



ASEAN

Tourism Marketing Strategy (ATMS) 2012-2015



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A S E A N

Southeast Asia
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The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967. The Member States of the Association are Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.

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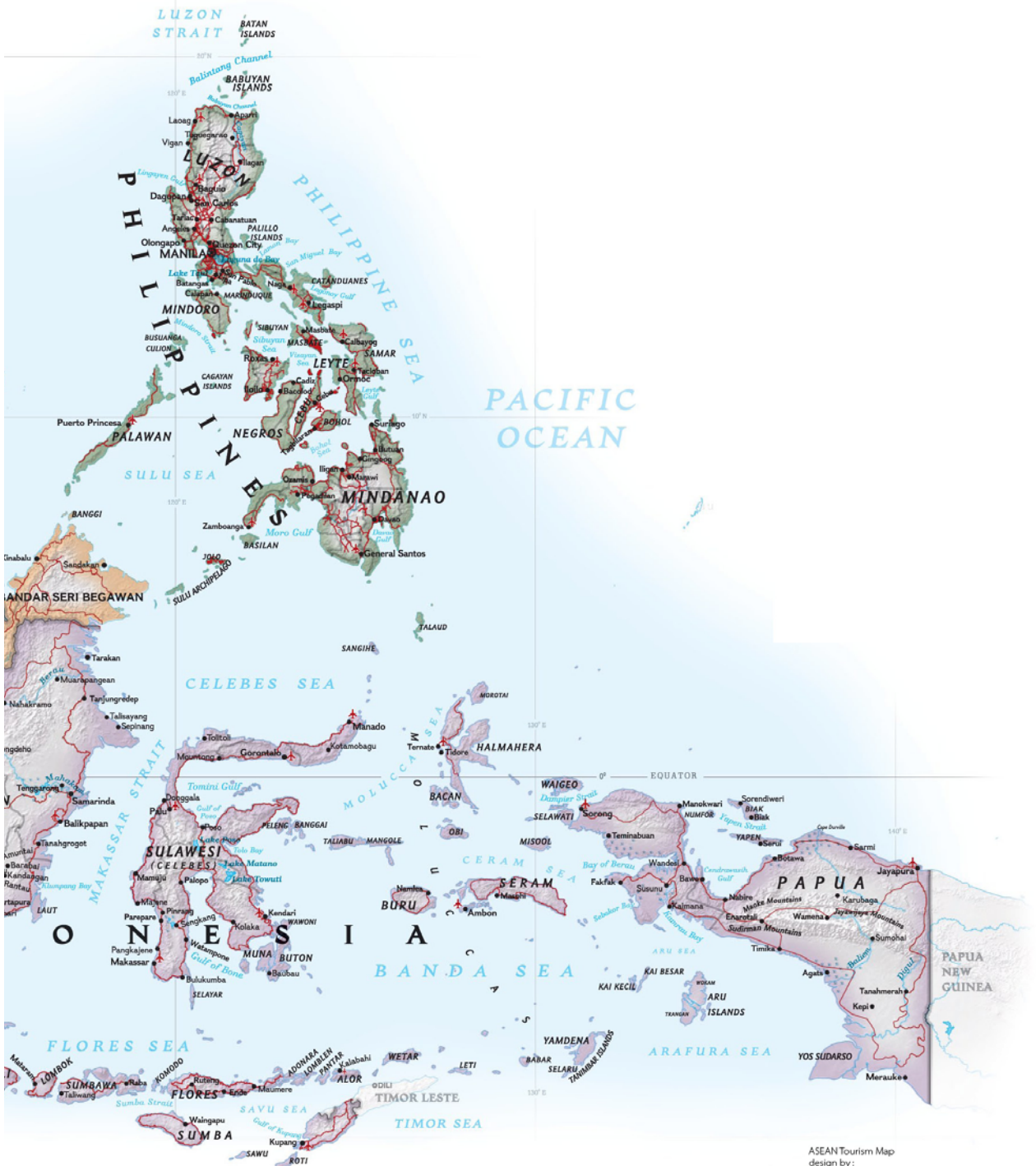


ASEAN Tourism Marketing Strategy 2012 - 2015





The Association of Southeast Asian Nations



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Executive Summary

EXECUTIVE SUMMARY

The ASEAN Tourism Strategic Plan (ATSP) 2011-2015 that was adopted by the ASEAN Tourism Ministers in January 2011 calls for the development of a marketing strategy by January 2012. That strategy is contained in this document.

This marketing strategy represents the consensus of the ASEAN National Tourism Organisations (NTOs) on important strategic marketing directions for the ASEAN region moving forwards to 2015 based on objectives agreed to by all of the NTOs. This strategy is designed to help build worldwide recognition of Southeast Asia as competitive and world-class tourism destination, in large part using the sophisticated marketing capacity and resources of the individual ASEAN NTOs. The strategy is based on the principle that the responsibility to develop national products and attractions is left to the individual countries. Based on this premise the actual resources necessary for implementing the ASEAN marketing strategy are limited and the strategy relies heavily on the participation of partners, working with the NTOs and the support of the private sector. This document stresses the importance of piggybacking (utilising the existing ground work, research and activities of the NTOs and partners) in all aspects of the marketing activity.

A number of global/regional forces were identified that will impact tourism in the region including global social and economic forces; emerging trends in visitor motivations and behavior; emerging forces in marketing, advertising and distribution.

A major component of the strategy identifies target markets for Southeast Asia commensurate with the level of resources that will be available for marketing and promotion, in keeping with the forces and trends identified and the nature of the regional tourism environment. The agreed upon ASEAN target market segments are: generic/mass travel, experiential travel, creative travel, adventure seeking travel, senior/extended/long stay travel, and business related travel. The strategy phases the development of the target markets over the four years of the marketing strategy in order to yield the best opportunity for results.

A core activity in developing a marketing strategy is determining the nature of the products and experiences. The strategy's product and experience development process will continue to develop within the context of the four main products identified in the ATSP and which will be promoted regionally: culture/heritage, nature, community-based and cruise/river based tourism. Each Member State has a significant number of attractions and experiences and the challenge on a regional level is to bring these together in a creative and innovative way in order to encourage tourists to visit more than one country in Southeast Asia.

The process for developing regional products is fully discussed in the document. The Product Development Working Group (PDWG) has created four sub working groups dealing with each of the broad product categories identified in ATSP. It is important to note that it is vital that the PDWG and the Marketing and Communications Working Group (MCWG) must work closely together to develop products, experiences and activities for each of the target markets.

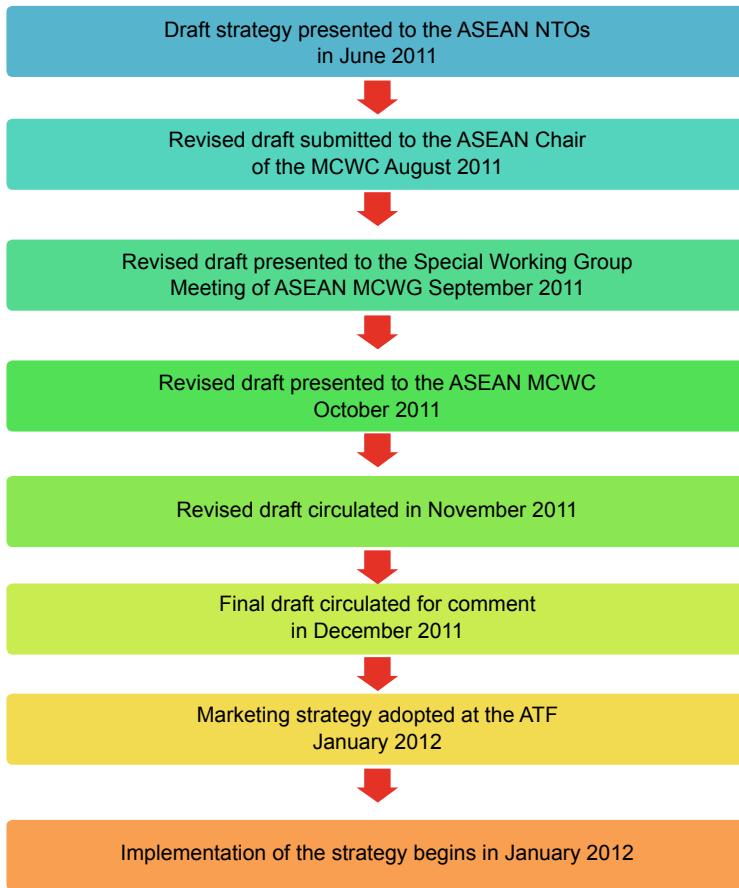
In June 2011, the ASEAN NTOs adopted a tagline and logo in large part based on the work of the ACE/Value project. The appropriateness and effectiveness of the existing tagline and logo will be assessed on an ongoing basis. It is recommended that a full branding exercise should be undertaken by 2015 to evaluate the appropriateness and effectiveness of the existing tagline and logo.

Given the nature of the marketing budget, it has been determined that internet based marketing offers the most cost effective opportunity to provide a competitive advantage to the region. The e-Marketing approaches put forward in this document will include the utilization of social media networking and focuses on the development of an integrative and well-maintained website to increase knowledge and interest in the region. A key to the entire success of the marketing effort and the distribution strategy will be in having a full-time/part-time dedicated person to coordinate activities and to provide quality control and help develop content.

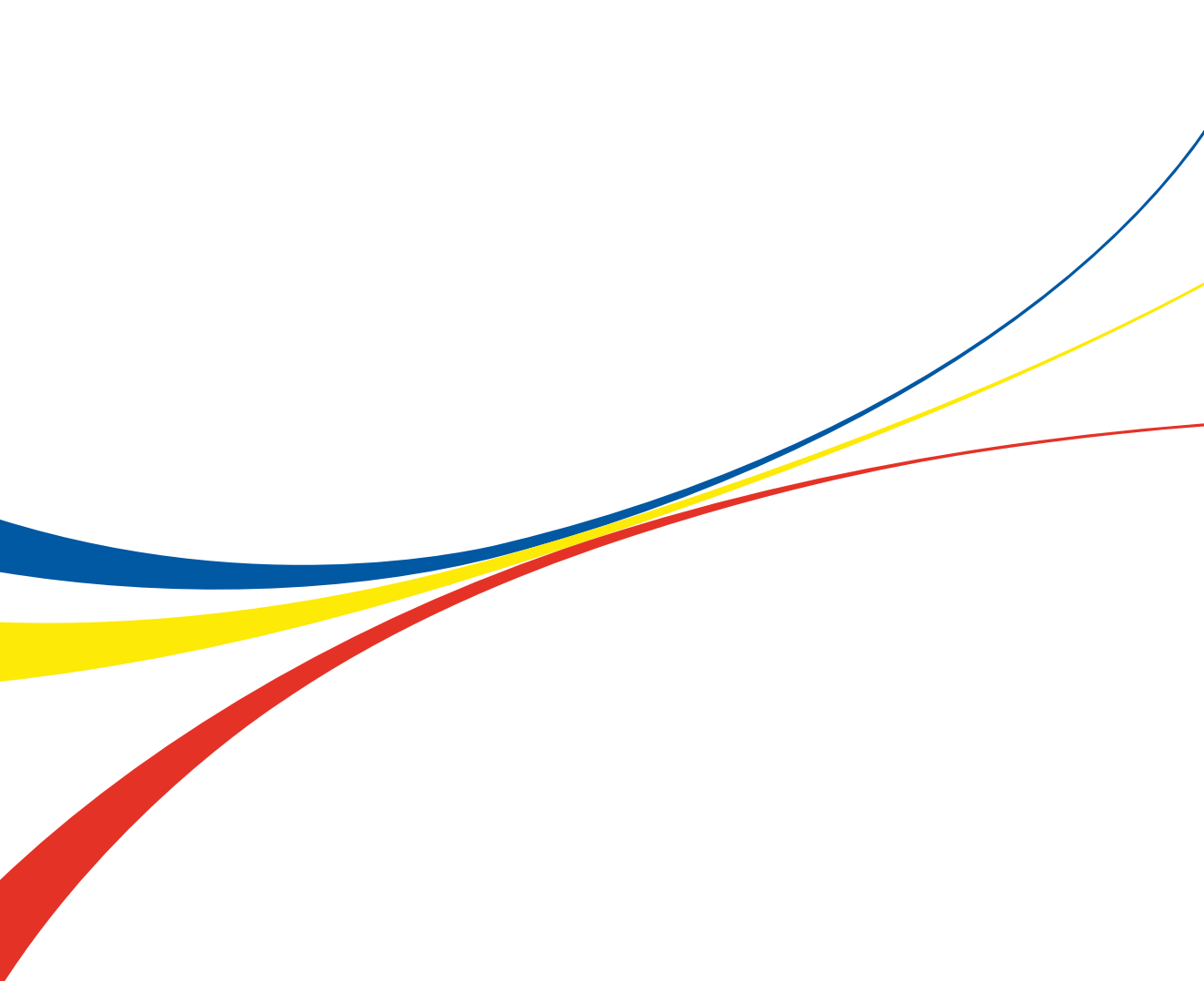
While the focus of the marketing strategy is to draw visitors into the region who will visit more than one country the strategy recognizes that internal regional tourism is an important component to supporting tourism throughout the region as well as building understanding between various members of the ASEAN family. The strategy strongly supports ongoing efforts to promote internal tourism using the resources of the individual NTOs under the theme of “ASEAN for ASEAN”.

The strategy includes a definition of the management structure for implementing the plan which includes ongoing activities such as research and public relations, identifies a series of budget issues and seeks to define measures of success for the marketing strategy.

The following process was used in developing the marketing strategy. The process was designed to ensure maximum opportunity for feedback from the NTOs as well as selected partners.



ASEAN Marketing Strategy Development Process



Introduction



INTRODUCTION

CONTEXT OF THE STRATEGY

The ASEAN Tourism Marketing Strategy was prepared largely from existing information and input from various representatives of the NTOs. The intent was to leverage NTO expertise in order to ensure the best possible strategy given the minimal financial resources available for the strategy development.

Having recognised this reality, the strategy is a valuable document since it represents the consensus of the NTOs on important strategic marketing directions. It also recognizes that there may be a need to carry out further studies on selected dimensions of the overall strategy.

This strategy is designed to support and build a worldwide recognition of Southeast Asia as a tourism destination, in part by coordinating and leveraging the power and influence of the ASEAN NTOs. It is therefore recognised that it is the responsibility of individual Member States to develop products and attractions. The role of the ASEAN NTOs is to create packages, circuits and clusters using the product and experience development efforts of the individual countries. The opportunity of the ASEAN NTOs is then to raise awareness and commitment from tourists to visit the region in order to be able to interact on a first-hand basis with the unique people, cultures, products and experiences of the region.

The strategy has been developed with the understanding that the 10 NTOs recognize the importance of a regional marketing approach. The NTOs have demonstrated their commitment to the marketing task by allocating a significant portion of their funding to implementing the marketing strategy for the 2012 calendar year.

This strategy has been developed within a very competitive global tourism environment where many regional groups are now working very effectively together and dedicating resources to positioning their products and experiences. There are many good examples of this cooperative regional effort including the Caribbean's umbrella brand of "Life Needs the Caribbean", and the activities of the European Travel Commission (ETC). Over many years Europe has developed an image as a destination in itself.

This document works at two levels: firstly to ensure that all of the Member States are working from the same level of understanding of the marketing process and, secondly to develop a common set of strategies leading to the establishment of a common brand in the region. It is essential that these common understandings be in place in order to ensure that the implementation process will be successful.

This strategy is very much based around the understanding that there are no simple solutions to developing a strategic marketing approach especially one at a regional scale. Rather it puts forward

concepts and approaches that are designed to support a regional marketing strategy which must take into account complexity and uncertainty.

DEVELOPING THE STRATEGY

Developing a marketing strategy requires a strategic set of actions in order to meet the overall objectives of an organisation or group. This strategy is somewhat different than what would normally be seen in a standard marketing and positioning exercise in that members of the organisation - i.e. the NTOs - have not only financial but also social and cultural objectives that should be met within the overall marketing strategy. Figure 1 illustrates the process that was followed in developing this strategy.



Figure 1: Strategy Development Process

While it is fairly straightforward to describe the strategy development process it must be recognised that the ongoing process will be one requiring strategic thinking and management. Dietmar Kielnhofer in *ehotelier* (May 10, 2011) presents a very compelling message when he states that

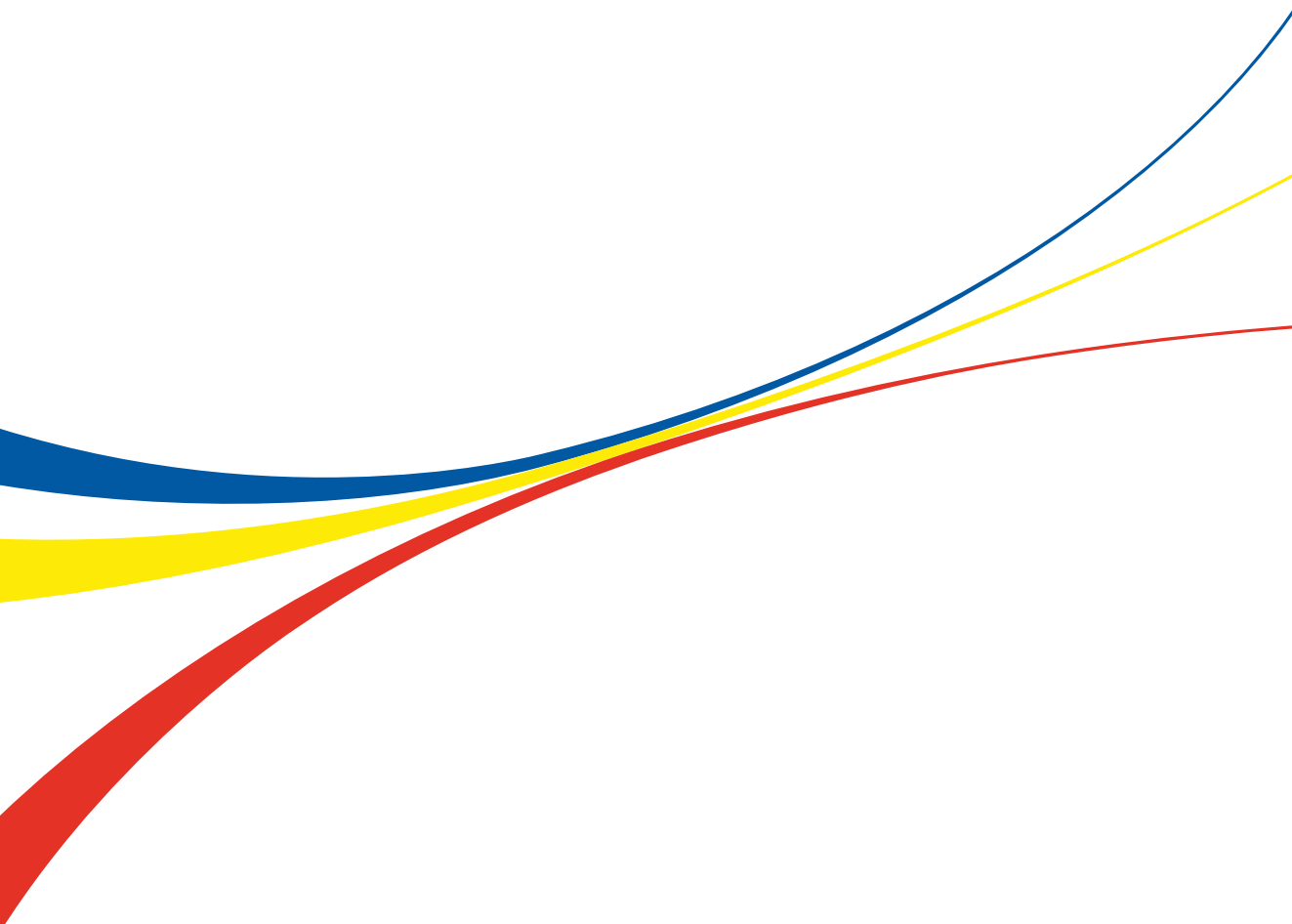
“Strategic marketing management is a continuous self-correcting process that consistently considers where a nation is heading, where it wants to be heading and how best to get there. In a pluralistic and politically mature society, the different political parties have to overcome their disagreements, diverse agendas and pass appropriate legislation to protect the interest of the nation. Lawmakers have to overcome their bipartisan ideologies, their strategic alliances and political preferences for the greater good of the state.”

ORGANISATION OF THE DOCUMENT

In keeping with the process described in the section above the document is organised as illustrated in Figure 2.



Figure 2: ASEAN Marketing Strategy Document Organisation



Chapter 1:

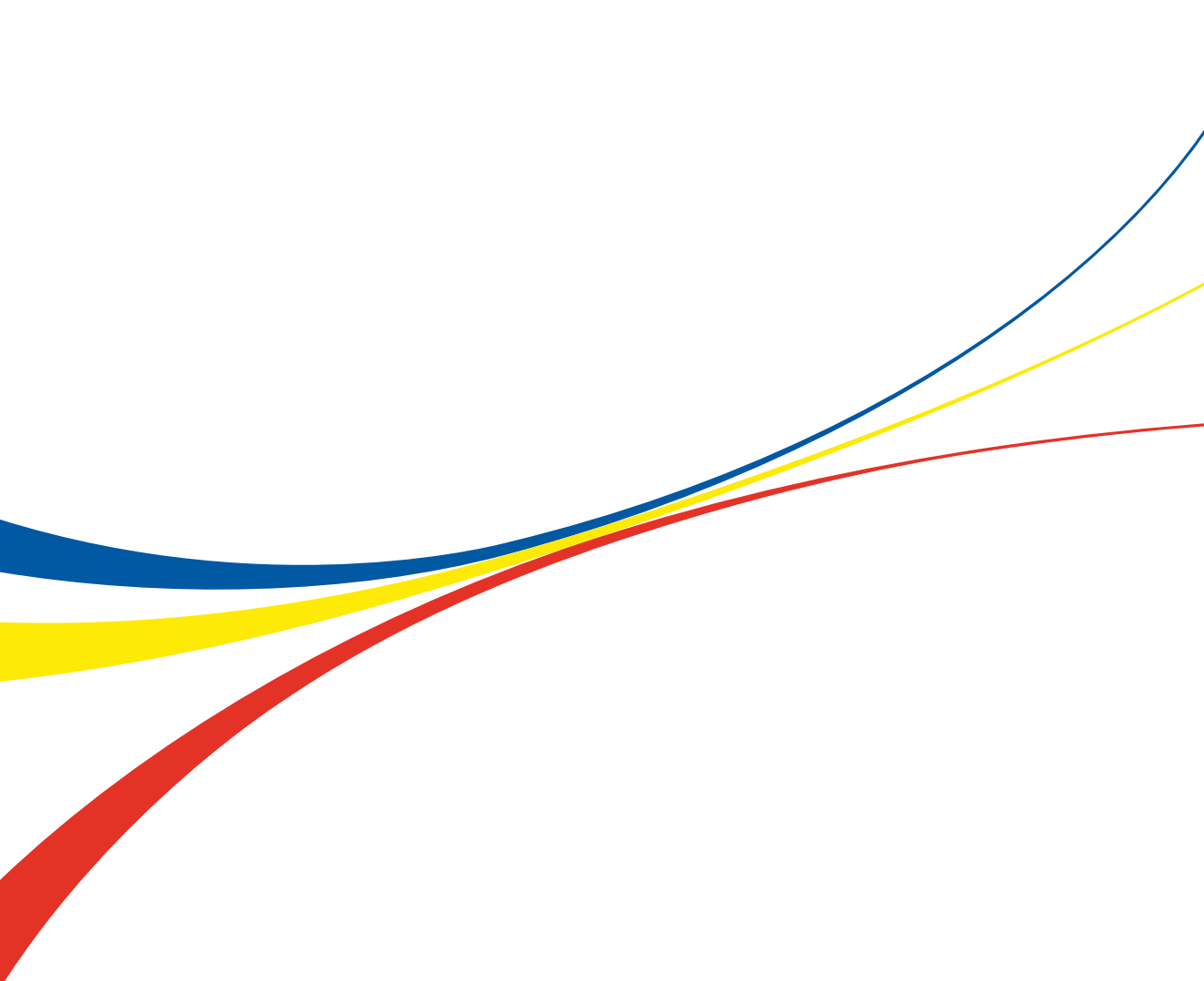
Strategic Objectives



1. STRATEGIC OBJECTIVES

The objectives of the marketing strategy are:

1. To ensure that there are an increased number of international visitors traveling to Southeast Asia and visiting more than one country. (It is recognised that the objective of each country is to increase visitation to its own nation. This strategy is designed to increase visitation to more than one ASEAN country thereby adding value to the efforts of the individual NTOs).
2. To determine how the ASEAN NTOs, using their resources, can contribute to the overall positioning of the region as a preferred destination. This will require the NTOs to effectively leverage their existing marketing and promotional activities towards the regional efforts.
3. To ensure that the power of tourism as a development tool is recognised and incorporated into a marketing approach that will be directed at meeting specific social, economic and cultural goals.
4. To guide budgetary decisions related to positioning the region and various dimensions of the travel experience.
5. While the intention of the marketing strategy is to attract visitors to the region it is also important that the NTOs work effectively together to promote travel within the region under the theme “ASEAN for ASEAN”. This objective recognizes that visitors within the region are a significant source of economic development and that people from ASEAN will play a significant role in meeting the overall strategy of the Master Plan on ASEAN Connectivity that encourages greater intra-ASEAN people mobility.



Chapter 2:

Situation Analysis



2. SITUATION ANALYSIS

This situation analysis is based on existing information and input from the various NTOs. The region has been successful in attracting new tourists on a constant basis. The success is well illustrated by Table 2-1 which demonstrates that some countries experienced significant growth in the 2009 - 2010 period.

No	Member Country	2009	2010	Growth (%)
1	Brunei Darussalam*	157,464	214,290	36.09
2	Cambodia	2,161,577	2,508,289	16.04
3	Indonesia	6,323,730	7,002,944	10.74
4	Lao PDR	2,008,363	2,513,028	25.13
5	Malaysia	23,646,191	24,577,196	3.94
6	Myanmar	762,547	791,505	3.80
7	Philippines	3,017,099	3,520,471	16.68
8	Singapore	9,681,259	11,638,663	20.22
9	Thailand	14,149,841	15,936,400	12.63
10	Viet Nam	3,772,259	5,049,855	33.87
	TOTAL	65,680,330	73,752,641	12.29

* Only number of international arrivals by air

Table 2-1: Growth of International Visitor Arrival 2009-2010

Figure 2-1 demonstrates a steady growth in international tourism into the ASEAN region over the last two decades. Slight dips in arrivals can be seen given world events but the clear trend is one of continually increasing growth. What is unknown is how the current economic situation as well as other global events will impact these growth rates in the immediate future but based on current activity tourism arrivals appear to be healthy. As the growth continues what needs to be determined is the carrying capacity of the various destinations to absorb ever-increasing numbers of international travelers.

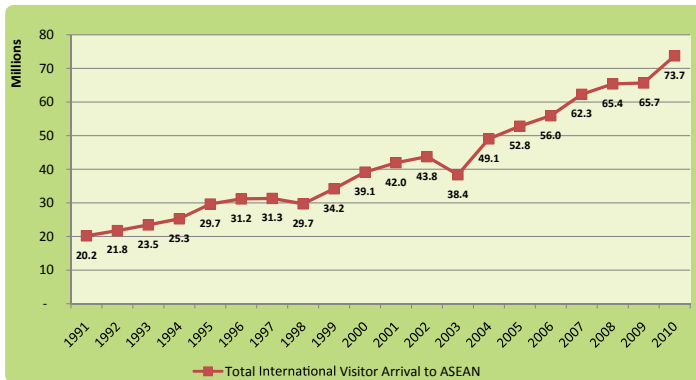


Figure 2-1: International Arrivals to ASEAN

Given the overall objective of the ASEAN marketing strategy is to attract international visitors to the region it is useful to look at these arrival numbers to more clearly understand the number of intra-ASEAN visitor arrivals compared to international arrivals. Figure 2-2 clearly illustrates the very important role that intra-ASEAN travel plays in visitor numbers. However, from the point of view of the strategy the number of international visitor arrivals has to be seen as the important regional metric.

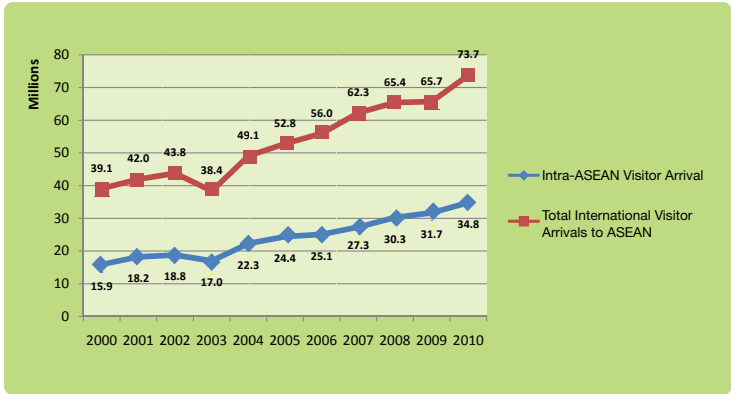


Figure 2-2: Share of Intra-ASEAN Visitor Arrivals to Total International Visitor Arrivals

Many years ASEAN Member States have depended on long-haul international arrivals so it as can be seen in Figure 2-3.

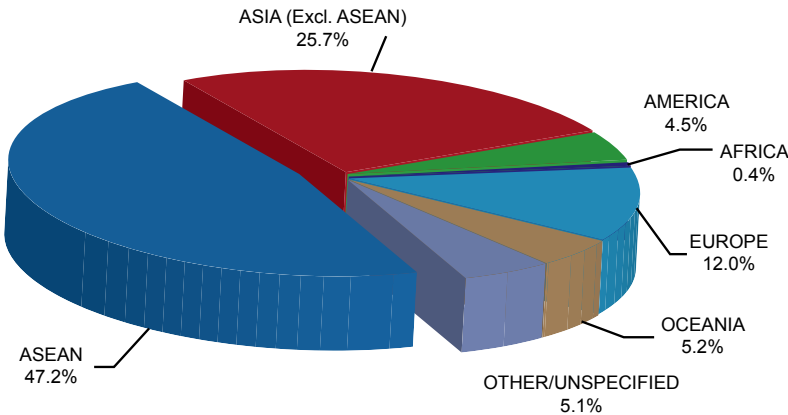


Figure 2-3: Share of International Visitor Arrivals to ASEAN by Region of Origin - 2010

2.1 GLOBAL/REGIONAL EMERGING TRENDS AND FORCES

There are a number of major trends and forces that will have an impact on tourism in the region over the next five years are illustrated in Figure 2-4, which identifies three major areas for research and analysis.



Figure 2-4: Global/Regional Emerging Trends and Forces

2.1.1 Global Social and Economic Forces

There is a set of global social and economic forces that are consistent across much of the world tourism landscape and must be taken into account in this marketing strategy as illustrated in Figure 2-5.

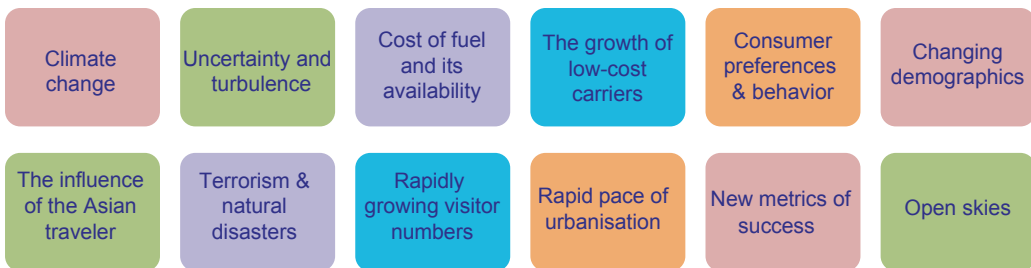


Figure 2-5: Global Social and Economic Forces

- Climate Change

Climate change will likely have significant impacts on tourism. Because of the complexity of this issue however it is not possible to comprehensively discuss the topic here except to state that travel and tourism is an important contributor to global warming accounting for approximately 5% of all such activity. Air travel contributes approximately 90% to the carbon footprint of the average traveler. Some jurisdictions are already taxing long-range travel with a few opinion leaders even looking at the morality of air travel. The influence on traveler behavior is yet to be known.

All indications are that air temperatures are likely to rise between 1 to 3.5 degrees Celsius over the next century, directly impacting the viability of some destinations. Rising sea levels will make some land devoted to tourism and hospitality uninhabitable. In the more extreme cases entire islands or countries may disappear. In some districts there will be an acceleration of water shortages. Sufficient to say that climate change will have a significant impact both on the willingness/ability to travel as well as on the physical environment of many destinations. There is little doubt therefore that destinations that are seen to be “green” will more likely than not to have a position of advantage.

- **Uncertainty and Turbulence**

It is now generally accepted that the uncertainty and turbulence of the past few years will continue at least into the near term future. Some would argue that this uncertainty is part of the "new normal". Accepting this as a reality implies that product development and especially the ASEAN marketing and promotion process must be nimble and able to quickly shift directions given alterations in market demands or political and natural occurrences.

- **The Rising Cost of Fuel and Its Availability**

The rising cost of fuel and its availability will certainly have an impact on travel into the region especially in the long-haul markets. Development plans must assume the inevitability of rising fuel prices and, in the near term, seeing these prices in the \$US100+/bbl range.

- **The Growth of the Low Cost Carriers**

Low cost carriers are continually opening up new markets. One only has to look at the low cost carrier network in the region to see that destinations that were not served by any carrier a short time ago are now benefiting from increased access and loads. While this is certainly a positive factor it can also be seen as further increasing competition not only within the region but globally. An important consideration in the growth of low cost carriers is their impact on the health of legacy carriers. Destinations that have grown accustomed to stable airlift built around established legacy carriers may see the advent of instability, where the availability of air seats shifts with rapidly changing airline economics.

- **Rapidly Changing and Evolving Consumer Preferences and Behavior**

A quickly changing set of consumer preferences demands that destinations constantly renew their products and packages. This reality is forcing destinations to have shorter product cycles and the need to have access to resources to create new experiences and memories.

- **Changing Demographics**

A changing demographic profile of potential visitors is forcing marketers to leave behind their conventional understanding of markets and develop new approaches and structures when developing their strategies. For example Generation Y and subsequent generations

have very different expectations and levels of loyalty to a destination which often changes ways of thinking but which also offer substantial rewards to those destinations that are able to understand and quickly adapt to these new travelers. Other source markets, such as Japan, have an aging population which presents different opportunities in terms of travel products, such as longer vacations.

- **Influence of the Asian Traveler**

There can be no doubt that Asian travelers have become more mobile and adventurous over the last decade and are now exploring places that were once the preserve of the backpackers and action seeking Europeans. This new reality has a wide range of implications for product development and marketing. Many marketers however are still focusing almost exclusively on long-haul markets – even though it is one that is steadily decreasing as a percentage of the total inbound mix. This reality will also force marketing experts and others to rethink their messages and distribution approaches.

- **Terrorism and Natural Disasters**

Concern for terrorism and natural disasters will continue to be an ongoing threat to tourism in the region. How to overcome the perception of danger within the region will be a significant marketing challenge.

- **Rapidly Growing Visitor Numbers**

While one can celebrate the continuing growth of tourism arrivals there has to also be a caution raised about the impacts that these numbers of visitors have on economic, cultural and social environments. There is growing recognition that sustainability and responsibility are essential elements of continuing to have successful destinations. Mass marketing to attract large numbers may not be appropriate in a conservation context and more targeted and strategic marketing approaches may in fact help to conserve social, coastal, economic and community environments. All of this to say that marketing must be seen as an essential element of ensuring sustainable and responsible tourism.

- **Rapid rate of Urbanisation**

As the process of urbanisation continues to grow at an ever-increasing rate the nature of the consumers especially from the emerging markets of India and China, will be changing. One could argue that this process of urbanisation has brought with it a change in values and attitudes that must be carefully understood in terms of what these particular geographic sectors are looking for in terms of products and experiences.

- **New Metrics of Success**

Politicians and many in the industry are still very much driven by international visitor arrivals as a measure of success. However, there is now evidence that some at least are looking for alternative ways of measuring the success of their marketing efforts. Issues such as heritage preservation and poverty reduction are now seen increasingly as part of the overall tourism development efforts. The question is whether marketing

strategies must take this into account and focus their efforts on products and campaigns that will help support the use of tourism as a tool/pillar for economic and community development. If this set of objectives is to be fully realised marketing efforts must be much more sophisticated in their orientation and objectives.

- **Open Skies**
 ASEAN is pursuing open skies policies starting with capital cities and then looking at second and third tier destinations. Theoretically this opening up will increase the lift (number of seats) available to travelers. Whether this occurs or not depends on demand as well as the policies of various airlines in terms of where they will expand their capacity. Based on past experience, this opening-up will likely provide more competition between destinations and at the same time more opportunities for tourists to visit more than one destination while on the same trip.

2.1.2 Emerging Trends in Visitor Motivations and Behavior

There are a number of emerging trends in visitor motivations and behavior that must be taken into account in developing a successful marketing strategy for Southeast Asia as illustrated in Figure 2-6.

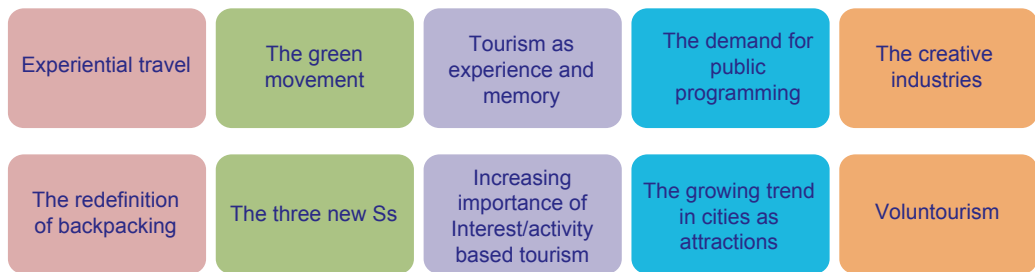


Figure 2-6: Emerging Trends in Visitor Motivations and Behavior

- **Experiential Travel**
 A most compelling trend is certainly that of the growing demand for experiential travel. While there are many definitions of experiential travel for the initial part of the study the following definition will be used. The most basic definition of experiential travel is: “travel we live through instead of look at.” It means straying from the usual tourist spots, eating at restaurants that locals actually eat at and enjoy, and maybe participating in outdoor adventure that is managed and operated by the locals. Part of the current popularity of experiential travel stems from the need of getting away from the traditional sites is increasingly seen as an important motivating factor for many people. But experiential travel is also growing in popularity because it has greater benefits for the local population. This trend clearly leads to asking what the tourist is looking for in the Southeast Asian experience.

- **The Green Movement**

There can be no doubt that the growing support and concern for the environment will have an impact on travel. What is less certain is the exact nature of this impact since there is very little research that clearly and reliably documents that when everything else is equal i.e. price and quality of a tourism service that people will opt for the green activity. There is no doubt a market segment where the green qualifications of a tourism product or service are seen as an important part of the buying decision. This is already evident in part with industry buyers asking to see the green credentials of suppliers before entering into a contractual agreement. More research will be required but there can be no doubt that greening is something that must be considered in the development of products and could become an important part of the positioning of an attraction, facility or an entire destination. Whether by 2015 this is a major force has yet to be seen.

- **Tourism as Experience and Memory**

Increasingly there is recognition that the tourism industry is in the experience and memory business. This recognition requires destinations to provide for a continuum of experiences from passive to active including models that allow the visitor to design and mold his/her experience towards a unique set of activities.

- **The Demand for Public Programming**

Public programming is becoming ever more important with festivals, cultural activities, conferences etc. as an essential focus for many visitors' travel patterns and motivations.

- **Creative Industries and Tourism**

In many places in Asia there is the understanding that planned and unplanned cultural districts/areas provide something unique that meet the needs of a range of visitors who can be classified as "creative". This is well illustrated by the number of creative industry facilities throughout Asia. There are in fact a number of such facilities in Beijing and Shanghai. Interestingly one can now take a creative industry tour of Beijing. With the world focused on Asian values there can be no doubt that the creative industries in all their manifestations (including visual artists, potters, jeweler makers, dancers, woodcarvers, chefs, niche food producers etc.) have to be seen as part of the tourism product.

- **Redefining Backpacking**

Backpackers are still an important part of the travel scene. Increasingly backpacking is now much more a state of mind than a practical necessity and this leads people to look for innovative and creative experiences. Some backpackers now have substantial incomes and can move from a village-based accommodation one night to a five-star hotel the next. These have been identified as "Flashpackers" usually in their 30s and 40s and with the same adventurous outlook as when they were backpackers. The only difference now is that they have cash. Authenticity is very high on their needs list. It is commonly understood that backpackers are in fact the leaders in discovering new products and

experiences. There is evidence to suggest that they are more environmentally aware and sensitive to local cultures. Within the backpacker label we now see increasing fragmentation with some seeking working holidays, some participating in study tours while others are involved in voluntourism.

- **The Three New Ss**

In the past, meeting the needs of the tourist through the three Ss of “sun and sea and sand” was seen as sufficient in a mass tourism market. Given the number of forces now working on any destination and an increasingly sophisticated tourist the three new Ss of “safety, security and sanitation” are now essential elements of the tourism experience and must be considered in any marketing process. Given the differences between the development levels of Member States this becomes very important especially when it comes to the brand promise and positioning.

- **Increasing Importance of Interest/Niche/Activity Based Tourism**

Interest/niche/activity based tourism (discussed later in this section) has been rapidly growing as documented by Prof. Kaye Chon in [Recent Megatrends of Tourism in Asia Pacific](#). Because niche markets are, by definition, small, marketing programs must aggregate a series of niche strategies in order to have a meaningful impact on travel volumes. Niches are more viable as a strategy due to the growing importance of the internet, they are easier to reach. “Small is the new big” is a viable concept as long as a series of these markets can be developed simultaneously; however, transitional strategies need to be developed as different consumers have various levels of reliance on and comfort with new and old media.

- **The Growing Trend in Cities as Attractions**

The growth in urbanisation has brought with it a growing appreciation of what urban areas can offer as experiences. Cities that were often seen as gateways to historical and natural environments may in themselves now are seen as important magnets for tourists by offering a diverse set of cultural, economic and social activities. With the growth of mega-urban areas an urban-based set of marketing efforts is important. The new travelers especially those looking for unique and novel experiences will look to cities for their special characteristics and opportunities.

- **Voluntourism**

Many tourists are now looking for more than just a day at the beach. For some this will mean some type of altruistic activity which satisfies the need for the travelers to leave a destination and its people in a better condition than when they arrived. Voluntourism is growing at a rapid rate with people interested in integrating into a new culture, giving back, passing on their skills, enjoying a rewarding experience, etc. (Getting the Balance Right)

2.1.3 Emerging Trends in Marketing, Advertising and Distribution

Over the last decade the marketing and distribution landscape has changed significantly and some of the major changes are illustrated in Figure 2-7.

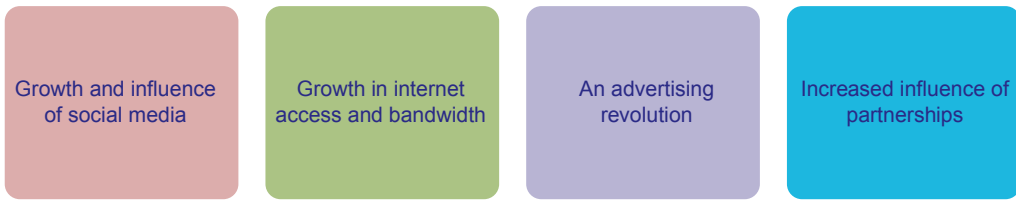


Figure 2-7: Emerging Trends in Marketing, Advertising and Distribution

- **Growth and Influence of Social Media**
Social media as a marketing and promotional tool lowers the cost of distribution and allows for much more targeted efforts. It also means that destinations with creative marketing campaigns can have a significant position of advantage over more traditional destinations who still rely on yesterday's distribution and promotional strategies. While social media is well-known for its ability to raise awareness there are still issues to be resolved in terms of its capacity to convert interest into action.
- **Growth in Internet Access and Bandwidth**
While it is true that Internet penetration is growing significantly in some of the key potential target markets for the region this penetration is still relatively low and most importantly many of the first time travelers are not presently using the Internet for booking and in many cases even for doing research. One has to be cautious therefore in positioning the Internet as the solution to all marketing efforts given the need to penetrate the key markets of India and China. It is true that with the rise of the Internet the consumers' knowledge of potential destinations has grown exponentially. The challenge therefore is to be more creative given the fact that the playing field is leveling from a time when destinations with significant budgets could dominate the tourism market.
- **An Advertising Revolution**
In a recent article in Fast Company (December 2010), it is clear that advertising as a field is in a process of revolution. It can be argued that marketing in the future will be something that you do not pay for. Once, advertising campaigns promised glossy concepts that were to be included in a wide range of print and television media; however, in the digital age the process of creation and distribution is so much faster that it does not require highly skilled and paid advertising and graphic artists. Moreover, Microsoft, IBM and Google are rolling out tools that replace agency analysis with digital measurements that can predict the best targets for a successful campaign.

- **Increased Influence of Partnerships**

Partnerships between the public and private sectors and between both sectors and the nonprofit community are increasingly seen as essential elements in any tourism product development and marketing, and this will be especially the case in the development of regional programs. The old paradigm of either the public or private sectors paying and being responsible for marketing has to disappear. Cooperative efforts must be seen as the future.

What Does This All Mean?

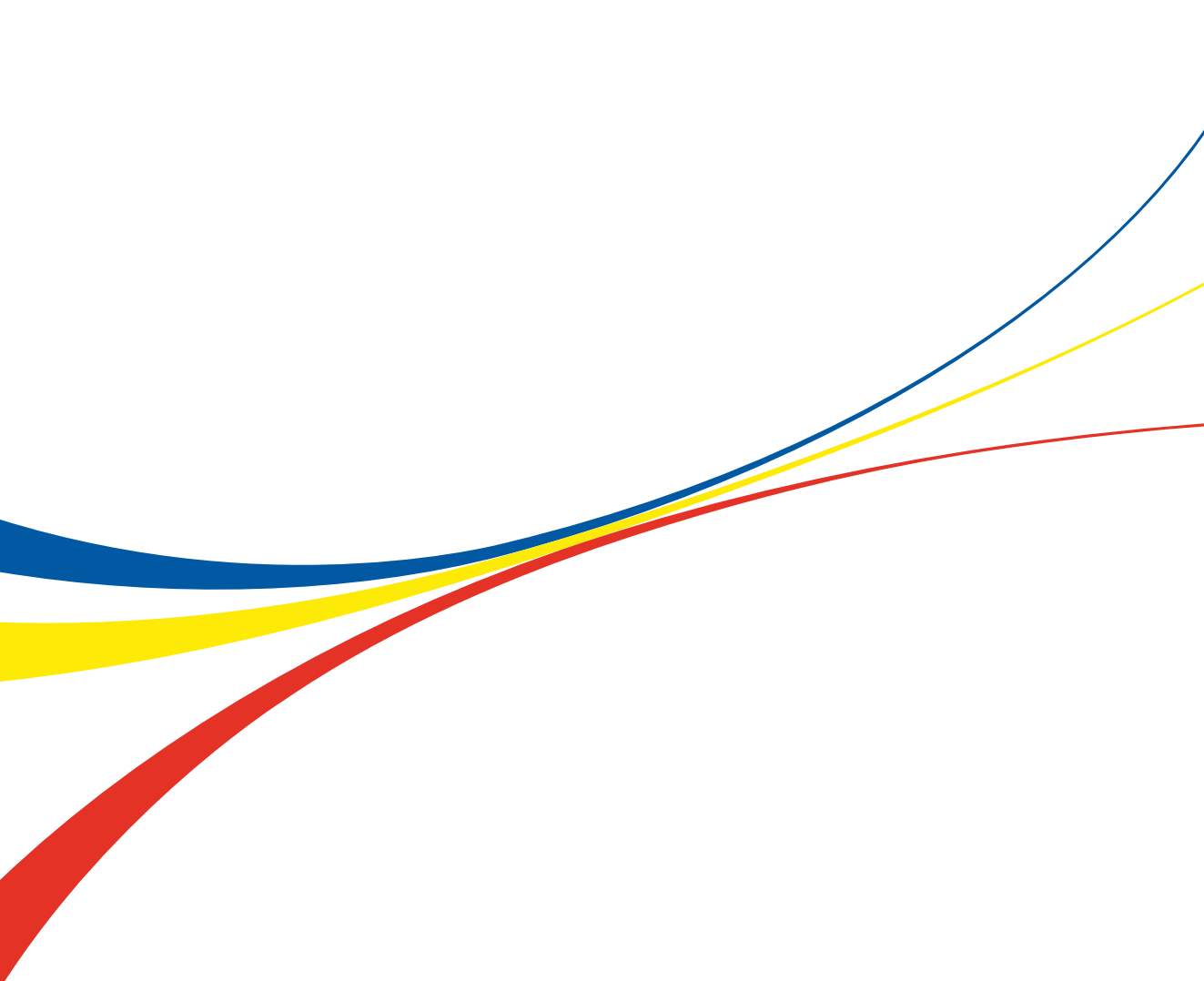
This formidable list of forces and issues can be seen as rather challenging. It is meant to be since clearly any regional marketing effort must be based on what are seen as the essential factors that will influence the ability of the region to market itself effectively. Many NTOs that have used traditional approaches that have worked well in the past now recognize that the marketing and promotion landscape has changed significantly. Clearly the models that worked in the past may not be sufficient or even appropriate for the new tourism environment.

Reliance on such things as trade shows, FAM tours, magazine advertising etc. will have to diminish if not completely disappear at least for certain target markets. An interesting development is in the creation of virtual trade shows and FAM tours which is an idea that should be explored by the ASEAN NTOs.

It is clear that an interest-based approach while appearing more complicated is actually easier to implement with the use of e-marketing. Even when one takes into account the fact that the “new normal” has a significant component of uncertainty it is further complicated by the reality that the demographics and demands of the new travelers place even more pressure on market research to determine their expectations. Also the stress on responsibility and sustainability must not only deal with product development but also in the type of marketing that is carried out.

2.2 MARKETING RELATED OBSTACLES/ISSUES

As recognised in the ATSP there are a number of issues that need to be resolved to ensure that the region can be truly marketed as an integrated destination. These obstacles and opportunities have been fully documented in that document. Of particular importance to the marketing strategy are the trust and the willingness of various Member States to cooperate in a marketing effort especially from the point of view of sharing information, provision of funds and in-kind contributions.



Chapter 3:

Target Markets



3. TARGET MARKETS

3.1 TARGET MARKET CONTEXT

Since this is a regional strategy the main objective is to attract visitors to more than one country in the region. One of the most obvious benefits of a regional approach is the ability to identify, construct and market multi-destination itineraries in partnership with the industry. This is usually something that can only be achieved by a lead agency acting on behalf of a region/grouping of countries rather than by individual destinations, although there have been instances of bilateral co-operation between two destinations (e.g. Australia and New Zealand). Multi-destination itineraries can be based on product combinations (e.g. city plus beach or mountain resort); thematic content (e.g. cultural heritage trails); or the journey itself (e.g. self-drive, rail and cruise holidays).

3.2 NICHE/INTEREST-BASED MARKETS CONTEXT

As discussed in Section 2 of this strategy, while the focus in the past was very much on market segmentation based on geography, increasingly, interest-based tourism is being seen as a primary driving force in the global tourism market. Many destinations have now recognised the need for creative segmentation such as Destination England which works on the basis of the need to identify and concentrate upon those groups of people most likely to offer real potential for market growth. An important aspect in developing niche/interest based markets is the need to develop appropriate itineraries that respond to the narrowly focused needs of the niche or interest. The worldwide web is well-suited to this task.

3.3 PROPOSED INTEREST-BASED MARKETS SEGMENTS

One of the exciting dimensions of present-day tourism is that the niche markets based largely on interest-based dimensions is growing very rapidly providing destinations with a significant number of alternatives for providing memorable experiences to their visitors. This growth of interest oriented markets coincides with increasing capability in reaching them through the internet and new media. The development of niche markets also allows tourism authorities to tailor the products and packages that they have developed to meet social, cultural and economic goals. As discussed earlier in this strategy international arrival numbers, per capita spending or number of banks at the destination cannot be seen as the sole KPI for evaluating the success of product development and marketing process.

Important elements that were part of the decision-making process included the “fit” between supply and demand, the overall objectives of the ATSP and the level of resources available to the ASEAN NTOs to market and promote these experiences and products.

It is important to note that in identifying individual experiences and products countries must ensure that they have the essential supply conditions in place as illustrated in Figure 3-1.

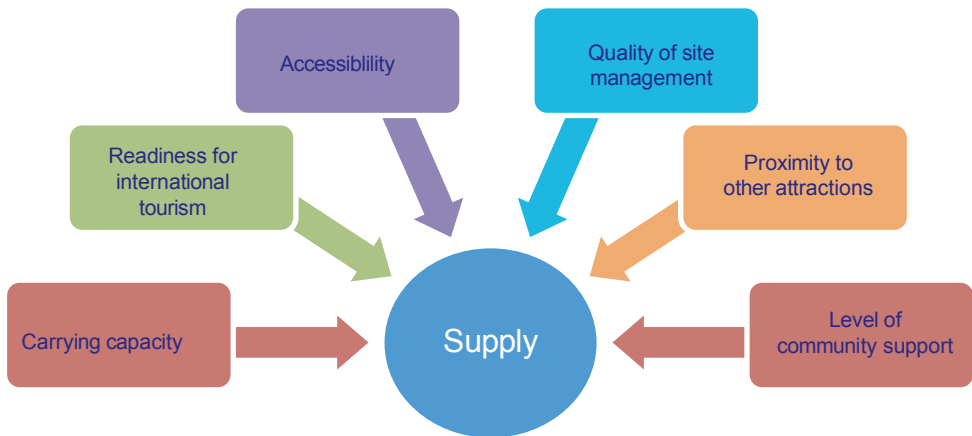


Figure 3-1: Essential Supply Conditions

Equally important is the responsibility of each Member State in proposing a product or experience to be able to demonstrate any evidence they have about the demand for this particular product or experience as can be seen in Figure 3-2.

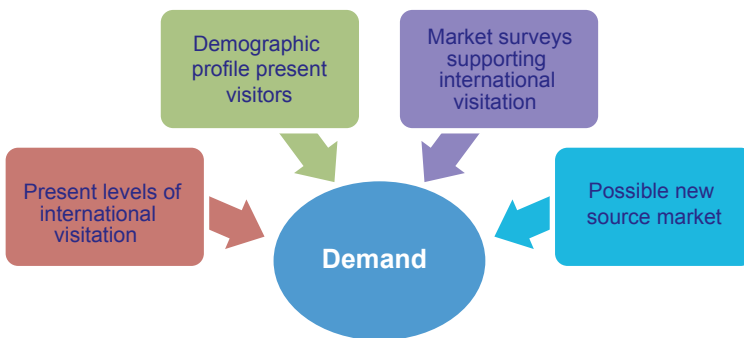


Figure 3-2: Essential Demand Factors

Based on careful consideration of the forces and trends discussed in Section 2 and an appreciation of the products and experiences that can be developed within the region under the four broad categories, six key interest-based groups have been identified as illustrated in Figure 3-3.

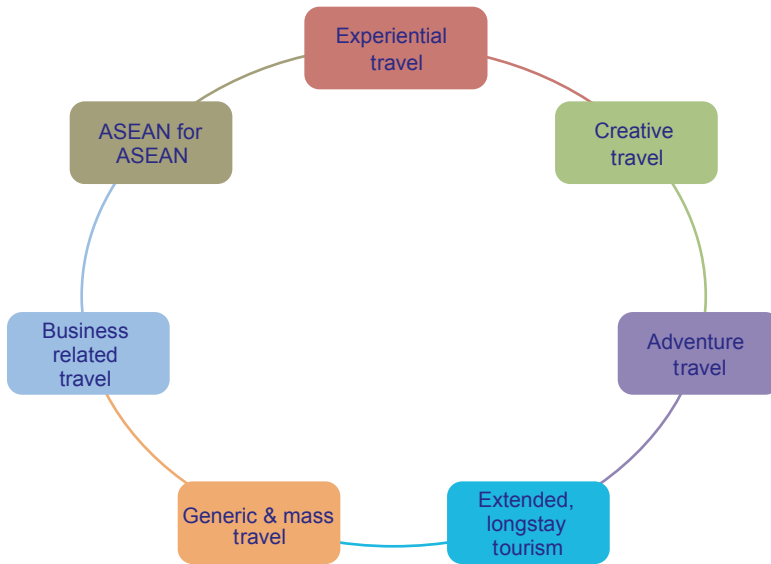


Figure 3-3: ASEAN Targets Market Segments

3.3.1 Generic and Mass Travel: China and India

For the four-year period of the marketing strategy there can be no doubt that generic and mass travel will continue to be an important source of travelers to the region. The India and China markets show no sign of ending their incredible outbound growth and the ASEAN region presents a highly desirable location from the point of view of distance as well as cost. While it is true that there are growing segments of the China market that have identified North America and Europe as preferred destinations for many first-time travelers, Southeast Asia is still seen as an important destination. The marketing effort therefore will concentrate on the India and Chinese mass-markets as an important source of visitors.

While these markets do have a growing disposable income many of them are first-time travelers who are more likely to be in the budget to midrange economic strata. They are more likely to spend money on attractions, eating and shopping and less on accommodation. Families will definitely be an important part of those segments and are looking for a wide range of experiences especially given the intergenerational travel that is characteristic of Asia. Within each of these categories there is a sightseeing element for first-time travelers who are looking for the opportunity to view as many destinations and attractions as possible.

This mass-market therefore can be seen as having a number of interests as depicted in Figure 3-4.



Figure 3-4: Generic & Mass Travel Interests

All ASEAN Member States have a well-developed tourism infrastructure to support most if not all of these interests. The thrust of any marketing campaign therefore should be to sell a multidimensional opportunity within a limited period of time. There can be no doubt that if packages are developed and facilitated many of these first-time visitors may be predisposed to increase the “brag” factor by returning home having visited more than one country.

3.3.2 Experiential Travel Interests

In order to meet the overall goals of the region and the growing sophistication of the traveler the region will have to present experiences that will appeal to the experiential market as defined earlier in this document. While this segment will also be looking for the more generic types of experiences as described in the previous section they will be especially interested in unique and authentic experiences which involve a possibility for participation in local cultures and way of life. Figure 3-5 indicates the kind of tourism experiences that they would be seeking.



Figure 3-5: Experiential Travel Interests

3.3.3 Creative Travel Interests

These travelers can be seen as a subset of the experiential visitors but are likely to be driven much more by the need to be exposed to and experience art, drama, opera, sculpture etc. They are likely to be well educated people who have traveled extensively and are looking for personal development and self-fulfillment. Their focus would largely be on the creative industries which comprise arts-centric businesses that range from non-profit museums, symphonies, and theatres to for-profit film, architecture, and advertising companies. The creative industries are the high-octane fuel that drives the “information economy” - the fastest growing segment of many nations’ economies. The range of the dimensions that can be related to tourism can be found in Figure 3-6.



Figure 3-6: Creative Travel Interests

3.3.4 Adventure Seeking Travel Interests

There can be no doubt that Southeast Asia with its multiplicity of attractions and cultures is a perfect match for the adventure seeking visitors. Their interests are very much tuned to the products identified in the ATSP and as described in Section 2. This sector would have a significant interest in the other types of interest-based tourism described above but would have additional motivations and expectations for travel in Southeast Asia as seen in Figure 3-7. It is important to note that there are both soft as well as hard adventure travelers. The soft adventure traveler would tend to want to do things possibly from a distance while the hard adventure traveler is much more likely to want to be directly involved in the more adrenaline inducing activities that characterise many aspects of this travel experience.



Figure 3-7: Young/Adventure Seeking Travel Interests

3.3.5 Seniors/Extended/Long Stay Tourism

Some countries have recognised the potential of the extended and long stay market. Some have well developed policies and approaches to cater to this particular demographic. Obviously this is an important market especially in the middle to upper income groups. This group has minimal negative impacts on a destination but significant economic and employment impacts (housing, food, insurance, car rentals, maids and drivers, healthcare etc.). Developing this market, however, requires the development or adaptation of transportation, accommodation and other services to respond to the unique needs of this demographic group. Depending on their educational and occupational levels they would have interests in all of the areas described above.

3.3.6 Business Related Travel

The sectors described above are in large part leisure related. With increasing integration of economic activities within the region and free trade agreements being approved with many neighboring countries, business travel will continue to be an important dimension of the overall tourism sector. Figure 3-8 identifies those activities which are of particular relevance to this sector.

While conventions, meetings and exhibitions require the availability of special facilities; the incentive market, however, can be accommodated in high end leisure facilities. This is a not homogeneous market where some of the more urbanized countries in ASEAN have world-class convention facilities while others are part in the process of developing their hardware and software capacities as is noted later in this document.



Figure 3-8: Business Related Travel

3.3.7 ASEAN for ASEAN

This is an important activity to help build the ASEAN community as well as generate much-needed tourism especially in areas that require economic development. It is understood that each Member State is responsible to market their country effectively to fellow member countries throughout the period of the ASEAN Marketing Strategy. All attempts must be made to coordinate events and where possible develop products and experiences that may involve more than one member economy.

3.4 STRATEGIC MARKET DEVELOPMENT

The phasing of market segment development is large part based on the readiness of the region to accommodate these market segments. Considerable work will have to be done in some cases in order to ensure that the full potential of these market segments can be fully realised in all Member States.

The process of development of various target markets is illustrated in Figure 3-9. These activities will be further expanded upon later in the document.

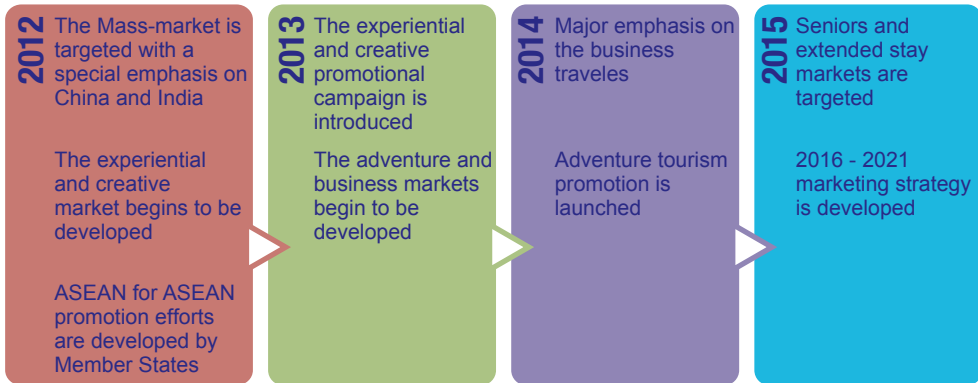


Figure 3-9: Phasing of the ASEAN Tourism Marketing Strategy

It must be understood that market segments introduced in a previous year will continue to be developed throughout the life of this strategy as discussed in Section 3.3 of this document and illustrated in Figure 3-10.

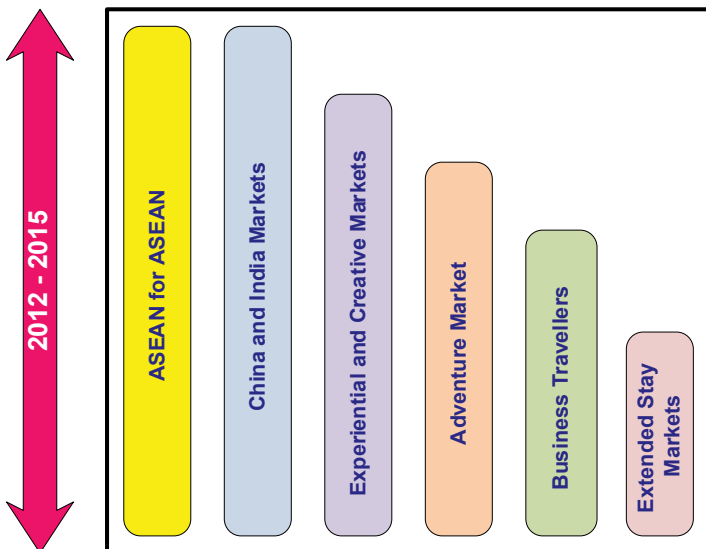


Figure 3-10: Cumulative Market Segment Development

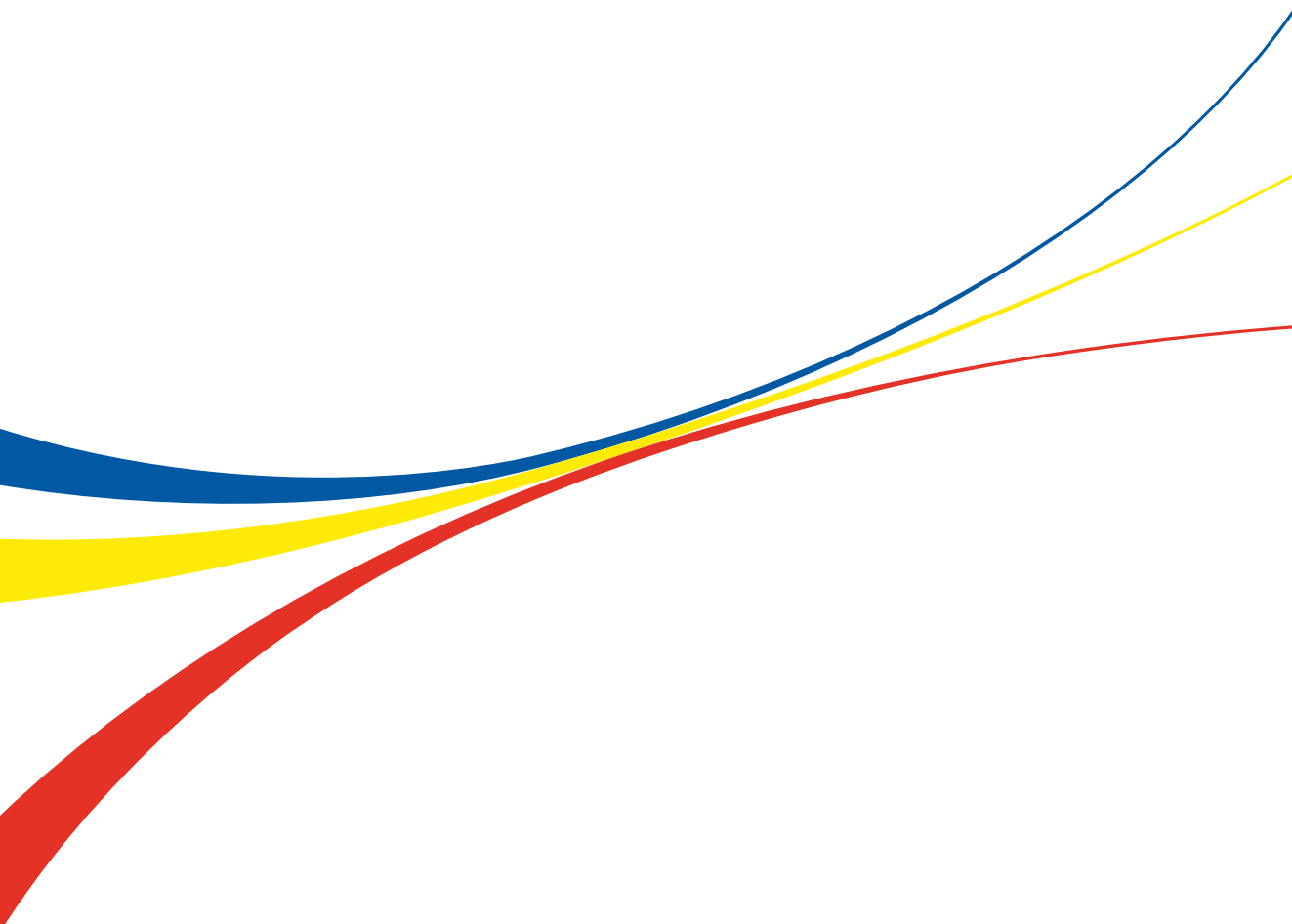
A consultant will be hired for each of the campaigns, working closely with the MCWG and the PDWG and its subgroups. Information provided by each country about their individual attractions and experiences will form the basis for the campaigns. Each NTO through their national representative on the MCWG and the PDWG will be given the opportunity of ensuring that the yearly campaigns are in keeping with the messages and stories that they wish to tell.

2012: Given the growth of the India and China mass markets they will be the target of the first year's campaign. Given the lack of resources and time however, this campaign must build on/piggyback on existing national campaigns. In the middle part of the year a consultant will be hired to develop the experiential and creative markets given their ability to meet a number of national priorities and requirements. Some of the main characteristics of this market include shopping, dining out, sightseeing in cities, visiting amusement and theme parks and attending plays and musicals these activities should be the focus of the campaign.

2013: In 2013 the experiential and creative markets will be addressed largely using social media based on the development work carried out in 2012. The experiential and creative traveler will be targeted especially around specific festivals and events. This strategy is put forward since these are already existing products and experiences that can easily be packaged for the international traveler. It may require that countries coordinate their dates especially for large-scale festivals. Towards the end of the year the adventure and business markets will begin to be targeted using social media as well as partnerships with the private sector.

2014: This year will start off with a major emphasis on the incentive market with an effort also be made to attract the adventure traveler. The strategy proposes waiting until 2014 to deal with the business market in order to ensure that all countries have been able to develop the necessary supply conditions so as to be able to compete both within the region as well as on a global basis. It is recognised that there are significant imbalances present within the region that need to be addressed in order to ensure that there is a somewhat level "playing field" in the business travel sector. The adventure market also needs to be fully understood and careful work must be carried out to ensure the right kind of packaging is presented and product developed.

2015: At this point, all identified target markets will be serviced and special emphasis will now be given to developing the seniors market. In fact 2015 could be targeted as the year of the senior with special programs providing opportunities for them and the long stay market so that they can each experience the region in a user-friendly way. It will take at least 2 to 3 years however to ensure that the various attractions and experiences are well designed and oriented to the special needs of the seniors and extended-stay market segments.



Chapter 4:

Product and Experience Development



4. PRODUCT AND EXPERIENCE DEVELOPMENT

4.1 PRODUCT DEVELOPMENT CONTEXT

The product and experience development process must occur within the context of the four main products identified in the ATSP that will be promoted regionally: culture/heritage, nature, community-based experiences and cruise/river based tourism. Since the ATSP is a living document, it is expected that this product focus could be altered given changes in tourist markets and world global conditions. It is also recognised in the strategy that these are very broad categories that can include a significant number of different products and experiences. The challenge of the Product Development Working Group is to identify products and experiences that will have an international value and be unique in every respect. With each of the target markets there can be a mixture of heritage, nature, community-based and cruise based tourism.

The ASTP stipulates that the product development process is the responsibility of the PDWG and the four subgroups that it has formed. Each Member State has identified a number of products and experiences in line with the four broad categories identified in the strategic plan. The challenge for the working group will be to identify appropriate elements from each Member State to develop packages of experiences in keeping with the themes for each year identified in Section 3.4 of this document. The PDWG is developing an inventory of the various national tourism experiences and products that will form the backbone of the annual campaigns.

Based on this development work, the Marketing and Communication Working Group will assess each product in terms of its market potential and suitability. Once this has been completed the two working groups will define the parameters of each year's campaign.

4.2 NATURE OF THE ASEAN PRODUCTS AND EXPERIENCES

The ATSP recognised that the ASEAN NTOs would not be developing individual products or experiences. This is clearly the responsibility of each country, which already has a significant list of attractions and experiences. The challenge on a regional level is to bring these together in a creative and innovative way so as to encourage tourists to visit more than one Member State. The strategy also recognizes that there are varying levels of development of the various attractions and experiences in Member States. Some have very well developed and managed products while others are in the early stages of development which may result in significant differences in the quality of the visitor experiences. One of the most important gaps is that of safety and security. Based on this

reality, it is recognised that while there are attempts to develop regional standards, presently it is challenging to bring together products and experiences that are at the same level of development, quality and safety. This of course is the nature of the regional family, but it is an element that must be taken into account when promoting the region.

As is recognised in the ATSP, the regional experiences and products will take the form of circuits, clusters, trails and packages as illustrated in Figure 4-1. The region is fortunate that it is so rich in resources that the challenge is rather one of strategically selecting products and experiences as opposed to one of attempting to find reasons for people to visit the region.

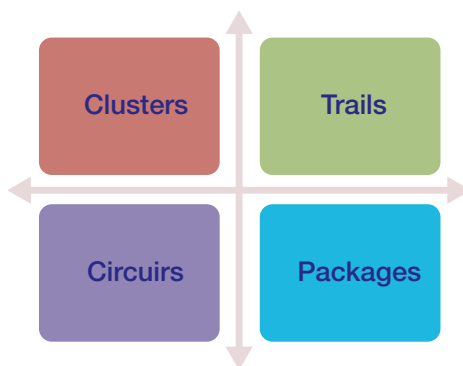


Figure 4-1: Regional Product and Experience Development Approaches

The emphasis of the development process must always be on what is unique to the region. The attempt must always be to identify circuits, clusters, trails and packages that can be experienced nowhere else in the world. In defining what is unique, it is often the special cultural and natural heritage of the region that is most often cited. The ASEAN region is rich in many of the well understood types of products and experiences. Every Member State has or is developing attractions such as golf courses, high-quality beaches and world-class resorts etc. These elements are obviously important in creating reasons for visitors to visit individual countries or even the region, but from a regional perspective they are probably not sufficient enough to convince tourists to come to Southeast Asia as opposed to another part of the world. In addition, it is important to remember that many parts of the world offer hospitable and friendly host communities. This is certainly true of Southeast Asia but is not unique to it. In addition, many parts of the world offer year-round warm climates and once again this is not unique to Southeast Asia. The challenge - within the brand adopted by the NTOs - will be in identifying, packaging and properly presenting the unique attributes and experiences of this incredible region.

The product and experience development process will be organised around themes and stories. These themes and stories will help to determine why individual sites, attractions and experiences once packaged together best meet regional marketing and promotional needs.

The ATSP clearly recognised that tourism must be a tool for development and by extension the regional marketing strategy must support national social and economic programs. Within the regional strategy Member States may choose to highlight experiences and products or areas that are in need of tourism development and visitation. It is therefore within the area of responsibility of countries to identify and most importantly justify why a particular product or experience should be included within the regional marketing effort.

It must be remembered that one of the key factors in the overall ATSP is to improve connectivity and access. Each package, circuit, product or cluster should be designed in such a way that connectivity in all its forms is facilitated to the highest level possible.

4.3 REGIONAL PRODUCT AND EXPERIENCE DEVELOPMENT PROCESS

In the Annex to this document the national products and experiences that each Member State has selected as having regional appeal are identified and should be considered by both the MCWG and the PDWG in developing annual campaigns.

The PDWG has developed a number of work plans based on the four broad categories for developing products and experiences. This approach recognizes that the product and experience development process is a continuous one and will be carried out in line with the schedules outlined in this document.

4.3.1 ASEAN Cruise-Based Tourism Product and Experience Development

The objective of cruise-based tourism product development process for ASEAN is to make Southeast Asia ready for the cruise industry and to raise awareness of the region as a cruising destination by 2015.

Working closely with the MCWG and Maritime Transport Working Group the cruise-based sub working group will identify opportunities related to cruise activities.

Initial conceptual development indicates that the cruise product development process will have three dimensions as seen in Figure 4-2.

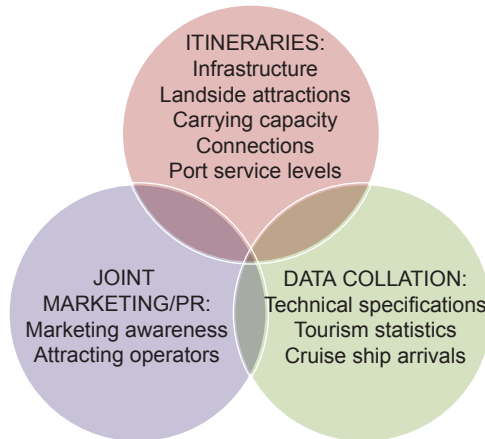


Figure 4-2: Cruise Product Development Elements

The cruise-based sub working group recognises that it will:

- Have to coordinate with various regional groups and agencies
- Collaborate with cruise organisations and associations
- Gather feedback and essential data from the cruise industry.

4.3.2 ASEAN Cultural and Heritage Tourism Product and Experience Development

Cultural and heritage tourism can be defined as travel directed toward experiencing local traditions, art, knowledge and heritage, while respecting the host community and its surrounding environment (tangible and intangible, including natural resources.) The dimensions of this type of tourism can include lifestyle, history, art, architecture, culinary, social and political systems, religion, beliefs, etc., that shape peoples’ way of life and the experience of the place that includes cultural, historic and natural resources.

The PDWG cultural and heritage tourism sub-working group has identified a number of different types of experience that can be packaged together under the heading of cultural, creative and heritage tourism as has been discussed in Section 3.3.3 of this document as well as in the ATSP.

4.3.3 ASEAN Nature-Based Product and Experience Development

The PDWG nature-based sub working group has had a number of possible nature-based products presented to it by the individual Member States. It will review each of these suggestions using SWOT, PEST and Ansoff Matrix approaches that will allow it to better understand the possibilities to develop and promote this essential part of the region’s product development mix. Based on this assessment it will develop packages that can be presented to the MCWG for incorporation

into yearly campaigns. As with any product development process the sub working group will need to take into account carrying capacities and seasonal variations in its planning and design work. While it is recognised that natural resources have the potential to create economic development opportunities the ATSP has recognised that sustainability and responsibility are essential elements that must guide the product development and experience process

4.3.4 ASEAN Community-Based Product and Experience Development

The PDWG community-based sub working group has a particularly important challenge in both identifying products that will have regional appeal based on the suggestions coming from the Member States as well as putting together packages that can be successfully incorporated into itineraries. Part of the challenge will be to ensure that the national products that are being proposed are consistent with the overall intentions of the product development process. It is recognised that for many travelers community-based experiences are usually part of a larger set of activities and that packages involving two or three countries will need to be carefully designed in order to ensure market acceptance and competitiveness. It will also be very important to ensure that issues of carrying capacity and cultural sensitivity are taken into account in putting together packages. Ultimately the community-based product and experience development process is designed to ensure that the communities profit directly from tourism activity and that there are minimal negative impacts from visitation.

4.4 DEVELOPING REGIONAL PRODUCTS AND EXPERIENCES

It is widely recognised that many resources, whether they be social, natural, cultural or environmental in nature only become tourism products and experiences when they are developed within a process similar to that described in Figure 4-3.

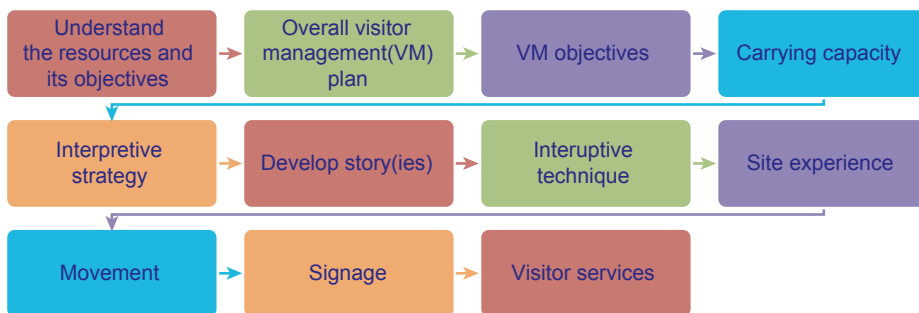


Figure 4-3: The Individual Product and Experience Development Process

The regional product and experience development process is obviously more complex since it needs to bring together a number of individual experiences and products. It is assumed that within the ASEAN development process that each Member State has an overall product development plan

for each of the elements that it has identified. Without this it will be very difficult for the regional effort to achieve any kind of success. A possible regional development product and experience development process can be seen in Figure 4-4.

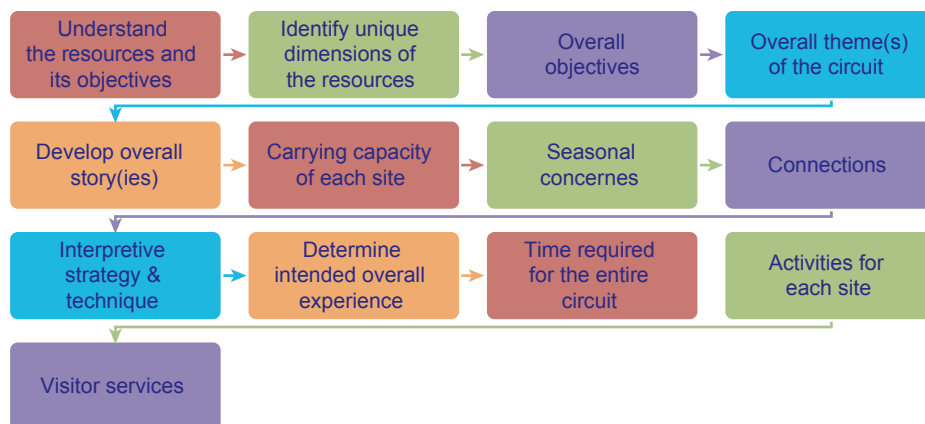


Figure 4-4: Regional Product and Experience Development Process

Elements of this process are discussed below.

- **Determining the Overall Objectives of Regional Products and Experiences**

The potential of each regional product and experience should be determined by keeping the objectives of the ATSP firmly in mind. The PDWG must clearly identify what the overall objectives are in including particular national products and experiences as part of the Southeast Asia experience. For example is a regional product/experience chosen/developed to expand visitor awareness, understanding and appreciation of a particular set of resources? Is it designed to attract visitors to sites that will help alleviate poverty? Is it positioned to help the visitor to better understand the regional culture? Establishing a clear and concise set of objectives therefore is the first step in the regional product development process.

- **Identify the Unique Dimensions of the Resources**

Within the marketing and product development process it has been stressed that uniqueness is an absolutely essential element in identifying and developing regional products and experiences. It is important that the PDWG identify resources that provide unique opportunities that can be experienced and enjoyed. This identification process needs to be based on the information provided by individual Member States.

- **Develop the Overall Theme(s) of the Circuits or Packages**

Each set of products and experiences must be developed around a theme(s). For example will the package tell the story of diversity within the region? Will the theme be one of conservation of unique cultural or social elements? Will it be concerned with the evolution of a particular religious or social group within the region?

- **Develop Stories**

This will be one of the more difficult dimensions of the product and experience development process. This is where the creativity of the consultants who will be hired in developing the annual campaigns will be crucial. Storytelling is an important part of the regional culture and needs to be adapted to the product development process.

- **Carrying Capacity, Seasonal Concerns and Connections**

The product development process must take into account the carrying capacities of various sites. Sites with limited capacities may not be included in a package or incorporated only with the necessary visitor management controls in place in order to ensure that tourism does not in any way negatively impact the resources. Clearly many of the products and experiences are best visited at particular times of the year given climatic as well as other conditions. It may be that certain packages are only promoted during certain periods. Finally the quality and frequency of connections to the sites become crucial in facilitating the development process.

- **Development of Interpretive Strategies and Techniques**

The PDWG must ensure that each site has well-developed interpretive strategies and techniques. These should include the potential use of trails, interpretive centers, guides, signage, events, virtual reality and mobile technology. Individual national resources that are proposed without an interpretive strategy should likely not be included.

- **Determine Intended Overall Experience Strategy/Time Required**

The PDWG in bringing together various resources must develop and identify what the intended experience should be for the visitor. The intent here should be to help structure the visitor experience by making potential visitors aware of appropriate ways of visiting each site in the time required. It should determine whether this is meant to be part of an overall group initiative or best experienced individually. In developing regional products therefore, it becomes crucial that the visitor is assisted in planning his or her trip in order to achieve maximum benefit. In many cases the provision of sample tours based on available time has been found to be very useful in ensuring that tourists experienced the essential elements of the site. Many visitors find this especially useful at large-scale sites.

- **Activities for Each Site**

In order to assist the visitor in making decisions the nature of the activities that can be experienced at each site must be identified. Are there daily schedules? Are there times of the year that have a more significant amount of programming? Do the sites require a certain level of physical ability?

- **Provision of Visitor Services**

Research clearly indicates that while sites - even be of world significance - without essential visitor services may result in visitors leaving a site less than satisfied with their experience. It is also essential in considering the intended audience that the appropriate services and facilities are in place and functioning. Examples of the range of visitor services can be seen in Figure 4-5.



Figure 4-5: Essential Visitor Services

4.5 PRODUCT DEVELOPMENT IMPLEMENTATION

The proposed process for identifying tourism products should follow the steps as outlined in Figure 4-6.

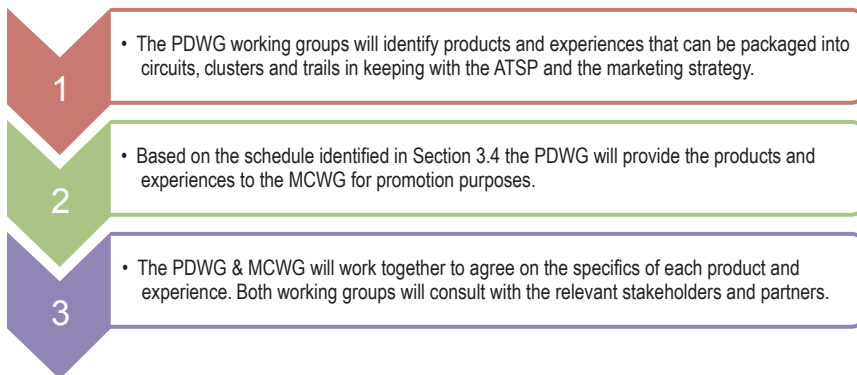
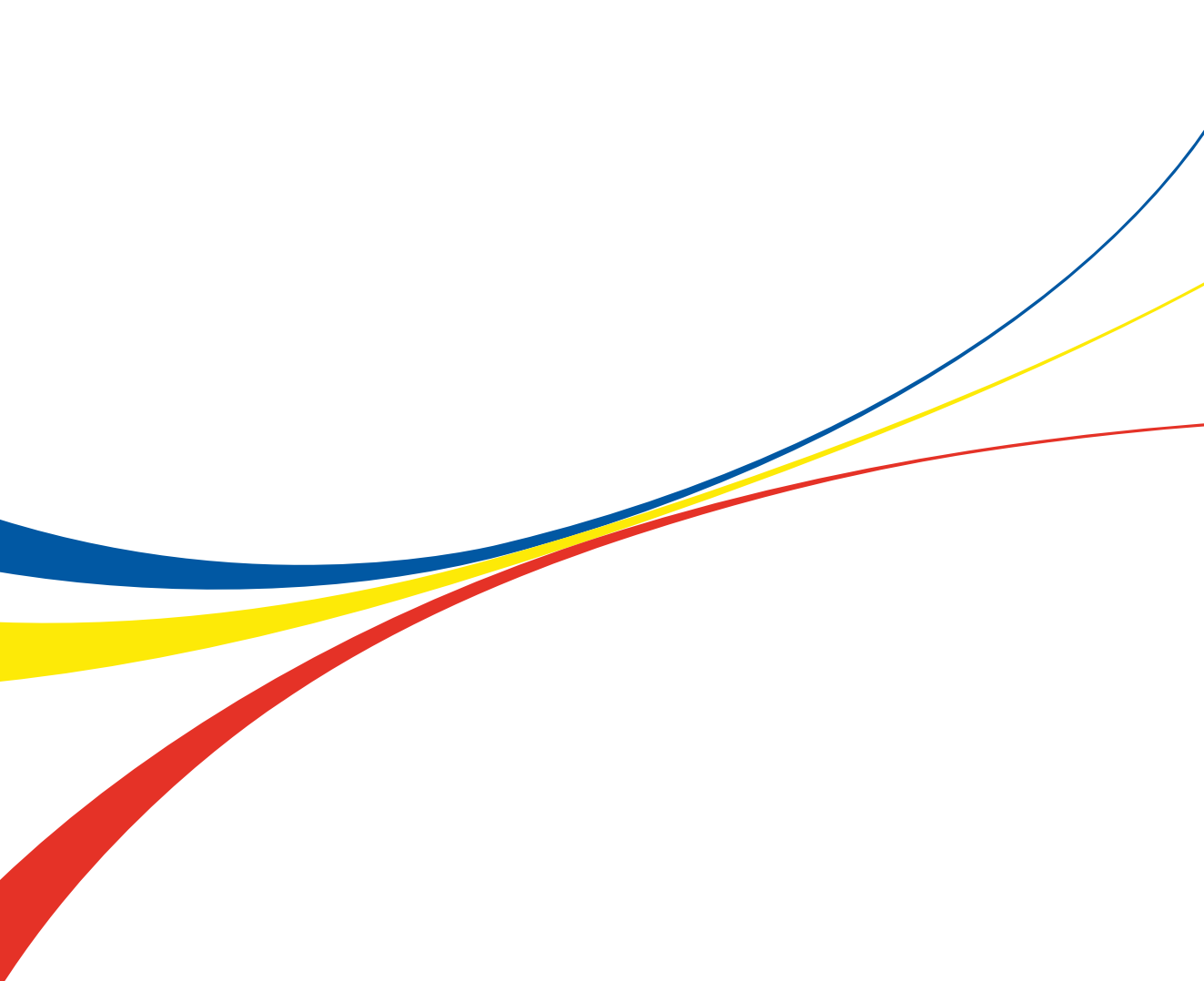


Figure 4-6: Product Identification Development Process



Chapter 5:

The ASEAN Brand



5. THE ASEAN BRAND

5.1 BACKGROUND

The development of an ASEAN brand has been the objective of a great deal of discussion by the NTOs eventually culminating in a decision to move from the brand that had been in use for a period of time to something that was seen to be more current and that had greater market appeal and recognition. In June 2011, the NTOs adopted a tagline and logo in large part based on the work of the ACE/Value project. That tagline and logo can be found in Figure 5-1. In addition, a manual has been prepared in order to provide the use of the logo and tagline.



Figure 5-1: ASEAN Tagline and Logo

The ASEAN NTOs have all agreed to use the logo and tagline in all marketing/promotional collateral materials and the MCWG has been directed to assess the effectiveness of the tagline and logo in attracting international visitors to the region.

5.2 BRANDING

This section discusses the nature of developing a regional brand as well as defines the essential elements of the brand development process for the Southeast Asian countries. The discussion within this section is based on the tenet that a brand statement can only be developed through a process of careful research and testing.

The strategy recognizes that a brand cannot only be a slogan, a logo or a color scheme and has based its definition of branding on the work of Alastair M. Morrison and Donald J. Anderson of Purdue University.

“Destination branding is about combining all things associated with the ‘place’ (i.e., its products and services from various industries -- agriculture; tourism; sports; arts; investment; technology; education, etc.) that collaborate under one brand. Its

aim is to capture the essence of the destination, in a unified manner, and can be consumed simultaneously at a symbolic and experiential level. It is then used to market those unique added values to consumer needs and sustaining its success in the face of competition.”

A good brand as defined by Morrison and Anderson has the attributes that are illustrated in Figure 5-2.

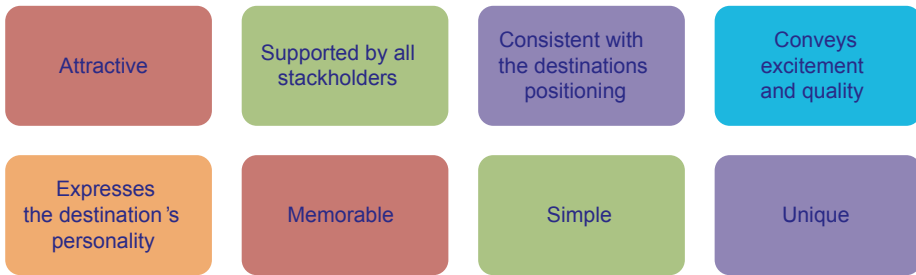


Figure 5-2: Brand Attributes

Kwortnik and Hawkes (2011) in a Cornell publication entitled Positioning a Place argue that “The process of building a brand begins with a clear understanding of what consumers desire from a particular product or service.” This understanding is then translated into a promise which is the basis of the brand and which tells consumers what they will receive. They developed a six step process illustrated in Figure 5-3 for brand building which should be adopted for the ongoing ASEAN brand strategy development process.

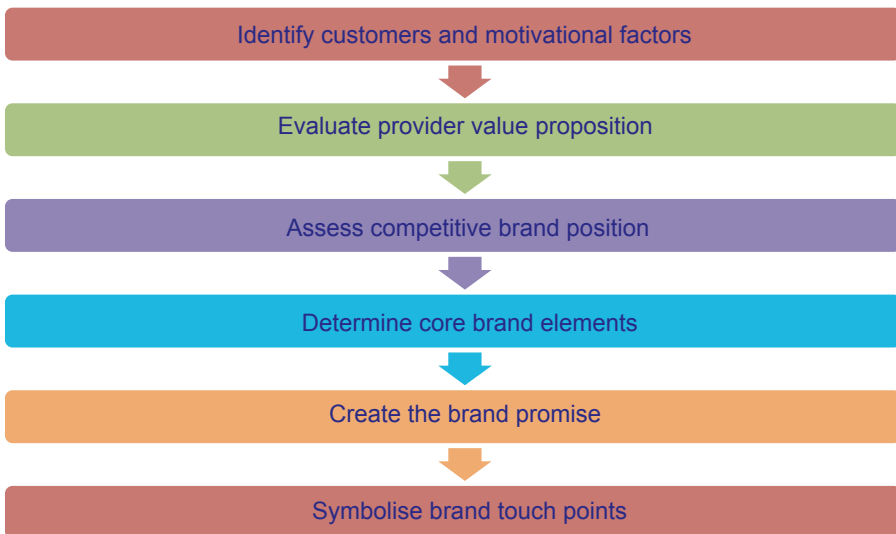


Figure 5-3: Recommended Brand Development Process

5.3 DEVELOPING THE ASEAN BRAND

Kwortnik and Hawkes argue that a promise is only good if it can be delivered. As discussed earlier in this strategy, Southeast Asia presents a significant branding challenge. It is diverse both in terms of product and experience and most importantly in terms of the level of hardware and software development of individual countries. Assessing the value proposition is very much like peeling back an onion. There are many layers that must be understood and this is particularly true for Southeast Asia.

While it is true that world-class services and experiences can be provided in some places, in others the type of experience, the condition of the infrastructure and the readiness of attractions for international visitors are at a much lower level. It is therefore essential that in developing the brand for Southeast Asia there is a candid understanding of what can actually be delivered. It is sufficient at this point in the brand development process to state that the provider value proposition varies from country to country and from supplier to supplier.

Many countries in Southeast Asia are well known international destinations in their own right with significant growth having been realised over the last decade. Some countries have grown from almost no international tourism to having significant levels of foreign arrivals, development and investment. There can be no argument that on a worldwide scale and certainly within Asia, most countries within Southeast Asia are well recognised as desirable destinations. Many of these countries successfully compete on quality, the nature of their attractions, service levels and price.

5.3.1 Determining Core Brand Elements

The core elements of the ASEAN brand have been determined in the ATSP. These core elements are the culture/heritage, nature, intangible dimensions and community life that are unique to Southeast Asia. As discussed earlier these brand elements will be used to form the main storyline for the message and imagery that ASEAN will provide.

It is essential to consider a destination in terms of how others see it. For some, Southeast Asia has connotations of:

- An exotic part of the world;
- A good place for unique gastronomical experiences;
- The colonial past of Indochina;
- The incredible confidence and growth characterised by several countries;
- The indigenous populations;
- Wonderful handicrafts;
- Well preserved culture;
- Tropical rain forests;
- Pristine beaches;
- The incredible pollution and traffic congestion of the major cities;

- The lack of sanitation and security ;
- The very unfortunate connections between parts of Southeast Asia and sex tourism;
- Backpacking haven.

Apart from the obvious core elements of unique history, nature and communities the most obvious differentiating factor is one of diversity. These points of differentiation can be understood by the fact that there are few, if any places in the world, where within one hour one can be in a completely different place. For example:

- One can go from a bustling metropolis to a relatively unspoiled destination with a unique culture and way of life vastly different than that just left behind.
- One can experience countries that have been colonized for significant periods of time and others that have escaped colonization.
- One can go from countries with a diversity of religions to those where there is a majority of religious thought.
- One can go from a country with one of the highest standards of living in the world to one of the poorest countries in the world.
- One can go from countries with very well developed and mature governance systems to those emerging and slowly embracing democratic systems of government.
- One can travel for days in unique and unspoilt natural environments with incredible diversity.

To try and characterise the region with these incredible levels of diversity by a simple tagline based on one dimension of the overall destination is simply not doing justice to Southeast Asia. Southeast Asia must be understood as a place of incredible diversity, with opportunities to experience very different ways of life within a confined geographic area, a place with vastly differing ways of life and beliefs; a place where within a short period of time one can visit two or three very distinctive countries etc.

For many people this diversity, the culture and ways of life will be seen as a major reason for visiting the region. To others the region's well-developed urban areas offer much of what the newly emerging tourist is looking for in terms of shopping, food, entertainment and reliable service and accommodation.

5.3.2 Creating the Brand Promise

Based on the discussion in the previous section the brand promise in the future therefore should be one of diversity. The promise will be that if you visit Southeast Asia you can experience its incredible diversity, its warmth, its food, its people in a number of different manifestations. What is equally important to take into consideration is that this diversity fits very well with the target segments identified in the strategy. It is important that the branding process does not attempt to be everything for everyone but rather promises a place where special experiences, well coordinated regional products, amazing circuits and great packages are possible. Within the promise of a unique

experience there is also the inherent understanding that in most destinations a high level of service, very good infrastructure, value for money, excellent recreational opportunities and so on will be available and delivered.

5.3.3 The Evaluation of the Branding Position

As has been agreed to by the NTOs and as is recommended in this strategy, the existing tagline and logo will be assessed on an ongoing basis. In any case a branding exercise will need to be undertaken to be completed by 2015. An important part of the branding exercise will be to evaluate the existing logo and tagline.

In the past, discussion about brands and the perception of brands by consumers were not heard or seen by the organisation itself. With the advent of the Internet and Social Media mechanisms organisations now have access to what is being said about their brand and can use these tools to monitor perceptions and attitudes towards it.

The positioning of a brand refers to how the customers think about it. Through the brand's positioning (in this case a logo and tagline not based on a brand development strategy), the MCWG must continually build a sustainable competitive advantage based on the brand/product attributes – tangible or intangible. The most important aspects to consider when evaluating the branding position are: how the target markets respond to the brand, based on brand recognition and attitude towards the brand, how the product/experience is different or better than other regional destinations, and what the value of the difference is to the target markets. Within the limited resources available to the MCWG there are tools that can be used to evaluate the branding position in various target markets. These tools are listed at Figure 5-4.

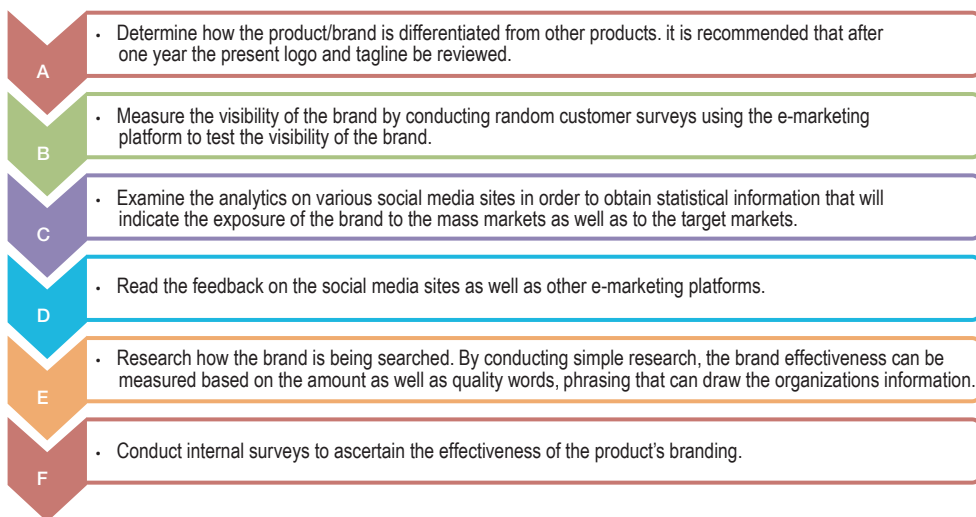


Figure 5-4: Tools for Evaluating Branding Position

The MCWG if it chooses to follow this process should consider the following:

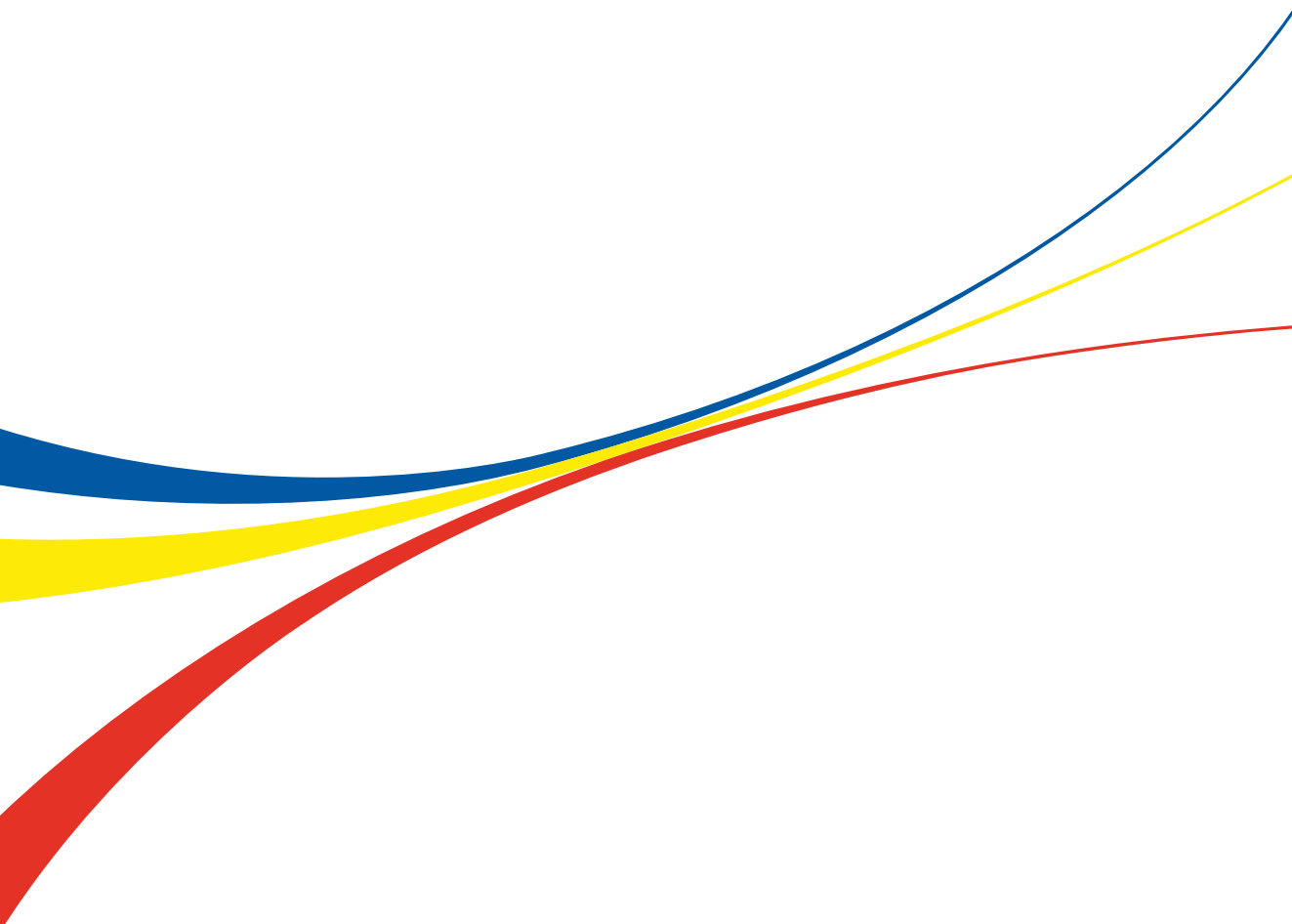
- A. Conduct research examining other regional destinations in order to determine whether the existing product/brand differentiates itself effectively from other products. Based on how other brands are positioning themselves, this research can be used as a benchmark that ASEAN can use to determine the points of differentiation for its own brand/product.
- B. When customers can easily identify the brand simply by its logo, its product colors or some other visible means, this becomes a most valuable measure of how successful a brand effort is. An example of an effective branding campaign is the one carried out by Nike. “Just do it,” might be one of the most well-known slogans. When tied with the company’s “swoosh” symbol, these two elements are enough for a perspective/current customer to recognize the brand without the company name appearing.
- C. Many social media sites have incorporated analytics into their sites. This allows marketers to assess the number of visitors that the site is receiving as well as the number of fans it has. These statistics provide significant insights into how successful particular social media efforts are.
- D. Social media and other types of e-marketing provide an organisation with a firsthand look at what customers perceive the brand to be and their attitude towards it. Their feedback is a significant measure and provides an immediate opportunity to either change negative attitudes towards the brand, and/or reinforce positive attitudes.
- E. With the Internet, the way the brand is perceived is equally as important as how the perspective/current customers are searching for information about the organisation. This is a simple process of using search engines and plugging in key words and terminology that best present the brand. If the organisation or brand information comes up relatively high on the searches, then it is an indication that the brand is positioned properly online. If not, there are mechanisms through Search Engine Optimization (SEO) processes that enable a better search position to be developed.
- F. It is also very important to evaluate the brand based on the overall internal understanding and perceptions. Any potential disconnect may be discovered by conducting internal surveys based on the primary branding position and where the brand currently is positioned. This will also allow an internal evaluation of the brand and will determine whether the brand needs to be reviewed. This will be of particular importance to the various partners mentioned earlier in this document.

5.3.4 The ASEAN Branding Challenge

The challenge in defining a region as diverse as Southeast Asia is that it does not become simply a set of attractions somehow loosely woven into a story. The story itself must be a rich one that talks about diversity of experience, values, and ways of life, natural habitats, and levels of development.

It is also a story of the reality of present-day political borders and how they have changed to bring about a rich intermingling amongst peoples of the region. It is also a story of how historically, the various cultures of the region have been influenced by their neighbors and now by the global economy. It is a place of unique world heritage and everyday ways of life. It is a place of extremes, ranging from world-class urban sophistication to rural areas in very early stages of development as defined by Western thought at least.

Southeast Asian countries must be patient as they build the regional brand. Building brands requires enabling trust, establishing relationships and creating a set of stakeholders that are prepared to provide support for the brand development. It is worth reinforcing the notion that various Member States must agree to continue to work together to develop a brand that accurately reflects the richness and diversity of the region.



Chapter 6:

Distribution Channels and Strategies



6. DISTRIBUTION CHANNELS AND STRATEGIES

6.1 THE NATURE OF DISTRIBUTION CHANNELS

For the purpose of this marketing strategy distribution channels will be understood to be

“... a system of intermediaries, or middlepersons that facilitates the sale and delivery of tourism services suppliers to consumers. Specifically, distribution channels can serve as part of the marketing mix that makes the products available to consumers, as the link between the suppliers of tourism products and their end consumers, as well as the bridge between supply and demand. The structure of the tourism industry distribution system not only affects the choices available to the consumer, but also the business models and marketing strategies adopted by the various channel participants.”

In hospitality a successful channel management strategy consists of selling inventory at the highest possible rates, while pushing reservations through the lowest-cost channels. These are challenging tasks, which require an understanding of the wide array of distribution options available, their sales models and how they interact.

There is recognition that there are a number of stakeholders within the distribution system - some working with more traditional media and forms of distribution while others have embraced the digital world. Any distribution strategy must include an understanding of the role of technology, the Internet, travel agencies, friends and relatives, travel guides, travel brochures, newspapers and magazines, tourism offices, television and other media in terms of how people make buying decisions.

Destinations have quickly realised that in order to be competitive they have to develop their online presence using a range of digital techniques. Destinations are increasingly using the Internet to provide interactive demonstrations of their amenities and attractions thereby allowing visitors to build their own itineraries based on their interests, requirements and constraints. The development of database technology has enabled destinations to better reach their target audiences and the all-important intermediaries in the distribution system.

The importance and growth of the Internet can best be illustrated by Figure 6-1, which demonstrates that the majority of global Internet users are in Asia. China alone comprises 19% of the Internet population and is continuing to grow rapidly.

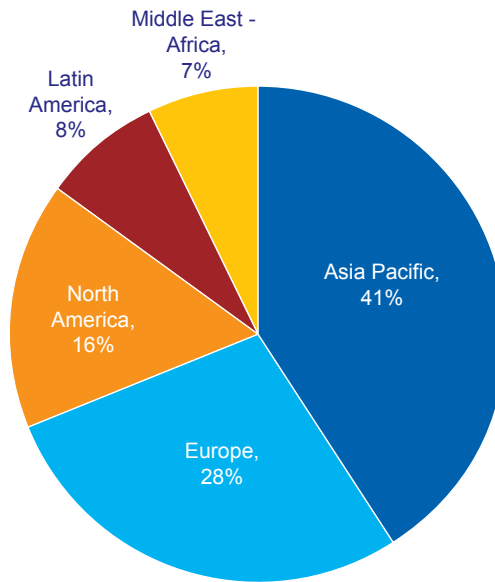


Figure 6-1: Global Internet Users (www.comscore.com)

While still in its infancy the use of mobile devices as part of the distribution system cannot be denied. There are now almost five billion mobile subscribers with a continuing number of applications being developed to make use of this very promising and appropriate technology.

As part of the overall strategy there needs to be a consideration of the introduction of incentives for operators to include ASEAN itineraries and branding in their products. The mobile market offers a good place to begin to explore this opportunity.

6.2 OVERALL DISTRIBUTION CHANNEL STRATEGY

This strategy is based on the understanding that there will be minimal funding available for any type of direct distribution activity. The available funding will be used to hire consulting assistance to maintain the website and to assume the responsibility for the e-Marketing initiatives that can be carried out within the limits of the funding and human resources available.

This strategy recognizes that the traditional distribution channels as illustrated at Figure 6-2 are both being challenged by advances in technology and at this point remain beyond the resources of the ASEAN NTOs.



Figure 6-2: Traditional Distribution Networks (Google)

Today, tourism organisations have access to a wide range of both analog as well as digital distribution channels as can be seen in Figure 6-3.

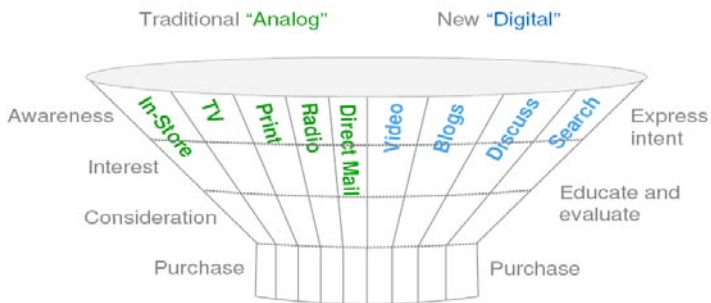


Figure 6-3: Analog and Digital Distribution Channels (Google)

Based on the available sources the major distribution channels that should be considered by ASEAN can be seen in Figure 6-4.

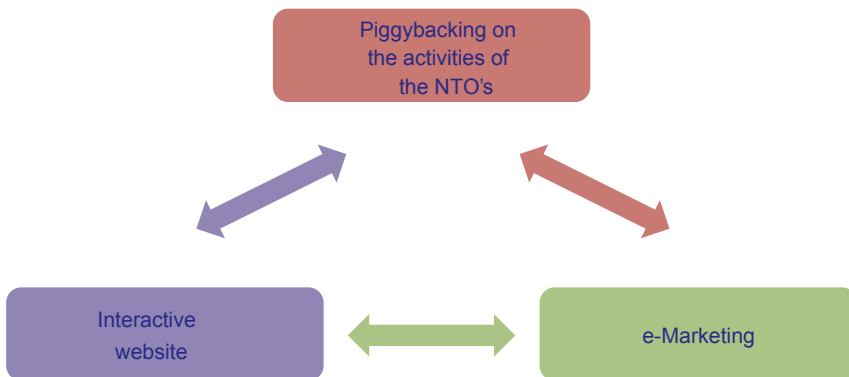


Figure 6-4: Overall Distribution Channels

6.2.1 Piggybacking on the Activities of the Individual NTOs

One of the most cost-effective ways of getting the message to the target markets will be by the individual NTOs agreeing to do the following:

- Imbed the ASEAN tagline and logo in all of their campaigns, collaterals and websites. This is a no-cost strategy that will begin to at least direct people to the regional website.
- While promoting their individual sites or attractions countries can still tie them into the larger regional context. This could be seen as mutually beneficial since people who might be attracted to a cultural site for example in Indonesia, could be made aware of a comparable experience in Malaysia that they may also consider visiting.
- Work together to either get free space at trade fairs through which they can promote the region or distribute ASEAN collateral through each of their own booths.

Piggybacking on the activities of individual NTOs must be seen as the minimum level of contribution and cooperation by the individual NTOs. Without this type of cooperation the implementation of the entire marketing strategy is called into question.

6.2.2 The Development of an e-Marketing Strategy Based on Digital Distribution

Over 2.1 billion people (30% of the world's population) are using the Internet. More importantly mobile subscriptions have exceeded 5.3 billion.

With continued advances in technology, the need by consumers for instant access to information and an equally immediate response that many organisations are only just learning how to adapt to this new reality. Internet marketing has taken on a much bigger role in many integrated marketing communications strategies as organisations have been experiencing positive responses from B2B as well as B2C strategies. The cost effective opportunities that internet marketing is providing for organisations can enable them to adopt a much more competitive position irrespective of the size of their respective marketing budgets.

An appropriate e-Marketing approach will allow the region to target specific interest groups with a great deal of accuracy and a minimal level of funding. Social media should be seen as a major instrument in the overall e-Marketing approach. Member States and consultants using social media must help to develop campaigns that would drive people to the website and raise awareness about Southeast Asia as a destination.

Given that social media is a new tool being used in a number of marketing approaches today, it is important to note that the basis for a successful social media campaign rests on consistency as well as on two-way interactions with potential and current customers, and partners. Previously, many marketing campaigns were based on one-way communication tools, which did not allow for interaction with the mass market or more specifically with target markets. Organisations that

effectively use social media will be able to gain a better understanding of the wants and needs of the target market while maintaining goodwill through the community. These specific target markets are becoming more important than they have been in the past as social media is allowing these market segments to be isolated, and thereby receive information pertaining to that segment alone. This is a major benefit of social media given that there are a number of sites or groups within sites through which NTOs will be able to tailor the information/marketing message for specific target markets. This focus will allow for a better penetration of information/marketing messaging into the desired segments.

Effective use of social media requires an investment of time and a well-developed understanding of the brand/product. Since social media is based on a two-way communication stream, it allows for personalized attention by and for the followers.

When planning a social media marketing campaign, it will be important for the NTOs to remember that existing and potential customers are looking both for information about the brand/product which can be gained as easily as possible and incentives/reasons to become a loyal follower. In many social media campaigns, like many marketing campaigns in general, the organisation might offer a special promotion or activity - in other words an incentive to consider or buy a product or experience. This type of content creates an environment whereby the followers have a reason to return to the social media site as well as help drive other traffic to the website. It is important to remember that most marketing efforts do not have a direct correlation with ROI, but rather the activity helps to create an awareness of the destination/product and builds brand image, perceptions and attitudes. The website also plays a vital role in an Internet marketing plan since social media will drive traffic to the website for followers who are seeking more in-depth information.

A key element when developing a digital distribution system is understanding how to work with a wide range of enterprises, some of them are locally based with others global in nature. This variability is certainly an important factor to consider in designing the distribution system. As will be put forward in this section, a destination needs to be able to work with third-party distributors and technology providers. As part of this process, countries need to determine who specifically will develop and own the content. They need to ensure that somebody is responsible for maintaining the integrity of the destination's brand. This is not something that can be done by a volunteer working group but must be the responsibility of a dedicated (part or full-time) employee who can help to ensure that the brand and identity of the destination are maintained and a sustainable competitive position is created.

The marketing strategy must include Internet portals, interfaces to other sites, business-to-business digital communication, handheld and mobile devices, WebTV, the presence of terminals - even within automobiles - and sophisticated customer relations management techniques. A major element of the overall digital campaign will be to adopt a very strong focus on mobile applications and services (mTourism). The exact nature of this element of the overall strategy will be further developed assuming agreement by the NTOs.

6.2.3 Website

There can be no doubt that the website is critical to the success of the overall marketing and promotion effort. This importance is recognised by the recommendation to hire full-time staff and consultants to help in this process.

The existing website developed by the ACE/Value project and now under the responsibility of ASEANTA must be seen as an important element for the entire distribution effort. However, it has been determined that each NTOs will have its own website. It is recognised that both websites can work effectively together but the objectives of both partners are clearly at times different. For example, NTOs, as has been discussed in this strategy, may choose to use the marketing strategy to meet overall national social, economic and cultural goals which may not always be driven by achieving the highest level of visitation. On the other hand, the private sector stakeholders are driven by the need to achieve the highest possible profit and return on investment for their stakeholders. There will be many instances where these objectives come together but it must be recognised that there may be differing opinions and priorities so that separate distribution channels may be necessary given differing objectives and programmes.

One of the challenges of maintaining the website will be in ensuring the quality and timeliness of the content remains high. Given that this strategy is based around the creation of packages, clusters, circuits and trails using existing national resources, there will be a need to develop and update content on a regular basis. This could be a shared activity between the various NTOs and the coordinator in order to provide the necessary quality control and supervision. The coordinator will be responsible for ensuring that content is up-to-date and that partners are encouraged to participate. An interesting possibility is to consider entering into a partnership position with organisations such as Frommers.

The issue of quality control is especially important and this must be ensured by the appointment of an individual or group responsible for the website and accountable to the NTOs. It is envisaged that the website be lively and interactive, coupled with focused and cost-effective digital communications.

In a recent European Tourism Commission (ETC) new media trend watch, five basic principles for DMO websites are identified and discussed. It is recommended that in the design process these five basic principles be incorporated into the development of the website. It is recognised that there are a number of public sector and commercial websites all competing for the visitors' attention. The basic principles include:

- Easy to read and navigate;
- Ensure that the content is up-to-date, has qualitative and diverse information, trip planning tools, attractive visual materials etc.;
- The website must be multilingual;
- Be connected to the relevant social media sites; and
- Make use of the latest search engine optimization techniques and keywords.

There are a number of innovative websites that should be examined using the new USA DiscoverAmerica.com site (<http://www.discoveramerica.com/>) which contains many of the essential principles discussed above. Its interactive landing page is particularly effective and is illustrated in Figure 6-5.



Figure 6-5: DiscoverAmerica.com Site

In the November 10, 2011 edition of eTurboNews there was a discussion of the European Travel Commission's new digital initiative portal. That site now has 150 pages of rich content and enhanced connectivity to all ETC member NTO websites. According to the ETC, over the coming months, visiteurope.com will continue to add new sections, including Hot Deals and Special Events. There's also an interesting campaign being launched which looks at people's knowledge of Europe and which also creates a partnership with Evernote as can be seen in Figure 6-6.



Figure 6-6: Evernote Campaign

A final example that demonstrates how well the issue of experiences has been adopted by the private sector is that of Marriott’s Autograph Collection. This presents an excellent example of how to begin to portray the different opportunities available in the region and is illustrated in Figure 6-7.

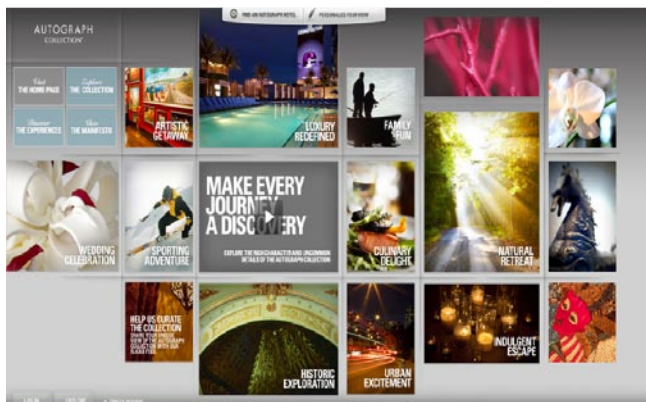


Figure 6-7: Marriott’s Autograph Collection Website

It is important that in the design process the elements provided in this section of the strategy are considered and incorporated whenever appropriate.

6.3 IMPLEMENTING THE DISTRIBUTION STRATEGY

6.3.1 Coordination

The overall responsibility for the marketing strategy rests in the first place with the NTOs and then with the Marketing and Communications Working Group. However it will be impossible for the people who make up the working group to carry on their day-to-day activities and also be responsible for the activities of the ASEAN NTOs. The role of the working group must therefore be one of policymaking and accountability.

6.3.2 Partnership with the NTOs

As part of the marketing strategy it is essential that each NTO commits to the piggybacking activities described in this document; this commitment will be deemed to have been made upon approval of this marketing strategy.

6.3.3 Industry Partnerships

Partnerships have become an increasingly important approach for meeting the needs of various organisations. While partnerships have become within the realm of infrastructure development in many parts of Southeast Asia there are very few examples of partnerships that are responsible for the delivery of what could be termed as “soft” infrastructure.

There is no doubt that there are hardware and software companies that would be motivated to work with ASEAN. There is a good business case to be made for companies to contribute their services to not only further the aims of the NTOs but also to build visibility and credibility for themselves. This is obviously a strategy that must be carefully considered. Without partnerships it will be very difficult to design a distribution system that will permit the Southeast Asia countries to be seen as a credible destination.

There are many forms of partnerships that could be envisaged including accommodation and transportation companies and distributors. The issue of incentives raised earlier is of particular importance in the formation and sustainability of successful partnerships. Certainly there are key stakeholders that could and should be part of the distribution partnership as illustrated in Figure 6-8.

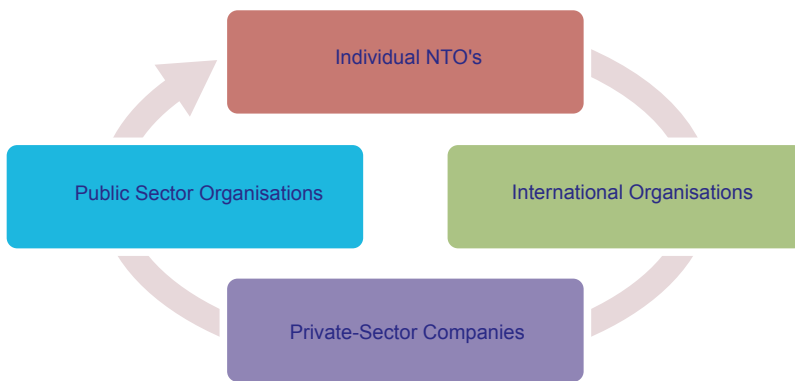


Figure 6-8: Public-Private Partnership Stakeholders

Membership of the Partnerships

The first clear partners are the ASEAN-China Centre, ASEAN-Korean Centre, ASEAN-Japan Centre, ASEANTA and the ASEAN Promotional Chapter for Tourism (APCT) in Australia, Dubai and India. It is vital that these organisations work in concert with this marketing strategy in promoting and positioning the products and experiences that are developed by the NTOs. It may take some time to get various organisations’ agendas in alignment but the resources being used to promote the region must be strategically aligned in order to ensure success.

As noted earlier private-sector companies could be large and small, regional or international organisations but they must be prepared to participate in the development of the distribution strategy. There would have to be careful scrutiny and oversight in the development of a partnership and the choice of who actually will be a partner.

Private-sector partners could include such organisations such as Intel, IBM, Microsoft, Cisco, Facebook, Google, Trip Advisor and any number of computer companies. Other international organisations could include the United Nations World Tourism Organisation (UNWTO) and the International Telecommunications Union (ITU). The PPP could be aligned to the United Nations

Millennium Development Goal (MDG) 8: the creation of partnerships for development and in cooperation with the private sector to make available benefits of new technologies, especially information and communications.

The exact nature of these partnerships must be developed over a period of time following a strategic approach to determining where support is required and which organisation is best suited to ensuring that the region is effectively promoted.

Advantages of a Public-Private Partnership

As noted earlier there are obvious advantages to private-sector organisations participating as partners. It will give them an opportunity of testing new hardware and software, showcasing their capacities to a regional audience and working with other companies in sharing expertise. From the perspective of the NTOs there are a number of benefits such as access to the latest cutting-edge technologies, technical resources and existing Internet-based applications. The exact nature of the partnership would have to be carefully considered and would entail working closely with the ASEAN Secretariat.

6.4 PUBLIC RELATIONS ACTIVITIES

This marketing strategy has adopted a largely digitally-based approach without dedicated regional advertising due to scarce financial resources as well as recognition of the effectiveness of digital media in reaching the strategy's intended market segments. As has already been discussed any advertising in the traditional sense will need to piggyback off the initiatives of national governments.

With the participation of the ASEAN Secretariat, NTOs (many of whom have public relations departments) as well as the MCWG coordinator, public relations activities will be an integral part of the overall strategy. As is widely recognised, public relations is a management tool designed to positively influence attitudes towards an organisation, its products, and its policies.

Public relations will be an important tool when trying to create South East Asia as a destination in the challenge will be that the NTOs become a more credible source of information.

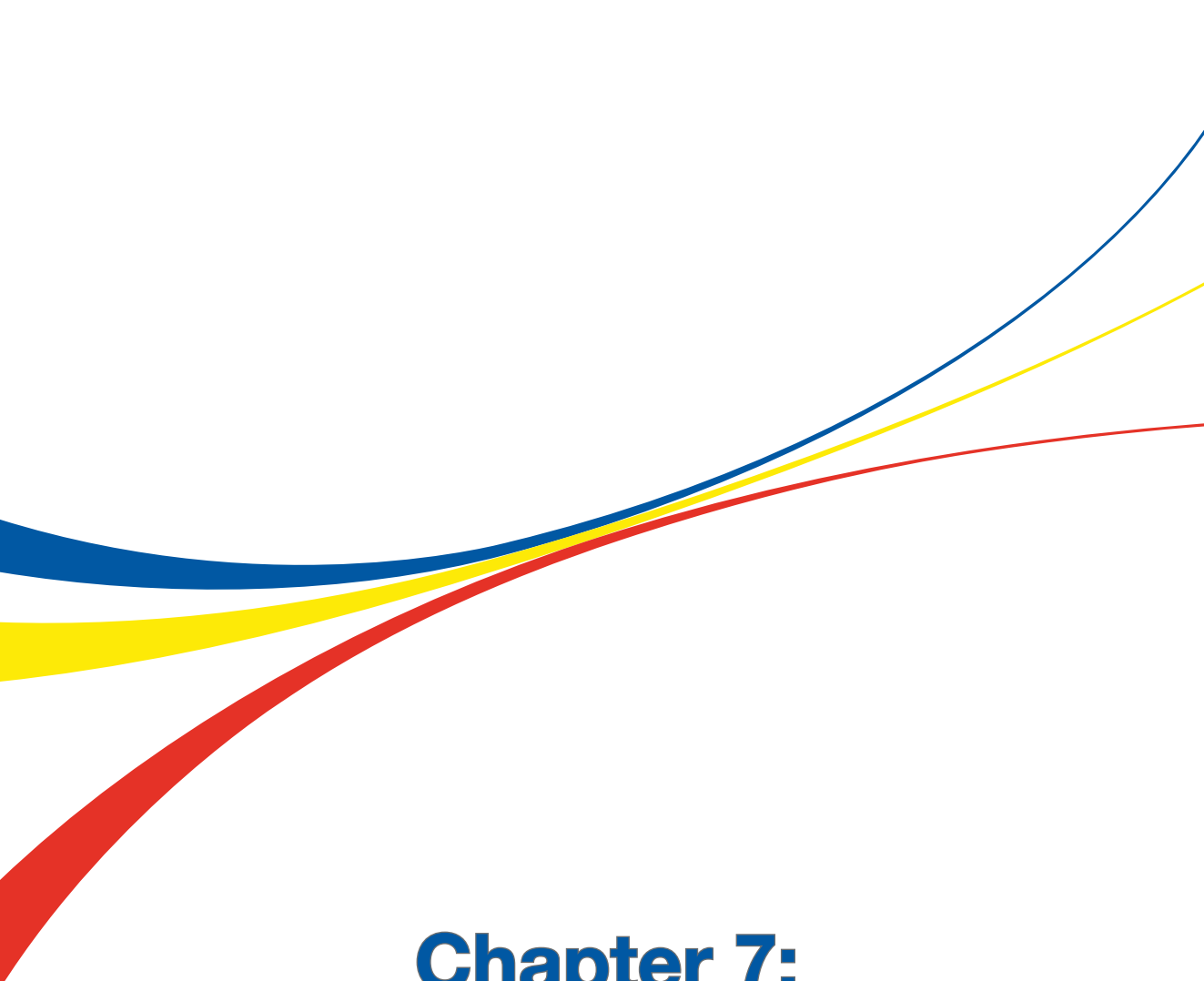
The basic PR initiatives must include the following activities:

- The coordinator, working with other stakeholders, will ensure that through its PR policy there will be cohesiveness in the message that is being portrayed/shared with all stakeholders. The objective will be to ensure that there is a very clear and consistent positive perception of the Southeast Asia tourism experience.
- Develop press releases for specific target markets in line with the campaigns designed by the NTOs. Key stakeholders will need to be continually kept abreast of any such activity by the ASEAN NTOs.

- Utilize target e-newsletters in order to continually inform interested parties about the variety of different programs/projects that the ASEAN NTOs are developing.
- Conduct research and developing opportunities for special events, seminars and trade shows, where collateral can be distributed and promoted. This is especially important for the NTOs and partners across all the member countries.
- Use volunteer as well as paid consultants to prepare articles for key media.
- Prepare short pieces to be included in the public relations activities of the NTOs.
- Use the NTO network of organisations to plant "seeds" with pertinent information/messages about the ASEAN tourism destinations.
- Utilize the ASEAN website as a place in which to house the press releases; keeping an electronic clip book of the press received will also increase search engine visibility, something that advertising cannot do.
- Working with the ASEAN Secretariat the coordinator should constantly search for opportunities to highlight developments through placements in specialty travel magazines and other travel media.
- Work with partners to ensure that the Southeast Asia message is routinely included in their different media programs whether they are digital or print-based.
- Work with partners in the development of virtual trade shows and FAM tours.

It must be remembered that public relations does not directly influence nor is directly correlated to increasing revenue; the main function of public relations is to develop a strong image and connection with the public and target markets. After a period of time of utilising appropriate PR, the success of particular activities can be measured by the PR Value - a monetary figure that is calculated for each piece of press received. This monetary figure is based on "advertising value equivalency" (AVE). AVE assesses the value of an article, TV appearance or radio spot by weighing it against the cost of related advertising space and is based on the media's rate card for advertising. The PR value in terms of AVE will demonstrate the amount of free press received, however the actual value of PR is much higher than just the cost of an advertisement, as the public trusts and find more value in press articles than it does in advertisements. The AVE figure is however, a good indication of the relative performance of PR when compared to the human resource cost for its activities.

One direct impact of PR activities will be obtaining press coverage in those publications or in the media that are most desirable for the strategy's target markets. For example, to reach potential travelers, one of the most read magazines worldwide is Travel and Leisure Magazine where an editorial or a piece about Southeast Asia would be very influential on those readers. This would also provide an opportunity to educate the readers about the destination and the various products and cultures that Southeast Asia has to offer.



Chapter 7:

Marketing and Communication Working Group Management Structure



7. MARKETING AND COMMUNICATION WORKING GROUP MANAGEMENT STRUCTURE

7.1 MANAGEMENT STRUCTURE CONTEXT

It is recommended that a portion of the marketing budget be allocated to hiring an individual to carry out this task. This person's responsibility will be to oversee the implementation of the strategy and work closely with various stakeholders. For the 2012 budget year funds have been allocated for such a position.

The challenge is identifying and concluding creative partnerships not only with the private sector but with other institutions such as universities and research centers to help in the overall marketing efforts.

It must be remembered that within Southeast Asia individual destination brands - in particular those of Malaysia, Thailand and Singapore - may be seen as more powerful than the regional brand itself. These countries also have world-class destination management skills and knowledge especially in terms of marketing and positioning. It will be important that part of the regional marketing strategy will entail certain national governments agreeing to take on part of the regional marketing effort in tandem with their own national efforts. This could involve allocating portions of their national staff to piggybacking regional marketing efforts on their own national efforts. This would not require the actual transfer of money to ASEAN but could simply be an agreement whereby those countries with significant marketing budgets and expertise may direct some of those resources to the cooperative regional effort.

7.2 ASEAN TOURISM MARKET RESEARCH GROUP

As part of the overall ASEAN Tourism Strategic Plan member states agreed to the setting up of the ASEAN Tourism Market Research Group (ATMRG). This research group would be a virtual group designed to share information among ASEAN Member States.

Indonesia will act as the coordinator for this activity at least in the initial stages of strategy implementation. One of the primary functions of the ATMRG will be to serve as a repository/knowledge management center for essential marketing information for the region. It is expected that the Member States will also be expected to provide Indonesia with the name of a research focal point person who will be charged with ensuring that communication flows between the NTOs and the ATMRG is facilitated. It is also expected that this person will provide leadership in identifying the right resources in each country to help in the overall research effort.

7.3 ASEAN TOURISM MARKETING STRATEGY MANAGEMENT STRUCTURE

The proposed management structure is relatively straightforward and is developed on the assumption that there is a full-time coordinator. The proposed structure is presented in Figure 7-1. The duties of the coordinator have been referred to in several places in the strategy. Duties and responsibilities will include:

- Reporting directly to the Chair of the MCWG or alternatively to the ASEAN Secretariat, the individual will ensure a timely and efficient flow of information between various partners and within the Working Group itself.
- Coordinating the campaigns for the various target markets as described in this strategy;
- Assessing the achievement of key strategic marketing actions;
- Helping to implement the decisions of the MCWG;
- Working closely with partners in piggybacking their various activities and initiatives;
- Carrying out the basic PR activities described earlier in this strategy; and
- When appropriate acting as a spokesperson for the NTOs.

In a virtual world the actual location of the coordinator is less important than it would have been in the past. If the coordinator is to report directly to the ASEAN Secretariat then being housed within the Secretariat in Jakarta would make eminent sense. If the person is to report directly to the chair of the MCWG then a location certainly within the region would be possible. The ideal situation would be to hire somebody that already has an office infrastructure both to reduce costs and to increase efficiencies. It is noted that duties and responsibilities of the coordinator be reviewed every year.

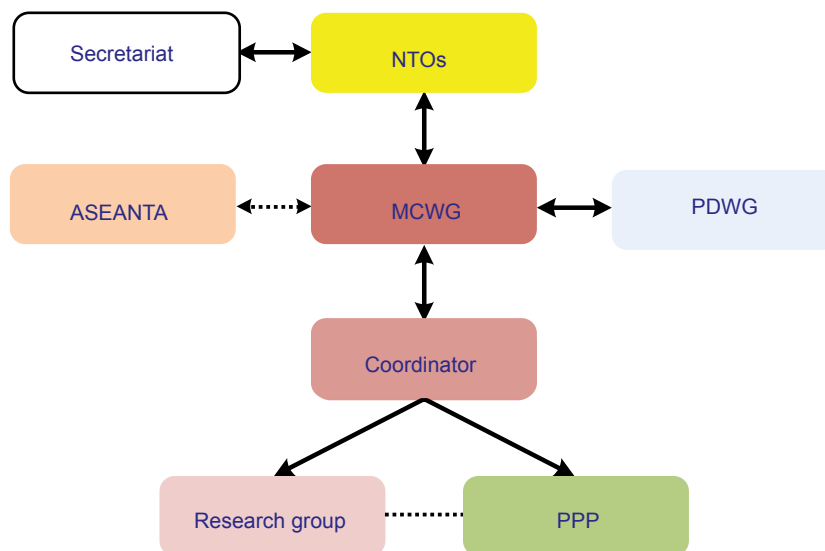


Figure 7-1 Proposed Management Structure for MCWG

7.4 BUDGET

Given the practices of the NTOs, each year the MCWG will be required to submit a budget to fund its various activities. For the initial period, a budget will be submitted to the ASEAN Tourism Integration and Budget Committee (TIBC) outlining the costs of implementing the strategy for the year. As noted earlier in this strategy much of the impact of the regional marketing activities will not be immediately seen given the time that is required to build a brand, create traffic and influence buying decisions. In subsequent years KPIs for each activity should be developed but it is only reasonable that in the first year the activity will largely be in developing content, the website and in creating working procedures.

In formulating budgets it is important that the NTOs take into account the commitment they have already made to seriously consider in-kind contributions to the implementation of the overall ATSP and therefore the marketing strategy. There may be instances where individual NTOs will take on the responsibility of creating products and experiences. Budgets therefore may be a combination of actual money drawn from the NTO budget as well as in-kind contributions.

In putting together annual budgets the following items should be carefully considered for inclusion:

- Salary and expenses of the coordinator;
- Digital media such as website development and maintenance, social media, digital marketing etc.;
- The development of content for the various campaigns;
- Payment for consultants to help in creating social media campaigns;
- The cost of doing business such as buying reports, limited travel and regular office expenses.

7.5 MEASURES OF SUCCESS

Within the ATSP the power of tourism as a tool for development was discussed. It is now commonly understood within the Southeast Asia regional NTOs that the measures of success of a marketing strategy has to be more than the use of very simple metrics such as international arrivals.

Accepting the limits of using international arrivals as an important metric it must be said that for many stakeholders this may be the only measurement that carries any type of credibility. Given that reality the following forecast shown in Table 7-1 has been established for the marketing strategy.

Tourist Arrivals in ASEAN during 2009 – 2015						
2009	2010	2011	2012	2013	2014	2015
Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast
65,680,630	73,740,988	79,247,283	86,048,671	92,722,389	99,733,838	107,381,527

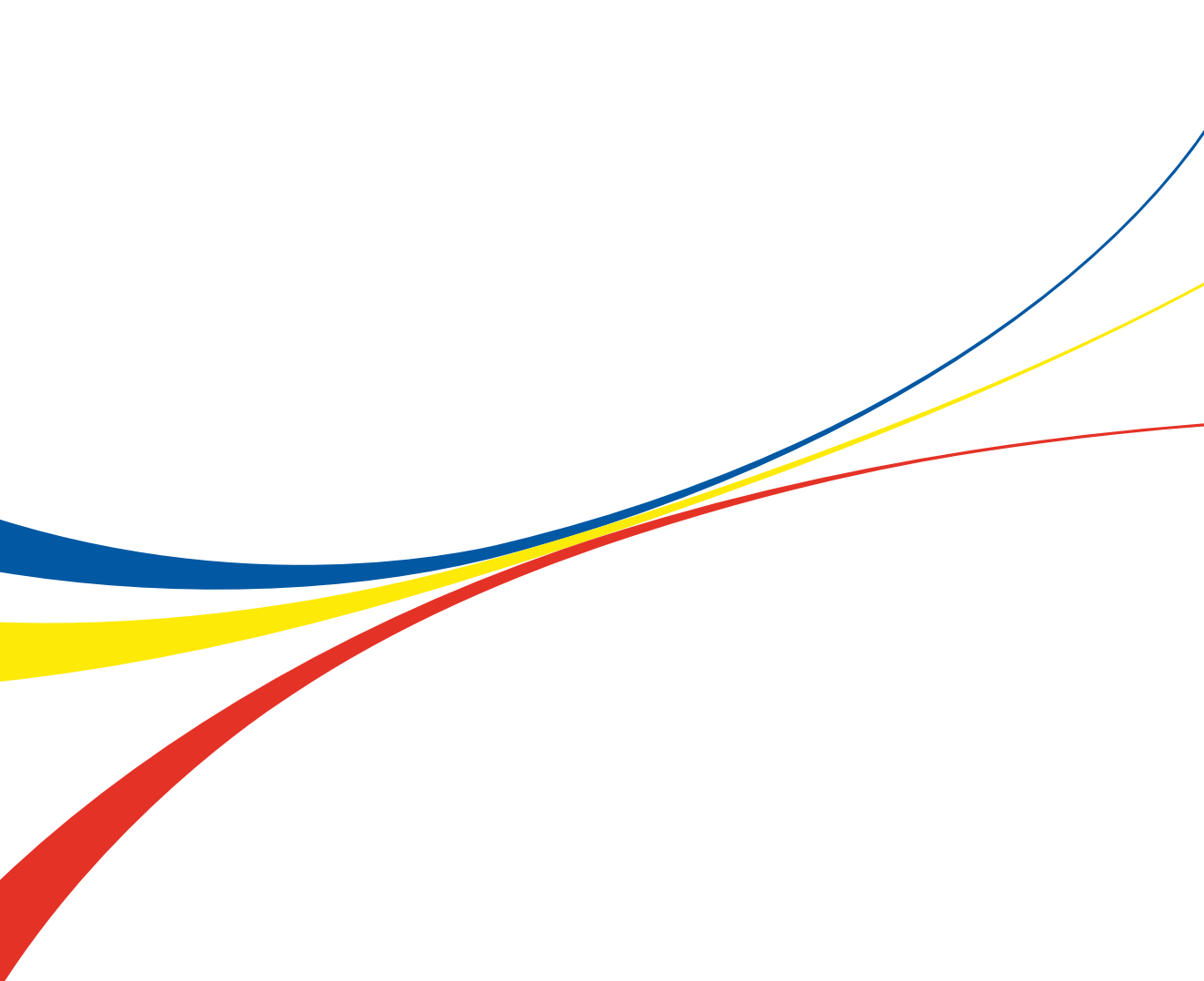
Table 7-1 Actual and Forecast of Tourist Arrivals in ASEAN during 2009 - 2015

The NTOs should also be looking at how the ASEAN brand is perceived and the methodology for carrying out this evaluation is discussed in section 5.3.2.

Finer grained measurements of social and cultural impacts will require investment and involvement on the part of the NTOs.

In defining these metrics the NTOs will need to agree on what the important dimensions of the social and cultural development elements are that they wish to measure in terms of marketing impact. With the design of a innovative research methodology it certainly is possible to measure the effectiveness of a marketing strategy on a particular set of regions. Such an evaluation could use techniques ranging from questionnaires and surveys in the targeted areas to the use of online surveys and feedback. For this assessment process to work, countries must be very clear on what their objectives are, collect reliable baseline information and be prepared to share this information on a regular basis with the regional marketing effort.

This is obviously an important area for discussion that will need constant refinement and development.



Chapter 8:

Implementing The Strategy

8. IMPLEMENTING THE STRATEGY

Throughout the document implementation issues have been discussed. Many of the activities are to be carried out on a regular basis such as public relations and research as discussed in Section 6.2.1. Figure 8-1 illustrates the development process.



Figure 8-1: Implementation Activities

Figure 8-2 provides a timeline outlining the relevant activities.

Activities	2012	2013	2014	2015
1. Hiring a coordinator to work on the implementation of the marketing plan	Design			
2. Website development and maintenance	Design	Website maintenance		
3. Development of tourism digital campaign/ distribution channels (research & PR)				
3.1 Mass tourism - India and China market	Design	Implement		
3.2 Experiential and creative market	Design	Implement		
3.3 Adventure travel market		Design	Implement	
3.4 Business sector market		Design	Implement	
3.5 Seniors and long-stay market		Design	Implement	
4. Promote the ASEAN for ASEAN campaigns				
5. Assessment of the effectiveness of distribution channels				
6. Establishment of private/ public sector partnerships and collaborations (ASEANTA, APCT, AJC, AKC, ACC and international organisations)	Discuss the possibility			
7. Assessment of the effectiveness of the brand (Southeast Asia Feel the Warmth)		Further develop the partnerships/ collaborations		
8. Development of the 2016-2021 marketing strategy				

Figure 8-2: Proposed Timeline

ANNEX: ASEAN Tourism Products

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR
1. Cultural and Heritage Tourism	<p>Urban Heritage Tourism</p> <ol style="list-style-type: none"> 1. Brunei Darussalam Museum 2. Royal Regalia 3. Brunei Darussalam Technology Museum <p><u>Islamic Tourism</u> (Spiritual Tourism)</p> <ol style="list-style-type: none"> 1. SOAS Mosque 2. Jame' Asr Hassanil Bolkih Mosque 	<p>World Heritage Site</p> <ol style="list-style-type: none"> 1. Angkor Wat, Siem Reap province 2. Preah Vihear Temple, Preah Vihear province <p>Cultural Heritage Site</p> <ol style="list-style-type: none"> 1. Sambor Preikuk, Kompong Thom Province 	<p>World Heritage Site</p> <ol style="list-style-type: none"> 1. Borobudur Temple 2. Prambanan Temple 3. Sangiran Early Man Site 	<ol style="list-style-type: none"> 1. Plain of Jars, Xiengkhoung Province 2. Luang Prabang Heritage Town 3. Wat Phou Temple, Champasack
2. Nature-based Tourism	<ol style="list-style-type: none"> 1. Ulu Temburong National Park 2. Selirong Island 3. Tasek Merimbun 	<ol style="list-style-type: none"> 1. Koh Phdao CBT in Kratie Province 2. O'Russey Kandal CBT in Stung Treng Province 3. Tmatboey CBT in Preah Vihear Province 4. Cambodia bay 	<ol style="list-style-type: none"> 1. Batur Caldera (Aspiring Geopark) 2. Rinjani National Park 3. Komodo National Park 	<ol style="list-style-type: none"> 1. Khon Phapheng Waterfall 2. Kong Lo Cave 3. Kuang Si Waterfall

Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam
<ol style="list-style-type: none"> 1. Bandar Hilir, Melaka 2. Georgetown, Pulau Pinang 3. Sarawak Cultural Village, Sarawak 	<ol style="list-style-type: none"> 1. Bagan-Nyaung U, Mandalay Region 2. Mandalay, Mandalay Region 3. Mrauk U, Rakhine State 	<ol style="list-style-type: none"> 1. Ilocandia Heritage and Cultural Tour (Ilocos Norte and Ilocos Sur) 2. Cultural Tour of Lake Sebu, South Cotabato 3. Paseo Sa Kabilin, (Heritage Tour of Cebu City) 	<p>Urban Heritage</p> <ol style="list-style-type: none"> 1. Colonial District Trail (Raffles Landing Site, Asian Civilisation Museum, Singapore River Cruise, National Museum and Raffles Hotel) 2. Cultural Tour (Visit Chinatown, Little India, Kampong Glam enclaves) 3. Peranakan Trail 	<p>World Heritage Site</p> <ol style="list-style-type: none"> 1. Ayutthaya Historical Park, Ayutthaya Province 2. Sukhothai Historical Park, Sukhothai Province 3. Ban Chiang Archaeological Site, Udon Thani Province 	<ol style="list-style-type: none"> 1. Hoi An Ancient Town 2. The Complex of Hue Monument 3. Thang Long Citadel, Hanoi
<ol style="list-style-type: none"> 1. Sepilok Orang Utan Rehabilitation Centre Sabah 2. Royal Belum State Rainforest Resort, Perak 3. Taman Negara Pahang 	<ol style="list-style-type: none"> 1. Inlay Lake, Southern Shan State 2. Mount Popa, Mandalay Region 3. Pyin Oo Lwin, Mandalay Region 	<ol style="list-style-type: none"> 1. Pamilacan Island Whale and Dolphin Watching (Pamilacan, Bohol) 2. Ifugao Rice Terraces Trekking, Banave, Ifugao 3. Siargao Island Journey to Adventure Tours (Siargao Island, Surigao del Norte) 	<ol style="list-style-type: none"> 1. Gardens by the Bay (Opening 2012) 2. Wildlife Reserves Singapore 3. Pulau Ubin 	<ol style="list-style-type: none"> 1. Khao Yai National Park 2. Mu Koh Surin National Park, Phang Nga Province 3. Doi Inthanon National Park, Chiang Mai Province 	<ol style="list-style-type: none"> 1. Ha Long Bay 2. Nha Trang Bay 3. Phu Quoc Island

	Brunei Darussalam	Cambodia	Indonesia	Lao PDR
3. Community-based Tourism	<ol style="list-style-type: none"> 1. Baitul Wajjah 2. Kampong Sungai Matan 3. Melilas Longhouse 	<ol style="list-style-type: none"> 1. Chiphat Community-based Ecotourism in Koh Kong Province 2. Preah Rumkel Community-based Ecotourism, Stung Treng Province 3. Chambok Community-based Ecotourism, Kom Pong Speu Province 	<ol style="list-style-type: none"> 1. Pentingsari Village 2. Laweyan Village 3. Kampung Naga 	<ol style="list-style-type: none"> 1. Ban Hadkhai Village, Thapabath, Bolikhamxay Province 2. Ban Kietngong, Champasack Province 3. Nalan Village, Loung Namtha Province
4. Cruise and River-based Tourism	<p>River-based</p> <ol style="list-style-type: none"> 1. Kampong Ayer City Tour 2. Proboscis Monkey Tour 3. Mangrove River Safari 	<p>Sea Port</p> <ol style="list-style-type: none"> 1. Sihanoukville International Port 2. Phnom Penh International Port <p><u>River-based</u></p> <ol style="list-style-type: none"> 1. Preak Toal Bird Sanctuary, Battambang Province 2. O'Svay, Satung Treng Province 3. Prek Kampi Dolphin Pool, Kratie Province 4. Mekong and Tonlesap River Cruise 	<p>Sea Port</p> <ol style="list-style-type: none"> 1. Benoa Port 2. Tanjung Mas Port 3. Tanjung Priuk Port 	<p>River-based</p> <ol style="list-style-type: none"> 1. Luang Say Cruise 2. Vat Phou Cruise 3. Mekong Sun (Mekong River Cruise) 4. Mekong Explorer (Mekong River Cruise) 5. Mekong Islands (Mekong River Cruise)

Malaysia	Myanmar	Philippines	Singapore	Thailand	Viet Nam
1. Homestay Kampung Kuala Medang, Kuala Lipis, Pahang 2. Homestay Walai Tokou, Kundasang, Sabah 3. Homestay Kampung Santubong, Kuching, Sarawak	1. Kyaing Tong, Eastern Shan State 2. Putao, Kachin State 3. Kalaw, Southern Shan State	1. Abatan River Community Life Tour, Bohol 2. Donsol Whaleshark Interaction Tour (Donsol, Sorgoson) 3. Tibolo Cultural Village Tour (Tagabawa- Bagobo Tribes), Digos City, Davao del Sur	None	1. Mae Kampong Village, Chiang Mai Province 2. Kiriwong Village, Nakorn Si Thammarat Province 3. Leeled Village, Surat Thani Province	1. Dong Van Karst Plateau Geopark, Ha Giang Province 2. Sa Pa, LaoCai Province 3. Co Phat Village, Con Cuong District, Nghe An Province
Sea Cruise 1. Port Klang, Selangor 2. Palau Pinang 3. Kota Kinabalu, Sabah <u>River-based</u> 1. Melaka River Cruise, Melaka 2. River Cruise in Kuala Selangor, Selangor 3. Rejang River Cruise, Sarawak	Sea Cruise 1. Port: Myanmar International Terminal Thilawa, Yangon, Yangon Region 2. Nan Thidar, Yangon Region 3. Bo Aung Kyaw, Yangon Region <u>River-based</u> 1. Ayeyawady River	River Cruise 1. Loboc River Cruise, Bohol 2. Donsil Firefly Watching Tour, Donsol, Sorgoson 3. Dipolog River Cruise (Dipolog, Zamboanga Del Norte)	Sea Port 1. Port 1: Singapore	Sea Port 1. Phuket Port 2. Laem Chabang Port <u>River-based</u> 1. Ayutthaya Sightseeing and Chao Phraya River Cruising	Sea Port 1. Hon Gai – Quang Ninh Province 2. Da Nang 3. Sai Gon River-based 1. Cruise on Mekong River 2. Cruise on Huong (Perfume) River in Hue 3. Cruise on Hong (Red) river in Hanoi

LIST OF ABBREVIATIONS

A

ACC	ASEAN-China Centre
ACE	ASEAN Competitiveness Enhancement Project
AJC	ASEAN-Japan Centre
AKC	ASEAN-Korea Centre
APCT	ASEAN Promotional Chapters for Tourism
ASEANTA	ASEAN Tourism Association
ATF	ASEAN Tourism Forum
ATMS	ASEAN Tourism Marketing Strategy
ATMRG	ASEAN Tourism Market Research Group
ATSP	ASEAN Tourism Strategic Plan
AVE	Advertising Value Equivalency

B

B2B	Business-to-Business
B2C	Business-to-Consumer

C

CITU	College of Innovation at Thammasat University
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D

DMO website	Destination Marketing Organisation
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E

ETC	European Travel Commission
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I

ITU	International Telecommunications Unions
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K

KPI	Key Performance Indicators
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M

MCWG	ASEAN Tourism Marketing and Communication Working Group
MDG	United Nations Millenium Development Goal
MTWG	ASEAN Maritime Transport Working Group

N

NTOs	ASEAN National Tourism Organisations
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P

PATA	Pacific Asia Travel Association
PDWG	ASEAN Tourism Product Development Working Group
PEST	Political, Economic, Socio Cultural and Technological Factors
PPP	Public Private Partnership
PR	Public Relations

R

ROI	Return on Investment
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S

SWOT	Strengths, Weaknesses, Opportunities, and Threats Analysis
SEO	Search Engine Optimisation

T

TIBC	ASEAN Tourism Integration and Budget Committee
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U

UNWTO	United Nations World tourism Organisation
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