

Victoria University Of Bangladesh

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Bachelor of Tourism & Hotel Management

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1.

Before we begin, it's important to make a distinction between a marketing strategy and a marketing tactic. (As we will strictly be covering marketing strategies in this article.)

A marketing strategy is essentially an overarching plan to achieve one's marketing goals and objectives. In plain terms, it is a plan which guarantees that your marketing tactics are constantly contributing to your business goals.

Tactics, on the other hand, consist of highly practical marketing activities that you do every day. For example, posting to social media, writing blog posts, sending emails, etc.

That distinction is quite important. In this article, we will cover the top tourism marketing strategies for tour and activity providers.

1. Understand Your Customers
2. Optimize Your Website
3. Focus on Mobile
4. Be Social
5. Live Video Marketing
6. Send Those Emails
7. Accept Online Bookings
8. Tap into The Power of Reviews
9. Blog, Consistently
10. Get SEO Right
11. Set Up or Optimize Your “Google My Business” Listing
12. Focus on *Experience*
13. Engage Micro-Influencers
14. Set Goals, Monitor and Optimize

2.

Marketing in Hospitality Industry

Harry's Hotel is a small hotel that is being developed, but the owner, Harry, doesn't know how to market his company. Marketing in hospitality helps build awareness to customers and residents to the specific location.

Specifically for tourism, which includes restaurants, hotels, attractions, and transportation. Building awareness for Harry's Hotel not only helps the business, but it's also

helpful for the employees. With the competitive market in tourism, it's essential to market the hospitality industry according to its target audience.

There are different avenues a company can use to help market their business. Social media is helpful to most hospitality companies because they have the ability to develop a relationship with customers and can respond to any issues they may have promptly. Billboards are expensive, but when displayed in the right location, it helps reach thousands of people to help them gain awareness of a company. Using a mass-email list allows the company to communicate with a lot of customers and it works as a promotion tool for the business. So, Harry has quite a few marketing channels to consider. Of course, each marketing technique may be different depending on the specific hospitality field.

3.

The demand for passenger transportation has a number of characteristics, all of which affect the way a company markets. First, demand is instantaneous. For carriers there is great uncertainty as to what the demand will be on a particular day at a particular time between two points.

While past trends are useful they cannot be totally reliable. When demand is greater than supply, travelers are unhappy. By the time adjustments are made to supply more capacity, customers may have changed carriers or found an alternate means of transportation. The tendency, then, would be to provide more capacity than is needed. Overcapacity shows up in the load factor. In a perfect match of supply and demand, load factor would be 100 per cent. Anything less indicates the measure of overcapacity. The challenge in marketing is to create programs to fill each plane, train, ship or bus on each trip. Overcapacity is the result not only of instantaneous demand but also of the variability of demand. Demand for transportation is not the same each hour of each day of each month. It shows what is known as "peaks and valleys". At certain times of the day or week or month there is great demand; at other times the demand is light. Yet sufficient planes, boats, trains, buses and terminal

facilities have to be provided to cover peak demand. The result is that excess capital has to be invested, and this means that operating costs are increased. How should demand be priced? Should the peak traveler pay more than the off-peak traveler? Peak-load pricing states that those traveling at peak times should pay more for the extra capacity provided to meet peak demand. Some off-peak pricing is found in the airline industry and with passenger trains. Reduced midweek and night fares are an attempt at peak pricing.

Another characteristic of demand is that there is, in fact, more than one type or segment of demand for transportation. In its simplest terms, demand is either business demand or pleasure demand. The motivations, frequencies, and response to price are different. The motivation for the business traveler is derived; that is, the demand for travel exists because of the desire to do business in a particular territory. Demand for pleasure

travel is primary; the motivation is to travel to a vacation spot. The distinction is important because derived demand tends to be affected more by factors external to the transportation industry. No matter how good the service between New York and Detroit, if business is bad in Detroit, travel demand may go down. A reduction in fares, for example, may affect primary demand but may not affect derived demand.

The business traveler travels more frequently than the pleasure traveler. This makes this person very valuable to the airline. Frequent-flier programs, which offer rewards based on miles traveled, have been targeted toward business travel in an attempt to capture customer loyalty.

As mentioned above, derived demand may not be affected by changes in price. The company may absorb a fare increase as a cost of doing business. The business traveler may choose a more convenient, but more

expensive, flight since the company and not the individual is paying for it.

In some situations people can substitute one mode of transportation for another (train for plane; bus for train, etc.). This affects the way transportation is marketed.

Elasticity is the economic term for the sensitivity of travelers to changes in price and service. An elastic demand is sensitive to substitution; an inelastic demand is not. The extent of elasticity is dependent upon the price of the other mode of transportation and the type of demand.

Pleasure travel is more price-elastic than business travel; primary demand is more price-elastic than derived demand. When people choose how to travel, the decision is made on the basis of price, prestige, comfort, speed and convenience. Amtrak could successfully compete with the plane on certain distances on the basis of several of these factors.

Competition also exists within one mode between carriers. Generally, prices and the speed of the journey are the same or similar amongst competing carriers. Carriers must then market on the basis of the factors mentioned above: prestige, comfort, and convenience. Often a small change in departure time can capture a significant number of passengers. This explains much of the congestion at airports at certain times; everyone wants to offer flights at what are believed to be the most convenient times for the traveler.

Still another aspect of demand is that some transportation modes offer more than one type of service. Passengers can fly economy, business class or first class; trains also offer various classes of service. The different types of service are in competition with each other. Airlines, for example, have to decide the proportions of first- class, business-class and economy- or tourist-class seats to offer on a plane. They then decide what additional services are

necessary to justify the price differential (more leg room, better meals, free drinks, etc.).

Demand for transportation is also affected by the relationship between the price charged and the income level of the traveler. Pleasure travel is income-elastic; that is, the demand for travel is affected by changes in the traveler's income. Economists say that demand is elastic when a reduction in price results in more demand that will result in more revenue. (Revenue equals price times number demanded.) The company gains revenue because the increased demand brought about by a drop in price makes up for the reduced price. Similarly, an inelastic demand is one where a reduction in price results in less revenue generated. More passengers may be attracted but not in sufficient numbers to offset the loss of revenue brought about by the reduction in price. Pleasure travel is discretionary; that is, the traveler has a choice of whether

or not to travel. An increase in price may mean the traveler will postpone the vacation.

4.

(1) Transportation:

Meaning:

Transportation is indispensable function of marketing.

Transportation provides the physical means of carrying goods and persons from one place to another. In other words, it is concerned with carrying the goods from the places of production to the places of their consumption.

Transportation creates place utility and regularizes supply from one place to another. Transportation greatly facilitates the performance of marketing functions like buying, assembling, selling, storage and warehousing etc.

The entire economy and its development is dependent on a well- knit system of transportation.

Importance of Transportation:

It is said that if agriculture and industry are the body and bones of a nation, transport and communications are its nerves. Modern industrialisation would have been a dream without a proper system of transportation.

Transportation widens the markets, raises the scale of operations, increases the mobility of labour and capital, provides growth and distribution of wealth and encourages specialisation and division of labour.

Following Points Highlight the Importance of Transportation:

(1) Transportation plays significant role in quick industrialisation and development of agriculture.

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(2) It plays important role in the process of stabilisation of prices in different regions.

(3) It is helpful in increasing internal and foreign trade. The development, of air and ocean transport has greatly increased foreign trade.

(4) Transportation has greatly helped in increasing standard of living of people by providing goods even at far flung areas.

(5) Transportation is one of the important considerations to be taken into account in deciding location of an industrial unit.

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(6) Transportation has helped to a great extent in the development and promotion of industries producing perishable articles like fishing, poultry farming, dairy farming, etc. Efficient and quick means of transport have made it possible to carry these goods to far away distances without any deterioration in their quality.

(7) Transportation has greatly benefitted consumers by providing them large variety of products at lower costs.

(8) Transportation has provided employment to millions of people and employment opportunities are further increasing with the increased means of transport.

From the above mentioned points it is clear that transportation is vital and essential component of an economy. The advancement of a nation is greatly attributed to its transport system.

(2) Storage and Warehousing:

Meaning Of Storage:

Storage is a process concerned with retaining and preserving the goods. Usually there is a time gap between production and consumption of goods. This gap is the concern of the function of storage. Storage makes available the goods as and when they are required and it

ensures continuous and unrestricted supply and flow of goods in the market. In this manner, it creates place utility also by holding and retaining of goods at different places.

Importance of Storage:

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Storage is an essential function of marketing. Its importance can be studied as follows:

1. Now-a-days production is carried on in anticipation of demand of the product in the market. All the goods are not sold off immediately. For the unsold stock of goods storage is indispensable.

2. Many commodities are seasonal in nature. They are produced during a particular season. In order to make their availability throughout the year, they have to be stored. This is usually done in case of agricultural produce.

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3. Many products are produced throughout the year, but their demand arises only during a particular season in the year. In such cases products have to be stored and released when the season arrives. Wool and woollen garments are examples of this kind.

4. Storage is important from the point of view of producers as they have to store the raw material in order to carry

production without any obstruction and delay on account of non-availability of raw material.

5. Storage of goods is necessary from the point of view of wholesalers as well as retailers. Wholesalers have to supply these goods regularly to retailers and retailers to consumers.

6. Storage acts as a process of equaliser of prices especially when the prices are going downward in the market. Farmers therefore can get better prices for their products because they can store their products in warehouses.

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7. In case of perishable goods also, storage plays a significant role. Commodities like fruits, butter, eggs, vegetables etc., can be stored in cold storage to ensure their regular supply throughout the year.

8. Certain products which can get higher prices in future are stored for a longer period such as rice, tobacco, liquor etc.

5.

Events

When a destination has a special event like holiday markets, annual festivals or on a larger scale, such as the Olympics, travel marketing is ratcheted up accordingly.

The increased media attention and global focus on destinations and the local hospitality industry is a form of no-cost marketing. Paid marketing is also geared up to

coincide with the event schedule to maximize the return on investment, and the idea of attending the big event is cultivated in the public at large, especially in key tourism markets. Travel marketing may use branding from the event organizers and launch joint initiatives for years prior to the event to create a firm association between what's happening and the destination.

Seasons

Most travel destinations and related tourism products have at least one set of high and low seasons. As a rule, the low season brings lower rates, cheaper flights and less interest overall. In anticipation of the high season, all the costs associated with travel to the area increase, as do the marketing dollars spent to get the word out. Many suppliers and tourism boards will stack their marketing

plans with a heavy high season and light low season spending budget. This affects the amount of marketing that takes place during each period, as well as the types of marketing used.

Currency Rates

International travel supplier and destination marketing is directly affected by fluctuations in the currency rates between countries. For example, when the dollar was at its all time low against the British Pound in the mid 2000s, the U.K. saw a marked reduction in U.S. travelers. The reaction to such a downturn can move in two directions. Either the marketing is increased in an attempt to revitalize the market, or it is reduced as losses are cut and a waiting process begins until the currency rates normalize once more.

Development

When a region undergoes a development project to make it more welcoming and desirable to tourists, a marketing campaign is typically launched to announce its new presence as a destination on the world stage. The city of Dubai is a textbook example of a region that was transformed from an open desert to a luxury destination. Dubai had to be re-introduced to the world, and key markets were selected in which marketing was responsible for creating interest.

Government Support

In many cases, government-run tourism boards are the sole source of funding for a travel and tourism marketing campaign. The government of a given region has tax dollars to gain by increased tourism and investments are made in the name of local businesses and residents to bring people in. Government budgets are directly connected with annual budgets and revenue, and in many areas the tourism sector of the government is one of the first to feel cuts in times of economic hardship. Conversely in times of crisis or rebuilding, the tourism board is on the front lines working to re-establish the destination as a viable option for the traveling public. These circumstances directly affect travel and tourism marketing for a destination and typically influence its status as a world destination.

Travel Trends

Travel is like any other activity. Trends develop from one year to the next that determine what the market is after and in what ways these products should be marketed.

Trends can be the types of destinations that are in vogue, like exotic beaches and European city tours, or certain types of niche travel that are becoming more popular than they once were, like destination weddings or spa and golf vacations. Trends are established by travel media and tourism surveys and are monitored by travel and tourism marketing professionals, who may then choose to develop campaigns and create partnerships based on what is expected to come.

6.

The growing role of social media in tourism has been increasingly an emerging research topic. Social media

plays a significant role in many aspects of tourism, especially in information search and decision-making behaviors, tourism promotion and in focusing on best practices for interacting with consumers. Leveraging off social media to market tourism products has proven to be an excellent strategy. This study reviews and analyzes the research publications focusing on social media in tourism. Through a comprehensive literature review, this paper identifies what we know about social media in tourism, and recommends a future research agenda on the phenomenon. The paper suggests that research on social media in tourism is still in its infancy. It is critical to encourage comprehensive investigation into the influence and impact of social media (as part of tourism management/marketing strategy) on all aspects of the tourism industry including local communities, and to demonstrate the economic contribution of social media to the industry.