Preparing for the International Tourism Trade

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Are you ready for International business to increase your tourism revenue?
Who is your target?

- Cultural Heritage Travelers
  - Better educated
  - Well traveled
  - Physically active at every age
  - Higher household income
  - Seek authentic experiences
  - Seek to learn something
  - Appreciate they are in a special place
  - Acknowledge they have special access to culture
  - Have the ability to pay for high quality experiences
How do you determine if you are ready for international visitors?

- **Inventory**
  - List of authentic assets & experiences
  - What can you offer?
    - Guided tour, hikes, festivals, traditional food, lodging, restaurants
    - What do you have that has depth and quality?

- **Partnerships**
  - Regional partners who can offer what you can not
Visitor ready determination

Do you have the staff to deliver what you promise?

- Knowledgeable
- Reliable
- Flexible and nimble
- Good sense of humor
Craft your message to educate your customer

- Target your message to your customer
  - International vs. U.S. domestic

- Marketing is education

- Niche travelers are not looking for a mass market experience
  - Personalize this to their individual interests
    - i.e. women’s programs
To profit from travelers understand their expectations

- They want to learn
- They seek an authentic experience
- They want to meet local people
- They want active experiences
- They want a reliable and memorable experience
Why is international important to your business?

- The typical international traveler to the U.S. spends $4,500 per person and easily stays two weeks in the U.S.
Talk to your visitor about what they want

- Talk to your tour operator and receptive operator
- Design country specific programs to targeted visitors
Target your markets

Country preferences
United Kingdom

Preferences

- Shopping!
- Historic sites!
- National Parks!
- Gaming!
- Country music!
- Wineries!
- Prefer to visit Aug-Oct!
It’s all about the food!
Dining in expensive restaurants!
Visiting historical places, museums!
Visiting theme and amusement parks and national parks!
Preferences

- Authentic Visits!
- Blues!
- Beaches!
- Heat!
- American Indian Experience!

- Dislike A/C!
Preferences

China &
Shopping centers!
Casinos!
Wine!
Yachts!
Hunting!
Horses!!

Seeing as many things as possible!
Lively, loud environments!
China' &
Promoting Your Product

- Media/Travel Writers
- Internet/Social Media
- Tour Operator
- Receptive Operator
Partners in Profit

Collaborating with Marketing Partners
Define Your Product

- FIT/Fly Drive-Group
- Set a budget
- Choose your market(s)
- Choose your Promotional Activities
- Produce Promotional Materials specific to your target market
- Promote “In-House”
- Choose your PARTNERS
International Marketing Tools

- Trade Show Participation
  - U.S.-IPW, Go West Summit, other regional shows
  - Europe-ITB, World Travel Market, Showcase Italy
  - Asia-JATA/Japan, CITM/China

- Sales Missions

- Familiarization Tours
  - Trade-Product exposure and development
  - Press-Editorial Coverage
International Marketing Tools

- Web Site
- Advertising
- Editorial Coverage
- Guide Books
- Word of Mouth
International Partners

- CVB and other local DMO’s
- State Tourism Office
  - In-Market Representation
- Regional Tourism Promotion Groups (AIANTA)
- Visit USA/Brand USA
- NTA
- U.S. Department of Commerce
- Receptive Operators

DON’T GO IT ALONE!
Receptive Operators

- Receptive Operator: A ground operator who packages and sells services such as hotels, sightseeing, attractions, transportation.

- Knows the international tour operators in the market(s) you are targeting

- Makes booking easy for the tour operators with on-line booking systems, payment plans, etc.

- Assists the supplier with payments, collection of funds, etc.

- U.S. based contact for your business and travelers
When is pricing information needed

- Each market will have different timing for when rates are required…

- General Guidelines
  - Receptive Operators-June or earlier (prior to IPW)
  - UK-June (for the following year)
  - Europe-September (for the following year)
  - Asia-January (for current year)
Choosing a Receptive Operator

- You do not have to work with everyone
- Your Homework: Markets, Programs, Seasons
- Ask your DMO to help you narrow down company choices
- Learn about their reputation
  - Booking Procedures
  - Payment Record
- Know the difference between a Receptive and OTA
What to Learn for your Markets

- Know the country culture
- Allow time for business relationships to grow
- Business expectations: socializing, gift-giving, presentation of business cards
- Understand communication styles
Products Buyers Offer

- FIT (Foreign Independent Traveler)
- Escorted Group Tours
- Fly-Drive programs
- International Leisure Groups
- MICE groups
Advantages of Working with Receptive Operators

- Most efficient access to international FIT travelers
- Overcoming language barriers
- Located in North American time zone
- Access to international groups
- RTO’s assume currency risk and risk of collections
- RTO’s require issuing few contracts
- RTO’s can move distressed inventory at higher yields than OTA’s
- RTO’s can provide free advertising in international markets via Tour Operator brochures and co-op advertising
Disadvantages of Working with Receptive Operators

- Must provide rates 18 months in advance
- Tiered rate discount can seem unnecessary in robust economy
- RTO’s may not always be able to fill their contracted allotments
  - Allotments are not always necessary
Traditional Tiered Pricing Model

Net rate: $100

Int'l Operator: $111

Travel Agent: $130.50

Consumer: $152.94

Source: North American Journeys
How Tour Operators Work

- Receptive Operator
- Hotels
- Local Sightseeing
- Transportation
- Attractions
- Europe
- South Pacific
- South America
- Asia
- International Tour Wholesalers
- Worldwide International Retail Travel Agents
- Consumer Market

International Tourism Marketing
How do I begin?
What to do now?

- Determine your access/gateway airport
- Determine what attractions would international visitors be interested in
- Put your package together
- Partner with local DMO’s
- Partner with area hotels
- Partner with Receptive Tour Operators and Tour Operators
Prepare your Marketing Tools

- Business Cards in appropriate language
- Sample Itineraries
- Images (computer, tablet, photos, brochures)
- Make an appointment, be on time
- Make a notebook of Appointments
  - Create a lead sheet
  - Include a place for business cards to be staples or glued to the sheet
  - A place to take notes
- Follow up, Follow up, Follow up
Now that you are ready
Enjoy your new opportunities!!
Thank you!