

International Travel, Tourism, Events, Festivals and Leisure Resort Management

BMTP4014

Niche Marketing And Social Media – Level 4

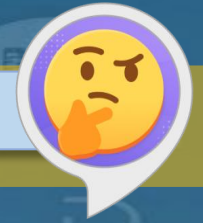
Aims for today

The Marketing mix

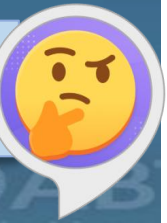
Recap

Last week gave an overview of..

What did you do last week?



Can you remember what we did before I went?



Competitors



Collaborators



Climate
(environment)



Assessment -1

Due:18th November 23;59

A marketing report of 1500 words -/+ 10%



MARKETING REPORT

As a Tourism Destination Marketing and Events Team you are required to use academic and industry research to prepare a Report using SOSTAC to market, promote and publicise The Arena Event!!!

You will need to use market research to develop an effective niche Marketing and Events Report to effectively promote the Arena Event

Situation Analysis



4 P's Marketing MIX

THE MARKETING MIX



People



Process



Physical evidence



(McCarthy, 1960)



(Booms & Bitner, 1981)

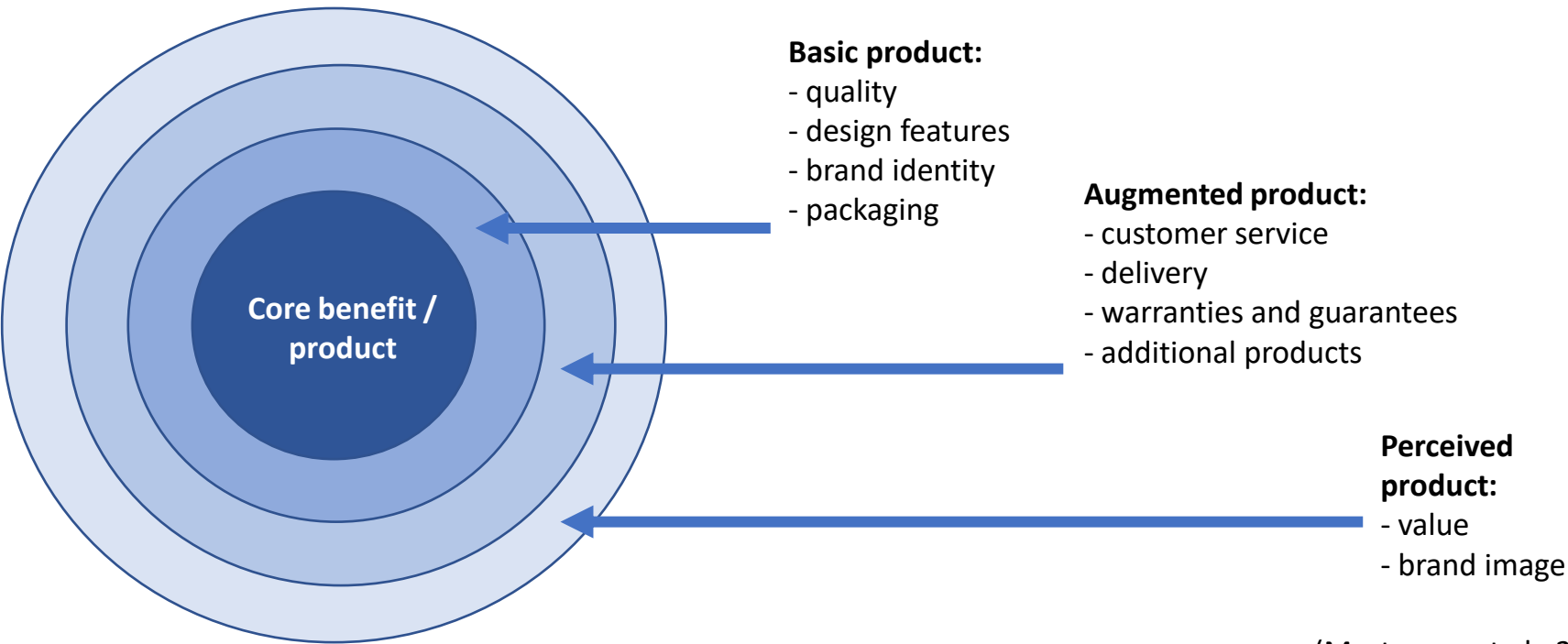


Scan the QR code and scroll through answer the quiz at the end (15 mins)

Man Geni Addysg Uwch yng Nghymru
Where Higher Education Began in Wales

University of Wales
Trinity Saint David

What makes a product?



(Masterson et al., 2017)

Core product: coffee

Basic product: a luxury coffee, high quality (high cost!), very good brand identity.

Augmented product: lots of extras and potential substitutions (*types of milk, flavourings, sizing*). You can add food to your order. Good customer service in the shop. You pick it up, at the counter or via drive through. Guaranteed quality – they will make a new drink if you're unhappy.

Perceived product: good value for money (*depends on your own opinion!*). Most people who like coffee would say Starbucks is a good brand.

Relationships with products...

- **Self-concept attachments:** The product helps establish the user's identity. (For example, do you feel more like yourself in Ralph Lauren or Diesel clothing?)
- **Nostalgic attachments:** The product serves as a link with a past self. (Does eating the inside of a Cadbury Crème Egg remind you of childhood?)
- **Interdependence:** The product is a part of the user's daily routine. (Could you get through the day without a Starbucks or Caffè Nero Coffee?)
- **Love:** The product elicits emotional bonds of warmth, passion or other strong emotion. (Ever been to a match between Arsenal and Manchester United?)

Who are you? : The concept of self.

"The person's ideas and feelings about themselves, including their attributes and who and what the self is" (Sethna and Blythe, 2019).

"The self-concept is a general term used to refer to how someone thinks about, evaluates or perceives themselves. To be aware of oneself is to have a concept of oneself. " (McLeod, 2008)

A consumers personality influences the way they respond to marketing stimuli, however efforts to make the applicable have been met with mixed results as we will explore...

Brand identity and self-concept are linked: In psychology, 'identity' is also referred to as 'self-concept'.

A person's self-concept refers to her/his perceptions about who s/he is (attributes, self-worth, etc.) and who s/he wishes to become.

We become what we purchase and the brands we engage with communicate this.

The Actual Self
The Social Self
Ideal Self
looking-glass self



Self esteem.

The positivity of a persons self concept.

Often those with a low self esteem will expect themselves to not perform well when comparing themselves to others and will try to avoid embarrassment failure and rejection.

In a recent study by Stuppy found those who hold pessimistic self-views, choose inferior products. For instance, people with low self-esteem preferred cheap vodka in a plastic bottle over premium vodka, and they were more willing to visit a dingy restaurant when it was framed as uncool rather than the cool place to be.

Individuals who feel powerful often spend more on them self's "I'm worth it!" in contrast those who feel powerless tend to spend more on others than themselves..

The study goes on to describe how people with low self-esteem pick inferior products because those products resonate with how they feel about themselves. They identify with low-tier brands because those brands match their pessimistic self-views. They eat stale popcorn because they think it is good enough for them. They consume within their league rather than outside of their league.

(Stuppy et al., 2019)



Starbucks coffee

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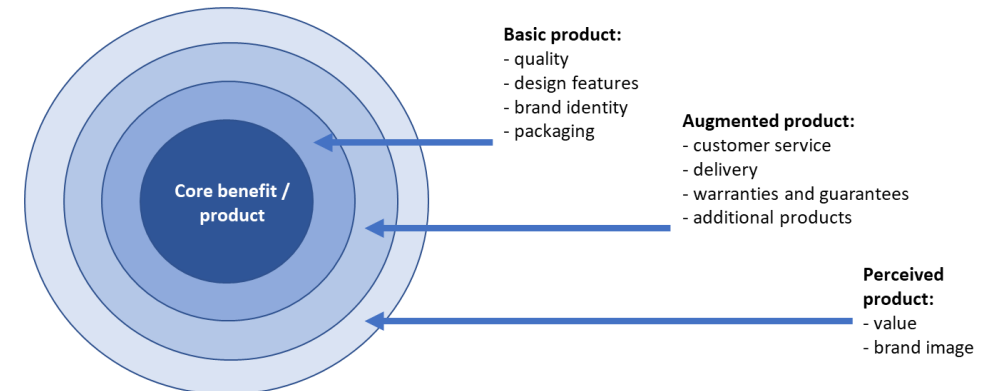
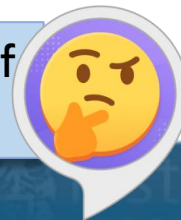
Perceived product: good value for money (*depends on your own opinion!*). Most people who like coffee would say Starbucks is a good brand.



Is an event a product?
How about a tourist
destination?

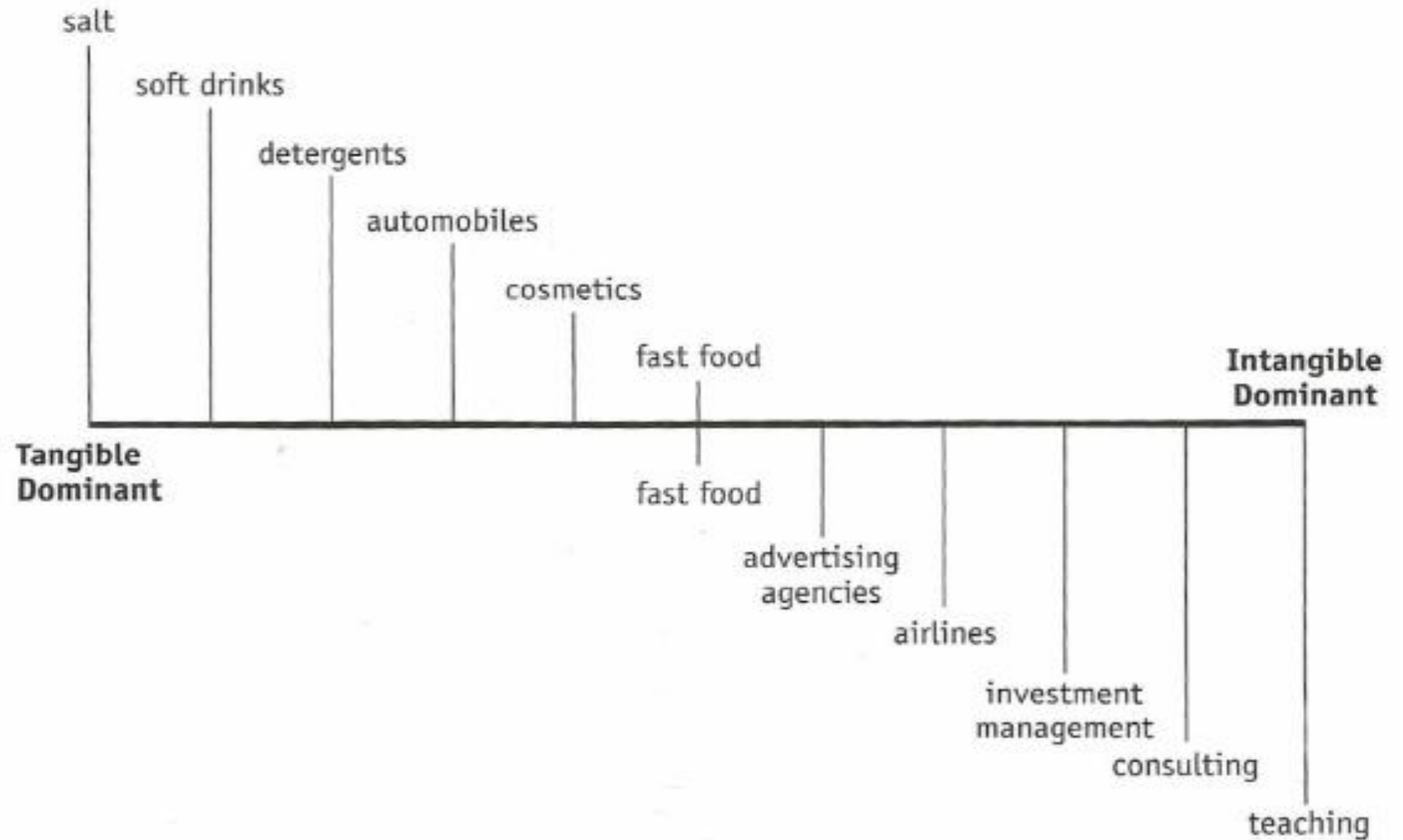


Lets look at the components of
the arena event.



(Masterson et al., 2017)

Shostack's spectrum (1977)





What do you think are the main things that make a product different from a service?

5 Key differences



Intangibility



Inseparability



Perishability



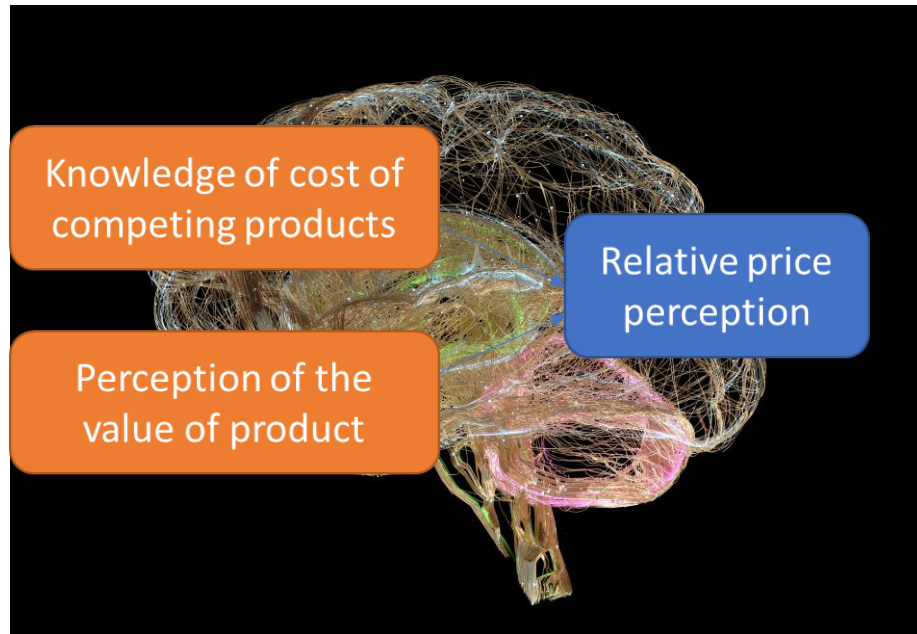
Variability



Not owned

The Psychology of Price:

3 key factors affect consumer's price sensitivity (Blythe, 2014)

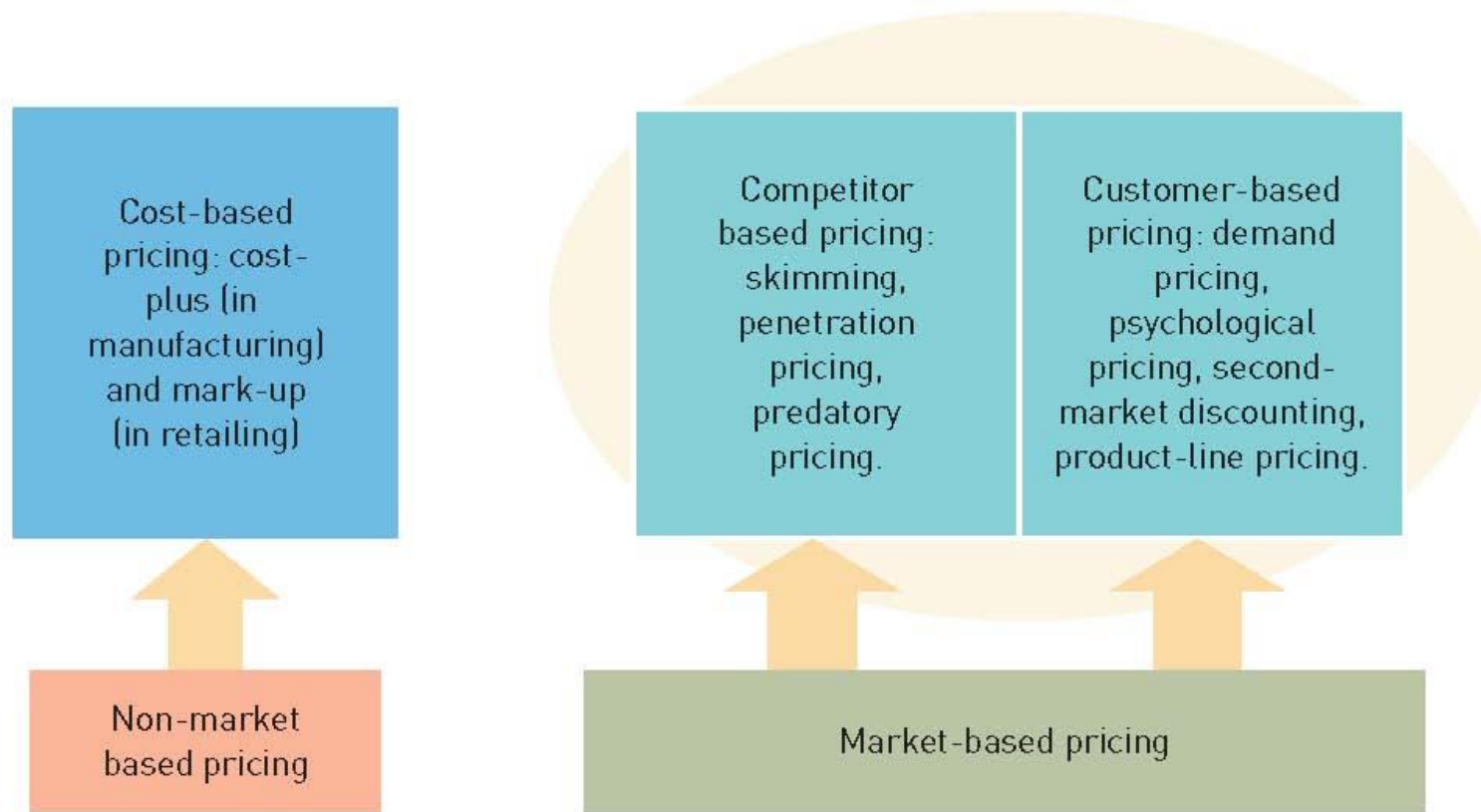


- **Economics:** Percentage of total expense, Type of consumer, Level of involvement
- **Search and Usage:** Cost of information search, Ease of comparing competitive alternatives, Switching costs
- **Competition:** Differentiation, Perception of Price

Psychological pricing: is £9.99 cheaper than £10?

Loss leaders: a bargain draws customers in

Promotional pricing and discounts: sales promotion



Market based and non-market based pricing

There are two main categories of pricing, each with their own approaches (Blythe, 2014).

Which do you feel is used in tourism?



Price New buying processes require new pricing approaches

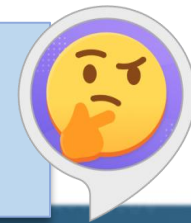
- Subscription
- Pay Per View
- Bundling
- Ad-supported content
- Pre-order
- Basic price
- Discounts
- Add-ons and extra products and services
- Guarantees and warranties
- Refund and return policies
- Order cancellation terms
- Revoke action buttons

GLOBAL YEAR-OVER-YEAR BUSINESS TRAVEL & EVENTS PRICE CHANGES (\$USD)

	(actual) 2022	(forecasted) 2023	(forecasted) 2024
Air – Average Ticket Price	+72.2% \$749	+2.3% \$766	+1.8% \$780
Hotel – Average Daily Rate	+29.8% \$161	+4.3% \$168	+3.6% \$174
Car – Daily Rental Rate	+9.8% \$45	+6.7% \$48	+2.1% \$49
Meetings & Events – Average Cost-Per-Attendee Per Day	+58.1% \$160	+5.6% \$169	+3.0% \$174

Source: CWT/GBTA 2024 Annual Global Business Travel Forecast (all pricing detailed within the report and this release is \$ USD)

Are the cost of events and tourism increasing or decreasing?



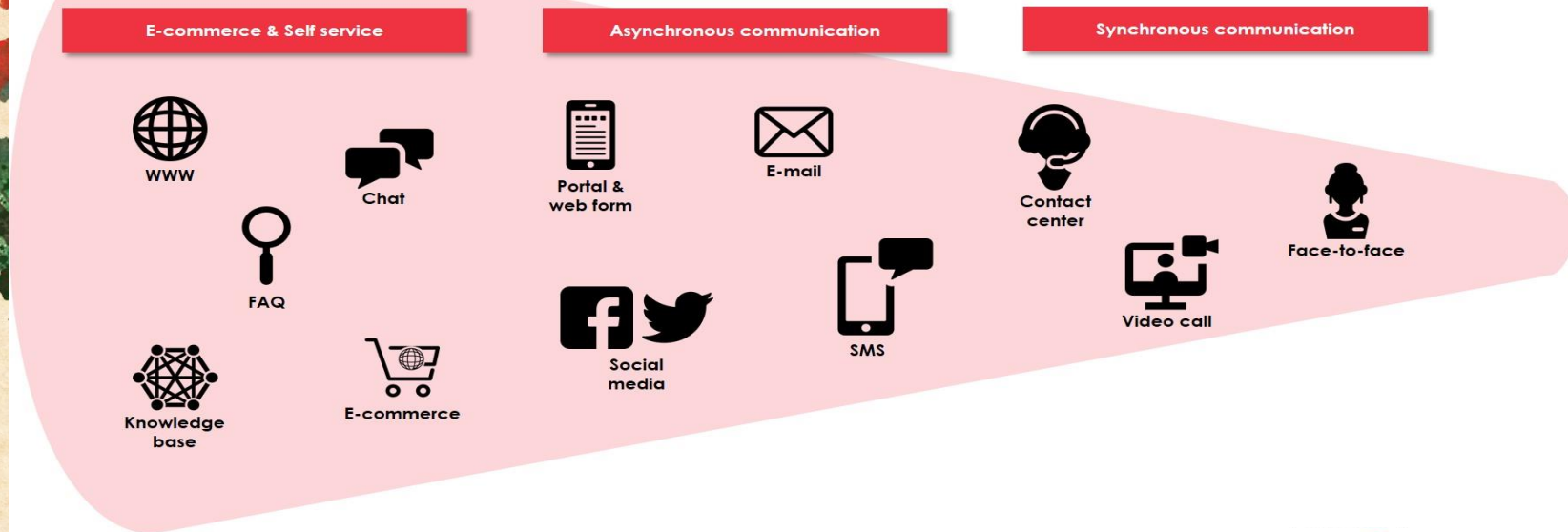


We are going to take a 15 min break...

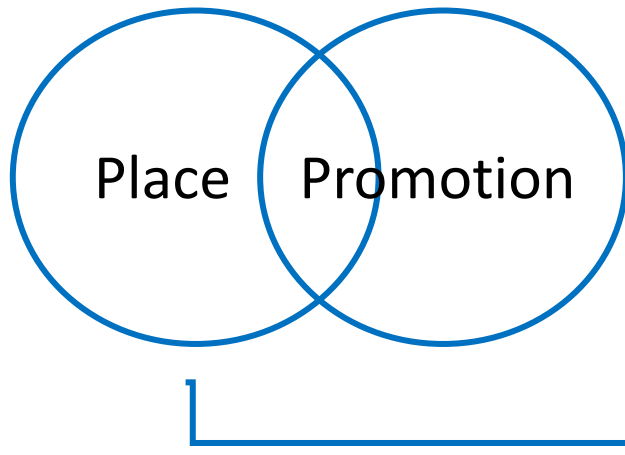
See you soon!

Place

Service Channel Funnel



Place



Organizations that extend their presence online with links from other sites (Juice)

Ads (promotion) follow customers online (place)

Placing ads in front of people who have already expressed an interest in your business

Here's a scenario: You just performed a search on Google, took a few minutes to sift through the results, and then decided to visit Facebook. Lo and behold, within just a few seconds, what you just searched for on Google is now displaying as an ad on your Facebook feed!

How is this possible? Is someone following you, logging your searches, and then retargeting you on a completely different website?

Basically, the website where you're shopping implements a bit of code called a [cookie](#), which enables the site to track your browsing habits, see what you're looking at, and follow you to another site, where the ad showing what you just looked at shows up.

Remember Similarweb?

Objectives of promotion:



- **Change consumer psychology:**
 - differentiate, reinforce, inform, persuade DRIP (Fill, 2011)
 - change/reinforce attitudes
 - get into purchase consideration set
 - create brand awareness
 - build brand image
 - re-position the brand
- **Change consumer purchasing behaviour:**
 - stimulate trial
 - regain lost customers
 - increase usage
- **Other objectives:**
 - break into new market
 - obtain information about consumers

Communication Mix (PROMOTIONAL Mix)

Which would you recommend for the arena event?



A company's overall marketing communication strategy is called the "Communications" or "Promotional" mix.

"The specific blend of advertising, public relations, personal selling, and direct-marketing tools that the company uses to persuasively communicate customer value and build customer relationships." (Kotler & Armstrong, 2018)

In the era of mass communications and emerging mobile technologies, an organization must build an adequate mix of marketing communications (Todorova, 2015)

Advertising

**Personal
Selling**

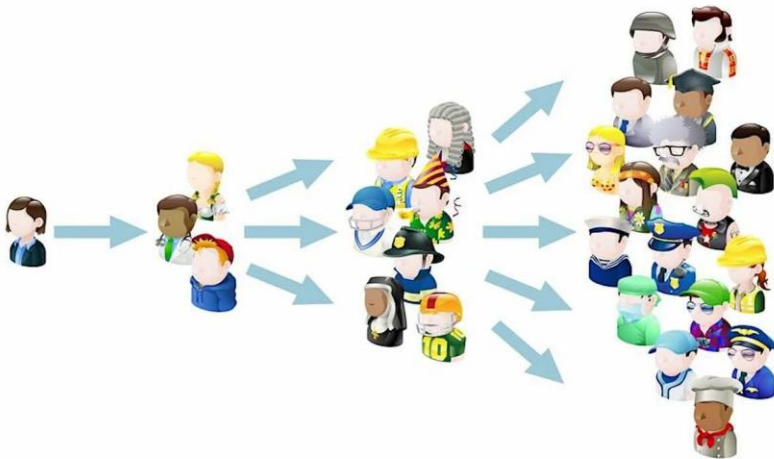
**Sales
promotions**

**Public
Relations**

**Direct
marketing /
Internet
Marketing**

Packaging

Channels & Vehicles



If you think of your marketing plan, and the message that you would want to communicate to current and future guests, how many different channels could we use to share that message?

Word of mouth

TV

Newspaper/Magazine

Radio

Signage

Internet

Direct mail

Telephone.

What vehicles could we use?

TV

Radio

Social Media

and like other media there are many combinations that could be used within one channel.

Marketing Channels: Explained in 10 minutes



DRIP

There are four different objectives for marketing communications (Fill, 2011):

Differentiate: Positions the product/service attractively. May explain a USP or competitive advantage(s). May highlight how the organisation is positioned differently to other similar competitors.

Reinforce: Highlights and emphasises a key message about the organisation that will be attractive to consumers.

Inform: Makes consumers aware of the organisation and its offerings. May be used for new product/service offerings, but unlikely to be relevant existing customers otherwise.

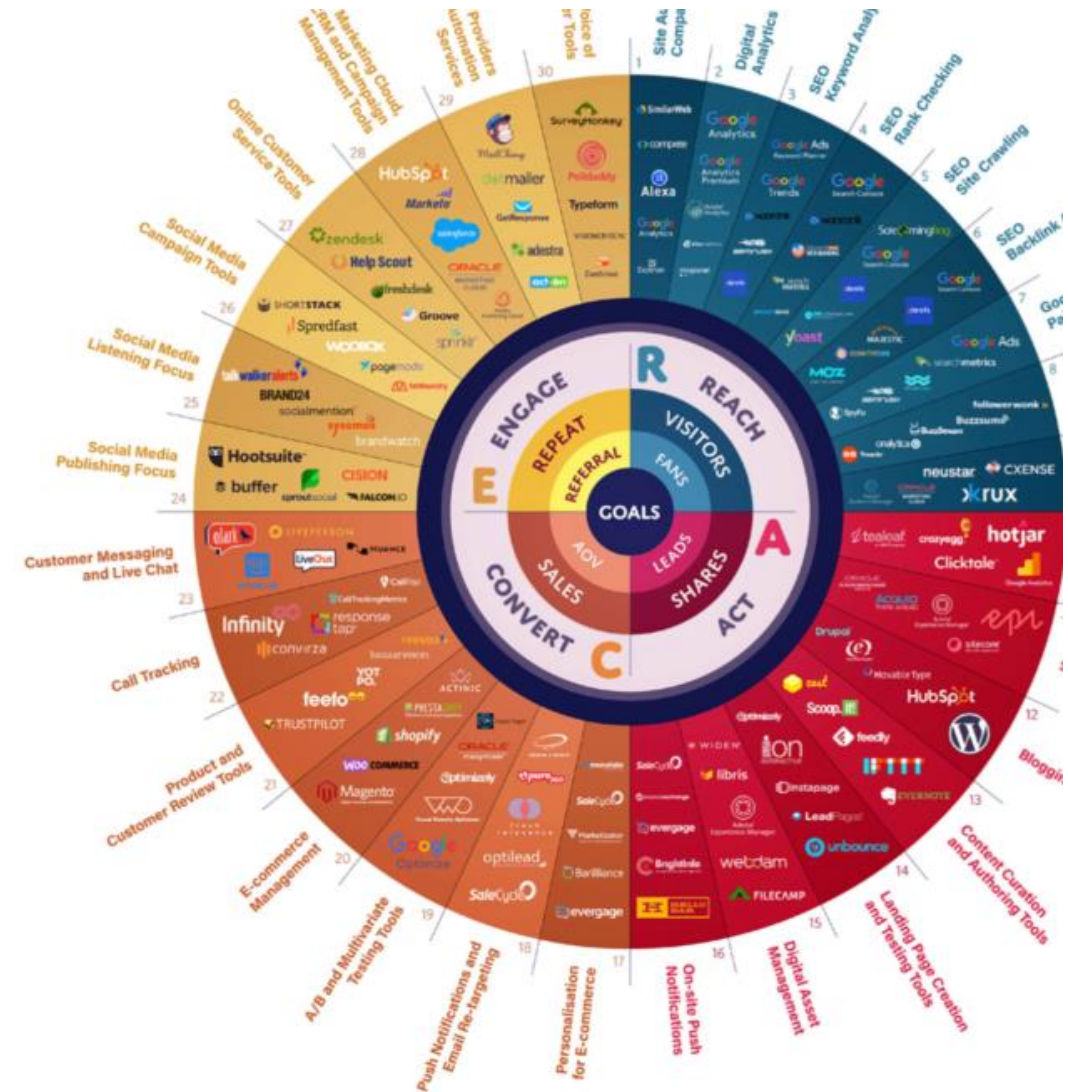
Persuade: Persuades the consumer to start or continue a relationship with the organisation. Likely to highlight benefits of the product / service / relationship.

Task	Sub-task	Explanation
Differentiate	Position	To make a product or service stand out in the category
Reinforce	Remind, reassure, refresh	To consolidate and strengthen previous messages and experiences
Inform	Make aware, educate	To make known and advise of availability and features
Persuade	Purchase or make further enquiry	To encourage further positive purchase-related behaviour

Communications Mix (Online)

Similar to the traditional communications mix, the same activities are continued online in the RACE digital planning framework

- The RACE mnemonic summarizes the key online and multichannel marketing activities that need to be managed as part of digital marketing communications. RACE covers the full digital touch points in the customer lifecycle or “Funnel”.



People:

People considers the employees of the organization and their role in service delivery. Employees control multiple touchpoints with consumers, meaning they are key to creating competitive advantage.

People need to be:

- Competent, friendly, and understanding of consumers' needs.
- Trained in customer service (where possible)
- Given the confidence and ability to solve customers needs



Customer facing staff are key in reflecting the corporate brand.



They help make the service look attractive to the customer.



Increasing customer loyalty through good customer service.



Increasing competitive advantage through good customer service.

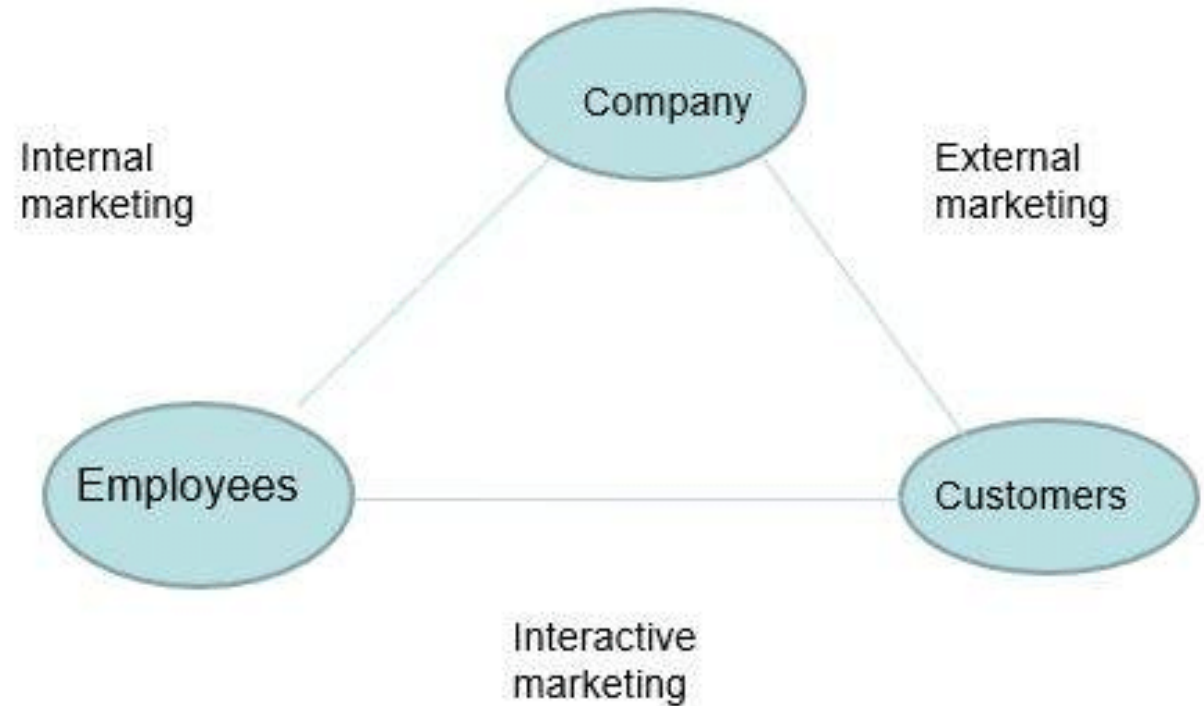


Educating customers on how to use the service correctly to increase satisfaction.

Marketing has three main types:

- Interactive
- External
- Internal

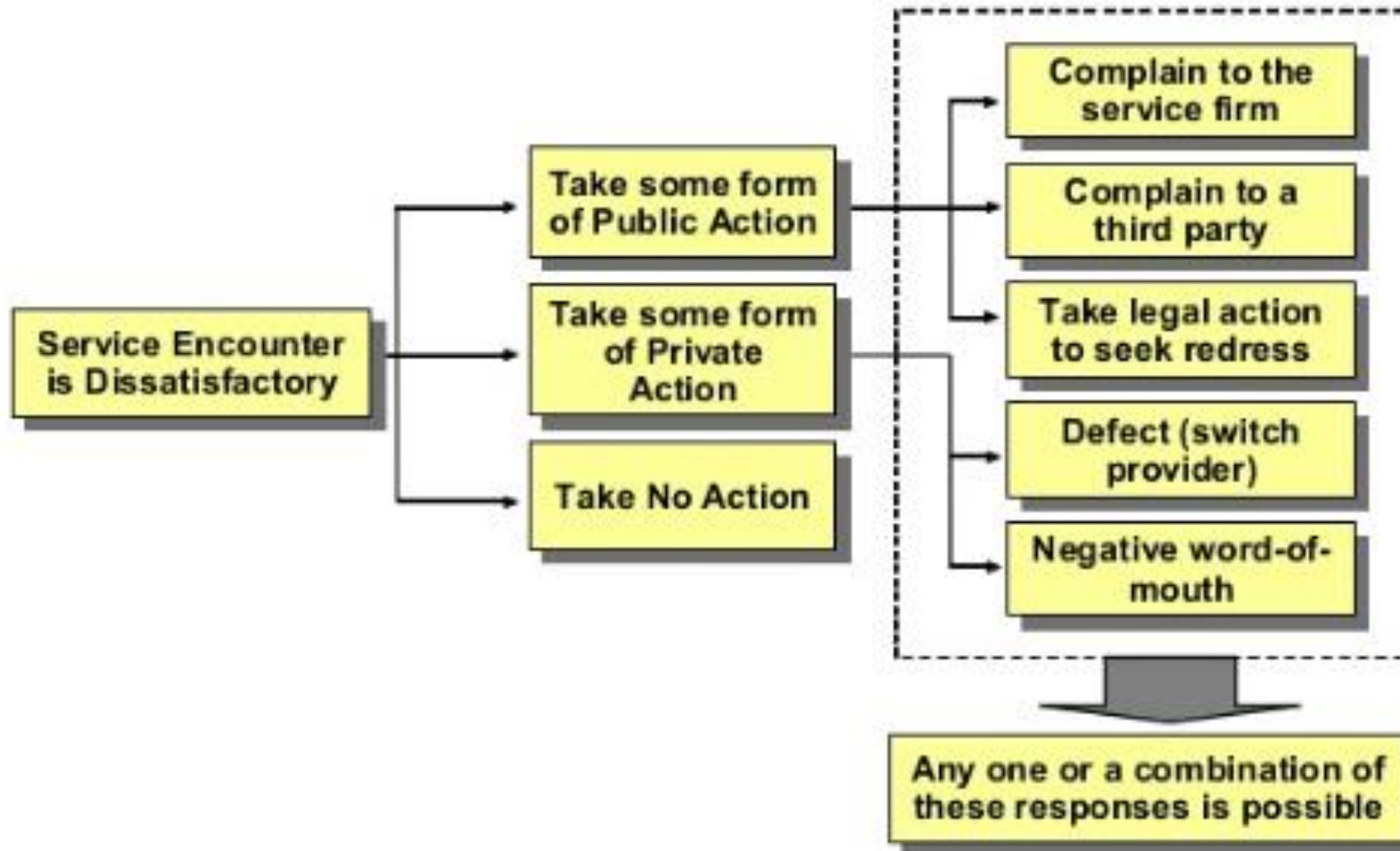
“Marketing by a firm to train and effectively motivate its customer contact employees and all the supporting service people to work as a team to provide customer satisfaction” (Kotler et al., 2007)



Should employees be rewarded simply for doing the job they are employed to do?



How customers respond to service failures:





We are going to take a 15 min break...

See you soon!

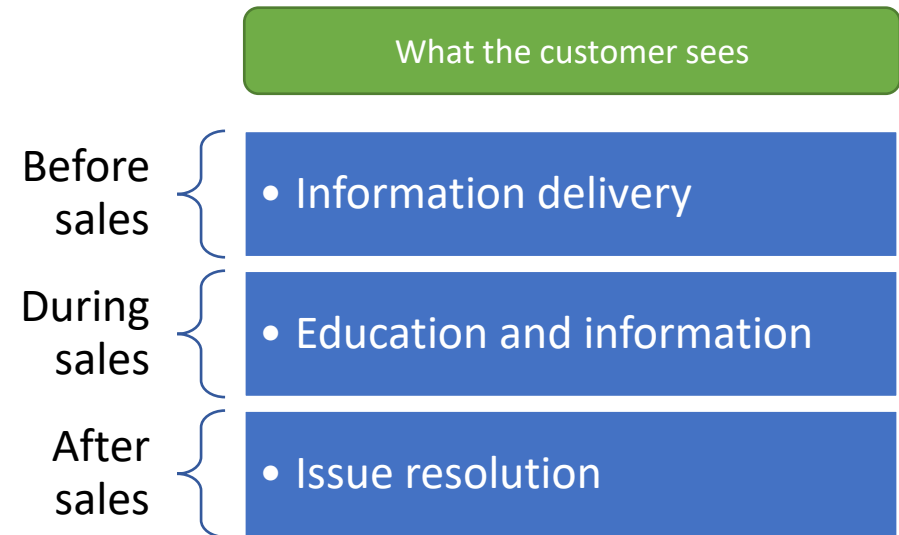
Process

Processes need to be:

- Consistent (*people need to know what to expect*)
- Easy to navigate (*confusing processes are bad for employees or customers*)

Processes differ for each organisation, but all need improvement following:

- New product or service offerings (*from the organisation, or competitors*)
- Changes in customers' needs
- New technology
- New processes in other parts of the chain



(Blythe, 2014).

Question

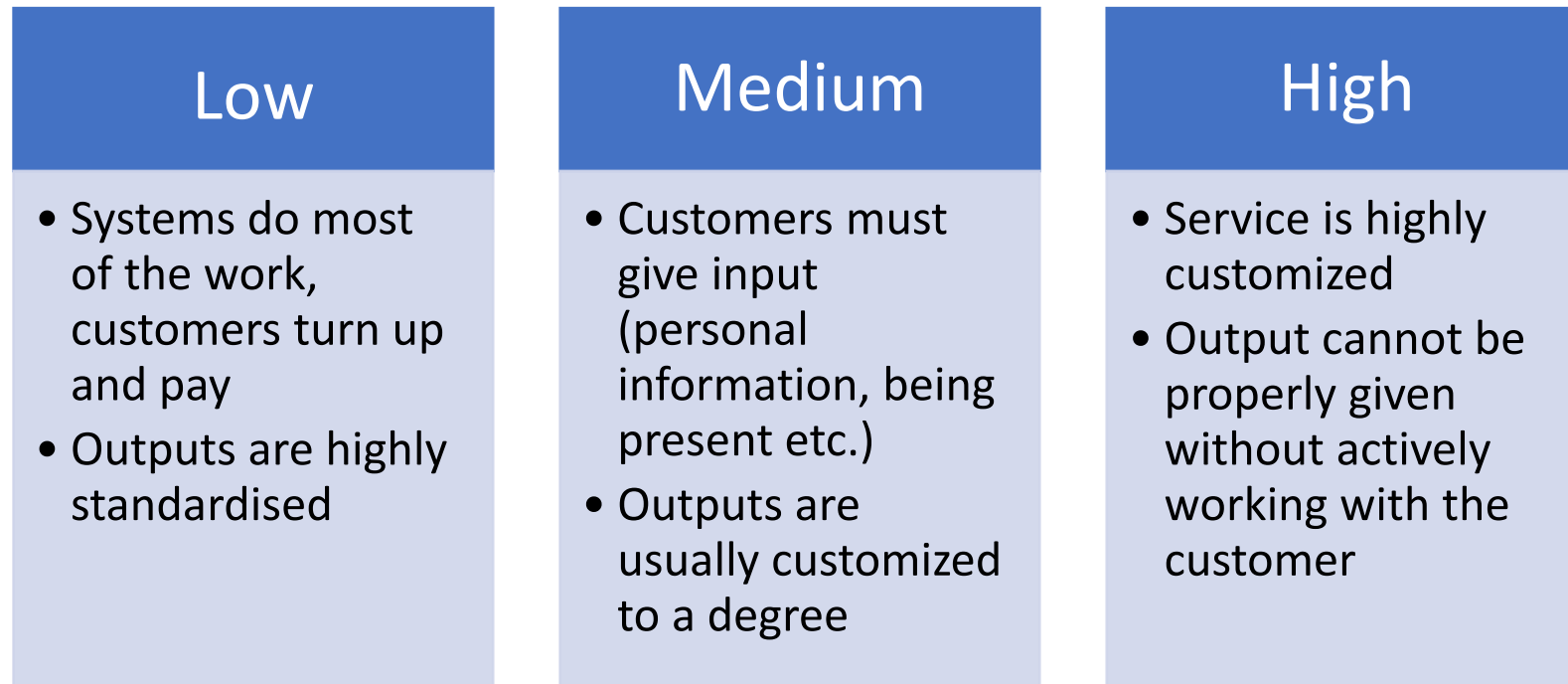
What processes are involved for customers if they want to attend the arena event??



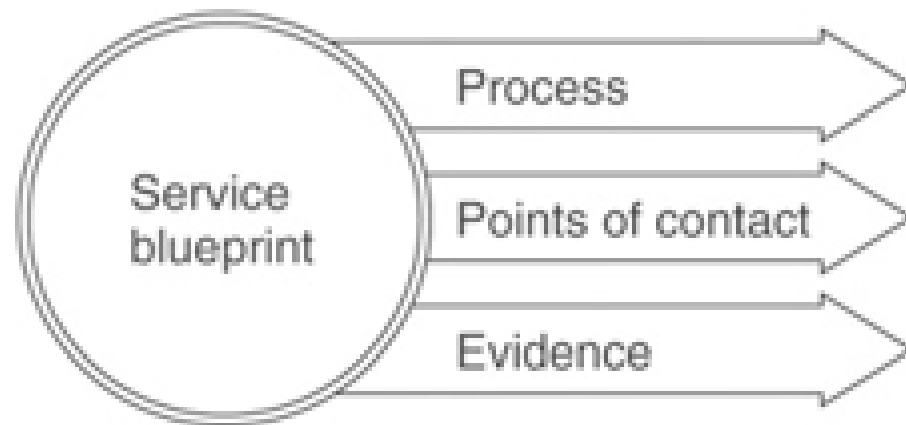
Customer participation in the process:

All services are co-produced in some way. Depending on the nature of the service, the customer will have varying levels of participation.

Question: what level of participation is required from the customer attending the event?



What is service blueprinting



Service blueprinting is used to Shostack (1992):

- Develop new services
- Improve existing services

Physical evidence

Customer actions

Line of interaction

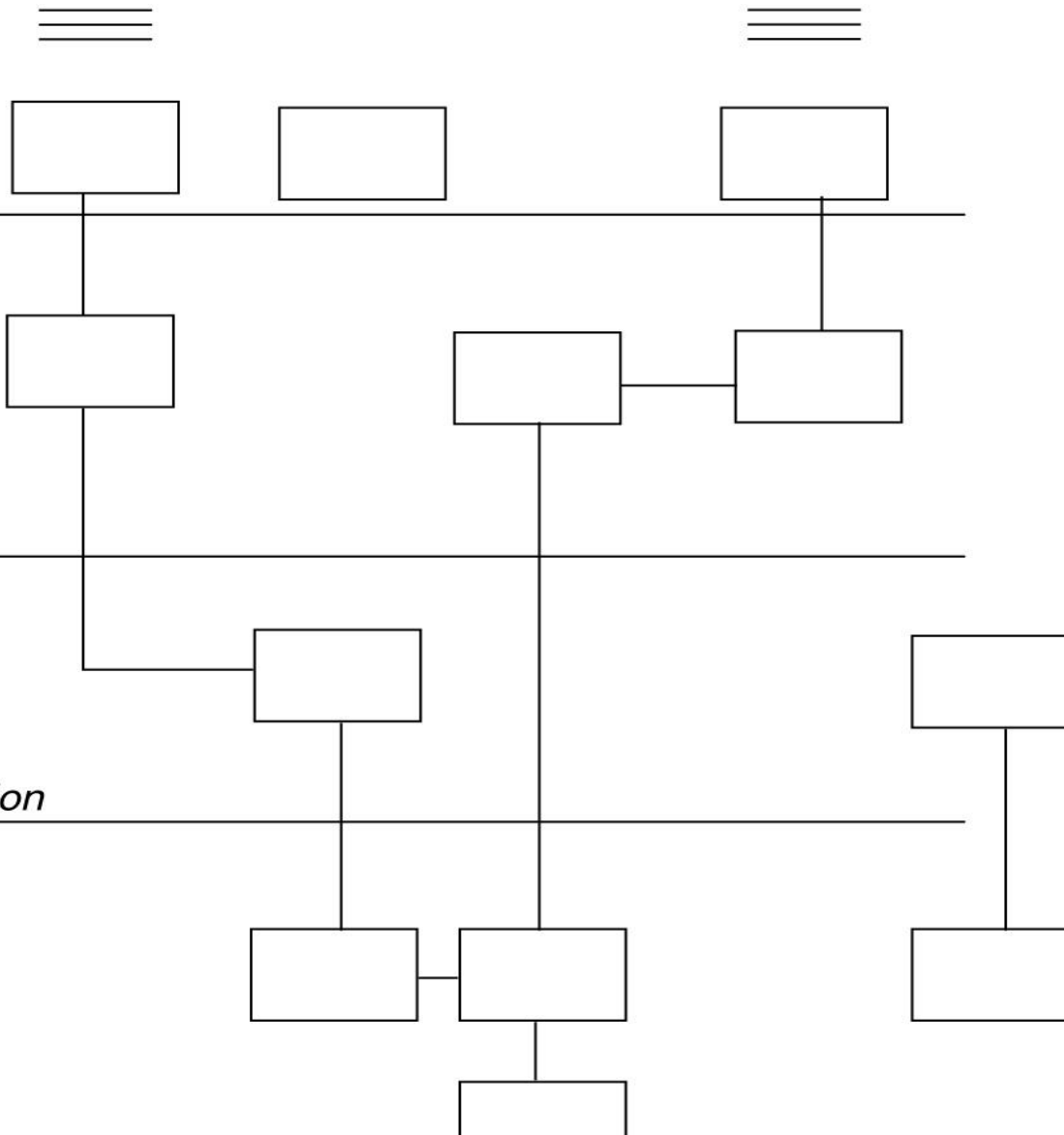
**Onstage contact
Employee actions**

Line of visibility

**Backstage contact
Employee actions**

Line of internal interaction

Support processes



How it works

This basic map demonstrates key considerations.

Physical evidence/ environment

Almost all services will leave physical evidence that a transaction has taken place, even if the bulk of what the consumer is paying for is intangible. Examples



Contact with staff, uniforms



Buildings, logos, even colour schemes inside



Product packaging, receipts



Websites and other digital content such as emails



Things given to a consumer which prove they are entitled to something e.g. a table number

What evidence will exist from the arena event?

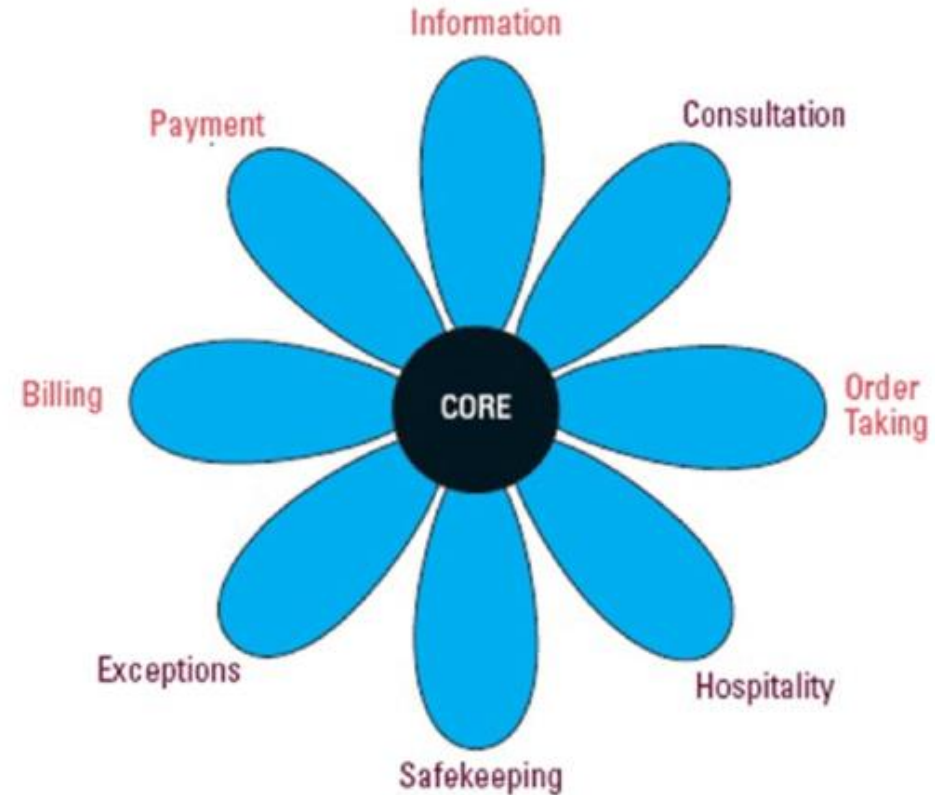


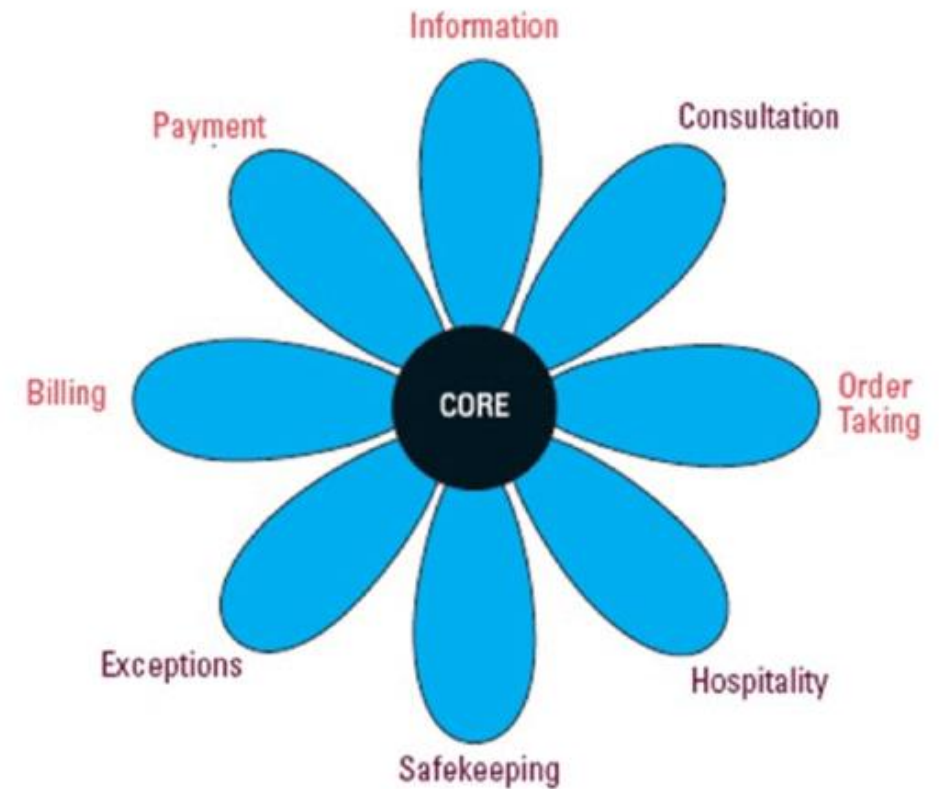
The flower of service

This model explains that there are two types of service:

- Facilitating service
- Supplementary service

Competitive advantage comes from the supplementary parts and includes things like quality, ease of use, and the value given to the consumer.





- Task:
- Prioritise each part of the flower of service for the arena event
 - Why have you put them in that order?
 - What physical evidence can be provided at each stage of the flower of service?
 - Which types of physical evidence are the most important to the consumer?

Servicescapes

Servicescapes play the same role as product packaging for a tangible good. Booms and Bitner (1981, p.36) describe servicescapes as:

“the environment in which the service is assembled and in which seller and customer interact, combined with tangible commodities that facilitate the performance or communicate the service.”

Servicescapes



Servicescapes relate to the customer's physical surroundings, and the other experiential parts of the service process.

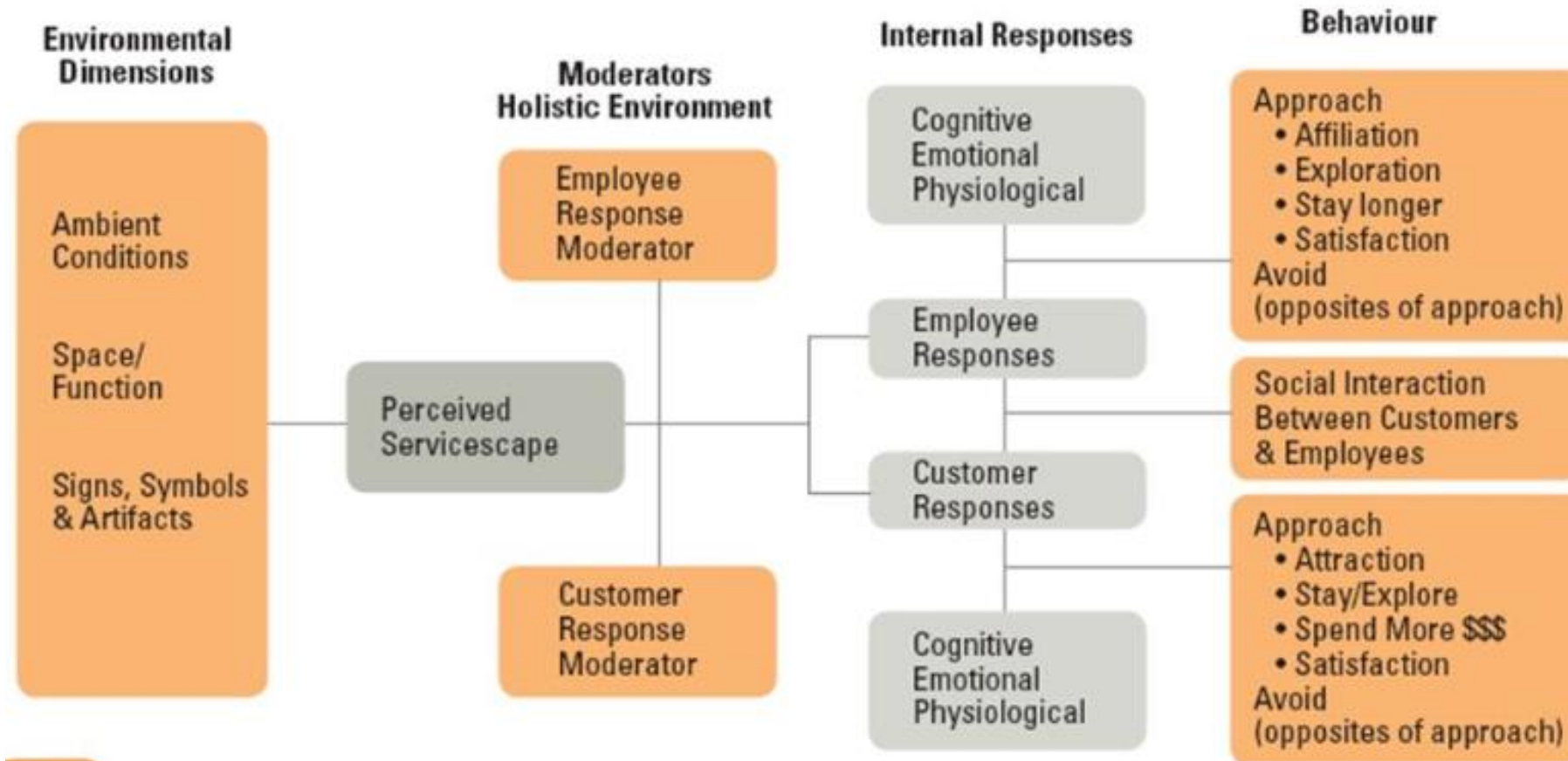


They can have a huge influence on the consumer's perception of the service.



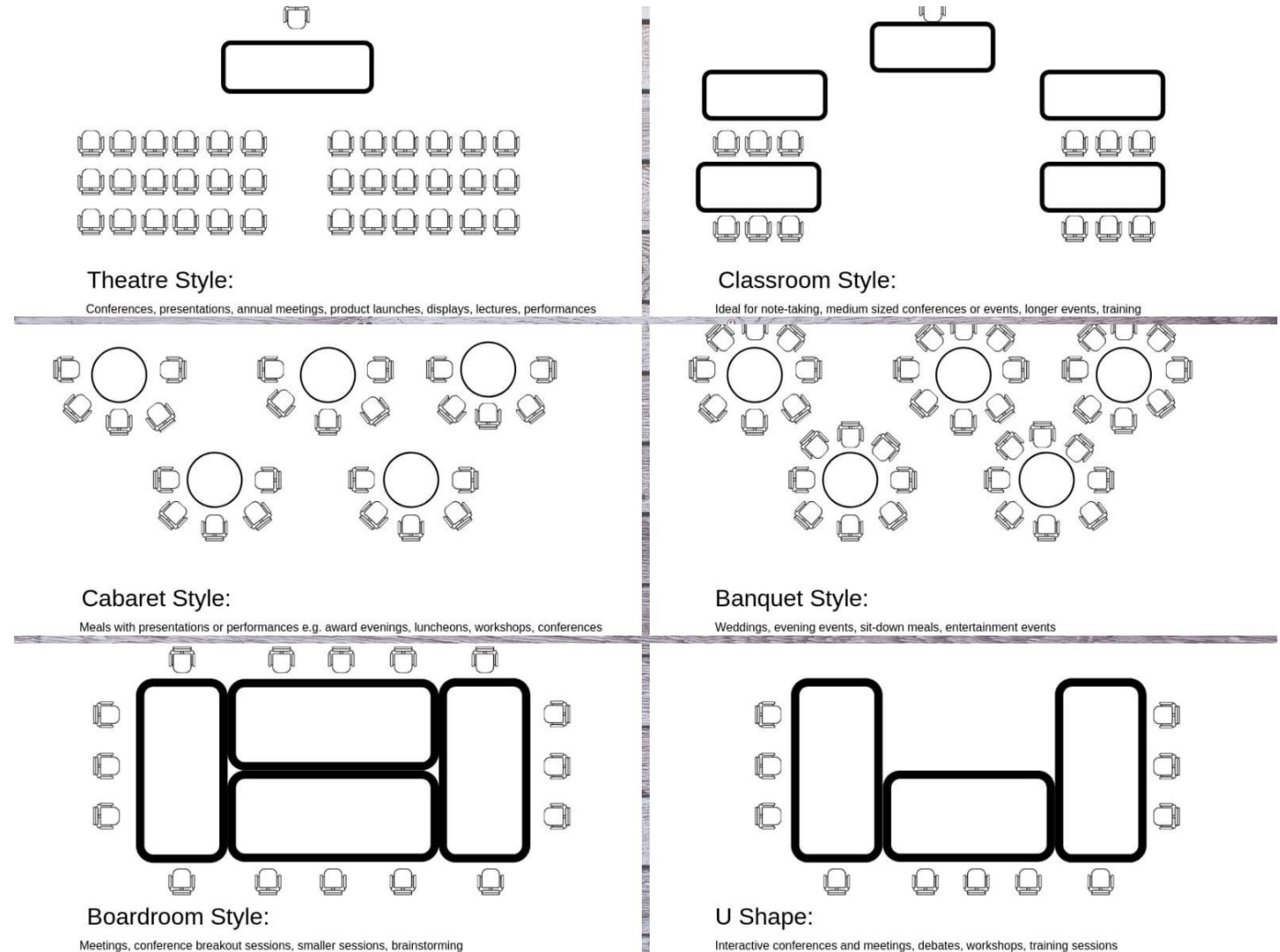
The theory is about managing the physical evidence part of a service, and also helps explain consumer behaviour in a service setting.

A model of servicescapes (Bitner, 1992)

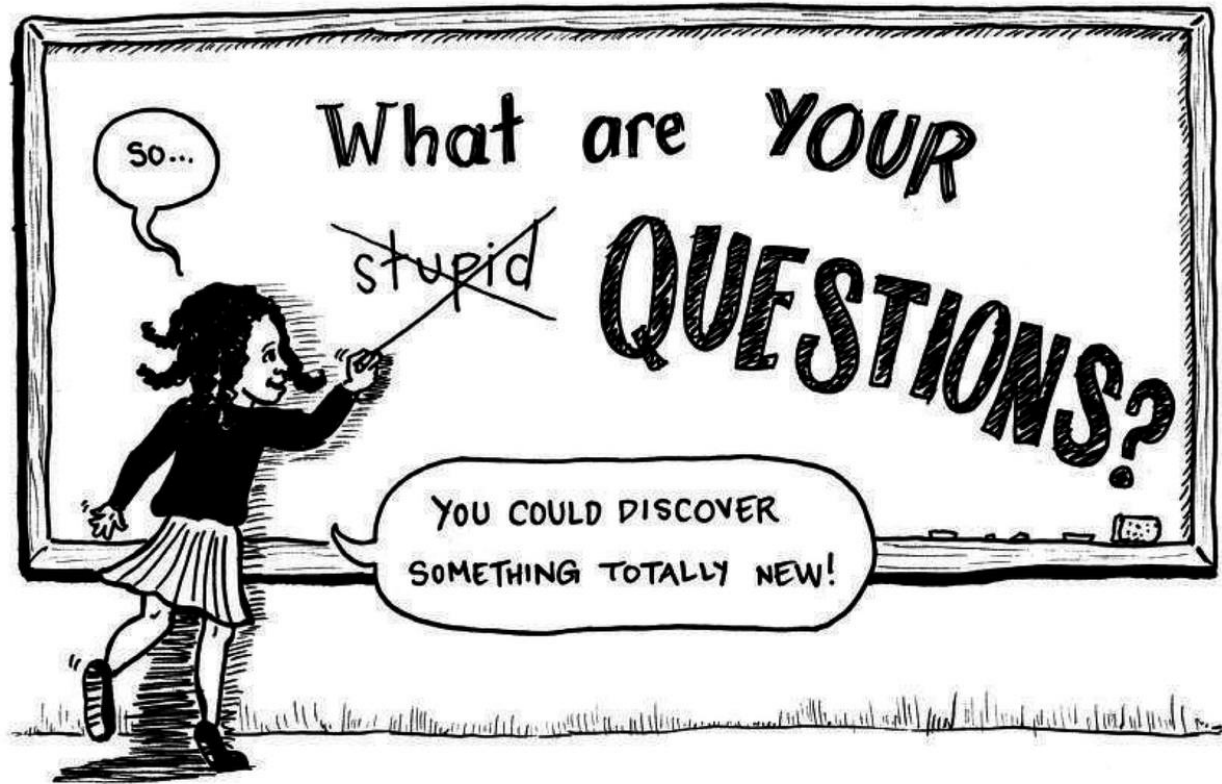


Attention to detail

- Layout
- Image
- theming
- Colours
- Av
- Lighting
- Music
- flexibility



Any Questions?





Next Week!

Marketing planning Objectives SMART Targets Strategy Ansoffs matrix / Tactics Communications mix
RACE and communication

***I look forward to seeing you
next week.***

***If you have any questions in the
meantime, please send an email
from your student account***

C.wilkin@UWTSD.AC.UK



Prifysgol Cymru
Y Drindod Dewi Sant
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**HOSPITALITY
AND
TOURISM
MANAGEMENT**



Man Geni Addysg Uwch yng Nghymru
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