

ROLE OF MARKETING IN TOURISM

Marketing is the process of planning and executing the conception, pricing, promotion and distribution of ideas, goods and services to create exchanges that satisfy individual needs and organizational goals. Exchange is the process by which individuals or business gives and receive something of values. It involves the actual trading of a product or service. Modern economy involves provision and exchange of market offering (Tangible services hotel accommodation, Transportation services by airlines, restaurant services, political campaign idea and policies usually refer to as 'products'. The seven variables that constitute a market offering are;

1. Tangible service needed by customers
2. Delivery and distribution of objects or services in forms that will make it to be readily available/accessible to the customers.
3. Pricing of object or services in manners that would encourage the customers to pay.
4. Marketing communication or communication of marketing information about the object or service to the buyer.
5. The people that are to delivered the service
6. The service processes that the product would go through before delivery to customers
7. The physical environment in which the service is delivered

These are the seven important factors that must be considered in determining the management of marketing other wise known as marketing instruments. These are product, distribution, price, marketing, communication, people, processes and physical evidence.

Many strategies have been employed/ used by marketing in using the marketing instrument.

The advent of the internet has however provided unique ways of using marketing instrument.

The use of the internet is particularly important in marketing Tourism products. Tourism products are fairly expensive, and are usually utilized by affluent and fairly educated

customers who often have access to internet.

Classification of Commercial Web Sites On Internet

Six distinct commercial web sites have been identified on the web.

1 Online store front: uses electronic catalogue or other innovative formats to offer direct sales of products through an electronic channel.

2 Internet presence: provide a virtual presence for a business or its market offering (products) serve as means of informing prospective customers and competitors that the business is on the cutting edge.

3 Content site: In fee-based content sites, the provider supplies and or pays for content, which the consumer pay to access. Content site (involving fee) are expected to increase as service payment mechanisms are developed and implemented.

4 Mall: connection or on line store fronts, each of which may contain varieties different categories of goods for sale. The provider charges rent in exchange for the virtual real

estate and may offer a variety of services to the store front.5 Incentive Site: Represents a unique form of advertising that attracts a potential

customer to site. The objective is to attract the user to the commercial site behind the advert. It help marketers to generate traffic to their sites.

Assignment: 'The graveyard of business are literal with business/companies that failed to recognize the inevitable changes,' analyze this statement in relation to the use of the internet for marketing tourism.

Marketing Environment

Marketing environment are all the variables or factors that can directly or indirectly influence marketing activities. It consists of three main components.

1. The Micro-environment: All internal variables that can be controlled by management e.g. business mission and the marketing objectives.

2. The Market environment: Forces that are outside the micro-environment or business e.g. customers, competitors, intermediaries and supplies as applicable to

specific industry.

3. The Macro-environment: External factors that cannot be influenced by individual businesses but which directly or indirectly influence all business e.g.

Economic, political and social changes/factors.

Marketing managers must regularly evaluate the progress and direction of their businesses through SWOT analysis (Strength, Weaknesses, Opportunities (external and internal) and Threats.

The micro-business environment

Macro-environment

- Political
- International
- Physical
- Technological
- Economic
- Socio-cultural

Marketing environment

- Consumers
- Competitors
- Suppliers

Micro-environment

- Mission
- Objective
- Resources, Skills abilities
- Market instrument

Strength

&

Weakness

Opportunities

Opportunities Threats Threats The micro-environment consists of forces close to the business that can affect its ability to

serve its customers. The variables includes, mission, objectives of the business, resources, skills and abilities as well as market instruments.

1. Mission of business: Mission of the business is a statement of the scope and purpose of the business. It usually involves the identification of target market in terms of size and characteristics. Size (mass marketer specific segment of the market? Characteristics (Gender, age, geographical, social characteristics like liberal conservative).

2. Marketing objectives: Involves the setting of both long, medium and short terms intention of goals of the business. These objectives may have to do with achieving the highest possible rate of return on investment (profit), development service traits (customers orientation), product and service delivery with respect to quality (survival and growth), have more sales and size of market shares (competitiveness), efficiency and effectiveness (customer centered) and objectives bothering on the scope and application of market instrument.

Market objectives could also be process driven (e.g. to reduce service/waste time), distribution centered (e.g establishment of super storage technique), market communication centered (increase number of sales reps) or price objective.

3. Resources, skills and abilities:- These may be described as the availability capital and other factors of production needed by the business to create effective organizational structure(s) that will enable employers to function to the best of their abilities and identification span of control within the organogram of an organization. Human production factors in marketing requires effective training in marketing skills and marketing. Possession of internal strengths that comes with

experience and intuitive foresight are also needed. – see chapter 10.