SIMON HUDSON and LOUISE HUDSON

MARKETING for TOURISM, HOSPITALITY & EVENTS

A GLOBAL & DIGITAL APPROACH
INTRODUCTION

This chapter focuses on two important communication techniques – public relations and personal selling. The first part of the chapter provides an overview of public relations and a discussion of the main public relations techniques used in tourism and hospitality and how they can be measured. Personal selling is the focus of the second part of the chapter, which discusses the roles and objectives of personal selling, the sales process, and the roles of a sales manager. Case studies look at an incentive and conference travel agency in Tenerife, cooperative marketing in the Stellenbosch wine region of South Africa, and how Hawaii is promoting itself through film and television.
LESSONS FROM A MARKETING GURU: TEN OUT OF TEN FOR TENERIFE’S MARCOS VAN AKEN

Running an incentive and conference travel agency in Tenerife – part of the Spanish-owned Canary Islands off the northwest coast of Africa – involves daily customer service dilemmas for Marcos Albornoz Van Aken. As Director of Sales & Operations for Ten Travel DMC, he is in charge of both wooing businesses and keeping delegates happy during their visits. ‘We make personal service an absolute priority in an age when, despite social media and new technologies governing the interaction with clients, the personal, tangible, on the ground security is an added value not every company is willing to invest in. Clients love “hands on” personnel and this is what we are all about.’

Owned by John Lucas Sr, the company began 35 years ago with a package holiday focus but quickly diversified into the corporate group and incentive travel market. ‘Business and incentive travel require a very high level of specialization. We segmented into that and were approached over time by various cruise companies, too. We aim for the top end of the market,’ explains Van Aken, who, although born in Tenerife, studied for his Masters degree in Hotel Management at the University of Surrey, England. ‘Times have changed enormously in a relatively short space of time. I can still remember using the Telex, then the good old fax; email has definitely changed the way we approach clients and it has also changed the perceived idea of efficiency. I am of the opinion that quick response nowadays drives profits; it is not about who has the most thorough information or detailed information; it is about who can get it faster.’

Van Aken spends a considerable amount of his time solving problems for customers. A dilemma presented itself when a German company wanted red-carpet treatment for their clients at the airport. ‘They insisted on them leaving the plane and getting on to the coach without touching a suitcase,’ Van Aken remembers. This was particularly sensitive in the light of the 9/11 terrorist attacks. Although he appreciated the desire for this kind of top end service, he marvelled at the amount of paperwork, lobbying and money it required for him to make it happen: ‘I can understand why the client wanted the service: he wanted his guests to be taken directly to the cocktail area at the hotel and while they were having cocktails, the luggage would be delivered to their rooms.’

Van Aken thinks that this type of service is what quality is all about, making something difficult happen smoothly. ‘Often the client does not have the technical know-how and does not want to know either. He/she wants things to work and is not really bothered how,’ he explains. ‘We organized a large gala dinner recently at a banana plantation location. The complexity is enormous because the venue requires intensive AVL rigging and also generators for sound, lighting and catering to be able to work. We had a main generator to take us through the event but also included a backup...’
generator just in case. We ended up needing the backup due to unstable working of the main generator. This was built into the costs without the client knowing; on the night no-one noticed we used the backup!

Although Ten Travel employs multiple staff members, freelance personnel and regular tour guides, the key accounts are Van Aken’s personal responsibility. As middleman between tourism and business industries, he is in a prime position to elevate service standards in Tenerife. Part of his job is to make sure that the service levels seen on inspection visits are translated literally to the galas and conferences when guests eventually arrive. He has the perfect multicultural background for this, with a Dutch mother and Spanish father, British and German schooling, two years travelling in South America and South East Asia and experience in the hotel industry. “That’s my edge,” he says. “I speak five languages which gives me the means to reach the Dutch market as well as UK, German and Spanish businesses; relating to clients in their own language creates empathy and ultimately profits. I constantly strive to be ahead of trends in tourism and strive to improve on my leadership skills. As far as I am concerned a leader is a manager of change nowadays.”

Before joining Ten Travel in 2003, Van Aken worked in hotel management where he was exposed regularly to the minutiae of conferences and business events. He believes in providing a wow factor for his clients who often have a limited conception of what Tenerife is all about. “Most of the time they think it is 99 per cent sun and beach,” he says. Surprising his clients mainly consists of taking them away from the coast to inland destinations including mountain biking and hiking components in diverse landscapes and national parks. He tries to go beyond the usual tourist trip to Tenerife’s volcanic park at Mt Teide, for example: “We go up in the cable car and then on to a lodge where you stay overnight. Then there’s a two-hour walk at four o’clock the next morning to make it to the top for sunrise. We are also organizing yoga sessions at 3500 m altitude overlooking the seven Canary Islands from the highest point in Spain. That’s the kind of thing that will take people over the edge and say wow that was different.”

In the Digital Age, customer relations have changed in regard to the format used to execute client interaction, he maintains: “We are constantly available through social media but I still find that the personal approach gives you the edge and that has not and will not change over time. We are in the business of making people feel good. A PC, tablet or phone cannot do that; a person can. Listening is crucial to understanding clients’ business requests and demands; homing in on those specific requests with creative, profitable solutions is what keeps our company in the market generating profits.”

Source: Interview with Marcos Van Aken, June 2016.

INTRODUCTION TO PUBLIC RELATIONS

The field of public relations (PR) is growing. In the US alone, the PR industry is comprised of more than 7,000 companies bringing in estimated annual revenues of $11billion, and offering a diverse range of services from media relations to event management (Pozin, 2014). There are many types of media available to PR specialists, and these fit into three broad categories: owned, paid and earned media. Owned media is defined as communication channels that are within the organization’s control, such as websites, blogs or email; while paid media refers mostly to traditional advertising, discussed in Chapter 8. Earned media, on the other hand, is generated when content
receives recognition and a following outside of traditional paid advertising, often from publicity gained through editorial influence. Critically, earned media cannot be bought or owned, it can only be gained organically, hence the term ‘earned’. Since most of this earned media is gained through PR activities, this section will mainly focus on PR and its various techniques. PR is broader in scope than publicity, its goal being for an organization to achieve positive relationships with various audiences (publics) in order to manage effectively the organization’s image and reputation. Its publics may be external (customers, news media, the investment community, general public, government bodies) and internal (shareholders, employees).

The three most important roles of PR and publicity in tourism and hospitality are maintaining a positive public presence, handling negative publicity and enhancing the effectiveness of other promotional mix elements (Morrison, 2002). In this third role, PR paves the way for advertising, sales promotions and personal selling by making customers more receptive to the persuasive messages of these elements. Ultimately, the difference between advertising and public relations is that public relations takes a longer, broader view of the importance of image and reputation as a corporate competitive asset and addresses more target audiences.

PUBLIC RELATIONS TECHNIQUES

A variety of PR techniques are available to tourism and hospitality organizations. Those are highlighted in Figure 9.1 and discussed below.

**FIGURE 9.1 Selected public relations techniques available to marketers**
PRESS RELEASES AND PRESS CONFERENCES

A press release or news release is a short article about an organization or an event that is written in an attempt to attract media attention, which will then hopefully lead to media coverage. They may be planned a long time in advance or they may be opportunistic. When Hawaiian extreme surfer Garrett McNamara shattered an apparent world record in 2013 by catching an estimated 100-foot wall of water off Portuguese fishing village of Nazaré, Portugal’s tourism office immediately capitalized on the opportunity to promote the country’s emerging surf scene. ‘We have 450 miles of clean Atlantic coastline, (and) some surfing beaches that are out of this world,’ said a press release sent out immediately after the jaw-dropping spectacle.

Preparing press releases is probably the most popular and widespread public relations activity. To be effective, the release must be as carefully targeted as an advertising media schedule. It should be sent to the right publications and be written in a style that those publications would use. The headline should give a clear idea of the subject. The release should then open with a paragraph that summarizes the main points of the news story by stating who did what, when, why and where. The style should be that of a news report, and the story must be genuinely interesting to the publication’s readers. Ideally, it should tell them something new that is happening and should contain a strong human angle. Other useful contents of a press release include a photograph and quotations, and it is essential to provide a contact name and telephone number in case journalists require further information. An example of a press release is below and is the official announcement of a partnership between Botswana and the world’s largest travel show, ITB Berlin. The press release includes quotations from both Botswana’s tourism minister and a representative from ITB, as well as contacts for further information. ITB is discussed in more detail below.

FAM TRIPS

As mentioned in the previous chapter, a familiarization trip, often referred to as a FAM trip, is a tour offered to media on behalf of an organization to get the media familiar with their destination and services. A FAM trip is a great way for the organization to get positive publicity and for the media to have an opportunity to write a story about an organization they fully understand and have experienced. Such FAM trips can be targeted towards certain publications/journalists, or specific regions or countries. Lake Tahoe Visitors Authority (LVTA), for example, hosted three FAM trips in the 2012–13 season for Australians – not just writers, but also key travel agents representing travel Scene, Harveys World Travel, Navigator Travel, Campos Tara Travel and Travel 2. These visits resulted in exposure worth $620,000 in the Sun Herald, Sydney Morning Herald, The Age and Women’s Health Magazine, with an additional exposure valued at $1,600,000 (Hudson and Hudson, 2015).

FAM trips may also have a specific objective in mind. An example is a FAM trip which was organized by UK tour operator Mark Warner in 2016. The company took eight travel agents to its Lakitira Beach Resort in Kos, Greece, in the wake of thousands of migrant people, mainly from Syria, coming ashore the previous summer amid heavy media coverage. Agency sales manager Julie Franklin said the trip was organized to win back the ‘lost confidence’ of consumers who had chosen to stay away in 2016.
Botswana: the official partner country of ITB Berlin 2017

First partner country ever from Southern Africa – official announcement of partnership between Botswana and the World’s Leading Travel Trade Show® at ITB Berlin on 9 March 2016

In 2017 Botswana will be the official partner country of ITB Berlin. On 9 March 2016, at a press event at ITB Berlin, an agreement between the world’s leading travel trade show and Botswana was signed by Tourism Minister H.E. Tshekedi Khama II and Dr. Christian Göke, CEO of Messe Berlin GmbH.

According to Tourism Minister Tshekedi Khama of Botswana, “The Botswana Tourism Organisation has taken the opportunity to become the partner country of ITB Berlin 2017 in order to share Botswana’s nature conservation achievements with the rest of the world and to raise general awareness of this country. Botswana’s role as the partner country of the world’s largest travel trade show will ensure the long-term attention of the global tourism industry. It will not only place the spotlight on Botswana’s tourism successes but will also focus attention worldwide on our potential for economic development. In the past Botswana has achieved great success that has remained largely unnoticed around the world. Botswana will also benefit from this year’s 50th anniversary of ITB Berlin. Numerous activities and events will give us the opportunity to market and promote our country as a tourism destination and to improve our returns on investment.”

“Botswana is Africa’s best kept secret”, says David Ruetz, head of ITB Berlin. “Two contrasting natural features characterise this country: the Kalahari Desert and the Okavango Basin with its many animal species, large forests, and innumerable streams that empty into small lakes. Particularly during the rainy season, visitors on trips and safaris can marvel at the unique fauna and flora. The diverse cultural heritage of the country, the warm hospitality shown by its people as well as sustainable tourism make Botswana an unrivalled holiday destination in southern Africa. The fact that almost 45 per cent of the country’s surface area has been declared a national park, wildlife or nature reserve is testimony to the exemplary efforts undertaken to actively preserve nature.”

In 2016 Botswana celebrated 50 years of independence. Often referred to as one of the last remaining gems of Africa, the country was quick to realise its potential as a tourism destination. The Republic of Botswana has been exhibiting at ITB Berlin every year since 1984, in an aim to make people around the world aware of its special attractions. Next to the diamond industry, the most important branch of the economy, the tourism sector currently already accounts for five per cent of GDP.

At ITB Berlin 2017 Botswana, the partner country of the show, will be organising the opening event on 7 March 2017, and from 8 to 12 March 2017 will be entertaining visitors to ITB Berlin with a wide-ranging programme of events.

About ITB Berlin and the ITB Berlin Convention

ITB Berlin 2016 will take place from Wednesday to Sunday, 9 to 13 March. From Wednesday to Friday ITB Berlin is open to trade visitors only. Parallel with the show, the ITB Berlin Convention, the largest event of its kind, will be held from Wednesday, 9 to Saturday, 12 March 2016. More details are available at www.itb-convention.com. ITB Berlin is the global travel industry’s leading trade show. In 2015 a total of 10,056 companies and organisations from 186 countries exhibited their products and services to 175,000 visitors, who included 115,000 trade visitors.


You can find press releases on the internet at www.itb-berlin.com under the section heading Press / Press Releases. Make use of our information service and subscribe to our RSS feeds.

FIGURE 9.2 Press release from ITB Berlin, 2016 (©Messe Berlin GmbH. Reprinted with permission)

because of safety concerns during the ongoing humanitarian situation (Parry, 2016). Sarah Jarvis, a travel agent who was on the FAM, said that seeing the destination first-hand had helped to dispel negative news coverage she had witnessed. ‘It was my first time visiting Kos and from what I had seen portrayed in the media you got the impression that there were no tourists on the island, that it was overcrowded with refugees, and that the resorts would be ghost towns,’ she said.
### TABLE 9.1 A checklist for putting a FAM trip together (Source: Adapted from Lutz, 2014)

<table>
<thead>
<tr>
<th>Checklist</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plan ahead</td>
<td>There is never a great time to give comp rooms or ski passes, etc., but most destinations are seasonal and factor in the cost of FAM trips to their overall marketing and public relations budget. So if you can, pick a relatively low occupancy week</td>
</tr>
<tr>
<td>Gather media lists</td>
<td>You need to prioritize as to who is a priority to invite and why. You need to be strategic about every invitation that will go out. Established and trusted travel writers make great guests, because they can write multiple stories on your destination which may be picked up by two or more publications</td>
</tr>
<tr>
<td>Seek help from your local CVB</td>
<td>The local visitors’ bureau is a great resource for media lists, verifying reporters’ backgrounds, and other information. They may also help you with providing fillers, such as access to city sites and venues, or partnering restaurants, which will make your press trip a full experience. CVBs can also assist with transportation contacts and more</td>
</tr>
<tr>
<td>Decide what expenses to cover</td>
<td>You should research what the norm is for your area by asking your CVB, and then make your decision. Naturally, room, tax and breakfast should be included for everyone, as well as access to amenities. Your itinerary should include airport transfers for those flying, and parking passes for those who are driving</td>
</tr>
<tr>
<td>Create an interesting itinerary</td>
<td>Most journalists will want to have a variety of memorable experiences to write about. You should welcome this opportunity to ‘sell’ your destination. Be creative and informative in your descriptions</td>
</tr>
<tr>
<td>Send the invitations</td>
<td>Send out invitations 6-8 months in advance and track the RSVPs. Online invitations are effective and acceptable these days. Once the media RSVP, you can send a more detailed itinerary about the press trip</td>
</tr>
<tr>
<td>Block the right rooms</td>
<td>You must be willing to give up several VIP guestrooms out of your block in order to accommodate the press. The media are used to being wowed and you need to provide that extra touch, which will make their stay at your property unforgettable. Remember, the good ones are getting numerous offers and only have a finite amount of time. So be grateful that they want to spend time with you</td>
</tr>
<tr>
<td>Establish goals of FAM trip</td>
<td>Discuss with your team what you are looking to accomplish from this expense. Once you strategically determine the goals of the trip, it will be easier to track its success and consider repeating another in the future</td>
</tr>
<tr>
<td>Research media</td>
<td>There are several online sources where you can research more about the arriving guests. Information is crucial to understanding more about them, and you can customize their stay accordingly. For instance, if you read in a writer’s profile that s/he is a vegetarian, you can let the chef know in advance. These are the things that your guests will remember</td>
</tr>
<tr>
<td>Welcome gifts</td>
<td>These can make quite an impact so put some thought into these gifts. Make sure you provide a welcome letter, a press kit with contact information, along with any CVB materials, such as lift tickets, free passes, etc. in a separate gift bag</td>
</tr>
<tr>
<td>Dedicate one PR professional as the main contact</td>
<td>The PR specialist will be the best and most informed contact for the press to ask questions and give tours. The PR contact also has experience in suggesting angles and pointing out special features to the media. The PR contact is also the most appropriate for any media follow-up questions after the FAM trip, as well as facilitating requests for photos and setting up interviews</td>
</tr>
<tr>
<td>Continue to nurture the relationship</td>
<td>Finally, after the FAM trip is over, the publication date of each article may vary depending on editorial calendars, but make sure to maintain the relationship with each writer. These are opinion leaders of the travel industry and the more reason you give them to talk about your destination, the more vacations you will eventually sell, and the better your image will become through editorial endorsement</td>
</tr>
</tbody>
</table>
Lutz (2014) suggests that the key to organizing a successful press trip is to make sure that all aspects of the trip are planned properly to the last detail. She offers a checklist to keep in mind when thinking of putting a FAM trip together (see Table 9.1).

**TRAVEL EXHIBITIONS AND ROAD SHOWS**

Many tourism and hospitality organizations attend travel trade shows, exhibitions, or conventions. Generally, these occasions bring all parts of the industry (suppliers, carriers, intermediaries, and destination marketing organizations) together. Exhibiting at a trade show is similar to putting together a small promotional mix. Some exhibitors send out direct mail pieces (advertising) to intermediaries, inviting them to visit their booths. The booth displays (merchandising) portray the available services and may be tied in with recent advertising campaigns. Representatives working the booth hand out brochures and business cards and try to develop sales leads (personal selling). They may also give away free samples or vouchers (sales promotions). When the trade show is over, exhibitors often follow up with personalized mailings (direct mail) or telephone calls (telemarketing).

The travel industry’s leading trade show is ITB Berlin. In 2016, 10,000 exhibiting companies from 187 countries and regions met with 120,000 trade visitors in the 26 exhibition halls. Business conducted during the trade show rose from 2015’s figure of 6.7 billion euros to around seven billion. The travel trade show that was held for the first time in Berlin in 1966 has now evolved into an international success: ITB Asia has been held annually in Singapore since 2008, and from May 2017, ITB China will be taking place annually in Shanghai in cooperation with that country’s major tour operators and travel agents. Parallel to ITB Berlin is the ITB Convention, the world’s largest convention for the global travel industry. In 2016, the 200 convention events were attended by over 26,000 visitors. The main themes at the convention, which is regarded as the ‘think tank’ for the international industry, were ‘Travel 4.0’ and the complete digitalization of all the various business processes of travel companies. Due to the evident willingness of many travellers to spend, the subject of luxury travel also attracted a great deal of interest. Discussions also took place about the opportunities and risks facing tourism as a consequence of the influx of refugees to Europe. More than 5,000 accredited journalists from 80 countries, as well as around 380 bloggers from 30 countries, reported from ITB Berlin.

**HOSTING AND SPONSORING EVENTS**

Players in the tourism sector can also draw attention to themselves by arranging or sponsoring special events. Golf events, for example, are often branded with a destination’s name in conjunction with specification of the type of event. The Abu Dhabi Golf Championship is a good case in point, and has played a pivotal part in the city’s marketing strategy to boost its golf tourism (Hudson and Hudson, 2014). For entities hosting major events, securing a title sponsor is critical, defined as ‘the right to share the official name of a property, event or activity in exchange for payment to the current property, event, or activity owner’ (Clark, Cornwell and Pruitt, 2009: 170). In general, event sponsorship is the financial support of an event (e.g. a car race, a theatre performance, a festival or a marathon road race) in return for advertising privileges associated with it. Sponsorships are usually offered by the organizer of the event on a tiered basis, which means that a lead sponsor pays a maximum amount...
and receives maximum privileges, whereas other sponsors pay less and receive fewer privileges. Investment in sponsorships is mainly divided among three areas: sports, entertainment and cultural events. The opening case study in Chapter 5 described how organizers of the Dance World Cup secured sponsorship from Bloch Europe, who specializes in dancewear and shoes.

Sporting events attract the lion’s share of sponsorship revenue. For example, the London 2012 Olympics attracted over £100 million from just the top four to six main sponsors. Events can also be used to restore a poor destination image. Avraham (2014) found that hosting events is a popular strategy among marketers of places that suffer from an immediate or a prolonged image crisis. Kaplanidou et al. (2013) distinguished between ‘hard’ structures with an event-hosting impact and ‘soft’ structures. The hard structures include sports and culture infrastructure-related projects, performance halls, construction of roads, bridges, parking spots and many more developments. The soft structures are mainly intangible benefits such as governance reforms, positive media coverage, attracting opinion leaders and self-image improvement. Avraham suggests that we can add to the list of ‘soft’ structures the repair of the negative image of places that experienced an immediate or prolonged image crisis.

**CAUSE-RELATED MARKETING**

Cause-related marketing (CRM) is discussed in more detail in the final chapter, but is corporate philanthropy organized to increase the bottom line (Hudson, Miller and Peloza, 2006). CRM is a rapidly expanding trend in marketing communications, and is growing at a time when the public is increasingly cynical about big business. It is basically a marketing programme that strives to achieve two objectives – improve corporate performance and help worthy causes – by linking fundraising for the benefit of a cause to the purchase of the firm’s products and/or services.
SOCIAL MEDIA

Social media has been discussed in detail in Chapter 3, but platforms such as Facebook, YouTube and Twitter have emerged as important channels for responding to a crisis (Schroeder et al., 2013; Grundy and Moxon, 2013), or for generating earned positive media. A good example of the latter comes from Canadian airline WestJet, which on a weekend in November 2013 set up interactive video screens in airport departure lounges in Toronto and Hamilton, allowing two planeloads of Calgary-bound guests to scan their boarding passes and speak to Santa. Santa, clad in WestJet royal blue/purple, asked passengers what they would like for Christmas, and answers were recorded by hidden cameras. Mostly, children wanted straightforward gifts – a toy train, a Barbie doll, an Android tablet. Some adults made humble requests: socks, underwear, scarves. One asked for a diamond ring, another for a car. While those passengers were in the air, WestJet volunteers in Calgary spent four frantic hours buying and wrapping gifts. When the planes touched down four hours later, those 357 separate presents came out of the baggage carousel, while more hidden cameras recorded their shocked amazement. Then WestJet, with the help of Toronto-based production company Studio M, packaged the footage from 19 different hidden cameras into a slick five-minute, 26-second ad. The video launched on YouTube on Monday morning, and was soon ‘trending’ on Twitter (Hudson and Hudson, 2013).

At the time of writing, the Christmas Miracle video had received over 45 million views on YouTube. Richard Bartrem, WestJet’s vice president of communications and community relations, said the company had expected perhaps 800,000 views from the video. But even in the few short days after Christmas Miracle went live, it had topped 13 million views, been seen in more than 200 countries and made the news in the UK, Australia, Japan, Poland and Malaysia. ‘We’re pretty thrilled,’ he said. ‘For a traditional commercial, you could spend well into the mid-six figures for the production alone’ (Bender, 2013). The incredulous looks on the faces of the passengers, adults and children alike, when their dream gifts come off the carousel, are the real power of the video. ‘Fun is part of our DNA!’ said Robert Palmer, WestJet’s manager of public relations. ‘This was very much a reflection of our corporate identity. We like to have fun with our guests, and on social media’ (Hudson and Hudson, 2013).

PUBLICATIONS

Companies rely extensively on communication materials to reach and influence their target markets. Publications such as annual reports, brochures, and company newsletters and magazines can draw attention to a company and its products, and can help build the company’s image and convey important news to target markets. Heli-ski operator Canadian Mountain Holidays, for example, published the first ever sustainability report for the heli-skiing sector in 2004 as a way of sharing successes and challenges and to increase accountability to staff, guests and other stakeholders. The report was updated with Volume 2 in 2007, and Volume 3 in 2010.

Audio-visual materials, such as films and DVDs, are also often used as promotion tools. Many DMOs use videos to promote their destinations. Some send promotional videos directly to consumers as well as to members of the travel trade. In Myanmar, when marketers launched their new branding campaign in 2013 at the World Economic Forum on East Asia, delegates were given a USB key with several films on it about
the country, including its new television commercial (see Chapter 1 for more details on the campaign). Others are using current technology to showcase their promotional videos. With a new Smart TV app, Walt Disney Parks and Resorts has made available 40 videos on the different types of experiences one can expect at the theme parks.

WINNING OR SPONSORING AWARDS

In many industries, for example the car industry, it has become common practice for companies to promote their achievements. Automotive awards presented in magazines such as Motor Trends have long been known to carry clout with potential car buyers. And the winning of prestigious awards has become increasingly important in tourism and hospitality sectors as well. For individual operators, the winning of an award is a campaign opportunity: most of the awards in the tourism industry promote best performance and are often an indication of quality. Winning organizations can therefore use the third-party endorsements in their advertising to build credibility and attract customers. They can, therefore, provide excellent publicity for winners. UK tour operator Scott Dunn Travel, for example, has won numerous awards, including the ‘Best Ski Operator’ in the Telegraph Travel Awards, 2015–16, and the Condé Nast Traveler Readers’ Travel Award for Favorite Specialist Tour Operator in 2011 and 2014. Founder Andrew Dunn says awards give the company ‘collateral for the next 12 months or so’ for marketing, advertising and online clout’ (Hudson and Hudson, 2015).

CELEBRITY ENDORSEMENT

Encouraging celebrities to use or endorse tourism and hospitality products can result in considerable media coverage, and can therefore help to promote that particular product. Richard Branson built Virgin Atlantic Airways with the help of a strong public relations campaign that included inviting as many rock stars as possible to fly on his airline. Celebrity endorsement is also critical for events, as the case study in Chapter 5 about the Dance World Cup highlighted. Destinations, too, can benefit from celebrity endorsements. Vail Resorts has a sponsorship deal with Olympic gold medalist and World Alpine Ski Champion Lindsey Vonn. Vonn appears at select consumer events and ski shows in the US and Europe, and promotes the popular Epic Season Pass, which offers skiing and snowboarding at all Vail-owned Resorts. Restaurants, too, are looking to celebrity endorsement to boost their visibility. In the US, for example, Texas Roadhouse and other restaurant chains are increasingly sponsoring up-and-coming musicians in order to stand out from competitors (Jargon and Smith, 2012). Texas Roadhouse has teamed up with Candy Coburn; Cracker Barrel Old Country Store Inc. is promoting country singer Josh Turner; and LongHorn Steakhouse has been sponsoring country stars like Darius Rucker and Kenny Chesney for many years. Some restaurants give away concert tickets and have musicians perform at restaurant events, and others sell CDs by the artists recorded exclusively for the chains. While it is difficult to quantify the effect of such alliances, Texas Roadhouse says it has raised the chain’s profile among country music lovers.

A recent survey of UK social media users showed 33 per cent of all users follow celebrities (Pozin, 2014), and research has shown that celebrity endorsement is even more important in emerging markets, where a celebrity endorsement will strongly affect decisions to buy one brand over another (HSBC, 2010). Tina Maze, the most successful female ski racer in Slovenian history, has been a great ambassador for skiing in Slovenia. Maze, who regularly wins on the World Cup ski circuit, is five-time
winner of best Slovenian athlete, a high-fashion model and a pop star with Slovenia's most watched YouTube music video (Hudson and Hudson, 2015).

PRODUCT PLACEMENT AND BRANDED ENTERTAINMENT

Product placement is the insertion of brand logos or branded merchandise into movies and television shows, and it is another promotional tactic available to marketers. Branded entertainment, on the other hand, is a relatively new term to describe a more contemporary, sophisticated use of product placement, and has been defined as ‘the integration of advertising into entertainment content, whereby brands are embedded into storylines of a film, television programme, or other entertainment medium’ (Hudson and Hudson, 2006: 492). In the area of tourism marketing, industry practitioners have primarily focused on the traditional use of product placement to reach target markets. Destinations concentrate on product placement as an opportunity to gain exposure, aware that placing a destination in a film or television is the ultimate in tourism product placement (Morgan and Pritchard, 1998). Spain, for example, is encouraging Indian film-makers to use its colourful fiestas and historic monuments as settings for their films in an attempt to grab a bigger share of India’s fast-growing overseas tourism market. This is after the coming-of-age movie Zindagi Na Milegi Dobara – shot extensively in Spain in 2011 – doubled the number of Indian visitors. India’s ambassador to Spain, Vikram Misri, said the film ‘was singlehandedly responsible for making Spain a household name in India and increasing tourism from India’ (Guardian, 2016).

Although tourism marketers have not traditionally incorporated an integrated branded entertainment approach, there are signs that some tourism organizations are moving away from traditional product placement, to strategic branded entertainment in order to attract tourists through the medium of film and television. A good example of a branded entertainment initiative comes from Las Vegas, where it was no accident that the MGM’s Aria Hotel played a central role in the 2013 movie Last Vegas. MGM strategically ‘engineered’ the movie to take place in its new hotel, a marketing ploy that benefited the Aria and the film directors, who both wanted to showcase the ‘New Vegas’. The architecture depicted in the film had to feel hip, upscale and beyond the expectations of the four main characters in the movie, played by Robert DeNiro, Michael Douglas, Morgan Freeman and Kevin Kline (Mlife, 2013).

As the Digital Spotlight in Chapter 8 described, Brand USA used three media platforms to promote the country, partnering with television, film and digital content producers to present engaging stories that would attract international tourists (Hudson and Tung, 2015). One of those initiatives was a partnership with MacGillivray Freeman Films to produce a documentary film for IMAX and large-screen theatres. The movie, entitled National Parks Adventure, showcases the country’s national parks. Narrated by Oscar-winning actor Robert Redford, the movie features more than 30 of America’s national parks, including Grand Canyon, Yosemite and Yellowstone. The film represents a $12.5 million investment from Brand USA, but the organization expects $45 million worth of marketing impressions to be generated by its worldwide rollout to hundreds of global theatres. ‘Brand USA's charge is to increase international tourism to the US, so the international audience is a huge focus for us,’ said Tom Garzilli, senior vice president of global sponsorships for Brand USA. ‘National Parks Adventure will be shown in giant-screen cinemas in several different countries including China, England, Germany, Australia, India, Japan, France and many more’ (Sheivachman, 2016).
MEASURING THE IMPACT OF PUBLIC RELATIONS EFFORTS

The application of evaluation research remains weak in public relations, with practitioners most commonly citing lack of budget and lack of time as the main reasons for not undertaking research. However, Macnamara (1999) suggests that even if adequate budget and time were available, many practitioners would still not be able to undertake either evaluative or formative research, due to lack of knowledge on the research process. He has proposed a Macro Model of PR Evaluation that breaks PR activity into three stages. The model suggests that each PR project or programme is constructed from a series of inputs; outputs are then produced; and finally outcomes are achieved.

Inputs include the story list and copy for a newsletter or blog, information for a news release, Tweets, speaker list and programme for an event and design and contents for a website. Outputs are the physical communication materials or activities produced such as printed publications, news releases, DVDs, events, or social media activity. Finally, outcomes typically sought in public relations are increased awareness, attitudinal change or behavioural change. The list of evaluation methods shown in Figure 9.3 is far from exhaustive but illustrates that a range of techniques, tools and research instruments is available to evaluate inputs, outputs and outcomes. The most common is media monitoring, and social media monitoring has recently joined the evaluation of press clippings and media broadcasts under this umbrella. Advertising value equivalency (AVE) is another often used technique to measure PR value, although the method has come under fire in recent years (Likely and Watson, 2013). The Lake Tahoe Visitor's
OUTCOMES  
(Functional & organisational evaluation)

OUT-TAKES  
(Proposed by some as a 4th stage)

OUTPUTS  
(Process & program evaluation)

INPUTS  
(Formative research)

Key Steps/Stages in Communication

**Measurement Methodologies:**  
(formal & informal)

- Quantitative surveys (large scale structured)
- Sales; voting results; adoption rates; observation
- Focus groups; surveys (e.g. customer, employee or shareholder satisfaction); reputation studies
- Focus groups; interviews; complaint decline; experiments
- Interviews; focus groups; mini-surveys; experiments
- Response mechanisms (coupons); Inquiries
- Media content analysis; Communication Audits
- Media monitoring (clippings, tapes, transcripts)
- Circulations; event attendances; Web visits and downloads
- Distribution statistics; Web pages posted
- Expert analysis; peer review; feedback; awards
- Feedback; readability tests (e.g. Fog, Flesch); pre-testing
- Case studies; feedback; interviews; pre-testing (e.g. PDFs)
- Academic papers; feedback; interviews; focus groups
- Observations; secondary data; advisory groups; chat rooms & online forums; databases (e.g. customer complaints)

**FIGURE 9.3 The Macro Model of Evaluation** (Used with kind permission of Jim Macnamara)
Authority (LTVA) uses such a method to evaluate its PR initiatives. The LTVA retains Weidinger Public Relations (WPR) to execute a comprehensive national and regional media communications plan, and in 2012–13 advertising equivalency reached 5–10 times the LTVA’s PR budget investment, translating into $1.5 million value and a circulation of 51 million readers.

One problem with both media monitoring and advertising equivalency is that they tend not to measure the quality of coverage. Media content analysis is therefore employed at times to evaluate qualitative criteria such as whether media coverage reaches key target audiences, whether it focuses on the main issues, and whether it contains the organization’s message. Often PR specialists will calculate a publicity value as well as advertising value equivalency. Such publicity value is defined in the industry to be a multiplication of three times the advertising value, and may reflect either positive or negative publicity as indicated by Slant. Slant is a subjective evaluation of an article, typically using a table of 10 with 5 as neutral and 1–4 slant trending from ‘very negative’ to ‘negative’; and 6–10 trending from ‘positive’ to ‘very positive’.

Measuring the impact of social media campaigns will be discussed further in Chapter 11, but certainly it is a new science. Brands that conduct social media interactions with consumers in a meaningful way are beginning to see a positive return (Cruz and Mendelsohn, 2010), but there are too few research studies that can support this claim. Figure 9.4 shows the difference between measuring traditional media and social media from a PR perspective according to Ketchum Global Research & Analytics.

![Figure 9.4 Measuring traditional media and social media from a PR perspective](image)

Finally, how should marketers be measuring the effectiveness of product placement branded entertainment? In a recent study of practitioners’ attitudes towards these practices, Um and Kim (2014) found a fair degree of scepticism about the ability to gauge the effect on viewers from a single branded entertainment initiative. For the practice of product placement, academics suggest that message impact should be assessed at recall, persuasion, and behavioural levels (Balasubramanian, 1994). Among practitioners, measuring placement’s effectiveness is still a rough-and-ready art, but
unaided recall and brand recognition are the two most popular means of assessing placements (Karrh, McGee and Pardun, 2003). However, a recent study by Hang (2014) suggests that brand recall/recognition alone may underestimate brand placement impact, and that marketers should use multiple methods to measure branded entertainment effectiveness.

Among the more original measurement tools is that of Rentrak Branded Entertainment, a US-based specialist in branded entertainment measurement. Rentrak’s measurement method allows real-time measurement of an integration’s effectiveness on the basis of 19 different treatment levels. Rentrak produces a proprietary Media-Q and associated integration value that compares the effectiveness of the integrations to a traditional 30-second advertisement where a Media-Q of 1.0 is equivalent to the value of a 30-second spot. The evaluation also includes a best-practices qualitative review of the integration and suggestions as to how the integration can be enhanced upon. That being said, there are still some critics who question the high investment that branded entertainment requires, and it is critical that a more formalized measurement model be established to allow accountability (Russell and Belch, 2005; Um and Kim, 2014).

DIGITAL SPOTLIGHT: COOPERATIVE MARKETING IN STELLENBOSCH, SOUTH AFRICA

One of the top tourism attractions in South Africa is the Stellenbosch wine area. In its beautiful undulating countryside and quaint, historical town, there’s a wide range of top-notch restaurants, cafés, curio shops, galleries, boutiques, museums, culinary and wine tours, and an array of annual cultural, food, wine, sports and music festivals.

The Stellenbosch Local Economic Development (LED) strategy is a multistakeholder effort in support of private sector development, aiming to unite economic stakeholders to cooperate in improving the economic future of the area. The question ‘What is required to achieve 8 per cent real GDPR growth in the Stellenbosch municipal economy?’ was answered in a June 2014 report which highlighted a wide variety of initiatives including establishing free wi-fi throughout the region and investing in cutting-edge fibre optic and communications infrastructure. Other plans involved increasing the role of Stellenbosch University in economic development, providing small business incubator space, mentorship network, transport improvements, and a tourism development framework to involve the whole area. Tourism opportunities were outlined for different sectors including agri-tourism, eco-tourism, microtourism business funding, art,
culture, heritage, sport and outdoor music tourism, events and conference tourism. The Stellenbosch Wine Routes were considered a key factor in the overall strategy.

Professor Nick Vink, Chair, Department of Agricultural Economics at Stellenbosch University, looks back to 1971 when the Stellenbosch Wine Route was first established by a concerted local effort to increase visitation. ‘The wine industry has always had a particular fascination for the domestic tourist market. This tourism offer has also made us a popular destination for foreign tourists,’ he recounts. A central office in the historic old town and an active website (www.stellenbosch.travel) enable the Stellenbosch Tourism and Information Office to interact cooperatively with visitors and local suppliers. ‘The main tourist experience of the town is its history and the University and, of course, both are inextricably intertwined with the wine industry,’ Vink explains. ‘Second, South Africa’s biggest liquor company, Distell, has its head office in Stellenbosch, so they actively advertise a range of venues – the Bergkelder vinoteque for fine wines, JC le Roux for sparkling wines and Van Rijn Brandy Distillery among others.’

The Stellenbosch Wine Routes is very active in promoting the ‘producer cellars’ (estate wineries). Apart from their Internet presence, there are maps and brochures on the wine route at every conceivable venue, Vink explains, including the farms, the restaurants, the hotels and B&Bs. The wine routes are divided into subroutes for some of the more important wards such as Simonsberg and Helderberg, which do their own publicity. All of the wine farms have their own websites and most sell wines both on site and online. In addition, there are numerous private promoters including SA Venues, MyDorpie.com and ShowMe.com. A convenient way to explore the wine routes is by the Stellenbosch Vinehopper (http://vinehopper.co.za). The ‘hop on, hop off’ buses visit various different wineries over three separate routes. Owner Raino Bolz says he focuses more on marketing than PR: ‘Our marketing efforts entail printing brochures that are visible in all the guesthouses in Stellenbosch and Cape Town. We also visit travel agents and operators regularly to promote our products. We also attend international travel shows to promote our tours.’ Tripadvisor, Facebook and Twitter are his main tools.

Around town, ‘Foodies on Foot’ tours are run by Bites and Sites (www.bitesandsites.co.za), combining historical and contemporary culture with cuisine. Hanli Fourie set the company up in 2010 inspired by ‘Savor Seattle’. Culinary highlights include Schoon de Compagnie bakery and bistro, famous for its cheese and charcuterie platter as well as fresh breads and homemade ice cream. Decked out in red aprons, the guides also supervise dried meat purchases at the authentic Eikeboom Butchery, which is then paired with wine tastings at the Brampton Wine Bar. Awarded a 2015 Tripadvisor Certificate of Excellence, the company is very active on Facebook, Instagram and Twitter. ‘Tripadvisor is proving to be a wonderful marketing tool,’ says Hanli. ‘It is free and gives credibility. We get quite a number of queries through Tripadvisor and in future guests will be able to book our tours directly from the Tripadvisor site.’ She posts photos and information twice weekly and regularly updates the company website. Print advertising is the least effective marketing tool, according to Hanli, although she does advertise through brochures and the Cape Town Tourism booklet. ‘We also supply guests with a print-out detailing our social media handles and request that they write Tripadvisor reviews,’ she says.

(Continued)
Part of her PR strategy is responsible tourism. A member of Unashamedly Ethical, the company includes a detailed ‘Responsible Tourism’ segment on its website with commitments to social, economic and environmental responsibility. It also exploits media coverage on the site with articles and photos about the tours by food writers, bloggers, adventure travellers and cookery book authors. Many of these articles have emanated from journalist visits set up by Stellenbosch Wine Routes and Stellenbosch 360 Tourist Info. ‘We also connect with local food, tourism, and responsible travel role players, promote them on social media and try to build good relationships to further our shared goal of building a better South Africa through the wonderful opportunities that these industries offer,’ says Hanli.

While many tourists come to Stellenbosch just on a day trip from Cape Town, others stay overnight to experience more of the hospitality and hedonism of the area. A relatively new hotel, 107 Dorpstraat Boutique Hotel, opened as a small B&B and winebar in 2015. General Manager, Suzaan Groenewald supervises a very personal service, with cooked breakfasts, free wi-fi, advice and help in booking wine tours with Vinehopper and Uber taxis. The hotel vaunts its blend of history, luxury and technology via a combination of Tripadvisor, Pinterest, Facebook, Twitter, LinkedIn, and Google+ marketing. In terms of PR, Groenewald is happy to offer discounts to visiting media, as well as publicizing promotions through social media. ‘We also use Booking.com, Expedia, Agoda and other booking sites like these for special promotions,’ she says. She also sends out special rates to local businesses and travel companies. Following their visits she reinforces the relationship with ‘thank you’ letters and special ‘regular returner discounts’.

Sources: Personal Visit to Stellenbosch by both authors March 2016; Stellenbosch Municipality (2014).

CASE STUDY QUESTIONS
1. Why do you think it is important that businesses in the Stellenbosch region have a coordinated public relations strategy?
2. Look at the PR techniques listed earlier in the chapter. What more could the Stellenbosch region do to attract publicity?
3. Take a look at www.stellenbosch.travel. What is the tourism industry in Stellenbosch currently doing to attract visitors?

PERSONAL SELLING

Personal selling is a personalized form of communication in which a seller presents the features and benefits of a product to a buyer for the purpose of making a sale. The high degree of personalization that personal selling involves usually comes at a much greater cost per contact than mass communication techniques. Marketers must decide whether this added expense can be justified, or whether marketing objectives can be achieved by communicating with potential customers in groups. Some tourism and hospitality organizations favour personal selling far more than others, as for them the potential benefits outweigh the extra costs. Many case studies in this book (Dance World Cup in Chapter 5; Ulkotours in Chapter 7; Marcos Van Aken in this chapter) have
stressed the importance of personal selling in marketing. Certainly, in the meetings and convention business, the industry is still driven by personal relationships. Jason Outman, Executive Director for the Columbia Metropolitan Conventions & Visitors Bureau in South Carolina, is a great believer in personal selling: ‘From the DMO world, advertising brings awareness, but it is the personal selling that makes the sale. Clients want to know what is unique about a destination. What the local hot spots are. What will their attendee experience consist of? This can’t all be explained in an 8.5 x 11 advertisement. Personal selling allows the DMO to dig deep and find out what the hot buttons are and address them individually. It allows us to truly show all that the destination has to offer.’ Outman believes that another benefit to personal selling is the opportunity to inform or dispel any stereotypes: ‘For instance, many of the Columbia CVB clients don’t realize that we have an airport or even a convention centre. While our advertisements focus on the region offering fun attractions or great culinary options, we can’t address these misperceptions. Personal selling gives us the opportunity to inform the client about all that the city has to offer, address any stereotypes, and personally lay out how their meeting can fit. This is a major advantage to personal selling.’

Outman also suggests that personal selling helps build relationships that advertisements cannot. ‘DMO’s are dealing with clients that are booking conferences several years in advance. A sales manager may contract the business in 2016, but the convention doesn’t come to the city until 2020,’ he says. ‘We don’t want to be thought of as a destination that is just booking business and then moving on to the next group. We want to make sure our client knows we truly value them, and want their convention to be a success. Personal selling allows us to learn more about the client as an individual. We learn about their family and friends, their extracurricular activities. We spend time with them on site visits and over dinner. We build a friendship that goes beyond the contracting of business. This allows us to keep touch with the clients prior to their convention, but it also keeps us at the top of their mind if they are looking to find a location for another meeting they have. Only personal selling can provide this type of relational building.’

ROLES OF PERSONAL SELLING

While the salesperson’s job is to make a sale, his or her role goes well beyond this task. Personal selling plays a number of important roles in the tourism and hospitality industry, six of which are discussed below.

1. GATHERING MARKETING INTELLIGENCE

The salesperson must be alert to trends in the industry and to what the competitor is doing. Competitive knowledge is important when the salesperson faces questions involving product comparisons, and information on competitor’s promotions can be very useful for the marketing department. Data collected by the salesperson is often reported electronically to the company’s head office, where managers can retrieve the information and use it appropriately at a later date.

2. LOCATING AND MAINTAINING CUSTOMERS

Salespeople who locate new customers play a key role in a company’s growth. Salespeople can identify qualified buyers (those most likely to purchase travel services),
key decision-makers (those who have the final say in travel decisions), and the steps involved in making travel decisions. This important information can be gathered effectively through inquiries by salespeople and from sales calls to an organization.

3. PROMOTING TO THE TRAVEL TRADE

Many organizations find personal selling to be the most effective communication tool in promoting to key travel decision-makers and influencers in the travel trade, such as corporate travel managers, convention or meeting planners, tour operators and retail travel agents. The purchasing power of these groups is impressive, which justifies the added expense of personal selling. As mentioned above, at ITB Berlin, the travel industry’s leading trade show, 10,000 exhibiting companies from 187 countries and regions met with 120,000 trade visitors in 2016.

4. GENERATING SALES AT POINT OF PURCHASE

Personal selling can significantly increase the likelihood of purchase and the amount spent by customers at the point of purchase. Reservations staff at hotels and car rental desks have a great opportunity to up-sell (sell upgraded accommodations or cars), and staff in restaurants and travel agencies can have a major influence on the purchase decision of the customer. Increased sales are a result of the proper training of service and reservations staff in personal selling techniques.

5. USING RELATIONSHIP MARKETING

Sales representatives provide various services to customers: consulting on their problems, rendering technical assistance, arranging finance and expediting delivery. These representatives are very important for building relationships with customers and maintaining their loyalty. Careful attention to individual needs and requirements is a powerful form of marketing for tourism and hospitality organizations. Key customers really appreciate the personal attention they receive from professional sales representatives and reservations staff. This appreciation normally results in increased sales and repeat use, and the focus is on creating and keeping long-term customers. This is just one part of a process that has become known as ‘customer relationship management’ (CRM).

6. PROVIDING DETAILED AND UP-TO-DATE INFORMATION TO THE TRAVEL TRADE

Personal selling allows an organization to pass on detailed information to the travel trade and provides an opportunity to deal immediately with a prospect’s concerns and questions. This is especially important for an organization that relies on travel trade intermediaries for part or all of its business. Tour operators, for example, should have regular contact with travel agents in order to update them on changes in the marketing environment.

OBJECTIVES OF PERSONAL SELLING

Although sales objectives are custom-designed for specific situations, there are general objectives that are commonly employed throughout the tourism and hospitality industry.
1. SALES VOLUME
Occupancy, passenger seats or miles, and total covers (restaurant seats) are common measures of sales volume within the industry. An emphasis on volume alone, however, leads to price discounting, the attraction of undesirable market segments, cost cutting and employee dissatisfaction. Some sectors, such as exclusive resorts, unique adventure holidays, and upper-end cruises, restrict prospecting to highly selective segments, believing that price and profits will take care of themselves. Others may establish sales volume objectives by product lines to ensure a desired gross profit. This system is the basis for yield management (see Chapter 6).

2. CROSS-SELLING, UP-SELLING, AND SECOND-CHANCE SELLING
Cross-selling occurs when a seller offers a buyer the opportunity to purchase allied products that go beyond the obvious core products. Cross-selling is now integral to virtually every segment of the travel industry, travel insurance being one of the most profitable cross-sells in the industry. Good opportunities exist for tourism companies, such as hotels and resorts, to upgrade price and profit margins by selling higher-priced products such as suites through up-selling. A related concept is second-chance selling, in which a salesperson may contact a client who has already booked an event such as a three-day meeting. The salesperson may try to sell additional services such as airport limousine pick-up, or try to upgrade rooms or food and beverage services.

3. MARKET SHARE
Some sectors of the tourism industry are more concerned with market share than others. Airlines, cruise lines, major fast-food chains, and rental car companies, for example, are often more focused on market share than are restaurants, hotels and resorts. As a consequence, salespeople are sometimes required to measure market share or market penetration and are held accountable for a predetermined level of either or both.

4. PRODUCT-SPECIFIC OBJECTIVES
Occasionally, a sales force will be charged with the specific responsibility of improving sales volume for specific product lines. This objective may be associated with up-selling and second-chance selling, but may also be part of the regular sales duties of the sales force. Such objectives might be to sell more hotel suites, holiday packages to Mexico, honeymoon packages or more premium car rentals. A common approach used to encourage the sale of specific products is to set objectives for them and to reward performance with bonuses or other incentives.

THE SALES PROCESS
The sales process consists of the following seven steps (see Figure 9.5).

1. PROSPECTING AND QUALIFYING
Prospecting is the process of searching for new accounts. It has been said that there are three truisms about prospecting: most salespeople don’t like to prospect; most salespeople do not know how to prospect; and most companies are inept at
teaching or training salespeople to prospect. There are two key elements to successful prospecting. The first is to determine positioning strategy, i.e. to whom you should prospect. The second is implementing a process to find and ultimately contact those prospects on a one-to-one basis.

1. Prospecting and qualifying
2. Preplanning
3. Presentation and demonstration
4. Negotiation
5. Handling objections and questions
6. Closing the sale
7. Following up after closing

FIGURE 9.5 The sales process

2. PREPLANNING

A successful sales call, made either by telephone or in the field, requires careful preplanning and preparation. There are two elements to preplanning a sales call: the pre-approach and the approach. In the pre-approach stage, a salesperson needs to learn as much as possible about the prospect in order to be able to establish a rapport during the sales call and to have the foundation on which to build the sales presentation itself. The approach then follows and involves all the activities that lead to the sales presentation. These include arranging the appointments with prospects, establishing rapport and confidence at the start of a sales call, and checking preliminary details prior to the sales presentation. Sales representatives have three principal objectives in their approaches: to build rapport with the prospect, to capture a person’s full attention and to generate interest in the product.

3. PRESENTATION AND DEMONSTRATION

The salesperson now tells the product ‘story’ to the buyer, often following the AIDA formula of gaining attention, holding interest, arousing desire and inspiring action. Companies have developed three different styles of sales presentation. The oldest is the canned approach, which uses memorized sales talk that covers the main points.
The formulated approach identifies early the buyer's needs and buying styles and then uses an approach formulated for this type of buyer. It is not canned but follows a general plan. The need/satisfaction approach starts with a search for the customer's real needs by encouraging the customer to do most of the talking. This approach calls for good listening and problem-solving skills. According to experts, there are certain words that make listeners take notice, such as discover, money, guaranteed, love, proven, safe, own, best, good, easy, health, new, results, save and free (Brooks, 2002).

4. NEGOTIATION

Much of selling to the travel trade involves negotiation skills. For meeting planners and hotel groups, for example, the two parties need to reach agreement on the price and other terms of the sale. The hotel salesperson will be seeking to win the order without making deep concessions that will hurt profitability. Although price is the most frequently negotiated issue, other factors may be taken into account, and numerous bargaining tools exist. Sales force members should be taught to negotiate using services or bundled services as the primary negotiating tool rather than price. For the hotel salesperson, negotiations should begin with rack rates, and price concessions should be given only when absolutely essential. Other negotiating tools, such as upgrades, airport pick-up, champagne in rooms, etc., should be employed. A hotel might package these amenities into bundles of services and brand them with names such as the Prestige Package, in order to entice buyers into making a booking.

5. HANDLING OBJECTIONS AND QUESTIONS

When most sales presentations are completed, prospects ask questions and raise one or more objections. Objections come in all forms, even through body language. Resistance can be psychological (e.g. preference for an established hotel) or logical (e.g. price). There are several effective ways to handle objections. One is to restate the objection and to prove diplomatically that it is not as important as it seems. Another is the ‘agree and neutralize’ tactic or the ‘yes, but’ approach. In this approach, sales representatives initially agree that a problem exists, but go on to show that the problem is not relevant or accurate. No matter which approach is used, objection must be met head-to-head.

6. CLOSING THE SALE

Closing means getting a sales prospect to agree with the objectives of the sales call, which normally implies making a definite purchase or reservation. Closing the sale can be the most important stage of the sales process, but many salespeople are not comfortable about asking for the order or do not recognize the opportune moment to wrap things up. A sales call without a close is unsuccessful, and every salesperson must ask for the business or at least some commitment to continue the dialogue. Knowing when and how to close are the keys to success. As with objections, this again requires careful attention to the prospect’s words and body language. Closing techniques include actually asking for the order, offering to help the secretary write up the order, asking whether the buyer wants A or B, asking how the buyer would like to pay, or by indicating what the buyer will lose if the order is not placed immediately.
7. FOLLOWING UP AFTER CLOSING

A salesperson’s work is not finished until all the required steps and arrangements are made to deliver the promised services. In some cases, such as the organization of major association conventions or the planning of incentive travel trips, this ‘delivery’ work is extensive. However, the follow-up is essential if the salesperson wants to ensure customer satisfaction and repeat business. ‘Follow up or foul-up’ is the slogan of many successful salespeople. It is often advisable to give buyers some kind of reassurance that they have made the right decision. This reduces the buyers’ level of cognitive dissonance – a state of mind that many customers experience after making a purchase, in which they are unsure whether they have made a good or bad decision. An important part of post-sale activity also involves immediate follow-up after prospects or their clients have actually used the services. Many travel agents use this effectively by telephoning clients soon after their trips to find out what they liked and did not like.

SALES MANAGEMENT

Sales management is the management of the sales force and personal selling efforts to achieve desired sales objectives. A sales manager has five key roles to play: recruiting salespeople, training them, motivating and rewarding them, sales planning, and sales performance evaluation.

1. RECRUITING SALESPEOPLE

A sales manager’s first job is to hire competent people to fill available positions. In tourism and hospitality, it is uncommon for field sales representatives to be hired without sales experience. The more established practice is for entry-level people to be order takers, who are eventually promoted to sales representative positions. Hiring salespeople from competitors and related outside organizations is also common. Research has shown that no one set of physical characteristics, mental abilities, and personality traits predicts sales success in every situation. Salespeople’s success depends more on the actual tasks assigned to them and the environment in which they operate. Most customers say they want salespeople to be honest, reliable, knowledgeable and helpful. Companies should look for these traits when selecting candidates. Another approach is to look for traits common to the most successful salespeople in the company. A study of super-achievers found that super-sales performers exhibited the following traits: they were risk-taking, had a powerful sense of mission, had a problem-solving bent, cared about the customer, and engaged in careful planning (Garfield, 1986).

2. TRAINING SALESPEOPLE

Sales training programmes are very important to the continuation of success in personal selling. Increasingly, sales training is taking place via the Internet, with many travel companies moving training online. The cruise sector is no exception, with Carnival’s training, for example, including completing a five-chapter online course for each of the three levels of training. Besides basic cruise knowledge and general travel know-how, topics in these types of courses include the anatomy of a cruise ship, pre- and post-cruise experiences, and cruise marketing and selling. Other training programmes concentrate on the individual cruise lines, finding cruise deals and different types and lengths of cruises.
3. MOTIVATING AND REWARDING SALESPeOPLE

The majority of salespeople require encouragement and special incentives to work at their best level. This is especially true of field selling, as the nature of the job makes it open to frequent frustration: sales reps usually work alone, their hours are irregular, and they are often away from home. Even without these factors, most people operate below capacity in the absence of special incentives, such as financial gain or social recognition. Sales managers, therefore, need to understand motivation theories and to provide financial and nonmonetary incentives to keep sales-force motivation at its peak. Financial incentives include salary and commissions, as well as fringe benefits such as paid vacations, insurance programmes and medical programmes. Often bonuses are given when predetermined volumes of sales and profits, or sales quotas, are achieved. In the tourism industry, free travel is a very important fringe benefit, especially for travel agency and airline staff. Nonmonetary compensation and motivators are reward/recognition programmes and job advancement opportunities. Sales promotions can also be used to motivate a sales force. However, they tend to work best in achieving short-term objectives and are not advisable over the long term. Sales managers at hotels, for example, can win incentive trips or reward points by meeting predetermined targets.

4. SALES PLANNING

The heart of sales planning is the sales plan, usually prepared annually and containing a detailed description of personal selling objectives, sales activities and the sales budget. These selling objectives are frequently set as forecasts of unit or sales volumes or some other financial target derived from expected sales levels. This sales forecast is very useful to others outside the sales department and is a key planning tool for the entire organization. Expected sales levels influence the allocation of personnel and financial resources in many other departments. But the selling objectives may also be nonfinancial, such as the number of sales calls, new sales prospects converted to customers or the number of enquiries answered successfully.

The sales department budgets are another part of the sales plan. Typically these will include the sales forecast, the selling expense budget, the sales administration budget, and the advertising and promotion budget. Given the relatively high cost of personal selling, this budget plays a key role in planning and controlling the sales effort. Finally, the sales plan will include the assignment of sales territories and quotas. Sales quotas are performance targets set periodically for individual sales representatives, branch offices, or regions. They help sales managers motivate, supervise, control, and evaluate sales personnel. The sales manager is likely to use a combination of past territory performance and market indices to allocate quotas for each territory.

5. EVALUATING SALES PERFORMANCE

The final function of sales management is the measurement and evaluation of sales performance. ‘Sales analysis’ is the term used most frequently for the evaluation of performance. This analysis can be done by considering total sales volume or by looking at sales by territory or customer groups. One of the most important methods of evaluation is to judge actual results against sales forecasts and budgets.
CHAPTER SUMMARY

The field of public relations (PR) is growing, with the media available to PR specialists fitting into three broad categories: owned, paid, and earned media. The main techniques used in PR are press releases, FAM trips, travel exhibitions, events, sponsoring causes, social media, publications, winning awards, celebrity endorsement and product placement. Personal selling is a personalized form of communication that involves a seller presenting the features and benefits of a product or a service to a buyer for the purpose of making a sale. The sales process consists of seven steps: prospecting and qualifying, preplanning, presentation and demonstration, negotiation, handling objections and questions, closing the sale, and following up after closing.

REFLECTIVE QUESTIONS

1. How important are public relations and publicity to tourism and hospitality organizations? Give examples to support your answer.

2. You have just won a tourism award and would like to publicize your achievements. Write a press release for the local newspaper in an attempt to get them to run a story relating to your win.

3. Which do you think is the most important step in the sales process? Explain your answer.

MARKETING IN ACTION: ‘LIGHTS, CAMERA, ACTION…!’ PROMOTING HAWAII THROUGH FILM AND TELEVISION

Nearly 8.3 million visitors came to Hawaii in 2014, spending $14.7 billion, according to the Hawaii Tourism Authority (HTA). On average 205,044 visitors were in the state on any given day in 2014, an increase of 1.1 per cent from 2013. ‘By increasing visitor arrivals and spending to the majority of the Hawaiian Islands, we have been able to grow the benefits of tourism statewide, reinforcing our efforts to diversify Hawaii’s tourism economy by distributing visitors across the state,’ says Ron Williams, HTA’s CEO.

One example of the diversification of Hawaii’s tourism product is the growing significance of film tourism. The film industry itself has been important to the state since the 1930s when White Heat was filmed on Kauai. Hawaii’s most prosperous film-production year was 2010 when production comprised of ten feature films (including the fourth installment of Pirates of the Caribbean, and Battleship), TV shows Hawaii Five-0 and Off the Map, international commercials, and a steady stream of other smaller projects. Although Kauai is popular with filmmakers for its natural, versatile beauty, Donne Dawson, Hawaii’s film commissioner, says Oahu brings in the most production work because it has more infrastructure, including the Diamond Head Film Studio. It is also home to the majority of Hawaii’s film crew members and it has a mix of urban, suburban and beautiful natural locations. But, Dawson says, there is an effort to share the wealth. ‘We are trying to build the film industry statewide and we have diversity to offer across the island chain,’ she explains.
Hawaii’s most valuable movie customers are the ones that live there full-time, such as CBS’s *Hawaii Five-0*, which serves as a veritable live-action brochure for the state’s $14 billion-a-year tourism industry. And when tourists come to Honolulu, they often get to see the series in action, as happened when producers shut down the main drag in the city to shoot sequences for the season 4 finale and the season 5 opener. ‘We had literally hundreds of spectators there excited by the fact that a little bit of their vacation involved *Hawaii Five-0*,’ says Honolulu film commissioner, Walea Constantinou.

Along with the immediate economic benefits from the production itself, including hotel costs, catering, and hiring of local crew and equipment, there are long-lasting economic ripples. ‘We’re still feeling the effects of *Jurassic Park*,’ says Sue Kanoho, executive director of the Kauai Visitors Bureau. ‘It’s important to tie the destination to the actual place it’s filmed. The idea is to get your name out there when the film is released, again when it comes out on DVD, then the actual product, a visit [by movie viewers] to the island. So there is a triple opportunity.’

Marketers in Hawaii have been quick to capitalize on the film tourism phenomenon. Two Hawaii film tour companies recently made a list of the nation’s ten most popular film tours on TripAdvisor. One of those listed was Kualoa Ranch on the island of Oahu. Established in 1850, Kualoa is a 4,000-acre working cattle ranch, and is located on the northeastern side of Oahu in the Hawaiian countryside, 22 miles from Honolulu. Ancient Hawaiians considered Kualoa one of the most sacred places on the island of Oahu. It was the residence of kings, a place of refuge and sanctuary – a *pu’uhonua* – and a training ground for Hawaiian royalty who were instructed in the arts of war, history and social traditions. In 1850, King Kamehameha III sold approximately 622 acres of land at Kualoa to Dr Gerritt P. Judd. Dr. Judd had previously been a missionary doctor who arrived in Hawaii in 1828 and who served as personal advisor to King Kamehameha III, translating medical journals into the Hawaiian language. Later, additional acreage in the Hakipu’u and Ka’a’awa valleys was purchased by Dr. Judd’s son, Charles Hasting Judd. This purchase increased the size of the estate to 4,000 acres it is today and is now owned by the Morgan family, Dr. Judd’s descendants. In 1927 it was named Kualoa, which means ‘long back’ in Hawaiian, referring to the Ranch’s beautiful valleys and mountain peaks.

Kualoa has been the site of many Hollywood films such as *Jurassic Park*, *Windtalkers*, *Pearl Harbor*, *Godzilla*, *Tears of the Sun* and *50 First Dates*. TV shows including the old and *ImaGed* 9.5 *Author Simon Hudson with Semester at Sea students in Kualoa Ranch, January 2015*
new *Hawaii Five-O*, *Magnum P.I.* and *LOST* have also been filmed there. However, filming at first played a very minor role at Kualoa Ranch, says John Morgan, president of Kualoa Ranch. *Mister Roberts* was the first film shot at the ranch in the 1950s,' Morgan says. ‘We became more active in filming in the 1970s, but it was a relatively small portion of our operations. Of late, filming is much more important due to the revenue it can generate and the relatively low cost attached to it for us,’ Morgan explains. ‘Kualoa’s strengths are the natural beauty and culture of the place.’

Kualoa Ranch’s terrain has also represented Africa, Ireland, the Amazon, Mexico, the lost city of Atlantis and other faraway destinations. The ranch has welcomed film crews from Japan, Korea and Australia and hopes to attract Bollywood productions in the future. When Nicolas Cage filmed *Windtalkers*, Kualoa was also the site of some pretty realistic battles, says Morgan. ‘There were 272 major explosions – the most of any in Hollywood history in one day,’ he explains. ‘They had the whole valley rigged up with wires and explosives so that they could get the first 20 minutes of the film in one take. It opened craters all over the place, and they had actual medics running through the set.’

More recently, use of the ranch as a film set and for movie tours has become a more significant part of their business. Mao Lefiti, who works as Operations Coordinator at the ranch, says that the two activities related to film – hosting production and running movie tours – are equally important. ‘As a ranch first and foremost we have had to diversify our operations beyond agriculture. Although movie production does bring in continued business, we actually still run movie tours daily while films are being shot.’ If there is filming at the ranch, Lefiti says the ranch makes an effort to leverage this for publicity purposes. ‘We are currently working on an attraction from *Jurassic World* (the Indominus Rex Cage), and we always make it a point to highlight the different movies filmed here.’ Lefiti says that the tourists that come on the movie tours are of all ages and from all over the world: ‘Tourists of all walks of life come and, due to our proximity to East-Asian Pacific countries, we have lots of Korean and Japanese visitors. The tour itself has changed a little over the years, adding little bits and pieces as new films add more viewpoints throughout the tour.’

Sources: Personal visit by the authors to Kualoa Ranch in January 2016.

**CASE STUDY QUESTIONS**

1. Name three other destinations around the world that are attracting film tourists and explain why.
2. Take a look at Kualoa Ranch’s website (www.kualoa.com) and describe how the ranch is currently leveraging this ‘film tourism’ phenomenon.
3. Referring to the material on product placement earlier in the chapter, explain how Hawaii could measure the effectiveness of this ‘destination placement’.

**REFERENCES**


South African residents before and after the 2010 FIFA World Cup’, *Journal of Travel Research*, 52(5): 631–45.


