

Services marketing individual assignment flashcard



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Service marketing in tourism plays a significant role. Travel agencies are only a part of the whole travel process. They are the ones who are creating the trustworthy image and they are also the ones who are giving the hand in choosing the best possible solution, in this case a trip of our dream.

Therefore it is very important for them to have a reliable and trustworthy team that can help in continuous image building process. Vector is a large and well known travel agency in Slovakia with many offices throughout the country. Its main field of interest is round trips and luxury (exotic) journeys.

They are working in cooperation with smaller travel agencies. Vector has decided to open an office in Hungary in Budapest. They find it challenging and they believe that they can cope with new attitudes. This study gives an overview and a marketing strategy plan, how a travel agency builds up its image in a foreign country. First the agency translates its mission statement to Hungarian language. It tries to put essential elements to it in order to attract people when hearing it.

Then based on the research, the agency defines the main objectives concerning the long term and short term objectives. As next they segment themselves on the market and create a target group for their services. After they become aware of the target group the agency positions their statements and tries to create a new image. In the next steps of the marketing strategy plan the agency designs its customer care program and defines the way of its implementation.

Background information on Tourism in Slovakia from the 1990's and the establishment of VectorTourism in Slovakia has recovered after Slovakia

gained its independence. The demand and the sales volume has raised and many new companies started up their activities within the travel industry. Slovakia became a member of World-Tourism Organization. WTO has altogether 142 members and it is the leading international organization responsible for travel and tourism.

It has a strong role in the promotion and development of tourism in international basis. It also gives special aids to member countries in order to help them to develop their tourism in a great extent. Slovakia has therefore received huge amount of aids and used it to attract foreign visitors to come to visit the country. 1Ref: 1The establishment of new travel agencies in the late 90's created a strong competition on the market.

Unfortunately many small companies had to close down because of strong pushing attitude of competitors. They simply couldn't cope with incredibly low prices that big companies offered. In 1999 and in 2000/01 the situation changed to the benefit of small companies. Due to huge price decreases in the previous years, big companies had to face huge losses, which often lead them to bankruptcy. Nowadays the situation is even more colorful.

All companies have to go through long decision making processes and they also have to adjust themselves to their marketing strategies in order to stay competitive and successful. Vector is a large travel agency in Slovakia. It was established in 1992. The main field of interest is round trips and luxury (exotic) journeys.

In the year of its establishment the situation on market was very convincing because due to various reasons many new companies had the chance to
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open offices and start working within not very competitive conditions.

Problems occurred when the market became oversaturated and the competition rose to very high extent. Large companies tried to play with their prices and many of them had to face the closing down of their offices. Vector did well and survived the battle.

Now it is one of the most prestigious travel agencies in Slovakia. Marketing Audit: Macro environment Analyzing new possibilities, one has to make a research based on macro environmental issues as demand, prices, political influence and many others. First of all the demand needs to be created or if it already exists, then customers need to be convinced about the success of the service. Vector wants to open 2 offices in the city of Budapest in Hungary.

They are aware of the fact that the demand for such trips is high but the prices usually make people postpone their decisions. What they want to create and show to customers is the fact that they can offer exotic holidays within a normal price range. Hungary is a developing country where people only start their traveling habits and they become even more willing to go abroad discovering new places. Marketing Audit: Micro environment When talking about micro environmental factors, we have to consider issues as competition or the ability to cope with new situations.

There are many competitors in the tourism industry. Many of them are small players but most of the companies are strong enough to fight for customers.