

Destination marketing, bali essay sample

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Introduction

Bali is a tropical island located in the southern part of the Indonesian region and is a popular tourist spot and developing tourist area (Bali Tourism Board, 2012). This report aims to develop a new marketing plan for the region for the next two years. This report has been compiled by taking into consideration the opportunities, challenges and constraints in the tourism industry at the present time. There is the need to plan for these so that the region can prosper for the future and keep increasing its tourist numbers. It is important to have a marketing plan for destinations so that there can be planned activities which will lead to tourist visiting the region and lend itself to potential growth of the local economy (Hsu et al. 2008). As one of Indonesia's largest tourist provinces in terms of money, Bali needs to continue marketing itself against other places (Leiper & Lamont, 2011). This report will firstly start by outlining the ways Bali can overcome constraints and challenges before discussing the positioning of the island to provide an updated perception in the minds of travellers. Following this, the market segmentation and the types of media used to promote the marketing message will be discussed. This report aims to provide an overall marketing plan to ensure future success of Bali and to keep it at the top of mind for travellers globally.

Overcoming constraints

A current constraint placed on the destination is that there is not enough seat on planes for the next two years to bring tourists to Bali in their current and future numbers. This will mean that grater emphasis will have to be given to the experience of being in Bali in order to overcome the fact that

people might not always be able to fly into the region easily. Bali Tourism may need to convince venture capitalists that money will need to be spent on infrastructure for boat transport to be provided from other more popular ports, such as Jakarta. Bali Tourism can focus on boats/ships as a new way to get to the island and it can position this as a more relaxing way to travel. This situation can therefore go from being a problem to being a new opportunity for Bali.

There is the opportunity to create cruise ship tours from Australia, New Zealand and other pacific nations. People can fly into these ports if they wish to visit from other countries. The Bali Tourist Board can work with strategic partners from other nations to offer incentives to have cruise ships travel to already established ports of Bali. Cruise ships to Bali can be positioned as the best alternative to plane trips and can be an extra way to get people to take up a relaxing holiday to the island. This can help to build a trip to Bali to be an even better experience for people as they can spend a relaxing time on the water to get to the island. During this time, tour guides and operators can promote and sell their activities and restaurants so that people have places in mind to go once they are on the island.

Overcoming competitive challenges

Currently, the governments in the three competitive destinations (Phuket, Queensland Sanya) have doubled their marketing budgets for the next two years whilst the Bali Tourism board has had to leave their budget as it is. This means that Bali is faced with a challenge; the challenge to compete strongly against other places with more ability to spend. This does not have

to be seen as a weakness but can also be viewed as a unique opportunity. While less emphasis can be placed on traditional media, more effort can be placed onto free or cheaper mediums, such as social media. This will help to create word of mouth and viral marketing for the brand and will ensure that there is more value (Jalilvand & Samiei, 2012). This is essential because of the limited amount of money that is left in the marketing budget compared to other competitors.

Opportunities

There is presently a SARS (severe acute respiratory distress syndrome) epidemic in Phuket, Thailand and this is the main competitive destination to Bali. This disease is very deadly and spreads fast therefore the people who wanted to travel to Thailand have to look for alternatives because of this present situation. This presents a lot of opportunity for Bali to position themselves as a substitute destination for those wanting to go to Thailand or considering between the two. Bali therefore has to exploit this opportunity and it should do this by spending heavily on advertising around the height of the epidemic so as to bring Bali to top of mind in those travellers looking to find an alternative destination. Bali Tourism can offer people who were booked to go to Thailand a discounted rate on hotels or entertainment if they choose to go to Bali instead of Thailand. This will help promote Bali and Bali tourism in a positive light and will help bring people who would have gone to Thailand over to Bali.

Market segmentation

Whilst the younger Australians continue to flock to the region, there is a need to move away from promoting to this market segment as they do not fit in with the new position that Bali is trying to achieve (Hitchcock & Putra, 2008). Some of the advertising will spill over to this market and they will continue to travel to the regions of Kuta and Legian, however this marketing plan aims to promote the greater tourist area which combines all regions of the entire island. The new target segments will be based on the Roy Morgan Value Segments (2012) and comprise of the following: Families

This segment consists of mothers, fathers and their children from a young age to teenagers. As families, their spending capacity is greater as there are more people travelling together. This segment values activities that they can all do together, such as eating and entertainment. They generally value staying together in villas rather than hotel rooms and like to have close access to shopping, restaurants and entertainment. This segment can be targeted by advertising on television and by displaying the different types of entertainment available in the area. Currently, there are a few different attractions which will drive demand for families wanting to go to Bali. These are such things as:

- The Bali Zoo

- The Bali Safari Park
- The Monkey Forest
- Waterbom Water Park
- Bali deep sea Submarine

Older singles

This segment is made up of older people who have an established career and

are looking for a holiday with their friends or on their own. As older people, they have a higher capacity for spending. They want to relax but also want new experiences and to meet new people. This segment would especially like cruise ships and would be good to target these cruises to. Older couples

This segment is made up of empty nesters that are looking for new experiences now that they have no children to care for. They generally value cultural experiences and relaxing experiences. They look for some adventure but also like to utilise the restaurants and entertainment for fun. This segment would also prefer cruise ship journeys and have the spending capacity to undertake this. These two segments will value the following attractions which should be used in advertising to them:

- The Balinese volcano - a non-active volcano which is scenic.
- Bali bike tours - these go down the volcano and offer a unique look into Balinese life in rural areas.
- Ubud cultural market - offering the best of local and cultural arts and crafts.
- Ubud Jazz club - featuring the best live music on the island, featuring mostly jazz artists travelling from around the world.
- Potatohead beach club - on the water, this restaurant and bar offers a relaxing setting with fine dining and drinks.

Honeymooners/weddings

This segment has the capacity to spend a lot as they can have their weddings or honeymoons (or both) on the island. They can also invite their families and friends to come to their weddings which then bring in more revenue for the region. There are a few places which could be marketed to this segment which would attract them to coming to the region for their wedding or honeymoon. These are the following:

- Blue Point wedding chapel and hotel - where couples can get married on the water in a light-

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filled chapel. • Jimbaran Bay restaurants – these are on the beach and offer romantic seafood dining experiences. Situated right near the airport, it is a scenic spot to watch the sun go down and also watch the plane fly in. • Ayana Rock bar – a bar on the beach featuring high class dining and the best in musical entertainment.

Positioning

Currently, Bali is positioned as a cultural sanctuary for travellers for all ages.

These are the three main positioning that Bali lends itself to; 1. The relaxed and culturally rich Bali

2. The surfers heaven

3. The nightlife and shopping

(Bali Tourism Board, 2012)

These three segments outline the types of people who choose Bali as their destination of choice currently. However, there is the need to change the positioning of Bali as the region itself changes. Once renowned for its cheap shopping and entertainment, there is now a more sophisticated side to Bali (Hitchcock, Putra, 2008). This is especially seen with the extension of the tourist area which once extended from Kuta to Legian and now extends to Seminyak and beyond. Currently seen as a cheap getaway, Bali has been criticised for being the preferred destination to younger Australians looking for a drunken holiday (Collinson, 2012). Bali therefore has to be positioned in the future as being more sophisticated as it has been portrayed. It is envisaged that Bali will try to position itself as a hub between the Western

world of Australia and New Zealand and the passage way to a contemporary Asia.

The new position will see people who are not necessarily looking for a cheap holiday coming to Bali but sees Bali trying to reach the tourist dollar that people normally spends elsewhere. Competitive destinations, such as Koh Samui in Thailand, are places where people have to spend significantly more if they are to undertake similar activities if they were in Bali (Cave & Brown, 2012). The new areas of Bali have higher classed resorts which rival those of anywhere in the world. This is moving the perceptions of Bali away from its cheaper hotels and entertainment and refocusing on capturing the higher tourist dollar. This means targeting higher income earners who would have traditionally overlooked Bali as their destination of choice.

Advertising

The way in which Balis Tourist Board will create this new positioning for the region will be through way of promotion and advertising. It will combine overcoming all challenges and constraints and exploiting of all opportunities to ensure that people are communicated the new message of brand Bali. This marketing plan will tailor each advertisement to each segment to appeal to each and to communicate the benefits and value that each of the new segments can get in a visit to Bali. This advertising will therefore help to build the new brand of Bali as brands are an important part of communicating about destinations to travellers (Johnson, 2011).

This brand aims to make Bali stand out as the sophisticated and upcoming hub of nightlife, shopping and culture in Asia. Malaysia has recently tried to <https://assignbuster.com/destination-marketing-bali-essay-sample/>

do this with their 'Truly Asia' campaign which has seen the country given a branding making it seen as a contemporary Asian destination (Malaysia Tourism, 2012). All advertising will be funded by a partial portion of the entrance tax each passenger pays to enter Bali. A fee of 250, 000 Rupiah is payable upon entrance into the country and is payable at the Denpasar International Airport or at any port of international travel (Bali Tourism Board, 2012). This will help to ensure that advertising can be done in the mainstream media in the predominant nations that Bali wants to target which includes Australia, The United States and The United Kingdom.

Media channels utilised

There should be a mixed mode of promotion and advertisements undertaken in order to promote the Bali brand. This is because integrated marketing communication will tie together the messages from each channel to deliver one clear message about Bali (Pike, 2005). This needs to therefore be carefully planned and managed by the marketing manager at Bali Tourism.

Social media

Social media is one of the fastest growing channels for marketers to get their brands out in today's business world (Di Pietro, Di Virgilio & Pantano, 2012). More older people are utilising social media everyday and this has seen a shift in marketing as Social media creates an easy way to reach potential customers. Therefore, the Bali Tourism Board needs to take the appropriate steps to ensure full social media coverage for Bali is undertaken. As the marketing budget has not had more money placed in it from previous years, social media is a cost effective way to market the brand of Bali without

spending a lot (Munar, 2011). This will need to include a Bali tourism age being created on Facebook, Twitter and YouTube. Facebook could be used to get people to 'like' the page and send them updated promotion specials and updates about the region. Facebook advertising can be used as an inexpensive way to generate more likes for the page. Twitter can also be used to update followers with the latest news, airfares and hotel specials for Bali. YouTube could be utilised very effectively as a tool to get the imagery of Bali into the minds of potential visitors. Videos of entertainment venues, cultural events and local tourist areas can be uploaded and watched by anyone over the internet and can be a strong tool for exciting people about wanting to go to Bali.

Online advertisements and the Bali Tourism website

The Bali Tourism Board can also create advertisements in the form of banners which appear at the top of websites they visit. These advertisements would pop up on travel blogs and travel websites and would advertise travel packages. These ads would have call to actions on them to entice people to click them to find out more and they will offer package deals for hotels and flights. Currently, the Bali Tourism Board website is not very helpful to those people looking for information about the region. However, there is the opportunity for this to be used as a significant tool in the marketing of the destination. This is a powerful tool for offering information to people when they use search engines to plan their holidays or to research when trying to compare alternative destinations. In the next three to six months this website will go through significant changes to add more information and also extend to offer packages to the region. There is also the

capacity to use promotions on airline/hotel websites as there is the ability to make a joint alliance with these companies to advertise the destination. With a joint promotion, the airline can offer their airline or hotel specials in packages with the tourism board that can be arranged by bundling transport, hotels and activities together to entice the audience. Bundling holiday packages can be more appealing to travellers (Soteriades, 2012). Advertising in airline magazines

Magazines and other promotional materials from airlines have the ability to be exposed to many travellers. When people are flying on aircraft, they will have an airline magazine at their seat and therefore the exposure for these magazines is large in potential (Jetstar, 2012; Airasia, 2012). Full size advertisements and editorial stories about places to go in Bali can be placed in these magazines as a way to drive interest in the region.

Television advertising

This sort of advertising has the ability to reach the masses, providing that it is placed on television at the right times (Solomon et al. 2009). Television is a powerful media as it uses both sounds and pictures to appeal to people. The Bali Tourism Board will utilise this medium for advertising and will advertise during prime time slots. The ads will be targeted at families and will showcase the best of the entertainment that the island can offer as a way of enticing families to want to visit. Television advertising is expensive and therefore it will only focus on prime family shows and aim for the family market. Newspaper advertisements

These advertisements will be placed in the travel sections of the newspaper. They will promote the new positioning and sell the brand Bali through visual advertisements (Saraniemi, 2010). As there will be other competing destinations also advertised in these travel sections of newspapers, there is the capacity to stand out from competitive places of interest.

Conclusion

Overall, the marketing plan for Bali for the next two years needs to focus on changing the current positioning and perception that has been created by previous marketing of the destination. This marketing plan aims to change the way that Bali has previously been seen and plans to open its marketing to different segments which have traditionally been overlooked. With the marketing plan addressing the current constraints, challengers and opportunities in the industry, Bali can overcome these to be seen as a destination of choice and to be chosen above all other competing destinations, regardless of challenges faced. These challenges and constraints have been turned into opportunities to be exploited by this marketing plan which can benefit the region, its tourists and create more job and revenue for the future. After implementing this marketing plan, the Bali Tourism Board will be in a better position to reach these different segments and to reach for more tourist dollars. A good use of different marketing and promotional channels will see this new branding and positioning communicated to the new segments which will ultimately help to keep Bali tourists coming back.

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