

# A Guide to Marketing Your Nova Scotia Tourism Business





# A GUIDE TO MARKETING YOUR NOVA SCOTIA TOURISM BUSINESS

**Prepared by:**

**The Economic Planning Group of Canada**

**Chapter 4 - Online Marketing, updated by Colour from earlier content.**

**Copyright © 2013 by Her Majesty the Queen in right of the Province of Nova Scotia**

All rights reserved. No part of this publication may be reproduced without the prior written consent of The Province of Nova Scotia.

**Disclaimer**

*The content of this Guide does not constitute legal or other professional advice or an opinion of any kind. The user is advised to seek specific legal advice or other professional advice. While the information contained in this manual is believed to be accurate as of the winter of 2013, it is not so warranted. The reader should note that federal, provincial and municipal laws and regulations change frequently and it is recommended that you check with the appropriate authorities, including representatives of the Department of Economic and Rural Development and Tourism, the Nova Scotia Tourism Agency, Access Nova Scotia and your local municipal government to obtain up-to-date information on laws that may affect marketing your tourism business.*

*The information and analysis contained herein is intended to be general and represents the research of the authors and should in no way be construed as being definitive or as being official or unofficial policy of any government body. Any reliance on the Guide shall be at the reader's own risk.*

**Cover Photo:** Courtesy of i Heart Bikes (<http://www.iheartbikeshfx.com/>).



## TABLE OF CONTENTS

<b>Chapter 1: Introduction .....</b>	<b>1</b>
What is Marketing? .....	1
Being Market Ready .....	2
Market Orientation .....	3
It's a New World Today .....	3
<b>Chapter 2: Understanding Today's Tourism Marketplace.....</b>	<b>5</b>
Nova Scotia's Markets .....	5
Visitors to Nova Scotia.....	5
Nova Scotians Travelling within the Province .....	8
Nova Scotia's Tourism Strategy .....	8
The Tourism Marketplace Today .....	9
Who's Who in Nova Scotia Tourism.....	12
<b>Chapter 3: Getting Started - Your Strategy and Marketing Plan .....</b>	<b>14</b>
Situation Analysis.....	15
Define Your Business .....	15
Understand Your Existing and Potential Markets.....	17
Look at the Competition.....	19
Look at Comparable Businesses in Successful Destinations .....	19
Assess Your Current Marketing Activities .....	20
SWOT Analysis .....	20
Building the Strategy .....	20
Target Markets .....	20
Product .....	25
Price .....	28
Place.....	28
Promotion – The Tools for Marketing Your Business .....	29
Customer Relationship Management (CRM) .....	29
Assembling Your Strategy .....	30
Putting the Marketing Action Plan Together.....	30
Making it Happen – The Key Marketing Techniques – Along with the Basic How Tos .....	31
<b>Chapter 4: Online Marketing .....</b>	<b>32</b>
The Importance of Online Marketing .....	32
Developing an Online Marketing Strategy .....	32
Creating a Website.....	34
The Importance of a Website.....	35
Key Attributes of a Quality Website.....	35
Blogging on Your Website.....	42
Importance of Blogging.....	43
How Blogging Works .....	44

## TABLE OF CONTENTS CONT'D

### Chapter 4: Online Marketing cont'd

Driving Traffic to Your Website.....	46
Search Engine Optimization (SEO).....	46
Search Engine Marketing (SEM) .....	48
Understanding SEM (Google Adwords) .....	48
Landing Pages .....	50
Email Marketing Campaigns.....	51
Social Media Marketing .....	52
Facebook .....	52
Twitter .....	59
Pinterest .....	60
YouTube.....	62
Foursquare .....	63
Trip Advisor Marketing.....	64
Managing Your Profile .....	64
Managing Your Reviews .....	65
Online Travel Guides .....	66
Measuring and Optimizing for Success .....	67
Google Analytics.....	68
Key Performance Indicators .....	68
Conclusions .....	69
Working with the Right Team .....	69
Budgeting .....	70

### Chapter 5: Traditional Marketing Tools..... 71

Designing Good Advertising.....	72
Using an Advertising Agency .....	74
Brochures and Other Collateral Materials .....	74
Brochures .....	75
Other Collateral Materials .....	76
Print Media.....	77
Newspapers.....	77
Magazines.....	78
Broadcast Media .....	78
Radio .....	78
Television.....	79
Outdoor Advertising.....	79
Direct Marketing.....	80
Direct Sales.....	81
Sales Promotion.....	82
Some Other Comments on Advertising.....	83
Media Selection.....	83
Tracking and Measuring Results .....	84
In Conclusion about Advertising .....	84

## TABLE OF CONTENTS CONT'D

<b>Chapter 6: Other Marketing Methods for Tourism Operators in Nova Scotia .....</b>	<b>85</b>
Partnership Marketing Opportunities from the Nova Scotia Tourism Agency .....	85
Keep Your Content Up-to-Date with novascotia.com .....	86
Nova Scotia Tourism Brand Guidelines .....	86
Visitor Information Centres .....	86
Check In .....	86
Provincial and Regional Travel Literature.....	87
Cooperative Advertising.....	88
Property and Highway Signage.....	89
Public Relations.....	89
Media Relations .....	90
 <b>Chapter 7: Packaging and Working with the Travel Trade .....</b>	<b>92</b>
Packaging .....	92
Benefits to the Customer .....	92
Benefits to the Operator .....	93
Keys to Successful Packaging.....	93
Seasonal Strategies for Packaging.....	94
Working with the Travel Trade .....	95
The Travel Trade.....	95
The Benefits of Working with Tour Operators and Travel Agents.....	96
Market and Product Trends in Travel Trade .....	97
 <b>Conclusions .....</b>	<b>99</b>

## Appendices

Appendix 1: Designing Good Print Advertising	
Appendix 2: Brochure Design, Printing and Distribution	
Appendix 3: Pricing Your Product – The Return on Investment Model	
Appendix 4: Tips on Designing, Pricing and Marketing Packages	
Appendix 5: Tracking and Measuring the Impact of Your Marketing Activities	
Appendix 6: Privacy Regulations	
Appendix 7: Glossary	



## CHAPTER 1: INTRODUCTION

Choosing the right marketing tools can be very effective in growing demand for your Nova Scotia tourism business. With a multitude of marketing options to choose from, understanding how each of them can benefit your business and selecting the ones that offer the best opportunity is more important than ever before.

This guide will help you do this. It offers practical suggestions on how to market your Nova Scotia tourism business – whether you’re starting a new business, buying an existing one or simply want to strengthen your competitiveness and grow your revenues.

The guide starts with the basics – defining your business, understanding your markets and building your strategy. It then explores the marketing tools available to you and how to use them. First, it looks at online marketing – creating and managing a website, blogging, email marketing campaigns and today’s top social media marketing tools including how to work with TripAdvisor. Then, traditional marketing tools such as brochures, print media and broadcast media are addressed along with the partnership marketing opportunities available in Nova Scotia. Finally, the guide takes a look at packaging and working with the travel trade.

This guide is one of a series commissioned by the Department of Economic and Rural Development and Tourism. They are designed to assist Nova Scotians in establishing tourism businesses and planning for the delivery of tourism services. The guides can be found at <http://novascotiatourismagency.ca/business-development-guides>.

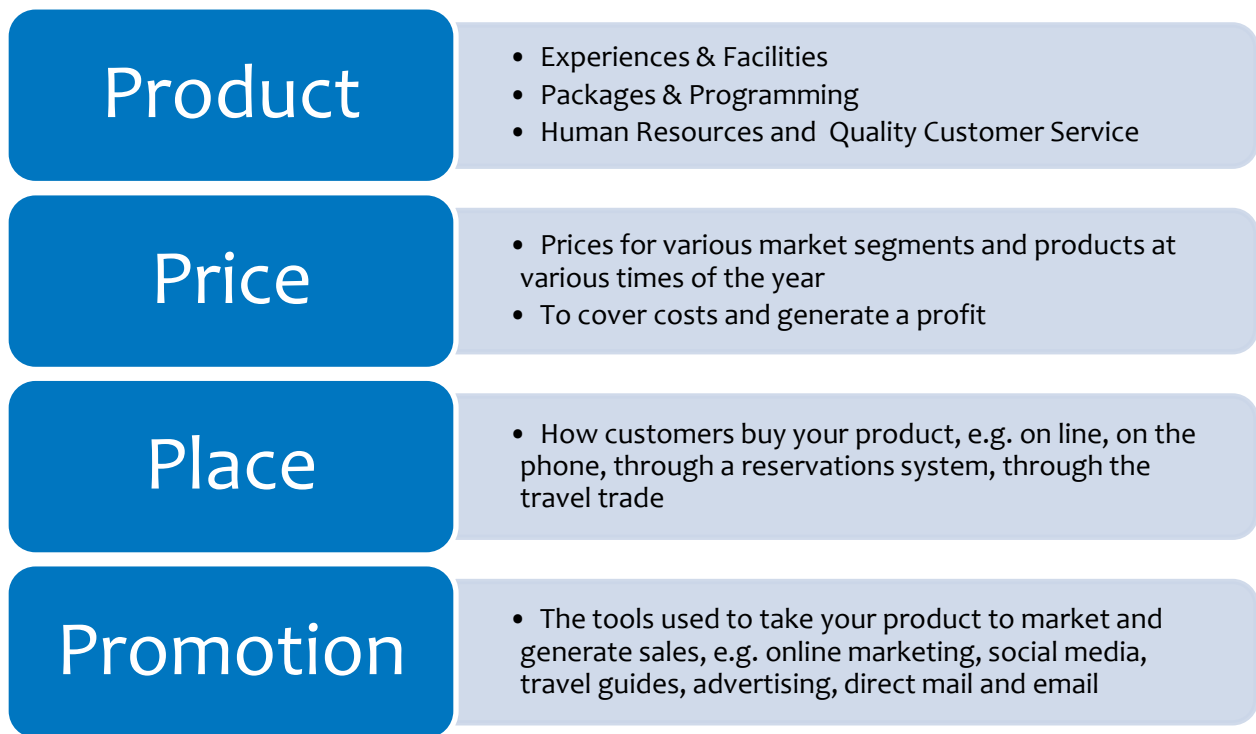
## WHAT IS MARKETING?

Tourism marketing is the performance of business activities from the development of compelling experiences and services through contact with target market segments, to purchasing and the ongoing customer relationship.

While there are lots of things involved in tourism marketing, they all fit into four general categories – product, price, place and promotion. These are described in the graphic on the next page.



## The Marketing Model



### BEING MARKET READY

---

Market readiness refers to the state of preparedness of a tourism operation, or a destination as a whole, in meeting the expectations of its customers. It refers to the whole spectrum of things affecting customer satisfaction - quality of experiences, facilities and services, range of services provided, quality of customer service, information services, business policies and practices that affect the customer directly or indirectly, etc.

The building blocks of market-readiness include:

- Compelling, market-ready offers, targeted to selected audiences, based on unique selling propositions (USPs), along with competitive advantages and good value.
- Seasonal offerings to sustain revenue and profitability in both high and low demand periods.
- Connecting with customers and motivating them to respond to your offers through effective promotional programs.
- Reinforcing credibility through quality service and connecting with consumers through social networks.
- Making it easy for customers to plan and buy – offer booking options, information and suggested itineraries and packages.
- Building and sustaining positive relationships with customers, particularly those that might become repeat clients.

## MARKETING ORIENTATION

---

To be successful, owners and managers of tourism businesses need to have a marketing orientation – a customer focus. That means asking the question, "How can I best meet the needs of the market and the individual customer?"

*"Marketing orientation is a way of thinking - a frame of mind. It is, if you like, a business philosophy. It means accepting the idea that the purpose of your business is to serve the wants and needs of your customers, and to meet or exceed their expectations. In other words, it means putting your customers first."*<sup>1</sup>

Why is this so important? Why can't you just do what you think is best? Because satisfying a customer's expectations involves doing a lot of things that are not always readily evident. But if you do meet (and exceed) expectations, the benefits will be substantial, for both your customer and your business!

## IT'S A NEW WORLD TODAY!

The business world continues to evolve with many changes impacting the tourism industry and affecting marketing activities. The biggest change is the Internet.

Anyone and everyone today can have a website and connect with the world. A B&B can compete with all types of accommodation available. Emerging new travel destinations can capture attention away from established destinations.

The Internet has empowered consumers to a degree never seen before. The consumer is shaping, even controlling, the marketplace. Selling has given way to helping people buy. Marketing has shifted to a role of responding to customers' expectations more than ever before.

Social networks are becoming a vital marketing tool, an entirely different medium connecting buyers and sellers.

In this environment, the following are important for marketing success when it comes to promotional activities:

- Resist the temptation to 'sell' your offer, rather, seduce consumers into considering buying it.
- Helping consumers buy is more effective than pushing your agenda.
- Promote the experience (the benefits to the customer), not the facilities and services.
- Focus on wants, not needs.

---

<sup>1</sup> The Economic Planning Group, Tourism is Your Business: Marketing Management, prepared for Tourism Canada, 1986

- Service the top 20% of your available markets – your most responsive and loyal customers – they give you 80% of your net return.
- Manage all points of contact with these best customers.
- Partner and market with others to deliver ‘lifetime experiences’ if you are in the experience business, or with others that are in that kind of business.
- Research ‘the why’ with your customers and particularly their wants – not the who, what and when.
- Stress value, not price.
- Use social networks to reinforce your credibility and get your message out.

Discover insights into Nova Scotia’s tourism markets and today’s travellers in Chapter 2.

Chapter 3 takes you through the process of determining where your business fits in the marketplace, understanding your customers (existing and potential) assessing your current situation and building your business strategy to make sure you are market ready and have a customer focus.

Then explore the tools available to you in promoting your offerings.

#### **AVAILABLE MARKETING TOOLS**

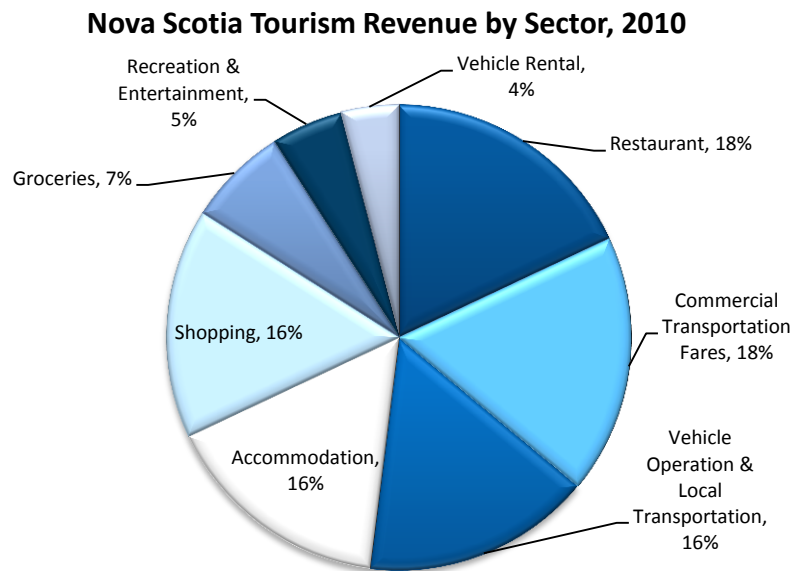
- Online marketing (website, email marketing, social media marketing)
- Advertising
- Promotions
- Direct sales
- Public relations
- Media relations
- Packaging
- Marketing partnerships
- Marketing through the travel trade

## CHAPTER 2: UNDERSTANDING TODAY'S TOURISM MARKETPLACE

### NOVA SCOTIA'S MARKETS

Tourism in Nova Scotia is big business. In 2010, total tourism spending was \$2.1 billion with \$1.18 billion or 58% generated by non-resident visitors; the balance was from Nova Scotians travelling within the province. Tourism supports 24,000 jobs in the province. It represented 2% of all economic activity in the province in 2010.

The \$2.1 billion in spending is spread around many businesses, with the largest percentage going to restaurants, as illustrated in the pie chart.



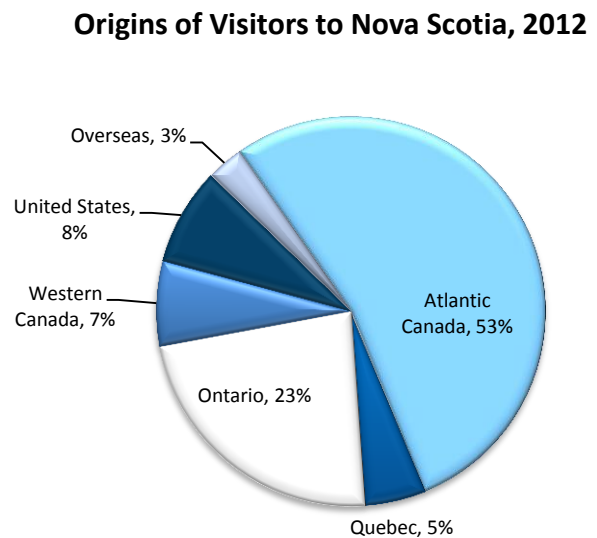
### VISITORS TO NOVA SCOTIA

In 2012, there were 2 million visitors from outside the province. Two thirds of all visitors came during May to October.

Almost 90% of visitors were from Canada with 53% from elsewhere in Atlantic Canada.

The Nova Scotia Tourism Agency reports on tourism activity in the province. Up-to-date information can be found at: <http://novascotiatourismagency.ca/research>.

They also conduct a Visitor Exit Survey (VES) every few years. This survey **is only for visitors from outside Nova Scotia** and includes pleasure travellers as well as those visiting friends and relatives and travelling for business.



The VES provides insights into visitors to the province such as:

- How long they stay
- How much they spend
- What motivated their trip to Nova Scotia
- What they do and see while in the province
- Demographics (age, income, family characteristics)

The most recent Visitor Exit Survey was in 2010. The detailed findings can be found at <http://novascotiatourismagency.ca/visitor-exit-survey-results>. Some key findings are:

- The average party was 2.1 persons; those travelling by car and recreational vehicle had larger party sizes.
- Almost 50% of visitor parties included someone 55 years and older.
- The average length of stay in Nova Scotia was 5.1 nights.
  - Visitors from overseas and from Western Canada stayed the longest – over 8 nights
  - Visitors from elsewhere in Atlantic Canada had the shortest stays – 2.9 nights
- On average, visitors to Nova Scotia spent \$1,052 per party or \$98 per person per day during their visit.
  - Visitors from overseas had the highest level of spending, followed by those from Western Canada
  - Visitors from elsewhere in Atlantic Canada had the lowest level of spending
- Visiting friends and relatives was the most common trip purpose:
  - 40% were in Nova Scotia to visit friends and relatives
  - 26% were on vacation/pleasure trips
  - 19% were on business/convention trips
  - 8% were here for other reasons such as shopping, attending a sports event
- Outdoor activities were the most popular
  - 39% participated in outdoor activities, the most common being coastal sightseeing, hiking, and beach exploring
  - 29% went to craft shops/studios
  - 25% went to museums/historic sites
- Between June and November, 2010, 81% of pleasure travellers were repeat visitors; only 19% were first time visitors. For the full 2010 year, 87% of all visitors had been to Nova Scotia before.
- 60% used personal electronic devices to find information about Nova Scotia.
- Visitor satisfaction with Nova Scotia was high and visitors were highly likely to recommend Nova Scotia to others.

### High Yield Market Segments

The 2010 Visitor Exit Survey revealed three important high yield, activity- and travel motivation-based market segments (of visitors from outside the province). These are outdoor enthusiasts, cultural enthusiasts and culinary enthusiasts. The table below describes key characteristics of these market segments compared to the average pleasure traveller.

Characteristics of Activity-based High Yield Market Segments				
	Outdoor Enthusiasts	Cultural Enthusiasts	Culinary Enthusiasts	Average Pleasure Traveller
Percent of Pleasure Visitors	16%	8%	5%	100%
Average Spending per Party	\$1,960	\$2,130	\$2,030	\$1,280
Average Length of Stay	10.5 nights	7.5 nights	7.5 nights	5.8 nights
Percent Completed University	64%	53%	62%	51%
Percent with Household Income above \$80,000	54%	49%	53%	46%
Most Popular Activities	Any Outdoor Activity (100%) Beach Exploring (81%) Hiking (75%) Coastal sightseeing (71%) Craft shops (64%) Nature Observing (63%) Museums (62%)	Craft Shops (92%) Museums (87%) Halifax Waterfront (70%) Any Outdoor Activity (72%) Art Galleries (49%)	Farm/Food producers (82%) Halifax Waterfront (64%) Craft Shops (57%) Any Outdoor Activity (63%) Museums (52%) Winery (41%)	Any Outdoor Activity (53%) Halifax waterfront (50%) Craft shops (40%) Museums (36%)

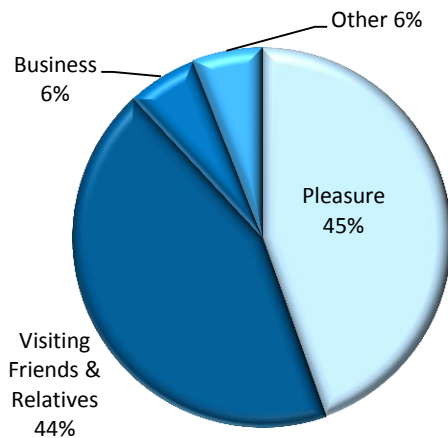
Source: Tourism Research, 2010 Visitor Exit Survey Research Bulletins; (For visitors from outside Nova Scotia). <http://novascotiatourismagency.ca/visitor-segments>.

Discover more about Nova Scotia's visitor segments at <http://novascotiatourismagency.ca/visitor-segments>.

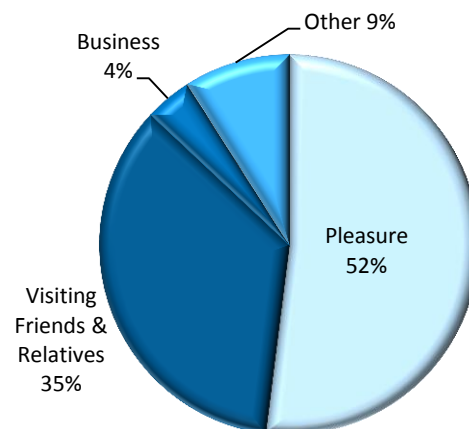
## NOVA SCOTIANS TRAVELLING WITHIN THE PROVINCE

Nova Scotians travelling within the province are an important tourism market for regions and communities. In 2010, Nova Scotians made 2 million overnight trips and 4.9 million same day trips around the province. A significant portion of these trips are for pleasure, as illustrated:

**Overnight Trips in Nova Scotia by Nova Scotia Residents, 2010**



**Same Day Trips in Nova Scotia by Nova Scotia Residents, 2010**



## NOVA SCOTIA'S TOURISM STRATEGY

In 2011, a new, collaborative approach between government and industry was developed, leading to the establishment of the Nova Scotia Tourism Agency (NSTA).

Working with industry, NSTA developed a new five year strategy for tourism; it can be found at <http://novascotiatourismagency.ca/long-term-strategy>. The primary goal of the strategy is “more visitors, who spend more and stay longer” (Nova Scotia Tourism Strategy, 2013, page 3). We know that first time visitors tend to travel more throughout the province, spending 42% more than repeat visitors and twice as much on accommodation. That is where the growth potential lies; research shows that once people visit Nova Scotia they tend to come back.

Five priorities are identified in the strategy to guide direction and drive growth. They are:

1. Leadership & Collaboration
2. Inspirational Strategic Marketing
3. Evidence-based decision making
4. Higher-quality products and experiences
5. Improved access to Nova Scotia and throughout the province



The strategy offers the following insights into priority directions for tourism in Nova Scotia:

- The province is targeting travellers as opposed to ‘tourists’. Travellers are curious by nature and seek out memorable experiences they can immerse themselves in. Nova Scotia is generally seen as a peaceful, relaxing vacation by the sea. That is a good starting point. The opportunity is to build on that existing perception and make Nova Scotia a place for exploration and discovery. Our market is the outdoor enthusiast – not the extreme adventurer but the “soft adventurer” who appreciates local culture and cuisine after a day spent hiking or whale watching.
- ***Nova Scotia is the spirit of the perfect road trip*** is the positioning statement. *This* is the promise to our travellers and defines what we say and do to create desire among potential visitors. It is all about freedom and exploration.
- Building on Nova Scotia’s tourism icons to attract visitors and enhance market appeal is an important element of the strategy.

Nova Scotia Tourism Brand Guidelines can be found at <http://novascotiatourismagency.ca/brand-kit-and-images>. They indicate:

- Three **brand pillars** bring the positioning to life by connecting the desires with the genuine Nova Scotia experience. They are:
  - Discovery (Place)
  - Freedom (Spirit)
  - Engagement (People/Culture)

With an emphasis on the first-time visitor, provincial marketing efforts and spending will be focused outside Nova Scotia and Atlantic Canada. The geographic target markets for Nova Scotia are:

- Canada – Ontario, Quebec, Maritimes
- United States – Mid-Atlantic, New England
- Overseas – UK, Germany

## THE TOURISM MARKETPLACE TODAY

Tourism today is a very competitive industry, on the international scene as well as across Canada and in Atlantic Canada.

Across the world, travel is continuing to grow, driven by growing middle classes in emerging economies such as China, India, Brazil and Mexico. According to the World Tourism Organization (Tourism Towards 2030: Global Overview, October 2011), emerging economy destinations are growing much faster than established destinations – China, Vietnam, Dubai, Turkey and Brazil are just

some examples of destinations attracting an increasing share of the international travel market. And, cruising has become a mega 'destination' in its own right. The traditional destinations such as the US and Europe are facing challenges in sharing in this growth in international travel but seem to be holding their own.

Canada has struggled with its position in the international travel market, in no small part due to a significant decline in US visitation over the past ten years. High air travel costs (particularly within the country), price disadvantage (due to higher prices and a strong Canadian dollar) and a lack of pressing reasons to visit Canada now (even though it is high on lists of desirable places to visit) all play a role. As well, funds available for marketing Canada continue to decline while our competitors such as the USA, UK and Australia are increasing their marketing budgets. This makes it ever more important for us to emphasize the experiences we have to offer and to deliver on the expectation with quality service.

Canadians are travelling more and more – both within Canada and to international destinations. According to Statistics Canada, Canadians made 317 million trips within the country in 2011, up 48% from 214.5 million in 2008. Travel abroad (to US and overseas destinations) by Canadians increased from 19.2 million overnight trips in 2000 to 26.2 million trips in 2009, and increase of 36%.

Nova Scotia has had its own challenges although the province has fared better than Canada as a whole. There has been a steady decline in US visitation but an increase in visitors from other parts of Canada. The province's new tourism strategy introduced in 2012/13 is giving more attention to attracting first time visitors from outside the region in efforts to reverse this trend.

The Internet has played a major role in the changes in international tourism patterns. Potential travellers can research destinations around the world – check out the experiences offered, compare prices, find out what other travellers have to say and, once a decision is made, easily book all elements of their trip, all from the comfort of their own home. When combined with a desire to explore new and different destinations and cheaper international air fares, the Internet has fundamentally changed the travel marketplace. This is a major factor in today's very competitive travel marketplace.

Some key trends in the travel marketplace are:

- Growth in the use of the Internet for both travel research and booking:
  - PhoCusWright reports that online leisure bookings in the US represented 40% of total leisure bookings in 2012.
  - YStats.com forecasts in their Global Online Travel Report, 2012 that travel booked online will represent 1/3 of the total global travel market value in 2012.
  - ITB's World Travel Trends Report (2012/2013) notes that the first Internet generation is now reaching 18 – they have never known a world without the Internet. The Internet will continue to fundamentally change how consumers plan and purchase their travel.

- Growth in the use of social media and smart devices:
  - 85% of travellers use smart devices of some kind while travelling:
    - For sharing travel experiences and photos – both good and bad
    - For getting information and directions while travelling
    - For making reservations and purchases
    - For keeping connected
  - PhoCusWright also reported in a 2011 survey that 16% of mobile device users used their device to shop for trips, up from 11% in 2010. In a 2010 survey, Atmosphere Research Group reported that 40% of smart phone users intended to use their mobile device to book a hotel stay; respondents indicated they were more likely use mobile devices to make same day travel arrangements such as making restaurant reservations.
- Consumers are relying more and more on personal information and recommendations on commercial and social websites. ITB's World Travel Trends Report indicates that TripAdvisor has 50 million users monthly!
- The consumer is now shaping, and even controlling, the marketplace; so engaging with them and building relationships is crucial. It also means focusing on wants not needs and promoting experiences, not facilities.
- Travellers are looking for experiences that are meaningful, offer something a bit different, a chance to learn and connect with other people, and, most importantly, to create memories.
- The baby boomers have had a major impact on travel for the past 40 years and will continue to do so for the next 15 to 20 years. They are now in or close to retirement. Travel has always been part of their life and they now have more time (though perhaps not as much money as they had hoped) to enjoy it. Destinations and businesses wanting to attract this market segment will need to pay increasing attention to addressing accessibility issues.
- The tourist of tomorrow is already here – the Youth (18 – 24); Generation Y and Generation X market are significant segments of the travel market.
  - Deloitte's semi-annual publication on Canada's tourism industry, 'Navigate' (Winter 2010) reported that over 50% of youth surveyed said that travel was one of the most important

<b>Travel Propensity by Demographic Segment</b> (US Leisure Travellers; Source: US Travel Association)		
<b>Demographic Market</b>	<b>% of US Leisure Travellers</b>	<b># of Leisure Trips per Year</b>
<b>Gen Y (born after 1980)</b>	12%	3.9
<b>Gen X (born '65 – '80)</b>	31%	3.5
<b>Young Boomers (born '55 – '64)</b>	21%	4.1
<b>Older Boomers (born '46 – '54)</b>	15%	4.4
<b>Mature (born pre 1946)</b>	21%	4.1

things in their lives. The youth market planned to take 2 trips in Canada in the next year, more than any other age segment, with 11% planning 5 trips or more.

- These are tech savvy generations (particularly the first two) – never separated from their smart devices and in constant communication with friends.
  - Those with families are very family-centric, and seek travel experiences that the whole family can enjoy.
  - They have a strong interest in the environment, local foods and cultures.
  - They seek adventure when they travel.
- Another important market for the future is New Canadians and their visiting friends and relatives who represent new international markets for Canada and its provinces. Reaching these markets means making an effort to understand their wants and interests, and targeted marketing. Parks Canada's Learn to Camp program which provides all the necessary camping equipment along with instruction has illustrated how successful efforts to reach New Canadians can be.
  - Interest in travel associated with cuisine is strong. Deloitte's 'Navigate' Summer 2012, reports that 35% of Canadians surveyed would travel primarily for a culinary purpose and 50% consider food and beverage choices when narrowing down their destination decision. The younger markets, 25 – 34 years, are the segment most influenced by the food and beverage offerings at vacation destinations.

#### **RANDALL TRAVEL MARKETING: TOP TRENDS IN TRAVEL & TOURISM, JUNE 2012**

##### **Growth Travel Market Segments**

Leisure travel  
Medical tourism  
Sports  
Weddings/reunions  
Food/Culinary  
Youth  
Film  
Military  
Multi-generational  
Hobbies  
Wildlife  
LGBT (lesbian, gay, bisexual,  
transgender)  
Off-season  
Girlfriend getaways and men's vacations  
BRIC (Brazil, India, China)  
Nations

#### **WHO'S WHO IN NOVA SCOTIA TOURISM**

There are many organizations, government departments and agencies involved in tourism in Nova Scotia. Some of the key ones are:

- Nova Scotia Tourism Agency (<http://novascotiaturismagency.ca/>), responsible for:
  - sales, marketing, partnerships and travel media relations
  - product and experience development
  - market research and intelligence
- Nova Scotia Department of Economic and Rural Development and Tourism ([www.gov.ns.ca/econ/tourism/](http://www.gov.ns.ca/econ/tourism/)), responsible for economic development as well as these tourism functions:

- quality assurance and licensing
  - industry training and development
  - provincial visitor services (visitor information centres)
  - economic impact analysis and statistics
  - tourist attraction signage
- TIANS - Tourism Industry Association of Nova Scotia ([www.tians.org](http://www.tians.org)) represents the industry and advocates on its behalf.
- NSTHRC - Nova Scotia Tourism Human Resource Council; ([www.tourismhrc.com](http://www.tourismhrc.com)) provides professional development for the province's tourism industry.
- Regional tourism industry associations market Nova Scotia's tourism regions:
  - Destination Southwest Nova Association ([www.novascotiabackyard.com](http://www.novascotiabackyard.com))
  - Destination Halifax ([www.destinationhalifax.com](http://www.destinationhalifax.com))
  - Destination Cape Breton Association ([www.cbisland.com](http://www.cbisland.com))
  - Central Nova Tourist Association ([www.centralnovascotia.com](http://www.centralnovascotia.com))
  - Destination Eastern and Northumberland Shores ([www.visitdeans.ca](http://www.visitdeans.ca))
- Regional Enterprise Networks that bring together business communities, the province, municipalities and other groups involved in economic development.
- Municipal, county and sub-regional tourism associations across Nova Scotia with varying responsibilities that can include marketing, visitor information services, product development and packaging.
- ACOA - Atlantic Canada Opportunities Agency ([www.acoa-apeca.gc.ca](http://www.acoa-apeca.gc.ca)) – a federal government economic development organization that works with businesses, organizations and other levels of government to help create economic activity and employment.
- ECBC – Enterprise Cape Breton Corporation ([http://www.ecbc-secb.gc.ca/index\\_intro.php](http://www.ecbc-secb.gc.ca/index_intro.php)) is a federal Crown corporation created to promote and assist the financing and development of Cape Breton Island and the Mulgrave area. ECBC's mandate includes tourism.
- ACTP – Atlantic Canada Tourism Partnership ([www.actp-ptca.ca](http://www.actp-ptca.ca)) – a partnership of the four Atlantic provinces and ACOA to grow the tourism industry in the region through marketing efforts outside of Canada—in the United States and key overseas markets.

## CHAPTER 3: GETTING STARTED – YOUR STRATEGY AND MARKETING PLAN

Before preparing your marketing plan, you first need a **strategy** for your business. A strategy will help with short term decisions and provide long term direction for the development of your business.

In the short term, your business strategy will help you:

- Decide on your business and marketing goals for the next year or so
- Take advantage of your unique selling propositions (USPs)
- Identify and respond to immediate opportunities in experience and product development and in marketing
- Find stories to share on social media

Over the longer term, your business strategy will strengthen the experiences you offer to the target markets you have selected, help you become more competitive and increase your revenues and profits.

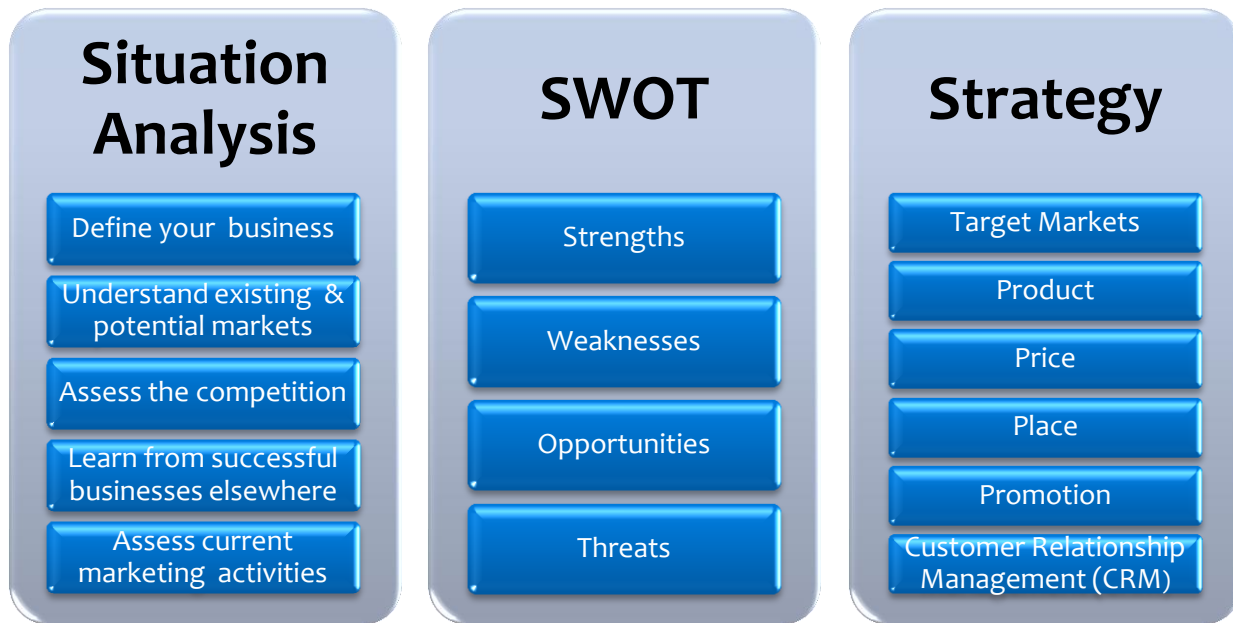
The components of your strategy should include:

- The experiences and products you plan to offer, to what markets and at what prices, including seasonal variations.
- The major appeals of your business to be showcased – unique selling propositions (USPs) and positioning.
- The steps you will take to ensure quality service and credibility.
- How customers will get information about your business and make the purchase.
- The steps you will use to build customer loyalty.

Your strategy will lead directly to your short-term marketing action plan including:

- Your specific marketing tools
- Goals and measurable objectives for your marketing plan
- Your marketing budget
- Methods for tracking and measuring the outcomes of your marketing activities

Building your business strategy involves several stages, illustrated on the graphic on the next page.



## SITUATION ANALYSIS

Building your business strategy requires some work. First is the situation analysis.

### DEFINE YOUR BUSINESS

What business(s) are you in? Where do you fit in the marketplace? Why should travellers buy from you? These are vital questions that will affect your product, prices and promotional efforts. Approach them from a marketplace perspective – the benefits you give your customers – the experiences that attract them to you (not the building you pay your mortgage on!).

Is your business a travel motivator (generator), a travel influencer or a traveller service? Look at the examples below and decide which of these best describes your business.





What are your 'unique selling propositions' (USPs)? USPs are the things that make your product offerings compelling, give you an edge and make you different from other businesses.

Some Nova Scotia tourism operators have provided their USPs here:



### Hillsdale House Inn

Award winning, 4 Star Bed & Breakfast Inn in the historic town of Annapolis Royal, NS

Well-appointed guestrooms combining a mix of Victorian charm, timeless hospitality and the comforts of modern lifestyle

Top rating on TripAdvisor.com and BedandBreakfast.com

Registered Provincial Heritage Property, Circa 1859

Offers Pet Friendly accommodation



### Celtic Colours International Festival

A Festival built around the unique, living Celtic culture of Cape Breton and including Celtic cultures from throughout the world

A nationally recognized, award winning cultural heritage experiences

Set in rural communities offering spectacular scenery and fall colours on the #1 Island in North America

Hundreds of grass roots, community-based cultural experiences with a large participatory component



### Le Caveau Restaurant Domaine de Grand Pré

One of the 20 World's best Winery Restaurants

Chef-inspired fine dining featuring regional products

Outdoor terrace with vineyard views

Picture Credits: Hillsdale House Inn, Celtic Colours, Le Caveau: Nova Scotia Tourism Agency

## UNDERSTAND YOUR EXISTING AND POTENTIAL MARKETS

---

Find out what you can about your existing markets (if you are already in business) and potential markets available to your business. This involves some market research, or more simply, collecting and evaluating information about your customers and the marketplace. It can easily be done on a do-it-yourself basis.

Start by looking at Nova Scotia's traveller markets as well as the Nova Scotia Tourism Agency's overall strategy. These were summarized in Chapter 2; look for more up-to-date information on the NSTA website at <http://novascotiatourismagency.ca/>. Some marketplace trends were summarized in Chapter 2 as well and a Google search of topics of interest to your business will turn up lots more information.

### **Research Your Existing Customers**

If you are already in business, your existing customers can provide a wealth of information. Here's some ways to get insights from them:

- Observe your customers – watch their behaviour, listen to their comments and complaints
- Interview your customers – have one-on-one discussions with them
- Hold focus groups- organized discussion sessions with small groups of customers to discuss perceptions, problems, ideas, and so on.
- Survey your customers before they leave – use in-room/on-premise guest questionnaires, comment cards, front-desk card questionnaires, front-door/front-desk interviews.
- Survey your customers after they leave – email, phone, or mail former customers. Make sure you follow the guidelines regarding the use of personal information (see Appendix 6). Tools like Survey Monkey ([www.surveymonkey.com](http://www.surveymonkey.com)) are very useful. They guide you through developing questions and automatically tabulate the results. And you only need to send a weblink to the people you are surveying.

Talking to your customers and simple surveys can be used to get a sense of what people think about your property and how your product is being accepted in the marketplace. Some ideas on the things to explore are provided on the next page.

### **SOME TIPS ON TALKING TO YOUR CUSTOMERS**

---

- Prepare some questions in advance.
- If they don't want to talk, don't push it.
- Offer something small in exchange, if you can; e.g. cup of tea and a snack
- Don't ask for private information (e.g. income) in a personal chat.
- Don't get defensive if they offer a criticism – remember you are trying to get their perspectives on your business.
- If they have had a problem with something, try to resolve it before they leave your business.
- Thank them for their time and business!

Be careful not to base your conclusions on the comments of just a few people or groups of similar people (such as one meeting group or one bus tour or people that were at your business during a single week). Getting insights from a variety of different customers at different times of the day/week/year will give you a much more realistic picture.

Another good idea is to check out what review sites like TripAdvisor and others say about your business. (Best practices in using Trip Advisor are explored in Chapter 4).

#### **Track Key Information on Your Customers**

One of the benefits of computers today is that small tourism businesses can collect and track as much about their customers as can multi-national resort and hotel chains. A simple Excel spreadsheet or database on your customers can form the core of your market research.

Collect key information on your customers such as:

- Where they live
- Address and phone number
- Email address (and whether they have agreed to be contacted)
- How they booked your business
- Whether they are repeat customers
- When they visited
- Where appropriate, insights such as:
  - Allergies
  - Activities they are interested in
  - Personal preferences, e.g. for feather pillows if you are a B&B

This information will prove invaluable when it comes time to prepare plans to grow your markets.

#### **Research Potential Customers**

This can be a bit more difficult and you will need to depend more on secondary research – that is, results of research and surveys by other organizations such as the Nova Scotia Tourism Agency. The techniques described above can also work.

#### **THINGS TO EXPLORE WITH CUSTOMERS**

- ***Their characteristics*** - family/couple, group, age and income level, purpose for their trip, etc. (identifies your market segments);
- ***What attracted them to your business or to your competitor's business*** (suggests the product features and appeals that are working for you, and what your competitive advantages and disadvantages are seen to be);
- ***How they heard about you*** (suggests what marketing is working for you at present);
- ***How far in advance they decided to visit you*** (helps you plan promotional activities)
- ***How long they stayed and how much they spent***
- ***What they thought of the experience*** (suggests the degree to which you are meeting/exceeding their needs; what you might improve; what you might feature in your marketing);
- ***Whether they would recommend your business to others*** (a way to get at their satisfaction level).

## LOOK AT THE COMPETITION

---

A review of your competitors is important in identifying where you are in the marketplace – how your unique selling propositions (USPs) compare to theirs and what your competitive advantages and disadvantages are. This will help you understand why customers are deciding between your operation and those of your competitors. And, it should give you ideas about how you can improve your own offering, your USPs and competitive advantages, and/or how you can improve your marketing approach. (You may also be able to adapt a good concept being used by a competitor).

A valuable source is competitors' websites, and perhaps their brochures, their ads in travel guides and other publications, as well as their pricing structure, which is all public and very accessible market information. And, look them up on TripAdvisor to see what their customers are saying.

Visiting competitors' properties and experiencing their service is also a very important aspect of market research.

## LOOK AT COMPARABLE BUSINESSES IN SUCCESSFUL DESTINATIONS

---

An excellent form of research is checking out similar businesses elsewhere and investigating best practices, particularly in destinations known to be successful in your kind of business.

Talk to the management and ask what makes them successful. Unlike your competitors at home, these operators are less likely to be concerned about competition from you and, because most people love to talk about what they're proud of, they may very well open up and give you lots of good ideas and insights. Something that's proving to work elsewhere is likely good evidence that it may work at your location. (But be cautious for there are bound to be differences in your location that may make this invalid. Don't rely on this type of research alone).

This kind of research is important for another reason. Because tourism today is truly a global industry, Nova Scotia operators have to offer a world-class product in order to meet the expectations of travellers coming from across Canada and the US as well as from overseas markets. As a tourism operator, your product, pricing, service quality and overall experience should consider what your customer is accustomed to when travelling in different destinations. A visit to other establishments at well-regarded destinations is certainly one way to get a first-hand look at how you compare.

Another approach is to ask your customers what they liked about businesses similar to yours in other locations, either within Nova Scotia or in other parts of the world – and what was important to them and why.

You are likely to get employees come to work for you who have worked at other similar businesses elsewhere. Ask them to help you critique your USPs and competitive advantages relative to those they have experienced elsewhere.

## ASSESS YOUR CURRENT MARKETING ACTIVITIES

---

If you are already in business, your situation analysis should include an evaluation of your current marketing activities - what is working and what isn't. The how-tos of measuring the effectiveness of your marketing on the performance of your business, and of using the results to refine your marketing plan, are explored in Chapter 5 and in Appendix 5.

### SWOT ANALYSIS

A key step in any strategic planning process involves an assessment of your business's strengths, weaknesses, opportunities and threats, commonly referred to as a SWOT analysis. The SWOT will give you the basis for most of the activities you build into your marketing plan. The idea is that you will build on strengths and opportunities and mitigate weaknesses and threats in your marketing activities.

**Strengths:** These are things that you can use to feature in your marketing; they are also things you can build new products and experiences around;

**Weaknesses:** Your plan should address how you can correct or work around weaknesses;

**Opportunities:** Your plan should identify and assess the potential of the various kinds of opportunities you might have available – new markets, new products, ideas for new promotions, etc.

**Threats:** External threats may be beyond your control, but there may be things that you can do to mitigate or work around them.

In your SWOT analysis, make sure you are truly identifying the real issues and not just their symptoms. Use the worksheet on the next page to prepare a SWOT for your business.

### BUILDING THE STRATEGY

You now have the groundwork in place to develop a medium to long term business and marketing strategy, followed by your marketing plan.

## TARGET MARKETS

---

The marketplace for a business is made up of definable target market segments, along with products that "fit" each market. To develop a good marketing plan, you need to:

1. Define your target markets and products and assess which combinations of them offer the most potential in meeting the overall goals and objectives of your business.
2. Shortlist those that are priorities for your business and should, therefore, be given priority attention in the marketing plan.

## SWOT for your Business

1. What are the strengths of your business? Think about these types of questions:
  - Why do customers choose my business?
  - What experiences or services do we offer that are particularly appealing?
  - Are there other special features we offer that can be the focus of stories in our marketing?
  - Is there anything unique about our business?

Your Strengths:

---

---

---

---

---

---

---

---

---

2. What weaknesses does your business have that need to be addressed? Think about these types of questions:
  - Are there times (season, months, days of the week) when we need or could handle more business?
  - Is the number of customers declining or stagnant?
  - Have we refreshed our experiences or marketing activities in the past few years?
  - Is the competition doing much better than us? Why?

Your Weaknesses:

---

---

---

---

---

---

---

---

## SWOT for your Business

3. What are the opportunities for your business? Think about these questions:

- Are there new markets we could attract?
- Are there existing markets that could bring more business?
- Are there new experiences, facilities or services we could offer or partner with that would bring in more customers?
- What else can we do to bring in more customers?
- Are there other promotional activities we should be doing?

Your Opportunities:

---

---

---

---

---

---

---

4. What threats does your business face? (Remember, these are external threats) Consider:

- Economic conditions
- Challenges with transportation access to your region
- Government regulations that might impact your business
- New competition

---

---

---

---

---

---

---



## 1. Define Your Markets

The objective here is to define your target markets as specific, identifiable segments, based on the different factors that influence why they travel and how they plan their trip. Your target markets will also relate directly to how you defined your business earlier – as a travel generator, a travel influencer or a traveller service.

### Market Segmentation

How do you divide your market into segments? There are seven general approaches:

- Purpose of trip – why the customer travels which impacts what they are seeking
- Channel of distribution – how the customer buys and when (before leaving home or on the road)
- Socio-economic/demographic – age, income level, social status
- Psychographic – lifestyle, interests
- Means of travel – auto, air, motor coach, other
- Geographic – where they live
- Use-frequency and seasonality.

The most common way of segmenting a market is by geographic area – where the customer lives. However, geographic segmentation is not always the best approach, at least not if it is used on its own – it works most effectively when combined with one or more of the other approaches. The objective is to divide your market into segments that include a significant number of people and are likely to respond to your marketing message.

Think through where your business fits with each of the segmentation types listed above.

Here are some examples of target markets for the different types of tourism businesses:

Some Examples of Target Markets for Different Types of Tourism Businesses		
Travel Motivator	Travel Influencer	Traveller Service
<u>Major Event in Halifax</u> <ul style="list-style-type: none"><li>• Travellers from key target markets in Ontario, Quebec and New England</li><li>• Residents of New Brunswick, PEI and the rest of Nova Scotia who decide to visit because of the event</li><li>• Other travellers already in Halifax</li><li>• Halifax residents</li></ul>	<u>“Taste of Nova Scotia” Restaurant</u> <ul style="list-style-type: none"><li>• Travellers from outside Nova Scotia visiting or staying in the surrounding area</li><li>• Keen ‘foodies’ seeking out quality regional dining experiences</li><li>• Family occasions, e.g. Mother’s Day</li><li>• Small meeting groups</li></ul>	<u>Motel</u> <ul style="list-style-type: none"><li>• Business or leisure travellers in the community or area needing a place to sleep</li><li>• People in town for a wedding</li><li>• Sports teams in town for a tournament</li></ul>

Some Examples of Target Markets for Different Types of Tourism Businesses		
Travel Motivator	Travel Influencer	Traveller Service
<u>Kayak Adventure</u> <ul style="list-style-type: none"> <li>Outdoor enthusiasts from key target markets in Ontario, Quebec, New England, Mid-Atlantic and European markets, and from other parts of Atlantic Canada</li> <li>Leisure travellers in Nova Scotia on vacation</li> <li>Nova Scotians interested in kayaking</li> </ul>	<u>Local Museum</u> <ul style="list-style-type: none"> <li>Travellers heading for a nearby Parks Canada historic site who make a detour to visit the museum</li> <li>Nova Scotians with a family connection to the community</li> <li>US visitors seeking information on their family history</li> </ul>	<u>Gas Station</u> <ul style="list-style-type: none"> <li>Local residents</li> <li>Travellers passing through the town</li> </ul>
<u>Resort</u> <ul style="list-style-type: none"> <li>Residents of New Brunswick, PEI and Nova Scotia looking for vacation and getaway destinations</li> <li>Leisure travellers in Nova Scotia on vacation looking for a seaside resort</li> <li>Meeting and conference groups</li> <li>Weddings</li> <li>Motorcoach tours</li> <li>Golfers</li> <li>Local residents for Sunday brunch</li> </ul>	<u>Heritage Inn</u> <ul style="list-style-type: none"> <li>Visitors from outside the region seeking unique, high quality accommodation with heritage character</li> <li>Getaway market from Halifax</li> <li>Regional residents for special occasions</li> </ul>	<u>Restaurant</u> <ul style="list-style-type: none"> <li>Local residents</li> <li>Travellers from out of town visiting the area for an attraction, event or for some other reason</li> </ul>

## 2. Shortlist Priority Target Markets

Don't assume that all of your target market segments are of equal importance to your business. Some are bound to be more important than others and you need to decide which ones these are so know where to dedicate more of your marketing effort.

For each of your target market segments, consider the following factors:

- Is the market large enough to justify spending money on marketing to it?
- Does your offer (experiences, products, services) really meet the needs and expectations of this market segment or will you need to make a significant investment?
- Is there potential to earn a return on investment?
- Can you reach the market through your promotional efforts?
- Is the market segment going to be around for a while or is it just a short term opportunity or fad?
- Do you have advantages over competitors in serving the needs and wants of this market?

Based on your assessment, decide which target markets should be priorities for your business, which are of secondary importance and if any are not worth the effort. The next chapter has a Worksheet to record your target markets and how your product offerings fit with each.

The next steps in developing your marketing strategy include the four basic elements of marketing; product, price, place and promotion. Each is discussed below.

## PRODUCT

Reviewing your product offerings in the context of your priority target markets comes next. Are they a good fit with your target markets? Are they market-ready? Check to see if you are market-ready using NSTA's online tool at [www.novascotia.ca/econ/tourism/building-business/market-readiness/](http://www.novascotia.ca/econ/tourism/building-business/market-readiness/).

Use the worksheet on the next page to match your target market segments and products/experiences.

Focus some attention on "tuning up" your product offerings to make them as compelling to your target audiences and as good value as you can.

An essential issue in today's marketplace is the visitor experience. People's expectations have risen, supported by increasing competition among destinations and the influence of modern online communications, which has empowered the consumer enormously. The overall experience is paramount in discretionary travel today. You need to satisfy customer demands for outstanding experiences and personal benefits.

The Canadian Tourism Commission has launched the 'Canadian Signature Experience Collection', which profiles outstanding tourism experience offerings across Canada. To learn more about creating experiences, Nova Scotia offers 'Experience Nova Scotia - A Toolkit' which can be found at <http://novascotiatourismagency.ca/experience-toolkit>.

### THE DIFFERENCE BETWEEN A TOURISM PRODUCT AND A TOURISM EXPERIENCE:

A tourism product is what you buy. A tourism experience is what you remember.

Keys to great visitor experiences and experiential packaging include:

- Combining physical assets with emotional interactions (passion, excitement, awe-inspiring moments)
- Creating personalized travel
- Building on what makes the community special – people, places, stories, traditions, activities
- Creating memories
- Celebrating unique, authentic and local treasures
- Creating experiences that engage the customer

*Extracted from Experiences: A Toolkit for Partners of the CTC; October, 2011, page 13- 14.*

Matching Your Target Markets with Your Products & Experiences			
Target Market Segment	What your business has to offer (experiences, facilities, services)	What you need to do with your product offering for this market segment	Priority

There are essentially three things you should consider:

1. Means of **enhancing the product** or service itself, in ways that will most benefit the targeted customer – that will maximize the visitor experience.
2. Opportunities to **offer supplemental programming** – activities, entertainment, value-added features – to enhance the experience, but also to generate higher levels of spending from the market segment being targeted.
3. Opportunities for **suggested itineraries** and for **packaging** with products and services at the destination to provide a broader mix of experiences and appeals for the targeted market.

Two important elements of ‘product’ are:

### 1. **Positioning and Branding**

Look at how you might 'position' your product offers to the target markets. Positioning is, essentially, what you say that makes the experiences and products you offer compelling. A positioning strategy is accomplished by:

- Defining the unique selling propositions (USPs) to be featured
- Identifying the competitive advantages that differentiate your product from competing products
- Bringing these together into the message you want to convey in each market – the benefits of your product to the customer
- Establishing your brand – this requires communicating the foregoing in an attention-getting fashion, ideally embedding the positioning messages in the target markets’ memories.

### 2. **Customer Service**

The supportive things you and your staff do while your customer is at your business are part of marketing. This is a big part of ‘fulfilling the promise’. Establish a service culture among your employees, through policies,

#### EXAMPLE OF SUGGESTED ITINERARIES FOR A HERITAGE INN

- Coastal hiking route – with map and picnic lunch provided
- Afternoon scenic drive with suggested stop for a late afternoon swim
- Winery tour – with option of a driver

#### EXAMPLE OF A POSITIONING STRATEGY FOR A NOVA SCOTIA TOURISM BUSINESS

##### **Business:**

Quality cycling tours in Nova Scotia

##### **USPs:**

Hi-tech bikes

Off-the-beaten track scenic coastal routes

Guides all trained in Nova Scotia natural and cultural history.

##### **Competitive Advantages**

Outstanding customer service

TripAdvisor 4.5 Star rating – best in Nova Scotia for cycling tours

##### **Positioning Strategy**

“A genuine, high quality coastal cycling adventure – guided and hosted by Nova Scotians”

procedures and reward systems to achieve this. The right attitude and actions of the owners and managers are crucial to a successful service culture.

Empower employees to solve problems on the spot and to recommend improvements to procedures to overcome such problems in the future. Hire people with the right kind of attitude, train and motivate them and then authorize them to use their initiative. Make sure your staff see themselves as an important part of the customer service team.

Part of customer service is customer relationship management; this is explored on Page 29.

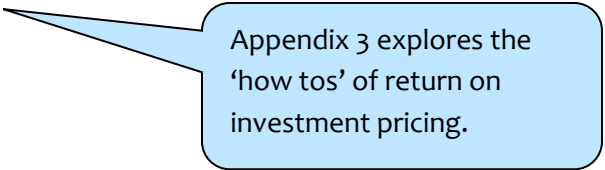
## PRICE

---

The second component of marketing is price. Common methods of pricing include:

1. Intuition – like gambling
2. Trial and error, also like gambling
3. Competitive method – position your prices relative to the competition
4. Loyalty pricing – reward those who are repeat customers
5. Return on investment pricing – maximize your revenue through a combination of maximizing volume and price received, resulting in the optimal revenue overall.

Number 5 is the best method. But sometimes it is helpful to combine them with methods 3 and 4, depending on how aggressive the competition is and/or how loyal your customers tend to be, or not be.



Appendix 3 explores the 'how tos' of return on investment pricing.

### ***Seasonal product and pricing strategies***

In addition to the fine tuning of your product offers generally, it is helpful if you have modified offerings that respond to seasonal circumstances.

In high season, the strategy is to maximize yield. The focus here should be on promoting products to markets that are prepared to pay full rates and allow you also to earn a mark-up on additional features and services. You want more dollars per sale than you would get on average.

In the low season, the strategy is to increase demand for your business. The focus here is to offer value-added features or discounts to offset weak demand for your regular offering.

## PLACE

---

This refers to where and how your customers buy your product - the distribution system linked to the sale of your product.

Your marketing efforts need to take into account the various ways your customer may enquire for more information or buy your product. There are a number of choices. Customer can visit your

website, email, call, visit your business, fax or contact you through social media. Or they can go to [www.novascotia.com](http://www.novascotia.com) and request information by email, have an online chat and /or make a booking. Or, they can call a travel agent or tour operator, or drop into a tourism information centre. There are also many ‘third party’ websites that handle bookings, such as Expedia.ca and Travelocity.ca.

## PROMOTION - THE TOOLS FOR MARKETING YOUR BUSINESS

---

These marketing tools are available and accessible for most smaller and medium-sized Nova Scotia tourism businesses in today’s marketplace. Priority tools, in terms of being valuable and feasible, are highlighted in bold.

- **Travel guides, particularly Doers and Dreamers and regional Nova Scotia guides**
- Third party websites showcasing the province and its regions, including **novascotia.com**
- **Online marketing** – your website, digital marketing and E-marketing, such as emails to prospective and past customers.
- **Social media** including Facebook, Twitter, Pinterest, Foursquare, etc.
- Advertising media – including print (newspapers, magazines), broadcast (radio, TV) and outdoor (billboards, signs)
- **Co-operative promotions through destination marketing organizations** representing the province and its regions
- **Brochures** and other printed (collateral) materials
- Direct sales to group prospects
- **Information, trip planning and booking services**
- Media relations (publicity), public relations (activities that build your reputation among customers and community stakeholders)
- **Packaging**
- Travel trade – working with tour operators and travel agencies

Chapters 4 - 7 address the ‘how tos’ for each of these tools.

## CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

---

Tourism businesses have the potential to build an on-going relationship with their clients – customers who would repeat their purchase time and again, as well as recommend it to others. Customer relationship management (CRM) should be a key strategic focus for these businesses. CRM builds from modern marketing tools and internal customer databases. The whole idea is to build loyalty among the best clients; the 20% that provide 80% of the net return to the business – it’s cheaper to keep a customer than to get a new one!



Keeping a tourism customer requires a very satisfied customer, one that would consider repeating their visit. If your business has the potential to attract repeat visits, consider doing some of the following:

- Gather information about your customers
- Maintain VIP standards of customer service for repeat customers
- Offer customer incentives to repurchase, such as exclusive service options, points programs and pricing to encourage repeat business.

Maintaining a database of individual customers is vital to a CRM program, and is as simple as creating a spreadsheet. This enables customized, one-on-one offers and communications. However, you must get your customer's permission to send them material on your business, as per the privacy regulations described in Appendix 6.

## ASSEMBLING YOUR STRATEGY

---

With your situation analysis complete along with the review of product, place, price, and promotion options, you are now ready to put together your strategic plan for the next few years. To refresh your memory, your strategy should address the following issues:

- The major products to be offered, to what markets and at what prices, including seasonal variations (Product and Price)
- The steps to be taken on an on-going basis to ensure quality service and credibility (Product)
- The major promotional appeals and programs to be pursued (Promotion)
- The methods customers use to get information and book/buy (Place)
- The steps used to build customer loyalty

## PUTTING THE MARKETING ACTION PLAN TOGETHER

With the strategy in hand, the next step is to prepare a marketing plan. It should address the specific actions to be taken for the next period of activity, such as:

- The specific marketing tools/initiatives you are going to use
- The goals and measurable objectives for each initiative
- Who does what, when and how – the team members to be involved and their roles in the plan
- The budgets – costs for each marketing initiative and expected revenues
- Methods for tracking and measuring performance as well as customer satisfaction, along with a process for adjustments where and when warranted.

Choose the most appropriate marketing tools for your business and your markets, and those that fit with your overall strategy. The rest of the guide describes the available tools and provides insights on each to help you make these decisions.

It's important that you also consider the following:

- How much budget you have to work with
- Whether you have the necessary human resources for the initiative
- What will give you the best return on your investment
- Whether the marketing initiative will have a significant impact on your target markets
- Whether you will be able to track and measure the results
- Whether you can sustain it over time

## **MAKING IT HAPPEN – THE KEY MARKETING TECHNIQUES – ALONG WITH THE BASIC ‘HOW TOS’**

Tourism marketing and trip planning has been evolving in dramatic new ways due to the Internet. Online marketing tools and promotions have become the leading way travellers research and plan their travel and some traditional tools are in decline.

And, the marketplace is continuing to change. The changes are most notable with younger travellers and others that are Internet and social media-savvy but are impacting all market segments.

The rest of the information in this guide covers both online and traditional marketing activities. Online marketing techniques are explored first, then the more traditional advertising methods, followed by other marketing opportunities including packaging and working with the travel trade.

## CHAPTER 4: ONLINE MARKETING

### THE IMPORTANCE OF ONLINE MARKETING

The travel and tourism industry has seen a significant shift as the way consumers plan their vacations has changed. Today's travellers are relying more than ever on the opinions of colleagues, peers and complete strangers. Studies show that only 14% of consumers trust advertisements while 70% trust online recommendations. This shift in behavior solidifies the response from the entire industry as it moves more and more to social media for the promotion of their business and customer engagement.

Advertising, storytelling, and communication behaviors are changing more quickly than how we share our message. A brand's story is competing more and more with the noise that overwhelms our target audience every day, hour, minute and second of their lives. Customers are tuning out and spending more time with devices such as their laptops, cell phones and tablets than ever before.

For most travellers, the Internet is the first place they look when seeking travel-related information. If the information they expect is not there, or worse, they cannot find what they want online, businesses are in serious danger of losing significant market share. It's not only important that the story is online; it's also important that the story being told online is consistent with the one your brand represents. For example, it's important that your website is current, reviews on TripAdvisor are positive and that tweets are consistent.

This presents an enormous opportunity for all tourism businesses that choose to take advantage of what the Internet has to offer and understand that their online presence is an important component of their marketing mix. It's crucial that the story an organization tells online has the ability to communicate its tourism operation's experience in the most effective way possible.

### DEVELOPING AN ONLINE MARKETING STRATEGY

A well-planned Internet marketing strategy distinguishes those businesses that are committed to the long-term potential of the medium from those who are simply marketing online because the market says they should. There are three key components that are the foundation of your entire website and Internet marketing strategy. If you don't clearly define these items, your entire online marketing strategy can fall to pieces. A strong online strategy is a result of a clear understanding of the following components:

1. *Business Goals*

Tourism operators are using the internet to generate leads, sell their products and services, communicate their experiences, provide customer service, market their business and connect with audiences around the world. Identifying and establishing key goals for your

business is the first step to developing an online marketing strategy. It's important to understand what it is your business is looking to accomplish through online marketing to ensure that you're using the appropriate strategies and tactics to get there.

## **2. Target Market Segments**

As important as it is for you to understand what you are trying to accomplish online, it is equally important to thoroughly understand who you are trying to communicate with. Who is your target market online?

Even in today's connected business environment, people don't step back to think about the different target market segments who could visit your website and how you are planning to communicate with each of these segments. So, who is your target market? Leisure travellers? Business travellers? Baby Boomers? Couples? Young professionals? Meeting and event planners? Group travel organizers? All of these groups? Take the time to document each of your target market segments and plan your online strategy around their requirements. Chapter 3 has more discussion on this topic as well as on matching your products and services with your target markets.

## **3. Products and Services**

It's amazing how many businesses get caught up in the design process of their Internet presence and lose sight of what it is that they are actually promoting online. Quite often businesses get so involved in wondering how their website looks that they actually forget about what it is they are promoting, who they are targeting and why they are even promoting it online in the first place. How does your product appeal to your target market? How do you communicate your story to your target market? This is a key component of your online marketing strategy.

The most important factor when developing your online marketing strategy are your business goals. They will help clearly define the most effective and appropriate strategy. Once you've identified your goals, it's time to start thinking about the strategies that will work well with your product and target audience. To demonstrate how you would develop a strategy, let's take an *example* restaurant called TAO – their business goals and strategies for online marketing are described on the next page.

Each of TAO's strategies is supported with key tactics that will help them achieve the goals highlighted above. It's important to recognize that every online activity you utilize needs to tie back to your organization's goals and allow the strategy to shape the tactics used to achieve it. In an online world, 'internet marketing' needs 'strategy.' Otherwise, you risk investing money and time in the wrong place, with the wrong message at the wrong audience at the wrong time

TAO is a Japanese restaurant looking to **increase brand awareness** and **enhance their customer experience** using online marketing among business professionals in their city. To accomplish this they've identified two key strategies for online marketing:

1. **Develop an active community around Japanese culture**

To implement this strategy, TAO developed a Facebook page and use it to share not only content about their restaurant and food, but also inspirational quotes, Japanese proverbs and things that tell the story of their core beliefs and values. In doing this, people feel more connected to the business and are thus more likely to share their content. This ultimately drives an increase in brand awareness as the content is shared with the friends of their fans on Facebook.

2. **Use Twitter as a customer relationship management platform**

To implement this strategy, TAO ensures that there is always someone on-staff managing and tracking their Twitter feed for mentions of the restaurant. When someone mentions TAO on Twitter; they respond within 24 hours. If someone asks TAO whether or not they are open or if something is still on the menu; their tweets will always be answered within 24 hours.

## CREATING A WEBSITE

Most businesses today recognize the importance of having an online presence – whether that be through a website, a Facebook page or a Twitter profile, etc. As mentioned earlier, if your brand doesn't have an online presence, you could be losing customers to your competitors who are utilizing online channels as a part of their marketing mix.

Beyond the importance of simply having an online presence, it is important to have a current and effective website, one that is an asset to your business and that pays for itself in the amount of customers it converts. In business, the main objective for your website should be to facilitate your customer down a path that leads to a sale. Through a strong message, quality design and intuitive navigation, your business' website is one of the most important pieces of your online mix.

## THE IMPORTANCE OF A WEBSITE

---

According to HubSpot, 78% of Internet users conduct product research online. In tourism, the consumer research process for choosing where they should eat, stay, visit or shop is filled with a variety of different sources. The users will visit forums, TripAdvisor, review sites and ultimately, operator websites. Your website is where your business has the opportunity to lose or close a deal. This is where you're in control of your message and have the opportunity to make the sale as it relates to your product or service offering. Having a website is still important.

### THREE REASONS WHY HAVING A WEBSITE IS STILL IMPORTANT

---

- 1. Search is King:** The initial stages of research for consumers typically start with a Google search. Most users search things like 'Bed and Breakfasts in Your Town' or 'Places to eat in Your Town'. If you've developed a website, you have a better chance of showing up during this search and making the sale.
- 2. Message Control:** On your website you have the ability to control the information and images provided to your site visitors. You have no control over content on social media or TripAdvisor but here you craft and control the message.
- 3. Branding:** Websites provide you with an opportunity to truly create and share your brand. While social networks provide customization, you're still building within the constraints of that specific platform.

## KEY ATTRIBUTES OF A QUALITY WEBSITE

---

### **Domain Choice**

A domain or URL is essentially your address on the Internet. It can influence consumer perceptions, your ability to brand, and your findability online.

As a tourism operation, your organization uses its website reach to attract travellers from around the world. We recommend that you purchase a .com domain first, if available and from there a ".ca" as a Canadian operator. By using the ".com" top-level domain for your website you are helping to ensure that it can be universally found. People

### THE KEY ATTRIBUTES OF A QUALITY WEBSITE

---

Domain Choice  
Hosting Choice  
On-Site Content  
Quality Web Design  
Quality Web Content  
Navigation  
Closing the Sale Online  
Viral Marketing

typically default to “.com” by habit. A .com address is the most popular top-level domain.

A great domain name utilizes an organization’s name or a familiar ‘brand’ name, landmark or geographic location (e.g. [www.novascotia.com](http://www.novascotia.com) or [www.XYZBedAndBreakfast.com](http://www.XYZBedAndBreakfast.com))

There are hundreds of places available online where you can purchase a domain name for your organization. Some of the more popular vendors and resellers include:

GoDaddy – <http://www.godaddy.com>

Network Solutions – <http://www.networksolutions.com>

Internic – <http://www.internic.ca>

Register – <http://www.register.com>

Domain Direct – <http://www.domaindirect.com>

It’s important that your URL be included on all offline marketing collateral to encourage your target market to visit you online. In fact, many tourism operations purchase multiple URLs to include on different offline marketing pieces to measure which pieces of collateral drive the most traffic to their website. By monitoring this, you can evaluate the effectiveness of your overall campaign and make more informed decisions about where you should allocate your marketing budget.

### **Hosting Choice**

Web hosting services work by providing high-powered computers (web servers) with a high-speed network for your website to live on. When someone types in your web address (such as [www.novascotia.com](http://www.novascotia.com)) they will be connected to your web server where they can view and browse the pages of your website.

Selecting the right hosting company is important. Your business needs a hosting company that is reliable, cost effective and follows best practices. You should strive to use a hosting company that is well known and has an already established customer base. There are thousands of hosting options but not all hosts are reliable providers. Consider using some of the most popular hosting services for consistent results:

BlueHost: [www.bluehost.com](http://www.bluehost.com)

JustHost: [www.justhost.com](http://www.justhost.com)

GoDaddy: [www.godaddy.com](http://www.godaddy.com)

RackSpace: [www.rackspace.com](http://www.rackspace.com)

Host Gator: [www.hostgator.com](http://www.hostgator.com)

### **On-Site Content**

When you’re developing your website, there are a few key elements that you need to consider including. The most important elements will depend on the industry you’re in, but you should review competitors and similar companies outside of Nova Scotia to gain intelligence around best practices. For example, if you’re a restaurant, you will want to look at the content on local restaurants along with some of the more popular brands globally. In doing this, think about the priorities of their content and replicate and/or improve their approach.

When creating your website, it's important to think about what customers will want you to tell them before they make a decision to buy from you. If you're a bed and breakfast or hotel, they will typically be looking for you to provide them with information on the type of accommodation, what the rooms look like, size of the bed and the features at your space. Details ranging from the size of bed, type of mattress and perks like continental breakfast should be easily found on your website. It should also be easy for the user to contact you through phone, email or social media channels. All of these contact opportunities should be clearly visible and accessible. Finally, if budget permits, it's important to make it easy for customers to buy from you online.

When you're developing and writing the content for your site, it's important to think about your business' target markets. You need to think about what will make them respond favorably and what content they will find relevant and important. If you are targeting a number of different market segments it's important that your design communicates to each of these market segments. For example, if you are targeting meeting and event planners, does it make sense to present the user with family oriented leisure travel photography on your website? No, instead the user should be presented with visual cues and supportive content that reinforces the message that you are trying to communicate to your target market.

### **Quality Web Design**

A quality website is essential for any tourism or travel business today. It's important because every business should want to ensure that major search engines know who they are, and what their business is about. You also want to ensure that visitors are able to move through your site and get closer to the sale with ease and comfort.

When a user first stumbles on your site, it's essential that you make a good first impression. You want to ensure that a visitor stays on your website as long as possible, and ideally convert at some point into a paying customer. Websites that look messy, cluttered, overly flashy, and disorganized will immediately turn a visitor off, resulting in them quickly hitting the back button and continuing their search through competitors. A site that looks clean, modern, organized and not cluttered with low quality images will more likely keep visitors' attention.

Avoid the temptation to use flashy graphics and images, and too many contrasting colours. If you're building a website that has too many moving pieces it will distract the visitor from the content they came to your site for. It's also important to ensure that your site is simple to navigate. Any confusion or poor display of your brand could result in your visitors leaving your site as quickly as they came.

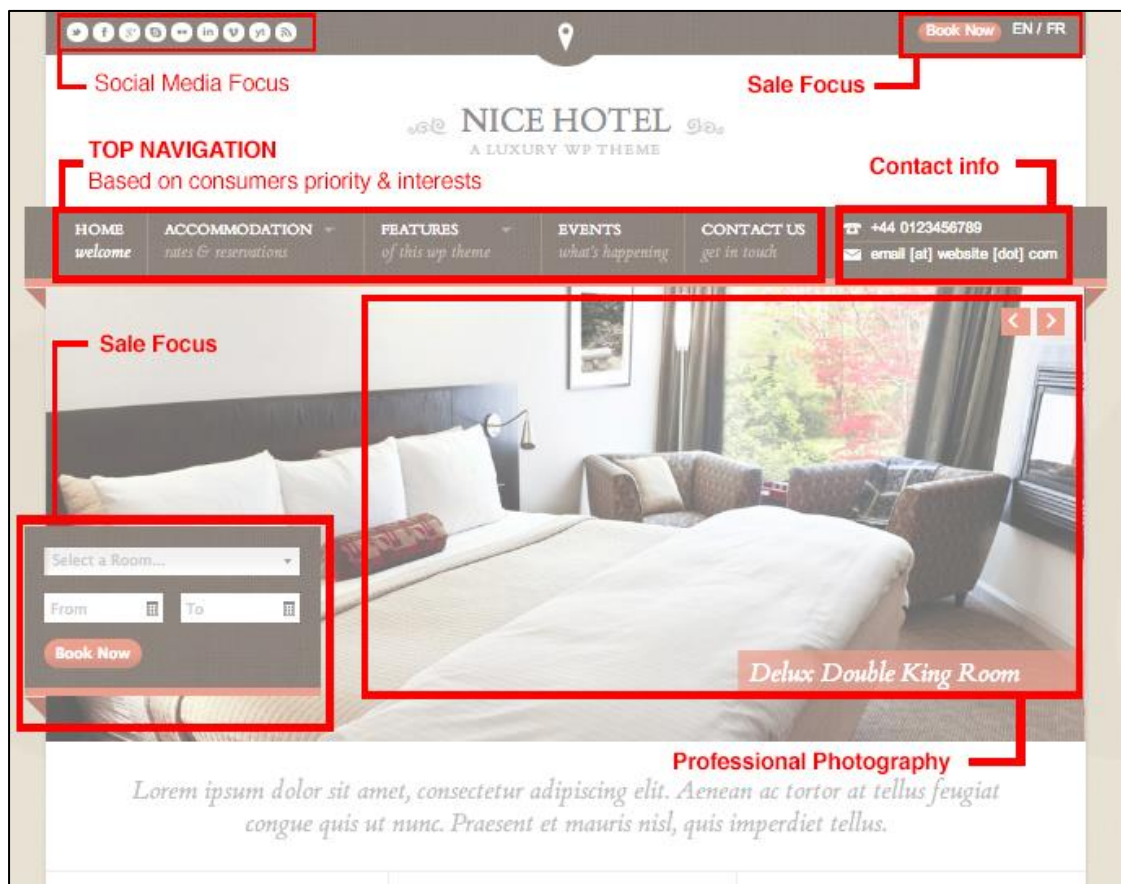
You want your website to be a reflection of what type of service you offer or the quality of the product you can deliver. It needs to reflect the personality of your business and you will want that to be as professional as possible. A poorly designed website can create the wrong impression of your business. A quality web design will better promote the image of your business, and will improve your chances of generating a loyal customer base.



## Crucial Components to Quality Web Design

There are a few crucial components to designing a top quality website. These elements are important if you're looking to ensure that your customers are coming to a website that is not going to turn them away. They are also important in ensuring that your website that will have the potential to convert visitors to buyers and will also rank well in Google. Four of the most important components are:

- 1) Simple structure and layout
- 2) Easy to read typography
- 3) Effective colour scheme
- 4) Intuitive design elements



The website design showcased takes into consideration each of the components highlighted above.

- The structure and layout of this site is built based on common practice with the placement of the sites navigation going horizontal across the top of the site along with access to the booking engine and social media channels front and centre.
- The fonts are easy to read and the colour scheme selection doesn't force the visitor to squint their eyes as they struggle to make out the text.

- Finally, the placement of buttons throughout the site and arrows guide the users experience to ensure that the experience is intuitive and easy to use.

A special consideration is the homepage. The homepage is the first impression and first impressions are everything, which makes the homepage the single most important page of your website. A homepage should set the overall tone for the website and provide clear, immediate direction to the target market. It should inform the user of what they can expect to find on the website, it should also give them access to key navigational components of the website that are dictated by the objectives for the website, your target market segments and the products and services that you are promoting.

Another consideration is the increasing usage of mobile phones and tablets to access the web. According to Microsoft, mobile internet usage is projected to overtake desktop internet usage by 2014. For that reason, it's important to keep an eye on the number of visits to your site through mobile devices and ensure that your website is mobile friendly.

Simply put, marketing tourism is about marketing the *experience*. Your website needs to utilize strong visual cues that make customers feel like they are a part of the experience. Strong visuals should be balanced with an intuitive and easy to use navigation structure as seen in the example above to ensure the user has quick and easy access to information they want.

### **Quality Web Content**

Content (or copy) on a website must address the needs of the target markets, be complete/useful, accurate, persuasive, speak to the brand, be presented with clarity, and be easily scan-able. People scan, they don't read. They are looking for something that piques their interest.

Good copy builds credibility, trust and ultimately increases sales for an organization. Copy is what transmits the personality of an organization to the target market. It affects whether they will decide to do, or not to do business with a company. Also, quality page copy is essential to ranking well with search engines.

Writing for the web is different from writing for print. Consumers behave differently online. In particular, people read much more slowly online. When preparing page copy, there are many things to consider. This is why it is recommended that you hire copywriter with reputable web experience.

Examples of important content considerations for travel-related websites include:

- **Market Specific Content:** Scanning the site immediately triggers the response of a particular audience and you need to ensure that you have content available on your website that speaks to each segment of your target market. For example, the business traveller has interests that differ from the leisure traveller. This is where being clear about your market segmentation is important in deciding on your content.

- **Quality of Product(s) and/or Service(s) Content:** A hotel might offer catering, high-speed/wireless Internet, extended stays, gift certificates, wedding/special event planning, concierge, rooms/suites, meeting facilities, dining facilities, business centre, etc. It's critical that your content speaks to the value and quality of what you are offering as this is what will help to differentiate you from your competition.
- **Special Offers and Promotions:** Special offers are a great way to drive repeat traffic to your site and can be linked directly to your email marketing initiatives or tied into specific content on your site. For example, if you are a hotelier and you are positioning your property as a romantic getaway through persuasive copy and visuals on a given page, then including a call to action promoting a romance package helps to increase the likelihood that a user will inquire about the offering, as they want to recreate the experience you're promoting for themselves.
- **Customer Service Content:** Customer service means everything in business. The more customer service-oriented content you can provide on your website, the more your clients and prospective clients will thank you. This includes contact information (both electronic and traditional brick and mortar), frequently asked questions, online inquiry forms, live chat, etc.

### **Navigation**

A consumer centric navigation and information structure is essential to the successful conversion of prospects to customers through your website. The navigation must be built with the intent of understanding what a customer is looking for when they visit your site and providing that content based on priority. For example, if you run a restaurant and think most people visiting your site will be looking for your hours, the hours must be clearly evident in your navigation. Sites that are easy to navigate are viewed as being more credible and are more efficient in closing the deal with a customer.

The navigation and information structure for a website must be logical, focused around the key objectives of the target market, easy to use, free of errors and consistent throughout the website.

Questions to consider when thinking about site navigation are:

1. Do customers care about these things?
2. How important are these items?
3. How would customers rank them in terms of importance?

The navigation should remain consistent throughout the website for familiarity. It should naturally guide users through to completing their desired goals. Navigation links should be clearly titled so that there is no frustrating guesswork. As a customer navigates through your site it should be easy for them to get important information within one or two clicks. Furthermore, to better optimize your site for sales, a user should always be one click away from having the ability to buy from you.

### ***Closing the Sale Online***

So, how do you get your web traffic to convert into sales? There are a handful of techniques being used by organizations and brands but it really depends on the industry you're in. Within the tourism industry, the way you define an online "sale" could be different depending on your product or service. While a hotel could easily track an online sale through online booking, it's not as easy for a restaurant or conference space.

It's important to first evaluate how your target audience is going to be looking to interact with you when making a transaction. In some sectors, the sale doesn't happen until they walk in the door. For that reason, your website is less about closing the sale and more about providing them with the information they need to make the decision to visit. Converting prospects to customers is one of the most difficult yet rewarding aspects of online marketing. Here are a few tried and true methods that can help increase your chances of closing a sale no matter what your business is:

- **Focus on Your Target Audience:** Businesses to often try to please everyone with their messaging and as a result, please no one. Focus on your core audience when you create your web content and design. Write content with this audience in mind and develop a site that they will find (1) easy to use and (2) compelling enough to feel as if you're the right business for the trip.
- **Develop a Clear Call-to-Action:** You would be surprised at how important it is to tell your visitors what to do. When you have a clear call-to-action, meaning a clear button or link telling a visitor to "buy now" or "contact us today" you will notice an increase in the number of enquiries and sales.

Remember, even though we live in a world where making an online purchase 'seems' to be a common practice, many visitors still prefer to speak with someone. For that reason, it's important to also list a phone number for them to reach you, or an email address.

- **Facilitate the Sale Process:** Instead of simply providing your visitors with an easy way to make a purchase, you need to increase the chances that they will want to. This means highlighting discounts, offers, awards and key benefits as soon as a visitor lands on a specific page. Create content that entices the visitor to want to buy your product or service. It could be as simple as referencing the time of the year or a local event.

Don't simply promote a special offer on your website. Create urgency by stating that the offer is only valid for a limited amount of time and encourage users to take the next step in making a reservation by using a strong call-to-action.

### ***Viral Marketing - Social Sharing***

Viral marketing is a low-cost, highly effective way to market a product, service or destination using the Internet. Just like a flu virus in humans, viral marketing replicates and propagates itself online. Viral marketing enables you to capitalize on referrals from an unbiased third party—the consumer.

The power that peers and reference groups have over the purchasing decision is phenomenal. Similar to how a positive testimonial from a reliable source can add credibility to a product or service, the opinions of friends, business associates and family can also help influence a consumer's purchasing decision. By implementing various viral marketing techniques on a website, you are provided with a great opportunity to leverage the opinions of the consumers' reference groups.

Today, a large number of travel-oriented businesses are increasing traffic to their sites by integrating social sharing on their website, which enables them to capitalize on viral marketing opportunities. Visitors can share content using their favourite social media sites with the click of the mouse with their family and friends

Social media sharing buttons are possibly the simplest and most under-rated evolution on the web in recent years and have created a huge opportunity for tourism brands. Tools like Google's "plus" button, Twitter's "tweet" button or Facebook's "like" button have made sharing content easier than ever for customers.

The integration of social sharing buttons throughout a website is the easiest way to encourage and spark sharing online. This can happen through share buttons found directly on the main social networks websites or plugins.

#### WHERE TO FIND SOCIAL SHARING BUTTONS AND GUIDES ON HOW TO USE THEM

[Facebook Like Button](#)

[Twitter Tweet Button](#)

[Google+ Share Button](#)

[Pinterest Pin it Button](#)

[Linkedin Share Button](#)

## BLOGGING ON YOUR WEBSITE

While it's easy to get caught up in the excitement and buzz surrounding Facebook, Twitter, Pinterest and every other social network, you should never forget about blogging. Just because most of the conversation is moving off of the blogging platforms doesn't mean that you should abandon this tried and tested marketing tool. In tourism, creating a blog presents you with a base in which all of your content, stories and brand is anchored. A blog allows you to build a fuller picture of what you offer, what experience customers will have with your brand and tell a vivid story about your offering.

Studies show that blogs give websites 434% more indexed pages and 97% more indexed links. This means you have an increased chance of having your website show up in Google if you've developed a blog in which you contribute content to regularly. There are many more benefits to blogging ranging from your ability to control a marketing message to your ability to constantly create content worth talking about on other networks. Blogging is an effective way to lure prospects and convert them into customers through compelling and unique content.

## IMPORTANCE OF BLOGGING

---

According to HubSpot, companies with blogs generate 67% more leads per month on average than those who do not. A blog can be the most powerful online channel for gaining visitors and attracting traffic to your website. Not only does blogging give your business a voice, but it's also a marketing tool that can promote local events, existing offers and ultimately tell your brand's story.

Providing fresh and current content is something that the search engines, specifically Google, love. But that's not the only benefit of blogging. Here are five of the reasons blogging is important for businesses working in the tourism industry:

1. **SEO benefits for your website:** In comparison to other tactics for optimizing your site for search engines, there really is no more effective way to optimize your website than through a blog. With blogging, it's possible to link to your home page and inner pages using keyword-rich text links (example: hotels in Halifax, restaurants, etc.), which can help all of your website's pages rank higher when a prospective customer is doing a search in Google.
2. **Increased customer engagement:** Past and future customers want to feel they have a personal connection with your business and the experience you offer. They want to know you are interested in their needs and problems, and providing a quality experience for them and their loved ones. By providing compelling content on a frequent basis, your past customers have the ability to stay connected with you and share your content with their network. Furthermore, you have the ability with a blog to update your customers on your latest new product/service, special deals and upcoming events.
3. **Attracting new customers:** Through relevant, timely and interesting blog posts, you can show potential new customers why they should spend their money with you versus your competitors. Your blog presents you with an opportunity to showcase your unique value proposition through rich content and tell a story that position you as an expert within your niche or location. Proving your credibility and experience helps build a level of trust that is important today, as consumers are internet savvy and want to trust your business.
4. **Establishing credibility:** Many companies have abandoned blogging and shifted their efforts to social media for credibility building because it appears easier to use. For some, this is a mistake, as blogging allows them to create content that lasts rather than a post that will disappear from your audiences' newsfeed within seven days. Social media does help you connect with customers and promote interaction, but blogging makes it possible to promote trust and emphasize your company's worth consistently.
5. **Targeting specific geographies:** Blogging makes it easier to target a specific geographic location, so that you attract those who are actually interested in what you have to offer; this

is especially important if your business caters to a particular geographic area. Blog titles and posts can be optimized for specific cities so that potential customers find you.

## HOW BLOGGING WORKS

---

A lot of people make blogging seem very complex. To put it as simply as possible a blog is a type of website that is typically arranged in chronological order from the most recent at the top to the older entries towards the bottom.

In the tourism industry, blogs are usually written by one person within a company (owner or marketing team) and are updated with new content on a regular basis. These blogs consist of stories, announcements and ideas based on a particular topic, industry or product/service offering. On a grand scale, blogs found online range from photography, to recipes, to personal diaries to hobbies. Blogging has as many applications and varieties as you can imagine. In tourism, you need to focus on how to creating a blog that will spark the interests of your target audience.

Blogs usually have a few consistent features that are easy to find and access. These are features you will want to include on your blog as not only will they provide SEO benefits but they will also increase your chances for visitor engagement.

- **Archives** – You might look at the front page of a blog and think that there is not much to them. A few recent entries, some links to other sites and not much else. However it's worth knowing that there is a lot more going on under the surface than might initially meet the eye. For example, in addition to the main page of a blog there can be hundreds of other pages or posts below the surface that have been written by the blog's author.

When an author writes a post it goes to the top of the front page. As it gets older and as more current posts are added, it begins its journey down the page until it disappears from it. This is not the end of its life however, because it goes into the 'Archives' of the blog. It sounds like a dusty dark place but it's really just like a filing cabinet that is easily accessible in a couple of ways. Typically, you can read an author's 'archives' simply by looking on the 'sidebar' at the 'archives' or 'categories' section. There you will see links to all their old posts.

- **Comments** – Not all blogs use comments but most do. The reason comments are important for blogging is because it opens up a two-way dialogue between your brand and potential, previous, or existing customers. You should not approach blogging as if it's a monologue, but instead look at it as a way to have an open dialogue with your prospects and customers. Typically, at the end of a blog post you will see

### TWO GREAT BLOGS ABOUT BLOGGING

---

CopyBlogger: [www.copyblogger.com](http://www.copyblogger.com)

ProBlogger: [www.problogger.net](http://www.problogger.net)

the word “comment” and below that you will find a form where you can leave your name, email and a link.

Beyond starting, a great way to learn about blogging is to read a few. Leave some comments, ask questions and bookmark your favourites.

### ***Strategic Blog Planning***

Stage one of any great blogging strategy is to develop a comprehensive plan. Without a clear roadmap of the types of blog posts you want to create, when you’re going to create it, and for who, you run the risk of losing steam and not implementing this tactic effectively. As discussed earlier, it’s important to identify exactly who it is you’re talking to. Once you have that figured out, you can start planning content that is specifically targeted to their interests.

The most effective approach to content planning is to break it out into six month intervals. This way, you are not bogged down thinking about what you’re going to be writing about a year from now and instead can focus on the content you’ll be developing in the short-term. One of the most effective ways to create a content plan is to start by creating themes around your content from month-to-month. Identify a few key things that your audience would find interesting and create content about those topics.

For example, if you were the owner of a golf course and resort, you would look at the summer months as being a time where your blog posts would be centered on the game itself. In the winter months, you would focus your content on things happening in the community, non-profits and a content that would be timely as it relates to golf news. To start this blog plan, use Google Analytics to identify what keywords are converting well and think about blog topics that your audience would find interesting. For golfers, this could range from game improvement tips, local attractions, aids, equipment reviews and associated game improvement information.

Once you’ve identified the angle for your blog content, you need to start identifying the specific posts you’ll be creating. When developing blog posts, it’s important to make the content as easy to digest as possible. Thus, it’s important to break out your content with paragraphs, headings and titles as much as possible. You should also try to keep your blog posts dynamic and compelling by including links to other sites along with rich photos of your product, service or anything related to the blog post itself.

An often-overlooked part of blogging is the importance of a captivating headline. The headline of your blog post is typically the first thing that someone will read when it’s forwarded to a friend via email or social media. For that reason, it’s important to give additional thought to how you craft your headline and how it will be received when placed in front of your target audience.



You should use adjectives when writing your blog titles and strive to create posts that fall into the framework of why, what, where and how.

<b>How:</b>	<i>How to enjoy a Cape Breton holiday in 24 hours</i>
<b>What:</b>	<i>Five things to experience when visiting Halifax</i>
<b>When:</b>	<i>The three best places to take a photo with your family in Yarmouth</i>
<b>Why:</b>	<i>Why you should take a Cape Breton road trip this year</i>

Sometimes the item that differentiates a successful blog post from a mediocre one is a captivating title. Writing a great title is sometimes the most important part of blogging so make sure you spend time crafting a title that you know your audience would read.

## DRIVING TRAFFIC TO YOUR WEBSITE

At this point you should have enough information to develop a website that provides visitors with enough information about your business to go from prospects to customers. This is the ultimate goal of developing a website and the ultimate goal of all online marketing. Your website should act as the place of final conversion by providing visitors with enough information to make their decision. That said, you need to get visitors to your website to turn them into customers.

Web traffic means the number of people visiting your website as a whole. It's important for your website to generate web traffic because without it, your site essentially doesn't exist. The four most effective ways to generate traffic to your site through online marketing include: Search Engine Optimization, Search Engine Marketing, Email Marketing and Social Media.

## SEARCH ENGINE OPTIMIZATION (SEO)

---

When internet users are looking for a particular product, service, subject, or information pertaining to a travel destination, accommodation provider, etc., how do they do it? Over 96% of Internet users use search engines to find desired sites related to particular keywords or phrases on the Internet. A report by iProspect revealed that nearly 60% of Internet users abandon their searches after the first two pages of results. For these reasons, it is very important for a website to be designed to achieve high placement in the major search engines.

Because search engines can bring a significant volume of traffic to a site, one must understand how the major search engines work and how the design of a site can influence the indexing of the site by the search engines. It is not unrealistic for search engines to drive between 60% and 80% of a website's traffic.

### **Understanding SEO**

Search engines have two primary functions as it relates to delivering and identifying the content that should be displayed on their result pages when a user looks for a keyword or phrase. The two primary functions include **web crawling/indexing** and providing **answers through relevance**.

The idea of “web-crawling” tends to confuse most people but the easiest way to describe this concept is an example given from SEOmoz.com. They explain,

***Imagine the internet as a network of stops in a big city subway system.***

*Each stop is its own unique document (usually a web page, but sometimes a PDF, photo or file).*

*The search engines need a way to “crawl” the entire city and find all the stops along the way, so they use the best path available – links.*

Search engines go from one link to the next scanning the contents of various pages for relevant keywords and phrases that appear to be important on that specific page. Based on this scan of the text, search engines like Google make decisions around whether or not the page it just “crawled” is actually worth indexing. A page that is indexed is a page that has the ability to show up in Google. Once that has taken place, the page is subject to a complex algorithm that uses traffic, social media, keywords and code to determine whether or not that post is relevant and what questions a user can ask to receive this post as an answer.

Currently, the major engines typically interpret relevance and importance of content based on the popularity of a page or blog post. The more visits to a site, page or document, the more likely the search engine will believe that people find that content valuable and worth sharing with the world.

The other item which search engines interpret to make decisions around the importance of a page or post is the number of inbound links. The logic is that if a website page is receiving a lot of external links, it must mean that people outside of the site owner believe this is something worth reading or talking about. Furthermore, the higher the popularity of the website that is linking back to that page or post, the more relevant search engines assume the content to be.

Search engines use links to track and follow the relevance and importance of a website. For example, tourism operators in Nova Scotia should link back to [www.novascotia.com](http://www.novascotia.com) as it's the most popular tourism-related site in the province. In doing so, search engines will provide these businesses with additional credibility for linking to a site of high-value and potentially boost the businesses page rank.

### ***Developing a Link Strategy***

Developing a series of back links to your website is key to the success of your content and without them it becomes very difficult for small businesses to compete with sites with large marketing budgets. Due to the importance that back links have, bloggers and site owners use various ways and methods to build back links to their websites in order for them to get high rankings in the most popular search engines. In the tourism industry, this is not a widely known strategy, but is one that you can use to your advantage and see measurable and meaningful results.

- **Guest blogging** is the first and most effective method for generating back links to your website. Guest blogging is the act of reaching out to someone else with a popular blog in tourism, or a channel relevant to your target audience, and creating a blog post for their site. Throughout that blog post you must demonstrate deep knowledge on a brand relevant topic

while linking back to your own site with relevant keywords once or twice. With guest blogging, you will get natural links to your site and also some free traffic.

- **Blog commenting** is another great technique for generating safe back links to your website or blog. The key here is to find blogs that are relevant to your industry and are highly popular and comment with keywords as your name and a link back to your site. When you take this approach it's important that you still leave quality comments, as the comments will be attributed to your brand.
- **Social Media** has caused a lot of debate in the SEO industry as search engines struggled to figure out the role they would play in search. Since the launch of the first popular social networks, the popular search engines have figured it out and placed a bit of value to a page's or blog post's popularity on social media. For that reason, it's important for tourism operators to include social sharing functionality throughout their site and also consider using the Google+ button.

### **On-Site Optimization**

Organic SEO refers to optimizing the components of your website to rank well in the organic search results that are returned in a search engine when a user conducts a keyword search. Organic search results are the 'non paid' listings that appear solely because the website has been deemed editorially important and contains content and keywords that relate specifically to what the user is searching for. The most important areas on a webpage that you must address when performing organic search engine optimization are:

- Title tags (page titles)
- Keywords meta tags
- Description meta tags
- Alt tags
- Hypertext links (e.g. anchor text)
- Domain names and filenames
- Body text

## **SEARCH ENGINE MARKETING (SEM)**

### **UNDERSTANDING SEM (GOOGLE ADWORDS)**

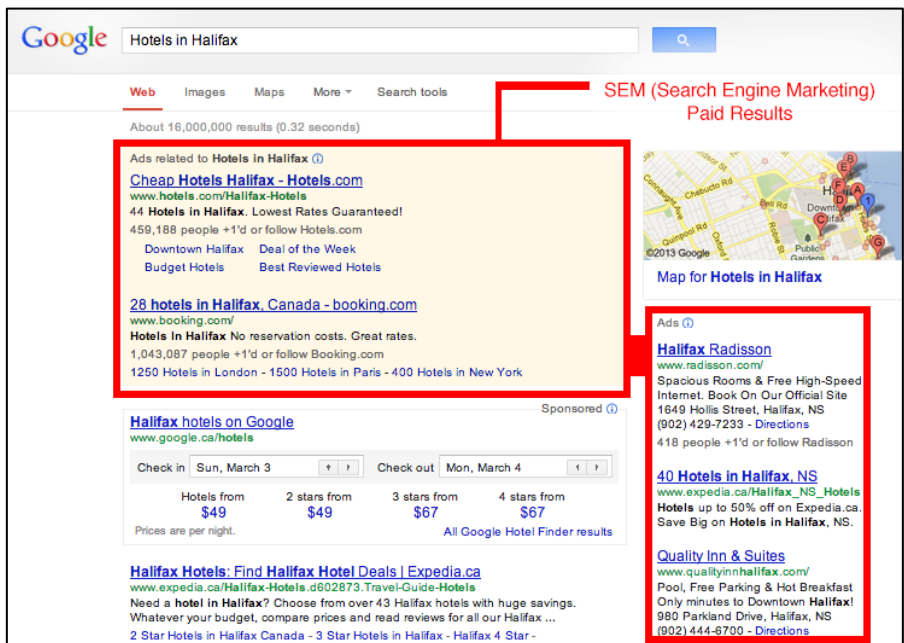
---

Many search engines and directories either partner with or license the use of another search engine or directory's search technology. If you submit your site to a search engine that uses Google's index, then the design of your site influences how you're indexed in all search engines that rely on Google for their search results. For example, Google's results can be found on a variety of the major media networks. Google's paid advertising results appear on many sites as small as blogs and as large as CNN.

SEM is becoming as essential to online marketing campaigns as traditional organic SEO. Tourism operators used to be able to simply optimize their website using traditional organic optimization techniques to place high in the major search engines and, in turn, generate exposure for their operation. This is still important, however, with more and more people competing for top placement, it is becoming an increasingly a more challenging task.

The difference between organic traffic and paid traffic is placement and cost. Organic traffic comes directly through the search engines results while paid traffic comes from paid placement for your website on the search engine result page.

This example showcases the search results that would appear when someone searches for “Hotels in Halifax.” The content highlighted in bold are paid search results using Google Adwords. When a user clicks on these links, the brand that paid for the advertisement is charged for that click. The placement of the advertisements depends on how much money each brand is willing to allocate to their Adwords budget. A company who has a bigger budget will have a better placement (top box) than someone with a lower budget.



Many travel sites are leaning towards the SEM online advertising models to generate targeted exposure for specific sections of their websites. SEM models enable websites to sponsor specific keywords or phrases to have their search engine listings appear only when a user conducts a particular query using their engine. If the user clicked on a particular listing, the travel site would pay a nominal fee for the click, but would receive a targeted inquiry from a prospective client for the fee.

The key is to focus on generating targeted ads based on brand relevant keywords. Using traditional organic SEO techniques can also generate targeted traffic to your website, but even the leading search engines often return results that are not exactly what the user desires. Through SEM you can narrow in on keywords that you know are relevant to your business and ensure that they are landing on content that is relevant to their search queries.

For more information on Search Engine Marketing; read this [Google Adwords Guide](#).

## LANDING PAGES

Landing pages are the foundation for any online marketing initiative where you send a user to specific page based on specific information. Their purpose is to minimize distractions and focus the target market on accomplishing the goal presented in the original advertisement.

When you're conducting any type of online campaign, whether it is a banner ad, newsletter promotion, or SEM campaign, you want to maximize the results of your effort. When done properly, creating a landing page for an ad can greatly increase conversions, or the number of customers who act on your offer.

A landing page is a webpage created for the specific purpose of driving the target market towards some intended action based on the offer presented in an online advertisement (e.g. banner ad, newsletter article). For example, you might want your target market to come to your website and request a brochure, sign-up to your newsletter, inquire about a special package or promotion, or enter a contest, which is tied to another primary offer as an incentive.

The way your landing page is designed depends entirely on your online marketing objectives, your target market as well as your offer itself. Keep it focused - the landing page should only focus on the offer that you are promoting. A landing page should be created for every online marketing endeavor you take part in where you want the target market to take a specific action. For example, if you are a bed and breakfast operator that offers a specific type of vacation package in a particular region of the province, you could develop a landing page that specifically promotes your vacation packages, not your overall business and its amenities, etc. If a user is conducting a keyword search related to your packages, sees your ad and clicks on your ad it is evident that they are interested in your vacation package. This is where you present your offer in a targeted environment with a message that is specific to their search.

The figure illustrates a sample-landing page that is being used by Quality Hotel to promote a special offer in downtown Ottawa. A landing page like this is likely to show up when a user clicks a SEM ad after searching for a keyword like "hotels in downtown Ottawa." Upon landing on and reviewing this page one thing is clear – the offer.

**QUALITY HOTEL**  
DOWNTOWN OTTAWA

When you stay at The Quality Hotel Downtown Ottawa you really have the best of everything - the convenience of a great location and outstanding value with comfortable and spotlessly clean guest rooms. As the closest hotel to the University of Ottawa campus, the Quality Hotel Downtown Ottawa is also just steps away from popular attractions such as the National Gallery, the ByWard Market, Parliament Hill, Rideau Canal and Rideau Centre shopping mall, and many other tourism hot spots to enhance your experience!

**Guaranteed Lowest Rates**  
Available! Whether planning a trip to visit our world class museums or a fun-filled holiday with the kids, the Quality Hotel Downtown Ottawa offers a variety of packages that provide the "file've been expecting you type service" our team is renowned for! Book your value added package online or call us directly at (613) 789-7511

**WOW! STAY IN DOWNTOWN OTTAWA FROM**  
**ONLY \$79/NIGHT**  
**& PRICE IS JUST THE BEGINNING**

- ✓ 5 MINUTE WALK TO PARLIAMENT HILL
- ✓ COMPLIMENTARY INTERNET AND LOCAL CALLS
- ✓ FREE NEWSPAPER AND IN ROOM COFFEE
- ✓ HOME TO THE FAMOUS DON CHERRY'S SPORTS GRILL
- ✓ DIRECTLY LOCATED IN THE HEART OF DOWNTOWN

**Clear value proposition**

**Persuasive content by highlighting key benefits**

**Large Call to Action**

**BOOK ONLINE TODAY!**

**OR RESERVE BY PHONE (613) 789-7511**

**VISIT OUR WEBSITE**



The offer is presented immediately, as is the call to action to inquire about the offer using the prospect's preferred form of communication (e.g. email or telephone). If the user is not interested in the offer they can still visit the operation's website to learn more about what they have to offer by simply clicking a link. This approach differs significantly from simply sending a user to your website where they can view the offer amongst everything else that is available on your website. The landing page is focused on one objective, conversion for a special offer or product.

## EMAIL MARKETING CAMPAIGNS

Like blogging, email marketing tends to strike people as an old fashioned approach to marketing. As a result, tourism operators around the world flock to use Google+ and Pinterest and push email marketing to the wayside. In reality, email marketing is more powerful and effective than it ever has been. Email provides tourism operators with the most direct line of communication for conversion to sales online. It's also amazingly cost-effective. With a Return on Investment (ROI) of around 4,300% (according to the Direct Marketing Association), email presents you with an easy to measure marketing tool.

Legally, all brands are required to receive permission from the people on their mailing lists before adding them to your email list. It boils down to asking the target market and website visitors for their permission to send them something. Many businesses and advertisers compete for the attention of their target market on a daily basis, but it is very difficult to break through all of the advertising clutter. The key to permission marketing is to get your target market to willingly volunteer to participate in the process. In order to do this, the offer must be of value to your target market. You have to make it clear to the user by answering the question "what's in it for me?" If the target market sees no benefit in participating, then they will not participate - it's that simple.

What makes permission marketing so effective? It is not intrusive. The target market volunteered to receive the information because it's of interest to them and, as a result, they expect to receive it. This significantly increases the likelihood of the target market viewing the material and their being receptive to it. When implemented correctly, permission marketing can be a valuable asset in acquiring new customers and in maintaining relationships with existing ones.

You should leverage every opportunity possible to encourage users to sign-up to receive email promotions about your tourism business. Permission marketing techniques can be integrated with many Internet marketing tools and repeat traffic generators, including newsletters, surveys, contests and so on. Another great place to integrate a user into your mailing

### THREE GREAT EMAIL PROVIDERS TO HELP DELIVER EFFECTIVE EMAIL CAMPAIGNS

MailChimp: [www.MailChimp.com](http://www.MailChimp.com)  
Campaign Monitor: [www.CampaignMonitor.com](http://www.CampaignMonitor.com)  
Constant Contact: [www.ConstantContact.com](http://www.ConstantContact.com)

list is during an online transaction or while they are at your location. Once you've received their permission to contact them, you can begin sending them monthly, weekly or quarterly newsletters.

As you implement your email marketing efforts, keep a close eye on the metrics of your approach. You will want to test and monitor the impact of different subject lines and call-to-actions found within the email itself. Based on this information, optimize your ongoing campaigns for results. Furthermore, you will also want to keep an eye on information as it relates to the devices people are using to view your emails. Most times, the users are reading your emails on a mobile device and for that reason it's important to use mobile friendly templates.

Newsletters are one of the most popular resources for permission marketing. A newsletter keeps you in front of your target market and constantly reminds them of your presence. You can ask visitors if they would like to receive notification of new travel packages, updates to the website and upcoming events in the area. In the newsletter, you can integrate strategic promotional opportunities to encourage users to come back to the site or to take some other course of action. When creating complex newsletters and emails, work with a provider or designer who understands the features your customers can accept in their inbox.

## SOCIAL MEDIA MARKETING

Social Media has changed the way the internet allows businesses to connect with consumers and consumers connect with businesses. There are hundreds of new social networks developed every year and each of them present opportunities for people to connect with other individuals and brands.

For brands, social media provides an opportunity to develop a deeper and stronger bond with your customers. It allows you the opportunity to have one-on-one conversations and build a following of passionate brand advocates. Furthermore, social media allows you to tell your brand's story in a way that can be shared further and faster than ever before. Brands now have the ability to have their messages shared from one person to the next with the click of a mouse.

The types of channels that tourism businesses can benefit from using include social networks such as Facebook to micro-blogging sites like Twitter. You also have photo-sharing platforms like Instagram and flickr that allow tourism businesses to focus on photography to tell their story. And, professional social networks like LinkedIn where business-to-business relationships can be established. In the text to follow we showcase the channels that are playing the biggest role in the tourism industry.

### FACEBOOK

---

As the largest social network in the world, Facebook has more than 1 billion monthly *active* users, with 250 million users logging in on a daily basis. The site has seen more than 140 billion friend connections, 1.13 trillion "likes" and more than 200 billion photos uploaded (265 billion if deleted

photos count!). Every month, people share more than 30 billion pieces of content including links, news stories, blog posts, photo albums, and notes.

With numbers like those, ignoring Facebook is no longer an option for the tourism industry. It's a channel where your audience is spending time whether you like it or not. If you're not active on social media, it can be a bit confusing. And while adding a few friends to Facebook and writing on their wall here and there seems like a good start, you're really just getting started. That said, Facebook is a lot simpler than most people think.

### **Profiles, Pages or Groups**

Facebook has three tools that can be used by anyone. Each of these tools has their own purpose and should be used by tourism operators and professionals differently.

#### Profiles

Facebook profiles are the standard account required to use Facebook. They are the account you set up to act as an individual on Facebook. This account is where you "add friends" and write on their walls or send them messages. It's the account you should use for personal communication with individuals like colleagues, friends and family.

**Advantages:** This account is private and for one-to-one relationship building.

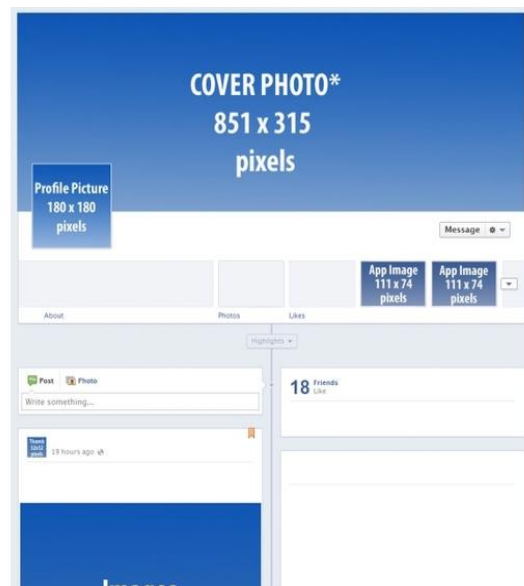
**Disadvantages:** A lot of people mistake this account for a business page.

#### Pages

Facebook pages are similar to profiles, but are used for businesses, organizations and public figures. While profiles require a mutual relationship between friends, pages can be liked by anyone, without a requirement for the page creator to accept a fan. They also don't have the same restriction on the number of friends/fans they can have, unlike profiles (which are limited to 5,000 friends).

**Advantages:** They're free and easy to set up. They can be promoted with ads.

**Disadvantages:** You're going to need to put in effort to keep engagement on your page



#### Groups

Facebook groups are similar to discussion forums but with additional features similar to what pages and profiles have (like a wall). You can create groups related to your industry or product offerings as a way to reach out to potential customers.



**Advantages:** Free and high levels of engagement.

**Disadvantages:** Can be very time consuming.

### **Facebook Marketing**

In the tourism industry, the most effective and efficient channel within Facebook is a business page. Facebook pages are the simplest, easiest way to get started marketing with Facebook. It's free and relatively easy to set up an account. To set up a Facebook page you simply search for the word "Pages" and click the first drop down in your Facebook search. From there you fill out the appropriate information as it relates to your business or organization. This is an example of a Facebook Page.

Here are a few things you will need to do:

#### Choose the right page name:

When you create your Facebook page, you will be asked what your business name. This is not the place where you should try to get creative with your business name. Title your page what the majority of your customers call you so they can find you in search.

#### Choose the right cover photo:

A timeline cover photo is where your businesses branding begins. Putting the right (or wrong) photo up there can make (or break) your brand as it relates to potential customers not pressing the "like" button. Here is what you need to think about:

- **Size** – Facebook says that the best cover photo size is 851 x 315 pixels.
- **Rules** – Facebook prohibits you from posting advertisements, coupons or promotions on your cover photo. Furthermore, they also restrict the use of arrows, call to actions or any type of price point being included in your cover photo.
- **Ideas** – Creativity is the name of the game here. When you're thinking about your cover photo think about the most captivating shot you can use to tell your brand's message. Whether it's a scenic view or an amazing shot of a delicious meal, this is your story.

#### Choose the right profile picture:

If you have a logo for your business that is well known or that you want to be well known, use this. If you don't have a logo, use something in your profile picture that is iconic and easy to recognize. Avoid scenic shots and look for something that is linked to your brand's identity. This photo will be seen more than any other photo on your Facebook page as it will accompany your posts in newsfeeds and comments. Make it count.

### **FACEBOOK MARKETING: THINGS TO DO**

Choose the right page name  
Choose the right cover photo  
Choose the right profile picture  
Write your 'about' section  
Post useful info to your wall  
Ask your fans questions  
Create status updates  
Maintain an engaging Facebook fan

### Writing your ‘about’ section:

The about section of your Facebook page will include a variety of information depending on the type of business you select when going through the “create a page” process. Businesses should use this space to provide customers with as much information as possible about their business as it relates to everything from their mission to hours of operation. The about us section also allows businesses to cross promote their other digital tools with links driving users back to channels like YouTube, Twitter and their actual homepage.

Once you’ve finished filling out the “about this page” information and upload the appropriate creative files, you will be fully equipped to start promoting your business. Outside of the effort it requires to manage a successful page, there’s not much of a downside to this channel. Unfortunately, many operators don’t use Facebook to its full potential. Here are a few ways that you can maximize your efforts on Facebook:

### Post Useful Info to Your Wall

What you post to your wall will show up in the news feeds of everyone who has liked your page, just as it does when you post something to your personal profile.

So, make sure what you’re posting is useful to your fans. Don’t post endless updates about the same thing, or post too many updates, clogging the news feeds of your fans.

Here are some ideas for the kinds of things you might want to post to your wall:

- Links to articles related to your company or your industry
- Rich photos of your product, service or experience
- Coupon codes for fans to save on your products
- Funny photos or interesting messages that will spark shares
- New product announcements
- Links to online tools your fans might find useful

Again, make sure that your posts are relevant to your brand and target audience. These are an extension of your business so it’s important that you put as much consideration into every post as you would with a billboard or brochure. Also, don’t post more than twice each day unless there’s a special event taking place.

### Ask Your Fans Questions

Social media is a place where people aim to be social. For that reason, you as a brand should embrace this behavior and also attempt to be social with your potential customers. Instead of always pushing content at them as if it was a monologue, try to take part in a dialogue between you and your fans. A simple approach to doing this is by asking them questions.

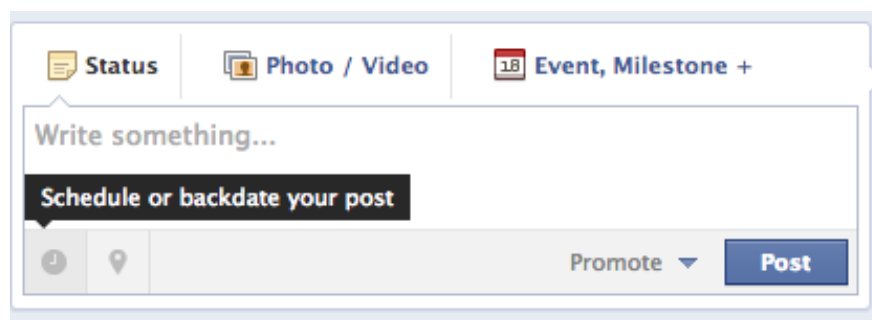
Getting your fans involved with your page is a great way to inspire loyalty. Asking questions in your status updates gets them involved and on their own terms. What you ask depends largely on your product and your niche, but asking open-ended questions usually garners the

best responses. Asking opinions on a new product idea or project can also be a good way to show your fans that your company cares about their opinions.

### Creating status updates

The act of sharing a status update for a business page is very similar to the way you update your own personal account. You have the ability to share links and videos by simply copy and pasting the links into the appropriate field where Facebook will generate a link preview. You have the ability to upload photos, albums or videos, which will then transition to your timeline where you can arrange them to your liking. You can also ask questions which is where you have the ability to create a poll and allow your fans to take part in a multiple choice questionnaire.

Two features on a business page that you may not be aware of are the ability to (1) post a milestone and (2) schedule posts. If you're looking to announce that you just added a new patio or announce that you just hired a new chef there is a "milestone" button that you can select and add key dates to your timeline. Outside of that, you're able to use the same functionality to set a date in the future and schedule your status updates to go out later on this month, week, day or year. It's an easy way to save you time. See below:



### Maintain an engaging Facebook fan page

Now that you've completed the basics, you need to focus on creating a Facebook timeline that is active, alive and attractive to potential visitors. Your Facebook page should act not only as a place where you can convert prospects into customers but also a place where previous customers can stay in touch and up-to-date with ongoing changes and things going on within your business. Here are a few tips to maintain an engaging page:

#### Post Different Content Frequently

Your timeline should consist of a wide variety of content including status updates, photos, videos, and engaging questions - anything that will encourage visitors to like your page and get engaged. The key is to balance content and relevance with your audience.

### Use Pins and Highlight Posts

Pins are a feature in Facebook that allows you to make specific posts float to the top of your Timeline. Meaning, a post that you shared two days ago can be placed at the top of your timeline and even after other posts are shared, it stays at the top. You should also utilize the highlight function to stretch content across both columns on your timeline and draw even more attention to important posts.

### Respond to People

One of the worst things you can do is not reply to messages or wall posts that people send you. Keep an eye on the notifications that you get, and respond promptly. This little effort will reward you with a loyalty from those visitors that could turn into sales.

### Test Different Tactics

Try out new types of content, photos, video and even the angle in which you deliver the message. See if your fans are more likely to engage with content that is funny or serious and make decisions based on the real-time feedback about how you will proceed with your updates.

### Use Insights

This sounds like a lot of work but insights still provide you with a great tool on Facebook. It's similar to Google Analytics except it's specific to the content found on your Facebook page. Keeping your eye on Facebook metrics is important and should be done at least every two-to-three weeks.

## **Facebook Advertising**

Facebook offers a fantastic targeted advertising platform, which works well in the tourism industry. They provide you with the ability to target someone based on specific geographic areas, age groups, and even things like relationship status or post-secondary school. For example, using this targeting you have the ability to target mothers a week before Mother's Day with a special Mother's Day package.

**Advantages:** Very powerful and specific targeting parameters.

**Disadvantages:** Can get expensive if you're not focused on a specific goal.

### How Facebook Ads Work

Similar to the layout, Facebook ads tend to change on a regular basis with very little notice as it relates to the updates and changes. Currently Facebook advertising options come in several varieties. You can promote your Page, put posts on your Page, comment on actions users took, or you can drive users directly to an external website. Despite Facebook's increasing focus on native ads and keeping traffic on its site, you can still be successful sending users to your website if you take a similar approach to them and direct users to a landing page with highly relevant content.

Facebook ads are targeted to users based on their location, demographic, and profile information. Many of these options are only available on Facebook. After creating an ad, you set a budget and bid for each click or thousand impressions that your ad will receive. The main goal for Facebook advertising is to acquire an increased number of fans and then provide content through status updates to them over the long-term. If you can increase the number of people subscribing to your content you can increase the amount of brand relevant content they see through your status updates. (See the Facebook advertising platform below)

### How to Target Facebook Ads

The number one mistake most marketers make with Facebook ads is not targeting them correctly.

On Facebook, you can target users by:

- Location
- Age
- Gender
- Interests
- Connections
- Ethnicity
- Relationship status
- Languages
- Education
- Workplaces

Each option can be useful, depending on your audience. Most tourism and travel businesses should focus on location, age, gender, and interests.

**Location** allows you to target users in the country, state, city, or zip code that you service. You can get as specific as cities such as Dartmouth, Charlottetown and Sackville. This is a great way to generate traction from key audiences for your business.

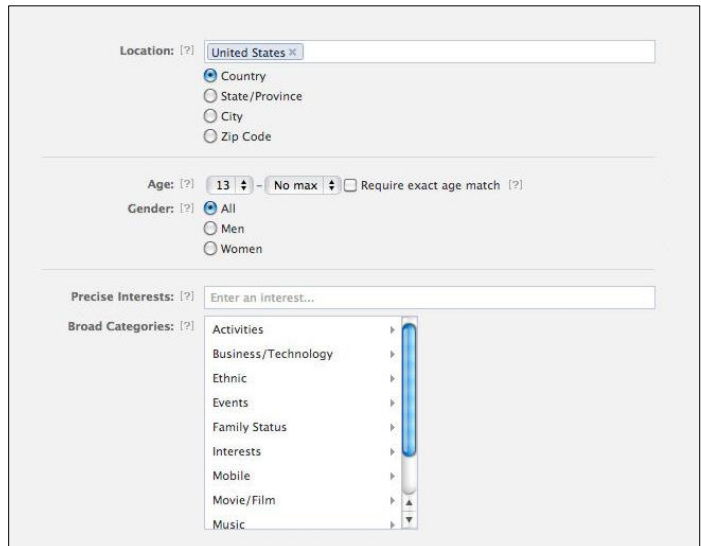
**Age and gender** targeting should be based on your existing customers. If women ages 45-65 are the bulk of your customers, start by only targeting them. If they prove to be profitable and generate results you can then expand your targeting.

**Interest targeting** is the most powerful but misused feature of Facebook ads. When creating an ad, you have two options: broad categories or precise interests. When you're targeting based on interests, you're targeting users based on the things they have liked on and outside of Facebook. For example, if someone has liked a variety of different golf clubs and PGA golfers, you can list "golf" as an interest and target people like them.

The advertising generator for Facebook looks like this:

### Images for Facebook Ads

The **most important part of your ad** is the image you upload to be associated with the text. It's easy to get caught up thinking that you can upload any old image and find success, but it's important to differentiate yourself from the other ads with your image. Test a variety of different photos and see which one receives the most clicks to truly understand what your audience wants. You can write the most brilliant copy in the world, but if your image doesn't catch a user's eye, you won't get any clicks.

A screenshot of the Facebook advertising targeting interface. It shows a 'Location' dropdown set to 'United States' with options for Country, State/Province, City, and Zip Code. Below that, 'Age' is set to '13' with a 'No max' option and a 'Require exact age match' checkbox. 'Gender' is set to 'All' with options for Men and Women. There is a 'Precise Interests' search bar and a 'Broad Categories' list with expandable arrows for Activities, Business/Technology, Ethnic, Events, Family Status, Interests, Mobile, Movie/Film, and Music.

Don't use low-quality images, generic stock photography, or any images that you don't have the rights to use. Don't steal anything from Google Images. And unless you're a famous brand, don't just use your logo.

Despite the learning curve, Facebook advertising can be a great marketing channel for the right business. The most important points to remember are target specific interests, use eye catching images, give users a low-friction conversion, and track everything.

After a week or two of learning what works for your business, you'll be able to generate a steady source of conversions from the world's largest social network.

For more information, download the [Official Facebook Advertising Guide](#).

## TWITTER

When it first launched, Twitter was meant to act as a replacement to text messaging. Today, Twitter is a platform where users share their thoughts, news, information and jokes in 140 characters or less. Twitter allows brands to communicate across the globe with everyone from celebrities to potential customers at no cost. For brands, Twitter profiles should always be public, allowing anyone in the world to see what you write and share. Users have the ability to "follow" each other in order to subscribe to the content shared by specific people. This act of following presents the user with an easy way to keep tabs on the said user and interact with them.

The first step is to understand the Twitter lingo. There are certain words and jargon native to Twitter that you may already have heard in passing. These terms and their abbreviations (in parentheses) are essential for understanding Twitter:

- **Handle:** Your username.
- **Tweet:** A 140-character messages
- **Follow:** The act of subscribing to someone's tweets
- **Feed:** The stream of tweets you see on your homepage. It's comprised of updates from users you follow.
- **Retweet (RT):** Re-sharing or giving credit to someone else's tweet.
- **Mention (@):** A way to reference another user by his username in a tweet (e.g. @mashable). Users are notified when they are @mentioned. It's a way to conduct discussions with other users in a public realm.
- **Direct Message (DM):** A private, 140-character message between two people. You may only DM a user who follows you.
- **Hashtag (#):** A way to denote a topic of conversation or participate in a larger linked discussion (e.g. #AmericanIdol, #Obama). A hashtag is a discovery tool that allows others to find your tweets, based on topics. You can also click on a hashtag to see all the tweets that mention it in real time — even from people you don't follow.

Twitter has a useful [online glossary](#) that you can refer back to.

After spending time on Twitter and following a few people, it's important to start thinking about your approach to Twitter. The first step to success on this channel is sitting back and listening to how people engage, interact and communicate. From there, you want to start becoming a part of the conversation by sharing your thoughts and mentioning specific users when they have questions or share thoughts relevant to your brand.

## TWO TOOLS FOR MANAGING TWITTER

Hootsuite

TweetDeck

## PINTEREST

### **What is Pinterest?**

Pinterest started as an exclusive platform but has since opened itself up to everyone. Whether you're a brand or a person, you use Pinterest by creating different boards based on different subjects that are interesting and relevant to you. Many users create boards based around DIY projects, recipes, home decoration, wedding planning, and beauty inspirations. In tourism, Pinterest presents you with an opportunity to showcase the unique aspects of your business in a compelling way.

Upon registering for Pinterest, the first step is to search through existing photos of your business or service and pin them to specific boards. From there, you can also start pinning content from third parties by searching the web and other boards for content. You can make this easier by installing the

“Pin It” button onto your bookmark bar. Beyond photos, you also have the ability to pin videos that tell your brand’s story in an even richer and more compelling way.

Brands are beginning to see the opportunities within Pinterest through a variety of different ways. There are approximately 35 million active users and daily users have increased more than 145% since the beginning of 2012. Pinterest is being used by more than 100 brands in categories including food/cooking, home improvement, retail, television, news, media, beauty, sports, travel, and non-profit. The tourism industry is embracing Pinterest as a new channel to increase their reach and provide users with another way to envision the experience they offer through online content.

One key insight that should be considered before using Pinterest is the audience using the channel. According to TechCrunch, a leading technology blog, the demographic of pinterest users is described as women under 50 with some college education. After browsing through Pinterest it becomes very clear what type of content these individuals are most interested in sharing. The most popular content on Pinterest includes recipes, DIY crafts, Home décor, Hair/Beauty, Weddings and Women’s fashion. If you’re an operator that hosts weddings on-site, you may want to create a board specific to weddings.

Here are a few best practices currently being implemented on Pinterest:

- **Build Brand Personality:** Use the platform in a way to highlight the essence of the brand through engaging images that let users visualize how the brand fits into their lives. Pinterest can be used to humanize the brand through behind-the-scenes exclusives or pictures of the company culture.
- **Create Content Worth Pinning:** One of the most successful approaches to Pinterest is done by brands that create content that is aligned with the interests of those using Pinterest. A quick scan of Pinterest will show you the type of content that is being pinned and help you identify what type of content you should be posting online.
- **Engagement with Users:** Brands can use Pinterest as a crowdsourcing tool by asking fans to tag your brand in pictures of themselves with your products. These pins could be turned into a customer centric board to recognize your previous customers and visitors.
- **Contests:** Contests are a great way to raise interaction with users while exposing the brand. This is a free way to increase brand awareness, increase source traffic, and improve a website’s SEO.
- **Do Not Only Self-Promote:** It is important to not use Pinterest purely for self-promotion. Brands need to engage with the users by pinning a variety of interesting and relevant images, not just product images.



## YOUTUBE

---

Did you know that YouTube is the second largest search engine after Google? Did you know that Google owns YouTube? Since acquisition, YouTube has climbed to the top with more than four billion videos being viewed every single day and a staggering 60 hours of video getting uploaded every minute.

YouTube has become the video site of the Internet with competitors like Vimeo trying to get some of the market share. Uploading and marketing your travel videos can help give your content visibility in both YouTube and Google search.

To use YouTube, you need to first register with a Google account through Gmail. Once that's done, you will need to create a YouTube channel which acts as a hub for all your company's video content, allowing you to present your product and services to a platform that sees over 800 million unique users visit each month. Furthermore, you will have the ability to take those videos and embed them directly onto your website, and social networks and into blog posts.

Video can be a very powerful tool for businesses of any size, but YouTube's free-to-use model, ease of use and mass market audience means it's a great channel for tourism operators. However, like any tool, in order to get the most of it, it needs to be used well. Here are a few ways you can use YouTube to benefit your business:

### **Create and Customize Your Channel**

Before you start uploading videos to YouTube, consider customizing your channel when you first sign up. You should add your company's branding, customize the colours to resemble your company's look, and add relevant information and links to your website and other networks. A channel setup also offers YouTube users the option to subscribe to your content via the click of one button and the option to search just your uploaded content. The channel structure also allows you to highlight just uploads, playlists, favourites or all.

### **Create Relevant Videos**

When developing content for your YouTube channel, think about what people would look at when going through the purchase cycle. For example, if you manage a bed and breakfast you will want to consider developing videos that give tours of your facilities. If you run an outdoor adventure company you will want to use video to share this experience with customers. Develop content that will entice people to want to learn more about your business or actually make a purchase.

## FOURSQUARE

---

Foursquare, at its core, is a social city guide created by other users in which you have the ability to recommend places based on your activity. For travel businesses, Foursquare is an important network to keep an eye on as it presents your business with an opportunity to connect with a very Internet-savvy audience. Currently, the usage rates for Foursquare are not as high as channels like Twitter or Facebook but the potential role it can play as it relates to your users' experience at your location cannot be ignored.

The way Foursquare works is quite simple, people use their phone to “check in” at different places they visit, from bars and restaurants to parks, museums and even the grocery store. Foursquare then rewards these users for checking in with badges, points and mayorships. Beyond that, users are also able to leave tips at specific locations for other users to see. For example, a user might leave a tip at a restaurant recommending a specific appetizer.

For users here's how it works:

1. To begin, you download the Foursquare app onto your cell phone. This can be linked to your Facebook and Twitter accounts so you can see where your friends are by where they checked-in. For a business, you don't need to worry about this beyond recognizing the potential spin-off of having your brand checked into and that being shared with friends.
2. Tell your friends where you are by checking in at one of the thousands of places that Foursquare lists based on your GPS location. You can leave tips on special features that you find around town.
3. Review tips from friends and other users. Find recommendations on your specific location or look for suggestions of things to do and/or avoid. If you check in at a location more than anyone else, you get to be “mayor” of that location. You can get rewards from businesses for being a loyal customer. Even if you're not a mayor, look out for coupons and special deals only given to Foursquare users.

Foursquare offers unique opportunities for businesses. Business owners can use Foursquare to engage their mobile-savvy customers with specials and discounts. You can even track how your venue is performing with Foursquare's venue analytics. Foursquare allows users to unlock discounted or free food to give them incentive to visit your restaurant or venue.

## TRIP ADVISOR MARKETING

In the travel business, TripAdvisor has become one of the most popular (and persuasive) means of communicating business information to potential customers. TripAdvisor provides consumers with a ready collection of positive reviews and testimonials, which can act as one of the most valuable marketing assets to a business owner. Likewise, negative reviews can result in severe damage to a brand which makes it important for businesses to understand how to handle negative reviews.

Properly handling online reviews (both the good and the bad) allows a business to have some control over its online reputation. That said, the best way to control an online reputation is to offer a great service or product and to live up to what your business advertises/promises while providing your customers and guest with respect.

In the travel industry, online review gathering and management is especially important, as people rely so heavily on reviews when booking accommodations, tours and planning what restaurants to eat at. Whether a user is reviewing the online reviews of your business or looking at the details in each of the user generated photos, TripAdvisor is a network that every tourism operator needs to embrace and utilize.

### THREE STATISTICS THAT SHOW WHY TRIPADVISOR IS IMPORTANT

“52% of consumers reported that positive customer reviews make them more likely to use a local business compared to just 28%, who make their selection based on other factors like location and price.”

“The survey’s findings also revealed that 76% of consumers regularly or occasionally use online reviews to determine which local business to use.”

“52% of consumers trust online reviews just as much as personal recommendations — provided they look authentic, of course.”

## MANAGING YOUR PROFILE

TripAdvisor allows business owners or representatives in the travel and tourism industries to submit their business listings for review and inclusion. If you’re a hotel, accommodation, vacation rental, villa, pub, bar restaurant, attraction, or travel resource, there’s a dedicated section for you.

1. Visit <http://www.tripadvisor.com/Owners>

2. Select the type of business you operate

3. Search for the business name to see if an account already exists

If not, you’ll get this message: “...We may not yet list this business. Tell us more about it We will look into it and email you once the listing has been created.” Click the “tell us more

about it” link.

4. Enter all your business information. Make sure it’s accurate. If your listing submission is successful, that’s what will make up your profile.
5. You’ll receive an email from TripAdvisor. Follow their instructions and then make note of your businesses TripAdvisor URL.

Once you’ve developed your account it’s time to start taking action as it relates to managing your account. You will want to upload photos, write a detailed description and share as much information as possible to make your business compelling and interesting to customers. From there, here are a few things for you to consider and implement:

- Develop a “review response strategy” for gathering and handling online reviews and review it with your team.
- Add a hyperlink on your website so that customers can easily find your reviews. The transparency will result in a level of trust with your brand.
- Ensure there’s call-to-actions located throughout your physical locations encouraging people to review you on TripAdvisor.

## MANAGING YOUR REVIEWS

---

In the “good ol’ days,” businesses in the tourism industry faced their complaints from customers face-to-face or over the phone. Today, with social media, news about a poor customer experience can spread like wildfire (for better or for, in this case, worse). As such, a bad online review (even if it’s no big deal in the grand scheme of things) can set a business owner to panicking. And that’s understandable.

For the first time, your interactions with a customer are no longer limited to one on one. The interactions with your customer are now one to many. In today’s world, the conversation and customer service between a brand and a customer tends to start in the public’s eye. After it is brought to the business owner’s attention it may be taken to email or direct message but it typically starts with a very public statement.

It’s important for business owners to recognize this fact and think strategically instead of personally when looking at negative reviews. A response to a bad review that is angry, emotional, defensive, and argumentative, blames the customer, or makes excuses can ultimately do more damage to a business or brand’s online reputation than the bad review itself.

As a business, it’s important to respond to negative reviews urgently (and it’s a good idea to respond publicly — after all, because the bad review is public, you had better take the opportunity to show potential and future customers that you’re proactive), but you must not respond to bad reviews with panic. Here’s a few tips on how you can proceed effectively:

- Be calm. Be relaxed. Be civil. It's good to be passionate about your business and it's okay to be disheartened by bad reviews, but don't take them personally.
- Consider all feedback valuable and do your best to learn from each response, both positive and negative.
- Keep in mind that when you're posting your reply online you're not just speaking to the angry customer, you're also speaking to all potential future customers who come across that review when reviewing your business.
- Make sure that every response you post leads with gratitude ("Thank you for your feedback...") or an apology ("I'm sorry that...")
- Keep in mind that on TripAdvisor, you cannot remove bad reviews and you cannot remove your replies to bad reviews.
- Keep your replies calm, clear, short and succinct. Do your best to be proactive ("we're looking into this"), and invite the bad reviewer to contact you directly (privately) to discuss further.

Following these tips can be hard for a travel business if you don't believe the bad review is the result of anything you did wrong. For that reason, use your best judgment and determine whether or not a customer is actually presenting false information about your business. That said, follow the tips above show potential and future customers that your business is proactive — that you invite feedback, that you really listen, and that your customers are valuable.

"Hi [X], Thank you for your feedback. We're so sorry to hear that you were not 100% satisfied with your [ABC] experience. It's our mission to always deliver the best experiences for all of our customers so this saddens us to read. For that reason, we're looking into this right away to see what went wrong. In order to help us rectify the situation, we hope that you could email us directly at x@xyz.com. Looking forward to hearing from you."

## ONLINE TRAVEL GUIDES

Another online marketing tool is online travel guides or websites. For small and medium sized Nova Scotia tourism businesses, the main such sites will be those managed by the Nova Scotia Tourism Agency ([www.novascotia.com](http://www.novascotia.com)) and those offered by the regional tourism industry associations and communities. You can list your business on most of these websites sometimes for free or for a minimal fee or as part of a membership package. You can also advertise on some of them and list special offers such as packages or events. Novascotia.com also includes an online booking tool.

You can also list your business on specialty travel websites (e.g. B&B Canada) or numerous other travel websites for Nova Scotia, Atlantic Canada or Canada more generally. As with other online marketing, make sure you track your results from these initiatives to determine the return on your investment and to understand how you are benefitting from these types of sites.

## MEASURING AND OPTIMIZING FOR SUCCESS

Over the course of the year it's important to measure the effectiveness of each of your digital tactics. Look for insights, trends and what works versus what doesn't to ensure that you can make educated choices about your efforts. If you notice that one tactic is performing better than another, make a strategic decision as it relates to where you should be allocating the majority of your efforts. Using Hootsuite, Google Analytics and the insights offered within some of the social networks you should be able to constantly measure your efforts for results.

Web Analytics, or website statistics to some, can tell you significant information about your target market. Some basic measurable components include:

- Conversion tracking (e.g. who is completing your desired task [i.e. reservation] while on your site).
- Content preferences (what area of your site do people stay on the longest and interact with the most).
- Clickstream history (e.g. where people go when on your site and in what order.)
- User profiles (where the users come from, what site they were on previous to yours, what speed they connect to your site at, the browser settings they use, language preference, what time of day people visit your site, etc.).

Measuring this information is vital to the success of any website as it can help point to marketing opportunities for you to pursue and areas to enhance on your site. The most important metric here is conversion as it relates to your website's ability to take a visitor from prospect to customer. It should be your goal to optimize your site for conversion and use other metrics to make educated decisions around what needs to change to increase the chances for sales.

For example, if you know a lot of your website traffic is coming from a particular website then you can approach this website for possible advertising placement to draw more traffic. Similarly, if you notice that many people who hit a particular page on your site tend to leave then you can address this problem and modify the page so that it is more appealing to your target market and increase the 'stickiness' (length of time people stay on your site) of your website.

Analysis of website log files can provide you with tremendous demographic information. Web Traffic Analysis software packages can not only identify which geographic area your website visitors are coming from (e.g. country, state/province, city), but also their preferred browser (e.g. Chrome, Firefox, Internet Explorer, Safari, etc.) their platform (e.g. Windows, IOS), the URL (Website address) that referred them to your site, what times visitors tend to access your site, and what they are doing/looking at while on your site. The collection and analysis of this data can assist you with profiling your different target market segments, and can even influence where you should direct promotional efforts. For example, if you notice that 40% of your traffic is coming from Toronto, then

you could consider purchasing online advertising on Facebook specifically targeted to this area in an effort to generate more traffic to your website.

At the end of the day, all the traffic in the world means very little if you are not converting prospects to buyers. You could have millions of unique visitors each month, but what is the quality of those visitors? If you are not monitoring the success of your efforts you may be spending your money in the wrong place without even knowing. Without the proper data collection and measurement tools in place, you won't be able to determine whether you are converting visitors or not. Keep your objectives in mind, remember what you're promoting and always focus on your target market. The Internet provides you with one of the best communication mediums to channel your communications to specific target groups – take advantage of it.

## GOOGLE ANALYTICS

---

For small businesses, the most effective and popular tool is Google Analytics. You can download an [online guide](#) provided by Google for step-by-step instruction on how to use it on your site. There are no costs associated with Google Analytics and with a little training; you don't need to hire a consultant to provide you with reports on ongoing traffic and opportunities. With Analytics, custom reports are easy to develop as they are created directly in the online platform with no need for excel or human error. These reports will allow you to see your data the way you need to see it, whenever you need it.

## KEY PERFORMANCE INDICATORS

---

Goals are a versatile way to measure how well your site fulfills your objectives. You can set up individual goals to track discrete actions, like transactions with a minimum purchase amount, click-throughs from a specific page or the amount of time spent on a screen all using Google Analytics. The goals you setup for your website are the foundation of your website analysis because everything gravitates around your goals and conversion rates; these goals are ultimately your business goals.

If you are wondering what goals you need to set up, start by asking yourself what is the purpose of your website. Are you simply trying to provide people with information about your goods or services? Does your site have e-commerce functionality and you want to sell goods, is it a blog where you want to make revenue from ads, do you sell rooms or services? What is the main purpose of your site?

Then, once you figure this out you can go and start setting up goals based on your business objectives. If this is still unclear for you, here are some examples that will help:

- **Engaged Visitors** - people who spend more than one minute on your site
- **Readers** - people who visit at least two pages on your site
- **Call-to-action** - use event tracking to measure calls to action



- **Subscriptions** - check how the visitors who subscribe to your list behave
- **Purchases** - if you sell your product or service online you can get insights about your buyers through the transaction software

## CONCLUSIONS

### WORKING WITH THE RIGHT TEAM

---

Implementing and developing a digital strategy is no easy endeavor because it is much more than just an online brochure for your organization– it must be consistent and provide consumers with a compelling message across all channels.

When developing your plan, it's important to identify areas in which your expertise is limited. Once these specifics are identified, look for specialists who can be of service as it relates to the various needs of your online presence. Whether it's a graphic designer, copywriter or HTML developer, it is important to surround yourself with the right people.

If you identify that a website is something you need, it's easy to contract this out to a consultant who has the following team members behind them:

- Project manager with website and database application development experience.
- Graphic designer(s) that specialize in web design. No, this is not the same person who does your brochures.
- Database developer(s) with experience in web applications.
- Website developer(s) that has plenty of experience and doesn't even need to think about coding for different browsers, potential users and the search engines.
- Copywriter with experience in writing for an online audience. There's a big difference in writing for print than writing for the web.
- Usability and marketing experts to guide the strategy for the website.
- Third party application vendors such as a storefront solution provider or email marketing suppliers. These vendors focus on nothing but being the best in their field.
- Your internal team of stakeholders who understand your business better than any outside individual ever could.

The reality of running a small to medium sized tourism business is that the budget is not always available to work with a leading edge development company, or a specialized project team as outlined above. This doesn't mean that you should not overlook the qualifications of your project team or independent developer and settle for someone who is partially qualified to do the job.

How do you determine whether or not a designer and developer is suitable for the job? Take the time to ask him/her the right questions:



- What process does the developer follow to make sure projects are completed on time and on budget?
- Does the developer understand how to design a website for use across multiple computer platforms (e.g. Windows, Mac OS) and Internet browsers (e.g. IE, FireFox, Chrome, etc)?
- Does the developer understand basic principles of marketing and do they understand that your website is a marketing tool and not simply a piece of technology?
- Do they understand branding and the importance of communicating the brand experience through a strong creative interface?

## BUDGETING

---

The reality of business is that some companies are working with much smaller budgets than others, but the truth of the matter is that you can find a way to stretch your budget if you spend your dollars wisely and ensure the process you're following when developing your website and implementing your campaigns is strategic. If you do it the right way, you'll see the conversions you're looking for. Just take the time to do it right – don't rush the process.

Too often tourism marketers face the internal struggle of justifying why their organization should allocate a specific budget to online marketing. Again, consider the statistics. In 2012, online ad spending in the United States alone surpassed \$12.7 billion, according to Forrester; a sure sign that more and more companies are turning to the Web to help grow their business. Even more telling, is that in 2013 social media ad spending is expected to hit \$8.3 billion in 2015.

As stressed earlier in this chapter, more and more businesses are moving resources from their traditional offline advertising budgets to online communication channels. What is the right number to budget? There is no answer to that question, as every business is different. Instead, take a step back, look at your budget and prioritize which channels or advertising options will give you the greater return on investment. The bottom line is that if you implement a strong strategy using effective communication channels you will see a return on your investment. The key is to take your time, think things through and spend smart marketing dollars that will put the right message in front of your target markets. The medium works – make it work for you.

Since Internet search is such a huge traffic driver for businesses in any industry, it doesn't make too much sense to avoid this route to the market. A strong SEO and a targeted SEM ad campaign might be the only thing you can allocate financial resources to if you are working with a small budget. This doesn't mean you can't participate in other online channels that will drive exposure for your offerings at no investment other than your time, such as your link strategy, mail list marketing, etc. The key is to spend your dollars wisely, based on your strategic objectives and what is going to drive conversions of enquiries to sales for your business.

## CHAPTER 5: TRADITIONAL MARKETING TOOLS

Traditional (other than online) forms of tourism advertising can continue to be effective for tourism businesses. In fact, a December 2012 survey of consumers (Survey by BrandSpark reported in eMarketer, March 15, 2013) revealed that Canadian consumers still look at traditional media with 85% of Internet users in Canada noticing advertising on TV, 77% in direct mail and 75% in print magazines.

Some other traditional tools, like yellow page ads, are no longer effective.

Each of these traditional advertising tools is reviewed here. Additional details on topics such as designing ads and developing your brochure are provided in the appendices.

You may question whether traditional advertising is cost-effective. Since it is hard to match advertising effort with its direct impact on the volume of business, it's common to suspect that advertising may be largely a waste of time and money. What's more, this suspicion can easily turn into hard conviction when a particular advertising program is stopped and there is no immediate or noticeable decline in business.

However, the fact is that good advertising does work. It can play a role in building awareness and competitiveness for your business, thereby sustaining and growing business volumes over time. The trouble is that the benefits of advertising, even effective ads well placed in the right media, tend to be long-term and cumulative and the short-term gains often negligible. As a result, a few "one-time" advertisements placed here and there probably will have little or no effect. But a well-planned, well-directed advertising program, sustained on a consistent basis over a period of time, can increase volumes. The key is to increase sales by more than enough to justify the expense of the advertising — tracking and measuring the effectiveness of your advertising is vital. But, if you are using traditional advertising tools, poorly designed ads and badly planned media selection can readily result in a waste of money.

Your use of traditional advertising tools will vary depending on whether you are targeting your audience before they leave home, when they are en route or elsewhere in the province, or when they are already in your local area. This will have to do a lot with what kind of business you are in and your advertising budget.

### TRADITIONAL TOURISM MARKETING TOOLS

Brochures and other print collateral

Print media – newspapers, magazines

Broadcast media – radio, TV

Outdoor advertising – signs, displays, billboards

Direct marketing – mail, email

Direct sales – personal one-on-one sales

Generally speaking, if you are a travel generator, you will want to communicate with the consumer 'at home' as well as when they are in the province and in your area. If you are a travel influencer or a traveller service, it is often more effective to reach the consumer "in-market" – when they are in the local/regional area as well as in other parts of Nova Scotia.

## DESIGNING GOOD ADVERTISING

People don't buy products, they buy *benefits*! The key to good advertising is presenting the benefits you have to offer to the market segments you have targeted

Benefits can be categorized as functional or emotional. The functional benefit of a hotel room is its location or proximity to the area a visitor is travelling in. The emotional benefit is the ocean view or the decorated rooms that portray the heritage of Nova Scotia or that particular region.

Approaching your advertising planning in this way is being truly 'market driven' or 'customer oriented.' You are thinking in terms of what your customers' needs and wants are, and speaking to them with your message focusing on the benefits you have to offer.

If you are designing your own advertising material, consider:

- Your target markets – who you want to speak to
- Your advertising objectives – what you want to accomplish
- The principal appeals and features of the products or services to be promoted – the benefits to the customer – the reasons your customers are likely to buy
- The specific information to be presented
- The images and impressions you wish to create
- Any corporate image that must be featured, such as your brand statement
- The creative layout of your advertisements
- The production specifications
- The methods you will use to assess the effectiveness of your advertisements.

### COMMON TYPES OF ADVERTISING MESSAGES

**Two-sided messages** – comparisons with alternatives like “Why stay downtown when the best deals are in the suburbs?”

**Fear appeals**; e.g. “book early to get the best rates”

**Pleasant distractions**; e.g. for example, “Escape all your cares and worries”

**Pleasant memories**, e.g. for example, “Revisit your travel with friends”

**Audience involvement**, e.g. “Join our guides for a memorable adventure trip”);

**Emotional appeals**, e.g. “Feel like a king”

**Bragging Rights**, e.g. “Golf with the pros”

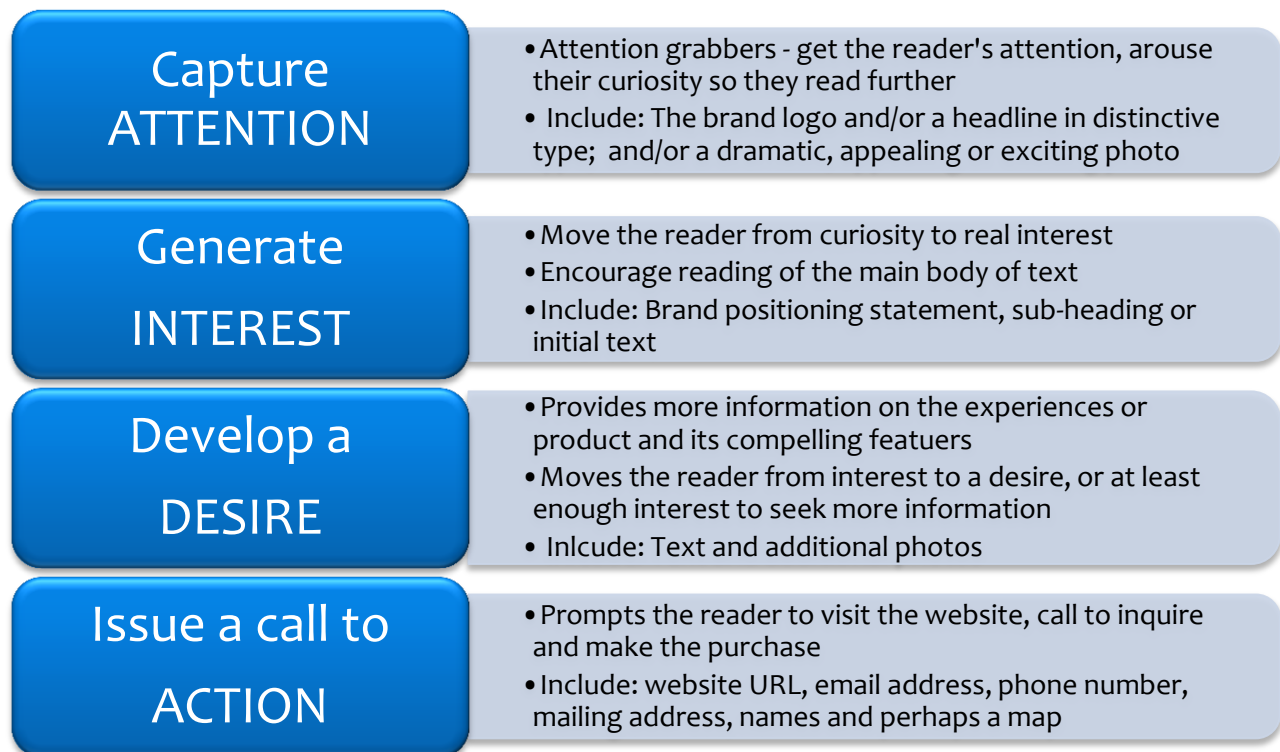
Appendix 5 gives some ideas on tracking and measuring advertising effectiveness.

A good marketing or advertising message should:

- *Make a promise* – Tell the reader what's in it for them
- *Be brief* – Time is against you. Make your point short and sweet. Research has indicated that readers will make a judgement about whether they are interested in 4 seconds or less. Great images are really important in capturing interest quickly.
- *Be different* – People assume beds are comfortable, people are friendly, and the food in your restaurant is good. What makes you different? Or special?
- *Be believable* – People are sceptics: make sure your promise is believable and supportable.
- *Stand the test of time* – Does the feedback you are getting from customers support your claims?

Generally speaking, your advertising should focus on your unique selling propositions, and it should give your target audiences a compelling reason to buy. It should also follow the KISS principle (Keep It Simple and Straightforward).

The different methods of advertising and other promotional activities share a common model, referred to as 'AIDA', described below. It is a proven approach to moving people from curiosity to action.



## USING AN ADVERTISING AGENCY

Most small and medium sized tourism operators design and deliver their marketing activities on their own. However, there is the option of contracting an advertising agency to give you a hand, or to manage this on your behalf.

Advertising agencies are companies that, among other things, recommend advertising programs and prepare and place advertisements for clients. They usually develop the creative part of the advertisement (the copy, artwork, scripts, music, sets, and so on); handle the production; select the appropriate media; place the advertising contracts; and verify that the advertisements appear as and when they should. Today, they usually also have digital or online marketing divisions and can assist with developing your website, SEO and SEM and your social media strategy.

Good agencies have a wide range of advertising experience and knowledge. They almost always employ their own creative copywriters, artists and designers. They have contacts with advertising-production specialists. And they understand the various media. Consequently, they can often produce more sophisticated and effective advertising than you could do on your own.

Talk to other tourism businesses to find out which agencies they use and insights to help you make a selection.

If you prefer not to use an agency, you could get help from other sources. These might include your local printer, a graphic artist, a college/university graphic design department or a local designer.

Either way, develop a strong relationship with your advertising consultants so that they become part of your advertising and marketing team.

The traditional advertising tools identified earlier are explored below.

## BROCHURES AND OTHER COLLATERAL MATERIALS

In the tourism industry customers are usually located a distance from the product. Traditionally this meant they couldn't view or sample the product before they made the purchase; instead, they had to buy it sight unseen. This has changed with the Internet. However the Internet does not reach everyone, and

### SOME HELPFUL TIPS WHEN USING AN ADVERTISING AGENCY

- Make sure that the people have experience with your type of products and with tourism markets and marketing.
- Ensure that the advertising campaign is developed with input from you.
- Insist that the agency's staff experience your facilities and services first-hand, so that they intimately know what they are trying to market and its customer benefit features.
- Satisfy yourself that their research into media options is thorough and sound before you allow them to proceed with the program.
- Make sure the agency has a thorough understanding of your objectives, of your expectations and of your brand.

certainly not at all times. As such, printed materials still have a role to play. Travellers may pick up brochures and other printed material from a rack or a visitor information centre; they may take them home and pass them on to family and friends. And, you can use them to respond to enquiries received at your business.

Other than the brochure and a rate card, collateral materials include such things as:

- local and regional maps
- travel guides
- posters
- flyers
- sales support materials used to promote to customers once they have arrived, such as:
  - tent cards promoting services, menu items
  - in-room guest directories
  - guides to your site or attraction
  - information cards promoting local attractions (and thereby encouraging longer stays)
- items for your customers to take away, such as a postcard (with your website address, of course!)
- items you might send to customers after they have left such as a newsletter that lets them know about upcoming events or specials, information on a package or a coupon for a special deal
- conference/meetings package describing your conference rates, room sizes and capacities, menus available and other special services you have available for conference groups
- groups/functions package describing menus, room rental rates, special features and services
- a travel trade information package describing your travel trade policies and rates

All these sales support materials can play a useful role in the promotion of your tourism product.

## BROCHURES

---

Brochures continue to be a useful tourism marketing tool; however, their role is steadily giving way to websites that do the same kind of job. Having a downloadable PDF version of your brochure on your website is strongly recommended.

Whether your brochure is printed or is a download from your website, its design should be well done. As well, the Nova Scotia Tourism Agency has guidelines about brochures that can be displayed at visitor information centres. They can be found at <http://novascotiatourismagency.ca/advertising>.

A brochure needn't be elaborate or expensive. A simple, well-written, well-designed, one-fold brochure can work very effectively.

Consider the following when trying to decide what kind of brochure you need – and what it should look like and what it should contain:

- Your target market(s)
- The intended role(s) of your brochure
- The reasons your customers buy from you
- How it will be distributed and at what point in your customers' trip
- The size of your promotional budget

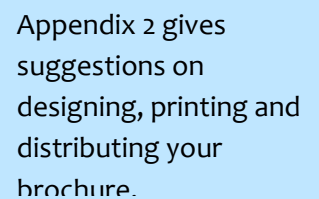
Start with your target markets. And the first thing to realize here is that you may need more than one brochure. This will be the case if there are significant differences among target markets with regard to the role the brochure needs to play, in the products you are featuring or in the appeals that will work. For example, you may need a promotional brochure for families and vacationers, and an informational brochure for buyers of group meetings and conventions.

Next, decide on the content of your brochure. As a rule, promotional brochures should contain the following:

- Name of the facility and its logo
- Illustrations of major features, facilities and services
- Descriptive text or copy (including information on local tourism demand-generators)
- Selling or motivational copy, highlighting customer appeals and unique selling points
- Business location, address, telephone and fax number, e-mail and website URL
- Map showing how to get to the facility

Detailed information on prices, discounts, travel booking procedures and terms, deposit requirements, conditions for cancellations and refunds should be provided in a separate insert, called a "rate card". They can be updated and replaced as and when required without needing to reprint the brochure. Or, you can refer people to your website for this information.

The design of your brochure should follow the AIDA formula discussed earlier – that is, it should first capture the readers' **attention**; then create **interest**; then engender **a desire**; and finally **generate action** that leads to a purchase. The 'call to action' would present a strong suggestion that the reader visit your website, email or call for more information, or to book, accompanied by the information needed to do so – the website address, an email address, a toll free number to call, a mailing address, etc.



Appendix 2 gives suggestions on designing, printing and distributing your brochure.

## OTHER COLLATERAL MATERIAL

---

As noted earlier, you may, depending on your type of business, have a variety of other collateral material. The same design principles that apply to brochures are also valid for these other collateral materials.



## PRINT MEDIA

Advertising in print media can create awareness for your business and promote it in certain target markets. Different print media, and specific publications within each, reach different markets. Ask the print media you are considering to give you a readership profile – this will provide information on the volume of readers as well as key characteristics (geographic location, age, other demographics) and, usually, their interests. This information will help you decide if the type of media and the specific publication are a good match with your target markets and advertising objectives.

Appendix 1 has some tips on designing good print advertising.

The primary print media include newspapers, magazines and travel guides. The advantages and disadvantages of each of these print media are discussed below.

### NEWSPAPERS

---

#### Advantages

- Newspapers traditionally have reached more people than any other printed medium; many households (30% of Canadian households in 2010<sup>2</sup>) get at least one daily newspaper, either in print or online.
- Newspapers have a high geographic concentration; this helps when you are aiming at geographically defined target markets.
- Traditionally, newspapers have been considered good sources of information on travel facilities and services. Many newspapers have travel sections, classified sections for travel destinations, resorts, restaurant listing and guides, "what to do" features, travel articles and other special travel inserts. Consumers seek out these sections, and use them as shopping guides. (This is less widespread today due to the ease of finding the information online through search engines such as Google)
- Newspaper advertisements can be placed on short notice, so they are a good way of promoting last-minute "specials."
- Newspapers are carriers of up-to-date news; this gives them a sense of urgency, which can be carried over to the ads they contain.
- Newspapers are relatively low in cost.

#### Disadvantages

- Newspapers have a large readership, but only a small number of readers will likely have an interest in any one tourism product. Therefore, if you advertise in a newspaper, you will be paying for circulation that is of no value to you.

---

<sup>2</sup>

Communic@tions Management Inc., Sixty Years of Daily Newspaper Circulation Trends, May 2011



- Most newspapers have a short lifespan (usually one day). They are also often read in a hurry, so your advertisements may be overlooked.
- Page size is large and small advertisements can easily be lost.

## MAGAZINES

---

### Advantages

- Magazines usually have more selective readerships than newspapers. There are also many special interest magazines that are highly targeted. They can be effective if you want to reach a specific audience.
- Magazines have a much longer lifespan than newspapers. They tend to be kept around the home or office and are often passed on to others. As a result, your advertisement is more likely to be seen and studied.
- Magazines have a much higher reproduction quality than do newspapers, particularly for colour.

### Disadvantages

- Magazines have long "lead time" – that is, you have to place an advertisement well in advance of the time it appears in print.
- Magazine circulations are seldom tailored to specific geographic markets. Even magazines with regional editions are usually unable to hit a geographically targeted market (for example, a city, or part of a city) without spilling over into untargeted areas.
- The cost of magazine advertising is relatively high, especially when compared to newspaper advertising.

## BROADCAST MEDIA

This generally refers to radio and television. Broadcast messages convey a strong sense of realism, and that can have a strong impact on potential customers. Ask for customer profiles of the broadcast media you are considering. And, if the profiles don't match those of your customers or the markets you are targeting, don't be afraid to say that this is not for you.

Broadcast advertisements tend to have shorter messages. They rely on imagery, and they need to repeat key points two or three times. However, like print advertisements, they should call for action and give purchase directions.

## RADIO

---

### Advantages

- Radio has a captive audience at any given moment, and everyone in that audience will hear your advertising message. It is particularly useful for targeting nearby markets.

- Usually radio stations have segmented audience profiles and defined geographic coverage. Messages can therefore be targeted accordingly.
- Radio is a versatile medium. It can, for example, be used to reinforce a newspaper advertising campaign or to obtain immediate response to special offers. It can also be useful in building an awareness of facilities and services through repeat announcements.
- Radio advertising is relatively low cost.
- It can be mobilized on short notice, and is effective for special announcements and current specials.

#### Disadvantages

- A radio message has a short lifespan. Listeners may miss important information such as a website address, telephone number or address.
- You cannot visually present your facilities and services; so if the "look" of your business is one of its unique selling points, then radio advertising will have limited impact.

## TELEVISION

---

#### Advantages

- Television is a powerful way of conveying dramatic images. The combination of sight and sound is extremely effective.
- Like radio, television has a captive audience at any one time, as well as defined geographic coverage.

#### Disadvantages

- Television shares many of the disadvantages of radio. But in addition, it can be extremely expensive, both for preparing the advertisement and for air time – especially if a message must be repeated to give it meaningful impact.
- It also takes longer to develop an ad compared to radio and some other media.

## OUTDOOR ADVERTISING

Outdoor advertising includes billboards and other outdoor displays, such as panels on transit buses and bus shelters, in airports, at shopping malls and in other public places.

#### Advantages

- Outdoor advertising is particularly effective in reinforcing other types of advertising and in attracting pass-through or transient customers.
- Outdoor displays and signs have a relatively long lifespan.
- If there are no other displays or signs nearby, your advertisement will have little or no competition for the readers' attention.

### Disadvantages

- Outdoor advertising and signs can usually communicate only a limited amount of information. Messages must be short and to the point. Outdoor advertising is best used by businesses that are well established or that have readily identifiable images.
- Outdoor advertising is not a selective medium.
- It also has a long lead time.

## **DIRECT MARKETING**

Direct marketing refers to direct communications one-on-one with the target audience, traditionally via mail. In today's marketplace, email plays a primary role in direct communications with customers; however, traditional direct mail also continues to play a role in tourism marketing for some businesses.

If properly planned and targeted, direct marketing can be very effective. It works particularly well if it is used to publicize special offerings, to introduce new facilities or services, or to announce new business start-ups.

The key to success lies in having a good mailing list. Usually, the best way to build such a list is to start with your own internal sources, drawing on information you may already have, such as:

- Past customers
- People who have enquired in the past

Using email to reach existing and potential customers, and the importance of getting the permission of the people you are targeting is described in Chapter 4. Direct mail is the focus here.

Direct mail can be designed and implemented on your own or you can work with a direct marketing company that specializes in this. These companies provide a range of services, typically including:

- Developing and maintaining mailing lists
- Creating personalized mailing pieces
- Designing, printing and distributing mailings
- Handling fulfilment in response to orders
- Tracking response rates
- Advising clients on direct mail programs.

### Advantages

- Direct mail is the most targeted of the traditional advertising tools. If you segment your lists into different customer categories, you can target only the best prospects for a particular offer.
- Direct mail is extremely flexible; almost anything that fits into an envelope can be sent to a potential customer, e.g. a brochure, convention kit, map or "giveaway." (And with email, no documents are needed!)

- Your message is read without competition from other advertisements.
- You can personalize your message, which will add considerably to its effectiveness. People pay more attention to letters that address them by name. Also, they tend to respond well to personal touches. For example, one small tourist operator in Eastern Canada has built up a large core of repeat clients by mailing personalized, handwritten birthday cards to past customers' children.
- The effectiveness of direct mail can be accurately measured by using coupons, reply cards or some other response mechanism.
- Mailings can usually be organized on fairly short notice.

#### Disadvantages

- Direct mail is relatively expensive. At regular (non bulk) postage rates, it can cost over five hundred dollars just to reach 1,000 potential customers. You can obtain special rates from Canada Post if you pre-sort your mailing by postal code and send it to the post office for bulk delivery. (Email, on the other hand, is as close to free as you can get)
- Mailings usually generate a fairly low response rate, if they are not supported by advertising in other media. Response rates of 1% - 2% are common, although they can rise dramatically if the mailing is personalized and sent to pre-qualified prospects.

Your direct mail offer should include one or more "hot buttons" – features that will give the recipient reason to act. The most commonly used methods of eliciting a response include:

- Sweepstakes
- Free gifts
- Free trial periods
- Special offers – savings and/or value added (coupons)
- Guarantees or money back promises.
- Self-mailers – something to mail back to redeem the offer.

## **DIRECT SALES**

Direct sales are in-person, one-on-one sales calls to prospective customers. In tourism, this tends to be limited to soliciting group business, such as meetings, functions and travel trade.

## SALES PROMOTION

Sales promotion is often confused with advertising and with the term "promotion" generally<sup>3</sup>. Sales promotion covers promotional activities other than personal selling and advertising. It includes the following kinds of things:

- Free samples, free trial use of the product to encourage subsequent purchase
- Coupons offering a saving or some other special benefit in buying a product. These can be attached to an ad or distributed separately.
- Contests and prizes that draw attention to a product. If you run a contest, you will almost certainly have to support it with advertising that lets people know about the contest.
- Special, limited time offers, such as temporary price reductions, "free" items with a purchase, and so on; generally used to encourage purchase in off-peak periods
- Gifts and novelties, usually carrying the name of the business or product to draw attention to it
- Exhibits, displays or information booths in public locations and at events
- Booth displays at consumer and travel trade shows
- Signs, including road and on-premises signs
- Special events staged, hosted or sponsored by a business
- Training programs and seminars for the travel trade and other marketing partners

The purpose of sales promotion, like advertising, is to attract attention to a product and generate sales.

If you are introducing a new product or service, you might want to offer introductory discounts or coupons to stimulate trial purchase. Contests, special gifts and sales incentive programs are usually more appropriate for established products.

If you distribute gifts, make sure you tie them in with the product. For example, a fishing hat given away by a lodge should have the lodge's name printed on it. Also, make sure your gifts are in good taste and in line with your product image.

Sales promotions are frequently used to target an intermediary group such as the travel trade. For example, tour operators may be encouraged to sell more of your product if they see your product at a trade show or if you arrange product training sessions with their staff.

Sales promotion is by no means a substitute for advertising or personal selling. But, it can be an

---

<sup>3</sup> Promotion refers to the full range of marketing activities including advertising, personal selling, special promotional activities such as couponing, attending trade and travel shows, public relations, media relations, etc.

effective way of reinforcing those other activities. It is therefore most effective as part of a broader advertising and marketing effort.

## SOME OTHER COMMENTS ON ADVERTISING

### MEDIA SELECTION

Choose those media that reach your target markets with the minimum of spill-over into other, non-desired markets.

To determine which media reach your target markets most effectively, ask media sales representatives for the following information:

- Media audience profiles : demographics, geographics, psychographics, etc.
- Circulation, viewership or listening audience numbers
- Market coverage and market penetration rates: What is the extent of the medium's markets, and how many people within those markets are likely to receive your message?
- Cost per thousand contacts: How does this compare with other media alternatives?

Cost per thousand, or CPM, is a way of comparing the costs of reaching 1,000 people by using various media. It is a measure of market reach, used to compare one medium against another. More about this is provided in the box.

Advertising should be a repetitive process. One-shot attempts are usually ineffective. As a result, do not select an expensive medium (like television) if you cannot afford to repeat your advertisements with enough frequency to achieve an impact. (The frequency will vary by type of business and what you are trying to achieve through the advertising campaign, as well as your budget. It is best to get advice from an advertising agency)

#### COST PER THOUSAND (CPM)

Option #1: A magazine has a circulation of 75,000. The cost of placing a one-third-page, four-colour advertisement is \$1,500. The CPM for the magazine would be calculated as follows:

$$\text{Magazine CPM: } \frac{\$1,500 \times 1,000}{75,000} = \$20$$

Option #2: A newspaper has a Monday-to-Friday daily circulation of 300,000. The cost of placing an advertisement is \$4.00 per line. If an advertisement is 30 lines over two columns, then the CPM would be calculated as follows:

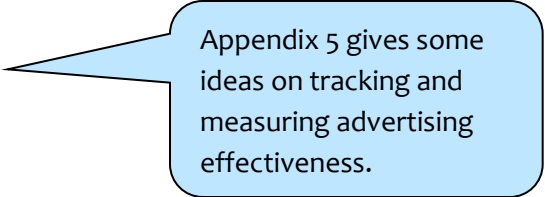
$$\text{Magazine CPM: } \frac{\$4 \times 30 \times 2 \times 1,000}{300,000} = \$0.80$$

This calculation gives you a way of comparing costs. However, it is just a guide since it says nothing about the quality of the readership. The newspaper advertisement may be substantially cheaper per thousand than the magazine advertisement, but if it doesn't reach the right audience, then clearly it is no bargain.

## TRACKING AND MEASURING RESULTS

Make sure your marketing initiatives are working for you, with the desired outcomes. This is called performance-based marketing. It requires a tracking and measurement program designed to help you identify the cost-effectiveness of different marketing initiatives. You should:

- Track enquiries resulting from your different marketing initiatives
- Track conversion of enquiries into sales, as well as sales instigated directly by the promotion
- Measure revenues generated by these sales



Appendix 5 gives some ideas on tracking and measuring advertising effectiveness.

This allows you to determine your return on investment (ROI) on each marketing initiative and from your marketing program overall.

This cannot be done by intuition – it requires measuring performance. In fact, measuring outcomes is a fundamental component of successful business management – “if you don’t measure, you can’t manage”.

You should embrace a philosophy of measuring results in your business, whether your measure is attendance, sales per day, number of occupied room nights or hits to your website.

The ideal approach is to measure the results from each of your marketing tactics and determine the return on investment of each one but this is not always possible. Do what is practical and feasible with your different marketing activities, as rough or partial measures are better than none at all.

You have to build in the tracking and measuring procedures up-front as part of your overall marketing strategy and business plan. It is too late to decide three-quarters of the way through the season that you should be tracking the results of your advertisement in the Doers and Dreamers Guide or your new website.

## IN CONCLUSION ABOUT ADVERTISING

While good advertising can have an impact on your business, it is also important to realize what advertising can’t do. It can’t close the sale or take a booking. The best it can do is:

- Generate awareness
- Create interest, and then desire for the product
- Stimulate an enquiry or booking request
- Help maintain loyalty

It’s up to your other marketing tools, such as your website, and to you and your staff to turn the enquiry into a sale.

## CHAPTER 6: OTHER MARKETING METHODS FOR TOURISM OPERATORS IN NOVA SCOTIA

This chapter introduces other marketing tools and partnerships that Nova Scotia tourism businesses can tap into.

### PARTNERSHIP MARKETING OPPORTUNITIES FROM THE NOVA SCOTIA TOURISM AGENCY

The Nova Scotia Tourism Agency offers a number of partnership marketing opportunities. They are listed at <http://novascotiatourismagency.ca/marketing-your-business>. Some are available at no charge. These programs change from year to year but generally include:

- The Doers and Dreamers Travel Guide (discussed a bit later in this chapter)
- Novascotia.com, the province's travel website
- Newspaper insert programs
- Listings for packages and travel deals on novascotia.com
- Visitor Information Centres – display brochures, digital screen advertising
- Travel trade shows and consumer shows
- Product knowledge tours for visitor information centre staff
- FAM tours for media and travel trade
- Other specialty programs such as festival and event marketing initiatives

The province's tourism website ([www.novascotia.com](http://www.novascotia.com)) is a primary source for traveller information, receiving over 1.8 million visitors annually. Novascotia.com has an online booking engine option for consumers.

Nova Scotia tourism businesses can feature their offerings on the site at no cost. You can add information to your basic listing including:

- an extended description of your business on novascotia.com
- a video of your business via a link to your YouTube video channel
- a photo gallery for your business
- an area overview – complementary things to see and do in the area to help keep visitors in the area longer

You can also put information on your travel packages and travel deals on novascotia.com. Your travel packages will need to meet some basic criteria and you will have to register as a user, but there is no charge. Find additional information on this opportunity at <http://novascotiatourismagency.ca/packages-and-deals>

As well, you can purchase banner or text ads on novascotia.com.



## KEEP YOUR CONTENT UP-TO-DATE WITH NOVASCOTIA.COM

---

Novascotia.com is an important source of information for travellers thinking of visiting the province or planning their trip. So, make sure that the information on your business is up-to-date. Business information, photographs and videos should be updated regularly. And, if you add new experiences or new facilities, take the time to update your information on novascotia.com.

The data base of information on novascotia.com is used for mobile applications as well, so updating your content on novascotia.com will ensure that the most current information on your business is made available to consumers through all digital channels.

## NOVA SCOTIA TOURISM BRAND GUIDELINES

---

The Nova Scotia Tourism Agency has prepared a set of brand guidelines which provide an overview of Nova Scotia's positioning, brand pillars and target audiences as well as specific direction on best practice for creating marketing materials that fall under the umbrella of their campaign. The Brand Guidelines can be found at <http://novascotiatourismagency.ca/brand-kit-and-images>. For questions on the brand guidelines, contact the Tourism Marketing Department at [tourismmarketing@gov.ns.ca](mailto:tourismmarketing@gov.ns.ca).

## VISITOR INFORMATION CENTRES (VICS)

One of the partnership marketing opportunities to look into is Nova Scotia's visitor information centre network. Your brochures and other collateral material can be distributed through visitor information centres (VICS) in the province, including both local community and provincial centres.

The province operates a distribution program for the VICS. You provide your brochures to the provincial distribution centre and they will distribute them to selected VICS, based on your identified preferences. Brochures may be displayed on a rotating basis based on available space and not all centres can accept all brochures. There are design and size guidelines for brochures to be accepted into this program. Find the details at <http://novascotiatourismagency.ca/advertising>.

You can arrange to profile your business on large digital TVs in the provincial information centres. Information can be found at the website listed above.

Make sure your local VIC is well supplied with brochures and that the people who work there know all about your product. Consider taking the local travel counsellors on a tour of your property in the spring so they have first-hand experience with your product.

## CHECK IN

Check In Nova Scotia (1-800-565-0000) is the provincial information and reservations system. It provides a toll-free number to consumers looking for information about Nova Scotia and also makes

reservations for travellers. If you are a licensed accommodation operator, you can participate in the Check In reservation system. You will be charged a commission for all room bookings that you receive from Check In. Contact Check In (<http://novascotiatourismagency.ca/check-nova-scotia>) for detailed information on how the system works and what you have to do to participate.

## PROVINCIAL AND REGIONAL TRAVEL LITERATURE

Travel guides include the provincial Doers and Dreamers Guide, tourism guides prepared by the regional travel industry associations and other guides such as campground directories, restaurant guides, accommodation guides, etc. Here we talk about the print version of these guides.

The Nova Scotia Tourism Agency produces and distributes the Doers and Dreamers Guide. Basic listings are free of charge; you can also purchase an advertisement in the guide. Even with a cost, this can be a very cost-effective advertising method, since almost 300,000 of these guides are produced and distributed widely, in response to enquiries and to people travelling in the province. There is also a French-language travel guide, **Du rêve à l'aventure**.

Information in the Doers and Dreamers guide is organized by the seven travel regions in the province, and you can buy an ad to be placed in the section on your region. The deadlines for material are very early – usually in late August for the next year's publications. Contact the Nova Scotia Tourism Agency for detailed information and prices.

The province also publishes a number of other publications from time to time. Check on the Nova Scotia Tourism Agency's website for current information on the publications available in which you can advertise, as well as details on costs and deadlines.

Check out becoming a member of the regional tourism industry association in your area. They also produce travel guides for their region of the province. These are distributed through information centres and in response to direct requests. As with the provincial guides, they can be a cost-effective means to advertise your tourism business.

### CHOOSING THE RIGHT TRAVEL GUIDES

- Will the guide reach your target market? (What can the publisher tell you about their readers and how have they determined this? Research? Observation?)
- When will the market read it? At home or on the trip?
- How many guides will be printed?
- How and when will the guides be distributed? (It is critical that details of distribution are available to ensure your ad gets into the hands of your target market at the right time during their decision-making process).
- What is the cost per thousand for a full page ad? (Compare this to other options).
- What are the deadlines? (There are usually two – one to commit your space and another to submit your artwork).

There are various other travel guides to choose from. For example, many municipalities produce a tourism guide or brochure and associations such as the Restaurant Association of Nova Scotia have print guides. Private companies such as Saltscapes also publish an annual travel guide.

Like other forms of advertising, there are advantages and disadvantages to travel guides.

#### Advantages

- Travel guides are usually aimed at specific markets or cover specific geographic areas. As a result, they are highly targeted, so while readership may be relatively low, it will also be of high "quality".
- Listings in travel guides can sometimes be free.

#### Disadvantages

- Travel guides normally have long lead times. Prices, facilities or services may change before the guides are published.

## CO-OPERATIVE ADVERTISING

Co-op advertising is a common activity in tourism and it can be a cost effective way for you to extend your market reach beyond what you can afford to do on your own. In Nova Scotia, the major organizations managing such programs in tourism include:

- The Nova Scotia Tourism Agency
- The Regional Tourism Industry Associations/Destination Marketing Organizations
- Some community Chambers of Commerce and municipal tourism offices
- Packaging partners

Check the Nova Scotia Tourism Agency website at <http://novascotiatourismagency.ca> for the provincial co-op advertising programs. The regional tourism industry associations will have others available, so check with them as well.

#### Advantages

- Cooperative advertising can increase your advertising exposure, at a significantly lower cost than doing it on your own.
- It can allow you to reach markets that you can't afford to get to on your own.

#### Disadvantages

- Cooperative advertising will dilute the impact of your message, since more than one product or service is being promoted.
- You will not have much say over the quality and content of the message being advertised.
- The advertisement may not be aimed specifically at the target market you want to reach.
- It will likely have a long lead time.

## PROPERTY AND HIGHWAY SIGNAGE

Having good signage for your business is important, not only to tell potential customers about your business but also to help them find you. You should definitely have a sign right on your property, at your entrance way or on your building. Your local municipality may have some guidelines and by laws that impact on the type and size of signage that can be erected.

The Department of Transportation and Infrastructure Renewal has a number of regulations that relate to signage for tourism businesses, including both off-premise signage and on-premise signage. Programs for off-premise signage (for 100 series and controlled access highways only) include:

- Major Tourism Attraction Signage Program
- Service Symbol Signage
- Business Logo Program

For further information on these programs, contact the Department of Transportation and Infrastructure Renewal or visit their website at <http://novascotia.ca/tran/highways/roadsign.asp>. Or, for information on the Major Tourism Attraction Signage Program, visit the Regional Planning and Development Division, Department of Economic and Rural Development and Tourism website at <http://gov.ns.ca/econ/tourism/building-business/attraction-signage.asp>.

Business operators are advised to contact their local municipality regarding policies for advertising signage along public roads.

Whatever signage you put up, it should be of good quality and meet any provincial and/or municipal regulations. Small, hand-lettered, falling-down, and hard-to-read signs do not suggest a quality operation. Search out a local artist or sign maker to design and build some quality signs for your business.

## PUBLIC RELATIONS

Public Relations (PR) deals primarily with non-paid communications about your product or business that is targeted at your markets, your local community, or the tourism industry itself. The purpose is to improve the image of your business and establish it as a valued member of the community. In doing so, the chances of getting referral business are significantly increased.

Key elements of public relations include:

- Advertising in local media.
- Joining service clubs, community groups, sports organizations, regional and provincial/territorial tourism/trade associations, and so on.
- Supporting and sponsoring local activities, events and attractions.
- Buying your supplies and services locally.
- Cooperating with local authorities.

As with all other components of your promotional mix, public relations must be well thought-out and planned in conjunction with your other promotional activities.

## MEDIA RELATIONS

Publicity is a way you can keep your business in the public eye without having to pay for advertising. To that extent, it is "free", so it can be highly cost-effective. However, the main reason it works is that it usually has more credibility than does a paid message.

However, good publicity doesn't just happen. It has to be carefully planned. Also, it must be made to fit in with, and endorse, your other promotional activities.

The best ways to get publicity in the media are to:

- Stage news events. These events should, of course, involve your product or service. But they should not be trivial or gimmicky. Instead, they should be of a genuine interest to your community.
- Issue press releases, announcing either "spot" news or scheduled news (for example, the appointment of a new manager, announcement of a new service or facility, and so on).

As a rule, press releases should be prepared in advance and distributed simultaneously to all your target media. Keep the release short, punchy and factual. See the box for some other tips on press releases.

An example of a press release from a Nova Scotia tourism business is on the next page.

### TIPS ON WRITING A PRESS RELEASE

- Print 'For Immediate Release' at the top left margin.
- Below, put in a headline in bold.
- Put in a 'dateline' – the city your press release is issued from and the date you are distributing it.
- Make the first paragraph the attention-grabber with the key relevant information – Who, What, When, Where, Why
- Provide more detail in the main text and a fuller description. Keep it brief. Avoid long sentences.
- Provide contact information – name, title, email, phone (including a cell number) for your spokesperson.
- Include your website address and links to more details if appropriate.
- 1 or 2 pages maximum length, typed, double-spaced and printed only on one side of the page.
- Include quotes if you can – and publically known people are better; they add credibility.
- Have more details ready in the event you get a call.
- Find the right person to send the press release to and call to follow up to make sure the release has been received.



**FOR IMMEDIATE RELEASE**

**Final Chapter Written in White Point's Story Quilt - Thursday January 10, 2013, Liverpool, Nova Scotia**

After 12 months of creating, stitching, teaching and assembling, on Sunday January 13th, Liverpool area fabric artist and quilter Bev Crouse, will reveal to White Pointers, the story quilt they inspired and stitched, The White Point Quilt - Stitching White Pointers Together.

In the days following the devastating fire that destroyed White Points Main Lodge, overwhelming support and concern washed over the resort, coming with it offers to assist in the building of the new lodge. Realizing the sincerity of the offers, and in light of the loss of the treasured 30 year old quilt, White Point approached long-time friend and partner Bev Crouse to create a new quilt, one that would be done in partnership with White Pointers, every stitch of the way.

One year after embarking on a journey that has seen more than 50 ideas merged into 13 blocks, travelled 5000 kms from Liverpool, to Halifax and Toronto and a dozen communities in between, thousands of stitches added by some 500 people of all ages at Quilt Parties and special events and hundreds of hours and stories later, the framed quilt will be unveiled and presented to White Pointers.

The Quilt is a gift from White Pointers to White Pointers, made possible by Mrs. Crouse. After the unveiling, the Quilt will be hung permanently within the new Lodge for all to appreciate, and admire, a legacy made possible by White Pointers.

On Sunday January 13th at 2pm, White Point is inviting those who inspired, stitched, quilted and supported the creation of White Point Quilt to attend the unveiling. Ensuring that 'stitchers' from near and far are able to be a part of the event, it will viewable online live streamed at [www.whitepointbeach.ca](http://www.whitepointbeach.ca) thanks to Innovative TV.

The journey has been documented in video, photos and blog posts all viewable at [www.whitepoint.com](http://www.whitepoint.com).

- 30 -

For more information:

Donna Hatt  
Marketing & Product Development Manager, White Point Beach Resort  
902-354-2711 ext 369  
Mobile: 902.521.7319

Bev Crouse  
The Quilters Net  
902.354.3996, [bevthequilter@hotmail.com](mailto:bevthequilter@hotmail.com)

## CHAPTER 7: PACKAGING AND WORKING WITH THE TRAVEL TRADE

This chapter presents information on two other important marketing – related activities - packaging and working with the travel trade.

### PACKAGING

A package is a collection of tourism products and services that are sold as a single product, in one transaction, at a single price. The idea behind packaging is to create and market a product that is customized for a particular target audience; or for a particular time period when additional appeals can help make sales.

A good package exemplifies the marketing concept discussed in the Introduction - a product that is designed from the customer's standpoint. A good package is built upon appealing experiences for the customer.

Packaging has become an integral part of tourism marketing in recent years since it generates significant benefits for the customer as well as for the tourist operator.

Some people view packaging as being about discounting the price, but that is only one of the options; what it is really about is offering a complete experience at a good value price, and making it easy and convenient for the customer to buy. Savings can be part of it, but added value is more important and often can be more effective in generating sales.

The Nova Scotia Tourism Agency provides marketing support for packages on novascotia.com. Get the details and the guidelines for packages at <http://novascotiatourismagency.ca/packages-and-deals>.

### BENEFITS TO THE CUSTOMER

---

The customer receives compelling benefits from well-designed packages:

- **Travel Planning is Easier and More Convenient**

Packaging makes it much easier for customers to plan and arrange a trip. They can buy a complete experience, including all of the necessary services, in a single transaction.

- **Savings and/or Added Value**

Purchasing a package is usually, though not always, cheaper for the consumer than buying all of the elements individually. The packager can usually negotiate to purchase the separate components of the travel package from suppliers at a discount because they are buying in volume and taking over some of the responsibilities for selling. If some of these savings are passed on to the customer, then the overall package will be cheaper than buying the components separately.



A good package will also offer some value-added features or experiences that are exclusively available when purchased in a package, preferably things that help with its sales appeal. (Adding value rather than simply discounting the product makes it possible to maintain a better price for the core elements in the package. It also makes it possible to sell packages at higher prices and with higher overall revenues during peak periods).

- **Quality Assurance**

Packages give customers an extra level of assurance as to the quality of what they are purchasing, since, presumably, the packager knows the destination well and can design a superior experience for the customer.

## **BENEFITS TO THE OPERATOR**

---

What can packaging do for the tourism operator? There are several benefits:

- **New Markets/New Reasons to Buy**

Packaging makes it possible to attract new markets, markets which might not normally purchase your product, and thereby increase revenues. A package basically gives consumers new and different reasons to come.

- **Develop Business in Slower Periods**

Offering economical packages centred on special events, entertainment or special programs or activities during periods when there is normally not much business can generate business during slower periods.

- **Reduction of Marketing and Promotion Costs**

Tying a number of products together in a package creates an opportunity for cost-efficient, cooperative marketing, with each tourist operator participating in the package contributing to the cost of advertising and promotion.

- **Increase the Marketability of your Product**

Packaging makes it possible to increase the marketability of your product by having it "piggyback" on other demand generators in your community when these local attractions and activities are built into the package.

## **KEYS TO SUCCESSFUL PACKAGING**

---

Successful packages are ones that offer unique, appealing experiences for purchasers, along with good value. Tourism today is very much an experiential business, and ***a well designed package has the marketing advantage that it is built around outstanding experiences.***



Keep the following key principles in mind when developing a package:

- Careful planning and sufficient lead time are vital to make sure the package is trouble-free and has time to sell.
- Include “demand-generators” – appealing experiences and activities.
- Ensure that the package is complete – all necessary services should be included.
- Schedule activities at a comfortable but appropriate pace – not too much, not too little. Travellers look for 3 or 4 hours of activity each day (unless the package is an active outdoor adventure experience, for example)
- Offer a benefit or a bonus – savings and/or added-value features.
- Price the package competitively.
- Ensure that individual package components are compatible.
- Keep quality consistent.
- Give attention to the details.
- Provide customers with maximum flexibility.
- Arrange group packages and group booking systems to ensure there is some customer compatibility.
- Keep customers fully informed – especially where changes are necessary.
- Establish a fair refund and credit policy.
- Make sure that the package is profitable.

Appendix 4 includes worksheets to help price your packages. Similar worksheets can also be found in Nova Scotia’s Experience Tool Kit at <http://novascotiatourismagency.ca/experience-toolkit>

## SEASONAL STRATEGIES FOR PACKAGING

---

In high season, the strategy for packages should be to maximize yield. The focus should be on developing new markets that are prepared to pay full rates and allow you also to earn a mark-up on additional features and services. You want more dollars per booking than you would normally get.

In the low season, the strategy is to increase occupancy or demand for your business. The focus is also on developing new markets, but discounts and savings are used to offset weak demand for your regular offering.

Appendix 4 explores the how tos of designing and selling successful packages.

## WORKING WITH THE TRAVEL TRADE

Most tourism business' marketing programs are constrained by limited budgets. This, in turn, forces operators to limit their marketing to very affordable programs and ones that reach only local or regional markets. You may have the greatest product, but if you're not a large operator with a large marketing budget, how can you make the world know about it?

The Internet is changing this, of course, but another way of reaching broader geographic markets is getting the travel trade to sell for you. The way to do this is to convince the travel trade to add your product to their tours and/or packaged products, and thereby have it promoted through their marketing system.

### THE TRAVEL TRADE

The travel trade is comprised of all of the travel intermediaries between the consumer at one end and the travel product supplier at the other. It also includes businesses that develop and market tours and packages.

#### ***Tour Operators and Their Products***

Tour operators plan, develop, market and operate packaged travel and tourism products. They are in the business of designing and selling experiences to consumers.

Normally, they do not own or operate tourism establishments. Some, however, are transportation companies who also operate tours.

Tour operators strive for unique market positioning and product differentiation.

There is a multiplicity of tour operators: different types of tours, different market niches, different destinations, different "unique selling propositions," different positioning.

### THE TRAVEL TRADE

- Travel agencies – retailers of travel products – traveller services, tours and packages.
- Tour operators: companies that develop, operate and market tours and packaged tourism products.
- Receptive operators: local tour operators who operate local tours and provide services to other tour operators and other group travel organizers.
- Others:
  - Group leaders
  - Airlines
  - Wholesalers and brokers
  - Travel clubs and affinity organizations
  - Incentive wholesalers
  - Internet-based package marketers

There are several general categories of tour operator and tour operator products:

- **Group tours**
  - motorcoach tours
    - scheduled
    - customized
    - hub and spoke/city tours
  - cruise/rail tours
  - specialty group packages
- **Independent tour packages** (often referred to as FIT packages - Fully Independent Tour - or fly-drive packages)

Most tour operators cultivate the support of travel agents, although they often sell direct to consumers through their websites as well.

Travel agents like tour operator packages because:

- Selling these products is much less work.
- Tour operators usually pay higher commissions than transportation companies and hotels;
- Many offer incentive commissions, or overrides.
- There is a level of quality assurance in dealing with a reputable tour operator, providing comfort that their customer will receive good value, particularly when the agency staff do not have expert knowledge about a destination.
- The tour operator does the marketing for them.

## THE BENEFITS OF WORKING WITH TOUR OPERATORS AND TRAVEL AGENTS

---

Selling your product in partnership with tour operators and others in the travel trade lets you expand into more distant markets that are not affordable for you to target on your own. The benefits include:

- Opening up new and much larger markets for your product.
- Tour operators have an established brand acceptance in their markets – with both consumers and travel agents, and they can sell very effectively as a result.
- Your risk of suffering from declines in business in your existing markets is reduced when you have more markets available to you.

But there is a cost – discounts of 20% or more from your normal prices.

Considering the cost of doing business with the travel trade, careful attention needs to be given to when and where you do so. Look at the question strategically and consider the following:

### Marketing Through Tour Operators:

- Different tour operators specialize in different markets, some geographically-defined, others by type of product

- Some are multi-product operators – others have specialties
- They don't sell your product, they sell their own – hopefully including yours within their product
- Your product has to fit with their needs and their quality standards

#### Marketing Through Receptive Operators:

- These include local receptives/ground operators and regional destination specialist receptives
- Local receptives provide local arrangements for outbound tour operators, meeting planners
- Regional receptives generally operate tours in a particular region for an outbound tour operator – except for air to the destination

### **MARKET AND PRODUCT TRENDS IN THE TRAVEL TRADE**

---

The marketplace is constantly changing, and tour operators are active in adapting their products accordingly. Some important trends include:

- Independent travel packages are growing more rapidly than are group tours. In fact, group tours by motorcoach have seen a decline, since they traditionally appealed to seniors. The modern senior, and particularly the aging baby boomer, more commonly prefers independent or small group travel to the traditional motorcoach tour.
- Small group travel is a growth market, particularly for enhanced experiential packages, such as learning programs.
- Shorter tours, of a week or less, are outselling longer tours.
- Group travel is being modified by many operators to offer options and provide individual flexibility, and to offer independent additions to a tour.
- Independent travel is being modified by some operators to increase the range of included features so as to improve the savings to consumers.
- The growth in outdoor and soft adventure tourism is being reflected in corresponding changes to both group and independent packages. Today's active seniors on motor coach tours are going river-rafting!
- These same trends are spurring a rapid growth in all sorts of niche or specialty tour operators.
- Other types of special interest packages are a big growth area as well: expedition cruising, learning holidays, culture tours, etc.
- Packages are being redesigned to add more authenticity - meeting "real" people, visiting wharves, grain elevators or fish packing plants. Basically, packages are adding non-traditional features that genuinely represent the culture and lifestyle of the community and region. Talks by experts are being added to supplement visits to museums. Tour operators call these "lifeseeing" tours, as opposed to "sightseeing" tours.
- The destination and its attractions used to be enough to sell a tour. Now the means of travel is becoming equally important for some products. For example, tours that combine a cruise and a motor coach tour, or a rail trip and a motor coach tour, are popular today.

- Group leaders are playing a growing role.
- More tours are being sold through pre-formed groups, such as employees of companies, customers of companies, members of associations, etc. Custom packages for groups are growing at the expense of scheduled series tours.
- Local receptive operators and destination specialist receptive operators are growing in importance.
- Package programming is becoming more participatory, in response to demands for more meaningful, experiential vacations that are both educational and fun.

If you are interesting in pursuing this market, we recommend you review another guide in this series entitled '*Building Travel Trade Business – Opportunities for Nova Scotia Tourism Operators*', found at <http://novascotiatourismagency.ca/business-development-guides>.

## CONCLUSIONS

This guide provides an overview of items you need to address in preparing a marketing strategy for your business along with the marketing tools available and insights into how you can use them to benefit your tourism business. Use it as a reference guide as you prepare your annual business and marketing plan, and for hints on how to use today's online marketing tools as well as the more traditional marketing tactics.

A few things to remember as you move forward:

- Your marketing strategy should touch all aspects of your business – from defining your business and what it offers to your customers to developing your product, pricing your offer, determining how you will reach your customer and identifying the promotional tools you will use to do so, as well as managing the relationship with your customers.
- Monitor the results of what you do – and make changes when necessary. Be prepared to revise your strategy and your marketing budget and tactics in response to what you learn about your customers, what they are looking for and which elements of your marketing program are giving you the best return on investment.
- The tourism marketplace and the tools available to promote your tourism business are constantly evolving. Keep an eye out for new ideas and new opportunities. Network with other tourism operators, attend conferences and monitor the Nova Scotia Tourism Agency's website (<http://novascotiatourismagency.ca/>) to gain insights into the marketplace, discover new research and learn about opportunities to market your business.
- Make sure you are market-ready and that you adapt your products, experiences and services to keep up with the interests and expectations of your markets.

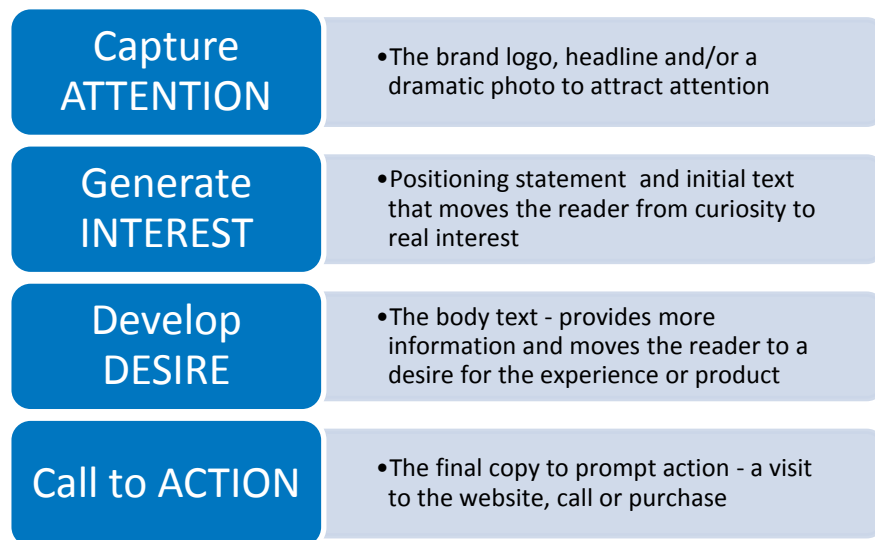
## APPENDICES

These appendices provide more in-depth 'how-tos' on five of the important tourism marketing topics discussed in the guide. They also provide information on the consumer privacy regulations and a glossary of common tourism marketing terms.

- Appendix 1: Designing Good Print Advertising
- Appendix 2: Brochure Design, Printing and Distribution
- Appendix 3: Pricing your Products – the Return on Investment Method
- Appendix 4: Tips on Designing, Pricing and Marketing Packages
- Appendix 5: Tracking and Measuring the Impact of Your Marketing Activities
- Appendix 6: Privacy Regulations
- Appendix 7: Glossary

## APPENDIX 1     DESIGNING GOOD PRINT ADVERTISING

Chapter 5 provided some introductory material on designing good advertising. Additional details are provided here, building further on the concept of the AIDA model for advertising:



### DESIGNING PRINT ADS

Good print advertisements have plenty of "white space"— 'less is usually more' in advertising text – and many marketers use photographs and other illustrations for extra impact.

Other points to note about developing effective print advertisements follow below:

- A simple, consistent type style is more effective than an ornate one or a mix of several kinds.
- Place illustrations or photos near the top of the advertisement.
- The larger the illustration or photo, the more effective the advertisement. Also, a single illustration/photo usually has more impact than several together.
- A photograph has more credibility than a drawing.
- Action shots generate interest and excitement.
- Feature people in action, enjoying your product in your photographs.
- Design headlines to catch attention.
- Testimonials from satisfied customers can be very effective in adding to the credibility of your message.
- Clearly display your corporate identity or logo.

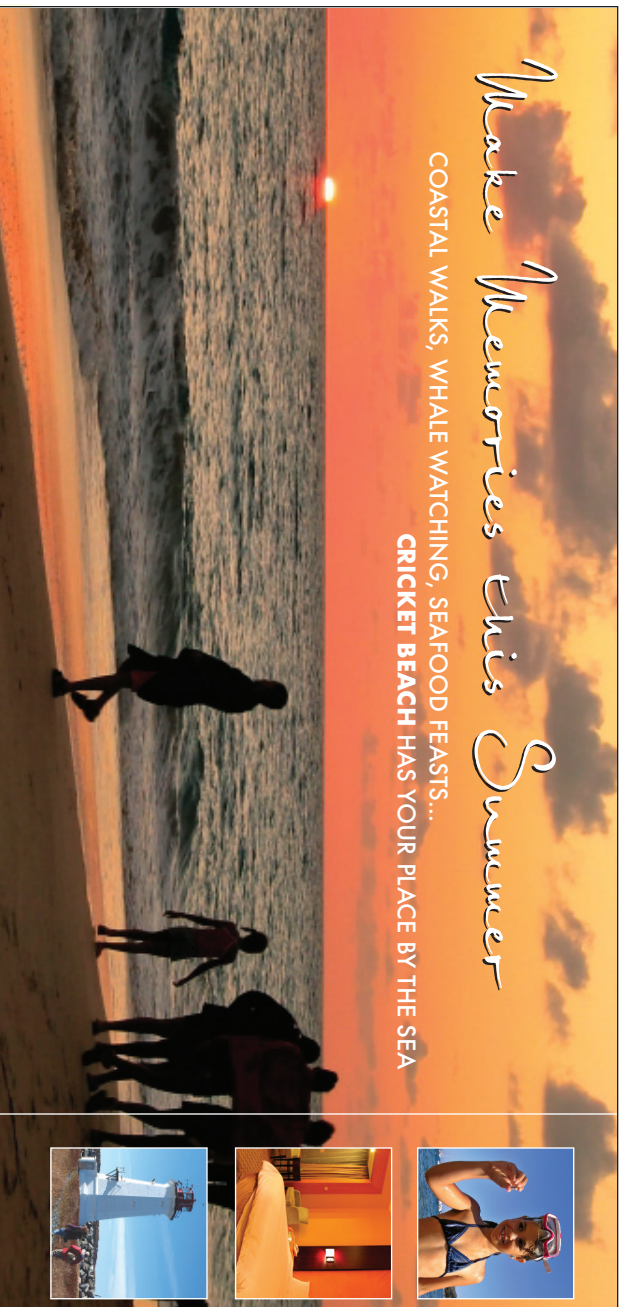
An example of a good ad is illustrated on the next page. This might be suitable for a travel guide or a magazine.



# Make Memories this Summer

COASTAL WALKS, WHALE WATCHING, SEAFOOD FEASTS...

**CRICKET BEACH HAS YOUR PLACE BY THE SEA**



*Cricket Beach*  
RESORT

*This* is the main message of the ad. Notice how the overall ad appeals to the senses of the reader. They are on vacation – a vacation to Nova Scotia could be a chance to connect with the beauty of nature. Play on that concept rather than just dryly listing the features and amenities of your facility.



[www.cricketbeach.com](http://www.cricketbeach.com) | 1-800-549-0000

## MORE 'HOW TOS' OF DESIGNING ADS FOR PRINT MEDIA

The following suggestions apply to print advertising in general, whether in travel guides, mass media or niche publications:

- Contact the publication and request specifications for advertisements. This will tell you rate (cost), sizes, colours available and in what format you should send the ad.
- Some media will offer to lay it out for you. Get them to do a mock up and let you review it before giving them the go-ahead. You don't have to accept it until it's satisfactory.
- When dealing with travel guide publications, especially the smaller ones, it is best to give them final artwork and not leave the design to them. Typically they are not designers and you may not get as effective an ad as you want.
- Ask where your ad will be placed. If there is editorial copy in the publication that complements your message, such as an article on your community, the ad should be placed close by to create a stronger impact.
- You may want to consider hiring a professional from an ad agency, a printing house or a media company to help you design a strong ad.

## USING PHOTOGRAPHY

Photography can help you make an emotional connection with your target market, and thereby increase the impact of your message. It is definitely true in advertising that "a picture is worth a thousand words". Some suggestions:

- Choose your images carefully. Ideally you should have one that communicates your main message – the compelling appeals and benefits of your offering for the target audience.
- Use an image that highlights the most important product features – and keep it simple.
- If a photo is to be used to dramatic effect, don't overprint text on top of it if you can avoid doing so. This takes away from the impact of the photo. And if you really want to do this because of space limitations, which will arise with small ads, then put on only a limited amount of text and place it on a part of the photo where it stands out clearly, is easy to read and doesn't weaken the effect of the image (on the sky or the water, for example).
- The same applies to putting photos on top of photos. This is a widely used technique, but it is not a preferred one. It only weakens their effectiveness.
- One or two photos have more impact than multiple photos. Use only a single photo as the attention grabber.
- Preferably, use professional photography. Experienced photographers supply well-crafted images that conform to exacting technical specifications. Use of their photos will convey the message that your company has a high standard and pays attention to detail. Poor quality, do-it-yourself photos don't reproduce well and can often do more damage than good to the effectiveness of the ad.
- Make sure you have the right to use the photographs you select.

- If you use your own photography, make sure that you provide the highest quality originals and scans. When saving digital photos or scanning images, use TIFF or EPS file formats for the best print quality. Photos should be 300 dpi at their final size in the layout. If you don't know how big you will make the photo in your final ad, it is better to create it at the highest resolution. You can always reduce the image but you cannot enlarge it.
- If your photo is of your business, use images that include people using/enjoying the experiences you offer. Pictures of empty rooms and building exteriors are not very effective.
- The images should show people participating in the experiences you offer, since tourism benefits are primarily experiential.
- The people in the photo should be in the same demographic as your target market – readers need to be able to see themselves in the setting.

Nova Scotia's 2013 Tourism Brand Guidelines include some other suggestions for using photography. They can be found at <http://novascotiatourismagency.ca/brand-kit-and-images>. The Nova Scotia Tourism Agency can provide you with access to photographs through their Audio Visual Library; details can also be found at <http://novascotiatourismagency.ca/brand-kit-and-images>.

## HEADLINES

Next to photographs, headlines are probably the most important element to getting your ad noticed. Here are some suggestions:

- The headline has one job; and one job only – ATTRACTING ATTENTION! Unless this works, the ad is likely to be ignored. And by the way, it's your target audience whose attention you want to attract, so the headline message should be meaningful to them.
- It needs to be dramatic, unique, unusual – and simple at the same time.
- Keep your headline short – the shorter it is, the greater the chances of having it read. Ideally it should be 7 words or less. If it's longer than 10 words, sub-headings should be considered for the additional words.
- Following the headline, your next text should briefly feature the strongest benefits your product offers. Benefits can be both emotional and functional.
- Keep both your sentences and your paragraphs short so as to keep the reader's attention - the longer they are the less likely people are to read through them.
- Keep it Simple – words should be short and simple, ones used every day. Sentences should also be short and direct. Write in an active tone rather than a passive tone.
- Finish with a strong "Call to Action" - use terms such as - "Book online", "Email us", "Come this year", "Visit us...", "Experience ...", "Discover...", "Enjoy...", "Find...", "Join...".
- Use testimonials or endorsements to provide added credibility.

## USE OF COLOUR VS. BLACK AND WHITE

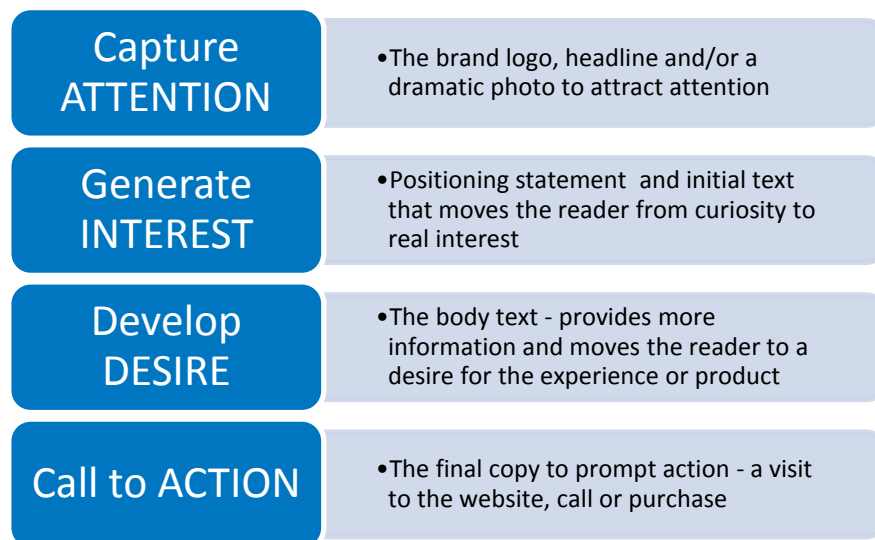
While colour is usually more expensive than black and white, it also has many benefits:

- A colour ad is more often noticed and more often read.
- Colour communicates your message more effectively (the positive experience of your travel product will be enhanced with a colour photo).
- Colour allows you to create a different look and to stand apart from your competition. If you have a brand or logo, you will be able to reinforce that image through colour, making your ad more memorable.
- Colour can help you highlight certain aspects of your message.
- If you are using black on white, use text only, keeping it bold and short.

When deciding whether to spend more money on a colour ad or economize with a black and white one, determine whether the other ads in the publication are mostly colour or black and white. If they are mostly colour, question whether a black and white ad will be effective at all. And if they are mostly black and white, is it worth the extra cost to have your ad stand out with colour.

## APPENDIX 2: BROCHURE DESIGN, PRINTING AND DISTRIBUTION

Chapter 5 also provided some introductory material on designing your brochure. Suggestions on brochure size, layout, selecting photographs, printing and distribution are provided here. They build on the concept of the AIDA model for advertising:



### BROCHURE LAYOUT

These layout suggestions are for a six-panel brochure (that is, a single sheet of 8 ½" x 11" paper folded in thirds and printed double-sided) but are easily transferable to other sizes.

The front cover should **capture attention** and encourage customers to pick up the brochure. That means it will need a headline, and almost certainly an illustration, preferably an exciting photo, which acts as the "attention grabber". The title should be in the upper ¼ of the brochure to ensure visibility in visitor information centre racks. The Nova Scotia Tourism Agency provides guidelines for brochures that they will distribute. They can be found at <http://novascotiatourismagency.ca/advertising>.

The first inside panel should **generate interest**, with short text and preferably some other illustrations and/or photographs highlighting the unique appeals of your offer.

The inside of the brochure presents more text and photos, designed to **develop desire** - move the prospect beyond the interest stage. These panels should describe the key experiences, facilities, services and programs that are being offered. It should be as motivational as possible, making the reader sufficiently involved in the product to start considering it in earnest. It should also highlight your

unique selling points, and it should stress your competitive strengths.

The back panel of the brochure should contain the information that is needed to **generate action**. This would include your business' name, location, address, telephone and fax number, e-mail and website addresses, and information on how to make a booking. A map would be helpful as well.

Larger or smaller brochures need to follow the same sequence. For rack cards, the front of the card is used to capture attention and generate interest with the back providing the additional information needed to generate action.

As with advertisements, both sentences and paragraphs should be short. And don't cram too much in! Limit the text to key statements and craft them carefully so that they create a clear, simple but appealing mental picture. Use white space to advantage, to set off key statements.

Remember, you don't need to tell the customer everything there is to tell in the brochure – only enough to give them a clear picture and to motivate them to go to your website or call. If they need more information, they will look for it. If you do otherwise, there is the very great risk that you will lose their attention before you get them to the point of wanting more information. You haven't sold them; you've worn them out! Keep it as short and sweet as you reasonably can.

Basic design principles for a brochure are illustrated on the example at the end of this appendix.

## BROCHURE SIZE

The total size of the brochure when unfolded will be dictated by your budget, the amount of information you decide you need to include and how you are going to distribute it. (There is no real rule, except as we mentioned above, "less can be more" if you want to hold their attention).

For most tourism businesses, your main brochure will, when folded, fit in a standard # 10 envelope. The folded size is 4" x 9". This size makes it simpler and cheaper for mailing; and it also fits into the standard brochure racks used in visitor information centres and other locations. Rack cards are 4" x 9", and usually are double-sided.

Tour operators use an 8 ½" x 11" brochure, which is the size used in travel agencies. But as few independent tourism operators will have their brochures displayed in travel agencies, there is little point in having a brochure this size.

## SELECTING PHOTOGRAPHS

All brochures will benefit from illustrations. These do not necessarily have to be photographs. They could, for example, be simple black and white line drawings. Use photographs whenever possible since they are much more credible than "artist's impressions". Whatever you use, high quality is a must!

Action shots of customers involved in the experiences you offer or using your facilities and services are the most effective photographs. Tennis courts, meeting rooms, convention halls, and restaurants - all these facilities should be shown with people using them. Some suggestions on photographs were provided in Appendix I.

In addition:

- Only use photographs that have been taken professionally (or at least to professional standards). And, make sure you have the right to use them.
- Avoid using too many photographs, to the point where your brochure becomes overcrowded; a small number of large photographs has more impact than a large number of small ones.
- Consider using photographs of local attractions that people are likely to be interested in visiting.
- Flatter your facilities, but be honest. "What you see is what you get" should be the rule.
- Maintain a photograph library.
- Avoid using photographs that will rapidly date – for example, photographs of buildings under construction, people's clothing or hair styles that may soon go out of fashion, and so on.
- Always run a caption with each photograph explaining precisely what the photograph shows.
- Try to put a selling message into your captions, since captions with photos are read more carefully than brochure text.

Nova Scotia's 2013 Tourism Brand Guidelines include some other suggestions for using photography. They can be found at <http://novascotiatourismagency.ca/brand-kit-and-images>. The Nova Scotia Tourism Agency can provide you with access to photographs through their Audio Visual Library; details can also be found at <http://novascotiatourismagency.ca/brand-kit-and-images>.

## OTHER DESIGN CONSIDERATIONS

There are several other points that relate to the design of your brochure (and to any of your other sales support materials):

- Use, clear simple type that is easy to read, with different sizes for your titles, subtitles, headings and copy. Avoid ornate type styles; do not mix several styles, since that makes the copy disjointed and hard to read.
- For the body text, use black on white, or another sharply contrasting combination, for easy legibility and strong impact.



- Do not overprint your type with a coloured screen; that makes the type difficult to read. Instead, use colour in your headings or borders to highlight key information.
- Do not use too many colours. This will weaken the power of colour to draw attention to key points.
- Organize your material carefully; do not mix different kinds of information. Follow the AIDA formula in laying out the sections.
- Leave white space, particularly in the "sell" section of your brochure. This will help highlight the selling information.
- Put the front cover copy on the top quarter of the page, so that it can be seen when displayed on a travel information rack. Only the top quarter will be visible when it is in the rack.
- Make sure your brochure's layout is consistent; do not try to be clever or too creative; again, keep it simple.
- Use testimonials from customers.
- Consider the shelf-life of your brochure and consider what information may become dated quickly. Plan for your brochure to last for a couple of years at least.

## PRINTING YOUR BROCHURE

Printing a brochure can be expensive, so it pays to find ways to keep your costs down. The following factors have the most effect on your printing costs:

- Type of paper stock used
- Number of pages and their size
- Number of colours
- Type and manner of cutting, folding and binding
- Number of copies printed
- Printing process used
- The need for special cutting or inserts

### SOME TIPS FOR WORKING WITH PRINTERS

- Get quotations from two or three printers
- Explore different printing options with them
- Give the printer all the specifications they will need to give you a quote (and make sure it is a quote not an estimate). The printer will need:
  - Quantity of brochures
  - Paper stock and weight
  - Brochure size
  - Colours
  - Design mock up if you have one
- Find out what kind of digital files they will accept.
- Watch out for hidden charges for corrections, new files, additional proofs, rush deadlines, etc.
- Discuss your schedule with the printer – let them know when you need delivery (at your business and the tourism distribution centre). If possible, allow some extra time – but don't tell the printer you have this time available!
- Depending on how your brochure is being printed, there may be several different stages of proofs. Make sure you are clear on what they are, and what you need to do.
- Proof read very carefully. Have someone else look at it as well.
- Ask for and review a final hard copy so you can also sign off on how the colours will look.
- If your brochure will be folded, ask for a folded proof as well to make sure it looks the way you intended it to.



Paper varies widely in cost. Newsprint is relatively cheap, while heavy, glossy paper is expensive. You should try to use the minimum grade paper you can, while still making sure your brochure is of good quality overall and that it "works." For example, even though it is expensive, you may have to use glossy paper if you want high-quality colour reproduction; or you might have to use card stock if you want your brochure to stand up in the rack.

The size of the paper sheet and size of the page are important, because they determine the number of cuts required, and the amount of waste. Using standard sizes almost always saves money. Obviously, more pages represent more cost.

With today's printing technology (digital printing) four colour printing is not much more expensive than one or two colours. Talk to your printer to find out what your options are and the cost differences.

The number of folds may also impact costs; however, since folding is generally done by machine now, the cost differential is not as significant as it used to be. Binding is also expensive, but with a smaller brochure, it should not normally be needed.

The number of copies you print is obviously another important cost factor. The cost per copy diminishes with increased print runs, so it may be advisable to print two or three years' supply at one time, rather than reprint every year. This is a good reason to make sure that your brochure does not become dated too soon by putting in prices or specific dates.

Special cutting requirements, such as for non-standard sheet sizes or shapes, can dramatically increase costs. Inserts too will increase costs, but some inserts may still be worth it.

Different printing processes can result in widely varying costs. Digital printing is increasingly used today, simplifies the process (since the printing is done directly from a digitally-based image and avoids the need to make plates) and can be cheaper.

Ask your supplier to show you samples of their product and ask them to give you a quote that compares the cost for digital printing against traditional 4-colour process printing. It is generally cheaper to use digital printing if you are doing fewer than 2,500 copies.

Ask several printers about the options before making a decision on which one to use.

## DISTRIBUTING YOUR BROCHURE

Selecting the distribution channels for your brochure will depend on which markets are trying to reach and where they are.

If you are trying to reach potential customers who are already in the province, the main distribution channels are:

- The provincial government Distribution Centre handles fulfilment of government and Check In enquiries, stocking provincial visitor information centres as well as accredited local visitor information centres. (There are guidelines for the distribution of literature through the Centre; they can be found at <http://novascotiatourismagency.ca/advertising>).
- Regional tourism industry associations, chambers of commerce and community visitor information centres.
- Hotels, other accommodations, attractions – many have a brochure display area in their lobby.
- Transportation centres such as airports, highway service centres, ferry terminals and bus and train stations.

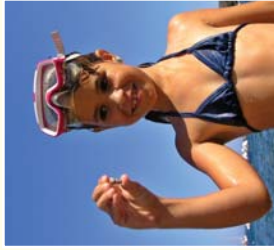
Carefully plan your distribution program since the costs involved (in both printing and distributing) are significant. Make preliminary enquiries to find out how many brochures each distribution outlet is likely to use productively. Past business volumes from each source are a good indication of the number that should be supplied. You can always supply more brochures at a later date.

There may be real benefits in delivering the brochures yourself or having a staff member deliver them for you. This is especially true when delivering to complementary businesses in your area, or to local travel information centres. A personal delivery can be used as a "sales" call. It might also turn up cooperative promotion opportunities. And it is good public relations.

If you are trying to reach customers before their trip, then your options include:

- Consumer and travel trade shows.
- Bulk or individual mailings to potential and past customer.

There are several specialized distribution companies in Canada (and elsewhere). They should be considered if you have an extensive distribution program. Usually, these companies maintain specialized mailing lists that may be of interest to you.



## HIGHLIGHT KEY EXPERIENCES

COASTAL WALKS,  
WHALE WATCHING,  
SEAFOOD FEASTS...  
**CRICKET BEACH**  
HAS YOUR PLACE  
BY THE SEA



*This* cia deserunt  
mollitia animi, id est  
laborum et dolorum  
fuga. Et harum quidem  
rerum facilis est et expe-  
dita distinctio. Nam  
libero tempore, cum  
soluta nobis est eligendi  
optio cumque nihil  
impedit quo minus id  
quod maxime placeat  
facere possimus, omnis  
voluptas assumenda

## BOOK TODAY

This is the call to action area of the brochure. It provides the contact information which allows the customer to act immediately.



season of operation



*Cricket Beach*  
RESORT

## CONTACT INFORMATION

contact name  
street address  
mailing address

telephone  
email • website



*Cricket Beach*  
RESORT

## PERFECT COASTAL VACATIONS



*Perfect Vacations*  
ARE AS PREDICTABLE AS THE TIDE



# MORE DETAILS ON EXPERIENCES, FACILITIES, SERVICES & PROGRAMS



## At vero eos et accusamus et iusto odio

dignissimos ducimus qui blanditiis praesentium voluptatum deleniti atque corrupti quos dolores et quas

molestias excepturi sint occaecati cupiditate non provident, similique sunt in culpa qui officia deserunt



mollitia animi, id est laborum et dolorum fuga. Et harum quidem rerum facilis est et expedita distinctio.

## Accusamus et iusto odio

libero tempore, cum soluta nobis est eligendi optio cumque nihil impedit quo minus id quod maxime placeat facere possimus,

## Temporibus autem quibusdam

Corrupti quos dolores et quas molestias excepturi sint occaecati cupiditate non qui officia deserunt mollitia animi,

id est laborum et dolorum fuga. Et harum quidem rerum facilis est et expedita distinctio. Nam libero tempore, cum soluta nobis est eligendi optio cumque nihil impedit quo minus id quod maxime placeat facere possimus,

omnis voluptas assumenda est, omnis dolor repellendus. Temporibus et aut officiis debitis aut rerum necessitatibus

saepe eveniet ut et voluptates repudian dae sint et mole non recusa

## Dae Itaque

## Aerum

## Sapiente

## Wasperiores

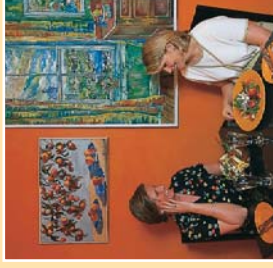
## Eepellat

## Harum quide

## Rerum facilis

## Est et expedi

## Distinctio



## APPENDIX 3: PRICING YOUR PRODUCTS - THE RETURN ON INVESTMENT METHOD

Knowing how to price your offerings is a pretty critical matter. This topic was introduced in Chapter 3 of the guide. Here we focus on the 'how tos' of the best method, referred to as the 'return on investment' method. It essentially focuses on covering all your costs and targeting a profit.

This is the best single method - start with it and then modify some of the prices using a couple of the other methods. The secondary methods to use include the competitive method as well as the loyalty method. It is usually important to respond to competitor offers and to give incentives to frequent, loyal customers.

You want to develop prices that will cover your costs and pay a return on your investment, then vary them up and down to position yourself relative to the competition and provide prices for different market segments you are targeting. But the average price you achieve in the end needs to be close to the average price that gives you the return on investment you need. Let's look at how you set this target price using the Return on Investment Method.

A worksheet you might find useful as a guide is provided in Exhibit 3-1. The example is for setting room rates for a small hotel, but it can be readily adapted for other types of tourism products. Please note that this is a purely theoretical example.

Here are the steps to follow using the hotel room example.

### Step 1: Calculate Total Variable Costs per Unit to be Sold

The first costs to be addressed are those that attach to individual customers or to individual sales – the "variable costs." These are the costs normally incurred on a per person basis – such as room supplies and housekeeping services for a guest room, food materials for a meal, cost of goods for a gift shop.

### Step 2: Calculate Fixed Costs per Unit to be Sold

The second category of costs is those that will not vary for a particular sale, but do vary for each day or period the customer is being served. These costs could include front office staff, a motorcoach charter for a tour, the services of an instructor or performer, guest speaker, guide, and so on. The task here is to come up with an allocation of fixed costs per day for each sale.

First, you need to have an idea of your total fixed costs for the whole year, and then divide them by the number of days of operation to give fixed costs per day. It will probably be easier if you divide them into categories such as illustrated in Exhibit 3-1 (Page 1). Then divide the total daily fixed costs by potential sales, in other words, by your total available capacity. In this example, it is total available room nights for the day. If you have an adventure tourism business, it could be the total number of people you could handle on your tour.

Then, add together the fixed costs and divide the total fixed costs by, say, 60% to 70% (as a decimal) of the number of unit sales expected for that period, to determine an allocation of fixed cost for each unit sold. For a hotel, the percentage would be based on your expected annual occupancy, although you may want to use a figure less than you are hoping for. By using a percentage less than 100, you reduce the risk of loss caused by lower-than-expected sales, and you increase the chances for extra profit if your sales volume is on target. In other words, you build in a buffer.

This gives you total 'grossed-up' fixed costs. 'Grossed-up' fixed costs means the total fixed operating costs associated with the targeted volume of sales in your analysis.

Then add the total variable costs and the total "grossed-up" fixed cost figure, and transfer this total to the last column of the first line on the page 2 of the worksheet.

Step 3: Calculate the Share of Marketing and Overhead Costs on a Per Unit to be Sold Basis, for the Year as a Whole

The third category of costs is the marketing and overhead costs for the business as a whole over the course of the year, a share of which should be charged against each product and each sale.

Include all of your annual costs in these figures. For example, other overhead would include administrative salaries, insurance, taxes and payments on your financing.

Allocate these costs first over the number of days your business is operating, then by the number of units (room nights, person tour days etc.) available.

Then (as in Step 2) divide by 60% to 70% (as a decimal) of the total number of sales expected, to come up with a grossed-up cost per unit.

Step 4: Calculate Total Cost on a Per Unit Sold Basis

Add together the per unit costs calculated in Steps 1, 2 and 3, to arrive at a total net cost per unit to be sold.



Step 5: Mark-Up Total Costs to Cover Commissions, Provide a Profit and Determine an Average Retail Price Per Unit

Mark up the total per person costs to cover travel agent and tour operator commissions and discounts (if applicable) and, of course, your profit.

Commissions/discount margins will vary depending on how the product is to be sold. If you are going to sell only directly to consumers, you may not need a margin for commissions. However, if you are going to sell through travel agents, you will have to provide for a commission of 10% or more. Tour operators will need a margin of 20% to 25% or more. (See the discussion below on travel trade commissions and discounts).

If a mix of commissionable bookings or a mix of commissionable and non-commissionable business is expected, calculate a weighted average commissions allowance, based on the expected proportions of sales, as follows:

1. Estimate the percentage of your total business that you expect to come from each market segment over the course of a year, including market segments that are not commissionable.
2. Estimate the average percentage discount and/or commission applicable in each segment.
3. Calculate a weighted average allowance for net rate discounts and commissions averaged over your total business volume, including non-commissionable sales.
4. Gross up your pre-allowance prices to provide the allowance, based on the weighted percentage calculated in #3.

The result of this provides an allowance on all sales to amortize the cost of commissions and discounted net rates. The net effect is that non-commissionable/non-discounted prices and market segments will subsidize the commissions and discounts for the other markets.

Perform a similar analysis for seasonally varied prices. The total price per unit is therefore:

$$\begin{array}{c} \text{Total Variable Costs per Unit Sold} \\ + \\ \text{Total Fixed Costs per Unit} \\ + \\ \text{Share of Marketing and Overhead Costs Per Unit} \\ + \\ \text{Average Discounts/Commissions and Your Profit per Unit} \end{array}$$

#### Step 6: Calculate Selling Prices for a Full Range of Customers

To calculate your selling prices for the full range of your customers, you have to adjust your average price per unit, so that you can offer rates for singles, third and fourth persons sharing one room, children, people travelling off-season, retired mature travellers, group bookings, and so on.

Appropriate reductions and extra charges may be incurred with outside suppliers, and these should be taken into account when calculating your range of selling prices.

It's important to establish a range of prices which, on average, based on the expected mix of business, provide you with the average profit targeted in Step 5.



**EXHIBIT 3-1**  
**PRICING WORKSHEET FOR: ROOM RATE**  
**VARIABLE AND FIXED COSTS – PAGE 1**

---

OPERATING COSTS PER UNIT	Formula	Net Cost Per Unit Sold
<b>VARIABLE COSTS</b>	<i>incremental costs per day for an occupied room</i>	
Housekeeping service	<i>wages per hr/# rooms per hour</i>	<i>\$8.50 per hour/ 2 rooms = \$4.25/room</i>
Room supplies	<i>cost per occupied room per night</i>	<i>\$2.50</i>
Extra Utilities	<i>cost per occupied room per night</i>	<i>\$0.75</i>
Other	<i>cost per occupied room per night</i>	<i>\$0.50</i>
Subtotal: Variable Costs		<i>\$8.00</i>
<b>ALLOCATION OF FIXED COSTS</b>	<i>total daily costs allocated per available room night (100 units)</i>	
Front Office	<i>"</i>	<i>\$750/100 = \$7.50</i>
Utilities	<i>"</i>	<i>\$1,250/100 = \$12.50</i>
Maintenance and night staff	<i>"</i>	<i>\$300/100 = \$3.00</i>
Other	<i>"</i>	<i>\$500/100 = \$5.00</i>
Subtotal: Fixed Costs		<i>\$28.00</i>
Grossed Up for Average Occupancy Rate		<i>(60% or 0.6) \$28/0.6</i>
Grossed Up Fixed Costs		<i>\$46.66</i>
<b>TOTAL VARIABLE AND GROSSED UP FIXED COSTS</b>		<b><i>\$54.66</i></b>

**EXHIBIT 3-1 CONT'D**  
**OVERHEAD COSTS AND GROSS-UP – PAGE 2**

OVERHEAD, MARKETING, MARKUPS				
	Total Cost Allocation Per Day	Allocated Cost Per Unit Available	Occupancy/ Utilization Factor Gross Up	Grossed Up Cost Per Unit
Total Variable and Grossed Up Fixed Costs Carried Forward from Page 1				\$54.66 (A)
<b>OVERHEAD ALLOCATION</b>				
Marketing	$\$200,000/365$ days = \$600	$\$600/100 =$ \$6.00	0.6	$\$6.00/0.6 =$ \$10.00
Other Overhead (including all charges against revenue, taxes, interest & principle payments, etc.)	$\$1,000,000/365$ days = \$2,740	$\$2,740/100 =$ \$27.40	0.6	\$45.67
<b>TOTAL OVERHEAD COSTS</b>				\$55.67 (B)
TOTAL ALL COSTS (A + B)				\$110.33
Gross Up Factor for Profit				15% or 0.85
Gross Up Factor for Commissions/Discounts				10% or 0.90
<b>RETAIL PRICE PER DAY</b>				$\$110.33/0.85/0.90 =$ \$147.10

**EXHIBIT 3-1 CONT'D**  
**PRICING WORKSHEET - VARIABLE PRICES FOR DIFFERENT CUSTOMERS - PAGE 3**

---

Product	Base Price - average	-- Seasonal Premiums/Discounts --				-- Discount/Supplements Per Person --				
		High	Shoulder	Off Season	Other	Seniors	Children	3rd Person	Single Supplement	Group
Room Rate	\$147.10	+ 15% \$169	-20% \$118	-30% \$103		-10% \$132		-40% \$88		

## APPENDIX 4: TIPS FOR DESIGNING, PRICING AND MARKETING PACKAGES

Chapter 7 introduced packaging and its value for both travellers and tourism businesses. Tips for successful packaging are explored here. Also look at Nova Scotia's Experience Tool Kit, found at: <http://novascotiatourismagency.ca/experience-toolkit>, for other tips on packaging.

### PLANNING AND DESIGN

There are seven steps to developing a package. The first five are discussed here. The other two - pricing and quality management, have subsections of their own that follow this one.

#### 1. SET YOUR OBJECTIVES FOR YOUR PACKAGING PROGRAM

---

Objectives can vary from one package to another as well as for each partner involved. Your objectives might include some or all of the following:

- Enhance the customer's experience
- Develop new markets
- Increase length of stay
- Improve repeat business
- Increase business in off-peak periods
- Increase yield in peak periods

#### 2. ASSESS YOUR LOCAL SPECIAL INTEREST ACTIVITIES, ATTRACTIONS AND SERVICES

---

Inventory the appealing experiences and attractions in your community and region that might be built into a package and help maximize its selling power. Assess your own product to identify experiences, facilities and services to feature in your package.

#### 3. ASSESS THE MARKETS

---

Develop a good understanding of your existing markets and the additional markets you might target for the package. To get ideas on what kind of packages will sell, you could talk to your current customers,

#### SEVEN STEPS TO DEVELOPING A PACKAGE

---

##### Planning and Design

1. Set your objectives
2. Assess local special interest activities, attractions and services
3. Assess the markets
4. Design the package
5. Negotiate with suppliers and partners

##### 6. Price the package

##### 7. Quality Management

do a customer survey and/or research packages offered by your competitors and other businesses. Look at the packages offered on NovaScotia.com and other websites. Also, research travel market trends to see what motivates people in today's marketplace

Ultimately, you want to know who your customer is likely to be and what they are interested in or looking for. Generally, the features of successful tourism products in today's marketplace are:

- Well themed
- Experiential
- Authentic
- Memorable
- Enriching, educational
- Entertaining
- Hands-on
- Accessible
- Value-added
- Exceeding expectations

#### 4. DESIGN THE PACKAGE

---

First and foremost, it's important to develop a package concept that will appeal to and meet the needs of the market segment you wish to pursue. Here are some suggestions.

##### Build a List of Ideas

The basis for this list will come from your research and your inventory of packageable features in the community. First identify the core appeals, experiences, activities and attractions on which the package is to be based. Then address the need for the various services required by customers buying the package.

##### Select the Package Theme

Having a theme for a package will increase its marketability by reinforcing its appeal to the target markets. Express the package theme through the name of the package, the promotional text on your website, in your social media posts, in your ads and in any printed collateral you develop – all designed to strengthen the image of the experience being offered.

#### **AN OUTDOOR ADVENTURE PACKAGE WITH AN ECOTOURISM THEME**

---

**Market:** Outdoor enthusiasts with an interest in environmental conservation.

**Experiences:** Guided Sea kayaking including a study of sea life, discussion session with biologist, participate in field research experiments

The intent is to combine experiences and appeals that work well together to provide an excellent overall experience, and that complement one another under a theme having a unique and distinctive character.

#### Market Positioning for the Package

The theme will help establish a market "positioning" for the package, differentiating it from other packages in the market. Position your package in the marketplace so that its unique appeals catch the attention of the right customers – the customers you are targeting.

In your planning give thought to each of these in the context of the market(s) you are targeting:

- Economy versus deluxe – economy typically suggests motels versus downtown quality hotels, fewer meals and only the very basic and necessary ingredients;
- The "unique selling proposition" offered to potential customers; basically, the package theme and its unique appeals and experiences which are relied upon to sell the package;
- The differentiation of the package against other options in the market;
- The value-added features of the package which will add to its appeal.

With all of these in place, the package should have a competitive advantage in the marketplace.

#### Determine What to Include in the Package, and What to Leave Out - Features of a Good Package

With a full list of potential package elements, the theme of the package in hand, and the market positioning established, now select the features for the package. It's very important to avoid choosing package elements based on your own "likes" and "dislikes" – choose them according to the best fit with the target market. They should:

- Be consistent with the theme and the market positioning strategy
- Be appropriate to the expectations of the market being targeted
- Contribute to the unique selling proposition and help differentiate the package from competing packages in the marketplace
- Offer good value to the customer
- Add to a quality experience
- Be complete – all the necessary features and services included

Some ideas about what to include and what to leave out are presented below:

#### ***Core Experiences:***

- *Attractions and Activities*

Include attractions that are complementary to the theme and the central experience. These are normally a central feature of any successful package, but they need to be the kind of experiences that are appropriate to its theme and the market positioning. You may also want to consider including other local attractions in your package, but only if they complement the experience. Don't put it in just because it's there.

- *Special Interest Activities*  
Include these if they are important demand-generators or are central to the theme of your package. Offer them as options if they are not.
- *Experiences that Reflect the Culture and Heritage of the Destination*  
Market trends indicate that visitors are interested in experiencing the culture and heritage of a destination. For example, an evening of local entertainment or storytelling might be of appeal, even to markets who are participating in unrelated activities.

***Support Services:***

- *Equipment Required by Customers*  
Canoes, tents, safety gear, etc., if customers are unlikely to bring their own. Otherwise, make equipment an optional extra. Clearly define in your marketing materials what customers are to bring themselves and what you will supply.
- *Special Services*  
Guides, interpreters, drivers, escorts, etc. need to be included for groups and group activities. An independent, self-guided package would not include them. Make sure the staff is well trained for their jobs and in hospitality skills.
- *Inter-City Transportation*  
Include this if you are offering a group package or if one particular mode of transport – the one you would offer – gives your customers a price or time advantage. Otherwise it should be excluded or made an extra-charge option.
- *Local transportation*  
Local transfers are usually included if the package also includes inter-city transportation; basically, if the customers are without their own car.
- *Accommodation*  
Accommodation is a basic component for most packages, so it should be included, unless, of course, the package is intended to be a day package.
- *Meals*  
Meals should be included if there are few or no quality choices available in the immediate area. However, even if there are choices of restaurants available, it is still a good idea to include at least one meal, especially if it enhances the package. But beyond that, meals should probably be left out of the package to give your customers flexibility and choice.

- *Drinks*  
Alcoholic beverages should not be included unless they are part of a special event (for example, a welcome cocktail party). Non-drinkers will resent paying for "free" drinks. If you are offering a wine or culinary package, consider including tastings and perhaps one drink in the package, with others available for a fee.
- *Taxes*  
These should always be included; otherwise, customers will feel there are hidden "extras."
- *Gratuities*  
Generally, it is a good idea to include gratuities on included package items, since customers will not be paying directly and will rarely tip in these circumstances. You want to ensure that your customers get quality service.
- *Extra features*  
This might include a souvenir or memento, savings, discount coupons, etc.

It is important to think through all of the likely needs of the customer purchasing the package and make sure that the key services they will require are included. Things that are not essential but may be of interest should be offered as optional add-ons or listed as suggestions to the customer.

## 5. NEGOTIATE WITH SUPPLIERS AND PARTNERS

---

Suppliers included in the package effectively become partners in the package. You will have to negotiate prices with them – some may have an existing schedule of discounts and commissions, which may be sufficient. In other cases, negotiate the best price possible for each element so as to be able to price the package competitively and to maximize your own bottom line profitability. Remember that your partners will benefit from the package as well – you will carry the marketing and sales administration costs. Also, the package may provide them with business in their slow period, so they should be prepared to "sharpen their pencil."

## PRICING THE PACKAGE

Packages can be priced with the same method used for basic tourism products, with the preferred method being the Return on Investment Method.

Pricing packages for groups differs somewhat from the method used for independent packages, although the principles are the same.



In general, package pricing can be undertaken using the following steps. The approach requires first determining the cost per person, then making adjustments for couples, families, etc.

Use the worksheet in Exhibit 4-1 at the end of the appendix.

Step 1:            Calculate Total Variable Costs per Person

The first costs to be addressed are those that attach to individual customers, or "variable costs." These are costs for meals, accommodation (usually one-half the double occupancy rate, if the rate is based upon two persons per room), attraction admission fees and other costs normally incurred on a per person basis.

Add the net per-person costs of all variable cost package components at the rates quoted by their suppliers, net of all commissions and discounts. Varying rates for children, retired mature travellers, singles, third persons per room, etc. should be noted, as should seasonal variations.

Don't forget details like taxes, baggage handling and gratuities.

Step 2:            Calculate the Fixed Costs per Person for a Specific Package Departure/Date

The second category of costs is those that, when customers are served in a group, will not vary for a particular individual, but do vary for each package occasion. These costs could include a motorcoach charter, the services of a guide, guest speaker, and so on.

This analysis will apply only to packages in which groups of people will participate together. Completely independent packages need to have all costs assessed on a per-person basis and treated in the fashion described in Step 1.

First, add together the fixed costs for a specific departure or package date, then divide the total fixed costs by, say, 60% to 70% of the number of people expected to buy the package. By using a percentage less than 100, you reduce the risk of loss caused by lower-than-expected package sales, and you increase the chances for extra profit if the package is a success.

If there is significant uncertainty as to the numbers of customers on given departures, it may be necessary to use a lower percentage of, say 50%. Remember, however, that using a lower percentage will increase the price of the package.

Step 3: Calculate an Allocation for the Package's Marketing and Share of Overhead Costs on a Per-Person Basis, for the Program as a Whole

The third category of costs is the share of the marketing costs and business's overhead costs to be allocated to the package. (For low overall demand periods, it is appropriate to allocate a lower level of these costs, to be able to offer a real saving to customers, while still earning a reasonable contribution towards these costs).

Calculate the package's marketing and share of overhead costs, and then (as in Step 2) divide by 60% to 70% of the total number of customers expected.

In this instance, the costs are to be amortized over all of the dates/departures for the package, or the packaging program as a whole.

Step 4: Calculate Total Package Cost on a Per Person Basis

Add together the per-person costs calculated in Steps 1, 2 and 3, to arrive at a total net package cost per-person.

Step 5: Mark-Up Total Package Costs to Cover Commissions and Provide a Profit

Mark up the total per person costs to cover travel agent and tour operator commissions (if applicable) and, of course, your profit.

Commission margins will vary depending on how the package is to be sold. If it is to be sold directly to consumers, you may not need a margin for commissions. However, if you are going to sell through travel agents, you will have to provide for a commission of 10% or more. Tour operators will need a margin of 20% to 25% or more.

If a mix of commissionable bookings or a mix of commissionable and non-commissionable business is expected, calculate a weighted average commissions allowance, based on the expected proportions of sales.

Profit margins on the package should probably be in the 5% to 15% range. This can vary depending on the objectives for the package and the season. If the package is being developed to build business in slow periods, then a lower percentage might be appropriate compared to that for a high season, where you want to maintain a healthy profit margin.

The total package price per person is therefore:

$$\begin{array}{c} \text{Total Variable Costs per Person} \\ + \\ \text{Total Fixed Costs per Person} \\ + \\ \text{Share of Marketing and Overhead Costs Per Person} \\ + \\ \text{Commissions and Your Profit per Person} \end{array}$$

**Step 6: Calculate Selling Prices for a Full Range of Customers**

To calculate your selling prices for the full range of your customers, you have to adjust your total package price per person, so that you can offer rates for singles, third and fourth persons sharing accommodations, children, people travelling off-season, retired mature travellers, group bookings, and so on.

Appropriate reductions and extra charges will have to be negotiated with all component suppliers, and these should be taken into account when calculating your range of selling prices.

It is important to establish a range of prices that, on average, based on the expected mix of business, provides you with the average profit targeted in Step 5.

The acid test of package pricing is whether the customer will be able to buy the package for less than the aggregate retail value of the included elements and services. This is a fundamental requirement since consumers expect to accomplish savings by buying a package. This means that you have to cover all of the marketing and overhead costs, as well as the commissions and profit margin, within the discounts obtained from the various suppliers involved, and still pass on a saving. This is a significant challenge, and will require a dedicated effort to accomplish.

## QUALITY MANAGEMENT

Quality control in planning and managing your package is vitally important. Your best intentions and a well-conceived package concept are not adequate in themselves to ensure a satisfactory customer experience. Many things can go wrong. A quality management program consisting of six elements is required:

- Careful and thorough planning and negotiations with package suppliers directed at arrangements for coordination, management and problem solving;

- Contingency arrangements where appropriate;
- A management process within your own operation to coordinate arrangements and to deal with problems;
- Communications with the customer;
- A generous policy for refunds and credits;
- Tracking results.

## MARKETING PACKAGES

A package needs its own marketing support, as well as being featured in your regular marketing programs. Remember that the package has its own unique appeals and its own target markets, which may be different from your regular markets. Develop a marketing plan and budget for each package offered.

Your packaging partners can also become your marketing partners. They could agree to contribute some money to the marketing program and also include the package in their own marketing activities.

The provincial tourism website ([www.novascotia.com](http://www.novascotia.com)) promotes industry packages and there is an on-line system to allow you to maintain your packages and special offers on this website. For information, go <http://novascotiatourismagency.ca/packages-and-deals>. Also, your local chamber of commerce/tourism office or your regional tourism industry association might potentially include the package in their marketing programs.

**EXHIBIT 4-1**  
**PRICING WORKSHEET FOR PACKAGES**

---

**Pricing Worksheet for Package:** \_\_\_\_\_

<b>PAGE #1: VARIABLE COSTS PER PARTICIPANT</b>		
	<b>Retail Value per Participant</b>	<b>Net Cost Per Participant (1)</b>
Attraction/Experience #1		
Attraction/Experience #2		
Attraction/Experience #3		
Meal		
Refreshments		
Souvenir/Gifts/Guidebook		
Other _____		
Other _____		
Tax on taxable items		
<b>Total Variable Costs</b>		

Notes:

- (1) This is the discounted rate you negotiate with the supplier. If there are significant variations in the costs in different seasons, it will be important to do this analysis for each season and then average the resulting cost.

**EXHIBIT 4-1 CONT'D**  
**PRICING WORKSHEET FOR PACKAGES CONT'D**

---

<b>Page #2: Fixed Costs Per Departure</b>			
	<b>Cost Per Excursion</b>	<b>Capacity - # of Participants</b>	<b>Allocated Cost Per Participant (Based on Capacity)</b>
Motorcoach/Van			
Driver			
Guide			
Other Experts			
Other_____			
Other_____			
Tax on taxable items			
<b>Total Fixed Costs</b>			
Estimated Load Factor (Average Percentage) (1)			
Grossed Up Cost per Participant (2)			

(Shaded areas are not used for the calculations)

Notes:

- (1) Estimate what percentage of the capacity the tour will operate at, on average.
- (2) Divide the allocated cost per person by the load factor (as a decimal point) to estimate the grossed- up cost per participant.

**EXHIBIT 4-1 CONT'D**  
**PRICING WORKSHEET FOR PACKAGES CONT'D**

<b>Page #3: Overhead and Marketing Cost Allocation</b>					
	<b>Cost Allocated to this Package</b>	<b># of Departures</b>	<b>Cost Allocated per Departure</b>	<b>Capacity - # of Participants</b>	<b>Net Cost Per Participant</b>
Marketing					
Other Overhead					
<b>Subtotal Overhead Costs</b>					
<b>Load Factor Gross up</b>					
<b>Grossed Up Cost Per Participant</b>					

(Shaded areas are not used for the calculations)

<b>Page #4: Total Costs, and Proposed Price Per Participant</b>	
	<b>Grossed-up Costs Per Participant</b>
Total Variable Costs (From Page #1)	
Total Fixed Costs (From Page #2)	
Total Overhead & Marketing Costs (From Page #3)	
<b>TOTAL VARIABLE, FIXED &amp; OVERHEAD COSTS</b>	
Gross-Up Factor for Profit	
<b>PROPOSED PACKAGE PRICE</b>	

## APPENDIX 5: TRACKING AND MEASUREMENT THE IMPACT OF YOUR MARKETING ACTIVITIES

Chapter 5 introduced the concept and importance of tracking and measuring the results of your marketing activities, sometimes called performance-based marketing. Some ideas on how to do this at your business are provided here.

### HOW TO DO PERFORMANCE-BASED MARKETING AT YOUR BUSINESS

To establish tracking and measurement processes for different marketing initiatives/programs, follow these steps:

1. Establish goals & objectives for the marketing program.
2. Decide what you need to measure, and how you are going to do it before you implement your marketing program
3. Set up the necessary tracking tools, train your staff on how to implement them and make sure they follow through on implementation.
4. Analyze the findings from your tracking, and the results of your measurements.
5. Monitor regularly and compare results against goals, other marketing programs and past years' performance.
6. Adjust and refine marketing programs where warranted.

#### #1: Establish Goals and Objectives for the Marketing Program

This should include three types of goals and objectives:

1. Sales volumes and net contribution/return on investment achieved for each major initiative
2. The cost-effectiveness of your various marketing tactics.
3. The information you want about the customers and markets you are serving.

#### #2: Decide What to Measure

Depending on the type of business, here is what you could measure:

##### *Accommodation Businesses*

- Number of room nights booked (occupied room nights)
- Average length of stay of guests
- Room revenues
- Numbers of packages sold

##### *Attractions*

- Numbers of tickets sold
- Numbers of coupons redeemed
- On-site revenues from food and beverage, retail elements

##### *Restaurants*



- Numbers of covers
- Average check value

*Campground*

- Numbers of site nights booked
- Average lengths of stay of guests
- Site rental revenues
- Other on-site revenues, e.g. canteen sales

*Adventure Tourism Operator*

- Numbers of tickets/packages sold

### #3: Set Up the Tracking Tools You Need

The other key information you need to track is how your customers (and those enquiring about your business) found out about you.

For your website, this is relatively easy by using a web analytics package. These packages can track a wealth of information about the visitors to your website and how they navigate around your site. (see the detailed discussion in Chapter 4)

To track inquiries that are generated by other marketing initiatives, use a simple ‘tick sheet’ that lists each of your key marketing initiatives.

Have your staff ask each enquirer (or a sample of them depending on the level of enquiries), how they heard about the business, and record the information on the tick sheet. For larger businesses or special marketing activities, your call to action can be directed to a specific website landing page, a different toll free number or a different staff member, making it easier to track how many responses are generated.

Or, you can talk to your customers when they arrive at your property.

### #4: Analyze the Findings

Analyze the results to measure the revenue that is generated directly by the marketing effort and your Return on Investment (ROI) – either each marketing activity individually or the overall program:

$$\begin{aligned} &\text{Approximate value of each sale} \times \text{Number of sales generated by the marketing initiative(s)} \\ &= \text{Total Revenue from the marketing initiative (s)} \end{aligned}$$

$$\frac{\text{Total Revenue}}{\$ \text{ Spent on Marketing}} = \text{Return on Investment}$$

#5      Monitor Regularly and Compare Results to Your Objectives

Compare the results of your marketing efforts overall from one year to the next. Look at the ROI of each marketing initiative (if possible).

#6      Adjust and Refine as Needed

Use this to refine your marketing strategy and tactics, and to adjust your marketing budget and how you allocate it between marketing tactics.

## APPENDIX 6      PERSONAL INFORMATION PROTECTION AND ELECTRONIC DOCUMENTS ACT

In 2004, the federal government adopted the Personal Information Protection and Electronic Documents Act (PIPEDA). This legislation is application to all organizations, including private businesses both large and small. It identifies the responsibility of organizations with respect to personal information of their employees and customers collected and stored through the course of normal business activities.

The Act's primary purpose is to ensure that the privacy of individuals is respected, that any personal information is used for legitimate purposes and that it is stored or maintained in a secure fashion, including when it is no longer needed. The Act can be found at [www.laws-lois.justice.gc.ca/eng/acts/P-8.6/index.html](http://www.laws-lois.justice.gc.ca/eng/acts/P-8.6/index.html)

The basic elements are:

- A business that wants to collect, use or disclose personal information about people needs their consent to do so, except in a few specific and limited circumstances.
- A business can use or disclose personal information only for the purposes for which they gave consent.
- Even with consent, you have to limit collection, use and disclosure to purposes that a reasonable person would consider appropriate, under the circumstances.
- A business may only collect personal information that is essential to the business transaction; if you are asking for more information than is essential, the consumer can ask why you want it and decline to provide it. If this happens, the business is required to proceed with the transaction.
- Individuals have the right to see personal information that your business has on them and to correct any inaccuracies.

Oversight of this act is provided through the Privacy Commissioner of Canada to ensure that the law is respected and there is redress if people's rights are violated.

It is recommended that all organizations have in-house policies and procedures relating to the retention and use of personal information. A tool kit to help build a privacy plan for your business can be found at [www.priv.gc.ca/resource/tool-outil/english/index.asp?a=logout](http://www.priv.gc.ca/resource/tool-outil/english/index.asp?a=logout) . Many businesses also display their privacy policy in their company literature and on their websites.

A Privacy Guide for Small Business can be found at [www.priv.gc.ca/information/pub/guide\\_sb\\_e.asp](http://www.priv.gc.ca/information/pub/guide_sb_e.asp) .

## APPENDIX 7 GLOSSARY OF TERMS

<b>Affinity Group</b>	Groups composed of members of an organization who travel together.
<b>Brand</b>	The manner in which a product or service is presented to the consumer in marketing materials that draws attention to its unique appeals to targeted market segments.
<b>Business Plan</b>	The initiatives being used to implement a strategic plan.
<b>Collateral Materials</b>	Print materials used in marketing, such as brochures, flyers, information sheets, etc.
<b>Commission</b>	The compensation that a travel agent or other intermediary receives from a product supplier in return for selling their products or services. Commissions are usually based on a percentage of the retail value of the transaction.
<b>Consumer Show</b>	A travel-related show designed for consumers.
<b>Cooperative Marketing</b>	The sharing of marketing costs for mutual benefit. Participants in a cooperative marketing initiative may include one or more travel product suppliers, a destination marketing organization, and travel trade companies such as tour operators or wholesalers. Usually all participating organizations share in the administration and/or cost of the marketing program.
<b>Coupon</b>	A document offering a saving or other benefit associated with purchasing a product. In tourism this is usually a saving on an attraction admission, a second meal free at a restaurant, etc.
<b>CPM</b>	Cost per thousand. This relates to the cost of the media in reaching this audience size.
<b>CTC</b>	Canadian Tourism Commission – Canada’s international destination marketing organization.

<b>Direct Marketing</b>	This refers to the use of marketing media that involve contact directly with individual customers and prospects. This includes mail and email that is sent directly to the individual.
<b>DMO (Destination Marketing Organization)</b>	A 'destination marketing organization', such as a city tourism organization (e.g. Destination Halifax) or a regional tourism association that promotes its members.
<b>Familiarization or "FAM" Tours</b>	A complimentary or reduced-rate travel program for tour operators travel agents or travel writers, designed to improve knowledge about a particular destination. The purpose in the first two cases is to encourage active marketing support and the attendees' ability to sell the product through having first-hand knowledge. In the third case, it is to encourage favourable media stories about the destination.
<b>Fulfillment</b>	This refers to sending out travel literature in response to enquiries.
<b>Ground Operator</b>	A company or individual providing services to a tour operator at the destination, such as sightseeing tours, local transfers, guides and other local services, but not including transportation to and from the destination. This is also called a 'land operator'.
<b>Group Leader</b>	The travel coordinator for an affinity-based group having members who travel together.
<b>Inbound Tour Operator</b>	A tour operator that is located in, and specializes in a particular destination. The tour operator deals with clients that are inbound to its destination.
<b>Incentive Travel</b>	Travel rewards provided to employees of companies, or to its customers, as an incentive to achieve performance targets in the first instance, and to buy products in the second.
<b>Itinerary</b>	The day-by-day travel program of an individual traveller or group tour.
<b>Market Development</b>	The component elements of preparing tourism products for the marketplace.

<b>Market-Readiness</b>	This refers to the state of preparedness of a tourism operation, or a destination as a whole in meeting the expectations of its customers. It refers to the whole spectrum of things affecting customer satisfaction - quality of experiences, facilities and services, range of services provided, quality of customer service, information services, business policies and practices that affect the customer directly or indirectly, etc.
<b>Marketplace</b>	A travel trade event where tourism suppliers have scheduled appointments with travel trade buyers. It also refers in a different context to the available market(s) for products.
<b>Media</b>	The mediums used to implement a marketing program or plan.
<b>Media Relations</b>	The practice of soliciting publicity from media organizations.
<b>Net Rate</b>	A discounted price offered to tour operators and other wholesalers.
<b>Online Marketing</b>	Marketing that involves the Internet, such as websites, email, social networks, etc.
<b>Online Tour Operator</b>	A tour operator that offers its products exclusively via the Internet.
<b>Package</b>	A pre-arranged combination of travel components 'packaged' together and sold at an all-inclusive price in a single transaction.
<b>Positioning</b>	How the product or businesses describes its position in the marketplace, relative to its competitors, its service mix and its unique selling propositions.
<b>Provincial Marketing Organization (PMO)</b>	A provincial government tourism marketing department/division, e.g. the Nova Scotia Tourism Agency.
<b>Quality Assurance</b>	Providing a commitment to customer satisfaction.
<b>Rack Rate</b>	The published (or 'advertised') retail price of a tourism product or service.
<b>Rate Card</b>	A card that lists the prices for products.

<b>Receptive Operator</b>	A tour operator that specializes in particular destinations, providing services at the destination to group travel organizers and tour operators. Some limit their services to the community and area in which they are based; others provide services for entire regions/countries.
<b>Sales Promotion</b>	Marketing activities that involve incentives to sample and buy a product.
<b>Self-Drive Itinerary</b>	This refers to an itinerary of travel arrangements for an independent traveller on an independent package tour. (Also 'Fully Independent Tour, or FIT'.)
<b>Special Group Rates</b>	A per-person discount offered on group bookings.
<b>Special Interest Group</b>	A group built around a common interest in a specific subject or activity.
<b>Strategic Plan</b>	A plan that identifies the component elements of a successful enterprise.
<b>Tour Operator</b>	A tour operator is a business that designs, develops, promotes and operates packaged travel and tourism products and tours.
<b>Travel Agent/Agency</b>	A licensed travel product retailer (or simply 'retailer') that provides travel information, reservations and other forms of assistance to consumers, companies and groups in making travel arrangements.
<b>Travel Guide</b>	A print publication or online guide used to promote and assist travel planning.
<b>Travel Trade</b>	A term describing the whole range of organizations that function as intermediaries in the travel and tourism industry. These include tour operators, wholesalers, receptive operators, and travel agents.
<b>Unique Selling Proposition (USP.)</b>	The unique characteristics of a travel product that is used to promote and sell it.