

Building an export plan

Why should I develop an export plan?

What should my export plan include?

What makes tourism marketing different?

What elements does the export plan draw together?

“Your export plan is really an international extension to your marketing plan, or business plan. With clear objectives, that can be measured and reviewed at every step, and with realistic timescales, our planning and delivery has been kept on track across our international markets. It’s been a useful document for keeping our whole team on task with activities and messages for different markets.”

Mark Holroyd, Head of Programme, Discover England’s National Parks

Why should I develop an export plan?

By deciding to target international travellers to purchase your tourism product, you are, in effect, exporting your product. The key to success is to match the right product to the right market, providing an optimum return on investment.

A detailed export (or marketing plan) should be developed to provide a blueprint for your marketing activities in exporting your product to each market.

An effective export plan will help evaluate your strengths and weaknesses when entering the export market, when you consider:

- The products that you will export
- Your target markets
- Timeframe
- Marketing strategies

Your plan and all the related activities should be reviewed on a regular basis to ensure you continue to receive a return on your investments.



What should my export plan include?

- **Overall business objectives** – what is it that your organisation wants to accomplish?
- **Assessment of the market environment** – what are the factors, internally and externally, that will affect your business and servicing of identified markets?
- **Market identification** – what are the specific markets and segments that are most likely to use your product?
- **Marketing objectives** – are the objectives for each target market measurable, achievable, time-specific, non-ambiguous and flexible?
- **Marketing strategies** – what is the best combination of the four Ps (Product, Price, Place & Promotion) for each of your target markets?
- **Strategic action plan** – what are the actions needed to make your strategies work, who will do it and when?
- **The marketing budget** – how much do you have to spend and how will you allocate the resources?
- **Monitoring and evaluation** – how will you measure the performance of your marketing efforts?

You can use these headings as the template for your plan, and it doesn’t have to be a lengthy document. It should be easy to read and review on a regular basis.

What makes tourism marketing different?

The challenge with tourism marketing is that the principal products are experiences. These are intangibles and much more difficult to market than tangible items such as household appliances. The consumer also needs to travel to the product in order to experience it.

Your tourism marketing message should focus on the whole consumer experience. For the consumer, the travel experience is made up of a number of components including: transportation, accommodation, food, shopping, entertainment, touring and events. It is important to consider this when developing your marketing plan.

What elements does the export plan draw together?

Your marketing budget

There is no rule that specifies how much of your turnover you should allocate to your marketing budget. As a rough guide, most small businesses allocate between 3-10% of their budget to both domestic and international marketing. If possible, it is useful to make comparisons to other similar sized businesses. As domestic tourism is the 'bread and butter' of most tourism operators, most marketing budgets are spent on domestic marketing activities. Therefore, it is important to thoroughly research and plan your targeted international marketing activities to maximise the small portion of your budget allocated to this area.



Points to consider in this analysis should include:

- Understand the growth of inbound tourism markets and current domestic and outbound trends
- Develop a business plan including a 'SWOT' (analysing your Strengths, Weaknesses, Opportunities & Threats)
- Understand the various distribution channels to market
- Understand what a distributor can provide to you
- Know what you need to do to be able to work with a distributor
- Understand the steps required to gain distribution
- Set the price for your product to allow for distributor commissions
- Learn how to leverage your product by packaging with other products

Your target markets

Identifying and understanding your target markets should be the foundation of your plan. In order to succeed in the international market, it is important to tailor your business and product to your customer's requirements. By understanding how your region and product might appeal to the international market, you can tailor your product, marketing and promotional activities to attract new business.

The four elements (P's) of marketing – the modern day approach

You may have heard of the four Ps of marketing, being Price, Product, Place (Distribution) and Promotion, as it has been used as an approach to marketing around the world for decades. However, with the rapid growth and influence of the internet, it has changed the way we engage with our customers and the relationships that have developed. This means we still need to focus on these four Ps but consider them in the light that your customer will seem to know everything about your business (or want to), and they will want to research it for themselves, rather than the old model of being told.

Product

Product is the combination of ‘goods and services’ that make up the visitor experience, including the standard of your facilities and equipment, the level of service you provide and the quality of your interpretation. An individual product will make up only part of the total travel experience for a consumer. The complete travel experience includes all the elements that a tourist consumes from the time they leave home until they return. This includes transport, accommodation, meals, attractions and activities. These may be purchased independently by the consumer or bundled into a package for sale by a tour operator, DMC or wholesaler.

Instead of just focusing on your actual product in your marketing, focus on the experience, and the solution that it provides. Often a holiday experience will solve a customer’s problem, such as being overtired, needing to feel refreshed, or needing to learn and try new things. Focus on the features of your product that helps them solve these problems. For example, by joining a walking tour of England’s coastal paths you could experience the healing powers of nature, discover breathtaking scenery that revitalises your spirit, try locally sourced fresh seafood, and meet local craftspeople to gain a first-hand insight into England’s arts and crafts scene.

Price

Your price is the cost to consumers at various points in the distribution chain. It includes the price that consumers pay when they buy direct from you, the commission and net rate structures offered for intermediaries and the rates for children or students. It also includes your booking terms and conditions. A product must be priced consistently, accurately and competitively to be successful in the market place. This requires a clear understanding of each individual cost component, including commissions and their impact on the total price of the product. For further information refer to *Section 10 - Pricing: it’s all about balance*.

However, in your marketing plan and activities don’t just focus on price, rather, focus on value. Consumers aren’t analysing your price in relation to your production costs and your profit margins. They will be concerned about price, but it relates to how much value they perceive the experience to have. Therefore, in your plan and marketing messages articulate the benefits of your product relative to your prices.

Place (Distribution)

Distribution is the vital link between your product and the consumer. A distribution strategy considers the ‘place’ your product is sold and the range of different ways a consumer may make a purchase decision. International consumers may buy a wholesale package from a local travel agent before they leave home, or book at their hotel’s tour desk following their arrival. The booking may be channelled through a tour operator or conference organiser. Consumers may have found your product on the internet, in a guide book or received a recommendation from a friend via a social media site.

Less independent travellers are far more likely to go through traditional travel distribution channels. More experienced travellers might organise the bulk of their arrangements once they arrive in England. Therefore, do not overlook distribution points such as tourist information centres, and hotel concierges that your target consumers may approach and factor these into your business and marketing planning. Customers also want to know that your business is accessible, for example, knowing how available you and your team are should something go wrong or need changing. They want to know and see demonstrated that your company is responding to feedback.

Promotion

Traditional ways of promotion were limited to ‘interruption marketing’ whereby the business told the consumer what to believe. Today we need to think entirely differently as the business has the opportunity to be involved at each point in the evaluation and purchase cycle, and the customer wants to make up their own mind. Therefore, the way you outline your promotion strategy needs to consider all the steps in the purchase cycle, what promotional activities you can do along the way that is a combination of activities to cost effectively reach your target market and get them to convert to a sale. For example, ensuring that your company ranks high on an Internet search for research gathering, to featuring often in travel articles. That is, to provide the information as well as the third party endorsement so that the consumer can make up their own mind.

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The promotional mix usually comprises a combination of the following:

- **Advertising** – print, broadcast, direct mail and the internet
- **Public Relations** – media release, media kits, press conferences, media familiarisation trips, interviews and speeches
- **Personal Selling** – trade and consumer events, sales calls, sales missions and staff training
- **Sales Promotions** – competitions and sales incentives
- **Digital marketing** – Online advertising, search engine marketing and optimisation, social networking and user generated content, videos, podcasting etc.



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