

Department of commercial

Level: Master1 Hotel and Tourism Marketing

Lesson 01:

Tourism Marketing

A-Tourism Marketing

Tourism Marketing refers to the act of marketing and promoting tourism by making people aware of the new **attractions** and **services**. Every form of tourism service utilized encompassing **airlines**, **hotels**, **car rentals**, **restaurants**, **tour operators**, and **travel agents** falls under the broad category of tourism marketing.

Tourism marketers tap different **platforms** such as **social media**, **emails**, **websites**, and **online advertisements** to promote their brand and build a **competitive advantage**. The more the marketing effort, the better the business is compensated with the **profits floating** in. There are a range of benefits accrued from tourism marketing such as **better brand visibility**, **expansion of the tourism marketing** as a whole, and better **customer experience**.

B-Types of Tourism Marketing

1. Internet Marketing: Internet marketing encompasses **social media marketing** as well as **content marketing**. For example, service providers such as MakeMyTrip, and Agoda, and target platforms such as Instagram, Facebook, Pinterest ... etc., run targeted campaigns and also create awareness about the destinations. Alongside this, content marketing can create awareness in the form of **blog posts** and videos to engage potential tourists and introduce them to an attraction.

2. Email Marketing: Next up we have email marketing that promotes a company's services via emails. It creates an attraction for them right in their **Inbox** and encourages them to read more about it. For example, travel service providers such as MakeMyTrip send emails with travel plans and hot deals to customers who have either subscribed or availed of the services before.

3. Influencer Marketing: The most common means of marketing cropping up these days, influencer marketing is when companies hire **travel bloggers** and **social media personalities** to market their services and destinations for them. People often follow certain travel pages or bloggers who go out on exciting journeys. As a result, partnering with them can build a channel to reach potential customers. For example, Airbnb uses influencer marketing to spread its reach and tap potential customers.

4. Destination Marketing: In this marketing channel, companies often collaborate with the tourism boards to advertise an entire destination, appealing to potential tourists with the uniqueness of the destination.

5. **Community-Based Tourism Marketing:** Another source of marketing for travel service providers is engaging the **local population** in their marketing efforts to make it more **authentic**. When the locals are involved, the true essence of the destination comes to the forefront, helping tourists get an idea of the destination. For example, this is a commonly utilized technique for places that have an **authentic appeal** such as the north-east India. *Service providers use a mix of these **tourism marketing strategies** to capture a wide audience base and reach a diverse target. Tourism is one industry that depends little on the **personalized details** of people and more on the places they are interested in. A tourist can plan a vacation anywhere, irrespective of their current location and other factors. As a result, tourism service providers have a wider audience to engage with and showcase their travel plans.

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Lesson 02:

Marketing Mix in Tourism

The tourism being a service sold to the customers, **tourist experience** is the product. Which is **intangible, and non-storable**. The quality of the tourist experience as a product is directly connected with the quality of service a tourism business provides. The four parts of the marketing mix in tourism include the product, pricing, promotion and place or distribution. The role of the marketing mix in tourism is to bring the customers or tourists to the destination, product or service that the tourism company wishes to sell.

- **Product** The product role of the marketing mix in tourism is to make the tourists aware of what the company is trying to market or promote. The product for tourism may be a **bus tour**, a **hotel stay** or a **cruise**.
- **Pricing**: is another major aspect of the role of marketing mix in tourism. Pricing has to be set so that any competitor that are offering the same business or substitute business is comparable.
- **Promotion**: It encompasses all of the ways that the company markets and advertises the business. This may include typical types of marketing, such as placing ads in tourist magazines and offering discount coupons in travel guides. It may also include going from hotel to hotel in the area and leaving a postcard or flier for the service at each hotel room door.
- **Place**: The place is where the tourists visit and stay. The potential of a tourist destination lies in its attractiveness or aesthetic value, accessibility, and the facilities it provides to the tourists. The tourists also seek a place highly for the activities it offers, the amenities and skilled workforce it provides, and its location. URCW Promotion: It is related to informing, educating, persuading, reminding the customers about the benefit of an organization offers. Promotion helps in maximizing the duration of stay, frequency of visit by offering new tourists products in the same country to areas.
- **People**: People plays an important role in tourism. Customer service is focus issue in tourism. The travel agents, guides staff of travel companies, sales staff etc. are the people. Their skill, efficiency, knowledge, motivation and customer care are very important. People mix includes staffs, customers, and other which create tourism environment.
- **Physical evidence**: **Tourism product is the** combination of the tangible product like comfortable seat while traveling, layout and design of the resort, natural service scope, etc. The service concept needs physical evidence.

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Lesson 03:

Tourism product

A-Tourism Product

Kotler defines a **product**, as it is “anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need. It includes physical objects, services, persons, places, organization, and ideas”.

A product in general can be a thing, a place, a person, an event, etc. which satisfies the needs of the person purchasing the product.

Medlik and Middleton (1973) defines **tourism products** as “a **bundle** of activities, services, and benefits that constitute the entire **tourism experience**.” This bundle consists of five components: **destination attractions, destination facilities, accessibility, images, and price.**

B-What are the 5 A's of tourism product?

Attraction, accommodation, supporting facilities, the basic elements of tourism. For the better development of tourism, these facilities should be developed in respective areas and for this public as well as private sector should take a step.

C-Tourism oriented product

These are the products and services created primarily for the tourists and for the locals. These products need a great share of investments in private sector. A few of them are –

- Accommodations; for example, Taj. ITC Hotels.
- Transportation; For example, owning taxis, luxury buses, and boats.
- Retail Travel Agents.
- Tour Operators
- Shopping Centers such as malls
- Cinema Theatres such as PVR Restaurants for Food and Beverages
- Tourism Information Centers
- Souvenirs Outlets

What are the steps of product development?

The steps of product development of new product strategy

- Idea generation
- Screening and evaluation.
- Business analysis
- development and commercialization

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Lesson 04:

Loyalty programs

What are loyalty programs?

- A **marketing strategy** designed to encourage customers to shop at or use the services of a business associated with the programs.
- A **marketing system** businesses use to **reward their customers' purchasing behavior** to encourage the customers to stay loyal to the company.

Customers loyalty:

- Customer loyalty is critical to business success and profitability.
- Loyal customers buy more, and so improve sales and profit margins.

How does it work?

Most supermarkets and department stores have a retail loyalty programs in the form of a store card or loyalty card. Customers complete an application form with demographic data and receive a plastic card which is use firstly to record information about what the customer buys on their transaction record; and secondly to reward them with vouchers, points, or coupons; which can be used, or redeemed, to get gifts or money off future purchases.

Example of loyalty programs

An example of a loyalty program is Sephora's Beauty Insider Program, which rewards members based on their spending levels. The program has three tiers: **Insider** (free to join), **VIB** (spend \$350 annually), and **Rouge** (spend \$1,000 annually). Members earn 1 point per \$1 spent, and points can be redeemed for exclusive rewards. Rouge members, who make up around 1% of customers, receive the highest perks, including 20% off during sales, free shipping, and early access to products, compared to 15% for VIB members and 10% for Insiders. This tiered structure motivates higher spending and loyalty.

Benefits of loyalty programs:

- Help to create a positive association with the client.
- Makes a positive impact on company reputation.
- Boosts growth and increase sales.
- Find new clients.
- To allow marketers to identify and retain or keep preferred customers and reward them.
- To maximize customer loyalty and minimize customer defection.

- Provide important information on customer behavior based on their choice of rewards.

Task 01: Choose the correct words from the brackets to complete the sentences.

1. Market research shows that a satisfied customer does not automatically become a (loyalty/loyal) customer.
2. All retailers want customers to (repurchase / reward).
3. Loyalty programs (reward / revisit) preferred customers.
4. Loyalty cards should maximize customer (defection / loyalty).
5. Customers (earn / burn) points when they pay using their credit card.
6. A great number of retailers (identify / implement) loyalty programs
7. (Transaction records / Special offers) track what customers buy.
8. To get a loyalty card, customers complete the (application form / demographic data).
9. Customers can (redeem / reward) their points at any of our partner stores.
10. Electronic goods are popular (reward purchases / redemption options).

Task 02 Complete the newspaper article using the following words.

Build card earn points preferred programs retain. Special offers

How loyal can you be? Remember the first time you got a loyalty (1) from a retail store? You must have been on top of the world to be treated as a (2) customer. You looked for opportunities to shop only in that particular store to redeem your (3) discounts and (4) and take advantage of With customer relationship management (CRM) becoming the buzzword of Indian industry, loyalty programs are considered an effective tool to (5) relationships with customers across categories. While loyalty (6) are popular among retail stores, the trend which is catching up is mall loyalty programs. Ansal Plaza is among the first few Indian malls to offer a loyalty program. Called the Ansal Plaza Privileges Program, it has more than 18 stores as program partners. The program enables the members to (7) and spend privilege points at any of these stores. It is a cost-efficient and cost-effective way for the programs partners to (8) customers. A stand-alone loyalty programs would need huge investments.

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Lesson 05:

Motivation Marketing

A-What is motivation marketing?

For most organization, staffs are the key to success- the most important tool for the organization's success- and they can be **motivated** to promote their company's product or service. **Motivation marketing** engages staff and gets them interested by using **events or incentives**. It also aims to **recognize and reward staff efforts** by offering prizes or rewards for good performance- for example, with a monthly incentive.

Other benefits of motivation marketing include:

- **Increased job satisfaction:** happier people at work.
- **Improved productivity:** more work done in less time.
- **Improved performance:** the work is done better.
- **Encouraging behavior changes:** for example, introducing new work practices.
- **Increased sales for effectiveness:** for example, to achieve higher sales figures.
- **Improved product launches:** boost market penetration and gain market share more quickly.

B-Staff incentive schemes:

Staff incentive schemes, also known as **incentive programmes**- formal schemes designed to encourage staff to act in a certain way- are used by a wide range of companies in order to improve staff and distributor performance. Incentives such as prizes, rewards or gifts **can boost morale** (make staff feel more positive about their job and their employer). **Building staff loyalty** will result in lower **staff turnover** or churn-that is fewer people leaving the company. Another benefit is **reduced staff absenteeism**, a reduction in the number of days when employees are not at work through sickness. Measuring staff reaction and getting feedback- finding out what staff think about the programme are essential to getting it right.

A company that runs trade and staff incentive programmes developed a prize winning staff loyalty programme for Healthcare Staffers, an agency that places temporary medical staff in clinics and hospitals.

C- Incentives: travel and events:

In order to motivate staff, a company may choose to use **cash substitutes or noncash awards** such as a travel incentive- sending a staff on a trip or holiday.

Big-ticket giveaways, such as cars or very expensive holidays, are effective **sales incentives**- they can help motivate staff to sell more. During **the qualifying period** for an award or prize, teams are usually motivated. **Nominations** for awards can come from colleagues, sometimes an employee maybe **nominated** by a manager, perhaps because of high sales figures.

Events, such as parties, weekends away, games and competitions can be successful for team building increasing effective teamwork within a company or department.

Task 01: Complete the sentences using the following words. Look at A, B and C opposite to help you.

1. Build internal reaction recognizing sales turnover 1 Motivation marketing is a good way to staff loyalty.
2. It can increase motivation levels bystaff efforts.
3. A good incentive scheme means that people want to stay with the company, there is lower staff.....
4. Travel is an effectiveincentive.
5. People working inside the company, the staff, benefit from incentive schemes.
6. A good incentive scheme measures staffto make sure everything is going well.

Task 02: The following lines (1-6) are from an article about incentive programmes. Put them in the correct order, then say if the sentences (a-c) below are true or false. Look at B opposite to help you.

1. and flowers. Up For It! Reinforces the agency's dynamic culture. Staff
2. incentive for individuals and teams which rewards and
3. The programme, Up For It!, was launched at the start of last year. There is a monthly
4. absenteeism decreased significantly during the year.
5. recognizes those who represent the company's values. Employees can be nominated
6. by colleagues for rewards including perfume, free parking at the office,

a- Absenteeism went up while the incentive scheme was running.

b- Points were awarded to staff.

c- Employees cannot nominate themselves for rewards.

Task 03: Complete the descriptions of incentive schemes using the following words. Look at A, B and C opposite to help you.

Collected	earned	force	encourage
membership	qualifying	scheme	welcome

1. Incentives is a knowledge-based staff training and incentive that rewards staff for learning. Every member of staff receives acard and a pack. When enough points have been, staff can exchange their points for gifts.
2. A large employer is concerned when absenteeism climbs above the national average. The company launches an incentive scheme to behavior changes. All employees who have taken no days off each quarter are entered into a draw to win prizes, including holidays. During the period staff attendance rose dramatically.
3. The Australian Tourist Commission has launched an incentive scheme to increase sales effectiveness. Sales staff who sell a luxury holiday can enter to win a new car. Initial reactions suggest that it will really help to energize the team and make them more dynamic.