



BUSINESS
EXCELLENCE

TOURISM EXCELLENCE

International Marketing

Fact Sheet – Hints and Tips

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TOURISM
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Key Point

Source: Tourism Australia, 'Planning for Inbound Success', Vol 2, 2008

FACT SHEET – HINTS AND TIPS

Inbound vs Domestic Travellers

Differences to consider between domestic and international tourism markets include:

- Overseas consumers, particularly long haul travellers, may have limited knowledge of Australia – educating visitors about your destination is key
- Marketing costs are higher overseas
- International markets vary considerably, both in terms of traveller wants/needs and the structure of the travel distribution system
- International itineraries are generally more complex than domestic ones
- Selling travel products to the international travel trade may require a commitment to your pricing and commission structures over a long time
- Language and cultural differences create additional challenges for both marketing and product delivery
- Entering and establishing your business in the international market is a long term investment, and it may take several years to recoup costs
- Overseas markets are competitive – you are competing against both other companies, but also other tourist destinations

Travel Distribution System

- Retail Travel Agents (10% Commission)
- Tour Wholesalers (20% Commission)
- Inbound Tour Operators (30% Commission)
- Meeting and Incentive Planners (Business Events)
- Online
- Distribution channels and consumer purchasing behaviour varies from market to market so you will also need to understand the structure of the distribution system specific to your target markets
- Building relationships and establishing your credentials takes time
- The process of making key sales staff aware of your product, developing a new product range and brochures can take 12-18 months

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Key Point

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FACT SHEET – HINTS AND TIPS (continued)

Tips for Working with Inbound Tour Operators

- Provide updated product information and training for sales staff
- Maintain regular contact through sales calls, workshops and trade shows
- Supply promotional material such as brochures, images, tariffs and a shadow website
- Encourage ITOs and their offshore clients to take familiarisation tours
- Provide quality service to the ITOs offshore clients
- Promptly inform ITOs about potential complaints
- Research who the ITO works with in the distribution system and which markets they target to ensure your product is the correct fit
- Become a member of ATEC (Australian Tourism Export Council)
- Compile a sales kit with product fact sheets (available in PDF format) giving a short description, facilities, inclusions, departure times and points, min and max guests plus high resolution images of your product
- Ensure information on your website is up to date and provide links to your image gallery
- Provide ITOs with prompt turnaround on enquiries, quotes and bookings
- Provide concise information on your terms and conditions e.g. rate validity, cancellation policy, and child policy
- Don't ask for prepayments or deposits
- Accept ITO vouchers and trading terms
- Check that the ITO is licensed (where required) by contacting ATEC or the Office of Fair Trading. Don't be afraid to speak to other businesses that work with the ITO to confirm that it is a reputable company

Tips for Working with Tour Wholesalers

- Research – find out which markets the wholesaler targets, the type of experience they sell and who their distribution partners are;
- Keep wholesalers up-to-date on any new product developments or changes to your product
- Suggest ideas for packaging your product to make it easier to sell
- Highlight your unique selling point (USP), the benefits of your product and the factors that set you apart from the competition
- Make sure that you understand the overseas distribution system, commission structure and the need to set advance price rates
- Keep in mind any terms and conditions or consumer protection laws that the wholesaler must adhere to. In particular, Europe and Japan have strict consumer laws that require companies to deliver the promised standard of holiday experience

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FACT SHEET – HINTS AND TIPS (continued)

Tips for Working with Retail Travel Agents

- Get involved in the Aussie Specialists Program and offer special holiday deals to encourage agents to experience your product first-hand
 - Meet retail agents and wholesale reservation agents by attending trade shows such as Oztalk and Corroboree organised by Tourism Australia
 - Establish good relationships with your RTAs preferred wholesalers and ITOs
 - Provide key agents with regular – but relevant – product updates
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Key Points to Consider for Online Distribution

- When distributing online, rate parity is critical. Rate parity exists when the same rate structure for a product exists across all its distribution channels
 - It is important not to discount the rates offered to your traditional distribution partners when promoting online, as this will create inconsistencies in rates offered to consumers
 - How much new business the site may generate – business generated from last minute sites may have been business that would have already booked with you via other avenues
 - How is your information on the site maintained – by you or the site host? Maintaining your details on numerous sites can be time consuming
 - How is the site promoted? Is it targeted at the trade or consumers? Are there any distribution agreements in place?
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Identifying Target Markets – Key Questions

- What does the consumer (or market) want?
 - What can I provide to meet their needs?
 - What is the size of the market?
 - Is the market large enough to support the marketing costs required? Will I receive a return on my investment?
 - How long do they stay in Australia? Do they make repeat visits?
 - How much do they spend, what do they eat, and what do they buy?
 - What type and standard of food, transport, accommodation, touring, activities and attractions do these travellers prefer?
 - Do these travellers visit my local area?
 - Do these travellers prefer fully inclusive, group, backpacking or another style of travel?
 - How will my product fit into a wider itinerary? Can I work with any complementary products in my region?
 - How will they access my product?
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FACT SHEET – HINTS AND TIPS (continued)



Key Point

Effective Marketing Plans Include:

- Overall business objectives
 - What is it that your organisation wants to accomplish?
 - Assessment of the market environment
 - What are the factors, internally and externally, that will affect your business and servicing of identified markets?
 - Market Identification
 - What are the specific markets and segments that are most likely to use your product?
 - Marketing Objectives
 - Are the objectives for each target market measurable, achievable, time-specific, non-ambiguous and flexible?
 - Marketing Strategies
 - What is the best combination of the four P's for each of your target markets?
 - The action plan
 - What are the actions needed to make the plan work, who will do it and when?
 - The Marketing Budget
 - How much do you have to spend and how will you allocate the resources? and
 - Monitoring and evaluation
 - How will you measure the performance of your marketing efforts?
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