

FACTFILE:

GCSE LEISURE, TRAVEL AND TOURISM



Unit 2

PROMOTING AND SUSTAINING THE LEISURE, TRAVEL AND TOURISM INDUSTRY



E-marketing in the leisure, travel and tourism industry

Learning Outcomes

Students should be able to:

- demonstrate understanding of the importance and use of e-marketing in the leisure, travel and tourism industry, including;
 - websites;
 - pop-ups;
 - cookies;
 - review sites;
 - social media; and
 - internet booking, both direct and indirect.

What is E-marketing?

E-marketing (where E stands for electronic) includes internet advertising, text messaging, email marketing and most recently marketing using social media. It means using digital technology, usually the Internet, to market products and services. There has been a huge increase in the popularity of mobile electronic devices such as smartphones and tablets. This has in turn led to an increase in electronic marketing now simply referred to as E-marketing.



Fig 1: E-Marketing (Image © stuartmiles99 / Getty Images/iStockphoto/Thinkstock)

E-marketing has developed from pop-ups and banners on a website to sophisticated targeted communication through text, emails, apps and through social media such as Facebook and Twitter. As more people become confident about buying over the internet, E-marketing becomes more common. In leisure, travel and tourism it usually complements other types of marketing. The functions of marketing remain the same for E-marketing, although the marketing mix may be applied differently, for example promoting the product to the customer might take different forms such as email.

E-marketing is the fastest growing part of leisure, travel and tourism marketing, allowing organisations to target their customers very effectively with appropriate information and sales messages. Advertising on the internet is relatively cheap and is an excellent way of getting sales messages to specific customer types, using online advertising services such as Google Adwords. The growth of internet advertising is having a negative impact on traditional types of advertising, such as TV and press adverts, which are losing market share.

E-Marketing developments in recent years have significantly altered how some organisations communicate with their customers. Most noticeably, it has improved an organisation's ability to find new customers and to develop stronger relationships with existing customers. The use of E-marketing and smart phone technology has developed two-way communication between the customer and the seller that was previously impossible. The landscape of marketing has altered to such an extent that organisations are now able to develop more sophisticated ways of communicating with customers to the benefit of all. However, the consistency of marketing messages must also extend to E-marketing.

The traditional marketing communication mix has been added to with social network sites such as Facebook that are able to support advertising activity to a very specific target market and at costs that are significantly less than some of the traditional advertising avenues. Most leisure, travel and tourism organisations have long recognised the importance of promoting their products and services using internet websites that contain web pages, including multimedia content, and an easily recognised domain name published on at least one web server. Budget airlines such as easyJet have a long and profitable relationship with customers worldwide who can search for the easyJet site using search engines such as MSN or Google. Search marketing of this kind is frequently used by customers seeking products and services from the entire leisure, travel and tourism industry.

Some websites contain pop up messages that are types of online advertising often added to website pages in order to promote other products and services but can also identify a user's email addresses for use at a later date. While pop ups are another form of E-marketing, their popularity with customers is often diminished by the knowledge that their use can result in much unwanted email notifications at a later date (junk mail).

Online Marketing



Fig 2: Online Marketing (Image © stuartmiles99 | Getty Images/iStockphoto/Thinkstock)

Search marketing websites that sell products and services often make use of web cookies that store data on the user's computer, typically items added in the shopping cart from an online store. This is often the case when customers are booking holiday accommodation in hotels or if products are being purchased regularly from specific internet sites. This helps to make the purchase of goods and services much simpler than attending a travel agent's office and are particularly useful for independent travellers who prefer to make direct bookings through the internet and who wish to plan their own holiday or travel arrangements. Bookings made on a customer's behalf can be made indirectly by a tour operator who will establish electronic communication using email or short messaging services (SMS) to a customer's mobile telephone that can be stored on the phone to read later or printed from a home PC.

Short term sales promotion activity can also benefit from E-marketing by contacting customers by email, utilising social media to generate viral marketing when customers pass messages to friends online and by phone communication that makes use of SMS or text messaging.

Many leisure, travel and tourism organisations now make use of a communications mix that usefully combines traditional and more modern online tools some of are more advantageous to specific market sectors than others. Social network sites such as Facebook offers opportunities to communicate in a way that can target a specific market more easily and on a more frequent and inexpensive way.

Review sites are web-based sites through which customers can post information about products or service in the leisure, travel and tourism industry that can be seen by anyone using that web site. It is a hugely important development in the service industry and its popularity and impact has grown to global proportions. It offers customers their opportunity to tell organisations just how good or how bad the service provision really was. It can often act as a catalyst for others to buy products or services (or not as the case may be) and is therefore a very important E-marketing tool. It can also present problems for organisations that are unable to meet the expectations of the modern customer. In March 2013, TripAdvisor, currently one of the most popular review sites, experienced more than 100 million traveller reviews. Increasingly the organisation posts a response to the feedback particularly where the feedback has been negative in nature.

Current examples of review sites commonly used by leisure, travel and tourism customers include;

- TripAdvisor
- Expedia
- Booking.com
- Google+ Local
- Travelocity
- Hotels.com
- Foursquare
- Yelp

Given the importance of these and other review sites, organisations need to be prepared to do all that they can to ensure customer satisfaction and take whatever steps are necessary to counter inaccurate reviews from past customers.

Learning Activity

- **Organise a group debate to demonstrate understanding of the use of internet and social media in the leisure, travel and tourism industry.**
Students should be encouraged to participate in a classroom debate to explain what social media is and how it is used by young people. Individuals or groups should be selected to present information about each of the social media and to demonstrate what is represented by cookies, pop ups etc. The topics covered should be summarized and recorded.
- Students should be given the opportunity to visit web sites for a range of leisure, travel and tourism organisations. They should consider:
 - Is E-marketing more or less effective than traditional methods such as leaflets. Why do they think this is the case?
 - Pop-ups are a nuisance to the user – agree or disagree?
- Give students the opportunity to visit review sites such as TripAdvisor. They should consider:
 - Why do most people who make a review do so?
 - What impact might this have on others looking for information about a resort, hotel, airline etc?
- Distinguish between indirect and direct internet booking. Consider the advantages and disadvantages of both types of booking for the customer.
- Travel agencies such as Kuoni store customers' email addresses on its database. What additional information will they hold about customers? Kuoni sends emails on a regular basis to customers advertising holiday deals that they may be interested in. Cookies allow Kuoni to know which deals, if any the customer has looked at. How might Kuoni use this information in future?

Resources

James, Elise., Thirlway, J. and Woodhouse, U. (2007) *Travel and Tourism*, Hodder Arnold

King, C., Kerr, A. and Jeffries, M. (2006) *Travel and Tourism*, Heinemann

Morris, P., Kelly, M., Douglas, S. and Fletcher, L. (2009) *GCSE Leisure and Tourism*, Heinemann

Rickerby, S. (2009) *Leisure and Tourism*, Nelson Thornes

