HTC CONSULTING

Marketing Guide for Tourism SMEs

Introduction

This guide has been produced to assist you to develop a more structured approach to your marketing efforts. It is designed to help you gather some relevant information about your business, so that when you meet with the consultant at a later stage you will have a clearer picture of where your business currently stands and what potential sources of business you could attract.

The quality of the information you gather about your business will determine how successful your marketing efforts will be - so it is worth spending time on this. Upon first glance this may seem very complex for a small business. But don't be misled as an operator of a small business into thinking that marketing requires no planning at all. The tourism industry has become extremely competitive in recent years, particularly the Accommodation sector. Every business, regardless of its size, must clearly identify potential markets and focus the limited resources available into gaining and maintaining a share of those markets. In many cases the smaller the business the more limited the resources - and therefore the more focused the marketing effort must be.

The guide has been designed to help simplify the marketing process for you and to provide a step by step approach to focusing your marketing efforts.

Section 1 - Market Research

The starting point in any planning activity is to look at the present position. Before you can market yourself effectively you must target your efforts. To do this involves completing a bit of research. This involves looking at:

1) What is your current position in terms of:

a) Product and Service
b) Customers.
c) Your Current marketing Activities

and how these relate to your **competitors**.

2) What are the recent Economic/Tourism trends affecting your existing markets and your region.

The first section of the guide will help you answer these questions.

1a) Examine Your Current Product and Services

List the Product and Services that you currently offer:

Product	Services

Now list the products and services that your **competitors** offer. If it is easier for you, pick your closest competitor:

Products	Services

What are the **strengths** and **weaknesses** of your product compared to your competitors:

Strengths	Weaknesses

Now that you have identified the strengths and weaknesses of your product against your competitors examine how you might address some of these weaknesses:

Weaknesses	Action

So far you have looked at your own product and service and compared it to that of your competitors. What if anything have you **learned about your operation** after completing this exercise?

List the points below.

_____
_____
_____
_____
_____
_____
_____
_____
_____

Sum up in one sentence **what you believe makes your operation more attractive** to present and potential customers than that offered by your competitors:

_____
_____
_____
_____
_____
_____
_____

1b) Your Existing Customers

Now look at your existing customers and answer the following questions. Put as much information about your customers as possible. It is unlikely that you will have accurate information for all questions - don't be put off by this, try to estimate the % as close as possible.

Where do your present customers come from?

_____
_____
_____
_____
_____

Now try to be more specific:

Overall Breakdown	
International	**%**
Domestic	**%**

Break this down further if you can:

Domestic	Overseas	
%	**UK**	**%**
%	**USA**	**%**
%	**Germany**	**%**
%	**France**	**%**
%	**Italy**	**%**
	Other	**%**

What type of Visitors are they? (Individual/Group/Family etc.)

Type	%
Individual	
Group	
Family	
Other	

On Average how long do they stay?

Length of Stay	%
1 night	
1-3 nights	
3-7 nights	
7-14 nights	
14 + nights	

What type of holiday are they taking (Activity, fishing etc)?

Type of Holiday	%

How do they find out about you?

How your Customers heard of you	%
Word of mouth/Referral	
Travel Agent/Operator	
Marketing Association	
Website/Internet	
Advertising	
Direct Mail	
Other	

Make a special note of what % of your business comes to you through a third party _____%

Customer Feedback

Are they happy with the product/service you offer?

_____
_____
_____
_____

What are the most regular **Positive** comments you get about what you offer?

_____
_____
_____
_____

Negative Comments?

_____
_____
_____
_____
_____

On average how much do your existing customers spend each visit?

Other information about your present customers?

From the answers to the above questions, what conclusions can you draw about your existing customers?

From what you know about **your competitors,** are they attracting certain types of business that you are not getting? If yes, what do you know about this business?

1c) Your Current Marketing Activities

Now examine your current marketing activities. Base your examination on last year.

Marketing Activity	Cost	Business Gained from this activity	Estimated Value

What conclusions can you draw about your Marketing activities? Are they producing an appropriate return?

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

2) Economic/Tourism Trends

The Business environment within which you operate has a major impact on your potential to attract new business and maintain your existing market share. How the economies are performing in your source markets will affect the number of visitors coming from those markets. Equally the general tourism trends and the distribution of tourist numbers within the country will also have an impact on your domestic business. Therefore it is important that you examine current trends in these areas.

What are the general trends that will have a potential impact on your business?

Economic Trends	Tourism Trends

Section 2 will now help you to make sense of this basic research you have just completed

Section 2 - Analysing your Research

When you have completed all your research above then you can complete an overall analysis of your business using a SWOT analysis. This stands for:

Strengths - of your business
Weaknesses - of your business
Opportunities - in the current marketplace and business environment
Threats - in the current marketplace and business environment

Now that you have researched your product/service, your competitors and the overall market within which you operate, you have a wealth of information to help you plan your marketing. The SWOT analysis will act as a summary of the information you gained from your research.

Strengths	Weaknesses
Opportunities	**Threats**

Before you can plan any Marketing you must be clear on what business you are trying to attract. From your research you should be clear on:

Existing Business you would like to further develop:

Potential sources of business you would like to target:

Based on this information, what would you hope to achieve over the next year. In other words what will the overall objectives of your marketing efforts be?

Section 3 will help you decide on what marketing activities you should pursue

Section 3 - Marketing Promotion

You should now be clear what markets you are hoping to target, based on what you have to offer. This information will help to make your individual support meeting with the marketing consultant more productive. During that meeting you will be able to get advice on the most appropriate promotional methods to follow to attract business from the markets you have identified. You will be then in a position to prepare a marketing plan.

Before the meeting you should also give some thought to what you feel may be the most appropriate. Consider the following list and list your initial thoughts as to whether you feel that method is appropriate for you and how you might go about it. Remember your target market and how that business may come to you - either directly or via an Agent/operator. This may affect your choice of promotional method.

Support Materials

Business Cards

_____

_____

_____

Brochure

_____

_____

_____

Flyers

_____

_____

_____

Website

_____

_____

_____

Advertising

Print

Tourist Board Publications

_____

_____

_____

Newspapers

Local

National

Specialist Magazines

Commercial Guide Books

Radio

Television

Direct Mail

Group Marketing Schemes

Trade Promotions

_____

_____

_____

Additional Ideas

_____

_____

_____

_____

When you have examined the above you should also consider what Budget you can allocate for marketing.

Section 4 gives you an opportunity to plan your marketing

Section 4 - Marketing Plan

You should now have enough information to assist you to put together your Marketing Plan.

Target Market	Marketing Activity	Dates	Cost/ Budget	Completed By

It is important that you monitor the effectiveness of your Marketing Plan. Make sure that you always find out at least the following information from your Visitors:

- Where they are from(address etc)
- Purpose of their Visit
- How they found out about you(Try to get this from enquiries also)
- What they liked(or disliked) about staying with you
- Suggestions for improvement

You don't have to do this in a formal way. Much of this information can be found out just by talking to your guests. The important thing is to keep a record of this type of information. It will help you plan future marketing activities. Put together your ideas on how you might improve the information you get from enquiries and existing clients, to help with future marketing:

Action	Checked

Conclusion

The key to effective marketing promotion is that it is targeted effectively. To do this you need accurate information. Every business needs accurate information including small businesses. This guide has helped you prepare for your marketing support meeting, but it should give you an idea of the type of information you will need on an annual basis.

Make sure you begin to gather this information this year to assist your efforts next year and beyond.