Chapter 3

Tourism Marketing: Opportunities and Challenges of Online Modes

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ABSTRACT

Tourism is an important service sector in many countries across the world as this particular sector generates significant amounts of revenue that adds up to the country's national economy. Given the significance of this sector, it is important to consider how this sector can be promoted to the end users and what type of marketing strategies should be formulated in order to achieve maximum market share. Therefore, this chapter highlights the ever-changing needs and wants of customers in terms of their destination choices. Moreover, this chapter provides information related to the important factors that will influence customers' choices of destinations and elicit the relevance of the various marketing strategies that are evident as part of accessing and promoting online modes. These differential marketing strategies are important to consider as they cater to the needs of varied customer segments. Challenges associated with tourism marketing are discussed, and furthermore, relevant tourism-based examples are included that reflect the changes in the tourism marketing space.

INTRODUCTION

Tourism is an important sector that has been exhibiting phenomenal growth over the past few years. Many factors contribute to the continued growth of this sector. Across the globe increased disposable income levels, changing consumption habits, awareness of outbound versus inbound available tourism opportunities contributes to increase in tourism-based activities (Yoon *et al.*, 2001). Tourism in general involves consumers

to travel to a different place of some attraction, that is quite different to their normal day to day environment and engage in activities that gives a value added experience to the consumers (Mazanec, 2005). Formal and abstract definitions of tourism emphasise that the consumers' length of stay as tourists may extend to a period of one year and their visit definitely relating to leisure or business (Woodside & Martin, 2008). Tourism sector has undergone massive changes due to the advent of the internet and the proliferation of the

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information and communication technologies (ICTs) (Vanhove, 2005).

Tourism sector coupled with ICTs provided many opportunities to consumers and changed the whole paradigm of tourism marketing. The generic definition of tourism marketing refers to the overall offering from the marketers to the consumers in providing a holistic experience of their purchased travel option with superior value (Wright et al., 2002a). Tourism marketing offers an amalgam to the consumers by combining the travel with other auxiliary facilities such as accommodation, restaurants, tours, visits made to local cultural centres etc., that creates customer satisfaction and keeps the customers delighted throughout the process (Bigne & Andreu, 2004). Tourism marketing needs to take into account the various needs of customers and focus on creating value for customers by maintaining stronger profitable relationships (Lee & King, 2008).

Tourism marketing in the first instance needs to identify and segment appropriate customers and map the identified customer's interests to a specific destination (Chen et al., 2008). Moving a step further, tourism marketing needs to select a particular target segment and position their marketing strategies in an appropriate manner that caters to the varied needs of the customers (Moschis et al., 2003). Marketers need to be careful to factor in inbound and outbound tourism characteristics whilst targeting a specific segment of the customers. Thus the marketing activities vary in the extent based on the nature of the tourism and the type of the target customers. Inbound tourism refers to the travel to different places of interest within a country (Williams, 2006). Customers' familiarity with the country, people and the culture remain intact and the level of apprehension that the customers usually face in travelling to a new place is kept to the minimum all the times in case of the inbound tourism (Mattila, 2004). On the other hand, outbound tourism generally refers to travel to international destinations and customers face serious challenges in terms of the destination country's culture, eating habits, people etc., and would like to gather as much information as possible before they travel (Fuchs & Weirmair, 2003).

Increasingly as more and more destinations try to capture marketers' attention in a significant manner, in order to create that holistic experience to the customers and also to capture value from the customers in return, the traditional mode of tourism marketing is also continuously changing (Crick-Furman & Prentice, 2000). The world is changing at a faster pace and so are the marketers, markets, consumers, products and services (Kozak et al., 2002). As the growing markets are attracting competitors and as the competition becomes so fierce, marketers need to capture customers' attention by offering strategic advantage and by placing their product and service offerings superior to those of their competitors (Vasudavan & Standing, 1999).

Coupled with the prevailing aspect of fierce competition in the tourism sector, more and more businesses focusing on tourism marketing are changing their modes of operation. Traditional mode available to a vast majority of these tourism businesses is to operate in a physical space via the offline marketing mode (Hudson & Ritchie, 2009). However, with the globalisation, proliferation of ICTs, Web 2.0 technologies and changing consumers' attitudes and preferences, many tourism businesses are complementing their offline presence with online presence or completely turning to the online mode of operating (Frias *et al.*, 2007).

LITERATURE SYNTHESES

The proliferation of the internet and other webbased technologies accelerated the availability of the user generated content to a greater extent. These technological advancements fostered changes in ways of communication patterns amongst businesses, customers and companies (Burton & Soboleva, 2011). The several benefits associated with the evolution of the internet allowed

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