

Marketing analysis of whale watch tourism



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Whale Watch- New Zealand's Ultimate Marine Experience and the Nature-Tourism Market

Question One

Market Segmentation in the nature-tourism market can be defined as the process through which potential customers with similar needs and characteristics are grouped together so that a tourism organization can apply marketing strategies for the selected market segment efficiently (Oohlala, 2013). Segmentation also involves learning more about customers and making the heterogeneous market into a homogenous market (Bowker, 2014).

Segmenting the New Zealand nature-tourism market is viable because it assists in understanding the needs and wants of customers, allocating marketing expenses efficiently, further developing products/services and developing marketing strategies more precisely (Grewal & Levy, 2012). The two segments I will divide the domestic nature-tourism market are the: “Being There” and “Embracing Life” segments.

Comprising of over a quarter of New Zealand's adult population, ‘Being There’ is definitely an identifiable segment which is large and old. A majority of this segment are aged 55 years or older. They have a female majority and a high percentage of people living alone. The segment can be found throughout all over in New Zealand meaning that it is substantial.

Members of this segment have a strong interest in gardening and reading. They also have a positive interest in visiting natural/scenic locations, and are most likely to be a member of church or rotary group.

Members of 'Being There' are motivated to travel by a yearning to spend time with people they love and appreciate natural/scenic locations. This segment is most interested in sightseeing, natural attractions and walking/hiking and meaning it is a responsive segment for the nature-tourism market. As this segment is relatively wealthy, money is less of a barrier to travel meaning that it is a profitable segment.

There are many viable marketing channels that can be used to reach this segment which makes it reachable. These include: Major daily newspapers, special media (e. g. gardening channels/magazines/groups), affinity groups (churches, Rotary, other voluntary groups) are all channels that can be used to reach this market.

Another segment for the New Zealand nature-tourism market makes up nearly a quarter of the adult population making it a substantial segment, 'Living Life' shares a philosophy to live life to the fullest and embrace nature. This segment is identifiable with a majority of members being aged between 25 and 60 years old. This segment has a dominant family structure of couples with children. Members of 'Living Life' can be found throughout all over New Zealand which enables the segment to be substantial. Members of this segment are most likely to have hobbies such as mountaineering, tramping, sight-seeing, boating and gardening at home.

This segment is very responsive because vacations are important to them and they holiday frequently within New Zealand. When holidaying in New Zealand, they take part in their favourite activities with their children and partners, away from the pressures of daily life.

The ideal holiday for 'Living Life' is spending well-earned money on an above all family-friendly, and involves outdoor experiences, scenery and landscapes meaning it is a profitable segment which will spend money on nature-tourism. Key barriers to travel are the amount of annual leave available, work and family commitments.

This segment is reachable through channels such as newspaper, media/online (e. g. golf, outdoor, boating, fishing), newspapers and fairs.

Question Two

In order to evaluate how Whale Watching's product is perceived by potential customers, it is vital to deconstruct the product into four different levels. This is called the Total Product Concept and we will use this model to deconstruct the product Whale Watch is offering, and evaluate how the company is positioned within the nature-tourism market.

Firstly, the Core Product is the fundamental benefit that responds to a potential customer's need or wants (Elliott, Rundle-Thiele & Waller, 2010). For Whale Watch the core benefit for a customer would be being able to observe whales in their natural habitat. This could be for recreational or scientific and educational purposes depending on the motive of the customer.

Secondly, the Expected Product is the relative factors that delivers the benefit which forms the core product and fulfil the customer's most basic expectations (Elliott, Rundle-Thiele & Waller, 2010), Whale Watch offers an exciting up-close encounter with the Giant Sperm Whale in their natural environment. In a typical Whale Watch tour, the customer can expect to encounter a wide variety of sea-life and birds. Vessels are crewed by an expert team who are experienced in interacting with the whales. Whale Watch ensures that passenger comfort and safety are always high priority. These are all expected features of the product/service Whale Watch is offering to customers.

The Augmented Product offers a combination of benefits that is not a part of the basic level of needs for the customer. It is at the augmented product level where marketers are able to significantly differentiate their products/services from the competition (Elliott, Rundle-Thiele & Waller, 2010). Whale Watch is New Zealand's only vessel-based whale watching experience and the 95% success rate of trips at Whale Watch means that they guarantee an 80% refund and is an example of an augmented service that gives a competitive edge over other companies. Furthermore, it is based in Kaikoura, the Whale Watching capital of New Zealand which provides a unique experience over other locations. Whale Watch is committed to the care and protection of the environment and seeks to minimise waste, promote recycling, use eco-friendly product and minimise their impact on marine life (Whale Watch, 2013). These factors are important for customers who really care about their environment and are concerned with conservation and the preservation of nature. All these special features and

facilities are factors that would help customers to choose Whale Watch over other competitors.

The Potential Product of the Product Concept Model comprises all possibilities that could become part of the expected or augmented product. This includes features that are being developed planned as well as features that have not yet been conceived (Elliott, Rundle-Thiele & Waller, 2010). In the future, Whale Watch could offer new tours such as swimming with dolphins swimming with whales which would offer a unique, up-and-close, more personal experience. Whale Watch will need to do research on how to bring this programme to life and keep safety measures in mind.

Whale Watch seems to be using a differentiation positioning strategies using conservation, nature preservation and a unique approach to attract customers. Whale Watch's positioning statement is used to succinctly convey their philosophies and approach:

“ Whale Watch Kaikoura is New Zealand's ultimate all year round nature experience offering visitors an exciting up-close encounter with The Giant Sperm Whale” (Whale Watch, 2013).

“ We are visitors to the world of the whales and respect it as such at all times. As a Maori – owned company, Whale Watch cherishes the twin values of hospitality to visitors and reverence for the natural world” (Whale Watch, 2013).

Question Three

A service is an act or performance offered by one party to another. They are economic activities that create value and provide benefits for customers at specific times and places as a result of bringing desired change . One of the unique characteristics of a service is that it is inconsistent meaning the service provider cannot provide exactly the same service every time (Brown, 2008).

Applying this to Whale Watch's situation, because of the nature of their service, Whale Watch cannot guarantee the same Whale Watching experience to customers for every tour. Depending on seasonal variations or even the weather on a particular day, every trip will offer a different kind of experience. Customers are not guaranteed to be able to see a consistent number of whales and sea-life on every trip because Whale Watch has little control over this factor. In some seasons of the year, certain animals will not appear at all and on certain days no whales may be sighted at all. Because Whale Watch offers a conservative and completely nature-based experience it cannot "force" a service and experience for the customer.

In order to manage these challenges Whale Watch seems to have particular strategies to target and solve these challenges. Firstly, Whale Watch offers an 80% refund if a tour does not see a whale. Furthermore, Whale Watch staff constantly monitor the weather and respond professionally to any changes. This could result in a tour being cancelled or safety restrictions placed on children or passengers with medical problems. This is because Whale Watch wants to promote passenger comfort and safety as their number one priority. Furthermore, Whale Watch would want to decrease the

chances of a trip a day with bad weather conditions resulting in zero or minimal whale sightings.

The on-board plasma screens display a virtual animated tour while the tour is actually taking place so customers will have a larger than life experience even though there may be inconsistency in actual whale and other sea-life sightings.

Also, the professional guides and skippers are there in order to maintain consistency in a service with inconsistent characteristics. Whale Watch will make sure that the staff provide a high level of professional service with passenger safety and comfort as their number one priority. This is evident in their constant monitoring of weather and responding professionally to any changes.

Looking at Whale Watch's philosophy and positioning statement, the company emphasizes that it is Maori owned which has a reverence for the natural environment and is dedicated to conservation, preservation and respect for wildlife. This is a factor that Whale Watch seems to be using to manage challenges of inconsistency of its services. Many customer's especially nature-lovers and conservationists will respect the company's philosophies and understand the unavoidable, inconsistent nature of services that Whale Watch is offering.

Word Count: 1590

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