

# Marketing in travel and tourism essays example

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



## **Introduction**

The tour operator, Thomson Management, wishes to create a cultural tourism 6 day visit to Denmark, Amsterdam, Lisbon and Porto. By working as the Assistant Marketing Manager for Thomson Holidays, it is my job to explore the sectors, hotels, B&Bs, restaurants, and travel agencies, to make recommendations for Thomson's Marketing department as appropriate in the Travel and Tourism Industry. In the following outline the core concepts of marketing, the factors that influence marketing in the travel and tourism industry, customer demands and satisfactions, and the ways in which the client market can be segmented, are discussed.

1. 1 Discuss some of the core concepts of marketing in the travel and tourism sector

In light of basic economic theory, the customer's needs, wants and demands are at marketing's very core existence, as these things drive products (and services) and markets. At its very roots, human needs are the most basic concept of marketing. These include basic physical needs such as clothing, shelter, food, and safety and social needs such as affection and a sense of belonging. Marketing also appeals to human's wants, which are shaped by cultural values and individual personality. It is often the case, the people have unlimited wants but yet we live in a world of finite resources. Thus, it is the role of marketing to make these resources and opportunities available to people who would want to purchase them. Their wants then become demands as people have the ability to choose products that are enticing, will provide satisfaction, and are valuable in some way.

Customer value is the difference between the costs of obtaining a good,

service, or product and the value that the consumer gains from using this resource. This value can be judge objectively in terms of its actually cost or rather on a perception of its value, which isn't always accurate. Thus, a customer's satisfaction is based on the delivery of product's perceived performance and whether or not that matches the customer's expectations. Outstanding marketing companies are renowned for going above and beyond in order to keep their customers satisfied; this is what drives the company's success.

### 1. 2 Assess the marketing environment's impact on individual travel and tourism businesses and tourist destinations

In this field of study, the marketing environment is defined as both the microenvironment of the tourism organisation, suppliers, intermediaries, customers and competitors, as well as the macro environment of demography, economy, society, technology, politics, culture, tourism and systems and destinations. The interactions between these two environments are what impacts individual choices when determining an appropriate and satisfying travel or tourism destinations.

Marketing appeals mainly to consumer wants, which are rapidly changing to their sociocultural contexts. In order to assess this impact, one must consider the role of the changing consumer. With the " BRICs" emerging markets (Brazil, Russia, India and China), the Travel and Tourism Industry has adapted to focus more attention on providing services in these languages and marketing in these nations. Another way that the consumers are changing is that in the Western world, slowing population growth has lead to a greater ageing population with money and time to spend to travel.

Therefore, the industry's marketing and products has a niche in appealing to these consumers. Furthermore, environmental sustainability is now a central theme of marketing campaigns and a key way to appeal to the upper middle class consumer. Recently, the tourism and travel industry has experienced a rise in "green consumerism", where travelers want to have a positive environmental impact while on vacation due to the increase knowledge on climate change.

#### 1. 3 Discuss the factors affecting consumer needs, motivation, and demand in the tourism and travel sector

Consumer needs, motivation, and demand in the travel and tourism sector is affected by factors in consumer markets such as tourist motivations and determinants, consumer decision process, consumer behavior models, different types of buyer behaviour, value-chain, and customer value and satisfaction. In the tourist and travel industry, there is great demand for many products and services, which is known to depend on the impressions and misconceptions of the country of origin or place in which one comes from. The effects of these impressions can be greatly altered or skewed by travel and tourism marketing. Thus, it is the role of marketing companies to help travel destination's images to boost the demand and attract more investment.

#### 1. 4 Analyse the principles of market segmentation its uses in marketing planning

Breaking down a vast target market into subsets or subcategories of consumers who have common needs, attributes, and desires, are a marketing strategy known as market segmentation. By breaking the market

down into segments, marketing companies can then design and implement specific campaigns to appeal and target these different groups. The principles of market segmentation that are used in marketing planning include targeting and positioning, segmentation bases, geographic, psychographic, demographic, behavioural, life-cycle stage, gender, integrated methods, simple and advance multivariate, multi stage and tourist typologies. One of the easiest to comprehend segmentations is that of demographic segmentation. Markets can be divided according to their age, gender, income levels, religious or ethnic backgrounds, and family life cycle. For example, a tourism trip to Israel to visit common Jewish and Christian sites may be appeal for certain demographics who have a religious background, but would not be as appealing to perhaps university-aged students who would prefer to vacation in a progressive place with a great nightlife scene such as Barcelona. Another form of segmentation is that of psychographic segmentation, in which customers are measured according to their activities, interests, and opinions (AIOs). Marketing campaigns can then appeal to how people spend their leisure time and what their overall lifestyle is like.

## Introduction

Modern marketing is best defined as a systematic thought process that can be applied internationally to products, goods, and services of all forms (Middleton, 2010). With the position as a tour operator's Assistant Marketing Manager, I work to create a marketing plan and marketing research. Specifically, I am interested in the importance of understanding the influence marketing's influence on society. Using an example of the Grand Canyon

National Park in Arizona, USA, strategic marketing and its influence on society are outlined below.

2. 1 Analyse the importance of tactical marketing planning for one selected tourism and travel business or tourist destination

Marketing is a crucial tool in travel and tourism as the strategic planning imparted by marketing firms and companies directly relates to the industry's success. There are multiple tools to analyze strategic plans such as: SWOT analysis (strengths, weaknesses, opportunities, and threats), the PLC concept (product life cycle), TALC (tourist area life cycle), Boston Matrix, Ansoff's Matrix, and strategic and tactical advantage, in general. These tools can be used to give travel and tourism companies, whether that is a hotel, tourism operation, restaurant, etc., a competitive advantage and achieves maximum success by drawing in as many customers as possible.

In the example of the tour operator, Desert Tours Limited, at the Grand Canyon in Arizona, USA, and a strategic marketing plan is necessary. Firstly, the visitor demand to the park is analyzed by categorizing different sectors of the total market. These sectors include: international visitors (residents of countries outside the United States who visit the Grand Canyon for travel and tourism purposes) and resident visitors (those who visit destinations within their own country's borders, such as an American from New England traveling to the Southwest, for travel or tourism purposes). Resident visitors also fall into the category of domestic visitors. Understanding these different sectors of the total market informs marketing teams so that they may be strategic in their campaigns as the needs, wants, and desires of national travelers might be quite different from tourists coming from abroad.

## 2. 2 Discuss the significance of marketing research and market information to directors in the travel and tourism sector

Marketing research and marketing information is important for travel and tourism managers as they can develop market information systems to define the market, measure current demand and tourism trends, and forecast and measure future demands. The more information that managers can harness, the better, as the marketing research process directly relates to their company's success as determined by the consumer demand that they attract. Marketing companies that truly succeed at their tasks go to great lengths to understand client or consumer's wants, needs, and ultimately their demands. Consumer research is a crucial aspect of generating this understanding about consumer likes and dislikes. I cannot underscore enough how important marketing is in tourism and the following methods are some general ways to employ a marketing strategy to develop a demand in the tourism industry and maintain flow of clients.

Raising awareness about the good, service or product for marketing, is crucial. The marketing campaign must also have a method of motivating consumers because even once a consumer has an awareness of a particular site, service, restaurant, hotel, etc., it is the job of the company to convince him or her that they should go there. In the example of the increasing fad of tourists who want to travel "green", it may be motivating to consumers to find out that a certain site has recently gained green credentials of some sort, such as a new LEED certified building or recognition as a world heritage site. Promoting the image is also relevant in marketing for the travel and tourism industry as clever marketing can manipulate tourist's perceptions of

a certain place, for the better, and persuade them to visit. For example, a country is more likely to be appealing to tourists after they have hosted an Olympic or football world cup. Therefore, hosting an international sports competition can work wonders in boosting a locale's image. Other important facets of marketing are a campaign's ability to convince consumers of hospitality as people look for certain qualities when making a decision while traveling. For example, when picking out a car rental agency, they might value reliability and price over other factors such as style or comfort. Lastly, generating "buzz" about a certain product can greatly boost sales or increase demand. Marketing has a crucial ability to generate buzz around an area, good, product or service and must not be overlooked by managers in the travel and tourism sector.

### 2.3 Assess the influence of marketing on society

Marketing and society is a highly interest topic of discussion as individuals are subjected to marketing and media on a daily basis, in this modern world. Some of the subcategories to discuss the influence of marketing on society include: social responsibility and ethics, regulations and public policy, consumerism, environmentalism, legal considerations and the increasingly popular buzzword, sustainability. Each of us is a daily target of massive and sustained marketing initiatives in a myriad of ways. Forms of marketing include, but are not limited to, advertising on the radio and television, billboards along highways, newspaper and magazine ads, posters, information on milk bottles, fliers sent out by mail, etc., which all aim to inform you about their goods, services, and products and perhaps advertise special offers or price reductions. Marketing on the Internet is also a whole



other realm where individuals are subjugated to advertisements. In a gross way, marketing surrounds us much like the air we breathe, and yet we often fail to notice it.

Some people are concerned of marketing's potential negative influence on their lives and have ethical concerns about its effects on society. Because marketing and advertising has become so ubiquitous in modern life, it is very importance for companies to remain ethical and sensitive in their communication with the public and society at large. What most consumers fail to realise is that the promotion and persuasion by marketing campaigns that they view, is only the tip of the iceberg of the systematic thought process, which makes up marketing (Middleton, 2010). Overall, marketing is a system of a series of stages that lead a consumer to believe and want a product, good, or service. In the industry of tourism and travel, the intention of marketing is to introduce the subject (consumer) to the service offered and why they should choose it over the many other options.

### Introduction

The case scenario is that as the new Marketing Executive of London Gatwick Airport, I will lead the airport in becoming more successful through making the changes outlined below for a new marketing scheme. Understanding the ways in which modern society shapes marketing is essential when creating a successful marketing mix. In the past, marketing material, whether online or off the intern, was controlled by the destination or company in the sense that they developed the literature and had ownership of its dissemination. Today, in contemporary times, there are many outlets and avenues for consumers to receive information and reviews of destinations and travel organisations,

which is not controlled or regulated. Third-party website, such as Trip Advisor, have paved the way for this uncontrolled mechanism of information spread. Consumers now have a voice in which they can inform strangers about their experiences while traveling. This opinions can be both advantageous and lethal for travel organisations, hotels, tour companies, restaurants, etc., as their reviews are out of their control and not always accurate or up to date with the reality of the services. Social media has further extenuated the reaches of information transmittance. In essence, a marketing mix cannot be separated from electronic forms of communication in which our modern day, internet-based society depends.

### 3. 1 Discuss issues in the elements (price, product, place) of the marketing mix

Marketing mix consists of three things: product, price and place. These three elements form one unit, the target market, and work to support and complement each other towards a common goal. Without these elements working cohesively, a firm of company's marketing strategy will be confusing and out of sync. The products that are being marketed include elements such as product features, advantages and benefits, tangible and intangible service elements, product classification, product mix and life cycle, portfolio analysis, the development and formulation of products, individual tourism business product, product differentiation, branding and total tourism product (TTP). The questions to address when defining the product in the marketing mix are: who the product is aimed at, what benefits the customers or clients expect to receive from it, what is its " unique selling point" or its advantage over other products from competitors, and how does the company plan on

positioning the product within the given market. Through answering these questions, a company can design, package, and create further value to its good, product, or service.

The role of price in the marketing mix includes elements such as price setting considerations, cost classification, the construction of pricing decisions, approaches to pricing such as: cost-plus, break-even and value-based pricing or other pricing strategies. Although there are many different pricing strategies, there is one basic rule, which every pricing strategy must cover: the price must cover at least the production costs. The only exception being that if the price is lowered to attract initial customers to the business, which is called “ loss leader pricing” and is a risky strategy. In essence, a product is worth only as much as consumers are willing to pay for it.

Lastly, the role of place in the marketing mix includes elements such as distribution channels, location and accessibility, intermediaries and principals, channel behaviour, channel objectives and strategy, the organization itself, vertical marketing, physical distribution and logistics. The place element considers the questions where the product is made, how it is stored, and the transportation mechanisms required delivering it to the client or customer. The ideal place for the product would achieve these objectives: convenience for both the business and receiver, accessibility for the customer, low cost for shipping or free if it is at the place where the product was sold, and reasonable cost to the supplier or business.

### 3. 2 Assess the importance of the travel sector's service sector mix elements

Services in service sector management include any type of economic activity

whose output is not a physical construction or product, such as intangible products that provide convenience, timeliness, comfort or health. Thus, service marketing aims to: understand the utility or benefit that consumers receive by using a service offered by the organisation, understand how the organisation (in all forms from personnel to technology to physical resources and systems), will produce and deliver this utility, understand the ways in which the organisation can be developed in the future in order to achieve its intended quality and goals, and continue to make the organisation function so that high quality products can be delivered continually. The elements of the service sector mix include the nature and characteristics of services, internal and interactive marketing, and the quality of service, people, partnerships, programming and packaging.

### 3. 3 Apply the concept of the total tourism product to the London Gatwick Airport - an individual tourism business

The London Gatwick Airport is located in Crawley, West Sussex and is a hub for British Airways. LGW follows London Heathrow Airport as both London's second-largest and second-busiest (as measured by total passenger traffic) international transportation service in the United Kingdom. The name is derived from a manor dated in 1241 and was first recorded as " Gatwik" which in Anglo-Saxon means gat (goat) and wic (dairy farm). Hence, the airport literally means " goat farm", which was also the name of the De Gatwick family which owned the manor until the 19th Century. After a number of ownership changes, Global Infrastructure Partners (GIP) claimed ownership in 2008 and announced the proceedings of 1 billion investments in pounds to upgrade and expand the airport. On the 22nd of June in 2010,

Gatwick Airport Limited (GAL) announced a new advertising campaign called “Your London Airport - Gatwick” and changed the name of the airport from London Gatwick Airport to simply, the Gatwick Airport. Over forty airlines operate from Gatwick Airport including Air China, British Airways, Easy Jet, Emirates, Monarch Airlines, Ryanair, Thomas Cook Airlines, Thomson Airways, Turkish Airlines, Vietnam Airlines, Virgin Atlantic, and a plethora of smaller airlines such as Vueling, Royal Air Maroc, Gambia Bird, Bulgaria Air, and Adria Airways, to name a few.

The total tourism product is a complex product that incorporates several service suppliers and several offerings. In the scope of an airport setting, the total tourism product encompasses all of the desires of travelers upon arrival to a new destination, from the process of booking hotel and flight reservations to their experiences in the airport. Therefore, applying the concept of total tourism product for such a setting as the Gatwick Airport, is a highly complex and integrated task.

### Introduction

The Sheraton Hotel in London’s Piccadilly is a boutique hotel offering several luxurious double rooms and caters to upper middle class travelers and business men and women. This art deco style hotel was built in the 1920s by Sir Bracewell Smith and features a mansard roof and Portland stone facade (wikipedia). With over 300 bedrooms on eight floors, the hotel is a desirable stop for tourists visiting London in the summer as it also overlooks Green Park nearby Buckingham Palace. The Park Lane Hotel is also included in the movies *The End of the Affair*, *The Winds of War*, and *the Golden Compass*, thus rendering the title as an iconic hotel in London. In the near future, the

Hotel will launch its summer promotional sales and as a marketing trainee for the hotel, I have been asked to prepare some suggestions on the promotional mix. These suggestions will be presented to my boss and her team. It is important to be thorough and innovative with these suggestions as this is the first serious assignment on the job and may determine whether or not I will be offered a permanent position after the training commences.

#### 4. 1 Assess the integrated nature and role of the promotional mix

A promotional mix combines promotional methods for a particular product such as advertising, personal selling, sales promotion, public relations, and direct marketing. Corporate image is also an important part of the promotional mix and extends to each of the five main aspects. The promotional mix is the nature and role of promotions to increase reservations at London Piccadilly Sheraton Hotel and includes public relations, selling, advertising and sales promotion, direct marketing, promotion online and via the Internet, combined communications and communication channels, promotional mix decisions, budgetary considerations, and the monitoring and evaluating of promotions.

Advertising and public relations includes principles such as objectives, methods, reach, frequency and impact, costs and budgeting, media and outreach planning, public relations activities and tools, restrictions, creating copy, evaluations and the role of agencies. The skills involved with sales promotion and personal selling include defining aims and objectives, verbalizing reasons for development of sales promotion and merchandising, points and methods of sale and sales promotion used in the tourism and travel industry, importance of travel and tourism brochures, and personal

selling functions. Sales promotion may be the most important part of the marketing mix for the hotel as it involves media and non-media marketing communication to achieve more bookings at the hotel for its summer season. Forms of sales promotion can include coupons, sweepstakes and contests, product samples, and exhibitions. Personal selling is defined as a process of persuading people to purchase a good or service, which in this case would be to book at the Sheraton in Piccadilly during the summer months, and is achieved by persuasion through oral presentation and personal contact either face-to-face or via telephone. The promotional mix is integrated in every sense, as each component must complement the other aspects to make up a successful marketing campaign.

#### 4. 2 Plan and explain an integrated promotional campaign for London Piccadilly's Sheraton Hotel

The integrated promotional campaign for the Sheraton Hotel will have four parts: upgrading its website and starting a promotional page for the summer season, launching a social media campaign, through websites such as Twitter and Foursquare, television ads and promotions. "Storytelling" should be the central concept of launching the integrated promotional campaign for the Sheraton Hotel's summer season and disseminate the message that the hotel believes in "people first" and delivers quality and hospitality in every aspect. The hotel can continue being competitive by keeping an eye on campaigns run by other hotels. A great website to start doing this is by using Skift's "Best Hotel Social Media Campaigns of 2013" page: <http://skift.com/2013/10/21/the-best-hotel-social-media-campaigns-of-2013/>

The first component of hotel website design is crucial as this will be the face

of the summer season campaign. The hotel needs the right Search Engine-friendly platform, an eye-catching and engaging design and the best Internet marketing strategy to raise visibility and reservations over the summer season. An external company such as Hotel Marketing Works ([hotelmarketingworks.com](http://hotelmarketingworks.com)) can be hired to complete this service. Moreover, developing the website is not the only component of having a successful promotional campaign. We also need to generate online momentum before the launching date for the website. The web developers can assist this initiative by launching social media campaigns and enacting email marketing and pay-per-click advertising.

Social media is a ubiquitous aspect of the modern world and can be used as part of the integrated marketing campaign to manage people's perceptions of the hotel, understand word of mouth experience at the hotel, gain customer reviews, and connect with guests. Twitter, Foursquare, tumblr, and Facebook can be utilized by the Sheraton to track customer's experiences, run ads, localize their customers, and offer the ability to book online and use their mobile devices to handle transactions. The app and website Foursquare can be incredibly useful for the hotel as employees can track the hotel's activities and greet guests by name when they check in, thus increasing the value of customer service and perhaps offer special gifts such as a free room upgrade or glass of champagne when checking in on Foursquare or tweeting about their arrival to the hotel.

Digital videos should be an integral portion of the campaign as the hotel can develop videos to display on both television and websites. For example, the Hampton Hotels (part of Hilton Worldwide) were able to increase their



Facebook fans by 60% in eight weeks and gain over three million video views since the launch of its “ Feel the Hamptonality” campaign in September of 2012. This campaign created an iconic image and branding for the hotel of “ Hamptonality Moments”. This series of videos featured stories from real guests at the hotel. Something similar to this hotel should be launched for the Sheraton to create excitement about summer plans and the endless possibilities offered by the hotel’s services.

Lastly, personal promotional campaigns should be launched in public areas such as shopping malls or airports. In order to connect with people about the Sheraton’s summer campaign, it is important to physically see and communicate with them. Promotional workers can be hired to inform people about the hotel’s summer campaign and offer coupons such as 20% off your first stay or a free massage at the spa.

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