished. The research provided the answer by asking visitors about other activities in which they were interested. The answers included museums and castles, country pursuits and walking, dining, natural heritage, and golf. Tourism officials can use this information as the basis for developing future tourism packages and promotions to attract return visits.

How did these first-time visitors hear of the event? The research also provided valuable information on the effectiveness of the event's promotion. It was discovered that low-cost posters and leaflets were the most effective methods of reaching potential tourists (Aberdeen Press, 2003).

Questions to Answer

- What type of high-profile event can we use to attract tourists to our city?
- Do we have a plan for conducting research of first-time visitors to discover their other interests?
- If we do, do we have a plan for using this information to package events to motivate return visits?

Exploratory Research Approach

Tourism marketers conduct exploratory research studies when they need information on tourists' opinions, values, and attitudes. Exploratory studies can uncover important information on social changes that affect tourist motivation and preference. While descriptive studies will provide facts about tourists, only exploratory studies can answer the question of why tourists choose a destination.

Exploratory research obtains qualitative rather than quantitative data. In this type of research the quality of the answers is more important than how many participants respond to the question. When using a qualitative approach, fewer participants will be involved in the research. However, the research will take more time to conduct because more time is spent with each participant. Exploratory questions cannot be quickly or easily answered because visitors themselves may be largely unaware of their motivation.

Tourism marketers will record many different answers for each exploratory question. For this reason, qualitative exploratory research does not provide statistical facts. However, the answers obtained will be much more detailed

and informative than the data that is obtained from a survey. When analyzing qualitative data, instead of the responses just being counted, they are grouped by theme or frequency. For example, an exploratory study may find that a lack of family activities was a theme often mentioned by participants. It is these themes rather than each individual response that will be included in the final research report.

Causal Research Approach

A causal research approach is used when the tourism office is considering making some type of change. This change might involve new hours for the tourism office, new signage, or introducing new types of walking tours. The research method of experimentation can be used to first try changes on a small scale. The tourists' response to the change is then recorded and analyzed. Only if a positive response is received will the tourism office go forward with implementing the change on a large scale.

Experimental research is needed because surveys or interviews with tourists about the proposed change would be ineffective. Tourists would find it difficult to answer questions about something they have never experienced. Using experimental research can save the tourism office from making costly mistakes.

RESEARCH METHODS

Once tourism marketers have decided on the research question they need answered and have decided on the research approach, the next step is to choose the specific method. Tourism marketers sometimes choose to conduct a survey when another research method might be more effective in obtaining the needed information. If facts are needed, such as how often tourists visit or their age, then a survey is appropriate. However, if the research question the tourism marketer needs answered is about visit motivation or tourist preferences, then more effective research methods would be to use interviews, focus groups, projective techniques, or observation. If the research question is about the effect of a proposed change, then experimentation should be used (Table 7.4).

Traditional Survey

Conducting a survey involves asking all participants the same set of questions. To design an effective survey form, tourism marketers must first decide exactly what they need to know. The more specific they can be about the needed infor-

TABLE 7.4 Research Methods

Approach	Method	Description
Descriptive	Survey	Tourists are asked a set of predetermined questions.
Exploratory	Interviews	Tourists are questioned individually.
	Focus groups	Tourists are interviewed in groups to explore responses.
	Projective techniques	Creative techniques are used to obtain an emotional response.
	Observation	Tourist behavior and actions are observed for patterns.
Causal	Experimentation	An action is tried on a small scale and the results measured.

mation, the more useful the final survey form will be. It is difficult to motivate people to participate in a lengthy survey, so only the most important questions should be included.

Second, tourism marketers will need to decide on the types of questions that will be asked and what suggested answers should be provided. The questions could be closed-ended, which means that predetermined answers are provided. For closed-ended questions, besides writing the question the researcher must also write the answers. Questions such as “Have you ever visited the city before?” can be provided with a dichotomous choice of a yes/no answer. The answer to a question that asks how often the tourist has visited will require some thought. The answer might be written as a number of total visits, such as 1, 2, 3, 4, or 5, or as a range, such as 1 to 2, 3 to 5, or 6 to 10. This would be a forced-choice question, where the participant must choose only one answer. Tourism marketers could also decide to ask open-ended questions, where the participant is allowed to provide his or her own answer. In addition, the answers can be written as multiple choice, importance scale, Likert scale, or rating scale (Table 7.5).

Tourism marketers will find that one of the problems with using a survey is motivating people to participate. This is an important reason for tourism marketers to keep the survey as short as possible and on a single topic. To encourage completion, tourism marketers should also make the survey form easy to read and visually interesting. In addition, tourism marketers should consider offering an incentive to motivate participation. This could be in the form of a discount coupon to local stores or a guide to the city’s attractions. Such incentives will not only increase the likelihood that the visitor asked to be a participant will be willing to complete the survey; it also will bring in business to local stores and attractions.

To ensure that the form is easy to complete and provides the desired information, testing is important. The process of testing the survey form should use volunteers with demographic and psychographic characteristics similar to

TABLE 7.5 Types of Survey Questions

Question Type	Description	Example
Forced choice	Participant must choose from several options	My primary motivation for visiting on this trip is: (check one) ☐ Arts fest ☐ Shopping ☐ Nightlife
Open-ended	Participant allowed to determine own answer	My primary motivation for visiting this weekend is _____.
Dichotomous choice	Participant must choose from two answers	Is this your first visit to our city? ☐ Yes ☐ No
Multiple choice	Participant must choose from set answers	The most important motivation for visiting was: ☐ Travel distance ☐ Friend's recommendation ☐ Cost of trip ☐ Other
Importance scale	Participants asked to rate importance	Having an active nightlife in the city I visit is: ☐ Very important ☐ Somewhat important ☐ Not very important ☐ Not important
Likert scale	Participants asked to agree or disagree with a statement	The availability of shopping is a reason I chose to visit. ☐ Agree ☐ Somewhat agree ☐ Somewhat disagree ☐ Disagree
Rating scale	Participants rate an aspect of the product	On a scale of 1 to 5, with 1 as best, I would rate the service at the visitor center as: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5

those of the future survey participants. These volunteers will be asked to read and answer the survey questions. The purpose of the testing is to ensure that the questions are easy to understand, that the answers provided are appropriate, and that the language does not offend in any way. If the target participants for the survey do not speak English as their first language, whether they are

domestic or international tourists, the survey form will need to be translated. In this case it is very important to test the survey to ensure there are no translation mistakes.

Survey Distribution

Tourism marketers can distribute the survey via a number of different methods. The forms can be left at the visitor center or in hotel rooms or handed out to tourists on street corners in the hope that someone will respond. The survey can be included in event programs or at the ticket counters for attractions. Unfortunately all of these methods usually result in a small response rate.

Another method of distribution is to target specific visitors by personally asking them to participate. The targeted participants could be members of a specific group that usually has a small survey response rate, such as younger visitors, visitors from ethnic groups, or foreign tourists. When using this distribution method, the researcher will need to be where the members of the targeted group can be found. When in the area, the researcher should find a location where it is convenient for people to stop and complete the survey. If possible the location should have nearby seating where participants can complete the survey form, or else participants should be provided clipboards. After deciding that the visitor does belong to the group being targeted, the researcher asks the visitor to participate, informs him or her of the purpose of the study and of any incentive that may be offered, and then gives the form to the individual to complete. To ensure completion, the researcher then monitors the participant's progress and collects the survey form when completed.

This method of distributing a survey is more time consuming, but it will ensure that the responses collected provide information from members of the targeted group. This is especially important when targeting a tourist group that is new to the city or from a different ethnic group. Unfortunately, the less emotional connection the visitors have with the city, the less likely they are to complete the survey. However, it is these visitors who can give the crucial feedback needed for improvement.

Interviews

Surveying can be a useful method for conducting research to determine answers to questions about tourists' demographic characteristics, their travel history, how frequently they travel, and their preferred activities. However, descriptive research using surveying is not an effective method for providing answers to the question as to why tourists travel, why they prefer certain activ-

ities, and what needs are not being met. These questions need an exploratory research approach using a qualitative method.

One of the most frequently used exploratory research methods is an interview. An interview has the advantage of allowing the researcher to probe the participants' first response to a survey question. By asking follow-up questions, the researcher can uncover the participants' underlying motivation. This type of research questioning is especially important when trying to understand negative motivation. For instance, if participants in an interview are asked why they are unhappy with the visit experience, the response might be that the city is boring. While this information may be accurate, it will not be helpful to the tourism marketer, because the answer does not say what the tourists would find interesting. In an interview, follow-up questions can be asked, such as "What do you mean by boring?" and "Can you give me an example of an activity that you might find interesting?" The answers to these follow-up questions can provide a basis for corrective action. The advantage of interviews is that an issue can be explored in depth. The disadvantage is that they will take time.

Another type of interviewing that researchers can conduct is "person on the street," or intercept, interviews. Here the researcher goes to where tourists can be found to ask a number of participants two or three short questions that can be answered quickly. This method allows for only limited follow-up questioning. However, the advantage of this intercept approach, versus in-depth interviewing, is that a larger number of interviews can be conducted quickly.

Follow-up Responses to Interview Answers to Elicit more Information

- I see.
- Tell me more.
- Can you give an example?
- What else do you think?
- Please go on.
- Do you have any other ideas?

Focus Groups

A focus group is another qualitative research method used to gather information on opinions, values, and attitudes. The focus group brings together a group of visitors to share their opinions and concerns in response to questions asked by a moderator. Putting visitors together in a focus group encourages them to respond to each other's comments, thereby providing additional information. It is the focus group moderator's responsibility to encourage responses but not control the process.

Script for Use in a Focus Group

- Welcome
- Participants introduce themselves
- General discussion of impressions of city
- Participants asked what they enjoyed most
- Participants asked what they enjoyed least
- Suggestions solicited for improving the visit experience

An outside professional moderator is usually asked to conduct a formal focus group because tourism marketers might introduce their own opinions and ideas into the process. The skills needed by a moderator include an ability to listen and a sincere interest in hearing what the participants have to say. However, if the city cannot afford to pay a professional focus group moderator, there are other options. For example, a businessperson or community member might have the skills necessary to conduct the focus group. Another possibility for outside assistance is to use a graduate student from a nearby college or university as the moderator. No matter who is selected, what is critical is that the moderator be skilled in guiding the conversation to keep it on topic while not guiding the opinions being expressed. It is also important for the moderator to feel comfortable with the group participants. He or she must also have the communication skills to summarize and report the findings.

Skills Needed to Facilitate a Focus Group

- Good listening skills
- Ability to remain objective
- Membership in the group or affinity for group participants
- Communication skills to summarize and report findings

Gardening as a Reason to Visit

Did you know that 20% of Americans went on a garden tour, visited a botanical garden, or attended a garden show while on a trip of 100 miles or more from home? Garden travelers tend to be college-educated females with good jobs and incomes. These gardeners are passionate about their interest, and when they are away from their own gardens they love to visit the gardens of others. Of these garden travelers, 71% visited a botanical garden in the past five years, making it the most popular visiting activity. However, garden shows, festivals, tours, and in fact anything to do with gardens is popular with this travel segment. While some

(continued)

gardening tourists travel specifically to see gardens, others will find a way to fit in a visit to gardens when they are traveling for other purposes (Keefe, 1999).

Questions to Answer

- Do we have any parks, community gardens, or unique wilderness areas that could be of interest to gardeners?
- If we have many residents with green thumbs, could we organize a garden tour weekend for tourists during the summer?
- Can we package the gardens and tours along with seminars for garden-loving tourists?

Projective Techniques

Projective techniques are a research method that allows researchers to obtain information in other ways than by asking verbal questions. The techniques used with this method are borrowed from psychology. Projective techniques are gaining increased acceptance in consumer marketing because they can be employed in both interviews and focus groups to encourage communication (Sayre, 2001). In addition they can be used on their own as a method of conducting research. Some simple projective techniques include word association, sentence completion, and cartoon tests, creative techniques that both researchers and participants may enjoy.

Word association is an excellent tool to start a focus group discussion. In word association the researcher asks the participant to answer with the first word that comes to mind when shown a photo or drawing. This image might be of the city's attractions, streets, or skyline. The purpose is to get an emotional rather than an intellectual response from participants. These answers are then shared and discussed among the participants.

An additional projective technique for tourism research is story completion. This technique allows participants to explain the visit experience in their own words. One thing the researcher might do is to ask participants to write a promotional slogan for the city that would appeal to them. If this idea is too creative and difficult for the participants, they can be given an easier task, such as sentence completion. The researcher can provide the start of a short sentence, such as "The reason I visited is. . . ." The participants are then asked to complete the sentence.

Cartoon completion can also be a part of projective research. The cartoon set usually consists of two characters with balloons over their heads, similar to comic books. One character might be saying, "I am thinking of visiting Fair

TABLE 7.6 Projective Techniques

Technique	Description	Sample
Word association	Participants give their first response	When I think of my visit experience, the first words that come to mind are _____.
Promotional ad slogan	Participants complete a slogan	Visit Fair City and enjoy _____!
Sentence completion	Participants complete a sentence	Fair City could improve by _____.
Cartoon bubble	Participants finish a cartoon	Response to “I’m thinking of visiting.” _____

City.” The survey participants would then put their own answer into the second cartoon character’s bubble (Table 7.6).

Observation

A simple and inexpensive method for conducting exploratory research is observation. Observational research is a good choice when obtaining information with verbal questions is difficult. For example, it may be difficult to ask families what they liked best about their visit to the city’s park. First, the family may have hot and tired children and not be interested in answering questions. Second, they simply may not remember. However, if researchers observe tourists enjoying the park, they will be able to determine what attractions families stop to enjoy and what park attractions they pass by.

Researchers will still need to plan the structure of the study with observational research. First the researcher must decide what type of observation will take place. The research could use what is called a “complete participant” study, where researchers infiltrate directly into the tourist scene. For example, if researchers really want to know how people feel about the city’s guided walking tours, they can join one as participants. This allows them not only to observe the tourists conduct—are they hurried? bored?—but also to overhear both positive and negative comments.

The opposite type of observation is where the researcher is a “complete observer” and acts as a “fly on the wall.” Here observers remove themselves from the scene to record what they observe from a distance. For example, the observer would watch families at the arts fest to determine what activities they engaged in the most.

For the research findings to be useful, the tourism researcher must carefully consider the issue of where and when to observe. For example, when observing tours, it should be remembered that the demographic and psychographic

An example of an experiment tourism marketers might conduct would be evaluating different styles of tour guides, such as congenial versus serious, and then gauging the tourists' reaction. Experimentation could also be the chosen method if the city has received complaints from tourists about the difficulty in finding parking in the downtown area. If the city is considering changing signage at all the city's parking lots to make them easier to find, the city might first try changing the signage at only one lot to see if it increases the lot usage, before incurring the expense of making the change at all the city's lots. Only if the change results in improvement will the city proceed.

By first experimenting on a small scale, the researcher can discover if a proposed change will get the expected response. It is difficult to obtain this type of information by surveying or interviews. This is because tourists will find it difficult to have an opinion on something with which they are unfamiliar or have never experienced. Experimental research can save tourism marketers from making expensive mistakes

Services Tourists Need When They Bring the Kids

What can you learn from research? One question that can be answered is what services parents use when traveling with their children. Research has found that nearly half of U.S. adults traveled with a child during the past five years. While 76% of these travelers were parents with their own children, 16% were grandparents traveling with grandchildren. While on the road, both parents and grandparents used the following services: specially priced kids' meals, discounted lodging, videos and games, supervised activities, and babysitting.

This useful secondary data is already available for any tourism office. Tourism marketers don't always need to conduct their own research to collect primary data when someone else has already asked the right question! (Keefe, 1998).

Questions to Answer

- What types of special pricing do our restaurants and hotels offer for children?
- Are videos and games available at the visitor center to keep children busy while the adults receive help with their plans?
- Do our city's tourist attractions have supervised activities for children?
- What types of childcare services do our hotels offer?

RESEARCH DESIGN

The research method is the tool the researcher will use to conduct the research. The research design is the detailed steps that will need to be taken for the method to be successful. As part of developing the research design, tourism marketers must decide on the sample, or who will be asked to participate in the research.

Designing the Research Sample

An important step in the process of planning the research is deciding on the sample. Because it is impossible to locate and ask all visitors or potential visitors the research question, a plan must be developed as to whom to ask. The group that will be asked to participate is called the *sample* because it refers to a sample of the entire group, or population of tourists. The tourism marketer must decide how many participants should be included in the sample and how these participants will be chosen.

Questions for Determining the Sample

- What group should be researched?
- How large is the total population?
- How many people from the population should be asked to participate?
- How should the sample of participants be chosen from the entire population?

The sample of participants for the research study should be chosen with their segmentation characteristics in mind. The participants can be selected based on their external demographic characteristics, such as age, education level, gender, and ethnicity. Internal psychographic characteristics, such as lifestyle, interests, and values, can also serve to define the participants. For example, the participants in the sample could be described as tourists in their 20s who value excitement. Geographic segmentation can also be used when defining the sample. For example, the research study sample can be defined as tourists who have traveled more than 500 miles to visit. The participants can also be defined via usage segmentation. In this case the participants in the research study might be defined as tourists who travel for the purpose of visiting family or friends. In addition the participants can be defined employing multiple segmentation characteristics simultaneously. The research participants can be defined as females interested in gardening who live in neighboring towns and travel to visit relatives.

Once the characteristics of the participants have been defined, the next question tourism marketers should ask is how many people should be asked

to participate. If a quantitative survey is to be considered statistically valid, an exact number of responses needs to be obtained. This number is derived via a mathematical formula based on the number of total people in the defined population. Knowing the total number of visitors or potential visitors requires some familiarity with statistics, so determining a sample for a statistically valid survey will not be dealt with here.

When obtaining qualitative data, the quality of the responses is considered more important than the number of responses. For qualitative research, the emphasis is placed on carefully choosing a smaller number of participants to ensure that they meet the required geographic, demographic, psychographic, and usage characteristics.

Sampling Methods

There are three methods for constructing the sample for qualitative research studies. With a *convenience* sample, the researcher chooses the participants who are willing to volunteer. For example, the research participants could be anyone who comes to the visitor center and is willing to complete the form. While this makes life easier for the researcher, it does have its limitations, because people who use the visitor center may not be representative of the group that needs to be researched. For example, tourists who visit the center may be older and childless, whereas the researcher needs information from visiting families.

Another means of selecting the sample would be based on the researcher's *judgment*. Here the researcher simply goes to where the tourists can be found, such as hotels or attractions. The researcher then asks visiting families who seem like they might be willing to participate in the research. The problem with this approach is that it may result in the researcher asking only friendly looking people.

A third way of constructing the sample involves the first two but adds a *control* factor. There is nothing wrong with going where participants will be easy to find, and, of course, the researcher will need to find people who are willing to participate. However, with a *quota* sample, the researcher can help to avoid bias in the selection. A quota sample requires the researcher to ensure that a certain number, or quota, of participants is selected with predetermined characteristics. For example, these categories might include families with older versus younger children. Using a quota sample, the researcher may easily find families with older children who are willing to participate. However, after this quota of participants is filled, the researcher must still find families with younger children to include in the research.

Sampling Methods

- *Convenience*: Ask whoever is easiest to find
- *Judgment*: Researchers choose based on who looks like a good prospect
- *Quota*: Finding participants with predetermined characteristics

CONDUCTING THE RESEARCH

When designing the research, tourism marketers will also need to consider the best time and place to conduct the research. The time chosen should be what is most convenient for the participants, not the researcher. The place should be both convenient and comfortable. Part of planning will also involve tourism marketers deciding the appropriate person to conduct the research. If the tourism office does not employ someone with the ability to conduct the research, a volunteer from the community may be available. If not, the tourism office may need to hire professional assistance. The more planning done prior to conducting the research, the smoother the process once research has started.

Conducting Successful Research

- Convenient time
- Comfortable location
- Skilled researcher

REPORTING THE FINDINGS

After the research has been conducted, the results must be tabulated and analyzed. For a small survey, the results can be hand-tabulated by simply counting. For a larger survey, it is best to run the results through a statistical software package, which will require some basic understanding of how the software operates. However, researchers will find it well worth their while to do so. The advantage of a statistical package is that the data can then be queried to discover additional insights. To give just one example, demographic characteristics of participants, such as age and gender, can be related to their answer regarding frequency of visits to find out if older or younger or males or females visit the city more often. In addition the software can easily produce charts and graphs that are very helpful in visually communicating information to the city's stakeholders.

If the research was exploratory in approach, a different means of summarizing results must be used. For focus groups or interviews, the researcher will have either notes, a tape recording of the process, or both. The notes and tapes

will contain a great deal of information, some of which may be conflicting opinions, covering many subjects. However, an analysis of the notes and tapes by the researcher should also reveal issues or comments that reappear frequently. It is these issues and comments that should be reported. For example, a positive theme on the beauty of the city or a negative theme on the high cost of lodging may be repeatedly expressed. Observational research will provide notes that will need a great deal of interpretation. However, if the researcher peruses the material repeatedly, the data can be a rich source of insights. Experimental research should be fairly easy to interpret, because the researcher simply has to report the preference or action of the people involved in the experiment.

The Research Report

Too often, unfortunately, time and money are spent on research without the findings being used. This is often because the research simply reported findings and did not provide recommendations for action. To make sure this is not the case, the conclusion of the research report should propose action items that can be implemented to improve the tourism product and promotion to increase the city's ability to attract tourists.

SUMMARY

Conducting marketing research is necessary if a city wants to implement its marketing concept. The concept calls for providing products that are needed or desired by consumers, and research is the only way to ascertain these needs and desires. The definition of research provided by the American Marketing Association describes four ways that research can be used: to scan the external environment, to research consumer preferences, to confirm if goals are met, and to assess marketing effectiveness. Possible research issues include market, competitors, consumer motivation, satisfaction, product, and promotion,

The research process consists of developing the research question, deciding on the source of information, choosing the research approach and method, designing the study, conducting the research, and analyzing and reporting the findings. The research question is of special importance because a poorly designed question will result in wasted research effort. Another important consideration is whether to rely on secondary or primary data or whether quantitative or qualitative research is needed.

The choice of research approach will depend on the type of information the city needs to obtain. Descriptive quantitative research can answer the ques-

tions of who, what, where, and how often. Exploratory qualitative research answers the question of why. It is used to obtain information on consumers' feelings, values, and attitudes. Causal research involving experimentation can help to determine the effect of a proposed change and answer the question what if.

The research methods available include the traditional survey, used to conduct quantitative descriptive research. Interviews and focus groups are employed to conduct qualitative exploratory research. The choice of a skilled facilitator is very important when conducting both groups and interviews. Projective techniques are creative tools, including sentence completion and word association, that allow researchers to get nonverbal emotional responses. Observation can ascertain what tourists actually do versus what they say they do. Experimentation is a specialized research tool that is applied by researchers to determine the effect of a proposed change.

The group of potential participants is called the sample. A statistically valid sample can be designed that will "prove" an answer, but most research conducted by tourism marketers will involve a convenience sample, a judgment sample, or a quota sample. This sample is chosen, as carefully as possible, to represent the entire group of current or potential tourist segments in which the researcher is interested. Research should be conducted at a convenient time and location and with a skilled researcher. Finally, the research findings must be tabulated, analyzed, and reported with recommendations that can be implemented.

Research Proposal Worksheet

The first step in research is to define your research question. The more specific the question, the more useful will be the information obtained.

What I need to learn is

Planning is important before the research is conducted. Answering the questions in Table 7.8 will help you plan your research effort.

TABLE 7.8

Process	Question	Answer
Write research question	What do we want to know about the people who visit —or don't visit—our city?	
Decide on sources of information	Is information already available, or will we need to ask questions ourselves?	
Choose research approach	What is the best approach in order to obtain the information?	
Choose research method	How will we obtain the information?	
Plan research design	Who will we ask, where will we ask and when will we ask?	
Conduct research	Who will do the research?	
Report the findings	What should we do with the answers we get?	

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Packaging the Tourism Product

CHAPTER OBJECTIVES

- Explain the role of product packaging in promoting tourism goods and services.
- Discuss the types of packages and the requirements for a successful tourist package.
- Describe three methods for pricing the tourist package, including breakeven analysis.
- Examine the distribution of packages using local businesses or travel intermediaries.

THE ROLE OF PACKAGING IN TOURISM MARKETING

Companies that produce consumer goods spend considerable effort and money on the design of product packaging. Of course packaging is important because it protects the physical product until it is sold. However, the product package is also important because it communicates information to the consumer. This

information can include the name of the product, information on ingredients, where the product was produced, and the product price. In addition the physical design of the package is used to communicate the benefits the consumer will receive by consuming the product. An attractive package that uses words and images to convey the product's benefits helps the consumer to make the purchase decision.

In tourism marketing the word *packaging* takes on a new meaning. Tourism packaging doesn't involve a physical package surrounding a product. Instead, packaging is the process of putting together, or bundling, the core tourist product with additional services desired by tourists. The package is then promoted to tourists, who can then easily purchase their desired travel experience.

Advantages Packages Offer to Visitors

Purchasing a package offers the potential tourist a number of advantages. Purchasing a package offers tourists convenience by reducing the amount of time they will need to spend researching what the city has to offer. Tourists also find packages attractive because with a single purchase everything they need for their visit is provided, including lodging and attractions. A themed package is especially attractive to tourists because all the components will appeal to their area of interest. With this type of package, the attractions, food, lodging, and other activities are all related to a specific interest, such as history or sports.

For the tourist, purchasing a package also has price advantages. Price is a concern for most visitors, because they will have a budget for their trip that they must keep within. However, the potential tourist will find that pricing the entire visit experience is difficult, because the trip will include purchasing a number of different goods and services. A package price that includes attractions, transportation, and lodging takes away the risk of not knowing what will need to be spent.

Advantages of Tourist Packages to Visitors

- Time saved on destination research
- Ease of purchase
- All products and services related to area of interest
- Less price risk

Targeting Americans of Mexican Heritage as a New Market Segment

Many people dream of returning to the land of their own birth or their family's origin but never seem to take the time to do so. The Mexico Tourism Board realized this was probably true of busy Americans of Mexican heritage. The Tourist Board knew that many members of this segment had not been back to the country of their origin for many years, if ever. As a result, the tourism office has targeted a new international market segment, Americans of Mexican heritage. Their promotional message, which can be translated into "The Best Time to Visit Mexico is on Vacation," is being communicated via Spanish-language radio, television, and print ads. The campaign is being run in collaboration with Aeromexico and Mexican Airlines, both of which hope to gain new passengers while the cities in Mexico get increased visitor numbers (Mexico Tourism Board, 2004).

Questions to Answer

- What ethnic or religious groups have left our city to move elsewhere?
- What promotional message can we communicate to them that will motivate a visit to their city of birth or heritage?
- Can we collaborate with a transportation company to package the trip?

Advantages Packages Offer to Cities

Because of the advantages they offer, providing tourist packages will increase the number of visitors to the city. These additional visitors will then increase the revenue of the city's tourist attractions and service businesses. However, packages can also be used to increase the revenue of businesses not usually associated with tourism. For example, the city might develop a package that allows couples to have a wedding in a romantic historic setting. This package will, of course, increase sales of hotel rooms and restaurant meals. In addition the package will provide customers to businesses not usually associated with tourism, such as caterers and florists.

Tourism marketers can also use packaging to increase visitor numbers during normally slow periods of the year. Off-season travel packages are attractive to potential tourists if they are offered at rates lower than during tourist

season. Tourism marketers can also use packages to attract new target market segments because the package will increase awareness of what the city has to offer. For example, tourism marketers could develop a package that features a variety of events focusing on Celtic culture. This package would appeal to visitors who may have been unaware of the city's Celtic heritage because it was overshadowed by larger, better-known tourist attractions.

Packages can also be used to increase the length of a visitor's stay in the city. A carefully designed package with daily activities means visitors will stay longer because the package answers the question of what can be done each day during the visit. Packages can also increase visitor numbers just because the availability and promotion of packages makes the city seem more exciting. A final benefit of creating packages is that they can then be made available to travel intermediaries, such as tour operators and convention planners.

Advantages of Tourist Packages to Cities

- Increase business to tourist attractions and services
- Provide tourist revenue to businesses not associated with tourism
- Promote off-season travel
- Increase awareness of city's products
- Target new tourist market segments
- Increase length of stay
- Add image of excitement
- Provide to travel intermediaries

Developers of Tourist Packages

Packages may be developed through collaboration between tourist attractions and services. For example, the marketing department at a tourist attraction such as an amusement park or a living history museum may develop a package. To develop the package, the marketing department for the park or museum may collaborate with a local hotel to bundle the lodging and ticket price into one package. The hotel involved with the collaboration will usually offer the rooms at a discounted rate because the amusement park or history museum bears the expense of promoting the package. Because of this discount, the package price for the admission ticket and hotel room will be less than if purchased separately by the tourist. Likewise, nonprofit organizations such as a performance center or theater might package a special concert or play with lodging and dinner at a local restaurant, all for one price.

However, the city tourism office, in collaboration with tourist attractions, service businesses, and nonprofit organizations, can also offer their own tourist packages. Tourism marketers can package the city's existing core tourist

product along with meals and lodging to attract a variety of different tourist segments. In addition, tourism marketers can package the city's attractions and lodging by designing entirely new packages for special-interest groups, such as ghost tours and art walks.

Packages are also developed and sold by travel intermediaries. Tour companies provide packages for a variety of different types of tours. The tours often are designed around a theme that appeals to a special-interest group. The tour might include a visit to the core tourist attraction, services such as meals and lodging, and additional special activities. Transportation companies may also develop their own tourist packages. In this case the tour will include transportation to the city and lodging, with less emphasis on activities. Convention or business meeting planners do not usually design tour packages. However, they may provide conference attendees with the opportunity to purchase tour packages developed by other organizations. In this case the package will include only tours and activities, because the conference will already have arranged lodging for the meeting.

Package Developers

- Tourist attractions and service businesses
- Nonprofit organizations
- City tourism office
- Tour companies
- Transportation companies
- Convention planners

Edinburgh and Conferences: A Perfect Match

How might a smaller city compete with London for conference and event business? Edinburgh is a successful model of how it can be done. While Edinburgh has always attracted summer tourists with its famous arts festival and at New Years for its Hogmanay, it has now also become a year-round destination for conferences. However, this success didn't happen overnight. The positioning of the city as an international choice of convention planners was the result of lots of hard work on the part of the Edinburgh Convention Bureau.

First they improved the city as a product by providing more hotel rooms and better tourist services. Tourism marketers then created a more vibrant, energetic image for the city by focusing on Edinburgh's tradition of reinvention. Their marketing message is that while the city is proud of its heritage, including its castle and great museums, it is also proud

(continued)

of its nightlife and youth culture. It seems to have worked, because Edinburgh was trendy enough to attract the MTV awards away from London.

Edinburgh also provides conference planners with the choice of unique and attractive meeting venues. Conference planners can hold an event at the National Museums of Scotland or the Scotch Malt Whiskey Society. Surprisingly, even the zoo and the castle provide meeting spaces! In addition, Edinburgh makes it easy to schedule an event. The convention bureau's interactive website, www.meetingedinburgh.com, allows meeting planners to submit specifications directly.

Has the positioning worked? In 2003 the Edinburgh Convention Bureau brought 292 conferences and meetings to the city, which is now one of the top destinations in the world for association conferences (Wild, 2004).

Questions to Answer

- What meeting spaces does our city provide, besides the usual hotel conference rooms, that can be used for conference or association events?
- How can we work with our nonprofit organizations to make their venues available?
- Do we have this information prominently displayed on our city's tourism website?

Classification of Packages

Tourist packages can be classified in a number of different ways, including the market segment of potential tourists. Some packages are developed and targeted to specific demographic groups, such as families, young adults, seniors, or women. Other tourist packages are developed for a specific psychographic segment, such as history buffs, opera lovers, or ghost fans.

When categorized by interest group, the package will not be promoted to any single demographic target market segment of potential visitors. The tour would instead be targeted at a psychographic segment that shares this interest. While some packages are developed to be offered year round, other packages are developed to focus on seasonal opportunities, such as sporting events. For example, a baseball package could be developed to include game tickets along with lodging close to the stadium and a picnic lunch. Other seasonal tourism packages could be fall foliage tours and Christmas decoration viewing.

Some cities might think that because they do not have any established arts organizations or institutions, they do not have enough art and culture to develop into a package to attract tourists. This may be because the tourism marketer is only considering an art and culture experience that is provided by a traditional organization. In reality the city may have hidden art and culture, including music of any type or style and places where people can watch dancing or dance themselves. In addition, the visual arts may be on display both in buildings and in public spaces. Also considered culture that can be packaged are areas where artists live and work, including people in the community who practice traditional arts and crafts. All of these can be packaged into live music tours in the evening, community art walks, open studio days, and places where people can learn arts and crafts skills.

Besides classifying packages by the market segment for which they were developed, packages can be classified by the time period they cover, whether a day, a weekend, or a week. If tourism marketers are new to developing packages, they might wish to keep the length of time the package covers to one or two days and include only one main attraction plus lodging. A short package is recommended because it can be difficult logistically to get the collaboration needed from attractions and services to develop a more extensive package. For example, tourism marketers might initially offer a simple weekend package for families. The package would include a core tourist product, such as a children's museum or arts festival, packaged with lodging and free breakfast for children at a family-friendly hotel. To develop this package all that is necessary is for the tourism marketer to persuade the hotel to discount the room and provide a free breakfast and for the museum or arts fest to provide a family price for admission. The city tourism office, hotel, and attraction would then share the responsibility for promoting the package.

Packages can also be classified by the amount of products and services they include. Some packages will consist of only two items, such as an admission ticket and a hotel room. Other packages are all inclusive and have everything the tourist will need or want to experience while visiting the city. The all-inclusive package offered by the tourism office would include tickets to events or attractions along with lodging and meals. Developing such a package will require cooperation between the city tourism office, tourist attractions, and service businesses such as hotels and restaurants. One distinctive feature of packages offered by the city tourism office is that they do not usually include transportation. However, to make the package even more inclusive, travel could be added if the city also collaborates with a local transportation firm, such as a bus company.

Packages can also be classified by status, whether individual or group. While some packages can be purchased individually, others are only sold as part of tours or group packages. Most tourism marketers will develop pack-

ages that are sold to individuals. However, the tourism office can also work in collaboration with tour companies to develop group packages. These group tours will usually include transportation to the city if sold in collaboration with transportation companies.

Classification of Tour Packages

- *Segment targeted:* Demographic, psychographic
- *Time frame:* Day, weekend, week
- *Products and services:* Limited, all inclusive
- *Tour status:* Individual, group

Tourists Love Festivals!

Film festivals are increasingly popular in Australia, with record attendance numbers for difficult and demanding films. Does this mean there is a growing segment of committed cinephiles? Not necessarily, because a crucial factor in a festival's success in attracting visitors is that the films are packaged with other products and services for tourists. To motivate tourists to attend it is important that the cinemas where the films are shown be located near hotels, bars, restaurants, and cafes. While the initial incentive for the visit might be the film festival, tourists expect a complete package of enjoyable experiences once they arrive (Barber, 2003).

Questions to Answer

- Do we have an interesting historic or new cinema?
- What types of dining opportunities are available in our town?
- Can we package film and dining together as a tourist product?

Components of a Successful Package

Each package that is developed, whether by the tourism office, a local tourist attraction, or a service business, will need one special feature or benefit at its core. This core product might be a museum exhibit, a ticket to a sought-after cultural performance, or a stay at an exclusive or historic hotel. For example, a package developed as a “get away from it all” weekend for families would

include tickets to a living history museum as its core product, which would then be packaged with family-friendly lodging and free carriage transportation to the museum. Another example would be a romantic weekend package for couples with a core product of a stay at a historic bed and breakfast, which would be packaged with gourmet dining by candlelight and a certificate for a massage.

When tourism marketers design the package, it is important that all products and services carry through the same theme. This theme is what makes the package more than the sum of its individual components. Otherwise the package is merely a collection of products and services that will be difficult to promote, because none of the package components will be sufficiently attractive to the potential tourist. For example, a Valentine’s Day package should include a room in a luxurious hotel, romantic dining, carriage ride tour, and free chocolates. An escorted tour for history fans would include not only the visit to the historic sites, but also lodging in a period hotel and dining at a Victorian inn. A package for young singles might include inexpensive lodgings to fit their budget but also a tour of nightlife establishments with coach transportation so that they don’t have to drive after partying, a late hotel checkout the next morning, and maybe a free bottle of aspirin (Table 8.1)!

Besides having a core product and additional services, a successful package must be offered at a price that is less than if all the goods and services were purchased separately. This is important, because all packages will contain some feature, event, or activity in which an individual tourist will not be interested.

TABLE 8.1 Tour Package Ideas

Targeted Segment	Package	Products and Services Included
Young couples	Wedding	Venue for wedding, reception and flowers, lodging, and meals
Civil War buffs	History reenactment	Period lodgings, ticket to event, picnic lunch, souvenir book
Ghost fans	Ghost tour	Nighttime tour of city, visit to “haunted” house, drinks in spooky bar
Christmas	Holiday	Decorated homes, Christmas shopping, special meals
Mature	Autumn	Fall foliage tour, visit to farm for apple cider, stay in B&B
Young	Nightlife	Inexpensive lodging with late checkout, tour bus to various venues
Baseball fans	Sport	Tickets to game, free souvenir T-shirts, transportation, after-game party

If the package price is exactly the same as what tourists would pay if all features were purchased separately, they might not be tempted to do so. And if they do, they might decide to save money by purchasing even fewer activities or services.

To make the package easier to promote, the design of the package, including the core product and services, should reflect the city's brand image. For example, promoting a family weekend will be most successful in a city branded as being family-friendly. Shopping weekends that include a night in a boutique hotel, limo transportation to shopping areas, gourmet lunch, and package delivery services will be most successful in a city with an image of being upscale and trendy.

Another requirement for a successful package is for all of the components of the package to be of consistent quality. This is a critical and difficult issue for the city tourism office. Businesses may demand to be included in the package because they are in desperate need of customers. However, they may be in need of customers because they do not offer a high-quality product and, therefore, weren't included. The tourism marketer must work with these businesses to help them bring their product up to the needed level of quality before they can participate.

A successful package also requires the tourism marketer to invest the time and effort to plan the little details that make the package unique, such as making sure that the chocolates in the hotel room for the Valentine's Day package are heart shaped. The planning would also include details about personnel, such as ensuring that the coach driver hired for the nightlife tours is young and friendly.

Requirements for a Successful Package

- Special attraction at core of package
- Reflect image of city
- Package price less than sum of individual costs
- Consistent quality and theme
- Inclusive of all details

Want to Attract Young People? Throw a Party!

Many cities want to attract younger tourists, while at the same time many museums want to attract younger visitors. By collaborating, both cities and museums can get what they want. The Los Angeles County Museum and the Museum of Contemporary Art sponsor evening parties that provide a winning combination of education and entertainment. These

are real parties with a bar and live music, where those attending, including tourists, can also enjoy the art. Are these events popular with the young crowd? Yes, because they can check out more than the art, because these events attract lots of other young people all wanting to have a good time! (Corcoran, 2005).

Questions to Answer

- What type of events do our museums offer that may be attractive to young people?
- If our museums do not have such events, can the tourism office collaborate with them or other cultural organizations to develop fun evening activities?
- How can we promote these events to tourists?

PRICING THE PACKAGE

The procedure for pricing the package will differ based on whether it is being offered to individuals who will purchase separately and travel independently or whether the package is being sold as part of a group tour. If the package is being offered separately, pricing is quite easy. The tourism marketer calculates the price by adding the total of all the costs for tickets, lodging, meals, and any other products or services included in the package. Because the tourism office is assisting with the promotion of the package, these products and services should be offered by the collaborating businesses and attractions at a slight discount. The final package price is then based on totaling all the costs and then adding a small percentage to cover the administrative and promotion costs of the tourism office.

The procedure for calculating the price for each person who purchases a ticket for a group tour is more complex because it will involve the need to calculate both fixed and variable costs. Some of the costs involved in the package are called *fixed* because they will remain the same no matter how many or how few people buy the package. For example, when arranging a group tour, the tour guide and coach driver will be paid the same amount no matter how many tourists are on the coach. Another fixed cost would be the cost of leasing the coach, which would remain the same even if there were fewer participants than anticipated. For a group tour the fixed costs would also include administrative expenses to cover the staff resources that have been spent developing the package. All fixed costs must be covered before any money received can be considered a profit.

Variable costs are those that change depending on the number of people who purchase a package. The number of rooms purchased and meals paid for will vary depending on the number of packages sold. If fewer tours are sold, the rooms and meals are not needed and do not need to be paid. The amount of tickets purchased for tourist attractions will also vary based on the number of people who book the tour.

Of course the total of all fixed and variable costs can't be calculated until it is known how many packages are promoted and purchased. However, the price, which must cover these costs, must be set before the package can be promoted. Therefore to set the tour price, the tourism marketer must first estimate the number of packages that will be sold. To be on the safe side it is best to estimate the minimum number of possible tour sales.

Package Costs

- *Fixed costs:* Overhead, promotion, personnel expenses
- *Variable costs:* Hotel rooms, meals, tickets

How Arnold Gets the Tour Bus to Stay the Night in Sacramento

Tourism officials in Sacramento, the capital of California, knew that hotels and restaurants were busy during the week due to government visitors. The challenge for tourism officials was how to improve visitor numbers on the weekends and during the summer, when the legislature was not in session. Tourism officials were aware that tour buses traveling from San Francisco to Yosemite and Lake Tahoe used Sacramento as a "halfway there pit stop." So the director of tourism at the Sacramento Convention and Visitors Bureau telephoned the tour bus companies to ask why they didn't have their tourists spend the night. Where previously the companies had not even known that Sacramento was the capital of California, they were now interested in what the city had to offer. Why? The Visitors Bureau credits one man—Governor Arnold Schwarzenegger.

It isn't that people staying the night in Sacramento expect to see him, but just having Schwarzenegger as governor increases the positive association the city name has with tourists and, therefore, the excitement of a visit. Tour bus overnights and overall visits to the capital during the summer have increased dramatically. The Visitors' Bureau has more plans to trade on this name recognition. They are even considering hiring an Arnold look-alike to use in promotion! (LePage, 2004).

Questions to Answer

- Has there been a recent event or person that has led our city to receive wide media coverage?
- How can we use this increase in our name awareness among travel intermediaries to attract tour business?

Breakeven Analysis

Breakeven analysis is a simple mathematical calculation that can assist in determining the price that should be charged for a package that is part of a group tour by determining how many tourists need to purchase to cover all of the fixed costs. This *breakeven point* is the minimum number of packages that must be sold for the tourism office not to lose money. Additional packages sold above this number will result in a profit of the difference between the price of the package and the variable costs. To calculate the breakeven point, the fixed and variable costs must be added separately and then a tentative price decided on. Of course, the price must be higher than the variable costs because it must cover both the variable costs and a portion of the fixed costs while also providing a profit. The higher the price charged the tourist, the sooner the breakeven point will be reached. Of course, the higher the tour price, the fewer tourists may be interested in purchasing the tour.

The breakeven calculation consists of dividing the total fixed costs by the price for a single package minus the variable costs of each package. The result of the calculation is the number of packages that must be sold to ensure that no money is lost covering the tour's fixed costs. If the number of packages that must be sold seems to be unreasonably high, the tourism marketer's choices are to reduce the fixed and variable costs or increase the price charged for the package so that the breakeven point is reached sooner.

Breakeven Calculation

$$\text{BEP} = \text{Fixed costs} / (\text{Price} - \text{Variable costs})$$

A similar formula can be used to calculate a price when the tourism office is fairly certain of the number of packages that will be sold. In this case the formula would be changed to make the price the unknown.

Price Calculation

$$\text{Price} = (\text{Fixed costs} / \text{No. of packages}) + \text{Variable costs}$$

Sometimes Even Paris Needs to Package and Promote

For the first time in 15 years the Paris Tourist and Convention Bureau has decided to aggressively promote weekend breaks to potential tourists in the UK. Why? The reason for the renewed marketing effort is that with the growth of low-cost airlines, even Paris faces competition from other cities. These airlines provide UK residents with more travel options by offering low fares to many competing cities that previously were expensive to visit. The Paris tourist office therefore decided it needed to send a message to British tourists to remind them of the benefits a visit to Paris offers. The messages are aimed at psychographic segments of travelers, including potential tourists interested in sports, shopping, history, or culture.

The marketing message will remind the segment of sports fans about events such as the Tour de France. Shopping fans will be targeted with promotions on special seasonal fashion sales. Tourism officials also hope to attract visitors interested in history by promoting the nearby royal town of Fontainebleau and to cultural tourists by promoting visits to Van Gogh's house. The idea is to remind these psychographic segments that visiting Paris will provide the benefits that will satisfy their needs and desires (Travel Weekly, 2004).

Questions to Ask

- Are there community members who claim it is not necessary to promote our city as a tourist destination because everyone already knows who we are?
- How can the fact that increasing competition has led even Paris to need to promote be used to support our requests for additional promotion funds?

DISTRIBUTING THE PACKAGE

Tourism marketers who have successfully developed and promoted a tourism package still face a challenge when selling the package to visitors. The actual purchase requires the ability to receive and distribute funds. The package will need to be distributed either by the tourism office or through other businesses or tour companies.

One alternative is for the city tourism office to distribute the package. If this method is chosen, the package will be sold by the tourist office directly to visitors using the mail, by phone, or over the Internet. The difficulty in using this method of direct sales is the need to set up a mechanism for receiving payments and distributing funds. If the tourist office does not have a system handling financial transactions such as running the payments through their office and distributing the proceeds to participating businesses and organizations, they may decide to have another public entity, such as the Chamber of Commerce, take over this responsibility. In addition, the tourism office may not be equipped with the necessary level of staffing to handle the booking.

Another alternative is for the package to be sold directly to visitors through a business participating in the package, such as a hotel or tourist attraction. In this case the hotel or attraction would be in charge of receiving the payment, supplying the necessary tickets to attractions, and the hotel and meal vouchers. They would also distribute the revenue to other partners in the package.

An additional alternative would be for tourism marketers to collaborate with a travel agency to handle distribution. Under this method, the tourism marketer will provide all the information on the tour package to a travel agency that would promote and sell the package to tourists. Agents would make the bookings for tourists and would provide the tickets and any reservation vouchers the traveler will need. The lead partner in each package, whether the hotel, festival, or attraction, would handle the distribution of funds, and the travel agent would receive a commission from each sale.

Another approach to promoting packages is to have them sold through travel intermediaries. The tourism office would develop the package, which would then be presented to a tour operator or convention planner. These companies would then sell the package and handle the distribution of funds. The tour operator might also combine the package along with transportation to the city or even combine the visit to the city with stops at other destinations.

Distribution

- Tourism office
- Participating businesses
- Travel agencies
- Tour operators
- Convention planning companies

A Holiday, Courtesy of Your Uncle Sam

When the tax refund arrives, one in five Americans uses the money to travel. The most likely age groups to do this are ages 18–34 and those over 55. These two groups are able to apply their refund to travel because they are without the family responsibilities that tie down the group aged 35–54.

How much of their refund will these travelers spend? On average all refund travelers, no matter their age, will spend \$794 of the amount they get on travel. However, when families do use their refund to travel, they end up spending the most, with an average of \$947. Some people must be getting large refunds because 22% of refund travelers plan to spend \$1,000 or more! (Keefe, 2001)

Questions to Answer

- Do we have any tourist packages we could promote in the spring as a way for potential tourists to spend a tax refund?
- How can we design our own special “tax relief” package using fun activities or a patriotic theme?
- How can we promote these trips as a way for people to reward themselves after paying their taxes?

TRAVEL INTERMEDIARIES AND PURCHASING

One of the options the tourism office has for distributing the packages is to sell them through travel intermediaries. When intermediaries in the travel industry buy tours, they have different decision criteria from individual tourists. First, travel intermediaries follow a rational decision process based on exact product specifications. Because travel intermediaries do not buy for themselves but, rather, to resell to their customers, they must purchase exactly what their customers want or they will lose potential revenue. Another difference is that travel intermediaries will always be very concerned about the price. They will negotiate for the best deal so as to ensure their profit after resell.

Travel Intermediary Decision Criteria

- Rational based on specifications
- Price sensitive

Packaging Sports, or There's More to Having a Good Time When Just Playing the Game

Interest in sports tourism has been growing among the traveling public. However, tourism providers have found that offering only the opportunity to participate in sports is sometimes no longer enough to motivate tourists to visit. For example, skiers want more from the experience of visiting than just skiing. Ski France reacted to this change by adding new services to enhance the visit experience.

Realizing that participating in sports is a social experience that is more enjoyable if done with friends, Ski France developed a package where repeat visitors could bring along a first-time visitor for free. Ski France then added other services to their package to increase the value of the experience. Now, besides enjoying skiing, visitors can arrange for a party or special event with their friends. Options range from only having munchies in the room for after-ski snacking to having a party complete with DJ. Tourism marketers at Ski France understood that sports are a social activity to be shared with friends. Therefore, to increase visits they packaged the sport with additional opportunities to socialize (Travel Trade Gazette, 2004).

Questions to Answer

- Do we have any sports facilities available for the enjoyment of tourists?
- Do we encourage repeat visitors to bring along new visitors by offering special deals?
- Do visitors have the opportunity to purchase a sports package with other products and services, such as tailgate or pool parties, picnic lunches, or evening get-togethers?

Travel Intermediaries Purchase Process

The purchase process for travel intermediaries starts with recognizing a need for a tourism product to provide to their current customers and to assist in targeting new customers. After need recognition, the travel intermediary will develop exact product specifications, including the length of the trip, the activities provided, the style of lodging, the number of meals, and any other services they want provided in the package.

After the travel intermediary has developed the specifications for the tour, they will look for possible suppliers. Because time costs money, they will not research every possible destination. Therefore the city tourism marketer needs to provide the travel intermediary with promotional information to help ensure that the city is a candidate as a possible tour destination. If the travel intermediary is interested, they will ask the city's tourism office for a detailed proposal on available packages and their prices. The travel intermediary will use these detailed proposals to choose the tours they will offer to their customers. After the tour has been completed, the travel intermediary will review their customers' satisfaction before the tour is rebooked.

Travel Intermediary Buying Process

- Need recognition
- Product specification
- Supplier search
- Proposal solicitation
- Supplier selection
- Performance review

TRAVEL INTERMEDIARIES AND DISTRIBUTION

One of the major advantages of using travel intermediaries, such as tour operators, conference meeting planners, and corporate travel departments, for distributing packages is that they already have a customer base to target with a promotional message. When a travel intermediary promotes the city's tours, they are extending the reach of the city's promotion. In fact, travel intermediaries will have more knowledge on how to effectively reach potential tourist target market segments than cities new to developing tourism.

The disadvantage to tourism marketers of using travel intermediaries for distributing tourist packages is that they will bargain hard for the best price. The intermediary must make a profit from reselling the package, so the price for accommodations, meals, and events included in the package must be sharply discounted. Of course, because of the travel intermediaries' ability to reach new potential target market segments of tourists, the businesses included in the package should receive even more visitors.

Advantages and Disadvantages of Using Travel Intermediaries

- Advantages
 - Extend city's promotional reach
 - Established customer base
 - Knowledge of effective promotional techniques
- Disadvantage
 - Price must be kept low

How to Attract Conferences When the Decision Makers Don't Know Who You Are

How do you start to attract convention and meeting business? The Mexican National Convention Bureau wanted to help cities such as Veracruz, Cozumel, and Mérida that were just starting to develop as business destinations. To do so, the convention bureau sent promotional material along with a planning guide to 45,000 decision makers at trade organizations. They also sponsored a trade show to sell Mexican cities as conference destinations that attracted 120 meeting planners from both North America and Europe. However, the convention bureau knew that to ensure success they also had to improve the marketing skills of local tourism officials. Therefore they sponsored training for city tourism officials on destination marketing. And, lastly, they advocated a change in the tax law to exempt international conference lodgings, airport transportation, and conference services from the 15% value-added tax.

The combination of promotion, training, and tax advantages has worked. In a matter of a few years Mexico has become the third most popular country for international conferences (Alisau, 2004).

Questions to Answer

- Have we developed the infrastructure of products and services needed by conference planners?
- What specialized promotional material needs to be developed?
- What trade shows should we attend?
- How can we work with government officials to provide our destination with a tax advantage for conferences by reducing the hotel or sales tax?

Tour Operators

Tour operator is a broad term that covers a number of different businesses that provide accommodation, meals, travel, tickets, activities, and/or sightseeing. One way to help clarify the types of tour operators is to classify them by the form of transportation they use. Bus tour operators specialize in transporting their clients by bus to various destinations, while other tour operators may run charter flights or rely on commercial airlines. Tour operators can also be

classified by the city or region they serve. For example, tour operators may arrange travel only to certain cities, such as Boston, or certain regions, such as the southwest. The type of special-interest tours they provide can also classify tour operators. For instance, tour operators might only sell ski trips or history tours.

Classification of Tour Operators

- Means of transportation provided
- Geographic area covered
- Special-interest segments served

Because all services and activities are included, one of the main benefits that all tour operators can offer travelers is purchase convenience. However, purchasing tours also has the disadvantage of being restrictive, because tourists must give up the opportunity to make their travel decisions based on personal preference. To compensate for this restrictiveness, tour operators offer travelers low package prices. Because they must offer low prices, tour operators are looking for the best deals when they search for packages they can offer to their customers. While the local businesses serving tourists may at first object to offering tour operators discounts, the tourism marketer needs to encourage them to keep in mind that the tourists who arrive on package tours will be spending additional money in various establishments while visiting the city.

Keeping Them Legal

Guided tours are an important component of many visits, especially in larger cities that are difficult for tourists to explore on their own. Even though many cities have schemes for licensing tour guides, this does not stop the problem of “illegal” guides. Why should cities be concerned about illegal tour guides, who, after all, are just trying to earn a living? The reason is that the quality of the tour experience is very important in retaining the reputation of the city as a tourist destination and attracting repeat visitors.

To ensure this quality, the city of Rome requires licensed tour guides to pass a lengthy written and oral test on their knowledge of the city and its history. These licensed tour guides claim that the unlicensed guides provide inaccurate information to tourists. As a result of these complaints, city officials are now cracking down on illegal guides, with at

least 1,000 fined during 2004. On the other hand, illegal guides claim that they provide a needed service because there is a shortage of legal guides that can give tours to foreign visitors in languages other than Italian.

Whichever side of the issue you support, if in Rome, please refrain from speaking in front of a large group while pointing at the Coliseum. You might just be asked by the police to produce your guide license! (Horowitz, 2005)

Questions to Answer

- If we do not have a system for licensing tour guides, how can we implement one?
- Which languages should tour guides be able to speak?
- What should be done about unlicensed guides providing tours?

Conference Planners and Trade Associations

Some travel intermediaries specialize in helping to arrange conferences and meetings for businesses, trade associations, and nonprofit organizations. These conference-planning companies provide advice to associations in choosing a location for a meeting. The companies also provide all the planning for the meeting, including transportation, lodging, and tours. Some large companies and associations handle all the planning details internally. While it may be difficult for a city new to developing a tourism industry to attract a conference of a large national or international organization, there are other, smaller regional organizations they might target.

Tourism marketers need to approach these smaller trade associations personally with a proposal for holding their conference in the city. When choosing a destination for a conference or meeting, one of the first considerations will be if the city has adequate meeting space. Some organizations, such as international associations and trade shows, will need large spaces with the latest technology. Even for smaller meetings of regional associations, the city must be able to provide comfortable and attractive facilities with the latest technology.

Trade associations will also want the city to be able to provide tourist packages. The destination selected for a conference or meeting must be perceived as an attractive destination with numerous tourist activities. This is necessary

to bring participants to the conference, because they will see one of the benefits of attending as their chance to visit the city.

Corporate Travel Departments

If the city is home to a business that has employees or sales representatives who visit from other cities, tourism marketers may want to meet with their personnel department to provide them with information on tours that might be of interest to their business visitors. Tourism marketers can also target companies outside the area that send business travelers to the city. In addition, many large businesses handle travel arrangements for their employees internally via a corporate travel division. City tourism marketers should provide these businesses with information on tourist packages that might be of interest to their business travelers.

Rebranding Toronto

Tourism officials knew that few potential tourists were aware that, with the exception of Miami, Toronto has the highest percentage of foreign-born residents of any city in North America. Toronto tourism marketers therefore decided to use this fact in the rebranding of Toronto as a cosmopolitan city. The marketing campaign is targeting potential tourists who, when thinking of Canada, think only of snow and ice hockey. The new marketing campaign promotes the city's distinctive neighborhoods with their unique cultural and dining opportunities. The new marketing slogan to communicate this message is: "Toronto: A World Within a City." It is hoped that in the future potential tourists will associate Toronto with ethnic food, distinctive culture, and big-city excitement (Hampton, 2004).

Questions to Answer

- Has the image of our city become so dated that it is time to rebrand?
- If we asked people to sum up our city in a few words, what would they say?
- What would we want people to say about our city?

TRADE INTERMEDIARIES AND INFORMATION NEEDS

Promotional material for tourist packages developed for travel intermediaries should contain detailed information on the city's lodging, restaurants, and attractions the package provides. Since travel intermediaries plan their tour offerings well in advance, tourism marketers should also provide a schedule of special packages for events at least one year and hopefully two years into the future. To assist travel intermediaries with their planning, promotional material for the package should also contain information on what times of the year it is offered. Travel intermediaries need this information so that they can put together a tour schedule that will then be promoted to their customers.

The travel intermediary will also need information regarding logistical issues. For example, if the tour is by bus, the tour operator will need information on where the driver can park and any special arrangements for drivers to ensure their time is comfortably spent while they wait for the tour to resume. If the tour group is coming in by air, travel intermediaries will need to know where their coach driver can pick up the tourists to take them to town.

In addition, travel intermediaries will need to be quoted firm prices on all costs. This will include individual or group rates for everything packaged in the tour. They should be given room rates for lodging, group rates for all tours, and ticket prices for attractions. Because the travel intermediary will use this information to set a price for the tour, the city's businesses and organizations involved in the package must adhere to the package price.

The informational material provided to travel intermediaries should also contain any information on special promotions or offers that are part of the tourist package. These might include extended hours for attractions, early or late check-in at lodgings, or discounts at gift shops. Lastly, the promotional material should contain contact information, including fax, cell, and landline numbers and email and regular mail addresses. They should also be provided with the name of a contact with whom they will work on a continuing basis.

Information Needed by Travel Intermediaries

- Attractions and services included in package
- Calendar of upcoming special packages
- Time of year packages are offered
- Transportation information
- Firm prices
- Special promotions or offers
- Contact names and numbers

SUMMARY

In consumer marketing, packaging refers to the physical surrounding of the product, which is used to both protect and communicate benefits. When marketing cities, packaging refers to surrounding the core tourist product with other products and services to provide a more complete and enjoyable experience. For visitors, a package saves research time, is easy to purchase, includes all the desired benefits, and has less price risk. For cities, providing packages can increase visitor numbers, length of stay, and off-season visits. They also can increase revenue for both tourist and other types of businesses while adding an image of excitement. In addition, packages can be promoted to tour operators.

The packages can be developed by the city in collaboration with lodging or attractions. The segment targeted, services included, tour status, and time frame can categorize tour packages. Some tour packages are designed to attract the attention of special psychographic interest groups. These types of tours might include sports fans, history buffs, and those who love to shop. Others are designed to be attractive to specific demographic segments, such as older tourists, singles, and families.

A successful tourist package has a special attraction at its core. The core product is then packaged with other products and services that all share a theme and also reflect the image of the city. Successful sale of the package will also depend on having consistent quality in all package components and including all needed services and details in the package. It is important that the price of the package be less than the total sum of all individual components.

Pricing a package sold individually is simple because all costs are totaled and then a small additional charge is added to cover development and promotion costs. Pricing a package as part of a group tour requires use of breakeven analysis. The fixed and variable costs are added and then the breakeven formula will calculate how many tours must be sold to break even on costs.

The tour package can be sold through travel intermediaries, such as tour operators, convention-planning businesses, and corporate travel departments. The travel intermediary purchase process differs in the need to provide specifications and sensitivity to price. Travel intermediaries who are considering selling the city's tour packages will need information on product and services, event dates, transportation information, time of year offered, prices, special offers, and contact information.

Worksheet on Development of Packages

The city’s tourism office should have available a number of tour packages targeted at different demographic and psychographic tourist segments. Use the worksheet in Table 8.2 to start developing your own package ideas.

TABLE 8.2

Target Market Segment	Package Theme	Core Product	Additional Products and Services

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Branding Tourism Destinations

CHAPTER OBJECTIVES

- Analyze the unique characteristics of services that present challenges when marketing to tourists.
- Introduce the communication process and the strategies that can be used to communicate a marketing message.
- Discuss the advantages of branding the city as a destination as a means of promoting the city's features and benefits.
- Describe the attributes of a successful brand and specialized branding models.

THE CHALLENGE OF PROMOTING SERVICES TO TOURISTS

When the term *product* is used in marketing, it can refer to a tangible physical good, an intangible service, an idea, or an experience. Most products that are marketed are physical goods, such as a piece of furniture and an article of

clothing. When purchasing a tangible good, the consumer buys the actual product. However, other products, such as a haircut and a medical exam, are intangible services. When purchasing a service, it is the outcome of the process that the consumer purchases, such as looking attractive after a good haircut or feeling healthy after a medical treatment.

Not always thought of as products that need to be marketed are ideas. However, convincing people to vote for a particular candidate or to change a socially unacceptable behavior such as drinking and driving is also a marketing activity. If the marketing is successful, the consumers have “purchased” the idea by changing their behavior. Finally, a product can also be the experience that results when goods, services, and ideas are consumed. The exact components of this experience may be difficult to define, but it is a very real purchase to the consumer.

When tourists visit a city, they are purchasing just such an experience product. Tourists visiting the city will consume physical goods, services, and ideas, all of which together create the experience of visiting. Tourists will consider the visit experience as acceptable only if all the goods, services, and ideas meet their expectations. While tourists are visiting the city, they will purchase tangible products directly related to the trip, such as food, beverages, and souvenirs, and they may even purchase other physical goods, such as clothing and sporting equipment. In addition to physical goods, the tourist will consume many services, such as lodging, entertainment, tours, attractions, and the use of the transportation system. In fact, the major part of the tourist dollar will be spent on services. They will also purchase the idea of taking time away from their normal routine to travel. It is the visitors’ assessment of these tourist goods, services, and ideas that will contribute to either a positive or a negative experience while visiting the city.

Service Characteristics

Because services are a major part of the tourist product, it is useful for tourism marketers to understand how marketing a service offers unique challenges that are not part of marketing tangible goods. The tourism marketer will find this information critical to developing a successful marketing strategy because this affects the production, pricing, promotion, and distribution of a product. The additional challenges inherent in marketing tourism result from four characteristics that are unique to services: intangibility, perishability, heterogeneity, and inseparability.

The intangibility of services will mostly impact the promotion of the tourist product. Service perishability presents challenges in pricing to match product supply with tourist demand. The heterogeneity of services describes the diffi-

culty of maintaining a similar experience for different tourists over time when factors outside the city's control impact the visit. And, finally, the inseparability of services challenges the city to ensure that tourist service providers always provide a quality experience.

Characteristics of Services

- Intangibility
- Perishability
- Heterogeneity
- Inseparability

Intangibility of Services

The adjective *intangible* describes the fact that services are products the consumer cannot touch, feel, see, smell, or hear in the same way as a tangible product. Intangibility has important implications for tourism marketers when they develop promotional material for tourists. When designing a brochure or ad to promote the city to tourists, a photo of the tangible features of the city, such as buildings, parks, and scenery, can be used. It is much more difficult to find a photo that promotes the intangible benefits provided by services. Much more challenging to capture in an image is the excitement of visiting a dance club, the rekindling of romance from a night at an elegant bed and breakfast, and the sense of pride in history that results from visiting a historic monument. Tourism marketers must even change the verbal communication to describe intangible services to reflect the benefits they offer. If the friendliness of the community toward visitors is to be the focus of the promotion, an entirely different type and style of language must be used than if the city's sophistication is to be stressed.

To make the marketing of services even more difficult, different segments of tourists will perceive different intangible benefits from the same product. For example, the same city park may be seen as an oasis of peace and quiet by an older segment of tourists, while a younger segment will see the park as a place to take the family for an impromptu soccer game. Each group will expect very different benefits from "consuming" the same product.

To communicate these different intangible benefits, the tourism marketer must rely on employing visual cues in the promotional material. In print material, these visual cues can be photos of people quietly relaxing at a café, intently participating in a sculpture class, or loudly enjoying themselves at a sports event. Each communicates a different benefit. Another way to use visual cues is to vary the colors and design of the promotional material, depending on the benefit of the intangible service being promoted. A bright and busy design can be used to

communicate excitement, while a muted and simple design can indicate relaxation. Another way to describe the intangible in promotional materials is to include personal testimonials from visitors describing their experiences.

Miami Passé? Why It's Fabulous!

What do you do when people think your city is in the decline stage of the product life cycle? Reposition its image, of course! A poor economy and increased competition were causing a decline in hotel occupancy in Miami. The decline was also the result of a perception among travelers that they had “been there—done that.” To counter this perception, the Miami Convention and Visitor Bureau designed the Miami Fashion Campaign. Campaign ads showing beautiful models dressed in the latest fashions enjoying themselves at various Miami attractions were placed in glossy fashion magazines read by trendsetters. If Miami could target and attract trendy potential tourists, the perception of the city as somewhere the fashionable do not visit would change (Keefe, 2004).

Questions to Answer

- Is our city considered past its tourism “shelf date”?
- Can we reposition our city by using a trendier image?
- What types of people and locations could be included in promotion to communicate this message?

Perishability of Services

A service is said to be perishable because a service, unlike a tangible good, cannot be stored for future purchase. If an auto dealership does not sell the expected number of automobiles over the weekend, it can reduce the price and sell them on Monday. However, this is not true of services. For example, if tickets for an ethnic music festival held Saturday are unsold on Sunday, the opportunity to sell the tickets is lost forever. Furthermore, if a hotel has beds that were not slept in on Saturday night, there is no way to make up the lost revenue by selling the same bed twice on Sunday night. The music festival is over, and the hotel cannot sell the same bed twice on the same night. In the meantime, the expense of having the potential service ready, for instance, hiring the bands for the festival or paying the staff of the hotel, remains even though the opportunity to produce the revenue has been lost.

The perishability of services results in additional financial risk for tourism marketers because they face the challenge of ensuring a match between the supply of the tourist service and the tourist demand. If services such as tour tickets or hotel rooms are not consumed by tourists, potential revenue is lost, though the costs are still incurred. In addition, this loss cannot be recouped on a future occasion. Therefore tourism marketers must always be ready with extra, last-minute promotional efforts or reduced pricing to ensure that the services are sold.

Do They Know Where They Can Pray?

It is important that city tourism officials do not become so involved in providing entertaining or unique tourist experiences that they forget the everyday services that tourists need. One service that is very important to many tourists is a place to worship. In fact, the American Travel Association found that when on a trip of over 100 miles from home, 28% of adult travelers reported attending religious services, whether at a church, temple, mosque, or other religious site. Interestingly tourists visiting Arkansas, Louisiana, Oklahoma, and Texas reported the highest incidence of attendance, and tourists visiting New England reported the lowest. Wherever your city is located, remember that many tourists will need information on where they can worship (Keefe, 1998).

Questions to Answer

- Do we have any information on the religious affiliation of our visitors?
- Do we provide information on the location of different churches and religious organizations and a schedule of service times?
- Do we inform the places of worship that tourists might be arriving for services so that they can be welcomed?

Heterogeneity of Services

Services are called heterogeneous because the service product is produced one at a time by individuals rather than through mass production. Therefore the characteristics and quality of each service product tends to vary much more than with a tangible product. When consumers purchase an automobile, they can be reasonably certain of the features the car will have and its quality. After production, the characteristics of one Honda Civic shouldn't vary from another

Honda Civic of the same model type. In addition, both cars should be of similar quality because they were produced on the same production line. Controlling the variability and quality of mass-produced physical goods can be easily achieved through standardization of manufacturing and quality control systems.

The challenge of service heterogeneity for tourism marketers is to ensure that the visit experience will meet the expectations of visitors despite the fact that services tend to vary. Providing all tourists with the same type of experience with the same level of quality is difficult. The experience of visiting a city will tend to vary because of issues outside the control of tourism officials, such as weather, transportation strikes, and a change in the quality of local hotels and tourist attractions.

For example, if a change in the weather will negatively impact the visitor experience, the tourism marketer should arrange alternative entertainment options in advance. Promoting a city as a place to experience beautiful architecture without having some means for tourists to do so even if the weather is poor is unacceptable. If no arrangements are made for visitors to have a satisfactory experience even on rainy days, they will go home disappointed, when the answer can be as simple as providing umbrellas. Tourism officials should also maintain a quality control program that will certify hotels, restaurants, and attractions as meeting certain standards. This quality certification process will help ensure that the tourist experience consistently meets expectations.

Visited New York? Not If You Haven't Visited Brooklyn!

How many tourists who visit New York City actually only visit the borough of Manhattan? Too many, according to Brooklyn tourism officials, and they are doing something about it. To attract more tourists staying in Manhattan, across the Brooklyn Bridge, officials have opened the Brooklyn Tourism and Visitor Center, the first visitor center in any of the four "other" New York City boroughs. The center was opened through the efforts of the Brooklyn Tourism Consortium, made up of 100 of the borough's cultural and tourism leaders. Local Brooklyn citizens have volunteered to maintain the center and will provide information to tourists about Brooklyn's unique mix of ethnic groups, nightlife, and cultural attractions, not to mention the beaches and amusement park!

Will tourists come to Brooklyn? The fact that the New York Marriott hotel on the Brooklyn side of the Brooklyn Bridge is adding 280 additional rooms indicates that the expected answer is yes! (Grace, 2004).

Questions to Answer

- Is our city being overshadowed by a better-known neighboring city?
- Are we getting our fair share of tourists as a result of our neighbor's marketing efforts?
- Should we consider launching our own tourism marketing plan and visitor center?

Inseparability of Services

Service inseparability refers to the fact that the production and consumption of a service occur at the same time. Few consumers consider the attitude of the production line worker who helped to assemble their Honda. Whether the assembly line worker was a warm and caring person or a curmudgeon does not affect the consumer's enjoyment of driving the car. Manufacturing quality control systems guarantee that the car will meet consumer expectations, and the consumer never needs to come in contact with the production worker.

Ensuring that the tourism experience meets the tourist's expectations is difficult, because it will be affected by the attitude of the service worker. Hotel desk clerks, walking tour guides, and amusement park employees all have a major impact on the enjoyment of the visit experience. Service employees with a poor attitude and a lack of knowledge about the city will negatively affect the tourist's enjoyment. Unlike manufacturing cars, tourism service workers cannot be automated away, nor would this be desirable because human interaction is an important part of the tourist experience.

However, some way must be found to meet the challenge of inseparability. One way is for tourism officials to encourage businesses to provide service employees with training that will educate them on how to positively interact with the public. The training must also provide service employees with the knowledge needed to answer any questions the tourist might have. For instance, all hotel clerks should be able to respond to basic questions such as "Where is a good place to eat?" "Where does the walking tour start?" and "What is there to do with the kids on a rainy day?" To ensure that high standards are maintained, it is recommended that the tourism office develop programs that recognize and reward outstanding service workers (Table 9.1).

COMMUNICATING THE MARKETING MESSAGE

Unfortunately, just because a marketing message is sent does not mean it will be heard. One of the most creative tasks in developing a marketing strategy is

TABLE 9.1 Challenges When Promoting Services

Characteristic	Challenge	Example
Intangibility	Creative approaches to promotion using photos and personal testimonials from tourists	Ad showing young people enjoying themselves in a bar
Perishability	Managing supply and demand using special promotions and last-minute pricing to ensure revenue is not lost	Offering reduced prices for tickets purchased just prior to performance
Heterogeneity	Alternatives in case of bad weather and quality assurance programs to ensure consistency of experience	Provide umbrellas for walking tour participants and have guides pass a test of local knowledge
Inseparability	Training for service workers on attitude and knowledge and recognition programs to maintain standards	Award to tourism service employee of the month

to write a memorable marketing message that will catch the attention of the potential tourist. It is becoming increasingly difficult to get consumers’ attention with a message because they are constantly exposed to an enormous number of promotions. Therefore tourism marketers must create a message that will be heard over the constant “noise” of competing messages. Besides the usual media sources of broadcast and print, consumers now receive promotional messages on websites, through their email, on buses, posted on construction hoardings, and even in toilet stalls. Consequently it is not surprising that people “tune out” marketing messages.

Communication Strategies

The promotional message can be created to communicate either explicitly or implicitly. The message is communicated explicitly when the product’s features are described directly in simple words that are easy for everyone to understand. The purpose of an explicit message is to inform. For example, a tourism marketer for a city that is home to a rose garden might use an explicit message to communicate to potential tourists that they should visit the city because it is home to one of the largest rose gardens in the country.

On the other hand, an implicit message communicates persuasively the emotional benefits that result from a visit, rather than merely informing the potential tourist about the city’s features. These implicit messages communicate information indirectly using emotional appeals. For example, an implicit

message a tourism marketer might create would show a couple holding hands while strolling through the rose garden on a sunny day. The message being communicated indirectly is that visitors will enjoy the benefits of beauty and romance. A second picture of two serious tourists comparing the roses to pictures in gardening books would implicitly communicate the message that the rose garden will be enjoyed by those wanting to learn more about gardening.

Two other terms that apply when discussing communications strategy are *push* and *pull*. A pull strategy is the usual form of consumer promotion. The producer of the product communicates the promotional message directly to consumers to “pull” their attention away from competing products. For example, the tourism marketer promotes the rose garden to potential tourists in an effort to pull their interest away from other tourist destinations. A push strategy is when the tourism marketer promotes to travel intermediaries, such as travel agents and tour operators, in the hopes that they will then in turn promote to their customers. For example, the tourism marketer will provide travel intermediaries with promotional material about the city’s rose garden to encourage them to “push” the city to their customers. The city will need to create both implicit and explicit messages and produce both pull and push strategies, although each will need separate promotional methods and materials.

Communication Strategies

- *Implicit message:* Directly communicates product features
- *Explicit message:* Indirectly communicates product benefits
- *Pull strategy:* Promotes directly to potential tourists
- *Push strategy:* Promotes to intermediaries to convince them to promote to tourists

Communication Process

Before designing an effective promotional campaign, tourism marketers need to understand the communication process. A simplified model of the communication process would consist of three steps: encoding, sending, and decoding (Figure 9.1). The first step in the communication process is for the sender of the communication to encode the message that needs to be communicated into words, photos, images, or all three. For example, the marketing message in words might be to “spend the weekend in the heart of the country without leaving town.” The photo used would be of a family enjoying themselves picnicking in a city park. The overall image of the brochure would be enhanced through the use of colors that reflect tranquility and relaxation. To communicate effectively the tourism marketer must carefully consider how to encode each part of the message.

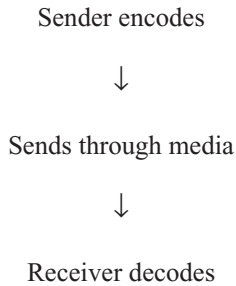


FIGURE 9.1 Simplified communication process.

Tourism marketers must now consider how to send the marketing message. An individual has the choice of sending a personal message through a letter, email, fax, phone call, text message, or face to face. When making the choice of how to send a personal message it is important to consider which method the receiver will most likely hear. For example, with a personal message, if the receiver is rarely home, sending a letter is not a good communications option. Furthermore if the message recipient doesn't have a cell phone or PDA, a text message would be a waste of time. For tourism marketers the choices for sending the message include broadcast media such as television and radio, print media such as brochures and ads, and direct communication, including in person or via email.

Once the message is sent, receivers will need to decode the message. They may understand the message the way it was intended. However, because they will bring their own personal bias to the decoding process, they may interpret the message differently. For example, if the idea of picnicking with the family brings up memories of bugs, tired children, and worries about food poisoning, the tourism marketers' chosen picture of a family picnicking will not communicate fun or relaxation. Because the receiver may decode the message differently than intended, all marketing messages should be tested before sent.

Communicating Product Features, Benefits, and Values

Tourism marketers will use the marketing message to communicate information on what the city offers in an effort to motivate potential tourists to visit. Three types of product knowledge can be communicated to potential tourists

to assist them in making a destination decision. The marketing message should contain information on features, benefits, and values and communicate both rationally and emotionally. Information about features will be communicated rationally to create awareness of the city as a possible destination. The marketing message on benefits will be communicated emotionally to build preference for the city over competitors. The emotional marketing message will also be used to appeal to potential tourists' own values and sense of identity. By communicating the features, benefits, and values, the marketing message will motivate the potential tourist to move from awareness to preference to actually visiting the city.

First, information about the features of the product can be communicated. For example, potential tourists must know where the city is located, what types of attractions it offers, what the approximate costs of a visit are, and the availability of food and lodging. This type of information is factual and therefore easy for tourism marketers to communicate. A promotional message on features is particularly important when a city is a new tourist destination, because tourism marketers must first build product awareness. To effectively create awareness, the promotional message must be consistent, because it may take repeated hearings before it registers. This consistent message should communicate a simplified version of the features the city has to offer by focusing on the main core product that will attract visitors. A promotional message that communicates too much information on everything the city offers will only confuse the potential tourist.

The marketing message to build awareness about the features of the city is a rational message containing factual information on sports, shopping, gardens, amusement parks, museums, food, and lodging. The message will answer the question of what features are available, where they are located, and how much they cost. Besides information on features, factual information needs to be provided on how to visit the city, including information on local transportation options to the city, how to book lodging, and who to contact to get additional information on attractions.

However, besides information on the features of the city, potential tourists need to know about the benefits a visit offers. Therefore the marketing message also needs to communicate whether the city offers excitement, relaxation, adventure, education, recreation, or culture. This will be an emotional message that communicates the benefits offered, using photos and images.

Besides information on features and benefits, the marketing message needs to communicate the values the product embodies. This is particularly true of tourism, where the reason for travel is often an emotional desire rather than a rational need. A tourism marketer might communicate emotionally in a marketing message that the city embodies the values of friendliness, sophistication, personal growth, and spirituality. Because values are internal charac-

TABLE 9.2 Communications Message and Product Knowledge

	Features	Benefits	Values
Question answered	What is it?	What can it do for me?	What does it mean to me?
Message purpose	Build awareness	Create preference	Associate with self-identity
Message type	Rational	Emotional	Emotional

teristics, they are usually communicated via emotional images. An image of friendly people communicates the message on an emotional level much more effectively than would using only words (Table 9.2).

First You Have to Convince Them to Get out of Town

According to travel research, Americans are taking shorter vacations than in the past. This is not from personal choice, because, when asked, Americans say they would prefer to take longer vacations. According to travel experts, one type of information that could be communicated in tourism promotion are helpful tips on how to actually take a longer vacation. Here are some tips that could be included for would-be travelers.

- Sign up for vacation time early and write the dates in ink on the calendar.
- Start researching the destination to reinforce the vacation plan.
- Arrange work responsibilities so they will be covered.
- If it's necessary to stay in touch, make arrangements to check email daily, but still go.
- Make arrangements early for the care of home, yard, and pets.
- If money is the reason for short trips, plan vacation time for during the off-season.

Sometimes you need to help tourists make the decision to travel! (Harpaz, 2005).

Questions to Answer

- Do we hear from our visitors that they wish they could stay longer?
- Can we include any of the listed hints in our promotional messages?

BRANDING

If tourism marketers put out inconsistent promotional messages, they will simply confuse the potential tourist as to the features and benefits of the city. To avoid this confusion, the tourism marketer can apply branding to build the association between the city's name and its benefits. However, building name recognition among potential tourists via branding will take time and money.

Branding is the process of creating a slogan from a message and then designing a symbol or logo that together with the slogan will communicate to potential visitors the image of the city along with the features, benefits, and values it has to offer. While the words and symbol used together are simply thought of as a brand, the term *brand name* actually refers to the words while the term *brand mark* refers to the symbol or logo.

The development of a brand is a creative process that can require a high level of expertise. If no one involved in the process of developing the marketing plan has this level of creativity, it may be necessary to seek the advice of a marketing professional. Despite the time and effort required, creating a brand that will come to be identified with the city is a worthwhile use of resources.

Branding has many benefits, including reducing consumer purchase risk, building awareness by communicating a consistent message, encouraging repeat visits by building consumer loyalty, and associating the city with a unique identity. One of the main benefits of branding when marketing a city is that it reduces the risk consumers face when purchasing a new or unknown product. Understandably, potential tourists do not wish to visit a city unless they are reasonably certain of the benefits the experience of visiting will provide. However, potential tourists do not have the time to research all possible destination choices. Consumers will use the information communicated through the brand identity as a means to help them choose which product will most meet their needs. With a well-designed brand name and message, the city's promotion will quickly and easily communicate the benefits received from a visit. Therefore, branding becomes a shorthand means of communicating all of the benefits to the potential visitor by means of a single marketing message and symbol.

Once tourism marketers have created the branded message, it should be used consistently in all forms of promotion to quickly associate the branded message with the city's benefits. When choosing a destination, a tourist must evaluate numerous city brands that project different images and benefits. Only if a brand is easily recognized and immediately associated with the city will the benefits be communicated to the targeted group of potential visitors. To reinforce the brand in the minds of consumers, it should be integrated into all communications, including brochures, advertisements, and billboards. However, when targeting a new market segment with different benefits, a

separate brand identity may need to be created using different words and symbol.

Even after the brand has become associated with the city, the tourism marketer needs to continue to utilize the same branding to build brand loyalty. If tourists have found the visit experience to be positive, consistent use of the same brand will quickly remind them that the benefits the city provides have not changed and are still available. When building brand loyalty, the purpose of branding is changed from communicating the benefits to potential tourists to reminding former visitors of the city to make repeat visits. Brand loyalty is built on a relationship between the city and the visitor; it also ensures that the city will be the first destination that comes to mind when the visitor wishes to travel again.

Brand messages can also emphasize the values of a city. This is important because where they choose to travel can become an important part of the tourists' self-identity. In terms of the Maslow hierarchy of needs to explain tourists' motivation, some tourists travel to satisfy their need for self-esteem or even self-actualization. Therefore their choice of destination enhances their sense of self-identity, and, when communicated to other people, the fact that they visited a particular city expresses who they are. This is why people wish to purchase souvenirs with the name of the city. Souvenirs are tangible evidence of where the traveler has been and, when displayed at home, will inform others about their values and identity (Caldwell & Freire, 2004).

Branding Benefits

- Minimizes purchase risk by communicating benefits
- Builds awareness by communicating a consistent message
- Encourages repeat purchases through building brand loyalty
- Associates city with a unique identity

How Memphis Used the King to Increase Brand Awareness

When you think of Memphis, do you only think of Elvis? Tourism officials knew that the city of Memphis has more features and benefits that tourists can experience than just a visit to Graceland, Elvis' former home. So when tourism marketers planned an event to commemorate the 50th anniversary of the first Elvis Presley recording, "That's All Right," they used the occasion to promote a new city image.

Graceland may still be the core product that attracts visitors from all over the world. However, instead of only focusing on Elvis, tourism mar-

keters designed the celebration to promote the Memphis “sound,” which is found in the work of many other musicians. The event involved staging music concerts and included publication of a CD and a book on Memphis’ musical heritage. The purpose was to associate Memphis with a wider range of music than just Elvis’ and to brand the city as the true birthplace of rock-and-roll music.

While the celebration’s main purpose was to increase tourism to Memphis, another objective was economic development. The promotional campaign was designed to have a long-term positive impact by assisting in the reestablishment of the music industry in Memphis. In fact, the campaign earned an estimated \$30 million worth of free publicity for Memphis and its music industry (Williams, 2004).

Questions to Answer

- Are we the center of any cultural industries, such as music, jewelry making, stained glass production, and weaving?
- Are we doing all we can to keep these industries alive and to keep the people who produce the work living in the community?
- Can we encourage tourists to come to the area to meet the artists and musicians and enjoy their cultural products, for the benefit of both?

Successful Brands

A successful brand must be authentic, understandable, memorable, and usable. When deciding what brand image to project it is important for tourism marketers to choose an identity that authentically and genuinely reflects what the city has to offer. If tourism marketers misrepresent the city, once a tourist has visited this misrepresentation will quickly be perceived. Not only will this false branding ensure that tourists will not visit again, they will inform others of their negative experience.

For example, if the city has little nighttime activity, using nightlife as the focus of the branding campaign might sound exciting because it projects the image the city wishes it had. Such a branding strategy may even attract some visitors for the first time. However, when visitors discover that the branding is inaccurate because the city’s bars and restaurants do not stay open late, they will never return. Therefore one of the most important criteria in developing a successful brand is to accurately communicate an authentic branded image to the potential visitors being targeted.

The tourism marketer should also keep in mind that the potential tourist should be able to easily understand what the brand symbol and message are communicating. Tourism marketers can be tempted to be overly clever. Creating a clever brand message can be fun. But if potential visitors are confused as to the benefits the words and image communicate, the branding may be noticed but it will not attract them. However, the branding should be clever enough to be memorable, because a dull branded message will not be remembered, which is the purpose of building brand identity. Finding the middle ground between cleverness and dullness is what makes brand creation so difficult.

The tourism marketer should choose the brand wording and image that can be incorporated into all communication. Tourism marketers should consider how the brand will look when used on everything from letterhead to T-shirts. This requires that the design of the words and image be clear enough so that when shrunk down to fit onto a letterhead it can still be read. It should also be designed so that when enlarged to fit onto a T-shirt or even a billboard it will still be attractive.

Attributes of a Successful Brand

- Authentic
- Understandable
- Memorable
- Usable

From Industrial Center to Tropical Vacationland, or the Rich May Be Closer Than You Think

Chinese central government planners once planed to develop Hainan, a sunny island off the southern coast of the People's Republic of China, as a future industrial center. However, while cities like Shanghai and Shenzhen developed economically, Hainan did not. So the plans were changed to develop Hainan, with its sun and tropical beaches, as a tourist destination.

However, there was a problem in promoting this paradise as a tourist destination because it is located too far from major Western cities, with no direct flight connections. However, Hainan is located close enough to a new potential market segment of tourists: wealthy Chinese and Russians. The island's cities, including Sanya, a village on the coast, therefore, are now branding themselves as getaway destinations for stressed-out, newly rich Chinese and Russians.

Has the branding worked? In 2004 over 3.7 million tourists stayed in hotels on the island, which was a 20% increase over 2003. As a result the island's cities are fast developing a tourism infrastructure. Furthermore, American hotel chains are starting to arrive. Hotels such as Sheraton and Westin are opening resorts, including ones in formerly sleepy Sanya. Golf courses and large shopping malls are also being built. Once the hotels and other features are developed, airlines will start making direct flights and American tourists will be on them! (Barboza, 2005).

Questions to Answer

- If our city is located in a geographic area that has lower incomes, is there still a market segment of potential tourists with money to spend on holidays?
- Can we offer these people a product that is closer to home?
- Can we leverage our popularity with this group to attract visitors from further away?

Brand Creation

If the brand name does not provide an accurate image of the city's benefits to the potential traveler, the city may never be visited. However, those responsible for developing the marketing plan may have little experience in building brand identity. If none of the people responsible for developing the marketing plan has the necessary skill, outside assistance must be sought. The tourism office might receive assistance from a local marketing agency that is willing to do the work pro bono. Another idea for outside assistance would be to enlist talented graduate students studying marketing or graphic design. If these sources of help are not available, the city may need to hire a professional advertising agency or even a consulting firm whose specialty is creation of brand identity.

The first step in creation of the brand is for the tourism marketer to make a decision as to the core product that will be the focus of the brand identity. The next step in creating a brand is to state in a few well-chosen words the benefit the core product offers. Because the name of the city may not have any positive association for the potential tourist, the creation of the brand will involve adding extra words or a logo that communicates the meaning the tourism marketer wants associated with the city.

In addition, the tourism marketer must choose an image that reinforces these words. After examining photos and images of the city, the one that communicates the benefit most clearly should be chosen. The wording of the message, along with the city name and the photo or image, will be designed together in an image that can be used in all communication.

Once the brand is developed, it is important to build the brand. This will involve first gaining brand recognition, by using the branded image on all published communication. This will include all written letterhead, press releases, brochures, billboards, videos, televised advertising, and written ad copy. The words should be included in all radio broadcasts, though, of course, the logo cannot be.

While these uses of the brand might be self-evident, the brand can also be incorporated into all city signage, including tourist informational signs and welcome signs. Another means to remind visitors to return is by incorporating the brand image into souvenirs. In addition, all service personnel should be trained to communicate the branded message.

Use of Branded Message

- All written communication
- Signage
- Incorporating the brand on souvenirs
- Training all service personnel about the brand and what it communicates

It's Not Off-Season, It's Regular Season Plus!

Ocean City, Maryland, located on a barrier island right off the Atlantic coast, is a popular resort town that has been branded as the "East Coast's Number 1 Family Resort." However, the mayor and the city council of Ocean City decided they still wanted to attract additional tourists. A new advertising agency was asked to strategize on how to extend the city's brand recognition to attract more visitors. The strategy the agency decided on was not to try to increase summer visits, when facilities are already crowded, but, rather, to increase visits during the off-season. The branding they created to attract visitors right before and after peak season was "XLS," for "extra-long summer." The branded message communicated to potential tourists was the fact that all the benefits of visiting Ocean City are still available while the facilities are less crowded. In addition, by visiting right before or after the peak season, the tourist's summer would last longer! (Coppola, 2002).

Questions to Answer

- Are we already at the limit of the number of visitors we can handle at high season?
- How can we brand ourselves to attract visitors right before and right after high season?

SPECIALIZED BRANDING MODELS

Once tourism marketers have developed a basic brand for their city, they may want to think of more advanced branding models. One of the most recent branding models available to tourism marketers is emotional branding. Emotional branding suggests that marketers build the brand around a specific lifestyle. An emotional brand for an expensive destination that has many tourist services might be created that communicates feelings of status and luxury. For a city near wilderness, an emotional brand would use words and images to evoke feelings of adventurousness. Licentiousness could be a brand identity for a city with an annual Mardi Gras celebration. Besides communicating brand emotions, the purpose of emotional branding is to develop a relationship with consumers who are attracted to that particular lifestyle (Gobe & Zyman, 2001).

Another new branding model is iconic branding. In this model the branding is taken to a new level by introducing the idea of building not just emotion but an entire identity around a brand. This brand identity will correspond to a person, symbol, or movement that is considered positively. By consuming the product, the tourist, at least while visiting, assumes a similar identity. A city could develop an iconic brand by associating their city with a particular person (Holt, 2004).

What's in a Name? Or When Two Brands Part Company

The Osceola County Tourist Development Council decided it was time for Kissimmee and St. Cloud, Florida, to part company, at least in their logo. Formerly, the two cities, both located near Orlando, were promoted by means of one brand slogan and logo targeted at visitors whose main destination was Disney World. However, it was decided that a brand

using the names of both Kissimmee and St. Cloud was too long and confusing to communicate effectively to potential tourists. Instead, a new marketing strategy and brand identity have been chosen involving only the name of Kissimmee. The strategy is to motivate the market segment of families who had been staying at the luxury hotels closer to Orlando. The new slogan, “Make More Dreams Come True,” employs branding to create the image of the city as a family-friendly place to stay where their tourist dollar will go farther. The message is that families should stay at hotels in Kissimmee that have more of the amenities that children enjoy.

And what about St. Cloud? The new branded identity for St. Cloud will be to attract new businesses rather than tourists (Gordon, 2005).

Questions to Answer

- Is our strategy to attract new businesses or additional tourists?
- Do we need separate marketing strategies for each?
- What two separate brand identities can we create?

The goal of a branding campaign is to establish among potential visitors name recognition and an associated identity for the city. This ability to establish a brand identity is affected by what the city has to offer and potential tourist preferences. However, it is also affected by external environmental circumstances. A branding model has been developed to explain a city's success in developing a brand identity based on what it has to offer and external circumstances. Two considerations that will affect whether a city is able to build a positive brand association are the emotional appeal of a city and its “celebrity” value. *Celebrity value* can be described as the status a tourist gains from having visited the city. In terms of these two criteria, branded cities can be thought of as falling into four categories: celebrities, losers, problem places, and potential stars (Morgan & Pritchard, 2004).

Cities that are brand winners hold great emotional appeal and also celebrity value. Cities such as Rome or London are already well-established tourist destinations with strong brand images. Brand losers are at the opposite extreme. They are cities that have no emotional appeal and that provide no status to the tourist who visits. There are some cities that have low emotional appeal but are still celebrities. However, their celebrity appeal is for the wrong reasons. Although tourists may be aware of a country such as Colombia, because of the negative news in the media regarding that country, they do not visit.

Potential stars are cities that have high emotional appeal but do not have celebrity value. They are not in the news either positively or negatively and as

a result have low name recognition and are not talked about by potential travelers. Many cities trying to develop a new tourism industry fall into this category. The purpose of branding is to let potential tourists know about their high emotional appeal and also to get the city's name covered by media so that they can gain celebrity status.

Changing a Negative Image

More cities are competing to attract tourists and are branding themselves as possible tourist destinations. Because of this greater competition, it is increasingly important for tourism marketers both to address the causes of a negative image and to improve the image through branding. If the city has a negative image, it must be changed before the city can have an emotional appeal. Some of the issues that can negatively affect a city's image include its size, political situation, crime rate, employment situation, depiction on TV or in movies, entertainment and cultural options, and physical appearance.

Of course, the root causes of the negative image must be addressed. However, there are several strategies that can be employed to help change a city's image. One way is to encourage visits to the city from people in the media by hosting public relations events. These events should help to challenge the prevailing stereotypes. If personal visits cannot be arranged, then the tourism office must deliver positive public relations messages to the media to overcome the negative stereotypes. If the negative perception is severe, the tourism office might think of changing the city's brand message and logo. While at the same time that tourism marketers take steps to counter a negative image, they must also cultivate local residents' pride in their city (Avraham, 2004).

Sweden Is Closer Than You Think—In Fact It's as Close as Kansas

You can fly to another country to experience authentic festivals and folk customs, but it isn't always necessary. In fact, you can experience Sweden right in the heart of the United States by visiting Lindsborg, Kansas. Lindsborg's promotional slogan is that the city is "Little Sweden, USA." Tourists would be correct in assuming that the culture they experience when they visit has been handed down through the generations from the original Swedish immigrants.

(continued)

However, the branding of Lindsborg also involves the active collaboration of city residents who are not Swedish. In Lindsborg, most of the Main Street shops sell Swedish crafts, books, music, and foods no matter what the ethnicity of the owner. The whole city is also involved in celebrating Midsummer's Day in June and the Saint Lucia Festival in December.

Many U.S. cities successfully use ethnic heritage to attract tourists. After all, it's not only about expressing a cultural heritage; it's also a way to build community among the city's residents (Schnell, 2003).

Questions to Answer

- Can we use the cultural identity of the area's original settlers as a core tourist product?
- How can we then involve the entire community in providing products and services that reflect this heritage?
- How can we use the branding effort to reinforce a feeling of community among all residents, whatever their heritage?

POSITIONING THE PRODUCT

A concept that is often confused with branding is *positioning*. The concepts are similar, but there is an important distinction. Branding is the image the city projects, while positioning refers to how the consumer differentiates between similar products. Developing a positioning strategy is important when developing a promotional message because positioning answers the consumer's question of why the city is unique. A tourism marketer can use a number of strategies to position the city in the potential tourist's mind. The choice of positioning strategy will be based on the core product discovered during the product analysis.

For example, positioning can be based on product features, services, benefits, or usage. First, the city can be positioned as having a specific product feature that is exclusive. An example would be when the tourism marketer positions the city as having a unique botanical garden, historic buildings, public art, or unique architecture. If the city is not fortunate enough to have a unique core product, it can still be known for its excellent tourism services. The tourism marketer could position the city's tourism services, including hotels and restaurants, as having superior quality.

TABLE 9.3 Positioning the City

Positioning Strategy	Promotional Message
Product features	Availability of unique core product, such as gardens, architecture, public art, historic buildings
Tourism services	Superior quality of tourism services
Benefit	Availability of unique benefit, such as relaxation, excitement, or romance
Usage	Special events, such as weddings, parties, festivals

The city can employ benefit positioning, where the benefit the visitor will receive is stressed. This strategy positions the city as having a specific intangible benefit, such as an exciting nightlife, a relaxing atmosphere, or small-town charm. Benefit positioning for a city with the botanical garden could stress the educational opportunity of learning more about plants or the benefit of enjoying the garden's beauty. Usage positioning would stress how a visit to the city can be integrated into the visitors' life. Examples of usage positioning would include the tourism marketer stressing that the botanical garden is a lovely site for weddings or celebrating other special events. Another way to position on usage is to focus on the reason why consumers visit a city, such as festivals, sports activities, or fall foliage (Table 9.3).

SUMMARY

A product may be a tangible good, an intangible service, an idea, or an experience. The tourist product of visiting a city is an experience, which results from the tourist's consuming of goods, services, and ideas. However, most of the product will consist of services. For this reason it is important to understand the unique challenges involved in marketing services. These challenges are because the services are intangible, perishable, heterogeneous, and inseparable. Intangibility makes promoting services more difficult because they cannot be seen, touched, or felt. Perishability presents a financial challenge because product supply must be matched with tourist demand to limit lost revenue. Heterogeneity means that it is difficult to maintain quality over time when services are individually produced. Inseparability refers to the fact that the consumption and production of the services happen at the same time. As a result, the quality is greatly affected by the attitude and training of the service worker.

Branding is the use of words and symbol to represent the image of a product and the benefits it offers to consumers. Developing a brand takes time, effort,

and creativity, but branding offers the consumer certain advantages, including that branding minimizes the risk of purchasing a new product by providing the consumer with easily obtained information on the city's image and benefits. This provides a shorthand message that will hopefully be heard over the clutter of other cities' branded messages. By consistently using the same branded message in all promotional communications the city produces, tourism marketers can increase the likelihood that the message will be heard and remembered. Branding can also encourage repeat visits and develop brand loyalty by reminding former visitors of all the city has to offer.

Successful brands communicate real benefits, are easily understandable, are memorable, and are designed so that they can be used on multiple forms of promotional communications. The branded message should appear on all communications, including letterhead and business cards, brochures, ad copy, billboards, flyers, and the city's website. In addition, it can be applied on souvenirs such as T-shirts and mugs. Positioning differentiates the city from its competitors in the traveler's mind. The positioning strategy can focus on features, services, benefits, or usage.

Worksheet on Branding

Developing a brand can only be undertaken after tourism marketers have selected a target market segment, chosen the core product that will attract tourists, and developed a marketing message. Use the worksheet in Table 9.4 to start to develop a brand for your city.

TABLE 9.4

Task	Idea
Target market segment selection	
Core product choice	
Core benefit choice	
Message to communicate	
Message in slogan format	
Image to be used with slogan	

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Advertising and Public Relations

CHAPTER OBJECTIVES

- Introduce the integrated marketing communication approach to promotion and the promotion tasks.
- Describe the five promotional methods of advertising, public relations, sales incentives, personal selling, and direct marketing.
- Describe the steps in creating advertising, the criteria for successful ads, and ad techniques, with an emphasis on brochure design and distribution.
- Present the uses of public relations and the tools of media kits, press releases, speeches, and sponsorship.

INTEGRATED MARKETING COMMUNICATION

One of the early tasks undertaken by tourism marketers was to analyze their city so as to understand the features and benefits it can offer to tourists. They then examined tourist behavior and selected a segment of potential tourists to target. Finally they decided on a marketing message and branding that would

motivate the targeted market segment of potential tourists to visit. The final step in the process of developing a marketing strategy is to plan the promotion of the message and brand.

Many people only think of advertising when considering how to promote a product. However, advertising is only one of the five promotional methods that can be used to communicate a message. The tourism marketer can also use public relations, sales incentives, personal selling, and direct marketing. Each of the five methods has a specific role to play in motivating consumers to purchase. Each has advantages and disadvantages of which the tourism marketer needs to be aware.

While all five promotional tools can be used to communicate the marketing message, each has a distinct function in motivating consumers to purchase. *Advertising*, either print or broadcast, is defined as paid, one-way mass communication using print and broadcast media in which the company or organization is identified as the sponsor of the message. *Public relations* differs in that it uses the media and events to indirectly communicate information to increase awareness of the company's product or to change any negative attitudes held by the public. *Sales incentives* motivate consumers to the immediate purchase of a product using discounts, coupons, contests, and premiums. *Personal selling* is communicating the marketing message to one person at a time. The newest promotional method is *direct marketing*, which uses technology to establish direct two-way communication with potential consumers.

Tourism marketers may adopt more than one promotional method to communicate their message. In fact it is more effective if the tourism marketer uses multiple methods to communicate. What is important for tourism marketers to remember is that no matter what combination of promotional methods they choose, a consistent message needs to be communicated (Table 10.1).

TABLE 10.1 Promotional Methods

Method	Definition	Tools
Advertising	Broadly based message using print and broadcast media	Newspaper/magazine ads, radio/TV broadcasts, posters, flyers, brochures
Public relations	Indirect communication of message through media	Media kits, news releases, speeches, sponsorship
Sales incentives	Several tools used to motivate immediate purchase	Discounts, contests and sweepstakes, premiums, and frequency programs
Personal selling	Communicating personally to single consumer	Visitor center
Direct marketing	Personal two-way communication using technology	Opt-in email, mailings

Adopting more than one method to communicate the same message is referred to as *integrated marketing communications*, or IMC. Using integrated marketing communications can be described by means of the example of a tourism marketer branding the city's core product of fine Italian dining amidst beautiful scenery. The tourism marketer first develops a marketing message communicating that visitors can enjoy the natural beauty of the city while dining on Italian-inspired cuisine. The tourism marketer might develop a brand identity aimed at regional tourists, such as "Enjoy northern Italy without changing your time zone." To promote the message, the tourism marketer will try a variety of promotional tools. First, advertisements could be designed to create awareness. The ads placed in travel and food magazines could show families enjoying Italian food with a view of the mountains in the background. The tourism marketer could also try public relations by providing media reporters with press releases about the new branding campaign, in the hope that they will write stories about visiting the city.

Sales incentives could motivate visits, such as offering discounted weekend packages or a coupon for a free bottle of wine at a local restaurant to each hotel guest. In addition, the tourism office staff could be trained to employ personal selling to inform any potential tourists inquiring at the tourism office about the available dining opportunities. Finally, the tourism office could use direct marketing, sending a promotional postcard about the upcoming festival to past visitors.

Integrated Marketing Communications for Italian Dining Branding Campaign

- *Ads*: Showing people dining, with scenery in background, placed in travel or food magazine
- *Public relations*: Press release about new branding campaign sent to local media where potential tourists live
- *Sales incentives*: Reduced-price weekend package and coupon for free bottle of wine
- *Personal selling*: All staff trained to inform callers about dining opportunities
- *Direct marketing*: Postcard about dining sent to past visitors

THE PROMOTION TASKS

The overall purpose of promotion is to affect the consumption behavior of the consumer. In the case of promoting cities, the purpose is to motivate a first or repeat visit. Any product promotion can be thought of as performing one of three different motivational tasks: informing, persuading, and reminding.

Informative Promotion Message

Before potential tourists can consider a visit, they must be aware of the city as a potential destination. The purpose of an informative promotional message is to communicate to the consumer information on the product's features. Tourism marketers will find an informative promotional message especially useful if their city is a new tourist destination. For example, marketing a small city with a unique cultural tradition will require that the promotional message provide potential tourists with information on the culture they will experience. In addition, informative advertising can make the purchase decision easier for the visitor by providing information on directions to the city, ticket prices, and dates and times for events. However, informative promotion alone will not be enough to persuade potential tourists to visit.

Persuasive Promotion Message

Persuasive promotion seeks to encourage consumption by providing information on the benefits of the product. The purpose of persuasive promotion is to present an emotional reason why the product should be consumed. This type of promotional message is necessary when communicating to potential tourists unfamiliar with the benefits of the city. For example, if tourism marketers are trying to attract tourists with the city's unique architecture, the persuasive promotional message must stress the unique beauty of the buildings rather than only information on available tours. Instead of just informing the tourist about features, the persuasive promotion communicates benefits to motivate the tourist to visit the city.

Reminder Promotion Message

Reminder promotion involves reminding consumers of when and where the product is available. Tourism marketers would aim this type of promotional message at tourists who have already visited. Because these tourists are already familiar with the city's features and benefits, the promotional message now only needs to remind them of their positive visit experience and invite them back.

Promotional Tasks

- *Informative*: Provide facts about the features of the city
- *Persuasive*: Communicate emotional message on benefits
- *Remainder*: Encourage repeat visit

Countering Bad News, or Florida Equals Hurricanes

Dramatic weather events such as hurricanes always make the news. When Florida was hit by three hurricanes in a row in 2004, it made the news all over the world. The fact that most of Florida was not badly affected was lost in all the dramatic news coverage about hurricane damage. International tourists were especially vulnerable to this negative coverage, because they were probably unaware of the state's geography. So Visit Florida, the state tourism agency, used public relations tools to mitigate the negative image even before the next tourism season began. They utilized news releases, publicity photos, and tours of the area for media representatives to demonstrate to the news media that the beaches and the hotels were in good shape and waiting for tourists to arrive.

However, they did even more. They decided to set up a crisis management program so that they would be prepared to handle any crisis involving tourists the next time a hurricane hit. A collaboration of hoteliers, local government office holders, and tourism officials have set up a system so that the next time bad weather threatens, arrangements will be made for visitors staying at beachside hotels to be rebooked in more inland locations (Schneider, 2005).

Questions to Answer

- What type of severe weather, such as hurricanes, tornados, or blizzards, can hit our geographic area?
- What is our public relations plan to mitigate the negative news that would result?
- Do we have a plan to assist visitors when bad weather strikes?

ADVERTISING

Advertising can be defined as paid promotion involving either print or broadcast media to communicate the marketing message where the originator that paid for the ad is identified. The type of media chosen to communicate the message will determine what components the marketer needs to create for the advertisement. For example, the print advertisement will consist of the words, or copy, plus the visual elements, including design and photos. To produce a

television advertisement or video will require a film and script, while the radio broadcast will just be words with background music.

When choosing media, the first choice considered by those responsible for creating the ad might be print media, such as newspapers and magazines, or broadcast media, that is, television and radio. However, there are many other forms of advertising media that the tourism marketer can use, including flyers, posters, postcards, bumper stickers, T-shirts, buttons, billboards, brochures, CDs, DVDs, and websites.

Advantages and Disadvantages of Advertising

Because advertising is such an important part of the promotion mix and its use is so common, it is not surprising that many tourism marketers first think of creating an advertisement when deciding to promote. One of the reasons that advertising is utilized so frequently is that it has a low cost per *contact*, or individual, who sees or hears the ad. This is because it is widely broadcast and therefore many people will be exposed to the message. Advertising is also cost effective to produce because once the ad has been created, the tourism marketer can print or broadcast the same message repeatedly.

Another advantage of advertising is its ability to create dramatic messages that communicate an emotional image to the target market. The combination of words and images can strike a powerful human response. While expensive, a regional or national print or broadcast campaign has the advantage that it announces to the potential tourist that the city has “arrived” as a big player on the tourism-destination scene. This widespread advertising coverage gives credibility to the city as a tourist destination that offers visitors worthwhile features and benefits.

One major disadvantage to advertising is that it is a passive communication medium. If the promotional message is not received or does not contain the needed information, the tourism marketer is unable to overcome objections or provide additional information. Advertising can also be very expensive to produce. This is particularly true of television commercials. If the tourism marketer tries to save money on the production, the result can be an advertisement of poor quality, which will communicate to the potential tourist that the city itself is of poor quality. In addition, while producing advertising requires a large financial investment to produce, its effectiveness is difficult to monitor.

Probably the main disadvantage with advertising is that the ad can get lost in the clutter of competing promotional messages. Consumers are exposed to so much advertising that they often do not hear the messages. This “tuning out” by consumers is one reason why for-profit companies are increasingly relying on other promotional tools to reach consumers besides print and broadcast advertising.

Disadvantages and Advantages of Advertising

- Advantages
 - Low cost per contact
 - Conveys emotional message
 - Reuse of ad
 - Provides credibility
- Disadvantages
 - Passive communication media
 - Expensive to produce
 - Difficult to monitor effectiveness
 - Message is often not heard

Criteria for Successful Advertising

There are three criteria for creating a successful advertising, whether informative, persuasive, or a reminder. First, the advertisement should contain memorable words that convey the product benefits in a way that will remain in the potential tourist's thoughts. The ad should also contain the necessary factual information about features, including where the product can be purchased. Too often after creating awareness and interest, an ad fails to tell the targeted consumer where the product is located and how to purchase it. Lastly, the final print design or broadcast must be visually appealing and attractive to the specific target market segment.

Necessary for Successful Advertising

- Uses memorable words
- Contains necessary factual information
- Visually appealing

Creating the Advertisement

From conception to finished product, a number of creative decisions need to be made when producing a successful advertisement. The first step in the creative process is for the tourism marketer to decide on the market segment to be targeted with the particular ad. Because each segment of potential tourists will require communicating a message about specific product features and benefits, the same ad will not be effective for motivating more than one segment of potential tourists.

Once the segment of potential tourists is chosen, the next step in the process of creating the advertisement is to identify the information that needs to be communicated. The information should describe the city's core product that

will be of most interest to the targeted market segment. Next the tourism marketer must decide on how to present an emotional appeal in the ad to communicate the benefits that tourists will receive from a visit. Some common emotional appeals in advertising are health, love, admiration, status, fun, pleasure, and spirituality.

Now the information on the product features and the emotional appeal of the benefits must be put together in a single message that will catch the attention of the targeted potential tourists. When creating both print and broadcast messages, the words must be crafted into a phrase that effectively communicates why the potential tourist should visit.

After determining the message, the next step is to create the written copy to appear in the ad. As a start, a copy statement should be written that includes all the information that might possibly be of interest to the target market segment of potential tourists. The copy statement should contain positive statements about the city's features and benefits and also address any concerns of potential tourists. These statements should take up no more than a page of copy and should answer all the following questions: What does the city offer? Where is it located? Why should I visit? When should I visit? From this statement the final ad copy should be crafted that effectively communicates what the tourism marketer wants the potential tourist to know. Finally, the visual design is created.

Advertising Creation Process

- Choose target market
- Decide on features to be included
- Decide on emotional appeal based on benefits
- Develop message to be communicated
- Write copy
- Design or film visual elements

Ad Techniques

Three established techniques are available to tourism marketers when creating advertisements to successfully communicate the features and benefits of the city: slice-of-life, celebrity endorsement, and humor. The slice-of-life technique uses a short story to present a problem and then a solution. The problem involved in an ad for tourism promotion should relate to the everyday experience of potential tourists. For example, for business travelers it could describe or show a stressed executive who is then seen unwinding at a baseball game or at a concert. An ad aimed at families could show an unhappy family in the city heat and then picture them enjoying themselves in a small-

town village square. This type of ad technique demonstrates the benefits of visiting the city in an easy-to-communicate style to which potential tourists can personally relate.

Another advertising technique appropriate to tourism marketing is the testimonial ad using celebrity endorsement. With this ad technique, someone respected or admired by the target market segment of potential tourists endorses a visit to the city. Of course, cities just starting to develop a tourism industry will not have the funds to hire a well-known personality, but there are other alternatives. For example, if the tourism marketer is only promoting locally or regionally, the ad can bring in local celebrities. Getting actual tourists to comment on their positive experiences while visiting the city can also be very effective.

A third advertising technique is to utilize humor to create a mood or image. Tourism marketers can effectively use wordplay in advertisements to attract the attention of potential tourists, employing clever words or humorous stories. The tourism marketer might also decide to develop a cartoon character for advertisements. This cartoon character could then be incorporated into the city's brand and logo.

Designing a humorous ad to effectively communicate the message may take a level of creativity that the tourism marketer lacks. Celebrity endorsement may be difficult for small cities unable to afford celebrities and that may not have any local celebrities available. However, most tourism marketers can successfully apply the slice-of-life technique when developing advertising.

Advertising Techniques

- *Slice-of-life*: Problem and solution
- *Endorsement*: Associate city with celebrities
- *Humor*: Wordplay or cartoon character to create image

La, La, La, La Jolla, or Playing with Words

Tourism officials for the city of La Jolla decided they needed a new promotional message to attract local and regional visitors. While La Jolla, located on the Pacific coast, has no trouble attracting summer visitors, tourism officials needed a promotional campaign that would attract visitors when winter storms make the beach off limits.

The slogan for the campaign was "Shelter from the Norm," which used word play to capture the attention of potential tourists. The "La"

(continued)

in La Jolla was repeated in such words as latte, lavish, and laughter. The image? That La Jolla is sophisticated, upscale, and artistic. The ad campaign was designed to target local tourists and position the city as an alternative destination to nearby popular areas, such as Coronado Island. It was also meant to target regional tourists to position the city as an alternative to destinations such as Beverly Hills and Palm Springs (Lewis, 2004).

Questions to Answer

- How can we reposition ourselves to attract local tourists away from nearby competing cities?
- What type of a new branded image can we develop?
- How can we be clever with branding our city's name by associating it with words that describe the city's benefits?

Media Planning

Once the ad is created, media planning is the process of deciding which media will be most effective in communicating the printed or broadcast message. This choice will depend on what media is used by the potential tourist segment. After all, it would be a waste of resources for the tourism marketer to place ads in media that the target market segment does not routinely view or read. Tourism marketers may first consider newspapers and magazines when deciding where to place print advertisements. However, there are other, lower-cost print media that tourism marketers can bring into play to communicate their message. Some of the other available print media choices are bus placards, posters, brochures, flyers, bumper stickers, and postcards.

Broadcast advertisements are usually distributed via radio or television. However, other means appropriate to tourism marketing include videos, CDs, DVDs and online video clips. Besides the usual print and broadcast means of distribution, the tourism marketer should be creative. They could also utilize kiosks to post information at the airport, at tourist attractions, or in the center of town. Tourism marketers could provide information by means of banners towed behind small planes, by printing it on the back of ticket stubs at attractions, and even by hiring students to walk around distributing material where tourists congregate.

Before tourism marketers choose the medium, it is important for them to consider the geographic area where the targeted segment of potential tourists is located. This can be the local area or region surrounding the city, another

city or region, the entire country, or even another country. If the advertisement is only to be communicated to nearby residents, placing the ad in the local newspaper or on local radio or cable TV is appropriate. If the advertisement is targeting a market segment of potential tourists that lives in a different city, the local media for that city will need to be targeted. When advertising nationally, the tourism marketer must decide on which major media markets to focus. When advertising internationally, the ad message will be communicated via the targeted country's local or national media. While tourism marketers will want as broad a reach as possible, they must remember that the larger the geographic reach of the media, the more money that must be spent.

Advantages and Disadvantages of Media Choices

Each choice of media has its advantages and disadvantages. For instance, newspaper ads can be simple to create, can be placed quickly, and can provide good coverage. On the other hand, newspaper ads have a very short life, only one day unless placed frequently. Television ads can be very expensive and take considerable time and effort to create. However, broadcast ads are very good at communicating to potential tourists on an emotional level the benefits of visiting the city. Advertising on radio is low cost and can be very effective in communicating the message to the potential tourists if the right station is chosen. The disadvantage is that it is difficult to communicate the complete message by means of voice alone. Radio ads can be useful in communicating factual information about the city but not the emotional benefits.

Magazine ads have the advantage of allowing the tourism marketer to carefully target a psychographic market segment because there is a magazine for almost every interest group. However, the disadvantage in using magazine ads is the long lead time for purchase of magazine ad space. Outdoor advertising on billboards can be expensive, but low-cost posters and flyers are an alternative. The disadvantage is that there is no guarantee that the persons targeted with the message will view the poster or read the flyer (Table 10.2).

Cost of Media

Among the factors that tourism marketers should consider when choosing media is cost. However, rather than just considering the total cost, the tourism marketer needs to consider the cost per reader or viewer exposed to the advertisement. To calculate this cost it is necessary to know the reach of the media, which is the number of potential viewers or readers. Also, the tourism marketer must decide on the frequency of placing the ad. The more frequently the

TABLE 10.2 Types of Media

Medium	Example	Advantage	Disadvantage
Newspapers	Local, national, free commuter, neighborhood	Timely; can reach local market at low cost	Short life
Television	Regional, national, local cable	Ads combine sight and sound for emotional appeal; local cable affordable	Ads are expensive to produce; has few viewers
Radio	Local, regional, college, specialized	Lower cost than television; can focus in very narrowly on segment using special interest stations	No visual appeal to communicate message
Magazines	Regional, national, general interest, special interest	Can focus on specific geographic or psychographic segment	Long lead time
Outdoor	Billboards, posters, buses and bus shelter, bench backs	Can be low cost (posters); can be placed in specific locations where people congregate	Can be high cost (billboard); message may not be heard by desired segment
Place-based	Airports, sport facilities, hotels, freeway rest stops	Can be placed where specific target market congregates	Need for research to determine correct location
Other	Towed banners, kiosks, ticket backs	Creative means to attract attention	Requires creative ability to design

ad is run, the more viewers will see the ad but also the higher the cost. And, lastly, an important consideration is whether the tourism office has the people with the creative ability required to produce the ad. If not, they will need to hire professional assistance.

Considerations in Media Choice

- Cost per contact
- Geographic reach
- Lead time needed
- Creative ability of staff

PROMOTIONAL BROCHURES

While print and broadcast ads are important to tourism promotion, they have the disadvantage that the targeted potential tourist must view the media or they will not be seen. For this reason tourism marketers frequently use

brochures, because individual potential tourists can read them at their convenience. However, to be effective, a brochure will first need to capture the attention of potential tourists so that it can communicate promotional information on the city's features and benefits. When designing an effective brochure, the tourism marketer should remember a few simple rules regarding the layout.

Criteria for Successful Brochures

First, the outside cover should quickly attract attention. Because the brochure has only a matter of seconds to be noticed by a potential tourist, it should be attractively designed and use color, photos, or clever wording to quickly grab the reader's attention. Unless the brochure catches the potential tourist's attention, all the effort in its creation will be wasted.

Once the potential tourist has picked up the brochure or flyer, it must be easy to read and understand. Information on the brochure cover should be kept to a minimum. However, it should include the name of the city, the logo, the slogan, and a few words that will motivate the potential tourist to pick up the brochure to learn more. One way to engage the interest of the reader is to write the copy in the first person. The message should be written as if it was speaking directly to the reader by using the word *you*.

The brochure copy should pass the three- to five-second test. Few people will stop and continue to read if within three to five seconds the brochure has not communicated why the message is relevant to them. One technique to catch their attention is for the cover to pose a question. The first sentence of the inside copy should then provide the answer by using specific language informing the reader of what the city offers. For example: "Tired of the heat of the city? Cool off while you relax in our town's many parks!"

The information inside the brochure needs to be concise, with very readable headings. If the copy looks like it will take too long to read, most potential tourists won't take the time. The inside copy must succinctly communicate to the potential tourist the city's major features and also the benefits visiting the city provides. Keeping the copy short and using everyday language will help readers absorb the information, even if they are in a hurry or distracted. To do so, the writer should employ action words that help the potential tourist visualize the city's benefits.

The brochure should include a listing of upcoming special events along with the dates and times. To provide emotional appeal, tourism marketers might find it very effective to include in the brochure photos of visitors enjoying themselves. Direct quotes from visitors are also very effective in communicating the message. Of course it is impossible for the brochure to communicate all the information that may be needed by potential tourists. Therefore, the

brochure must provide a phone number or website address where more information can be obtained.

Once the brochure has attracted the attention and interest of readers, the next step is to tell them what action to take. The brochure should include a number to call or a website to visit to get more information. It is critical that this contact information be prominently displayed so that the potential tourist can be easily motivated to take the next step in planning a visit.

One suggestion for tourism marketers new to the brochure design process is first to collect attractive brochures produced by other cities targeted at a similar segment of tourists. Tourism marketers should analyze the physical appearance of the brochures for creative ideas, including paper quality, colors, and photos and graphics. In addition, the brochure content should be studied for ideas on information to include and any wording or images that could be adapted for use by the city.

Criteria for Successful Brochures

- Cover captures attention
- Succinct inside copy
- Emotional appeal using photos or images
- Contact information

Controversy Can Be Good Business

Where is the legendary Billy the Kid actually buried? Hico, Texas, claims the burial site of “the Kid.” But the governor of New Mexico begs to differ and claims that the real burial took place in Fort Sumner, New Mexico. The controversy has become so heated that the local courts have been petitioned to exhume the body (bodies?) for DNA testing. Will this every happen? The people who run the Billy the Kid Museum at Fort Sumner and a similar museum in Hico don’t care, because the news stories alone have boosted tourism to both cities (Chapman, 2004).

Questions to Answer

- Are any local scandals, disputes, or infamous characters associated with our city?
- Can we supply the media articles or press releases about the story?
- Can we get the controversial issue back in the news by sponsoring a tour or seminar?
- What local organizations would want speakers about the controversy?

Cost of Brochures

The price of the finished brochures will depend on a number of factors that should be taken into consideration during the planning process. The price of the finished material will depend on its size, whether it is printed on one or both sides of the page, and the number of pages. Nonstandard size and unusual folds will cost more than the traditional paper sizes of 8½ by 11 or 11 by 14 with a standard fold. The printer will also factor into the price the paper's weight, quality, and color. Because the price of paper varies by quality, tourism marketers should first examine samples. The highest-quality paper that can be afforded should be used, especially if the city is being positioned as an elite or status destination. The numbers of colors involved in the printing will also affect the cost: The more colors used, the higher the price of the finished brochure.

Lastly, the number of copies printed will be factored into the price. The more copies needed, the higher the price. However, in printing once the job is set up, the cost to the printer of printing additional pieces declines. For example, the price for the each additional 1,000 printed pieces will be lower than the first 1,000. Of course, the tourism marketer should not waste money by having more brochures printed than are needed, but there is also little savings in trying to print as few as possible.

Cost Factors

- Size and fold
- One side or both sides
- Paper quality
- Number of colors
- Number printed

Checking the Printed Material

Money is sometimes wasted on producing brochures that are unusable because of errors. Therefore once the final copy has been produced, either in the tourism office using a publishing software package or from the printer, tourism marketers should carefully check for errors. First, tourism marketers should make sure the dimensions and folds of the final printed brochure are correct. Tourism marketers must not assume that what they envisioned will automatically appear. Breakdowns in communication can happen that result in a brochure that is the wrong size for mailing or posting. Also, the tourism marketer should verify that when the print brochure is folded, information that was conceived to be on the front page does not instead show up on the back.

It is also important to ensure that the type of paper used for the final printing is the correct choice.

The tourism marketers should also check that the colors are the right tones and intensity and that the font style works well with the design. They should also check for spelling, grammar, and copywriting errors. Finally, they should verify that all factual information, such as dates, addresses, telephone numbers, and hours of opening, is correct and that the design, photos, and words all work well together.

Printed Brochure Checklist

- Dimensions and folds
- Correct paper
- Colors
- Spelling, grammar, and copywriting errors
- Correct factual information
- Design appropriate

Distributing the Brochure

Tourism marketers need to remember that the printed promotional material, such as brochures, flyers, or posters, will not be able to communicate the message if left sitting in boxes in the tourism office. The best-designed brochure, complete with a striking photo and clever text, will only be effective if it is in the hands of the potential tourist. Too often the tourism marketer neglects the need to plan how to distribute the print material. Because distribution will take financial and staff resources, it is recommended that this money be included in the budget process as an additional percentage when budgeting the total print cost.

It is also important to plan distribution early, because how the print material will be distributed will affect its size and style. For example, if the tourism marketer intends for the brochure to be placed in racks in hotel lobbies, the finished brochure must be a size that will fit the rack. The brochure should also fit into mailing envelopes or should be designed so that an address label can be affixed to the back. Posters for display in store windows should not be overly large. If they are, storeowners may not be willing to place them in the window because they will block the view of the interior and the merchandise. Flyers that can be folded and then distributed should be designed so that when folded the marketing message is still visible and the potential tourist will be motivated to unfold and read the rest of the information.

Tourism marketers can distribute brochures via direct mailing to past visitors whose names have been collected in a database. They can also be pro-

vided to potential visitors who have called the tourism office for information. The purpose of the brochure mailing is to encourage the recipient to call in to the tourism office for additional information. The brochures can also serve locally by making them available to the personnel office of any large companies in the area, who can then provide them to business visitors. Because local colleges and universities often receive visitors, they should be provided with printed promotional material. In addition, the tourism office can place the brochures in local libraries and community centers for local residents who may have family or friends coming to visit. Additional ideas for distribution would include providing them to American Automobile Association Offices, tourist agencies, and highway rest stops.

The brochures can also be targeted at visitors already at the city by placing them in hotel lobbies and at the ticket counters of attractions. Local businesses, particularly those that serve tourists, should have a supply on their counters to encourage the visitors to participate in more activities and events. Of course the brochures should always be available at the tourism office for visitors who stop by for advice.

Distributing Brochures

- Direct mail
- Large companies
- Colleges and universities
- Libraries and community centers
- Local businesses and hotels
- Tourism office

PUBLIC RELATIONS

Public relations, often referred to as just PR, can stimulate demand for a product by means of indirect communication through the media to create a positive image for the company and brand. Public relations includes a variety of activities to continually maintain this positive image and also occasional activities to counter any negative news. Public relations messages are distinguished from advertising because the tourism office does not pay to place the public relations information in the media. Instead, the information is communicated through media kits, press releases, photos, speeches, and sponsorship. Because public relations is not paid for directly, there is sometimes the misconception that public relations is free. However, this is not true because the tourism office still must pay for the staff and other resources needed to create the public relations message.

Because the public relations message is communicated indirectly, tourism marketers do not have total control over the marketing message. For example,

a press release may be written by the tourism office and released to the media that comments positively on the launch of a new city festival. However, there is no guarantee that the press release will be used as intended. In fact, as the result of the press release, a reporter might decide to do a story on why the festival is a waste of city resources.

Despite this limitation, public relations' role in integrated marketing communications is especially important for marketing tourism for cities. Public relations is effective because the media is viewed by the potential tourist as an objective source of information and, therefore, is more likely to be believed than advertising.

Functions of Public Relations

Public relations activities should be conducted on a continual basis. One of the main public relations responsibilities of tourism marketers is to continually analyze media news stories about the city. If the stories are negative, the tourism office must provide positive information to the media to counter the effect of the negative stories. It is also important for tourism marketers to continually maintain good relationships with media representatives, just as they would with a personal friend. For instance, tourism marketers should build relationships with their local newspaper and broadcast reporters. Because a personal relationship is established, the reporter will hopefully first ask for the city's response to a story before they believe negative news. In addition, if this relationship is maintained, reporters are also much more likely to assist when tourism marketers want press coverage for special events or when the city is faced with a crisis.

Using public relations on a continual basis builds awareness of the city as an attractive tourist destination. While advertising also has this objective, a continual public relations campaign is less expensive than a continual advertising campaign. Public relations also builds credibility by communicating to the public, in a way that placing single ads cannot, that the city is serious about developing a tourism industry. Public relations can also help to communicate information about special events the city is planning (Table 10.3).

The tourism marketer uses public relations to affect the opinion of the targeted market segment of potential tourists the city is trying to motivate to visit. While the tourism marketer will employ other promotional methods, such as advertising, to create a positive impression, public relations is unique because the message is being communicated through an objective third party. However, public relations cannot be used alone. The tourism marketer must utilize public relations along with other methods of promotion; advertising, sales incentives, and direct marketing. Alone, a good opinion of the city will not be enough to motivate potential tourists to visit.

Using Public Relations to Promote Tourism to the City's Citizens

The Matanuska-Susitna Convention and Visitor's Bureau knows that the attitude of the Alaskan citizen is critical in maintaining support for the tourist industry. For this reason they produce press releases on how taxes on tourists and tourist services are "painless" ways to shift some of the tax burden off Alaskans. However, tourism officials also know there are limits to how much of the tax burden can be shifted to tourists. After all, overtaxing tourists could make them choose to travel to another destination.

So the Convention and Visitor's Bureau decided to use public relations to change the perception of Alaskans regarding the importance of the tourism industry. The message communicated to the public was that tourism benefits the state not only because it brings in taxes but also because it creates jobs. A radio and television campaign utilized testimony from real Alaskans that benefited from tourism, such as a local graphic artist employed to produce brochures. The campaign also stressed that many of the finer restaurants could not exist on the patronage of locals alone. One ad presented a local celebrity, the winner of the Iditarod Dog Sled Race, to stress that while the race is an Alaskan tradition, the interest of tourists helps keep it alive.

Has the campaign effort been successful? According to the director of the Mat-Su CVB, every year that the local borough government has been asked for funding to support the tourism industry, the funding has been given (Tobin, 2004).

Questions to Answer

- Does our local community have a negative attitude toward tourism?
- What facts are available about tourism-related jobs and other benefits?
- How can we use public relations tools such as press releases, speakers, and feature articles to communicate this information to the public?

PUBLIC RELATIONS TOOLS

The purpose of communicating through public relations is to maintain a positive image of the city as a tourist destination by communicating indirectly through the media. The other purpose is to refute negative media stories that

TABLE 10.3 Types of Public Relations Activities

Tool	Description
Media kits	Background information to be used in feature articles
Press release	A prepared statement sent to media
Publicity photographs	Provided to media to use in their stories
Public speaking	Build awareness of city with public
Sponsorship programs	Create positive image for city

may appear. This type of negative news story might result from bad weather, service worker strikes, or comments from unhappy visitors. There are a number of public relations tools, including media kits, press releases, publicity photos, speeches, and sponsorship, that can serve to communicate with the public through the media. The tourism market should choose the most appropriate tool for a specific task or event (Table 10.3).

Media Kits

An essential public relations tool that the tourism marketer must develop is a media kit, which provides background information on the city to the members of the media for use in their own stories. Media kits sent to the press should include recent news releases, background information on the city, publicity photos, and perhaps a short video.

The media kit should also contain printed material specifically aimed at the media. Brochures are an advertising tool when used to motivate potential tourists to visit. However, tourism marketers also need to develop brochures and other print material that provide general information about the city’s history, attractions, services, and its tourism industry. This material can be included as part of the media kit, can be used alone, or can be sent with a news release that describes an upcoming event. In addition, it can be posted on the tourism office’s website.

Press Release

Another essential public relations tool is the press or news release, which is a prepared statement sent directly to a specific media source. The press release can also help to communicate directly to other media sources by posting it on

the city's website. Writing a press release that will attract a reporter's attention is a skill that all tourism marketers need to perfect. First, the press release must be interesting and timely. If possible, it should also include information that ties into an issue or person important to the people living in the geographic area covered by the media. By doing so, it will be of more interest to the area's newspapers or radio stations. After all, the media exist to provide information to their listeners, not to help tourism marketers with promotion. To increase the chances that the reporter or editor will actually use the press release, the tourism marketer should be sure it answers the questions of what, who, when, and where. In addition, the press release should provide information on an emotional level about why someone should care about the news.

Promoting on the Wild Side

Everyone knows about the gopher that makes the official prediction on whether or not there will be six more weeks of winter. What they might not know is that the gopher is named Phil and lives at the Punxsutawney City Zoo. The Pennsylvania Department of Tourism decided to use Phil as a spokesperson to encourage winter tourism to the state, a traditionally slow period. The slogan for the campaign was "Don't Hibernate."

But instead of just using a cute cartoon character, tourism officials hired an advertising company to film six short video clips of the gopher chasing his shadow, filmed in the style of an edgy urban police drama. The clips had their own website, www.groundhogchase.com, linked to the www.visitpa.com website. The purpose of the campaign was just to get people talking. However, the ads were so unique that the media wrote stories about the campaign itself, thereby extending the city's promotional reach (Anderson, 2005).

Questions to Ask

- Can we take a local symbol and give it a newer, even trendier feel?
- Do we have the confidence to try a promotional campaign that is creative and original just to make people notice?
- Can we get additional public relations coverage for our campaign using press releases, photos, and speeches?

Once the press release is written, it needs to be targeted to the appropriate media. By being familiar with the needs of different newspapers, magazines, and radio stations, the tourism marketer will know what type of press release they are most likely to use. After all, the media will only run press releases of interest to their readers. When sending in the press release to the media, it should be addressed to someone personally, hopefully someone with whom the marketer already has an established relationship.

Key Questions Press Releases Should Answer

- How is news unusual or unique?
- How are people involved in the story?
- Where do these people live?
- Is the local economy part of the story?
- Are famous or infamous people involved?
- Why should anyone care?

Publicity Photographs

Publicity photos have several important uses as a public relations tool. Tourism marketers should submit photos along with any press releases, for a good photo will catch the editor's or reporter's interest, therefore making it more likely that the press release will be used. While it might be tempting for the tourism marketer to send in the same photo with all press releases, it is the inclusion of people enjoying a specific event that creates interest. The best photos are ones that include people who are actively engaged in the activity described in the press release. When sending a photo, the tourism marketer should also include a caption that describes the action and identifies the people. Photos can also be sent to reporters for use in their feature articles and posted on the tourism office's website.

Tourism marketers need to have available a variety of public relations photos. The photos, of course, should be of good quality and of sufficient resolution so that they can be successfully reproduced. Because the size of the photo may be reduced when used, the contents should be simple so that it will still be clear if reproduced in a smaller format. In fact, it is useful for tourism marketers to send more than one photo so that editors can have a choice.

Speeches

Because speeches require public speaking skill, they are a public relations tool that is underused. However, speeches directed at organizations in cities where

the potential tourist segment lives can effectively serve to engage the interest of the public and, hopefully, motivate them to learn more about what the city has to offer. An interesting and informative speech that communicates the city's history can generate a positive image of the city as a destination. Tourism officials could also send speakers to public service organizations in their own city or other cities to speak on the city's successful effort to develop a tourism industry. A written copy of the speech can also be distributed to the press and posted on the city's website.

Sponsorship

Tourism marketers might become involved in sponsorship activities to help build the reputation of the city as a caring community. Sponsorship is when the tourism office collaborates with a charity or other nonprofit organization to combine a tourist-related activity with a civic or charitable purpose. The charitable event will raise money for a good cause while it also brings visitors to the city. For example, the city tourism office might sponsor a bike race that raises money for cancer. They could also sponsor fishing derbies, cook-offs, or musical competitions. Whatever event is planned, it should provide visitors with an enjoyable activity at the same time that it does good by raising money. The tourism marketer would then ensure media coverage of the event by sending out press releases.

SUMMARY

Integrated marketing communications involves sending the same promotional message by means of more than one promotional method. The promotional methods available for communicating the message include advertising, public relations, personal selling, sales incentives, and direct marketing. The promotional tasks that can be accomplished via promotion include sending an informative message about the features and benefits of visiting the city and a persuasive message on the benefits of visiting the city. A reminder message is communicated to past visitors to invite them to visit again.

Advertising is broadly based communication using print or broadcast media. The process of creating an advertisement includes selecting the target market segment and deciding on the features to be described, the emotional content, and the message to be delivered. The written copy and/or visual elements for the advertisement are then created. A good advertisement is memorable, factual, and appealing. Techniques for creating an advertisement include slice-of-life, endorsement, and humor.

Brochures remain a very important advertising method for tourism marketing. An effective brochure quickly captures attention, presents the needed information, and also makes an emotional appeal. Brochures can be distributed by including them in direct mail and by placing them in public places.

Public relations involves using third parties to provide the public with positive information about the city and to counter bad news. Some public relations activities should be conducted on a continual basis to maintain a positive image of the city, while others need to be done for crisis management, when negative stories appear, or to promote a special event. The tools available when conducting public relations are media kits, press releases, publicity photographs, speeches, and sponsorship events.

Advertising Plan Worksheet

Before starting the process of designing an advertising plan, you must identify the targeted market segment and develop the marketing message.

Our targeted market segment:

Our marketing message:

Now use Table 10.4 to develop ideas on how advertising can be used to communicate this message.

TABLE 10.4

Method	Message	Estimated Cost	Proposed Idea
Print advertising (newspaper, magazine)			
Broadcast (TV ads, radio spots, videos)			
Brochures (mailers, general, event specific)			
Other print (posters, buttons, flyers)			

Public Relations Plan Worksheet

First make sure you know your message and target.

The media target:

The information to be communicated:

Now use Table 10.5 to design a public relations plan.

TABLE 10.5

Method	Person Responsible	Estimated Cost	Proposed Idea
Media kit (brochure, photos, article)			
Press releases (general, event specific, crisis)			
Speeches (public service organizations)			
Sponsorship (races, concerts, contests)			
Photographs (city, people, core product)			

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Sales Incentives, Direct Marketing, and Website Development

CHAPTER OBJECTIVES

- Explain the importance of sales incentives in motivating the potential tourist to visit.
- Describe the various sales incentive tools and how they can be used in tourism marketing.
- Discuss how the tourism office can implement a direct marketing program using mail and email.
- Examine the design components of websites and discuss the importance of websites to tourism marketing.

SALES INCENTIVES

Each component of the promotional mix of advertising, public relations, sales incentives, personal selling, and direct marketing has a unique purpose. For example, the objective of advertising is to generate awareness of the product by communicating a general message on its features and benefits via various

print and broadcast media. The objective of public relations is to maintain a positive image of the company and brand by communicating through the media. Sales incentives also have a specific purpose: to move the consumer from an awareness of the product to actual purchase.

Sales incentives can be defined as the use of any of a number of different tools to motivate purchase by offering a reduced price or an opportunity to win a prize or receive a free gift. While sales incentive tools are very effective in motivating purchase, they cannot function alone. Instead, sales incentives must be integrated with other components of the promotional mix. For example, if sales incentives are to be effective, advertising must first inform consumers of the product's features and benefits. However, once advertising has created awareness of the product, sales incentives are effective in moving the consumer from interest to purchase.

Marketers are increasingly offering sales incentives because of the growing number of competing products and, therefore, the increasing number of competing promotional messages. Because this increase in competition is also true for marketing cities, tourism marketers attempting to attract visitors via advertising alone may find their promotional message getting lost among the messages from competing cities. Even if the city's promotional message is heard, the potential tourist often must decide between destinations that seem equally appealing. In this case tourism marketers can offer sales incentives to help potential visitors make their destination decision.

There's More on the Menu Than Just Fish Tacos

San Diego, California, wants to let travelers know that the city's restaurants are on a par with those in such major tourist destinations as New York, Chicago, and San Francisco. In other words, they want potential visitors to know there is more to eat in San Diego than just fish tacos. But how do you change the public's perception? The San Diego chapter of the California Restaurant Association decided to position San Diego restaurants as unique because they used fresh California ingredients. After all, San Diego restaurants have access to seafood from the Pacific and all the fresh produce they need from California's farms.

Once the positioning was decided on, how did the restaurants communicate the message? They placed advertising in epicurean magazines read by "foodies," one of their target market segments. However, tourism officials didn't only rely on advertising to get the message out; they also used public relations. Food and travel writers were invited to visit the

city, eat in the restaurants, and meet the chefs. The result was articles and critiques that appeared in magazines read by those with a serious interest in food and travel.

However, these same restaurants also continue to target to local residents with promotion, for two reasons. First, tourism is seasonal and restaurants need customers year round. Second, visitors are interested in eating where the locals like to dine! (Lewis, 2002).

Questions to Answer

- Are we known for any type of fine cuisine or local delicacies?
- Do we have a public relations program that encourages food editors to visit the city to eat in our restaurants?
- Do we encourage our restaurants to continue to promote to local residents at the same time they target tourists?

SALES INCENTIVE TOOLS

A number of different sales incentive tools can be used by companies to motivate an interested consumer to purchase: price deals, coupons, frequency programs, rebates, cross-promotions, contests and sweepstakes, and premiums. While all of these might possibly help to promote cities to potential visitors, probably the most useful for tourism marketers are price deals, contests and sweepstakes, premiums, and frequency plans (Table 11.1).

TABLE 11.1 Useful Sales Incentive Tools

Tool	Description	Example
Price deals	Price reductions offered in off-season; package pricing to make purchase easier	Half price off all attraction tickets during off-season; package price for hotel and arts fest tickets
Contests and sweepstakes	Contests require action, sweepstakes are a drawing; both add a bit of excitement to the purchase process	Contest requiring tourist to answer questions on city; sweepstakes for a week's free lodging.
Premiums	Free gift that is given when product is purchased	Free mug with city logo to all hotel guests
Frequency plans	To reward loyal consumers	Discount certificate to visitors who book a hotel for one week or more

It is important for tourism marketers to remember that sales incentives alone will not motivate a visit. However, they are effective in motivating an already-interested potential tourist who must choose between destinations. Tourism marketers can offer sales incentives to meet specific objectives, including stimulating first-time visits, encouraging repeat visits, and increasing visits during the off-season. Price reduction sales incentives are most effective for first-time visits because they reduce purchase risk. Providing premiums can encourage repeat visits by adding an extra motivation for rebooking. Contests and sweepstakes can help to add excitement to visits during the off-season.

Sales incentives also have benefits for potential tourists. They can be particularly attractive to potential tourists interested in trying new destinations by reducing risk. Because the sales incentive provides a reduced price or additional free merchandise, the potential tourist feels that the visit will be worthwhile. Contests and sweepstakes can help to increase sales during slow periods by adding an element of fun to the purchase process.

Benefits of Using Sales Incentives

- Tourism marketers
 - Motivate first-time visit
 - Encourage repeat visit
 - Increase sales during slow periods
- Potential tourists
 - Reduce purchase risk
 - Add fun and excitement to purchase process

Price Deals

Price deals are probably the most popular form of sales incentive. When potential tourists are comparing similar cities, price break incentives can be very effective in stimulating purchase. Of course, the tourism office itself does not control the pricing of event tickets, lodging, or restaurant meals. However, the tourism marketer can work to encourage these businesses to collaborate and promote price deals to potential tourists. While tourism marketers can offer price deals to encourage visits all year long, they are especially effective for encouraging visits during the off-season, when fewer tourists are visiting.

The reason for the popularity of sales incentives that provide a reduced price is that all consumers seem to be attracted to a “good deal.” The advantage of not having to pay full price for what is received is at the heart of the promotional offer. However, there are other reasons why potential tourists are attracted to an offer of a special price. First, it may allow them to visit a city they would normally consider too expensive. The price incentive may also

alleviate any guilt the potential tourist feels from spending money on a trip. And, finally, it may be that the price deal gives potential tourists an excuse to take the risk of visiting a new city, thereby meeting a need for variety.

The two types of price deals most appropriate in tourism marketing are price reductions and package pricing. In an effort to increase off-season travel, the tourism marketer may decide to promote the reduced prices for lodgings and attractions. This type of price reduction will be very attractive to potential tourists who have heard promotional messages on the city's attractions, were interested in visiting the city, but considered the regular price too high for their budget. When advertising to promote a price reduction, the tourism marketer needs to stress in the ad that visitors will still be able to enjoy the city's main attractions. In fact, the attractions may even be enhanced, because the city will be less crowded.

Another sales price deal is to promote a package price. A package price technique is designed to motivate the potential tourist to visit by having one price that includes a variety of tourist products and services. The tourism marketer could design the package to include some or all of lodging, tickets, tours, and events. This package price should be slightly less than the total price of all products and services if purchased separately. The money that will be saved if the complete package is purchased is what motivates the potential tourist to visit. While the tourist may buy the package because of the cost savings, the availability of a package may also encourage visitors to stay more nights and engage in more activities, which results in their actually spending more money.

Real Tourists, Real Texan

The new advertising campaign for Texas tourism seems a bit like reality TV. The advertisements follow four families as they enjoy different activities that Texas has to offer visitors. Six commercials show the families involved in activities such as hiking and camping, swimming at the beach, visiting a dude ranch, and going to a museum. To stress that these benefits are all uniquely Texan, the broadcast ads are accompanied by music made popular by Texan musicians. The purpose of the ad campaign is to brand Texas as providing a variety of activities that will be popular with many different types of families, each with its own unique lifestyle preferences. To reach the targeted families who might want what

(continued)

Texas has to offer, the print ads will also run in different styles of magazines, such as *Good Housekeeping*, *Coastal Living*, and *Cowboys and Indians* (Williamson, 2005).

Questions to Answer

- How can we show, in our advertising, families, either real or fictional, visiting our city?
- In what types of activities should these families be engaged?
- Is there local music or art that can be used in the broadcast or print ads?
- How can we determine what types of media our targeted families would read or view so we can place our ads effectively?

Contests and Sweepstakes

Contests and sweepstakes are sales incentives that can add a bit of excitement to the purchase process. Contests, unlike sweepstakes, require a consumer to use a skill or ability in order to win a prize. An example of a contest that might be set up by tourism marketers would be to offer a prize to a visitor who correctly answers questions about the city's history or current attractions. This type of contest provides an interesting activity for visitors while at the same time encouraging them to learn more about the city and what it offers. A contest could also be presented as a family activity, with the questions geared toward the interests of children.

To conduct contests, the visitor center would provide a form to tourists with questions that could be answered through visiting various city attractions. The completed form would be returned to the visitor center, where the tourist would receive a prize, such as souvenir merchandise. The prize needn't be expensive because the main benefit of the contest for tourists is to provide an enjoyable activity while they explore the city.

Sweepstakes differ from contests in that they are only drawings that anyone can enter by filling out an entry form. Sweepstakes, unlike contests, do not require the visitor to have any ability or skill. Because it is easier for customers to enter a sweepstakes, there will be more participants than with a contest. Sweepstakes also differ in that there is only one winner, who would receive a more expensive prize, rather than multiple contest winners. Consumers are motivated to enter sweepstakes because there is always the chance of winning. The reason that sweepstakes are popular with marketers is that the entrant needs to provide contact information on the entry form so they can be notified if they win. The information requested by the tourism office running the

sweepstakes should include name, address, phone number, and, if available, email address.

This information requested on the entry form can be very useful for purposes other than notifying the winner. The address information can provide the tourism office with basic geographic data on where visitors live. The entry form can also ask visitors what additional information they would like to receive about future events and travel packages the city has to offer. The contact details can then be coordinated with a direct marketing campaign to send additional information in the future. Of course, the entry form must allow visitors to state they do not wish to have their contact information used to receive any future promotions.

Tourists Love Culture, Especially If They Can Take a Piece Home

Albuquerque, New Mexico, can offer more history to tourists than most cities. Its cultural history starts with the earliest Native Americans, whose artwork a tourist can still see at Petroglyph National Monument. Next came the Navajo, the Apache, and the Pueblo people. To learn more about these cultures, a tourist can visit the Indian Pueblo Cultural Center. Later, in the 16th century, Spanish colonizers arrived from Mexico City. Visitors can learn more about their arts and culture at the National Hispanic Cultural Center.

Today the Old Town area of Albuquerque is a magnet for tourists because they can still experience a variety of these cultures, expressed in the different architectural styles of the buildings and the different products for sale. Tourists visiting Old Town can buy jewelry, art, and souvenirs that reflect the cultures of many groups. Learning about other cultures is more fun when you can take a bit of the culture home as a reminder of the visit (Handley, 2003).

Questions to Answer

- What different cultural and ethnic groups lived in our area in the past and today?
- Do we have tours, museums, monuments, or cultural centers that will allow visitors to learn more about the history and culture of these groups?
- Do visitors have an opportunity to purchase any goods or souvenirs they can take home that are representative of these groups?

Premiums

A premium is a free gift given to consumers when they purchase a product. Premiums are always popular because most everyone likes receiving something for free. For tourism marketing, a premium can be provided even if the “purchase” has no cost. For example, the tourist office might offer a premium to any visitor who uses the services it provides. The reason for the tourism marketer to offer the premium is to encourage more tourists to visit the visitor center. Once at the center, tourists are more likely to avail themselves of what the city has to offer and as a result spend more money. Of course, offering the premium will not be effective unless people know about it, so the availability of the premium must first be advertised.

The premium that is offered does not need to be expensive. It could be a small memento of the city that can serve as a reminder of the visit once the tourist returns home. When purchased by the city in large quantities, such mementos can be quite inexpensive. Some ideas for premiums that might be offered include practical items such as maps of the local area, road atlases, and a guide to the city. Tote bags bearing the city's name and logo make useful free gifts and also provide the city with advertising once the visitor has returned home. Magnets and mugs are two items that are always popular as souvenirs. If the area has any magazines on the local lifestyle, the latest issue can be provided as a premium.

The tourism office might also consider offering free refreshments at the visitor center as an incentive to encourage its use. Providing refreshments to anyone who visits the center can be a very attractive incentive, particularly free cold beverages in hot climates. While this can be costly, one idea to minimize expense is to collaborate with a local grocery chain or food wholesaler. In return for offering their product for free or at a discounted price, the city will provide free advertising for the company.

Premiums that would be appropriate for business travelers might be items such as pens, notepads, business card cases, and luggage tags. Tourism marketers, with the cooperation of local hotels, should also consider providing free copies of the local newspaper to business visitors. Not only does this make the visitor feel more welcome, it may also increase revenue of local businesses when travelers see the ads and purchase local products and services.

Some premiums can be distributed right on the city's tourism website. One idea is to have available a screensaver with photos of the city that viewers can download. Another is to have e-postcards that can be sent to friends. Both reward the potential tourist for visiting the website. Of course, the availability of the premiums must be advertised on the home page of the website or it may be overlooked by the potential tourist.

Premium Ideas

- Maps, atlases, and guides
- Tote bags
- Pens, notepads, business card cases, and luggage tags
- Magnets and mugs
- Refreshments
- Magazines and newspapers
- Screensavers and e-postcards

Frequency Programs

Frequency plans reward loyal users and are very popular with many types of businesses, from airlines to coffee bars. Airline mileage programs build brand loyalty by providing free flights to frequent flyers, while a coffee bar keeps customers loyal by giving them a free cup of coffee after the purchase of a certain number of cups. Tourism marketers can adapt the idea of frequency programs to encourage tourists to use more services and buy more products. The tourism office could reward tourists who purchase a variety of products in different stores or visit a number of different attractions. Tourists could show their receipts or ticket stubs at the visitor center to receive a discount coupon that could be applied to lodgings on their next visit.

DIRECT MARKETING

While there has always been direct contact between seller and buyer, direct marketing represents the development of a more recent marketing practice. Direct marketing employs technology to communicate individually with customers and offer them customized product information. While businesses have always had the ability to store customer information as written records, after a certain point the number of records becomes too great to access easily. The ability companies now have to market directly has developed as the result of the capacity of computer databases to store and sort customer information. Computer databases can sort vast amounts of consumer information, making it more useful because it can be easily accessed. In fact, the role of databases in direct marketing is so crucial that sometimes it is referred to as *database marketing*.

While everyone is aware of annoying telemarketing calls, this is actually a poor example of direct marketing. In fact, if tourism marketers apply direct marketing correctly, the consumer will not consider the communication a nuisance. The correct use of direct marketing will actually reinforce the marketing concept that states that the role of organizations is to provide products that

are needed and desired by the consumer. By consulting data that has previously been collected and stored, direct marketing can give consumers information customized to match exactly their travel preferences. Direct marketing not only provides a customized message, it also allows tourism marketers to customize the product to meet the specific needs of potential tourists. It is this application of databases to give consumers information and products based on their preferences that distinguishes direct marketing from the old-fashioned cold calling of telemarketing. Correctly applied, direct marketing can target consumers with information on only the products they are interested in purchasing.

Let's Fall in Love—Again

For 20% of tourists, the motivation to travel has something to do with romance. For example, they may be attending a wedding, going on a honeymoon, or celebrating an anniversary. Many of these travelers are young, with 33% being between the ages of 18 and 34. If they come for one romantic trip and it meets their expectations, the positive associations may well cause them to return again—and again. Who are the most romantic Americans? Southerners are, for 35% of them have taken a romantic trip in the last year! (Pina, 2002).

Questions to Answer

- Do our lodging establishments have special romance packages?
- What romantic dinners and tickets to special events can they include in their packages?
- How can our city be branded as a honeymoon or anniversary destination?

Advantages of Direct Marketing

Direct marketing offers a significant advantage to tourism marketers by allowing them to provide exactly the information the potential tourist desires at the time it is needed. However, to gain this advantage, the tourism office will need to invest in the hardware and software to manage the database. While some companies can purchase a mailing list from a commercial provider, tourism marketers must be willing to invest the time and effort to collect the initial

customer information. Even if unwilling to invest the time and effort to maintain a large visitor database, all tourism marketers should at least consider implementing a small direct marketing campaign.

The advantages of direct marketing include the ability to identify the preferences of potential tourists, first-time visitors, and repeat visitors. This would include the types of activities they prefer, the time of year they like to visit, and with whom they travel. Tourism marketers can use this information to customize both tourist packages and the promotional messages sent to tourists. For example, tourism marketers could identify potential visitors by family status and only send promotional material on the children's museum to these families. Additionally, tourism marketers could target psychographic interest groups and send information on sports team schedules only to visitors who have bought tickets to sporting events in the past. First-time visitors who purchased packages could be targeted with a message of thanks and a sales incentive premium to encourage a repeat visit.

Obtaining Customer Information

Some database management programs have been developed expressly for the tourism industry. However, a small tourism office does not need a specialized software program because any good database program can store visitor information. While it is not possible for the tourism office to track everyone who visits the city, tourism marketers can track those visitors who provide contact information through contests and sweepstakes, have previously purchased packages, or have requested information to be mailed to them. In addition, contact information can be obtained when people stop by the tourism office by having visitors sign a guest book or card. Contact information can also be requested on the city's tourism website. All of this contact information is then put into a database for future use along with as much demographic and psychographic information as is known. A database management program can also track marketing efforts to travel intermediaries. Again, it would serve to track needs and specifications and then offer a customized product.

Obtaining Customer Information

- Contest and sweepstakes winners
- Previous package purchasers
- Potential tourists who call or email visitor center
- Potential tourists who visit visitor center
- Website users

DIRECT MARKETING METHODS

The objective of any direct marketing program is to have a cost-effective method of establishing communication between tourists and the city tourism office. The tourism office will use mail or opt-in email to communicate the message. Not only should the direct mail communication be customized to appeal exactly to the interests of the tourist, it should also provide a means for two-way communication. A well-designed direct marketing piece, rather than just sending a promotional message, will provide the means for a response from the potential tourist via mail, email, or phone call. For example, the direct marketing message would ask potential tourists to contact a special number at the city tourism office to receive additional information or purchase a package.

Direct Mail

Direct mail is the most common direct marketing tool for sending customized information. The direct mailing list will consist of the names of previous visitors or names gathered from inquiries received over the phone or via the tourism office's website. Once the direct marketing list is developed, tourism marketers can utilize it to send out postcards, letters, or brochures. The direct marketing piece could include customized information on upcoming events or special sales incentive offers. The piece sent must be specifically designed to quickly capture the attention of the recipient by providing information of immediate interest.

For example, tourism marketers might send a direct marketing piece about an upcoming garden show to previous garden show visitors. To attract the attention of the recipient, the tourism marketer might design the piece to include a photo of a brilliant flower, with the message that the show is opening soon. Because the message provides information of interest to the recipient, there is an excellent chance it will be read. The direct marketing message will also provide information on when and where the garden show is taking place. In addition, the message could offer an incentive for visiting, such as reduced ticket prices or special packages for lodging. The tourism marketer might also offer a sales incentive such as informing recipients that they will receive a free gift at the garden show if the card is shown.

Because contact information is essential to starting a direct marketing campaign, tourism marketers should train everyone who deals with potential visitors not only to be friendly and helpful, but also to get information on the visitor's name, address, and travel activity preferences.

This contact information can serve other purposes than sending future promotional information. For instance, by analyzing the zip codes of inquirers

and visitors, the tourism marketer can gain an understanding of where their potential and current visitors live. Tourism marketers can also improve their segmentation and targeting process by correlating information on activity preference with zip codes.

Successful Direct Mail Pieces

- Quickly attract attention
- Provide customized information
- Motivate action with sales incentive

It is important to remember that tourism marketers should not use direct marketing to send general advertising messages developed to build awareness about the city as a tourist destination. Direct marketing merely to build awareness of the city as a potential destination would be expensive and wasteful. If the direct mail message is too general and not specifically targeted, it will be ignored by the recipient. Instead, the message sent by direct marketing should always be specific. For example, via direct marketing, tourism marketers could remind visitors who attended last year's art fest of the date for the upcoming fest.

Direct marketing can effectively promote a specific event, such as a bike race or the opening date of the sports season. It is important that the message include an offer of special interest to motivate the visitor. For example, if the city is known for its museums, a direct mail piece can announce the opening of a number of new exhibits and offer the potential visitor a coupon for discounted admission. An idea for using direct marketing during the off-season is to collaborate with the local hotels to offer summer visitors a "stay one night, get one night free" sales incentive. Of course, an individual hotel could also run such a campaign, but the tourism office would become involved if the idea is to attract visitors no matter at what hotel they stay.

Opt-in Email

Email can be divided into four types. First is personal email from family, friends, and acquaintances. This email everyone is pleased to receive. Second is work email that must be answered soon after it is received. The third type of email is the dreaded spam. This is unsolicited commercial email that is sent to receivers regardless of their potential interest in the product. Certain companies send vast amount of these emails in the hope of eliciting a response. Only an extremely small fraction of a percent needs to respond to make such emailing profitable. There is a fourth type of email, opt-in commercial email. This is email the receiver specifically requests to receive in the future. Such email is only sent with the permission of the receiver and is customized to provide only the information that has been requested.

Types of Email

- Personal
- Work
- Commercial spam
- Opt-in

Opt-in email, just like other direct marketing, will not be effective if it sends out only a general message about the city. However, it can serve successfully to send information to seriously interested potential visitors and repeat visitors. The email must only provide information to recipients regarding a special event or offer a sales incentive. For example, with a city in New England that receives repeat visitors for fall foliage viewing, visitors may be interested in receiving an email to inform them when leaf color is at its peak. Likewise, sports fans who travel south for baseball spring training may appreciate an email reminder from their favorite hotel or motel that it is time to book rooms while reservations are still available. Opt-in email can also communicate special promotion offers based on the visitor's interest. Visitors who are fans of blues music can be sent emails on special ticket offers. This type of direct marketing via email can be especially useful if ticket sales are slow.

To ensure that the email is noticed and read, the subject line should specifically state the contents; for example, "fall foliage at maximum color this weekend" or "book hotel for spring training now" or "special offer on blues festival tickets." The recipient should know the content of the message just from the subject line. The email then should very succinctly describe the information or offer and give a contact number or website address where more information can be obtained.

Direct Marketing and Sales Incentives

Sales incentives are especially effective when employed in combination with direct marketing to motivate the requested response. The direct marketing communication might inform potential visitors that if they contact the tourism office they will receive a voucher good for a discount at many city restaurants. What the tourism marketer cannot do is use direct marketing to ask the potential tourist to respond to only one specific business. If it did so, it would be a marketing promotion that should be paid for by that business. However, it would be appropriate for the tourism office to send a direct marketing message suggesting that the potential visitor contact any of a number of collaborating hotels for information on discounted lodging.

It is important for tourism marketers to track the results of a direct marketing effort. This means that when calls come to the visitor center or directly

to hotels or attractions, it is critical that the visitor be asked if the call is in response to a direct mail campaign. This way, successful direct marketing efforts can be repeated and unsuccessful efforts dropped or altered.

WEBSITE DEVELOPMENT

Websites can serve a number of purposes for businesses and nonprofit organizations. The website can be set up for e-commerce, which is selling a product directly to consumers without any intermediaries such as retailers. Other traditional business functions of a website include providing after-sales support and customer service. In addition, an organization may develop a website without planning to use it for sales or service. In this case, the website is simply a tool for advertising and public relations.

Uses of Websites by Organizations

- Direct selling
- Sales support and customer service
- Advertising and public relations

Tourism Office Website

The Internet has become an important source of information for so many people that it is now as essential for a tourism office to have a website and an email address as it is for the office to have a telephone. For a tourism office to develop a website will take time, staff, and money. This is especially true if the tourism office needs to hire a professional to design and create the site. However, it is possible for a member of the tourism staff to develop a simple website from basic computer knowledge and the appropriate software.

The main purpose of a website for tourism offices will be to advertise the city's features and benefits. A website is a useful tool for the tourism marketer to communicate information about the city to potential tourists because a well-designed website allows each individual potential tourist to access just the information needed. In addition, the website can function as a public relations communications tool to provide information to the media.

Website Advantages

One of the advantages a website provides to the tourism office is the ability to communicate multiple messages via the same communication medium. This differs from a brochure that must have a single unique message to attract a tar-

geted market segment of potential tourists. In contrast, a website can have multiple messages that differ for each group. For example, the same website can be designed with separate pages for families, young singles, and business visitors. From the home page, website viewers can quickly click the tab that will bring up the correct page with the appropriate message and the needed information.

Another advantage a website has over a print brochure is that the website information can be updated and changed much less expensively. In addition, email in conjunction with the website allows the tourism office to build a relationship with potential and past visitors by encouraging them to contact the tourism office. And, lastly, the website can serve tourism marketers as a public relations tool. Press releases and articles that are sent to media outlets can also be posted on the website for the use of media as well as the general public.

Advantages of Website

- Target multiple segments
- Update information easily
- Gather contact information
- Provide email link
- Communicate public relations information

Despite all the advantages of a website, it cannot stand alone as a promotional tool. So many tourism websites are now available that the potential tourist will not come across the city's site accidentally. Therefore, to be found and consulted by potential tourists, the website must be promoted by means of other components in the promotional mix, such as advertising, personal selling, and public relations. For example, all of the city's printed material should include the website address. Of course, the address should be prominently displayed on brochures, but also on letterheads, flyers, posters, business cards, and in fact all written communications. Also, everyone in the tourism office should be trained to refer potential tourists to the website for additional information. Furthermore, the website address should be included on any public relations press releases.

Making the Website Address the Main Message

Three hurricanes hitting Florida in one year generated news coverage showing huge waves and driving rain. As a result, the Greater Fort Lauderdale Convention & Visitors Bureau knew they had to communicate to potential tourists an image that Fort Lauderdale is still a sunny vacation destination. The marketing message they decided on was simply to com-

municate images of sunshine and scenery. The ads showed photos of the sunny beach scenes people traditionally associate with Florida. While the ads ran in traditional magazines and newspapers, nontraditional media, such as bus wrappers and CNN TV feeds in airports, also communicated the promotional message. What was unique about the ads was that the only written information included with the sun and beach scenes was the Convention & Visitor's Bureau's website address. The purpose of the ad was to motivate the potential tourist to access the website for additional information (Schoettle, 2004).

Questions to Answer

- Does all the promotional material we produce include our website address?
- What nontraditional media might also communicate our website address?
- For what target market segments does our website contain information?

WEBSITE DESIGN

A website should not be thought of as simply a brochure put on a screen. For a website to be useful in communicating information to potential tourists, it must be understood as a totally different medium with its own design requirements. Tourism marketers must take the time to consider how to design the site while keeping in mind the website characteristics of addressability, interactivity, and memory (Table 11.2).

TABLE 11.2 Website Characteristics

Characteristic	Description	Example
Addressability	Ability to identify potential tourists at the earliest stage of interest	Ask new website visitors to enter contest to receive free souvenir merchandise
Interactivity	Allows direct communication from the tourist to tourism office	Provide email address to any questions the website user might have
Memory	Ability to store information about potential or current visitors	Tie website into database program to keep names and information on inquirers

Addressability

The term *addressability* refers to the capability of the Internet site to provide the tourism marketer with the possibility of identifying potential tourists at the earliest stage of interest. While the website should be designed to provide as much of the information that may be desired by potential visitors as possible, it should also have a means for potential tourists to request more information. When they do so, they will need to identify themselves and the tourism attractions or services in which they are interested. Tourism marketers can then use this contact data to provide additional promotional material. Tourism marketers can also add the potential tourists' contact information to their database so that they can send future customized direct marketing promotional offers of interest.

Interactivity

Interactivity is the ability of the Internet website to allow communication both from the sponsoring organization to the website user as well as from the user to the organization. Potential tourists visiting the website expect to easily find there any information they desire. However, they also expect to be able to communicate their need for information directly to someone at the tourism office. Rather than visiting the website to obtain only preexisting information, potential tourists will want to request information that is customized to meet their particular travel preferences. For example, with interactivity, tourism marketers could obtain information on what potential tourists want to experience on their visit and then provide customized itineraries based on those unique interests and individual budgets.

Interactivity can also function to entertain by having games and contests on the website. These can be designed to engage potential tourists' interests while at the same time providing information about the city as a potential destination. Interactive games are particularly important if the city wants to project a contemporary image to young potential tourists.

Memory

Memory refers to the ability of an Internet website to store information about potential or current visitors. This information can then be utilized to provide future customized information based on the tourist's past requests. A very sophisticated website can be designed to provide this information automati-

cally the next time the tourist visits the website from their home computer. Another use of the Internet's memory is to send follow-up emails. This is not the same as spam, which is a widely broadcast email message to everyone. The "opt-in" emails deliver only the information requested.

Visit Texas Online—Yee-ha!

An example of a tourism website that provides both information and fun is www.traveltex.com, developed by the Texas Economic Development and Tourism Office. The categories of information provided on the website include cities, activities, and events. The site also allows users to search for lodging and provides potential itineraries for driving tours. The website even has a special section targeted at the market segment of Canadians that travel to Texas during the winter months. Their website page especially welcomes them by providing special offers and customized information.

However, the website also allows users to do much more than simply read information. It has built in a number of methods for the viewer to interact. The website has a shopping site where viewers can purchase Texas merchandise, such as "Texas Yee-ha!" license plates and hats. In addition, the website has fun games that also teach website users more about Texas. There is a Texas Trivia Quiz with questions ranging from the factual, such as "What is the tallest statue in the state of Texas?" to the silly, such as "Who wears the largest jeans in the world and what size are they?" Additional games are Texas Checkers and Name That Song Trivia, with 20 song lyrics about Texas. And if that isn't enough, the site also offers sales incentives, such as free coupons for travelers when they visit Texas (Office of the Governor, 2005).

Questions to Answer

- What types of services does our tourism website provide?
- What games, contests, or trivia can we add to our website?
- Do we have current listings for all of our festivals and events?
- What important tourist market segments should have their own page and offers?

DESIGN PROCESS

Before beginning to design a website, the tourism marketer should consider a few important design issues. For one, tourism marketers need to make a decision as to how interactive the site will be. Some sites merely provide one-way communication, but a well-designed site allows users to request additional information, such as brochures, videos, or CDs, that are then mailed to them. In addition, to promote interactivity the website could be hooked directly into the tourism office's email so that viewers can email in questions and get a personalized email response.

Tourism marketers should design the entire website to fit in with the image of the city's brand. The purpose of the home page is to entice the potential tourist to enter the website to learn more. Therefore it is important that the home page communicate the city's branded image and that additional information be kept to a minimum. When potential tourists first find the tourism web page, it should be as if they are seeing the cover of a book, *not* the inside of a brochure.

Website Components

Most website designs have similar components, including the home page, information on the sponsoring organization, contact details, a section on frequently asked questions, and tabs that will bring the viewer to different content pages. Upon entering the website address, the viewer will find the first page, or "home." Viewers should be able to return to the first page by clicking on the Home tab from wherever they are on the website. The website should also have a section called "About us" that explains who is responsible for developing and maintaining the website. For companies this section would provide the company history and information on its tourism mission and values. For tourism websites this section can present a short history of the city, its mission statement, and information on the tourism office or department responsible for upkeep of the website.

Tourism marketers will also want to include a section called "Contact information" that provides the address, 800 phone number, and email address for the tourism office. Even though the website presents a great deal of information, people will still want to call. While websites are an important tool for communicating with the public, some people still want to pick up the phone and speak to someone personally. An advantage to listing an 800 number is that potential tourists will feel more trust in the information on the website, even if they don't call the number. A map on how to get to the city tourism office once the visitor has arrived should also be provided.

Another popular component on websites is a section called FAQs, or frequently asked questions. Here is where the tourism office can answer all of the routine questions asked by tourists, such as the location of attractions, weather information, and driving instructions, without taking up staff time. The website will also have content pages that focus on the city's core product and tourist services. An important issue when designing the website is what type of information and how much will be provided to which target market segments.

Components of a Website

- Home page
- About us
- Contact information
- Frequently asked questions
- Content pages

Website Testing

Once the website is designed and built, it needs to be tested before it goes live. This testing should be conducted with individuals who are similar demographically and psychographically to the market segments of tourists being targeted. These individuals should be given a chance to “test drive” the website. After they have done so, they should be asked for their opinions on several criteria, including whether they found the images appealing and the information helpful and whether the website was easy to navigate around.

The tourism marketer should also ask the test participants what on the website first attracted their attention, because this feedback can help improve the website's design. The test participants should also be asked what information about the city they may have wanted but were unable to locate. The best way for tourism marketers to determine if the site is easy to navigate is to observe how many “clicks” it takes the participants to find the information for which they are looking.

Testing Website

- Visually appealing
- Helpful information
- Easy to navigate

Website Addresses

One last step in the website design process will be to obtain a URL (universal record locator) and to register a domain name. The domain name should be

something easily remembered by potential tourists. However, because many cities have the same name, the first choice of domain name may not be available. The task is then to find some common words, perhaps from the city's slogan, to go with the name. For example, if "pleasantcity.com" is not available, perhaps "visitpleasantcity.com" is. The URL must then be registered with search engines so that people can find the website.

SUMMARY

Sales incentives can motivate an already-interested consumer to complete the purchase. The objectives for sales incentives in tourism include motivating first-time and repeat visits and increasing the number of visits during the off-seasons. While there are numerous sales incentive tools available, the most useful for city marketing are price deals, contests and sweepstakes, premiums, and frequency programs. Sales incentives should not be used alone but should be integrated with other promotional tools, such as advertising and public relations.

Direct marketing uses technology to communicate individually with potential visitors about offers customized to their particular interests. Direct marketing has developed because computer databases can hold and access large volumes of consumer information. For tourism, direct marketing offers can be communicated via mail or opt-in email. To implement a direct marketing program, the tourism marketer must first collect visitor information from contest and sweepstake winners, former package purchasers, and potential tourists who have requested information. A successful direct marketing piece must quickly attract attention, provide customized information, and motivate action with a sales incentive.

A website is now an essential tool for all tourism offices. One of the main advantages of a website is that it can communicate to more than one market segment of tourists at the same time by having different content pages. In addition, a website can be more easily and inexpensively updated than a brochure. Websites are not just brochures put online but have their own unique characteristics and design requirements. This is because websites have addressability, interactivity, and memory. Memory allows tourism offices to identify potential tourists at the earliest stage of interest. A website can also be interactive by providing information at the same time as it entertains. Memory is the ability of the website to store contact data for future use in sending out promotional material. A well-designed website will be visually appealing, provide helpful information, and be easy to navigate around. The website will contain a Home page, an About Us section, a page with contact information, a section on frequently asked questions, and content pages.

Sales Incentive Worksheet

Sales incentives should be part of every tourism office’s promotion mix. Use the worksheet in Table 11.3 to start creating your own sales incentive ideas.

TABLE 11.3

Tool	Tourist Segment	Proposed Idea
Price deals		
Contests and sweepstakes		
Premiums		
Frequency programs		

Website Design Worksheet

Website design is a task that should only be undertaken by someone with the necessary skills. Use the worksheet in Table 11.4 to evaluate the website’s final design.

TABLE 11.4

Component	Suggested Improvements
Home page	
About us	
Contact information	
Frequently asked questions	
Segment content page	
Other needed pages	

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Trade Promotion, Budgeting, and Collaboration

CHAPTER OBJECTIVES

- Introduce the unique components of the trade promotion mix, including familiarization tours and trade shows.
- Discuss the process by which tourism marketers will sell packages to decision makers at travel intermediaries.
- Examine three methods of constructing the marketing budget and how it can serve as a planning and management tool.
- Describe innovative models of collaboration involving competing destinations and the state tourism office.

TRADE PROMOTION MIX

The five promotional mix methods by which any company can promote their product to consumers include advertising, public relations, sales incentives, direct marketing, and personal selling. Of these, four—advertising, public

relations, sales incentives, and direct marketing—are the most useful methods for tourism marketers promoting to individual potential tourists.

However, besides communicating a promotional message to individuals, tourism marketers will need to communicate the benefits of their product to travel intermediaries in the hope that they will then recommend the city to their customers. These travel intermediaries include tour operators and convention-planning businesses who work with trade associations. This type of promotional communication is referred to as *trade promotion*. Advertising can promote to individual tourists and to travel intermediaries. In tourism marketing, personal sales has limited value for promoting to individual potential tourists. However, it is essential when promoting to travel intermediaries. Other promotional methods, such as familiarization tours and trade shows, are unique to trade promotion.

However, even though advertising can function to promote to both individual potential tourists and travel intermediaries, a different marketing message must be developed and communicated for each. The promotional message communicated to individual potential travelers will stress the emotional benefits provided by a visit to the city. This message will not be effective in promoting to travel intermediaries. When communicating with travel intermediaries, a rational message must be developed that provides factual information on the features of the city and the price and package components of tours. In addition to changing the message, the advertisements for travel intermediaries will need to be placed in the specialized trade publications read by tour operators and convention planners.

Tourism marketers can occasionally use personal sales as a promotional method when communicating to individual potential tourists over the phone or when they stop by the visitor center. However, personal selling is most often preferred when promoting to the decision makers at travel intermediaries.

Believe in Ghosts? Well, a Lot of People Do!

Alexandria, Virginia, has found ghost tourism to be of growing interest to potential tourists. So the local Convention and Visitor's Association teamed with a local ghost researcher to learn more about their own city's ghosts. The Visitors Association allowed the researcher to investigate the presence of a ghost that lives in Ramsey House, where the association is located. Other local buildings and locations were also "ghost analyzed" (ghostalyzed?) by means of heat sensors and motion detectors.

To provide information to the media about Alexandria's ghosts, tourism officials called their annual spring fam tour for travel writers

“Ghostly Alexandria.” The writers on the tour may not have seen a ghost, but they learned a lot of ghostly history that they then put into their travel stories. All the better to attract ghost lovers! (Gowen, 2004)

Questions to Answer

- Do we have any ghostly history we can promote?
- Can we build our ghost stories into walking tours and promotional brochures?
- If we do not have any ghostly history, can ghost researchers help us discover a ghost or two?

PERSONAL SELLING

When marketing cities as potential destinations, personal selling is involved whenever anyone in the tourism office communicates the features and benefits of the city to a potential tourist. Therefore, any service provider is potentially also a salesperson. However, personal selling is most important when marketing cities to travel intermediaries. Rather than only relying on mailing promotional and publicity material to tour operators and meeting decision makers at travel trade shows, the city tourism marketer also needs to make personal visits to these organizations. Such visits can be very effective in selling the city as a destination because the tourism marketer making the sales call can immediately listen to and address any objections the decision maker might have to adding the city to one of their tours.

Decision makers working for travel intermediaries must be very careful when choosing tours to purchase to resell to their customers. Because tour operators make their profit by selling the same tour in volume, one wrong choice can result in many unhappy customers. These are customers who will not return to the tour company for their next trip. Therefore tour operators will avoid the risk of selling new packages unless they are convinced they offer the type of quality experience desired by their customers. To overcome this caution regarding adding new tour destinations, the tourism marketer can utilize personal selling to develop a relationship with the decision maker. The relationship, whether initiated at a trade show or by communication over the phone, will establish a basis of trust, and the travel intermediary can purchase, assured to receive an appropriate and quality product.

Skills Needed for Personal Selling

The tourism marketer assigned this personal selling task needs special skills. Tourism marketers making sales presentations must not only be familiar with what their city has to offer, but they also need to be familiar with the city's competitors. This knowledge is necessary because one of the important tasks when meeting with the decision maker will be to differentiate the city from its competition.

In addition tourism marketers must have the skills to research which travel intermediaries should be approached. Early in the sales process, tourism marketers will need to research who the decision makers are at each travel intermediary and their contact information. Another characteristic needed by tourism marketers making sales calls is a friendly, outgoing personality. However, it is also important that the image of the tourism marketer making the sales call fits in with the image of the city. For example, if the city is positioned as a cultural center, then the tourism marketer should be knowledgeable about culture. Likewise, if the city's image is that of a family-friendly destination, the tourism marketer should be someone who sincerely believes in the importance of serving the needs of families.

Needed Qualifications for Sales

- Knowledge of city's features and benefits
- Knowledge of competitors
- Research skills
- Friendly attitude
- Appropriate image

PERSONAL SELLING PROCESS

Many people tend to think of personal selling as simply making random phone calls to any potential customer in the hope that someone will purchase. However, completing the sale by having a consumer purchase a product is only one of the steps in the sales process. The term *personal selling* covers all of the activities that are part of a six-step process. Two steps in this process, prospecting and preapproach, are actually completed before anyone is contacted in person. Only then does the tourism marketer contact the decision maker at the travel intermediary to present the city's benefits, handle any objections, and close the deal. After the sale, the tourism marketer will again make contact with the travel intermediary to ensure that the visit experience was satisfactory.

This process demonstrates that there is much more to selling than just getting a consumer to hand over money in exchange for a product. Unfortu-

TABLE 12.1 Steps in Sales Process

Step	Description	Example
Prospecting	Finding the right travel intermediaries to contact	Contact tour bus association for list of member companies that serve the city's geographic area
Preapproach	Researching the needs of each contact	Check promotional material to determine the market segment these tour companies serve
Presentation	Planning and delivering the appropriate information	Set up appointment with decision maker for presentation on new tour packages developed by city
Handling objections	Responding to issues raised	Add additional services requested by tour company and negotiate price
Closing	Moving toward action	Provide name and contact information for person responsible for booking tours
Follow-up	Making sure visit met expectations	Check with tour company decision maker to ensure visit to city was satisfactory

nately, some individuals have a negative view of sales, because they believe it involves persuading people to buy something they really don't need or want. Instead, a good salesperson first listens to what consumers need and then provides them with a solution. At the heart of the marketing concept is the process of solving a problem for the consumer, and when the sales process is followed this is exactly what should happen.

If the tourism marketer follows the steps in the sales process, travel intermediaries will think of sales calls as welcome assistance rather than as an unproductive interruption. Even after the presentation is made, the sales representative continues to assist the decision maker by providing additional information to answer any concerns. Even after the sale, the salesperson continues to maintain contact with the decision maker with follow-up to make sure the experience was satisfactory (Table 12.1).

Prospecting and Preapproach

Before the tourism marketer makes a sales call, the sales process begins with the first step: prospecting for the right decision makers to contact. After all, there is no point wasting everyone's time by approaching travel intermediaries who will not be interested in what the city has to offer. Tourism marketers can

start the prospecting process by reviewing the names of any travel intermediaries with whom the city has already had contact. In addition, hotel establishments in the city may be able to provide contact information for travel intermediaries with whom they have conducted business. Trade association directories and trade publications will also provide information on possible travel intermediaries who might be interested in having their customers visit the city. However, if the city is new to tourism, visiting a trade show may be necessary to start to gather this valuable information on travel intermediaries who are good prospects.

Once a prospect has been identified and the contact information obtained, the next step in the process is the preapproach. The tourism marketer must now research information about the products and services the travel intermediary provides and the customers they serve. This information should include a complete listing of the tours they offer and the different tourist segments they target. The tourism marketer should also determine the geographic area the travel intermediary covers with their tours. For convention-planning businesses it would include the type of associations they have as clients. Once this information is obtained, the tourism marketer should prioritize the list so that the most attractive prospects are contacted first. These are prospects that should be contacted because they have a need for what the city has to offer.

Presentation

Part of the sales process is to develop a personal relationship between the city's tourism office and the decision maker at the travel intermediary. Because it is important that they meet personally, the next step in the sales process is for the tourism marketer to contact the decision maker at the travel intermediary to make an appointment for either an informal meeting or a formal presentation. If the travel intermediary is small, all that may be needed is for the tourism marketer to schedule an informal meeting. If the travel intermediary is large, they may first want to meet with the tourism marketer and, if still interested, set up a formal meeting for a presentation. If the tourism marketer is new to making these types of sales calls, the information gathered during the preapproach will help to ensure success. Tourism marketers will find it much easier to make appointments for a meeting or a presentation if they can make clear to the travel intermediary that they understand their needs and can offer a solution.

The information regarding the types of destinations and activities desired by the travel intermediary's customers is critical in planning and delivering the presentation. The tourism marketer may prepare a formal presentation with

audiovisual and printed material that will be given to a group of people. Or the presentation may be a more informal meeting to provide initial information that the tourism marketer hopes will result in being asked back to discuss the proposal further. The purpose of either type of presentation is to provide only the most important information about the city's attractions and services and how what the city offers fits with what the travel intermediary's customers desire.

A carefully researched and prepared presentation will assist the travel intermediary in making the purchase decision. A professionally conducted presentation will also establish credibility by reassuring the travel intermediary that the city is serious about doing business and that the tourism product will be of high quality.

Objections, Closing, and Follow-up

The next step in the sales process is for the tourism marketer to handle any objections or issues raised by the decision maker. If the tourism marketer has conducted prospecting correctly, the benefits the city offers should match the travel intermediary's needs. Therefore these objections should concern not *what* the city offers but, rather, the *adequacy* of the services the city provides. It is the tourism marketer's responsibility to meet these objections with information that reassures decision makers that they are making the right decision by considering the city as a potential destination. If the needed information is not immediately available, the salesperson should say so, promise to respond quickly, and then do so. Tourism marketers should also expect the travel intermediary to raise objections regarding the price. Even if everything the tourism marketer presents meets the needs of the travel intermediary, no decision can be made immediately because there still will be negotiations over the cost of lodging and tickets.

The tourism marketer closes the presentation with information on how the tour can be booked. Rather than having just a passive close, the tourism marketer should be proactive and state exactly how to go about booking a group to visit the city, whom to contact, and when the best time to book is. After the presentation has been concluded, the tourism marketer's job is not done. Motivating a travel intermediary from interest to action is usually a long process, and follow-up will be needed. This will involve getting back to the travel intermediary to see if any additional information is needed. If the travel intermediary does book a tour, then follow-up will involve the tourism marketer's ensuring that the travel intermediary was satisfied with the experience and, if not, making certain that any problems that might have occurred are resolved.

FAMILIARIZATION TRIPS

Familiarization trips are a promotional method used in trade promotion. Familiarization trips, or “fams,” are free trips to the city that are offered to the decision makers who work for travel intermediaries, such as tour operators and convention-planning businesses. These decision makers will choose what packages to purchase to include in their tour itinerary or, in the case of convention-planning companies, to recommend as a potential site to their clients. The purpose of the fam trip is to give these decision makers a first-hand experience of what the city has to offer. If impressed, the decision makers are much more likely to sell tour packages to their customers or to recommend the city to their clients.

Planning a fam tour, like all other promotional efforts, takes money and time. The city tourism office must have a budget for fam tours because they will be expected to pay for transportation, lodging, tours, attraction tickets, and most meals. Of course, to keep expenses down, hotels, restaurants, and attractions will be expected to supply free or reduced prices. After all, it is these businesses and organizations that will profit from increased tourism. A fam tour can be as short as one day with an overnight or up to four days with three overnights. Because the trip is costing the tourism office money, tourism marketers will want to schedule as many events for the participants as possible. These events might include walking tours, bus tours, visits to major attractions, and perhaps shopping opportunities.

One decision that will need to be made is whether to develop the trip itinerary around a theme. What is decided depends on whether the city's targeted market segment is a psychographic interest group. If so, then the fam tour should invite tour operators who have this group as customers. For example, if the tourism office has targeted sports fans as potential tourists, they should invite decision makers who work for tour operators that specialize in sports tours. The itinerary of the fam tour should then be focused on the city's sports facilities.

Steps in Developing a Fam Tour

The planning for the fam tour should start at least six months in advance with developing the budget and the tour guest list. The tourism office must carefully target whom they invite because of the cost involved. Because tour companies may be invited on other fam tours it is best to send out the invitations early. The tourism marketer must then produce the itinerary, keeping in mind that the purpose of the tour is to show the best the city has to offer. They then should discuss the need for free housing, meals, and tickets with the city's busi-

nesses and organizations. Promotional packets will need to be developed for each tour participant prior to arrival. On the day of arrival, each participant will need to be met personally by someone from the tourism office. All that is left after this preparation is for the tourism marketer to conduct the tour.

Steps in Developing a Fam Tour

- Develop budget
- Develop invitee list
- Create and send invitations
- Produce itinerary
- Contact lodging, restaurants, and businesses about partnering
- Produce promotional packets for invitees
- Arrange for transportation to be met
- Conduct fam tour

Does Tourism Promotion Work? Ask Annapolis!

Annapolis, in Anne Arundel County, Maryland, needs to expand their visitor center because they are too successful! The visitor center, while staffed with only two and a half people, still managed during a single year to serve 175,000 visitors and book 8,000 room nights. The economic impact of this tourism is estimated to be \$1.8 million. In fact, tourism is either the first or second industry in the county, depending on how the numbers are calculated. As a result of the visitor center's success and its positive impact on the economy, tourism officials are pleading for funds to expand. Along with the expanded center, tourism officials have other growth plans. For the first time they will be using geographic segmentation to target a specific city, Pittsburg, for potential tourists. However, it takes money for staff and space to bring the tourists in! (Fieser, 2005).

Questions to Answer

- Are we trying to do too much with too little?
- Do we have the numbers in visitors and economic impact to justify more spending?
- Who do we approach to make our argument?

TRADE SHOWS

Trade shows are another means of reaching the decision makers at travel intermediaries. Trade shows are where tour operators come to shop for new tours to provide their customers. Trade shows have two possible formats, open forum and appointment, with many shows combining both. The most typical is an open forum, where cities buy booths and buyers are free to stop and meet with whomever attracts their attention. The trade show may also allow the city to schedule individual appointments to meet with buyers. National trade shows are held where large tour operators with national geographic coverage attend. These shows can be expensive and out of the financial reach of smaller cities. However, regional trade shows are also held. Tourism marketers should check the cost of attending each show, along with the cost of transportation to the show and lodging and meals, before they make a decision to attend.

The purpose of trade shows is for buyers and sellers to meet and do business. For tourism marketers, a trade show is a promotional tool that allows them to tout the city to tour operators. Another advantage of participating in trade shows is that they allow the opportunity for tourism marketers to network with each other while they gather information on competitors. In fact, trade shows are of increasing importance for all business-to-business marketing because they are a very cost-effective and efficient way of making contacts and sales.

For tour operators, the trade show represents an excellent way to start the selling process. Decision makers attending the show already have the specifications for the tours they need. Their purpose in attending is to search for destinations that can provide these exact experiences desired by their customers. Meanwhile, the tourism marketer takes the trade show as an opportunity to make informal presentations on the city as part of the sales process. Before the show, the tourism marketer will have prospected for companies that are attending that may be interested in the city. After finding a likely prospect, they then prepared their preapproach by researching the company to determine their targeted market segment and their product needs.

Personal Selling at Trade Shows

The tourism marketer attending the trade show will provide tour operators with carefully prepared written promotional material on the city as a tourist destination that already meets the tour operator's specifications. If a travel intermediary decision maker is interested, tourism marketers can use the trade show as opportunities for personal selling to handle objections by answering any questions and addressing any concerns. The most effective method for per-

sonal selling by tourism marketers at a trade show is to focus on travel intermediaries whose customers are the same as the city's target market segment of potential tourists. There is little advantage for tourism marketers to promote to travel intermediaries whose needs the city cannot serve.

The tourism marketer at a trade show is essentially handling one personal selling opportunity after another. Therefore the tourism marketer chosen to attend the trade show needs to be knowledgeable about the city and its competitors. However, just as importantly, he or she needs to be both friendly and tenacious. Because of the multiple steps involved in the organizational buying process, no deals will be made at the show. Therefore, follow-up by the tourism marketer is critical. To follow up effectively, tourism marketers must always make sure when selling the city that they obtain the name of the prospect and their contact information. Along with these details they should also carefully note any further information they need to provide to the decision maker at the travel intermediary to answer questions or address concerns.

Trade Show Success

First, tourism marketers must ensure that they are attending the right trade show. Trade shows specialize in tours to different geographic areas, by psychographic interest groups, and by type of transportation. Therefore, tourism marketers must choose a show that will attract tour companies that have customers interested in visiting their region. They must also choose trade shows that specialize in the type of tourist activity, such as cultural or sports destinations, that the city provides. They should also find shows that specialize in the type of tour transportation, such as tour bus operators or charter flight companies, by which it is most convenient to reach the city.

Once tourism marketers have found a trade show that will meet their needs, they will need to purchase a booth. When they do so, they may want to take the opportunity to set up appointments with specific tour operators. To start the sales process, the tourism marketers should then send promotional information to these companies before the trade show starts. Once at the trade show, the city will need an attractive and professional-looking display for its booth. Tourism marketers will also need printed and other promotional material, such as videos, aimed at travel intermediaries and also a sample of the city's promotional material targeted at individual tourists. Another essential ingredient to success is not only to have the right people manning the booth but also to have sufficient coverage so the booth will never be left unattended. The city never wants to give the impression that no one is home. After the show is completed, the tourism marketer must remain in contact with any good prospects.

Trade Show Success

- Choose the right show
- Make preshow appointments
- Contact these appointments prior to show
- Use attractive displays
- Provide professional promotional material
- Arrange sufficient booth coverage
- Follow up on prospects

Why Go It Alone? or Even New York City Needs to Collaborate

NYC & Co., the official marketing arm of the City of New York, and the History Channel, a cable TV channel, have found a way to collaborate that benefits both. According to New York City's mayor, even though tourism is New York's number one industry, the city has been under-spending on tourism promotion in comparison with competing cities. However, rather than simply spending more money to print brochures, NYC & Co. decided on an innovative promotional strategy in collaboration with cable TV's History Channel. While New York certainly offers the excitement of a contemporary international city, the collaboration with the History Channel will focus on branding the city as a destination with lots of history. An official History Center will be opened in lower Manhattan that will be the starting point for history tours, activities, and events. As its part in the collaboration, the History Channel will develop the tours that will start from the center. After all, who knows history better? Another component of the collaboration will involve the History Channel in organizing and promoting a campaign to save New York's historic monuments and sites.

The collaboration will provide the city with increased tourism and renovated monuments. What's in it for the History Channel? First, NYC & Co. will buy advertising time on the History Channel and its affiliates to run 30-second advertisements promoting tourism to New York. In addition, New York City has agreed to promote the History Channel on bus stop shelters, phone kiosks, and street pole banners.

The city gets new tourism products to attract history buffs. The History Channel sells broadcast time, gets free advertising, and associates their name with one of the great cities of the world. This is collaboration where the total is definitely greater than the sum of the parts! (PR Newswire, 2004).

Questions to Answer

- If we have sites of historic interest, can we collaborate with a local museum, publication, or cable channel?
- Can they help us develop our history into a tourist product in exchange for our promoting their product and services to tourists?

THE MARKETING BUDGET

Once the strategic marketing plan has been developed, the tourism marketer needs to construct a marketing budget before it can be implemented. However, a budget should not be thought of as only a single step in the marketing process. Budgetary constraints should have been considered throughout the process of developing the marketing plan. After all, it is useless for the tourism marketer to develop marketing plans for which there is no possibility of funding. Once the marketing plan is implemented, a budget continues to be important as a management tool for tourism marketers. During the year, the budget can serve as a means of monitoring the flow of funds so that more money is not spent than is available. This keeps expenses in line with available funding. In addition, the budget process is a means of obtaining funding commitment from the government, community associations, and any other revenue sources by demonstrating what expenses need to be covered.

BUDGETING METHODS

While the budget can be constructed for as short a time period as a month or for as long as five years, most budgets are for one calendar year. No matter what time period is covered, it is important that the marketing budget be as comprehensive as possible and account for all marketing activities. The budgeting process is particularly useful as a planning tool because it forces the tourism marketer to consider all possible marketing tasks for the year. In addition, because there is rarely enough money to accomplish everything, the tourism marketer can use the budgeting process to prioritize by importance. If constructed thoughtfully, the resulting budget will be a practical document that will guide action during the coming year rather than just be a wish list of activities.

The three popular methods of constructing a marketing budget are percentage of sales, competitive parity, and objective and task. Each has advan-

TABLE 12.2 Budgeting Methods

Method	Description	Advantage/Disadvantage
Percentage of visitors	Determines how much to spend on marketing activities as a percentage of visitors	Rewards success; doesn't provide sufficient start-up funding
Competitive parity	Determines the marketing budget based on what competitors are spending	Convinces funders of need for money; difficult to choose correct competitor
Objective and task	Determines marketing objectives, tasks to accomplish these objectives, and what each of the tasks will cost	Helps establish priorities; takes time to construct

tages and disadvantages. Tourism marketers must choose the method that best fits their needs (Table 12.2).

Percentage of Sales

The percentage-of-sales method determines how much to spend on marketing activities as a percentage of the revenue generated by sales. This amount might be as little as 1% or as high as 10%. Of course a city does not measure success by sales revenue but rather by visitor numbers. However, the percentage-of-sales method can be adapted to become a percentage-of-visitors method, where the city's marketing budget would rise or fall depending on the number of visitors attracted to the city. This might seem to be a fair method because the tourism office would be rewarded for achieving high visitor numbers with more marketing funds. Furthermore, while success would be rewarded, failure to attract visitors would be punished with a lower marketing budget.

The problem is that if a city is new to marketing tourism, funds will need to be spent before visitor numbers can grow. The problem with the percentage-of-visitors approach remains even after the city has been successful in establishing a reputation as a destination and attracting tourists. After all, visitor numbers can decrease due to external influences that have nothing to do with the city's current marketing effort. For example, a poor economy or natural disaster may discourage people from traveling, thereby decreasing visitor numbers. If this occurs, tourism marketers will need to spend more money, not less, on additional promotional efforts to keep visitor numbers steady. Spending less money could result in an even further decrease in visitor numbers.

Percentage of Visitors

- Set goal of number of yearly visitors
- Set budget for total marketing expenses
- Adjust budget up or down as visitor numbers change

Competitive Parity

Competitive parity, which determines the marketing budget based on what competitors are spending, is another method of developing a marketing budget. This method can be particularly useful when launching a new marketing effort. One of the more difficult responsibilities of tourism marketers is to convince the providers of funding, including city government and the business community, that the financial resources asked for are necessary. Using competitive parity to inform them of what a comparable city spends can help to make this argument. To establish competitive parity, the tourism marketer would find a city of comparable size and features and then suggest that the amount of money it spends on tourism marketing should be matched. Of course, the tourism marketer will need to conduct research to obtain this information. If the city is large, its tourism department may have a published budget. However, tourism marketers most likely will obtain this information through informal networking with peers.

The disadvantage of the competitive-parity approach is that the competing city may have an entirely different marketing objective. If the competing city's objective is only to remind current tourists to visit again, this will take much less money than developing a promotional campaign to target an entirely new market segment of visitors. It might also be that the competitor's budget is inadequate and that, by matching the amount spent, tourism marketers may be setting themselves up for failure. It may even be the case that the competing city has a larger budget than is needed because its marketing is ineffective.

Competitive Parity

- Find city of comparable size and similar objectives
- Determine that city's marketing budget
- Set own budget to match

Objective and Task

The objective-and-task method is probably the best approach for tourism marketers when developing a marketing budget. This three-step approach starts with the tourism marketer planning the marketing objectives for the next year, deciding on what tasks will be necessary to accomplish these objectives, and

then calculating what each of the tasks will cost. For example, the tourism office might be planning two marketing campaigns for the next year. The tourism office's first priority might be a yearlong promotional campaign focused on attracting older visitors to the city. In addition, they might decide to plan a second, smaller promotional campaign to attract more tourists to the annual fall arts fest.

For the yearlong campaign, the marketing objective might state that the number of older visitors will increase by 10% over the coming year. When stating the objective of the yearlong campaign, the tracking of visitor numbers will be difficult. If the plan is to have visitors stay overnight, the objective might be expressed by the increase in the number of room nights booked at lodging establishments. Of course, it would be difficult for tourism marketers to determine if the targeted group of elderly visitors is actually booking the rooms. However, some method should be tried, such as asking the hotels to provide a qualified opinion of whether the demographic profile of new guests has changed to include more elderly. For the arts fest, the objective might be to increase ticket sales to tourists 15% for next year. The success of this promotional campaign will be much easier to assess. All that is needed is to ask ticket purchasers where they live.

After deciding on the marketing objectives, the tourism marketer plans what promotional tasks will be necessary to reach each objective. These might include the cost of creating the advertising, the purchase of any premiums to be offered as sales incentives, the cost of media purchases, public relations material that needs to be created, and the cost of hiring any professional assistance. For example, if the city is planning a major print advertising campaign along with public relations activities, what exactly needs to be purchased and the cost of each item are priced into the budget. A separate list of tasks is created for each marketing objective.

Finally, a total cost for all the marketing tasks for the promotion to older visitors and a total cost of the marketing tasks for the arts fest is calculated. If the funding allocated is insufficient to cover both objectives, the tourism marketer may decide to limit the tasks in both promotional campaigns. Unfortunately, this may make both campaigns ineffective. A better choice would be to pursue only one objective and hope that increased funding for next year will allow the tourism office to pursue the second objective.

Difficulties in Establishing Tourism Budgets

Tourism marketers will face unique problems in establishing and monitoring tourism budgets. Because it takes time for tourism to develop, the expenditure of money on marketing in one year may not reap immediate benefits. In fact,

it may take two or more years to develop significant visitor numbers. It is also difficult when using the objective-and-task method to differentiate spending between objectives. The marketing material promoting the arts fest will also contain general information about what the city has to offer other visitors. This material may be seen by an elderly person who then decides to visit, but not during the arts fest.

Sample Marketing Budget Items

- Design costs
- Printing costs
- Media buys
- Public relations activities
- Market research
- Travel to trade shows
- Sales incentive gifts
- Personnel costs

Six Cities Are Better Than One, or Fossils, Forts, and Festivals

Cities in western Kansas knew that tour operators thought of their part of the state as “drive-through” country on the way to the more exciting Rocky Mountains. So, Salina, Dodge City, Hays, Liberal, Hutchinson, and Garden City decided to collaborate to attract attention. While each alone was too small to launch a branding campaign, together the coalition decided to brand their part of the state as Wild West Kansas. Together they produced a brochure that was sent to tour bus operators that listed 101 reasons to visit the six cities. The brochure highlighted the unique and quirky activities that would enable tour operators to provide their customers with something a little different.

The brochure was so well received that “101 Reasons to Visit Wild West Kansas” won an award as one of the 10 best marketing ideas for the year from the American Bus Association (Montague, 2004).

Questions to Answer

- With which cities can we collaborate to attract tourists?
- What unique features and benefits do we share that we can use in branding?
- What interesting and unique activities can we offer to tour operators?

WORKING COLLABORATIVELY

Sometimes city tourism marketers will be faced with tasks for which they do not have the necessary expertise. If so, the tourism office might be lucky enough to connect with a local advertising agency willing to assist at no cost with a specific task, such as producing promotional materials. In addition, the tourism office may be able to use the services of talented community members or graduate students. However, sometimes the tourism office will need to hire professional assistance.

Advertising Agencies

The tourism office may sometimes need to use budgeted funds to hire the professional assistance of advertising agencies. In this case it is useful for tourism marketers to know the different types of services that advertising agencies can provide. Some of these services include assisting the tourism office with researching the targeted market segment, determining the appropriate marketing strategy, developing the marketing message, designing the promotional material, selecting appropriate media, and measuring and evaluating success. Some advertising agencies are full service and provide any needed assistance; others specialize in a specific marketing task.

Tourism marketers can decide to bring in an advertising agency for only a specific task for which they lack the ability. For example, the tourism marketer may be able to develop the marketing message. However, the tourism office may need help with the creative work of designing the print ad. Even full-service advertising agencies often specialize in developing marketing for client companies producing a specific type of product or promoting to a specific market segment. Tourism marketer may want to find an agency that has experience working with tourism promotion.

Agency Assistance

- Researching the targeted market segment
- Determining the appropriate marketing strategy
- Developing the marketing message
- Designing the promotional material
- Selecting the appropriate media
- Measuring and evaluating success

Working with Consultants

Sometimes the city tourism office is faced with a highly specialized task, such as development of a new brand image for the city. In this case the tourism mar-

keter might consider hiring a marketing consultant. However, the consultant's reputation must first be carefully checked. One of the best ways to do so is for the tourism marketer to speak with former customers of the consultant. Once a consultant is hired, successful use of their expertise depends on the tourism marketers' having clear objectives of what they want to accomplish and on whether the consultant has the skills to match these objectives. But it is very important, before the contract is signed, for tourism marketers to know exactly what information they want the consultant to provide and exactly what the cost will be for the service.

Artists and Businesses Working Together for Prosperity

The State of Maryland decided to designate certain city blocks as art districts to revitalize downtown areas. Within these designated geographic areas, tax credits and financial aid were made available to artists and arts-related businesses. In Silver Spring, Maryland, the program has shown itself to be a successful means of revitalizing blighted areas. As a result of the tax credits and additional funding, a nonprofit arts organization redeveloped older buildings into an arts complex. The designation has also helped for-profit entertainment businesses such as cinemas stay in the area by giving them a break on the city amusement tax. In response to more people visiting the area in the evening, eating establishments have brought in live music. The area has now attracted the attention of local residents as a desirable destination, and a housing unit is being created that will also include an art gallery.

The result is a lively arts community that is also attracting tourists. In fact, "art walks" are now offered to visitors to help them discover the area (Hooker, 2004).

Questions to Answer

- Can we work together with government to obtain tax breaks for arts and entertainment venues that agree to promote to tourists?
- Can we work with local artists to design work and living spaces so they can remain in the city center?
- Do we provide tourists with information on and tours of our arts district?

MARKETING PARTNERSHIPS

Tourism offices, especially in smaller cities, are always faced with the challenge of having to accomplish too many objectives with too few financial and staff resources. Therefore finding ways to collaborate with others to share resources is critical to the successful implementation of a marketing plan. Tourism marketers should consider possible collaboration with competing cities and the state tourism office to extend their promotional efforts.

Collaborating with Neighboring Cities

There may be more one city in the local area that promotes itself as a tourist destination. A possible method for the tourism office to extend its promotional budget is to work collaboratively with the tourism office of the competing city to bring visitors to the region. Instead of promoting in competition with one another, the two cities could collaborate on developing joint promotions aimed at the same potential tourists. If they do, the fact that there is more than one tourist destination in the area will increase the likelihood of motivating potential tourists to visit. If the cities are small and the targeted potential tourists live at a distance, one city alone may not be enough to motivate a visit, whereas two may make the trip worthwhile.

Though the collaboration usually involves developing joint advertising and public relations campaigns, the two cities might also collaborate on developing and promoting shared tourist packages. The advantage to this collaboration is that the tourism offices, by pooling some of their budgets, get more promotion for their city. As a result, both cities should receive more visitors. Tourists who would in the past visit only one city will now visit both, because they are both included in the package.

Not all partnerships need to involve joint promotional campaigns or packages. The city tourism offices might work collaboratively to develop joint special sales incentive offers. For example, ticket partnerships can be created where one admission ticket gets the visitor into attractions such as museums in both cities. Collaboration might also be developed for joint promotion to travel intermediaries. To save expense, both tourism offices might share a booth at a trade show or go on joint sales calls.

Another idea for collaboration is for the tourism office to share employees with special talents. One city's tourism office might employ an individual with creative talent, while another might employ someone with media-selection expertise. Working in collaboration will allow tourism marketers from nearby cities to increase staff expertise without increasing staff size and thereby save both offices money. If the collaboration is unique, its existence can even

be promoted by means of public relations, thereby raising awareness of both cities.

Advantages of Marketing Partnership

- Stretches promotional budget
- Packages offer visitors a more extensive product
- Makes more effective use of staff

Collaboration between two competing cities will not succeed unless they share characteristics and expectations. To be successful, each city's promotional campaign must be aimed at the same market segment of potential tourists; otherwise, joint promotional campaigns will be impossible. In addition, both tourism offices participating in the collaboration must agree on the amount of funding that will be provided by each partner. It is also important that the expectations of each city's tourism office be realistic. Contact should be maintained between the two tourism offices by means of email, phone calls, and meetings so that there is a strong understanding of the responsibilities and expectations of both.

Success

- Same market segment of potential tourists
- Similar budget size
- Regular contact
- Realistic expectations

Collaborating with the State Tourism Office

The city tourism office should also consider collaborating with the state tourism office to benefit from joint promotion and distribution efforts. For example, if the state tourism office is planning an extensive new promotional effort, the tourism marketer for the city might want to associate the city's efforts with the state's by promoting a similar message. For example, if the state tourism office is planning a new branding campaign to promote the state's wilderness areas, the city might also decide to promote its closeness to the wilderness.

Another collaboration idea would be for the state office to help with distribution of the city's printed promotional material by including it with the statewide distribution. This would save the city tourism office money by eliminating the need to develop its own distribution system. The city's promotional material could also be made available in state tourism offices. Another way to collaborate is for tourism marketers to place the city's advertisement in the state's tourism publication. In return the state tourism office might agree

to include in its publication content extended coverage of the city as a destination.

State tourism offices can also provide marketing advice to city tourism marketers. For example, state tourism offices can help the city with advice on which travel intermediaries to approach and provide contact information, including the decision maker's name. In addition, rather than conduct all their own external analysis, the city tourism marketers might find that the state office already has data on the external environment and tourism activity. The tourism marketer might also get access to mailing lists through the state tourism office. In addition, the state or even national tourism offices might provide training courses that could be of use.

Collaborating with the State Tourism Office

- Joint promotional message
- Joint distribution of promotional material
- Marketing advice
- Research data
- Mailing lists
- Training

SUMMARY

Some components of the promotional mix function to promote to both individual potential tourists and travel intermediaries. For example, advertising can serve each, but the message and media will need to be different. Promotional methods such as familiarization, or fam, tours and trade shows are unique to trade promotion. Fam tours are free trips given to decision makers at tour companies and convention planners to familiarize them with the benefits the city has to offer. Tourism marketers will also need to attend trade shows. These shows bring together buyers and sellers for the purpose of transacting business. Tourism markers should attend trade shows to distribute information on the city as a tourist destination and to start the sale process.

Personal selling can be involved in both consumer and trade promotion. However, when marketing cities, it is most useful when promoting the city to decision makers at travel intermediaries. The process starts with prospecting for travel intermediaries who have customers who will enjoy the city as a tourist destination. Before approaching the decision maker, the salesperson will research what the decision maker might need or desire for his/her customers. Only then will the salesperson make the sales presentation. As part of this presentation, the individual will handle any objections and close the sale. After the sale is complete the salesperson will follow up by ensuring that the visit experience has been satisfactory. The tourism marketer chosen to make

the sales call should have knowledge of both the city and its competitors. In addition, that person should be friendly and fit the image of the city.

Before the marketing plan can be implemented, a budget must be developed. This can be done using percent of visitors, competitive parity, or objective and task. Not only is the budget necessary to control expenses throughout the year, it also is a management tool.

Sometimes the tourism office will lack the expertise needed to complete a marketing task. If lucky, the office might find a company, an individual, or a talented student who will assist for free. If not, the tourism office may need to hire the services of an advertising agency or consultant. Both of these organizations can be hired for complete services or for specific tasks. It is best if tourism marketers make clear exactly what services are needed and what they are willing to pay before signing any agreement.

The tourism office should also consider collaborating with tourism offices in neighboring cities. This collaboration may involve creation of joint promotions. It can also involve sharing of staff expertise and special joint promotional offers. The tourism office should also consider the many benefits of collaboration with the state tourism office, including joint distribution of promotional material, marketing advice, and training.

Trade Promotion Worksheet

Once the marketing plan for attracting tourists has been completed, it is time to consider promoting the city to travel intermediaries. Use the worksheet in Table 12.3 to start your planning.

Collaboration Ideas

It is always time to develop collaboration ideas that can extend the tourism office’s resources. List three ideas that could be pursued by your tourism office:

- 1. _____
- 2. _____
- 3. _____

TABLE 12.3

Method	Company or Association Targeted	Proposed Idea
Advertising		
Personal selling		
Fam tours		
Trade shows		

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