

# [Marketing strategies of hong thai travel](https://assignbuster.com/marketing-strategies-of-hong-thai-travel/)

As the tourism is important industry in Hong Kong, more and more travel agencies use different marketing strategies to attract tourists. These travel agencies have like Hong Thai travel and Smart Holiday. Hong Thai Travel is a big organization. It is established in 1966, and now has more than one thousand employees. On the other hand, Smart Holiday is a small organization. It is established in 2007, it’s been only two years since it established. They can be existence together through use different marketing strategies. In this proposal, I will compare Hong Thai travel and Smart Holiday can be existence reasons together. I would focus on Hong Thai and Smart Holiday in Hong Kong to deeply know about the marketing strategies, that’s mean I would like to compare on marketing strategies of Hong Thai and Smart Holiday as well as what factors will affect /attract tourists, what promotion channels will use for tourists and so on.

By using questionnaires, 140 tourists will be asked, in other to investigate which one may attract tourist between Hong Thai and Smart Holiday. Relationship between factors such as package price, travel agency location, service quality and so on. Besides, I will use the data collection method to finish this proposal like communication approach. Beside, sampling method was used by this proposal. I will through interview, telephone, e-mail, internet to study and analysis the marketing strategy of Hong Thai and Smart Holiday. And I would like to use those methods to test what are strategies usefully. In additional, I will be refer to some relevant literature to analysis and study about marketing strategies, such as Medial Tourism Business Plan (Medial Tourism Business Plan 2009) and some reasons lead to consumer to choose travel agency (V. C. S. Heung and R. Chu 2000: 52-59).

## Aim

A comparison of Hong Thai Travel and Smart Holiday concerning about the aspects of marketing strategies is conducted and information regarding of that is going to be shown in this project in which some elicitations hopefully can be given out. Besides, because the marketing strategies must be affect travel agencies sales, I have interest to study their marketing strategies.

## Background

Hong Kong travel agencies developed very rapidly. In the past, Hong Kong has only large organization of travel agency, such as Wing On Travel agency, Hong Thai travel agency and so on. In some survey showed that tourists are rather well education with 34 percent having post secondary school and another 37 percent university qualification or above. (Eturbonews 2009) More and more people have money to travel because much more peoples have high education and they have some pressure in working. Also, they want to reduce a lot of pressure through a trip. Therefore, the travel industry needs larger. In travel agencies, large organizations of travel agency has use difference preferential price to attract more peoples. Besides, small organization of travel agency has use difference marketing strategy to attract more peoples, therefore, these operation are increasingly successful. Now, Hong Kong has more than 133 travel agencies. It is including small and large organizations of travel agency. In the past ten years, Hong Kong has only 105 travel agencies. It meaning travel industry developed very rapidly.

In some travel agency make a survey in the past twelve months, 37 percent of tourists went to mainland china and Macau, 34 percent of them want to north and northeast Asia that including Taiwan, 15 percent of them went to south and Southeast Asia. (Eturbonews 2009) It meaning china trip, north trip and south trip and so on, it is very popular trips. Also, travel agency can make above trips to attract peoples. It is a selling point for tourists.

In smart holiday travel agency, it is focus on to provide Southeast Asian line for tourist because this line trip has cheap cost price. So, Smart holiday travel agency can establish more and more stores from one to eleven branch stores. Also, south and Southeast Asia line trips have big development areas.

In some travel industry survey, it showed that when Customer chose trips, they are considering reliability of the branch, price, quality, customer services and popularity. So, in this situation, Hong Thai travel agency has above superiority. it is large travel agency which have much more experience in operation. So, it can make tourists reliability and satisfaction.

For the recently tourism, more and more competitors have different marketing strategies to enhance their sales. Such as Hong Thai Travel and Smart Holiday. They are use different methods to attract consumers. In aspect of Hong Thai Travel, it is established in 1966, and now has more employees around thousand. A branch stores was distributed in different location like Kowloon, Hong Kong, New Territories, Macus and China. There are 30 branch stores because Hong Thai Travel is a big organization. In additional, based on Nielsen Media Index Hong Kong Report of 2001 to 2008 show that Hong Thai Travel has maximum tourists in Hong Kong. Hong Thai travel is a full services travel agency. It provides tour packages, cruise planning to single and groups. Hong Thai travel focus on tourists throughout Asia including Hong Kong, Singapore and so on. Hong Thai of Hong Kong is a full service agency, it offer group and single tour packages, cruise packages to a variety of destinations, ticketing and hotels and more. Hong Thai travel offers the best level of travel services and quality of tourism to customer. It offers quality services as a strategy that it leads business attracts more tourists. It includes business and personal travel. Hong Thai travel agency is a one-stop travel department store to offer wide travel products and services. Travel agency managing director Mr. Jackie Wong is widely recognized as one of the leader in travel industry of Hong Kong. Hong Thai motto “ we make it for you”, that is Hong Thai’s commitment to continuous to develop better and more innovation and services. In aspect of Smart Holiday, it is established in 2007, which is it’s been only two years since it established. Although Smart Holiday is only two years operation experience, it has been own important position in travel agency. Smart Holiday have 11 branch stores that was distributed in different place such as Kowloon, Hong Kong and New Territories. Hong Thai Travel and Smart Holiday have different selling point. In aspect of Hong Thai Travel, it always provides much more different trip line to consumer. Thus, Tourists have more choice about tourism.

Hong Thai vision has become the customer’s most beloved travel agent. Hong Thai’s have ability to develop new products to their success. They work closely with tourism boards and handling agencies worldwide to bring the newest travel destinations to customers. Hong Thai’s a place of open communication and preferred place to work in. Hong Thai’s provide concrete service guarantees, namely is “ department guarantee”, “ price guarantee”, and “ Itinerary guarantee”. These promises make their customer worry-free since they always book their trips months in advance. They match up potential opportunities and threats from external environment with their strength and weakness in internal competence, forming strategic initiatives in four aspects. It includes financial, customer, internal business process, learning& growth. They use “ customer touch point” strategic for the customers.

Its mission is innovative, receptive to changes and socially responsible in offering high quality travel services. In aspect of Smart Holiday, it only focuses on to provide Southeast Asian line for tourist. Because of Smart Holiday is small travel agency, there trip price is cheaper than other big travel agencies. Its mission is providing high quality travel services and cheaper price tourism. Smart holiday enhance network marketing for their successfully. Much smaller travel agency tells us clearly that the market has played an important role and they maintain close contact existing customers and attract new customers. Smart holiday ensure that the company name, logo, message and tone in consistent from a communication tool in other to help strengthen the brand recall. Smart holiday should build a links to their website, blog and social network throughout all their communication channels. And, this makes it easy for interested reader to find out more about their company and what their can provides. Smart holiday use an event marketing tool to manage their event, and promote it via their social networks. Smart holiday can provide some discount incentives in shopping event and customer appreciation.

Above information’s is very important for me. I will refer to above information to compare their marketing strategies, and I would like to know they can be existence reasons together. On the other hand, travel agencies are affected by economic environment factor and social-culture environment factor and so on. For example, a travel agency sale was affected by economic environment badly.

## Objectives

Below are the main points of the objectives of this research:

Comparison of 4’p marketing strategy of Hong Thai Travel and Smart Holiday (place, price promotion and product)

Examine the reasons why they join the trip from that channel? (Hong Thai Travel and Smart Holiday)

Examine the relationship between factors (package price, travel agency location, service quality, training between staff etc.)

Study the consumer behavior of Hong Thai Travel and Smart Holiday

Examine the most beloved tourism lines? (in Hong Thai Travel? In Smart Holiday?)

Compare travel services in Hong Thai and Smart Holiday ( customer services quality)

Examine Smart Holiday can be existence reasons( have lower cost? Focus on Southeast Asian line?)

## Research Methods

I will use the data collection method to finish this proposal like communication approach. Beside, sampling method was used by this proposal. I use sampling method because it is lower cost. In additional, it has greater accuracy and greater speed.

## Questionnaires:

During doing the project, I need to do a research for collecting the data from manager of Hong Thai and Smart Holiday and some tourists. Therefore, I decide to design the questionnaires for research with my focus group. I will discuss some questions about collecting the data which I want to know from interviewers. Also, I need to think that what kinds of format of questionnaire that will help me to analysis the data more easier, for example, yes/no questions or open-ended questions. After decision in the choice in format of questionnaire, I then print out some questionnaire and make an outdoor research by face to face method or by uploading the questionnaires onto the internet for collecting the useful data. 100-200 interviewers will be asked about the questionnaires.

Sampling: First I sample the tourists which are in stores of Hong Thai and Smart Holiday. Those places are many tourist visits that place every day. After that, I sample the manager of Hong Thai and Smart Holiday. When I am doing the survey at that moment, I use convenience sampling the tourists or managers who are male or female.

## Internet:

The Internet is the worldwide, publicly accessible network . On internet, I can find lots of information such as news, also many other services including e-mail, file and sharing. About my report, I will find the primary data or the second data though the discussion areas of internet, on discussion area, I can find the specify one such as travel agencies area . On this area, I can leave the message to people who are the travel lover or I can see whether there are tourist in discussion website, waiting for their response within some days.

Sampling: I use the convenience sampling, because I do not know who are on internet, I post the questionnaires on internet and they will doing the survey who are telling me are tour guides. Another way is searching the tourist on the internet forum, I focus on the tourism part to find out the tourist.

## Telephone:

Tele-interviewing is simple process of using a telephone interview as a means of collecting data about the interviewees’ experience in tourism and lifestyle. I can get the information about the customers’ satisfaction of tourism though telephone. By telephone, I find friend, family member, colleague, classmates etc. Moreover, different people have different explanations, so, their response to my questions will have different results. Those in formation just only for my reference to more understand tourist and I can gather some primary data about the marketing strategies of Hong Thai and Smart Holiday.

Sampling: I will use the quota sampling, first I may be told to Hong Thai and Smart Holiday to ask about the marketing strategies, To interview tourist who are stay in at home at that moment, ask about the marketing strategies of they think.

## E-Mail:

Send the data and questions by e-mail which include my university name, course name, subject title, major questions and our purpose are to tourism hobbyist, leader, tour guides and other relevant persons.

Sampling: I will use the quota sampling, first I may be told to Hong Thai and Smart Holiday to ask about the marketing strategies, I sent e-mail to above travel agencies in Hong Kong because I want to know their marketing strategies. Also I do not expect they are asked the question about marketing strategies.

## Interview:

I gather the information by using face to face interview. Interview is a procedure designed to solicit information from a person’s oral responses to oral inquiries.

I will utilize structured interview for gathering the data from interviewees in that research. I am going to prepare the questions that will be asked before going out. During setting questions on questionnaires, I have to analyze the current situations in the Hong Kong so as to make the questions on questionnaires more updated. Besides of this, I also decide whether the dialogue will be recorded or not. As interview need to be allow by managers, I will send them a require letter, wish they will allow me to conduct interview. Or, maybe to interview tourist who are stay in travel agencies at that moment, ask about the marketing strategies of they think.

## Project plan

Please refer to other paper

## Critical review of relevant literature

The literature review is focused on information search. Referring to that topic, I shall take about travel marketing strategies and choice of Hong Thai and Smart Holiday.

According to Hong Kong General Chamber of Commerce in 2006, HKGCC Judging Panel said that now is Hong Thai Travel has successfully marketing strategies. It shows that Hong Thai Travel has successfully identified a market role and provided “ love seeking tour” to specific group of consumers who expect companions. Using by a strong innovative culture, Hong Thai Travel is able to develop new gimmicks continually, adding value to its traditional services, and enhancing its leadership in a highest competitive market. Thus, the company can success is demonstrated by remarkable achievement in Hong Kong (HKGCC 2006).

After that, Tourism Consultative Council suggests that travel agency may encourage innovation in future. Travel has an integral element in marketing strategies. I think that an integral element can use in marketing strategies of Hong Thai Travel and Smart Holiday Travel. If travel agencies has integral element of marketing strategies, it will explore how this will impact areas of manpower and technology in tourism market (the Tourism Consultative Council 2003).

On the other hand, according to Medial Tourism Business Plan information, it shows that Travel agency should offer consumer VIP services and it ensures the highest level of consumer services. Besides of the product strategy, in aspect of promotion strategy, travel agency may hire a professional manager to generate publicity that reinforce their images and attract more consumers by focusing on consumer satisfaction. Thus, it may expect to achieve strong word-of-mouth advertising as consumes share their tourism experience with their close friends. Hence, it may be to minimize advertising cost through this way. Moreover, travel agency can use the internet to promote themselves, they can invest in a best-in-class website that is designed to appeal to the sensibilities of upscale consumers. Other way, travel agency can make limited use of direct mail by creating an extremely high quality mail piece that will be send to the consumers. In aspect of sales strategy, Medial Tourism Business Plan suggests that travel agency may employ professional case manager who will be first point of contact with prospective consumers. Thus, it can encourage up-selling of their VIP services. Above strategies might be use to Hong Thai and Smart holiday (Medial Tourism Business Plan 2009).

In additional, there are many reasons lead to consumer to choose travel agency. A total of 183 Hong Kong consumers were surveyed and were asked to rate 29 attributes that might affect their choice of travel agency for all- inclusive package tours by V. C. S. Heung and R. Chu. The results showed that 29 attributes were affected about choice of travel agency in travel agency reputation. V. C. S. Heung and R. Chu said that Travel agency reputation was rated as the most important attribute in travel agency selection, followed by ‘ word-of-mouth communication’ and ‘ staff attitude’. V. C. S. Heung and R. Chu suggested that might use seven factors to analysis choice of consumer. Also, Hong Thai and Smart Holiday are use seven factor to analysis choice of travel agency of consumers. It includes namely, Interactive Agent Quality, Formal Communication, Overall Convenience, Pricing, Product Features, and Image. Those factor can use to analysis marketing strategies to consumers (V. C. S. Heung and R. Chu 2000: 52-59).

Besides of above strategies and some information, Susskind, A. M., M. A. Bonn, and C. S. Dev suggested that travel agency must let consumer has trust and trustworthiness of an information sources as well as booking channel (Susskind, A. M., M. A. Bonn, and C. S. Dev 2003: 256-64). Nysveen H suggested that travel agency has on line booking channel, which should be security and trustworthiness. So, Hong Thai Travel has online booking services, which website should be based on added values first of all aimed at the reduction of risk and uncertainty (Nysveen, H. 2003: 113-127).

On the other hand, Susan Segal-Horn suggests that manager needs to improve operational efficiency which through programs, such as total quality management, time-based competition, and benchmarks. Also, both smaller and large organization may changed how they performance of the activities, to eliminate efficiency and enhance customer satisfaction and successful the best practice. In order to keep pace with changes in the productivity of border management has accepted the continuous improvement, empowerment, change management, and so-called learning organization. (Susan Segal-Horn 2001: 75).

In additional, Combes, G. C. and Patel said that the internet offers a potentially low-cost Retail distribution channels to reach customers 24 hours a day anywhere in the world. In addition, as the transfer of customer transactions to electronic channels, the detailed data that can be stepped up to collect Targeted advertising and marketing work, and reduce other operating expenses. The Internet has increased the price of access to information and products, so that Clients determine the best treatment, in the online and traditional channels to improve their communication with suppliers. Hence, Hong Thai travel and Smart Holiday is open 24 hours communication channel for their customers. (Combes, G. C. and Patel 2000: 1)

After that, Susan Segal-Horn implies that companies are success that only it can create different strategies, and the need to save the strategic. So, Hong Thai travel and Smart Holiday are must provide greater value to customers or at a lower cost to create a higher value, or both. Arithmetic superior profitability is as follows: to provide greater value, enabling the company to charge higher average unit prices, higher efficiency resulting in lower average unit costs. Lower or higher prices in the cost of time to the creation, production, marketing products and services to them, such as according to customer requirements, can improve the final product assembly and train their employees.( Susan Segal-Horn 2001: 74).

Besides, Shohreh A. Kaynama, PhD and Christine I. Black, suggests that many service industries, travel agents believe the Internet is an opportunities and threats. So, some of the smaller agencies like Smart Holiday Travel Agency will choose to use the internet merely as a medium of communication, in order to promote with their business Static web site or as a way to receive e-mail with the customer. These small establishments Wish to participate in the competition and offer highly specialized travel services to customers and attract customer’s attention. Other traditional travel agencies are in a state of transition. These hybrid organizations also provide individual customers by focusing on Walk in and telephone services, while at the same time through their Web sites to develop automated reservation and booking system. Hence, it can increase company benefits. (Shohreh A. Kaynama, PhD

Christine I. Black, MLS 2000: 65).