

# **Marketing for small and micro sized enterprises, an introduction**

GTZ marketing workshop  
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# Marketing

- Is the key to successful business
- Is well planned, systematic action
- Is optimising your results
- Especially for small and micro enterprises



# You see it everyday in the streets

- Who sells what and when?
  - Plastic ponchos
  - Sunglasses
- Who is most successful
- or for instance....





# Marketing

- Organisation
- of
- your success
- in your market











LIGRAM  
BEST HOTEL

K-BAR  
SHAUGR

How to catch tourists

How to catch the right type of  
tourists

# Market research

- Look for information
- Look around
- Look for examples

# Where are the Markets

- National: nationals/ expats (+visitors)
- Regional (expats)
- USA, Canada & Mexico
- Europe
- Others

# What are the Markets (interest)

- Sports/active/adventure
- Trekking
- Local day to day life
- Cultural
- Religious
- Nature & nature related
- Others

# Who are your consumers?

- Domestic & Regional
- International
  - organised (Individuals & groups)
  - independent (backpackers).....

# International Tourists

- Independent (e.g. backpackers)
- Organised
  - Individuals
  - Groups

# Independent

- There are very expensive backpacks!
- Mostly spending a lot of time in the country
- No fixed itinerary, Planning on the spot
- Travel guides, mouth to mouth
- Favourite places to “Hang Out”
- Smaller (shop) agencies

# Trends in Europe

- Experienced tourists, individual travel
- Individual preferences so modular packages
- Group tours with local extra excursions
- Special interest tourism (market segments)  
(culture, nature, adventure, rural, etc)
- Multiple destination holidays
- No fixed consumer profiles

# Competition...

- Regional.....
- Image
- Attractions
- Price
- Quality
- What is your unique selling point?

# Marketing

- Traditional:
- Adapt your offer to the needs of consumers
  
- But also:
- Look for consumers in need of your offer

# YOUR OFFER = “4 P mix”

- Product
  - Price
  - Promotion
  - “Pipeline” (=distribution)
- 
- = THE MARKETING MIX

# How to operate the marketing mix?

- As a soccer coach.....

# Marketing = team sport

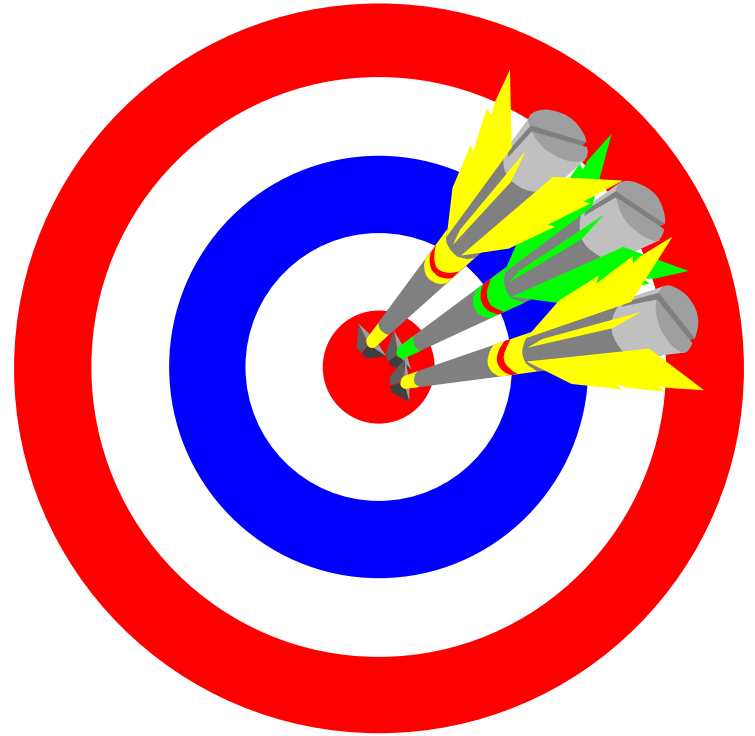
- Think SOCCER
- one team
- strong & weak players
- one objective
- target is clear



# Marketing mix

(= your soccer team)

- Product
- promotion
- price
- distribution



# Product

- Imago as holiday destination...
- Travel connections..
- Accommodation...
- Attractions (variety)...
- Operational facilities
- Additional tourist services

# The tourist wonders...

- Where to go this time?
- Do the projects exist ?
- Are nice holidays possible?
- Not a place for monsters & vampires?
- ..... What makes the tourist pack his suitcase: **your image**

# Travel connections

- Travel connections
  - quality, frequency, fares, types
  - domestic transportation
  - distance to main attractions
- Compensation for low quality
  - very special interest
  - more destinations holiday

# Accommodation

- Quality (**Hygiene**)/classification
- Food (taste, safety)
- location & surroundings
- services & facilities
- rates/ value for money
- authenticity
- “unique selling points”

# Attractions

- Sharing day to day life
- Nature, natural scenery, wildlife
- Culture, history, folklore, way of life
- Special events, performances, exhibitions...
- Special interest/activities
- Touring, from project to project

# Tourism infrastructure

- Reservations & operations
- Reliable receptive travel trade/organisations
- Internet (information & reservations)
- Informative & promotional material
- Packages with excursions and trips
- Information service (national/international)
- Quality control/ problem solving/ claims

# Do tourists like....

- Litter
- Spoilt surroundings and scenery
- Lack of natural elements
- Empty national reserves
- Unfriendly local population
- Health risks
- .....????????????????

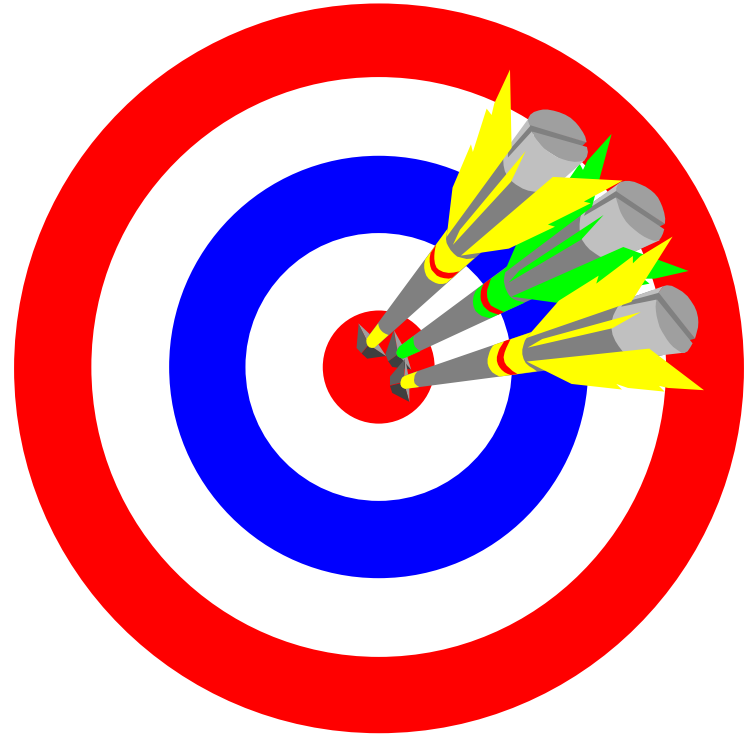
# Tourism & the environment

- Profit depends on quality of environment
- Clean unspoilt environment attracts more
- Tourists affect environment
  - vegetation, habitats, conflicting social norms
  - Damage difficult to repair/compensate

# Marketing mix

(= your soccer team)

- Product
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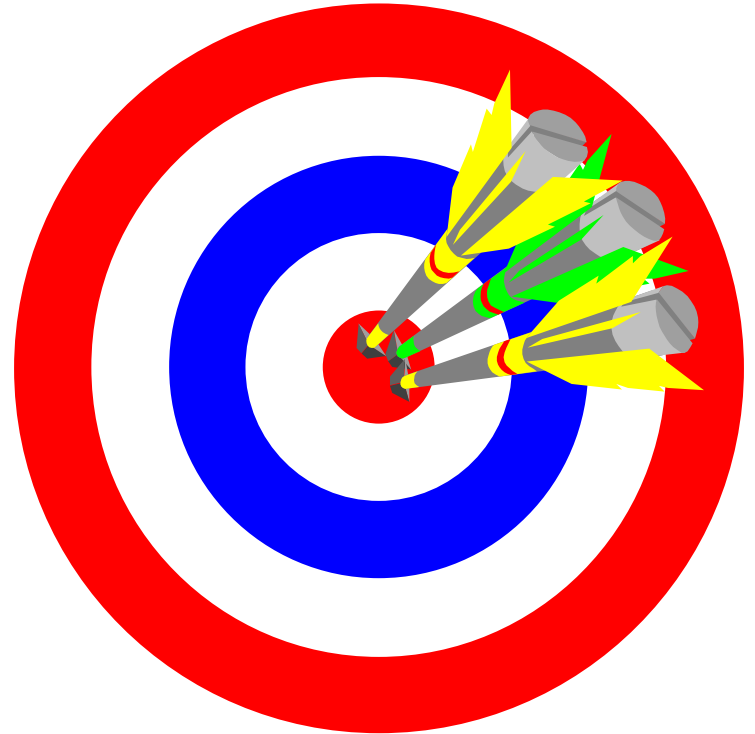
# Promotion

- Advertising
- Documents, videos, cd-roms, DVD
- Free publicity
- Direct Mail
- Information distribution
- Internet
- Fair participation

# Marketing mix

(= your soccer team)

- Product
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# Price

- Production costs
- price/quality ratio
- market segments
- competition
- variation in selling prices

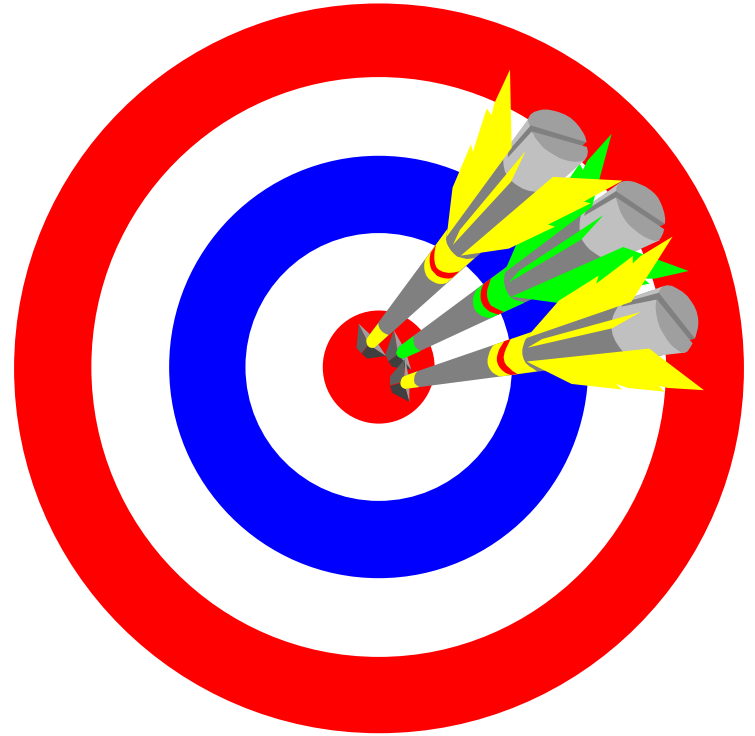
# Calculation of packages

- \* Selling price in catalogue 100%
- Travel agent comm. 10%
- Net air fare 30-40%
- Tour operator margin 10-15%
- Land arrangement 35-50%
  
- \*Consumer spends  $100\% + X = 150-250\%$

# Marketing mix

(= your soccer team)

- Product
- promotion
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# Distribution

- Direct sales
- Travel trade (wholesalers, tour operators, ground handlers)
- Others: Magazines, Associations, NGO's
- Internet

# Enabling profitable sales

- Information
- Sales
- Operations
- Accounting
- Packaging, based on research.....

# Basic elements package

- Travel connections
  - Accommodation
  - Tourist infrastructure & service
  - Attractions
- 
- *A package can also be a module in a larger itinerary*

# A package is attractive for

- Consumer:
  - all that is required
  - better price
- Provider:
  - more turn over, often more clients
- Intermediary:
  - turn over
- Int Tour operator
  - more turnover, less work

# Strategies

- Existing market, existing product
- Existing market, new product
- New market, existing product
- New market, new product

# To finalise....

- Think soccer
- optimise your team
- assess your opponents
- evaluate your strategy

– thank you