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## Marketing your tourism business internationally

Whether you're just getting started in tourism, or have a strong product that you're ready to take offshore, the information in this document can help you. Find out what you can do to market your tourism business both at home and overseas.

### Step One: Know your customers

Knowing the kinds of customers that make up your target market will enable you to tailor your product to meet their needs, expectations and preferences, and help make sure your marketing reaches the right people.

You want to create a product that will delight your customers and encourage them to rave about it to their friends. So you need to know a little about who they are and what they're looking for in a holiday experience.

This knowledge will also help you plan when your business will be busiest, how many customers you can expect to attract, where you need to target your marketing and how to price your product.



### Ask yourself a few questions:

- Are you looking to attract fellow Kiwis or international visitors?
- What regions of New Zealand or what countries do they come from?
- What is their average daily expenditure when holidaying?
- How do they pre-purchase their travel and activities? Do they use a travel agency, go online or book direct?
- What is their average age, where do they stay, what activities do they do?
- Do they travel in organised tour groups or independently?
- How many days do they spend in your region and when do they come?
- How do they travel while in New Zealand?
- Do they speak English, or will they need assistance in their own language?

### Do Your Research

Some of the answers to the above questions can be found in the [Markets and Statistics](#) section of the Tourism New Zealand website.

Our market guides include latest visitor statistics and commentary, advice on working in these markets and guidance on where to go for more information.

Visit [www.tourismnewzealand.com/markets-and-stats](http://www.tourismnewzealand.com/markets-and-stats)

Tourism New Zealand's [Visitor Experience Monitor \(VEM\)](#) is another useful source of information on the kinds of activities, transport and accommodation options that are most satisfying for visitors from different countries.

New Zealand's Tourism Strategy Group (within the Ministry of Business, Innovation and Employment) has a wide range of information available to tourism operators. Their research website - [www.tourismresearch.govt.nz](http://www.tourismresearch.govt.nz) - provides a valuable resource.

Talk to your local Regional Tourism Organisation (RTO) to find out more about the types of visitors that regularly travel to your region. Many RTOs hold regular seminars for new tourism businesses or will be willing to meet with you to discuss your new venture. [Find contact details for your local RTO.](#)

[Read more about research available through the Tourism Strategy Group](#)



## Step Two: Spreading the word

There are a range of ways you can market your business to customers. It's best to choose a selection, depending on who your customers are and the way they plan and book holidays.

If you want to make sure you maximise your business opportunities it's a good idea to think about using a range of channels. Identify how you can reach your target customers at all stages of their planning and holiday, and plan a mix of communications that will reach them at these different stages.

If your customers plan ahead and research before they arrive in your region, then you will need a good website with enquiry and/or booking functionality.

You'll also need to make sure your target customers can find your website online. Listings on other travel websites (such as [www.newzealand.com](http://www.newzealand.com)) or in travel guides such as Lonely Planet and Frommers, as well as spending some time making sure your website can be found by search engines, are key ways of doing this.

If your target customers are likely to be more spontaneous, then you will want to make sure the local i-SITE visitor centre has your brochure and that you are listed on their booking database.

Read more about the i-SITE network on [Tourism New Zealand's website www.tourismnewzealand.com](http://www.tourismnewzealand.com).

Tourism New Zealand's image library provides access to a huge range of images of New Zealand. These can be used free of charge in marketing material that promotes New Zealand offshore as a tourism destination. Register and apply online at <http://images.newzealand.com/>

### Work with others in the region

Talk to other tourism operators about how you can work together to promote your businesses. When tourists visit a region of New Zealand they will usually want to do, see and explore as much as possible. If you know what's on offer in your area and what other tourism products are available to your visitors, you'll help keep them in the region longer.

Make sure you stay in touch with your local Regional Tourism Organisation (RTO). Your RTO is responsible for marketing your region both in New Zealand and internationally. They work closely with Tourism New Zealand and other tourism organisations to promote your region to consumers, travel agents, travel wholesalers and the media.

Keeping your RTO up-to-date on what you're up to will help them promote your business through the work they do. And it will help you keep up with what's happening in your region and ensure you are delivering the products and services that meet the needs of the kind of visitors your RTO is working to attract to the area.

[Find the contact details for your local RTO on the website www.rtonz.org.nz](http://www.rtonz.org.nz)

## ***Step two continued...***

### **Working with the media**

Getting coverage in the media is a great way to raise the profile of your business.

Tourism New Zealand's international public relations (PR) team works with the media offshore to generate positive media coverage for New Zealand. The team is always looking for good story ideas, so make sure you send your stories to [news@tnz.govt.nz](mailto:news@tnz.govt.nz). They are happy to receive anything from a few bullet points with contact details to a full press release.

As well as making story ideas available to the media through our international media website, Tourism New Zealand hosts a number of high quality media outlets every year, with the assistance of RTOs, tourism operators and the wider tourism industry.

The best way for you to get involved is to keep in touch with your RTO. Tourism New Zealand works closely with RTOs to coordinate the itineraries of visiting media within each region. If you have a good relationship with your RTO you are more likely to be included in the itineraries they recommend to our team.

You can also include your tourism product in the [Explore New Zealand](#) programme. Tourism New Zealand is not able to fully support all international media that visit New Zealand, so this discount scheme is designed to help them experience what New Zealand has to offer without our financial support. You can offer discounted or free-of-charge products and services, which the accredited person can use while in New Zealand.

**Visit the media website: [www.newzealand.com/travel/media](http://www.newzealand.com/travel/media)**



## Step Three: Go online

Travellers are becoming increasingly confident researching and booking their holidays online. It is therefore essential that you have an online presence. If your customers can't find you online, there's a good chance they'll go elsewhere.

### Resources for listing online

There are a number of websites that allow tourism businesses to list their products, along with contact details, photos and booking information.

It is free to list on Tourism New Zealand's travel website [www.newzealand.com](http://www.newzealand.com) - you'll be connecting with the more than one million travellers that visit the site every year.

This website provides a range of resources for travellers to help them find out more about New Zealand and book and plan a New Zealand holiday. All of Tourism New Zealand's international advertising activity directs consumers to this website.

Operators can also extend their listings to display on our travel trade website - [www.traveltrade.newzealand.com](http://www.traveltrade.newzealand.com). [Register online now](#).

### Socially savvy

The Internet has increased the reach of word-of-mouth by giving every consumer the power to publish their thoughts, feelings and experiences online.

Many travellers now base their travel decisions around customer ratings they read online. Websites such as [www.tripadvisor.com](http://www.tripadvisor.com), [www.rankers.co.nz](http://www.rankers.co.nz) and [www.hostelworld.com](http://www.hostelworld.com) all allow travellers to rate and review tourism businesses. Operators should keep an eye

on these websites and others, and be aware of what is being said about them online.

Travellers are also using social media and blogs to update friends and family from the road: posting photos, videos and comments about their experiences. These updates can act as personal recommendations in real-time to an individual's entire network - anywhere from half a dozen to a thousand or more people. Some of the websites travellers of all ages are using include [www.facebook.com](http://www.facebook.com), [www.twitter.com](http://www.twitter.com), and others.

Often there's no way to control what is said about your organisation online. The best strategy is to aim to please all of your visitors. Ensure the quality of the products and services you deliver are up to scratch and meet the expectations of your visitors. Make it easy for customers to contact you and make bookings, and ensure that, if things do go wrong or your customers aren't satisfied, you and your staff handle the situation professionally and with the needs of your customers in mind.

Use [Google Alerts](#), [www.search.twitter.com](http://www.search.twitter.com) and [www.socialmention.com](http://www.socialmention.com) to monitor what is being said about your business online.



## Step Four: Getting ready to sell internationally

Tourism New Zealand works with established tourism businesses to help them market their products internationally. But there are a few things you need to have in place before you can take that step.

First you will need to have all of your brochures, websites and other collateral developed and have a strong established client base. Next, you need to get your Qualmark. Finally, you will need to have an understanding of what's involved with marketing offshore, which markets you want to target and which distribution channels are right for your business and product type.

### International Distribution Channels

Distribution refers to the way in which consumers find out about your product and the channels they use to research it and make bookings. It is different in each country. For example, many travellers still book flights through their travel agent, but may book their accommodation online through an online travel seller and their activities direct with the operator once they arrive in New Zealand.

The traditional channels in the distribution process are retail travel agents, wholesalers, inbound tour operators and booking agents. With traditional channels, bookings are usually made in advance and paid for by the agent after the visit. These agents will charge operators a commission for the sale, which should be factored into your pricing.

In recent years, the distribution chain in some of our markets has become more simplified, with fewer intermediaries involved in the process. It pays to know how travel sellers sell their products in the markets in which you plan to operate. You will need to allow for

appropriate commission structures, depending on the structure of the distribution chain.

In addition to other changes, online travel sellers have joined this group of distribution agents. Many consumers are now confident booking through websites such as [www.expedia.com](http://www.expedia.com), [www.orbitz.com](http://www.orbitz.com) or [www.lastminute.com](http://www.lastminute.com).

### Inbound operators

Inbound tour operators (IBOs) can be a good solution for operators that want to take their product offshore without actually travelling themselves. IBOs are usually based in New Zealand, although some will be based offshore with representatives in New Zealand.

They are responsible for preparing itineraries and booking the ground arrangements on behalf of internationally-based wholesalers. They will give you access to new markets through their network of existing contacts, but this will add an additional layer of commission so ensure you plan for this in your pricing strategy.

### Travel wholesalers

Wholesalers provide retail travel agents with brochured travel packages, usually offering transport, accommodation and activities. Most wholesalers are based outside of New Zealand. Some own retail agencies or sell directly to the public.

If you work through a wholesaler, the wholesaler will present your product to the retail agent within a package or alongside a range of other products. This will give you easier access to a wide range of agents, but you will need to allow for wholesale commission as well as retail commission.

## ***Step four continued...***

### **Retail travel agents**

Selling directly to the public, retail travel agents are the face of the travel industry. They will either deal direct with operators (particularly for short-break holidays) or sell products out of wholesaler brochures.

As more consumers become confident booking travel online, online travel sellers have begun to gain market share at the expense of these traditional agents. However consumers still have a high level of trust in travel agents and some prefer the personalised service they offer, meaning travel agents will remain a key booking channel for the immediate future.

### **The Internet**

The Internet has become one of the most comprehensive and easily accessed sources of destination information. Internationally, travellers are becoming increasingly comfortable making bookings online, either direct through operator websites or through international travel sellers.

### **Guidebooks**

National and regional guidebooks may be used as references by wholesalers, inbound tour operators and retail agents. Independent travellers use them to plan their own holidays, usually booking direct with operators using contact details from the guidebook. Popular guidebook publishers include Lonely Planet, Frommers and Rough Guides. Writers often travel incognito to ensure they are treated like ordinary holidaymakers and give unbiased reviews of tourism products.

### **i-SITE Visitor Centres (New Zealand's visitor information network)**

The i-SITE Network has a central booking system that handles bookings around New Zealand, so it's a good idea to ensure your product is listed with your local i-SITE. i-SITE centres are a popular channels for booking aspects of a holiday once visitors have landed in New Zealand. Many regions also have other independent booking agents. Each will often offer brochure display space at a cost.

Find out more about working with the i-SITE Network on Tourism New Zealand's website [www.tourismnewzealand.com/developing-your-tourism-business/i-site-new-zealand/](http://www.tourismnewzealand.com/developing-your-tourism-business/i-site-new-zealand/)

### ***Don't forget commissions!***

If you are selling your product offshore, it's essential that you allow for commission payments within your pricing structure. Each part of the distribution channel will receive a commission payment at the rate you agree with them.

## ***Step four continued...***

### **Developing a Distribution Plan**

The best distribution channel for your business will depend on the product you are selling and the outcome you are looking to achieve. Don't attempt to engage with every distribution channel in a particular market. Packaging with other operators may be a good option if you are a smaller business.

#### ***Consider the following:***

- How and when does your target market purchase this type of product? Do they tend to book direct, online, through a travel agent or after they arrive in New Zealand?
- What distributors are likely to sell and promote your product? Do your research. What agents and wholesalers are active in this market, are already selling New Zealand products and have the same target market as you do?

Talk to your regional tourism organisation, other tourism businesses that are already active in this market or [contact Tourism New Zealand's regional office](#).

### **Partnering and packaging products**

To sell your products in the international marketplace they need to be visible - and the best way to achieve this is to be included in wholesaler and retail brochures. However, the travel trade will generally not feature lower-priced products in their brochures because of the low commission rates.

One way to get around this issue is to combine your product with other complimentary products to create a package. This can be

achieved by working with other like-minded tourism operators to form a marketing cluster that enables you to offer wholesalers, agents and inbound operators a single product at a higher dollar value.

There are a few things to consider if you are thinking of working with other operators to bundle your products:

#### ***Make sure you know who you're going to be working with.***

Do a thorough check of the products the other operators are adding to the bundle and make sure they meet your expectations of quality, safety and professionalism.

Making sure they are Qualmark rated or endorsed is a good way to be assured they have the business systems in place to deliver a quality experience to visitors. If you have a Qualmark Enviro rating you may also want to partner with other businesses that either already have or are working towards an Enviro rating.

#### ***Choose products that complement each other.***

The other products in the bundle should complement each other in some way - so they all appeal to your target market - while offering a different kind of experience that will be of value to your customers. For example if you offer a Māori cultural experience, you should consider bundling with other products that also have a cultural element.

#### ***Develop a sales and marketing strategy***

Once you have developed your package it should be marketed separately to the rest of your business. Consider the distribution channels you will use and develop the appropriate brochures and other marketing material. The operators involved should share the cost of marketing and promotion.

## ***Step four continued...***

### ***Assign one party to handle bookings and administration***

It's best that one business holds responsibility for all the bookings and financial processing of the package. They will need to be responsible for sharing earnings from the package to the other operators involved, at previously agreed levels.

### ***Price it right***

Agree pricing for a 12-18 month period and don't forget commissions.

### ***Be patient and work on building the product***

Expect it to take at least two years to establish your package internationally. Assign one person to be the front-person for the package, responsible for representing your package to the offshore travel trade, to save confusion.

### ***Make it official***

It's a good idea to draw up a legal agreement between the companies involved in the package.



## **Working with Inbound Operators**

Inbound operators are a one-stop-shop that takes care of the communication, logistics and negotiation process, making it simple for your product to become part of an internationally-sold tourism package.

One of the most difficult things about selling tourism products offshore is understanding and negotiating the international travel distribution process. Inbound tour operators (IBOs) are a way of circumventing this process, a kind of one-stop-shop for both international operators wanting to put together packages within New Zealand, and for New Zealand tour operators who want to attract international visitors, but don't have the resources to spend large amounts of time building relationships or travelling.

### ***What is an inbound tour operator?***

IBOs are companies that have established relationships within the international market place and work on behalf of New Zealand operators to sell New Zealand travel packages to offshore buyers such as wholesalers, travel agents, meeting planners and event managers.

They tend to be based in New Zealand, although some will be based offshore with representatives in New Zealand.

Inbound tour operators also play a role as tourism 'brokers' for overseas travel companies, providing a wide range of services including advice on product, price and availability, co-ordination of travel arrangements and payments, and supervision of product delivery. They are responsible for preparing itineraries and booking the ground arrangements on behalf of these overseas travel companies.

## ***Step four continued...***

### ***Why work with an inbound tour operator?***

Working with IBOs can save you time, money and headaches. For both New Zealand operators and international wholesalers, inbound operators are like a one-stop-shop.

IBOs simplify the process of dealing with international markets for New Zealand companies, negotiating the pricing, organising logistics and putting your product into relevant packages for your target market. They also deal with any issues that arise while international visitors that are travelling on their packages are in New Zealand.

Inbound operators can also give you access to new markets through their network of existing contacts.

For international wholesalers and retailers, an inbound tour operator makes their dealings with New Zealand tourism companies more streamlined. The IBO gives them instant local knowledge and a central point of contact, rather than having to coordinate information from New Zealand tourism operators, airlines, transport providers, etc. Because of the volume of traffic they deal with, IBOs can often negotiate better rates with hotels and other suppliers on behalf of overseas operators.

### ***How to get started***

If you would like to use an IBO, you should also get in touch with the Tourism Export Council (TEC), a trade association representing the New Zealand inbound tourism industry and tourism industry operators.

TEC encourages development of services, facilities, training and education. By joining the organisation, you can get advice on your preparedness for the international market and on choosing a suitable IBO for your business. The organisation offers

opportunities for networking with both inbound tour operators (full members) and their suppliers (allied members).

Allied members are New Zealand tourism operators who 'deliver the experience' IBOs sell to their international customers. Allied members can be everything from accommodation providers and activity operators to regional tourism organisations.

Contact TEC to find out about becoming an allied member.

[www.tourismexportcouncil.org.nz](http://www.tourismexportcouncil.org.nz)

There are also many IBOs that are not TEC members, so it's a good idea to research who is most active in your target markets and find out who you should be talking to.

### **Building International Relationships**

Working with international travel sellers can be challenging. As well as getting to know a new country, new language and new distribution channels, you will need to be mindful of the social protocols and business norms.

If you are serious about doing business in a new market it can be a good idea to employ someone who is familiar with the culture and language. This is particularly important in countries like China and Japan, where social and business norms are quite different and language can be a barrier.

In most markets, it's important to have regular face-to-face contact with the travel sellers with whom you are doing business. If you are working through an inbound tour operator, this is not so important, but if you plan to go direct to wholesalers and/or agents, you will need to plan regular sales visits to the market.

## Step four continued...

### Planning market visits

To make your market trip easier and more successful, there are a few things you can do both before heading away and after you get there.

#### **Before leaving New Zealand:**

- Make sure you pre-book your appointments and that you see the right person; ensure you meet with someone who has the power to make decisions
- Contact Tourism New Zealand's regional office to get the latest market information and opportunities and set up a time to come in and see us when you arrive
- Avoid visits during statutory holidays
- Make sure you understand the distribution system, commission structures and any specific brochure or language requirements
- Make sure your product fits the needs of the travel sellers you're visiting - don't visit a luxury travel seller if you only have backpacker products on offer!

#### **During your visit:**

- Allow enough travel time between appointments
- Your product is important, but you should also promote New Zealand and your region. Not everyone you meet with will have a clear idea of what New Zealand or your region has to offer
- Don't forget to talk to the frontline staff - most will not have been to New Zealand and will enjoy the chance to learn more about the visitor experience we offer

- Make sure you take your latest brochure, business cards and other marketing materials with you to all appointments
- Be aware of any language barriers you're likely to encounter
- Offering a small gift is always a positive way to finish a meeting

#### **Remember:**

- Have realistic expectations
- Relationships are built over time
- Be innovative - the travel trade are generally more receptive when operators have something different to offer, whether through their product or a different approach to the sales call.



## Step Five: Taking part in events

Working internationally offers a range of benefits to operators, but comes at the cost of time, money and patience. If you are successful, you will be able to increase your customer numbers and ensure you have a more reliable stream of visitors passing through your business throughout the year.

### Attending Travel Trade Shows

Travel shows are held all over the world. They can be aimed at consumers or the travel trade. Tourism New Zealand attends a number of these events every year and invites tourism operators that meet certain criteria to join us. Check out our website to see what's coming up. [www.tourismnewzealand.com/upcoming-events/upcoming-events](http://www.tourismnewzealand.com/upcoming-events/upcoming-events)

Trade shows usually involve set appointment schedules between buyers and sellers (pre-scheduled appointments made before the event) and/or an open forum that allows buyers to browse and visit the organisations they are most interested in.

Before committing to attend a trade show you should do your research and make sure it will allow you to meet your business objectives.

### Consider the following:

#### ***What are your objectives?***

Are you attending to keep in touch with existing clients, attract new business or launch a new product? What kind of people will attend this tradeshow and are they the right audience for you? Make sure attendees match your product and what you have to offer. Are they

decision-makers and will you want to do business with them in the future?

#### ***Is it the right format to meet your objectives?***

Does it have pre-scheduled appointments? Will it be possible to share a stand with another operator and cut back on costs?

#### ***Talk to your regional tourism organisation and Tourism New Zealand.***

If they're involved they will help you make contact with other people and organisations that are attending.

#### ***Establish your budget***

You will need to allow for: registration fees; costs of your travel, accommodation, transport, meals and travel insurance; the exchange rate; any pre- and post-event activity such as meetings with clients in market; the cost of producing a stand and any supporting brochures or other material you require; staff uniforms; freight costs for your stand and brochures; business expenses while you're away such as phone calls and internet use.

#### ***Connect with inbound tour operators***

Many international buyers finalise their buying of product through an inbound tour operator. Before attending an international travel show you should first have established relationships with inbound tour operators in New Zealand.

#### ***Set your rates***

Rates for your activity, attraction or accommodation are usually required to be set for a 12-18 month period. Don't forget to allow for commissions!

## ***Step five continued...***

### ***Get your collateral ready***

This includes brochures, fact sheets, stands and posters for your booth. For trade shows, it's a good idea to have these on a CD or USB drive and also include images or videos so you can give them to travel sellers to take away. You will need enough collateral for the show as well as for follow-up meetings and mailings. Some organisations include small gifts on their trade show stands, but this will depend on your budget.

### ***Get in touch with current buyers***

Make contact with the travel buyers you are already working with and find out whether they plan to attend.

### ***Check language requirements***

Attendance at some events is only appropriate for company representatives fluent in local languages and supported by brochures in these languages. If you are attending an event with Tourism New Zealand this will be specified in the event details when you register.

## **Tips for successful trade show attendance**

### ***Pre-event marketing***

It's a good idea to do a direct mail or email campaign to promote your attendance to buyers. Let them know where to find you (your booth number) and a contact telephone number and email address on which they can reach you before and during the event. You may choose to work with other New Zealand operators to run this kind of campaign.

### ***Stand design***

Your booth needs to reflect your brand, your organisation's personality and the benefits of your product. Create a point of difference that will attract the eye of potential buyers. Your booth also needs to be a good working environment for appointments. Don't forget to include your industry accreditations including your Qualmark.

Visit [www.tourismnewzealand.com/developing-your-tourism-business/qualmark/](http://www.tourismnewzealand.com/developing-your-tourism-business/qualmark/)



## **Step five continued...**

### **Staff**

Your stand must be staffed at all times, allowing for unscheduled appointments. Staff on the stand will need to have a good understanding of your business and objectives and be confident talking to clients and buyers.



### **Appointments**

Most trade shows offer the opportunity to pre-schedule appointments. Be well prepared in advance for scheduled appointments. You should also allow time to meet prospects who are not on your appointment list. Morning and afternoon tea breaks and social functions often provide opportunities to network with unscheduled buyers.

Most appointments are only 12-15 minutes long. Be friendly and welcoming. This conversation should be two-way - listen to the

buyer and find out about their business and requirements so that you understand fully what they wish to achieve from meeting you. Then tell them about your product and how it can achieve their goals.

Keep a record of who you meet, their areas of interest and any actions to be taken after the show. Have your information packs, CD or USB ready to hand out at meetings or take address details and post these out after the show if required.

### **Follow-up**

Make sure you follow-up with all prospects as soon as possible after the event. Phone or email those you were able to meet with, and send a letter and information pack to any prospects you didn't meet.

### **Competitions**

Creating a competition - either on your own or as a cooperative venture with other operators - can attract buyers to your stand. Having contacts drop their business cards in a prize draw is an easy way to gather new contact details for your database. Make sure you use these contacts to follow-up with prospects after the event!

### **Media**

There is often a special media area set up at trade shows and media will be interested in new products and interesting story ideas. Pre-prepare media releases if you have a new product or interesting story angle, and ask the event organisers if you can leave this in the media centre, along with your brochures and image CDs.