



## Welcome to the Community-Based Tourism Market Access Program



Zachary Rozga and Anna Spenceley

September 2006

# Contents

1. Introduction.....	2
2. Market Access.....	4
3. Identifying and Packaging your product through Unique Selling Points (USPs).....	6
4. Valuing and Pricing your product.....	9
5. Understanding Commissions .....	14
6. Business Essentials – Managing Advanced Bookings.....	17
7. Knowing local channels to market.....	21
8. Sources of further information.....	24



Maboloka chalet on the Mehloing Trail in South Africa



A traditional homestay near Malealea in Lesotho



Covane Community Lodge in Mozambique



Ifotaka Community Forest in Madagascar

*The development of this manual was supported by the United Nations World Tourism Organization (UNWTO) and the Regional Tourism Organization for Southern Africa (RETOSA)*

*The manual has been designed for use in the UNWTO / RETOSA pilot market access training program for community-based tourism accommodation products in southern Africa.*

*All photographs were supplied by Zachary Rozga and Anna Spenceley*

# 1. Introduction

There are four essential components to building, running and managing a successful tourism business:

- A Marketable Tourism Product;
- Business Skills;
- Practice of Good Hospitality; and
- **Market Access.**

In order to have a successful tourism business it is very important that the enterprise has a **Marketable Tourism Product**. In the case of the UNWTO/RETOSA Community-based Tourism (CBT) Internet Directory<sup>1</sup> the ‘product’ is your guesthouse, bed & breakfast, campsite or homestay. The most critical factor for your tourism business to be successful is that you have a clean, safe, accessible and welcoming accommodation product.

Equally as important is need for basic **Business Skills**. Some of the valuable skills needed are record keeping, cash management, communication and general office operation. Without these skills it is difficult to manage a tourism business effectively. Each enterprise should also have a business plan that provides a roadmap to guide it.

No matter what type of tourism enterprise you have, the principles of **Practicing Good Hospitality** must be in place. This means that every guest is welcomed when they enter the facility, and each employee and community member respects them and assists them with their needs, to ensure that they are comfortable during their visit.

Finally, the most important element of running a tourism business, but an often missed or misunderstood element, is that the enterprise must have **Market Access** – or in other words – it must be accessible to the marketplace.

Since many previous training programmes and courses have focused on Marketable Tourism Products, Business Skills, and Practicing Good Hospitality, this course is focused on **Market Access**.

## ❖ About this manual

This manual is intended as a basic introductory text to market access, which is designed for CBT accommodation products. It has been developed to accompany a pilot market access training program being implemented by UNWTO and RETOSA.

---

<sup>1</sup> <http://www.retosa.org>

The manual is divided into six sections:

- Market access
- Identifying and packaging your product through Unique Selling Points (USPs)
- Valuing and pricing your product
- Understanding commissions
- Business essentials - managing advanced bookings
- Knowing local channels to market through

These sections help you to understand what each issue is about, why it is important to your business, and what practical actions you can take to address it. You will also find useful links to further sources of information.

For further information regarding market access, or the UNWTO/RETOSA community-based tourism directory, please contact [unwto.retosa@gmail.com](mailto:unwto.retosa@gmail.com)



Sacred Tree at the N'Giresi Community in Tanzania

## 2. Market Access

### ❖ What is it?

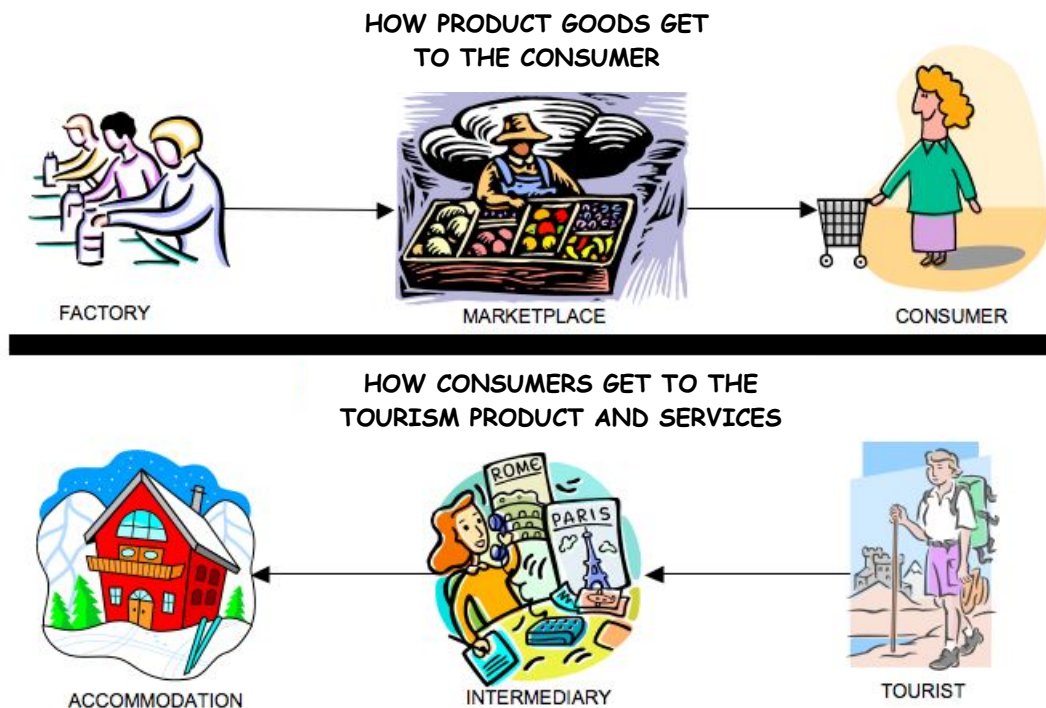
People often think that ‘market access’ is the same as ‘marketing’, but in reality it is much more than this. Market access is about making sure you have all of the proper information and procedures in place in order to work with ‘intermediary’ organizations that bring you tourists<sup>2</sup>.

### ❖ Why is it important?

Tourism enterprises are ‘service’ businesses and the ‘product’ is a service that is provided to the consumer. Service businesses are very different from production business (where a widget is made and then sold to the consumer).

The pictures below show how a ‘product’ typically reaches a consumer – and compares ‘product’ goods and tourism ‘products and services’.

### DIFFERENCE BETWEEN PRODUCTIVE GOODS AND TOURISM SERVICES



<sup>2</sup> ‘Intermediaries’ include tour operators, web booking agents, travel information service organizations and travel agents.

### ❖ What can I do about it?

So now by seeing that the consumer (i.e. the visitor, traveller or tourist) of tourism products must go to the point of production (i.e. to your tourism enterprise) to experience it, some essential questions are raised for your business:

1. How does the consumer find out about your product? (Think about *Marketing*, or using *Intermediaries*)
2. How does the consumer select your product? (Think about *Consumer Confidence* and *Perception*)
3. How does your product compare to similar offerings? (Think about *Pricing* and *Unique Selling Points*)
4. How do they pay for it? (Think about *Channels to Market*)

So market access in tourism really means:  
*Getting accurate and adequate information to the proper sales channels and providing the means and confidence to make a purchase decision.*

**Market access is how the tourism product is actually sold to the consumer**

### 3. Identifying and Packaging your product through Unique Selling Points (USPs)

#### ❖ What is it?

Unique Selling Points, or USPs, are the little extras that you add to your product that no one else in the world can have. Most often they are the things that make you as the individual owner or manager unique. They can be activities or attractions you have that no one else can provide.

#### ❖ Why is it important?

Imagine we are sitting in a room with ten different Community-based Tourism (CBT) product owners, and a traveller says: “I want to stay for one more day, whom should I stay with?”

How would you answer?

Most often the owners would say the traveller should stay with them because, “We have a good price and clean rooms.”

But what if nine enterprises gave this reason, and the tenth owner said, “We have a beautiful waterfall”, or “We offer local village tours”.

Well that one property would stand out from the rest, and most likely would get the sale.

#### ❖ What can I do about it?

When trying to identify what is unique about your tourism enterprise you could start by asking yourself some simple questions:

1. What makes my product different?
2. Why does the customer want to purchase my product?
3. What is special about my place?
4. What can the tourist do at my enterprise that they cannot do anywhere else?
5. What can I do add to increase the value of my product?

You must also consider your personal investment into the product. Often the major attraction for the tourist is simply spending time with you and other members of the community. This interaction has a **value** to the consumer and **is part of your product**.

Also ask yourself:

- How much time do I spend with the tourist?
- How much time do other community members spend with the tourist?

Often tourists are looking for **more than just a place to sleep at night**. Here are a couple of examples of extra things you might already be doing that could have unique value to tourists:

#### Local traditional meals



Food in Madagascar

#### Traditional Dancing



Dancing in South Africa

#### Natural Guided Walks



Forest walk with a local guide in Madagascar

#### Traditional Healing



A healer in Mozambique

#### Local Educational Benefits



Recycled furniture from Malealea in Lesotho

#### Cultural Guided Walks



Rock art tour by a local guide in South Africa



## 4. Valuing and Pricing your product

### ❖ What is it?

Valuing and pricing your product is about working out how much money you will charge tourists to stay at your enterprise.

### ❖ Why is it important?

Setting the right price is important for many reasons, including that you want to make a profit! You should be aware of three key points: (i) the perceived value of your product, (ii) the market's willingness to pay and (iii) pricing by your competitors.

#### *(i) The perceived value of your product*

Imagine there are three accommodation providers at three different prices. If the only information they had was the name of the enterprise, and the price - what would a tourist think?

Information the tourist has		What the tourist thinks . . .
Guesthouse Name	Price per night	
Flowers B&B	\$10	<b>“Cheap”</b> Tourist does not expect too much, at least a minimum standard of safety and cleanliness; not expecting any activities just a place to sleep
Running River B&B	\$14	<b>“Average”</b> Tourist expects nothing special, but will expect it to be nicer than the cheaper option; they might think there are some activities on offer
Mountain View B&B	\$20	<b>“Quality”</b> Tourist thinks that they will offer more options/activities and will be nicer

Using consumer perception can help with getting customers if you know what your market expects, but make sure the prices are realistic.

#### *(ii) The market's willingness to pay*

Although it is nice to be able to charge a really high amount for your product, there is a limit to what the consumer is willing to pay for any type of experience or activity. For this reason, if you are unsure of what your customers would be willing to pay to stay at your place, **ask them**.

Try asking some of your guests “I am thinking about charging \$5 more per night. If I did, would you still be happy to pay this?” Depending on their answer, you can increase or decrease the amount of money you ask about. If they say “Yes” to \$5 extra, try asking the next visitor about \$10 extra. Some guests will tell you what they think about increases in your price – others will not – but it will help you understand the market value of your product.

*(iii) Pricing by your competitors*

Another check on your pricing is to know what your immediate competitors are charging. This tactic will also help you get a sense of what the market is willing to pay in your local area for your type of accommodation. If you decide to have a price that is lower or higher than your competition, you will need to meet the expectations of your customers (see above). You may be able to get useful information and advice from local travel agents.

**❖ What can I do about it?**


Deciding how much to charge people is a difficult task we have come up with some pricing considerations based on costs, added value, product enhancement and development, and tourist demand. We have also provided a simple worksheet to help you design your own price.


First, ask yourself three simple questions:

1. How much do you currently charge tourists per night? \_\_\_\_\_
2. What made you decide on this price? \_\_\_\_\_
3. When did you last change the price? \_\_\_\_\_

If you are unsure about Question 2 **and/or** the answer to Question 3 is more than a year ago – you may need to change your price.

In the table below we have put some things to consider in your pricing:

<b>Issue</b>	<b>What to consider in your pricing</b>	
 <b>Costs</b>	<i>Costs are the expenses you need to pay to keep your business going. Your pricing needs to make sure that you cover your costs.</i>	
	- Rent	If you have to pay a lease, bond or mortgage on the property then you should need to account for it in your pricing.
	- Maintenance	This is money spent to fix physical assets like floors, sidewalks, ceilings, sinks, showers, etc.
	- Operational Costs	This money spent on things purchased on a regular basis for the tourist like telephone lines, soap, food, and fuel. These costs will also include business licenses and taxes.
	- Salaries	Money spent on employees (and don't forget to pay yourself!)
	- Commissions	See Section 5
<b>Added value</b>	<i>These are the USPs that we identified Section 3. These have a value and it should be reflected in your pricing.</i>	
	- Authentic experience	Tourists are looking for 'real' culture and experience and there is a value for this.
	- Special place	Cultural, natural and historical of significance to tourists.

Issue	What to consider in your pricing (Continued . . .)	
<b>Tourist Demand</b> 	<i>In order to be able to properly price your product you need to know how many tourists you can expect in a given year.</i>	
	- The number of tourists	This number should be an estimate based on your past experience. How many tourists stayed with you overnight last year? This should be the starting ‘baseline’ number and effort should be put in place to increase it.
	- Seasonality	You need to account for your “ <i>Busy Season</i> ”, the time of year when you have the most demand for your product. Maybe you can charge just a little bit more during this time period to help cover the times of year when you don’t see many tourists.
<b>Product enhancement and development</b>	<i>You should always be thinking of ways to improve your business. Many things can be done that do not cost money, but some do so you need to reflect this in your pricing.</i>	

On the next page is a worksheet you can use to work out your “**Rack Rate**”. This is your baseline rate that you use for publishing and take discounts from for things such as selling in the off-season and for wholesaling. The term Rack Rate is very important when discussing your business with market channels (see *Section 7*).

Imagine if two of your guests sat together and they told each other how much they paid to stay. How would one feel if they had paid \$25 less than the other? Well they might uncomfortable and exploited. If they both paid your Rack Rate, this would not be a problem.

However, it is acceptable to offer discounts for people staying longer, or to students and pensioners, or even to people who are working as volunteers. The table below should help you to think about the different levels of pricing you might have for one given room in your accommodation.

Example Rate Term	Sample Price	Explanation
<b>Rack Rate</b>	\$150	This is your published highest rate you will receive for the room.
<b>Off-season Rate</b>	\$135	This rate is given to travellers in the low season, when you are less busy.
<b>Special Traveller Rate</b>	\$130	This rate is given as a discount to special travellers such as students, pensioners, or volunteers.
<b>Special Tour Operator (STO) Rate</b>	\$125	This rate is offered accredited tour operators who use your accommodation in a package – more about this in <i>Section 5</i> .
<b>Bottom Line Rate</b>	\$120	This is the lowest rate you can possibly charge for the room in order to cover your costs and not make a loss.

## EXERCISE ON PRICING

Now take some time and go through the following exercise to have a better sense of your pricing:

<b>A. Monthly Costs</b>		Hints
Rents	<input type="text"/>	<i>Any Leases, Mortgages, Bonds, you pay for the property</i>
Maintenance Charges	<input type="text"/>	<i>Money you spend to fix things</i>
Operational Costs	<input type="text"/>	<i>Regular costs like food, fuel, taxes, bank charges</i>
Salaries	<input type="text"/>	<i>For all employees, including yourself, part-timers, casuals</i>
<b>Total Monthly Costs</b> <i>(add the costs together)</i>	<input type="text"/>	
<b>B. Demand</b>		
Average number of tourists per month	<input type="text"/>	<i>Try to think of an average for your high and low season</i>
Average number of nights each tourist stays	<input type="text"/>	
<b>Average number of bed-nights per month</b> <i>(multiply the two numbers above together)</i>	<input type="text"/>	
<b>C. Cost per tourist</b> <i>(Divide the Total costs in A. by the Average you found in B.)</i>		
	<input type="text"/>	
<b>D. Added Value &amp; Profit</b>		
Added Value per tourist	<input type="text"/>	<i>These are small increases for your USPs. What extra do you think tourists should pay for these special qualities?</i>
Profit	<input type="text"/>	<i>This is a budget for extra money on top of your expenses, which you may want to re-invest in your business.</i>
<b>Total Extras</b> <i>(add added value and profit)</i>	<input type="text"/>	
<b>E. Rack Rate</b>		
<b>Initial Rack Rate</b> <i>(add total from C and D)</i>	<input type="text"/>	
<b>F. Market Check</b>		
Competitor's pricing	<input type="text"/>	<i>Try to think of as many you know, and use an average</i>
Is your price similar	<input type="text" value="Yes / No"/>	<i>If you are within 10% its OK; if not you should adjust the price</i>
<b>Final Rack Rate</b>	<input type="text"/>	<i>Adjusted after market check</i>

Remember that your costs will change over time, and so it is important to re-calculate your Rack Rate each year. You can put up your prices if you need to!

**Discover the Mehlooding Adventure Trail**

**A natural and cultural experience ....**

The route traverses through spectacular mountainous foothills and rural villages, taking in visits to undocumented rock-art, sparkling streams, indigenous trees, birds, medicinal plants, craft projects, ancient sites and top of the world views.

**1 day hike**  
for nature lovers ...  
**R. 135.00 / pp**  
From Madlangala chalet to end of trail  
(includes refreshment, picnic lunch, guide and great adventure!)

+ R. 300.00 for return transfer  
(please note this cost is for the group not per person!)

**1 day cultural experience**  
Rock Art, hike, traditional lunch and meet the community ...  
**R 150.00 / pp** (2 p minimum)  
Drive 35km through rural village at the foothills of the Drakensberg to reach Maboloka chalet. After refreshment, hike with a guide to ancient rock art, learn about indigenous and medicine plants and tradition; traditional lunch at the chalet and meet the youth of BBKYO Ha Nkau project who tried to make a difference in the life of HIV patients

+ R. 300.00 for return transfer  
(please note this cost is for the group not per person!)

The concept of Mehlooding Adventure Trail is to provide means for local communities to generate income through the sustainable use of the local environment and cultural heritage as a tourism attraction whilst utilising their natural hospitality and custom to provide a welcoming and unforgettable experience for visitors.  
The Trail is managed by the Mehlooding Community Tourism Trust on behalf of the local communities and is aspiring to comply with the principles of Fair Trade in Tourism South Africa.



The pricing sheet on the left is a good example of an enterprise that is selling more than just the overnight accommodation, and using pricing to entice the consumer to purchase more.

It should also be noted here the importance of **publishing** your rack rates.

**Make your price based on your product**

## 5. Understanding Commissions

### ❖ What is it?

Commissions are fees paid to intermediaries for bringing you tourists, and they come in a wide variety of forms and are usually negotiable with operators. In most cases the standard rate for community products should be 10%.

### ❖ Why is it important?

If you have a highly valuable product you are in a position to dictate the commission structure in the beginning. As a rule of thumb, you should start out on a low commission with a new operator, and as that operator brings you more and more customers they will usually ask for a higher commission rate.

The tourism industry is built on commissions and any successful tourism business relies upon a commission structure. Commissions allow you to extend your marketing and sales reach to far away markets

### ❖ What can I do about it?

Commissions typically come in two forms:

1. **Straight Commissions** – In this case your accommodation enterprise collects the entire fee from the tourist, and the tour operator will send a bill for the commission after the tourist has stayed at the property. A straight commission can be taken on a percentage or flat rate basis.
  - A percentage basis is a percentage amount on the total booking such as 10%.
  - A flat rate is simply a single monetary amount per booking such as \$5 per booking (see box below).
2. **Special Tour Operator (STO) rates** – This is a special ‘wholesale’ price only given to accredited tour operators, which you give them for including your product in their tour itinerary. In this case the tour operator will pay you a smaller amount than your normal ‘rack rate’ in return for giving you the extra business. In these cases you will take a smaller margin for a larger quantity. So, when figuring this pricing, you should figure what is the lowest you can go and still make a small profit.

**An example from Tanzania:** In Arusha, local salesmen meet tourist buses when they arrive. They ask tourists if they are looking for somewhere to stay. If the tourist says ‘Yes’, the local person may take them to an enterprise that they have a relationship with. The enterprise then gives them a **flat rate** for each tourist they bring – such as \$5 per tourist.

## EXAMPLE ON COMMISSIONS

The following tables show you how to work out (a) Flat Rate Commissions, (b) Percentage Rate Commissions, and (c) Special Tour Operator (STO) Commissions.

The example includes the same basic information for each example, and assumes that:

- the Rack Rate is \$20,
- in each case there were 10 bookings,
- there was one visitor per booking, and
- the STO rate is \$18.

### a) Flat Rate Commission

Commission Rate	Number of bookings	Initial Revenue to the enterprise at \$20 per room	Commission Owed by you
\$2 per booking	10	\$200	\$20
<b>What do I get?</b> \$2 x 10 Bookings = \$20, so revenue to the enterprise after paying the commission = \$180			

### b) Percentage Rate Commission

Commission Rate	Number of bookings	Initial revenue to the enterprise at \$20 per room	Commission Owed by you
10% rate	10	\$200	\$20
<b>What do I get?</b> \$200 x 10% = \$20, so final revenue to the enterprise after commission paid = \$180			

### c) STO Rate Commission

Commission Rate	Number of bookings	Initial revenue to the enterprise at \$18 per room	Commission Owed by you
\$18	10	\$180	\$0
<b>What do I get?</b> Did not pay a commission, so final revenue to the enterprise = \$180			

## EXERCISE ON COMMISSIONS

In this exercise we would like for you to work out what the commissions would be for your property given the same number of bookings. Try to use similar rates for commissions and refer to the example above for assistance.

### a) Flat Rate Commission

Commission Rate	Number of bookings	Total Revenue at ____ per room	Commission Owed by you
	10		

**What do I get?**

\_\_\_\_\_ x 10 Bookings = \_\_\_\_\_, so revenue after commission paid revenue = \_\_\_\_\_

### b) Percentage Rate Commission

Commission Rate	Number of bookings	Total Revenue at ____ per room	Commission Owed by you
____% rate	10		

**What do I get?**

\_\_\_\_\_ x \_\_\_\_\_ = \_\_\_\_\_, so revenue after commission paid = \_\_\_\_\_

### c) STO Rate (Commission)

Commission Rate	Number of bookings	Total Revenue at ____ per room	Commission Owed by you
	10		

**What do I get?**

Did not pay a commission, revenue = \_\_\_\_\_

When you have completed this section – go back to the Exercise on Pricing in Section 4. Add these commissions into your list of ‘Monthly Costs’ and re-calculate your Rack Rate.

**Give other people the information and power to sell you!**

## 6. Business Essentials – Managing Advanced Bookings

### ❖ What is it?

An advanced booking is when the tourist requests to stay at your facility before they arrive. They may make this reservation days, weeks or months in advance.

### ❖ Why is it important?

Advanced bookings are a critical component of creating your market access strategy, especially if your product is hard to get to and does not have other accommodation options around. Advanced bookings must be recorded and upheld each and every time. If you commit to the booking reservation the tourist expects to be able to stay there.

### ❖ What can I do about it?

You must ask yourself how does the tourist reach you, and how do they know that they have a confirmed space?

Use these five steps to help with advanced bookings:

<b>Step 1</b>	There must be <b>preferred way that the tourist can communicate with you</b> . Try to choose one that you prefer, from this list: <ul style="list-style-type: none"> <li>• Always use the same phone number, or</li> <li>• Always book through the tourism information centre, or</li> <li>• Always email requests using the same email address.</li> </ul>
<b>Step 2</b>	When you get a request for an advanced booking, <b>check your reservation book</b> to see whether you have space at that time. This is to avoid booking the same room twice for different people.
<b>Step 3</b>	Once you have taken a booking you should <b>record it in a diarized booklet</b> or calendar so that you will always know how many people are booked in which room or chalet for which date. Including details of the name of the person, the number of people staying, when they arrive, when they leave, and a contact email/phone number (etc)
<b>Step 4</b>	Request a deposit to confirm the reservation. (See the example below). When you have received this, proceed to Step 5.
<b>Step 5</b>	<b>Provide a written method of booking confirmation either through an intermediary (e.g. a tour operator or travel agent) or directly to the tourist.</b> The three most common are: <ul style="list-style-type: none"> <li>• Email – this is the best method as a growing majority of travellers use email as a preferred method of written communication.</li> <li>• Fax – fax is a good option if email is not available.</li> <li>• SMS – this is a last resort if email and fax are not available.</li> </ul>

## **EXAMPLE OF DEPOSIT AND CANCELLATION POLICIES:**

It is wise to consider requiring a deposit for bookings, especially if cancellations and no-shows are a problem for you and your business. However, most small enterprises can only accommodate cash payments, so a deposit can be difficult to secure.

Here are two examples of deposit policies for cash-based enterprises:

- 50% of booking is due at least 7 days in advance of the arrival date, and is made by a Bank transfer to secure the booking. If the tourist cancels within 7 days of arrival – they lose their deposit, and you keep it to cover your costs.
- Full payment for the entire stay is paid in cash upon arrival. If they leave early, or cancel, you keep the money they paid.

Remember to let your visitors know that the reason for the deposit is that you need to purchase things prepare for their arrival and therefore need advanced notice to make any adjustments. There are a few ways to implement a deposit and cancellation policy:

- Your policy should be published, along with your rack rates, throughout your marketing materials, including on your confirmation message (see below).
- You can set up your own account in order to take credit card or online payments over the Internet - but this can be costly and a bit technically challenging.
- You can work with a local intermediary that can take credit card or electronic payments for you. This will help alleviate any losses associated with last minute or no-shows. This will also provide some security to the traveller who might be hesitant to give their credit card details directly to you if you are an unknown business to them.

## **EXAMPLE OF A CONFIRMATION MESSAGE:**

Dear Mrs. Smith,

Your request for **2 rooms** for **4 adults** for the nights of **25 September and 26 September 2006** is confirmed at a rate of **\$20 per person per night, including breakfast.**

The total for your booking is **\$160**. Thank you for sending your 50% deposit of \$80. The remaining balance of **\$80** can be paid when you arrive. Please note that we cannot return deposits for cancellations or booking changes made within 7 days of your arrival, because we use this money to prepare for your stay.

We look forward to making your experience the best possible.

Best Wishes,

Xabiso Mwale, Manager

Victoria Falls Cultural Lodge  
Victoriafallculturallodge@gmail.com  
Telephone and Fax: +255 30 4446 7778

The following is an example of a diary for a week for a lodge, which has 3 tented sites and 2 chalets. You can use a diary like this to record when people arrive, when they depart, how many people are staying, and the name of the group.

<b>Chalets</b>	Max. people	Mon	Tues	Wed	Thurs	Fri	Sat	Sun
Chalet 1	4		←				→	
					Smith 4 ppl			
Chalet 2	4						←	→
							Naidoo 2 ppl	
<b>Campsites</b>	Max. tents							
Campsite 1	1						←	→
							Ndlovu 1 tent	
Campsite 2	1							
Campsite 3	3	←			→			
				Bergot 2 tents				

It is important to make sure that you do not make ‘double bookings’, and that when you confirm a reservation – you do have space for the tourists!

## EXERCISES ON ADVANCED BOOKINGS

Answer the following questions about taking bookings for your accommodation:

1. What is your preferred method of bookings? \_\_\_\_\_
2. What is the contact number for making bookings? \_\_\_\_\_
3. How would you send a written confirmation? \_\_\_\_\_

Take some time to write a confirmation message for your accommodation using the following information:

- Family of 4
- Need 2 rooms
- Would like breakfast

---

---

---

---

---

---

---

---

---

---

**Get organized and let the bookings roll!**

## 7. Knowing local channels to market

### ❖ What is it?

‘Channels to market’ are the intermediaries you use to help tell the tourist about your tourism enterprise. Channels to market come in many different forms: some are direct sales channels to the tourist such as *independent traveller websites*; some are intermediaries who already have a client base and will bring the customer to you such as *tour operators*; some are intermediaries who make bookings such as *travel agents*, and some are purely informational sources which will help provide the tourist with confidence about your product such as *guidebooks and trade magazines*.

### ❖ Why is it important?


Most tourism enterprises have very little in terms of resources to market and sell outside of their local area. These intermediaries will help you spread the message about your product to a much bigger and farther audience. You need to know the best channels to market through for your product if you are going to get information about your accommodation enterprise to the potential tourist spread throughout the country and the rest of the world.

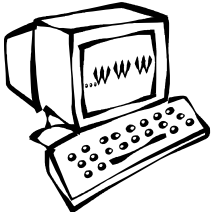



### ❖ What can I do about it?



In the previous sections of the manual, you took all of the steps you needed to sell your product in the marketplace. Let us look again at the steps that you have taken and make sure you have everything you need:

	Tick
1. I have identified my USPs and have packaged my product correctly (Section 3)	<input type="checkbox"/>
2. I have reviewed my pricing and am comfortable with the price (Section 4)	<input type="checkbox"/>
3. I have established a commission policy for intermediaries (Section 5)	<input type="checkbox"/>
4. I have created an advanced bookings method and diary (Section 6)	<input type="checkbox"/>
5. I am ready to sell my product!	<input type="checkbox"/>

The following are a listing of some different channels to market your enterprise, and a brief description of each.

Tour Operators	What are they?
	<p><i>Tour operators</i> are companies that put the parts of a tour together (e.g. accommodation, transport, a guided tour) for sale to the public. The tour operator may sell the tour directly to a tourist, or through a travel agent. The tour operator then operates the tour.</p>
	<p><b>How do I use them?</b> You should first look for local tour operators in your destination that have trips in your area and discuss with them how they can add you to their itinerary and you can offer them a special <b>STO rate</b>.</p>

<p><b>Internet Travel Sites</b></p> 	<p><b>What are they?</b>  <i>Internet travel sites</i> are locations on the Internet at which an individual or organization provides travel and tourism information to others often including links to other related locations and services.</p> <p><b>How do I use them?</b>  There are literally thousands of websites that feature travel information. Many of them will be specific to regions (like Africa) or destinations. You should try to get listed on as many of these as possible and remember to always include your <i>preferred advanced booking contact method</i> and the <i>rack rate</i> for pricing.  Internet sites can be:</p> <ul style="list-style-type: none"> <li>○ <i>Informational</i>: An example is this project with RETOSA. On this site is basic information about your product such as pricing and contact information. Go to <a href="http://www.retosa.org">http://www.retosa.org</a></li> <li>○ <i>E-commerce Enabled</i>: World Hotel Link. On these sites tourists can make bookings directly on the website. Go to <a href="http://www.worldhotel-link.com">http://www.worldhotel-link.com</a></li> </ul>
<p><b>Guidebooks</b></p> 	<p><b>What are they?</b>  <i>Guidebooks</i> are published material that offer basic travel information.</p> <p><b>How do I use them?</b>  It is hard to get listed in these guides if you are not known in the marketplace as they send out independent editors to the destination and most times you will not know they work for the guidebook. Some well-known examples are Lonely Planet, Rough Guides and Bradt's Guides. They usually publish <i>rack rates</i> and booking information.</p>
<p><b>Travel Trade Magazines</b></p> 	<p><b>What are they?</b>  <i>Travel trade magazines</i> are periodical publications containing a variety of articles on travel subjects.</p> <p><b>How do I use them?</b>  They are great ways to spread the message about your product. Again like guide books independent authors are sent out and select the content they write about. If an author is at your enterprise make sure to take extra care with them and provide them with your <i>rack rate</i> and <i>preferred advanced booking method</i>.</p>
<p><b>Tourism Information Centres</b></p> 	<p><b>What are they?</b>  <i>Tourism information centres</i> are centralized repositories of information in a given destination.</p> <p><b>How do I use them?</b>  These are great places to advertise, but sometimes they are also restricted with resources, so make sure that you give them the proper information about your product and try to give them as many visuals as you can such as brochures and pictures.  Sometimes they can act as intermediaries and process bookings for you.</p>

	<p>Discuss how this might work for your enterprise if you do not have good phone, email, fax or mobile phone access at your enterprise. If you are listed by a local Tourist Information Centre, remember to visit them regularly and speak to the people – remind them that you are still in business!</p>
<p><b>Travel Trade Shows</b></p> 	<p><b>What are they?</b>  <i>Travel trade shows</i> are exhibitions organised so that travel companies and destinations can showcase and demonstrate their products and services.</p> <p><b>How do I use them?</b>          These are a good way to get your information out to a large audience, but are typically very expensive. It is usually best for intermediaries such as tour operators and information centres to represent a group of products.</p>
<p><b>Other media</b></p> 	<p>Some other ways that you can advertise your product are:</p> <ul style="list-style-type: none"> <li>○ Signposts</li> <li>○ Flyers</li> <li>○ Posters</li> <li>○ Advertisements in newspapers and magazines</li> <li>○ Local radio</li> <li>○ Television</li> <li>○ Special events (e.g. a regular party or festival)</li> </ul> <p>The cost of these will be very different so make sure the type of advertising suits your enterprise, and your budget (e.g. flyers are cheap when compared with television!)</p>

Of course the simplest, cheapest and sometimes the strongest channel to market your enterprise is through **Word of Mouth**. This simply means that people who have stayed with you, or know your business, tell other people about you.

By making sure that your visitors enjoy their stay – and by ensuring that your advertising was fair and accurate – you will be sure to get more bookings!

**Best of luck and remember to let everyone know about your product...that is the best way to grow your tourism business!**

## 8. Sources of further information

Thank you. For more information please visit some of these useful websites:

United Nations World Tourism Organisation (UNWTO)	<a href="http://www.world-tourism.org">http://www.world-tourism.org</a>
Regional Tourism Organisation for Southern Africa (RETOSA)	<a href="http://www.retosa.org">http://www.retosa.org</a>
World Hotel Link	<a href="http://www.worldhotel-link.com">http://www.worldhotel-link.com</a>
GeoSavvy Development	<a href="http://www.geosavvydev.com">http://www.geosavvydev.com</a>
Responsibletravel.com	<a href="http://www.responsibletravel.com">http://www.responsibletravel.com</a>
Pro-Poor Tourism	<a href="http://www.propoortourism.org.uk">http://www.propoortourism.org.uk</a>
Conservation International	<a href="http://www.conservation.org">http://www.conservation.org</a>

Or for more information contact the authors at [unwto.retosa@gmail.com](mailto:unwto.retosa@gmail.com) or [geosavvy@gmail.com](mailto:geosavvy@gmail.com),