

# Market situation

[Business](#), [Marketing](#)



First of all, we need to analysis the macro environment of castle. In this section, I will use PEST and Porter's five forces to discuss. External environment comprises factors which are common to all firms in the industry (Blythe, 2009). PEST analysis stands for " Political, Economic, Social, and Technological analysis" and describes a framework of macro-environmental factors used in the environmental scanning component of strategic management. Political UK government's policy support it. The majority of this woodland is ancient and natural, the most biologically rich in the country supporting characteristic Marches plant and animal communities which are not found elsewhere in the UK. Economic Herefordshire and its neighbouring county Shropshire are tourist destinations, but spend per tourist is low: over 4m visitors come to Herefordshire just for the day, but only spend, on average, £27. 64 while in the county. These day visitors constitute 83% of all tourists to the county. Over recent years visitor trends across the West Midlands have shown growth in demand for rural heritage and cultural attractions. 'Visit England' reports that there was an overall increase of 3% in visits to attractions in the region last year with particular growth reported in the following categories: - Farms + 8% - Gardens + 2% - Art Galleries / Museums + 7% - Places of Worship + 5% - Heritage Centres + 6% Social Research shows that visitors and holiday makers want : \* to learn a new skill, craft, sport or subject; \* their holiday to reflect a lifestyle in their leisure experiences, especially in terms of wellness and well-being and involving activities for the mind, body and soul; \* to participate in specific interests in outdoor activities; notably walking, horseback riding and cycling; \* the location to reflect the importance of quality in design, history, architecture,

public spaces, landscape and arts / crafts; \* availability of local regional foods and drink. This is a decision-making factor when planning to visit an area. Technology of Animal waste into natural gas: American Food Groups turning to waste to energy - A contingent of American Foods Group is undertaking a multi-million dollar project that will make use of food processing waste in several different ways. From start to finish, they will be able to feed their new machine with about 100 tons of waste that will take about three weeks to run through the process to create a variety of products. (Alt Energy News; Feb. 25, 2010) E3 Biofuels - Integrates three proven components into a single, closed loop system: an anaerobic digester that transforms animal wastes into biogas, an ethanol plant that operates on biogas from the digester and an on-site dairy/feedlot that uses the by-product of ethanol production (wet distiller grains) as the primary feed for the cattle. If the HTB want to develop the castle into Tourism market. According to the case. In michael Porter's Five Forces Model. The Bargaining power of suppliers is strong. Because of the Convenient Railway and Nearby to Wigmore. In addition the Rich Forest Resource and the Long History. They can also get UK government's policy support. the Bargaining power of customers should be divided to two part for discussing. For local or nearby visitors, go to other places for tourism will cost more, It means they don't have too much selective when the budget is limited. So The bargaining power is weak. But Distant visitors have selective. Because there are so many castles in west midland. So This part of customers have strong bargaining power. the Threat of substitute is high. Because of the low budget per day and the single night trip that this falls into, all of the " Nearby to

Wigmore" section could be considered substitute products. Additionally, any other single day trips could be a substitute. Because of money and time budget substitutes are high. Threat of new competition is low. Because the High cost in Prophase. It will cost a lot of money for a company or a person to start this business. Moreover, Tourism resources is limited. It is difficult for people to find the same rich tourism resources in one place. There are only so many heritage sites so they can't just spring up unexpectedly. The Intensity of competitive rivalry is low. Although there are so many castles in west midland it is not too competitive. Because the main part of the target customers is local or nearby people. SWOT Strength They have UK government's policy support. Convenient Railway and Nearby to Wigmore. In addition the Rich Forest Resource. Herefordshire and its neighbouring county Shropshire are tourist destinations The castle has a long history. Sir Roger Mortimer, who lived in the 14th Century AD and was the first Earl of the Marches , was Queen Isabella of England's lover, and their love story is one of the great romantic tales of English history. Weakness High cost in Prophase and spend per tourist is low. Opportunity Families, especially families with children like go out in the weekend, or do some exercise. In addition, People are like something have historical value. British medieval castles and knights culture is been respect by all of the world. There was an overall increase of 3% in visits to attractions in the region last year. Threats Threat: Other tourist destinations (very competitive) Because of the low budget per day and the single night trip that this falls into, all of the " Nearby to Wigmore" section could be considered substitute products. Gap Analysis Gap analysis is a very useful tool for helping marketing managers to decide

upon marketing strategies and tactics. Again, the simple tools are the most effective. There's a straightforward structure to follow. The first step is to decide upon how you are going to judge the gap over time. This will help you to write SMART objectives. Then you simply ask two questions - where are we now? and where do we want to be? The difference between the two is the GAP - this is how you are going to get there. Take a look at the diagram below. The lower line is where you'll be if you do nothing. The upper line is where you want to be. You can close the gap by using tactical approaches. The marketing mix is ideal for this. So effectively, you modify the mix so that you get to where you want to be. That is to say you change price, or promotion to move from where you are today (or in fact any or all of the elements of the marketing mix).

Corporate Objectives

Apart from the purchase price of £500, 000, HTB has allocated a further £15, 000 per annum as a promotional budget.

Profit = Revenue – Costs

Profit = (∑(no of products sold. price))i – costs \* Strategy is more than just profits

Strategic profit = (∑(marketshare. price))i – costs \* Strategy reduces to ongoing market share

Marketing Objectives

1. Personal consumption increased from £ 27. 64 to £ 40 per person.
2. let tourists increased by 50% within five years.
3. To establish an Comprehensive tourist place.

Ansoff Matrix

Market Penetration:

MARKETING COMMUNICATION:

1. Advertising: on the intersection build a billboard
2. Publicity: Make a slogan " return to pastoral, enjoy your life"
3. Packaging : Build the image of romantic to the public. Schools and other places to provide brochures
4. Personal selling: Individual agency is looking for in a student organization. Each sale of a ticket rebate.
5. Direct marketing: Set up a website to provide online booking service.
- 6.

Sponsorship: Seek sponsorship to reduce operating costs. 7. Sales promotion: If you live here the next day tickets can get 5 0% OFF. Market Development Signed an agreement with the local tourism and selling Package ticket. Some want to go to a museum or aquarium, if they are willing to buy a package, they can spend relatively less money to play more places. Product Development Giving out some new items like fishing, for example, we can provide some boats that can be rented, visitors can board to go fishing on the lake, visitors can pay for the fishes what they catch. Set up annual fishing competition to attract the attention of tourists. When some customers develop the habit of fishing weekly, It will become a stable income Diversification To establish an Comprehensive tourist place. After Profit growth, HTB can try to increase investment. To establish some incidental tourist facilities, such as hotel, restaurant and shop. Distant place travelers can stay in a hotel. It can attract long-distance visitors and increase revenue. Evaluating strategic options Suitability The above strategy is suitable for this case. The new projects are developed base on the original resource. Step-by-step development can reduce the risk. Acceptability The strategy can be accept, because It does not require a high input. And the risk is very low. Feasibility The feasibility of this strategy is high. Publicity and sales costs are very low. The original tourist facilities sufficient to meet the tourists demand. In addition, the lake where wintering wildfowl would have provided a valuable food source . The costs of the rented boat is also not too much. Hotel can be build after HTB get enough profit. Budget Apart from the purchase price of £500, 000, HTB has allocated a further £15, 000 per annum as a promotional budget. Evaluation, monitoring and controlling the

marketing plan Developing or adjusting marketing objectives: Setting of performance standards Evaluation of performance: This plan can get 80 points Corrective action: Financial perspective Goal: the income increase 20% per year. Measure: Use balance sheet to account the Profit for the year. Customer perspective Goal: The amount of tourists increased by 100% within five years Measure: Statistics the number of sold tickets Internal perspective Goal: Effective implementation of the development plan in Lake Measure: Whether earnings Innovation & learning perspective Goal: Through establish hotel to attract long-distance visitors. Measure: The amount of long-distance visitors increased.