



**Standing Committee  
for Economic and Commercial Cooperation  
of the Organization of Islamic Cooperation (COMCEC)**

The background of the slide is a photograph of a beach. The sky is blue with scattered white clouds. The ocean is a clear, light blue-green color. White waves are breaking onto a sandy beach. In the foreground, a single, reddish-brown starfish is lying on the sand.

# **Tourism Product Development and Marketing Strategies in the COMCEC Region**

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## Presentation

# Marketing Strategies in the COMCEC Region

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## Understanding Tourism Destinations – What is a Tourism Destination?

- one product – but also many
- many stakeholders with different goals
- both physical & socio-cultural aspects
- mental concept for potential visitors
- subject to a wide range of influences
- subject to historical, real & fictitious events
- evaluated subjectively for value-for-money
- no two destinations the same!!

## Understanding Consumers' Needs

Characteristics of tourism with implications for marketing

- fragmentation of supply
- interdependence & complementarity
- rigidity of supply
- fixed in time & space
- intangible: “expectation-experience-memory”
- price elasticity of demand
- seasonality
- consumer part of the product
- importance of intermediaries

## Product Matching (I)

In a marketing mix, the product comes first

**BUT** - in tourism the role of marketing can precede the development of the product – remember the importance of *mental concepts*

Marketer gathers information on the expectations of customers

For a destination, the customer can be:

- its citizens
- investors
- tourists
- the travel trade
- others?

## Product Matching (2)

Marketer's task – to communicate to national, regional and local tourism product development decision makers the features & benefits each of the customer groups want & how to reconcile their often competing & contradictory needs

Marketer participates in the design of the destination's products;

- branding & PR campaign
- investment laws & regulations
- development & presentation of attractions
- promotion of export products
- fostering of positive relations with neighbours, NGOs & international organizations

Strategy – long term

- where are we now?
- where do we want to get to?
- how do we get there?

Key components of strategy:

- goals & objectives
- images, positioning, branding
- strategies & programmes
- budget
- review & evaluation



## Strategic Market Planning Process

1. Place audit – expanded SWOT analysis
2. Vision & goals
3. Strategy formulation
4. Action plan
5. Implementation & control

## Strategic Vision

Overall Growth path

### **BUT also**

- unique combinations of attraction factors to be targeted
- target markets
- short- and long-term goals
- operative prerequisites

## Competitor Assessment

- **SUPERIOR COMPETITOR** – protect position, avoid overpopularity
- **PEER COMPETITOR** – intensified competition, or *coopetition*
- **WEAK COMPETITOR** – establish new strategy & positioning
- Assess competitive position according to:
  - ➔ **STRENGTHS** – major or minor
  - ➔ **NEUTRAL**
  - ➔ **WEAKNESSES** – major or minor

Overall attractiveness of a destination one of four:

1. **IDEAL** – high in opportunities, low in threats
2. **SPECULATIVE** – high in both opportunities & threats
3. **MATURE** – low in major opportunities & threats
4. **TROUBLED** – low in opportunities but high in threats

## Market Segmentation

**PROCESS** whereby:

1. producers organise their knowledge of customer groups & select those whose needs & wants they are best able to supply with their products.
2. total market is divided into subgroups, or segments, for marketing management purposes

**PURPOSE:**

To facilitate more cost-effective marketing through the design, promotion & delivery of purpose-designed products, aimed at satisfying the identified needs of the target groups

**Means of implementing marketing strategy**

## Market Segment Methods

- Purpose of travel
- Buyer needs, motivations & benefits sought
- Buyer/user characteristics
- Demographic, economic & geographic characteristics
- Psychographic characteristics - Lifestyle
- Price

## Lifestyle Segmentation

**PSYCHOCENTRIC** (inward looking) at one extreme

**ALLOCENTRIC** (outward looking) at the other

The shape of the psychographic breakdown of any population is bell-shaped, with most individuals exhibiting a combination of *psycho* and *allo* characteristics - that is, *mid-centric*.

Destinations can be placed along the continuum between the extremes. Their placement varies according to source market being researched and changes over time.

Where does your country fit? And individual areas within the country? For the domestic market? For the regional market? For the European market?

## MARKETING MIX – THE 4 Ps

- Product = customer value
- Promotion = communications
- Place = convenience of access
- Price = cost



In countries with developed economies, tourism grew based on domestic demand but there are mutual benefits from having a combined national and international market – 70% of London's theatre income is derived from British audiences with foreign visitors contributing the remainder, thereby enabling price levels to be lower than if totally dependent on local demand.

UNEP workshop on **Marketing Sustainable Tourism Products:** over-ambitious new tourism projects with limited resources to attract “hard-to-reach” international tourists should be deferred in favour of “promoting to the domestic market, and the extension of current products”.

## Trends in COMCEC Country Marketing (I)

Distinction between categories of COMCEC country

**Targets for established and strongly growing tourism sectors –** active in all source markets with increased emphasis on faster growth markets like China

**Targets for smaller tourism sector countries:**

- Europe and Africa (for Africa region members);
- Europe, Middle East/Gulf States, India and Australasia (for Arab COMCEC members); and
- intra-regional Asia, Middle East/Gulf States (for Asian COMCEC Group)

## Trends in COMCEC Country Marketing (2)

- Focus moving from advertising and other “above the line” campaigns to “below the line” activity such as public relations and social media
- E-marketing requires customized and relevant information by gathering data from multiple sources
- Three examples: Indonesia, Jordan, Sierra Leone

## Difficulties Impacting on COMCEC Destination Marketing

- Government support – strong institutional structures and cadre of tourism professionals
- Border formalities – reduce to make travel easier e.g. visa on entry
- Market knowledge – market research, exchange of information between COMCEC countries
- Transport Access – infrastructure provision
- Market control – collaboration with overseas travel trade
- Finance – investment planning with all sources covered
- Image and perception – strategic image management: valid, believable, simple, consistently used, appealing, distinctive

## Case Study Lessons for Marketing Strategy

- Market research and a detailed databank
- Continuing search for product and market development and diversification opportunities
- Flexible and dynamic approach to destination marketing embracing modern technological developments, using audio-visual methods and third party endorsement

## Key Considerations for Destination Marketing in COMCEC Countries

- Tourism marketplace is constantly changing – and expanding
- Destination competition is intensifying and becoming more sophisticated
- Range and diversity of tourist interests (i.e. segments or niches) is growing
- Tourism products and experiences being developed to match the requirements and preferences of these segments and niches
- Marketing is essential to realise potential BUT can be a bottomless pit unless precisely targeted and selective
- E-marketing a tool of growing importance and effectiveness – audio visual, instant, facilitates targeting, value for money

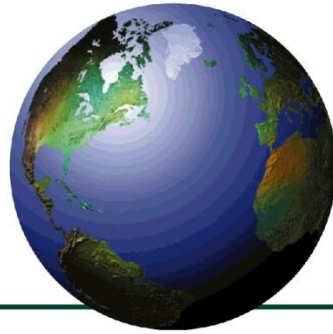
## Marketing Strategy Recommendations

- Public: private collaboration/partnership
- Tourism awareness campaigns
- Tourism technical knowledge

## Marketing Planning in COMCEC Countries – Questions to be Asked

- What is the process at national level?
- What are the marketing strategies currently being pursued?
- What forms of collaboration exist between the public and private sectors?
- How is the coordination & cohesion of central and provincial tourism marketing strategy and planning achieved?
- What are the successes and pitfalls?
- What are the reasons for these – areas for consolidation or change?
- In which directions is the country's tourism marketing strategy headed?
- How is the challenge of segmenting & targeting by “matching” products to markets being approached?





Tourism Development

International

**Thank You**