# INTERNATIONAL TOURISM MARKETING PROMOTING BRC BUDGET CAR RENTAL AND TOUR, ETHIOPIA



**DEGREE PROGRAMME IN TOURISM** 



# ROVANIEMI UNIVERSITY OF APPLIED SCIENCE

# SCHOOL OF TOURISM AND HOSPITALITY MANAGEMENT

Degree Programme in Tourism

# **Thesis**

# INTERNATIONAL TOURISM MARKETING PROMOTING BRC BUDGET CAR RENTAL AND TOUR, ETHIOPIA

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Commissioned by: BRC Budget Car Rental and Tour, Ethiopia

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Thesis Abstract

This practice based thesis project was launched by the author who has studied the background about Ethiopian tourism, where the commissioner company is based in. The goal of the project was to establish international partnership with tour operators and travel agents in different destinations in order to internationalize BRC Budget Car Rental and Tour to develop international marketing practices with the aim of maximizing its effort to attract international tourists to Ethiopia.

Qualitative interviews with tour operators and travel agents were conducted at three international tourism trade fairs and shows in order to gather empirical data and the collected data of the research were systematically and carefully categorized according to the research questions.

The results show that respondent tour operators and travel agents from the two destinations were interested to work with BRC Budget in the future. Therefore, the intended goal, establishing international potential business partnership is reached. The additional outcome of the project was the potential business partnership created with a big number of trade professionals other than the main targeted respondents.

Key words: Ethiopia, Marketing, Tourism, Trade Fair, Partnership



# School of Tourism and Hospitality Management Degree Programme in Tourism

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#### 1 INTRODUCTION

Ethiopia, one of the countries on the African continent, is among many countries on the globe that have newly started to develop tourism practices. When the idea of tourism sector as economic development has become more popular among main actors of the sector in the country, many tour operators had understood that their effort in the sector would contribute for the development of tourism in the country as whole. BRC Budget Car Rental and Tour, a growing company based in Addis Ababa was one of the companies who have decided to carry out its marketing activities and become more internationalized in tourism and hospitality sector. As part of fulfilling its objective of expanding its services and making itself as competent international tour company, fulfilling current marketing need of the company was essential. Therefore, it was believed by the commissioner and the author that launching a project to make its commitments to provide high quality and sustainable tour service for international customers would be one successful strategy.

Therefore, the idea, objectives and goals of this project were designed to enter the process of international tourism marketing by participating in travel trade fairs in order to make a research and introduce the company as well as the destination to other international actors of the sector, particularly tour operators and travel agents who were targeted as groups whom the company has believed in creating future business partnership. Furthermore, it is believed that the results of the research would give answers that can be used both for the benefit of the company and as a contribution for development of Ethiopian Tourism. In addition, it is believed that the outcome of this project will be a motivator and can in the long run be copied and practiced by other tour operators and travel agents in the country.

In April 2010, the author developed a special interest to see and discover how tourism is practiced in Ethiopia and has visited tour operators, the ministry, as well as different service providers connected to the sector. In addition, the

author has researched and conducted different interviews in Ethiopia related to the tourism and its progress in the country (Appendix 1). From the interviews, it was discovered that the biggest problem or hindrance for the growth of tourism in the country was the fact that marketing and promotion has not been done as it should have been. In addition, the author has learned that in order to create a workforce who will be working in developing Ethiopian tourism, some private tourism schools as well as the Ministry of Culture and Tourism have started to offer tourism and hospitality education. Investors have been encouraged to build lodges, recreation centers, hotels, and everything related to giving visitors what is needed. Private companies, travel agents, hotels and guest houses have been taking the effort to expand the practice and knowledge among the residents and trying to market the country as a tourist destination. Furthermore, tour operators and travel agents have been encouraged to make their tourism packages one that fulfils the needs of different types of tourists. However, the process of generating the flow of tourists to the country was slow and the main cause for this problem was that the idea of marketing was new and companies were not active to market the tourism internationally. (Appendix 1, 2.)

The main purpose and idea of this thesis project came from discussing with the owner of BRC Budget Car Rental and Tour, a small privately owned tourism company in Addis Ababa, Ethiopia (Appendix 2). The commissioner has been interested to implement international tourism marketing in order to make the company use its possibility of having international tourists as well as contributing its part by promoting Ethiopia as a Tourist destination. According to the author's discovery, the importance of marketing to revive the tourism was familiar, but the skill and techniques of applying marketing internationally was the biggest problems the company was facing. Therefore, with the commissioner's request, the author has decided to take this topic and agreed to launch the project.

Specific objective of the project is internationalizing BRC Budget Car Rental and Tour and making it a competent international Tour company by mitigating factors that are incriminated for the poor performance of tourism industry of Ethiopia. Marketing at International Tourism fairs where it is believed to be the major tourist generating means to promote the countries` vast attraction, and work on the development of Ethiopian tourism is taken as one main objective. The main goal of the project is to help BRC Budget Car Rental and Tour to develop international marketing practices by creating international partnership in order to have a success and international competence in the tourism sector.

#### 2 ETHIOPIA

#### 2.1 Brief information

Ethiopia is situated in the north- eastern Horn of Africa, equidistant between the Equator and Tropic of Capricorn. It is a landlocked country which shares borders with Kenya, Djibouti, Somalia, Sudan and Eritrea. (Travel and living abroad 2011.)



Figure 1. Map of Ethiopia and neighboring countries (Travel and living abroad 2011).

The land covers an area of 1.13 million sq km. The high plateau which is split diagonally in a northern and southern direction by the rift valley covers more than half the total area. Although the average elevation of the plateau is about 1,680m, it is cut by many rivers and deep valleys below the level of the plateau. (Ethiopian Tour Operators Association, 2011a.)The climate of the country varies mainly according to elevation divided in three zones, tropical, subtropical and temperate. The tropical zone below approximately 1,800 meters has an average temperature of 27 degree centigrade. The subtropical zone which includes most of the highland plateau and is between about 1,800 and 2400 meters in elevation has an average of 22 degrees centigrade, and the temperate zone which is above 2,400 meter has an average temperature of about 16 degrees centigrade. Apart from short rainy seasons in February or

March, the principal rainy season occurs between mid-June and September. (Ethiopian Tour Operators Association 2011b.)

As estimated in 2011, the population of the country is 90,873,739 (Travel and living abroad 2011). Like many other African countries, Ethiopia is a multiethnic state with a diverse mix of population with more than 80 ethnic groups each with own language, culture, custom and tradition and is the oldest independent nation in Africa with heritage dating back to the first century AD. Occupations in agriculture support 89 percent of the population and the population is concentrated heavily in the central plateau region, where agricultural resources are most developed. (Ethiopian Tour Operators Association 2011c.)

# 2.2 Ethiopia as Tourism Destination

Ethiopia is a land of dramatic contrasts. Altitudes span from the lowest point of the African continent to the fourth-highest peak. Far from being the mountainous thirst land of Western myth, the Southern and western highlands of Ethiopia boast the most extensive indigenous rainforest to be found anywhere in the eastern half of Africa. The rift valley south of Addis Ababa, the capital city has a characteristically African appearance, with vegetation dominated by grass and flat-topped acacia trees In terms of mammalian abundance, Ethiopia is one of Africa's key bird watching destinations with a rapidly growing national checklist of more than 800 bird pieces including 16 endemics, as well as a similar number of near-endemics whose range extends into a small part of neighboring Eritrea and Somalia. Ethiopia's fauna and flora, through essentially of sub-Saharan Africa display some strong links to lands north of the Sahara. (Briggs 2009, 47.)

Attractions that have been and are visited over the years are mainly culture, history, nature, and wildlife (including bird watching). Recently, tracking has become popular and is one of the experiences and of great satisfaction for many visitors. "Much of Ethiopia's fascination lies in its myriad historical sites and tourism revolves mainly around historical sites because tourism to Ethiopia revolves around historical sites, and Ethiopians identify strongly with

their history and they generally enjoy speaking to visitors who share their enthusiasm" (Briggs 2009, 7). In the author's opinion, the large number of ethnic groups with their own language, custom, tradition and culture has made the country's cultural attraction popular and because Ethiopia is the oldest independent nation in Africa and have a heritage dating back to the first century, Ethiopian historical route has become a unique attraction.

As all the other routs, visiting historic route can take short or longer time depending on the visitor's needs to stay, spend and means of transportation selected. There are local airports and Ethiopian Airlines flies to all historical attractions daily. "A visitor can cover all the historic sites, Bahir Dar and drive to Blue Nile, Gondar to visit the 17<sup>th</sup> century castles of the Medieval Capital, the Rock-Hewn churches of Lalibela, Historical relics of the ancient capital just in five days". (Tourism Ethiopia 2011). Figure 2 shows the main suggested and visited attractions, northern Ethiopia and the historic route.

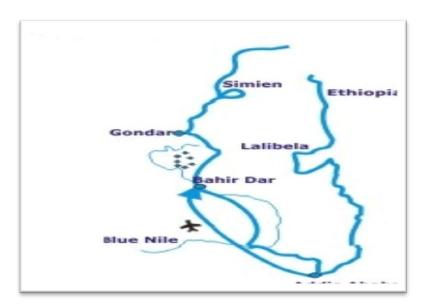


Figure 2. The Historical route of Ethiopia (Tourism Ethiopia 2011).

Even though the number of tour operators in the country has grown in the past years, there are attractions that are undiscovered or discovered but not experienced. This ancient destination has many unseen attractions and is the only sub-Saharan country in Africa tangible historical remnants, because of poor performance and lack of promotion, the visited attractions have been less than half of what should have been visited. According to the world's tourism

report, the visited Ethiopian tourist attraction does not cover more than 45 percent. This has happened because factors like transportation, hotels, cars, and well trained tour guides were not available in the old days. The other factor that has buried Ethiopian tourism has been lack of promotion about the historical places found in the country and limited information posted on the websites, in brochures or fliers. (Lambadina tours 2009.)

# 2.3 Tourism Industry and Need for Development

The concept of Tourism was introduced to Ethiopia for the first time in 1961 By Mr. Habte Selase Tafesse, the man who is known as "a man who invented tourism in Ethiopia" (Ethio- American Trade and Investment Counsel 2011). Even though the tourism sector was recognized as a sector for economic growth in 1965, the country's social, political and economical development was not stable and the share of the tourist flow was at less than one present in the year 2007(New Business Ethiopia 2009). Ethiopia was registered as a member state of World Tourism Organization UNWTO in 1975, and it has the share of tourist flow to the East African region of seven countries (Tanzania, Kenya, Uganda, Djibouti, Eritrea, Somalia and Ethiopia. (World Tourism Organization 2009.)

The Ministry of Culture and Tourism was established in 2005 by The Government of the Federal Democratic Republic of Ethiopia who has recognized the necessity of creating a strong government organ to lead the sector (Tourism development policy 2009, 37). The author has learned from the discussion at Ministry of Culture and Tourism, 30 April 2010 (Appendix 1), as well as own discovery during the research process that the fast development of the tourism sector took place and the number of international arrivals has increased starting from the year 2007. New hotels and lodges as well as places of entertainment have grown in number, many new investors have entered the country with ideas to work in the sector, the infrastructure to attractions has improved and the numbers of actors in the sector have increased. Moreover, the main tourism institute in the country has had more interested students than ever, and other additional tourism training colleges have been established to teach more new students and give short courses to

those who work in the sector. Figure 3 shows a chart with historical data from Trading Economics. The report shows that the number of international tourist arrivals has started growing in numbers and the total number has reached 330000.00 in 2008 (Trading Economics 2011).

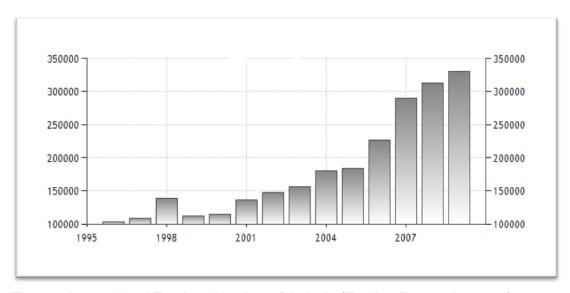


Figure 3. International Tourism, Number of Arrivals (Trading Economics 2011).

As the author discovered in a Ministry of Culture and Tourism meeting held in Addis Ababa, Ethiopia on 4 April 2011, even though the actors in the sector are motivated and are willing to contribute more for the development, there is still great need for marketing and promotion internationally. The fact that marketing and promotion is the tool to be used for the development of the industry is well known. However, the process has been slow.

Ethiopia is one actor of the tourist destination region in Africa, therefore the author thinks that development of the sector in the country is essential in order to contribute its part and to bring the expected result of United Nations World Tourism Organization's 2020 vision. Table 1 shows UNWTO's (United Nations World Tourism Organization). Tourism 2020 vision forecasts that international arrivals are expected to reach nearly 1.6 billion by 2020. East Asia and the Pacific, Asia, the Middle East and Africa are forecasted to record growth at rates of over 5% a year compared to the world average of 4.1% (UNWTO Facts and Figures 2011).

Table1. UNWTO's Tourism 2020 vision (UNWTO facts and figures 2011).

	Base Year	Fored	asts	Market share (%)		Average annual growth rate (%)	
	1995	2010	2020				
		(Million)		1995	2020	1995-2020	
World	565	1006	1561	100	100	4.1	
Africa	20	47	77	3.6	5.0	5.5	
Americas	110	190	282	19.3	18.1	3.8	
East Asia a		195	397	14.4	25.4	6.5	
Europe	336	527	717	59.8	45.9	3.1	
Middle Eas	st 14	36	69	2.2	4.4	6.7	
South Asia	1 4	11	19	0.7	1.2	6.2	

# 2.4 Ethiopian Tourism policy

In order to work on reversing the situation, the Federal Democratic of Ethiopia has launched its first tourism policy with a vision " to see Ethiopia's tourism development led responsibility and sustainability in order to contribute its share to the development of the country by aligning itself with poverty elimination".(Tourism development policy 2009. 49.) The tourism development policy made it clear that it has not been possible for the country to drive full benefits from the sector, and development has remained uncoordinated and unsustainable because of the absence of a clear policy that would lay the direction for the cooperation and coordination that should exist among all stake holders. Therefore, the policy was expected to be the main motivator for the movement and it is believed to be used by the government as well as all stakeholders to revive and use the full benefit of the sector. (Tourism development policy 2009, 37.) Among the five main objectives of the policy, one of the main subjects which the author has selected to fit in this project was "to ensure concretely the country's full benefits by sustaining competitiveness in the international tourism market, by turning Ethiopia into a particularly preferred destination in Africa, and by maximizing direct and indirect economic benefits" (Tourism development policy 2009, 49).

# 2.5 Need for International Tourism Marketing Development According to the Policy

"The roles and responsibilities of those taking part in implementing the policy" is one of the five sections the policy has been structured in. Government organs, development investors participating in the country's tourism development, local communities at tourist attractions, civil societies and the general public are mentioned as main stakeholders who should act to ensure that results of strategy is obtained. The government has given the authority for the Ministry of Culture and Tourism and the Ministry has encouraged private tour operators and inventors working in the sector to market and promote as one of their responsibilities given by the policy. Investors participating in the country's tourism development are engines that drive the industry. Therefore, taking part in marketing and promotional activities as well as contributing their share in the endeavor to build a positive image of the country is mentioned as one of their responsibilities in the development of the sector. (Tourism development policy 2009, 65-66.)

The development however seemed very slow and tour operators in the country who were concerned had to find a way to make the sector a competitive with other African destinations in order to reach their goal. Therefore, they have established an association called Ethiopian Tour Operators Association (ETOA) in 2003. ETOA was established by the initiation of individual tour operators who are concerned with the development of tourism in the country and still actively working to attain its objectives. The main mission of the association is integrity in Tourism and has goals as educating and fostering tour operators, help the sector in the promotion and development of the industry, facilitate and develop travel on worldwide bases and play a big role in promoting Ethiopia. (Ethiopian Tour Operators association 2011d.)

In the author's opinion, the establishment of ETOA has had a positive effect on the growth of the sector. Tour companies are mainly run by individuals who have long realized that promotion and Marketing will be a tool that could internationalize the country and making it a competent international Tourism destination by mitigating factors that are incriminated for the poor performance of tourism industry of Ethiopia. Never the less, companies have been standing alone, and the idea of networking was not an issue. Coming together as one unit as members of the association has made a difference in the sector. It is also believed that as companies learn and practice networking, there will be even bigger changes in the future.

#### 3 BRC BUDGET CAR RENTAL AND TOUR

# 3.1. Company profile

BRC Budget is a young car rental and tour company based in Addis Ababa, Ethiopia and It is established in the year 2008 by an Ethiopian investor. In addition to its other capital, the company has 40 different vehicles which give services for both rental as well as tourism purposes. In addition, a boat with a carrying capacity of 10 sailors is ready for rent as well as tourist transportation at Lake Tana, one of the popular tourist attractions.

The core objective of the company is to contribute its part to change the bad image of Ethiopia as a country, and promote the tourism sector at large with a culture of sustainability and involvement of local community. The main goal of the company is to see the company play a vital role in the tourism sector by giving well organized and professional tour services including providing rental services to other tour operators in order to make all the tours hustle free.

BRC has four branch offices in regions where there are main tourism attractions and operates on giving its services in *Tour &Travel, Taxi Services, Car rental and Sales, General Import & Export, International Commission Agent and Hotel Reservation* and *Flight Booking.* Furthermore, it has future plans of working on towards creating solid international partnership internationally as well as expanding its services by building Hotels and lodges and importing other vehicles related to Tourism service with a long term vision of developing its evolvement in the Tourism and Hospitality sector.(BRC office files and archives. Edited by Tutu Jauhojärvi March 2011.)

# 3.2 Tour Packages of BRC Budget Car Rental and Tour

As most tour operators in the country, BRC Budget has regular packages, a combination of the typical 6 to 7 attractions.

- Combinations of History and Culture which is designed for 17 days
- 2. Historical Circuits of Northern Ethiopia designed for 16 days and includes trekking in the North.
- 3. Historical route of Northern Ethiopia which is designed for 10 days

- 4. Southern Ethiopia and tribes of Omo Valley designed for 14 days
- 5. Southern Ethiopia and Omo valley, designed for 11 days
- 6. Eastern Ethiopia tours which is designed for 7 days

In addition, the company organizes tailor made tours if and when there is need (brcbudgetethiopia 2011.) The services included in the packages are mainly Air port transfer, accommodation (Hotel rooms, lodges or guest houses at all attractions and stops), domestic flights for trips chosen by air, car with an English speaking driver for tours on surface (boat at Lake Tana if included in package), service and government tax, Local guides, entrance fee for attractions where there is requirement, and bottled water for the whole tour. International flights, visa costs, meals and beverages and other expenses such as special permission fees for video filming are not included in the package. (Official tour itinerary of BRC Budget 2011.)

# 3.3 Problem and Need for International Marketing

From the discussion with the commissioner in October 2010, as well as an interview in December 2010 (Appendix 2), the author has learned that BRC Budget is one of the many tour operators in the country who has experienced the unexpected result of not having enough customers to buy the service. Therefore, even though the tour service has been offered every now and then, the focus of the service has turned to the car rental which has been a solid economic support to the company.

It was also clear that the commissioner has ideas that international marketing could be one tool which would boost the tourism activity in the company, but the company did not have the right and skilled employees to manage and organize marketing processes in the international standard. In order to be able to compete in today's global marketplace, managers need international marketing skills. (Jobber 2004, 844.)

#### **4 THEORETICAL FRAMEWORK**

#### 4.1 International Tourism Trade Fair

Travel is global and travel trade fairs provide the backbone to the industry and place in which all can meet and exchange knowledge and aspirations that will help the industry grow stronger and become even more valuable. Trade fairs (usually known as exhibitions) are an extremely powerful sales and marketing tool for the travel industry. They are aimed at the *international trade itself* or can be targeted at *members of the travel-buying public*. (International Tourism Trade fairs association 2005.)

The growth of travel and tourism exhibitions have grown tremendously as the travel industry has developed and matured in the past two decades. According to an article from The International Tourism Trade Fairs Association, ITTFA, 350 exhibitors turned out for the very first World Travel Market, staged at London's Olympia back in 1980. At the 2009 event, the exhibition total at Excel was over 5000 exhibitors. (International Tourism Trade fairs association 2005.)

Travel and tourism exhibitions can be a highly cost effective sales and marketing tool combining all the best characteristics of advertising, promotions, direct mail selling, either through and travel agents. In the case of public shows, they can be direct channels to reach customers. In addition to permitting face to face contact as the most effective means of establishing and building client relations in a time effective manner, they can deliver highly targeted promotions with very little wastage, deliver positive message quickly and effectively to a large audience across wide geographical areas. (International Tourism Trade fairs association 2005.)

# 4.1.1 Exhibitor

An exhibitor is a person or persons who are representing a company or an organization and are in charge of all the activities taking place *prior*, *during* and *after* the show. An exhibitor therefore has bigger responsibilities as a representative of a company in addition to promoting the company to the

public. Trade shows are not only a "sale product" place. They chalked full of network opportunities to meet with potential &current customers as well as finding out where your compotators are focusing their time and energy. Working with customers at trade shows gives you the insight of what solutions you can be providing to them. Furthermore, you can look at your potential customers as part of your research and development team by engaging them in discussions regarding specific about your products and services that could be enhanced or improved and to find out what it is about your products and services that helps them along in their daily routines. (Tradeshow help 2010.) "Exhibitor presence is now seen to be not only meet and greet opportunity, but also an increasingly sign, seal and deliver opportunity" (International Tourism Trade fairs association 2005).

#### 4.1.2 Trade Professional

According to business dictionary, trade is a commercial transaction involving the sale, and purchase of a good, service or information (Business dictionary 2011). An expanded translation from Dictionary com for trade is that it is the act or process of buying, selling or exchanging commodities, business deal transaction, and an exchange of items without payment of money (Dictionary com 2011). According to the author's experience and discovery, the term "trade professional" is used in travel trade shows and fairs as a representative of a company who visits shows in order to know the new ideas, meet others actors of the sector as well as exhibitors aimed to be potential business partners at their stands/booths with the aim of making communication and business agreement. Most international trade fairs are designed for international trade itself and the public visitors. Therefore, the dates of the expeditions are usually divided in two; Trade visitor and general public visiting dates. Trade visitors get to know all new tourism trends and make the right contacts for a successful business year- exclusively at the first three days of the fair without private visitors (ITB Berlin 2001). "The Trade - Only exhibition is exclusively for travel professionals. It is where business gets done, where negotiations take place and where new alliances are made. It provides opportunities for travel agents, wholesalers, packagers, suppliers NTOs and international travel media to work together, develop industry relationships, and

explore new ideas for strategic growth" (The New York Times Travel Show 2011). Giving this opportunity for trade visitors has a big impact in creating network as well as business-to business relationship without the interruption of promotion for other public buyers.

#### 4.2 Internationalization

One problem with attempting a definition of internationalization is trying to find one which everyone can agree. A brief review of literature will reveal that such a definition does not exist. Instead there are almost as many definitions (McCauley 2001, 78). One definition which fits into this category is provided by Beamish (1990) who sees internationalization the process by which firms increases their awareness of the direct and indirect influence of international transactions on their future, and establishes and conducts with other countries (McCauley 2011.80). Another definition of which the author found fitting for this study is Internationalization is a gradual process during which firms acquire, integrate and utilize their knowledge about foreign markets and operations. As is happens over time, the firms gradually increase their commitment to international markets (McCauley 2001, 79).

Companies choose to market abroad for one or another reason. They usually shy away from the prospect of competing internationally because they know their domestic market better, and they would have to come to terms with the customs language, tariff regulations, transport systems and volatile currencies of foreign countries. On top of that, their products may require significant customer preferences. However, they choose International expansion. The trigger can be for example customer drivers where in some industries customers may expect their supplies to have an international presence. This is increasingly common in advertising, with clients requiting their agencies to coordinate international campaigns. (Jobber 2004, 844 – 845.)

#### 4.3 Image

Related to country, image is less frequently mentioned in literature than more widely known image types. According to Martin and Eroglu (1993), it is mentioned as a complete set of descriptive, inferential and information beliefs

about the given country (Jenes 2011). In his master thesis of country image and its effects in promoting a tourist destination, N. Marshalls has referred that Image has a handful definitions and it all depends with the researcher's point of view. However, for the purpose of his study, he has adopted the definition by Kotler et al (1993) "country's image is the sum of belief and impressions that people have of a place. Images represent a simplification of a large number of associations and pieces of information conduct with the people" (Maurice 2007). In the natural, image of a place can be developed from the experience, information given by media or other sources. Furthermore, image conceived by an individual or a group of people can be positive or negative depending on their value, status and the way of thinking people have.

# 4.4 The Tourism Service Marketing Mix Framework

The service marketing mix is an extension of the 4 P's framework. While the four major elements product, promotion, price and place remain, three additional variables- people, physical evidence and process are included to produce a 7 P's mix. The need for extension is due to the high degree of direct contact between the firm and the customer, the highly visible nature of the service assembly process and the simultaneity of production and consumption. While it is possible to discuss people, physical evidence and process with in the original 4'Ps framework, the extension allows a more thorough analysis of the marketing ingredients necessary for successful service marketing. (Jobber 2004, 813.) Morrison, another author who has seen creating business partnership, programming and packaging as essential ingredients in marketing a tourism service has extended the marketing mix to 8 P's of tourism service marketing mix. Four variables; People, packaging, programming and partnership are added in the framework. (Seaton – Bennett 1996, 19.) The table below (Table 2) shows the basic marketing mix (4 P's), Middleton's extended service marketing mix (7 P's) and Morrison's extended tourism service marketing mix (8 P's) framework.

Table2. The Basic, Service and Tourism Service Marketing Mix Framework (Seaton – Bennett 1996, 19).

Basic mix	Middleton (Service marketing mix)	Morrison (Tourism service marketing mix)
Product	Product	Product
Place	Place	Place
Price	Price	Price
Promotion	Promotion	Promotion
	People	People
	Process	Packaging
	Physical Evidence	Programming
		Partnership

The author has selected four elements; *Products, place, promotion* and *process* from Middelton's service marketing mix, and *partnership* from Morrison's extended tourism service marketing Mix to be used in this project. The other tourism service elements seem to have less importance at the stage when the research took place. Therefore the author has decided to use them for future use of the company.

# 4.4.1 Products

A product is anything that is capable of satisfying customer needs. In every speech we often distinguish between products and services; with products being tangible, and services mainly intangible. However, when we look at what the customer is buying, it is essentially a service whether the means is tangible or intangible. It is logical to include services within the definition of the product. Hence, there are physical products or service products, all of these products satisfy customer needs. (Jobber 2004, 260-61.)However, there are special considerations associated with service products and service industries. Physical products can be inspected and tried before buying, but pure service is intangible. This situation makes the three extended marketing mix crucial in influencing the customer's perception of service quality. (Jobber 2004, 813.)

#### 4.4.2 Place

Place is the location where distribution channels to be used. It can be a store, an outlet location, catalog, online. Regardless of what type of distribution method used, place is another important element in terms of where buyers look for the products or services and how they can access the right distribution channels. In service marketing, distribution channels are usually more direct than physical goods. The service marketer is less concerned with storage because of the intangible nature of service. (The marketing mix and 4Ps2011.)

#### 4.4.3 Promotion

Promotion is a method marketers develop to communicate information about their products and to persuade consumers to buy them. *Advertizing, sales promotions, personal selling* public relation, *direct marketing* and *online marketing* are the major types of promotion. Like all other marketing strategies, promotions are experienced by consumers as social and physical aspects of the environment that may influence consumers` affective and cognitive responses as well as their overt behaviors. Supporters counter that marketing promotions inform consumers about product attributes and consequences, as well as prices and places where products are available. This information saves consumers both time and money by reducing the cost of search. (Peter – Jerry 2008, 412.)

# 4.4.4 Process

Process is the procedures, mechanisms and flow of activities by which a service is acquired. Customer's decisions can radically be affected by how a service Process is delivered. Waiting for service to be delivered is a common experience and determinant for overall satisfaction. (Jobber2004,817.) According to learn marketing net, process refers to the system used to assist the organization in delivering the service. It is an efficient service that fosters consumer loyalty and confidence in the company. (Learn Marketing 2011.) It is an element of service that sees the customer's experiencing in an organization's offering because the customer is a participant in at different points. (Process and Service Marketing 2011.)

# 4.4.5 Partnership

Partnership in is an extended marketing mix which draws attention to the fact that tourism marketing frequently involves collaborating and cooperation between several organizations. This aspect can be seen as an important aspect of product design and delivery. (Seaton – Bennett1996, 19.) Business-to-business markets are composed of those organizations and agencies that purchase goods and service either to aid in the production of other goods and services or for sale purposes. This includes manufacturing firms, government agencies, public utilities educational institutions as well as intermediaries such as retailers and whole sellers. (Proctor 2005, 432)

Based on findings (Turnbull and Valla 1986; Johansson and Mattson 1999), many studies in international business activity have shown that international business-to-business relationships have significantly long duration, that these customers represent important sales percentages of the selling firm and that critical adoptions and investments have gone on the relationship including the development of learning and experience between the companies. (Donaldson, O'Toole 2002, 212.) In addition to these findings, many other trends in the international business environment of today are providing fertile conditions for the use of relationship to comment and develop international business. Rapid technology change has facilitated the growth of new industries that require networks to survive. Large established multinationals need a network of smaller companies to keep in touch with new way of doing. These new industries require global presence that is only achievable through partnering with existing networks. (Donaldson, O'Toole 2002, 212.) "Businesses cannot stand in splendid isolation. They must interact with suppliers, intermediaries of various sorts, and customers, meet and find ways of organizing their international environment to create the most efficient structure". (McCauley, Andrew 2001, 86.)

Research suggests (Bolton – Drew 1992) that there is a connection between relation development and the roles of personal contact. Information exchange is prominent as the first order is placed, and as the relationship develops,

other contact roles are activated such as social bonding. Each interaction may contribute to the customer's overall satisfaction. Thus, each interaction and Personal contacts between organizations present the possibility of lowering perceived risks and decreases uncertainty as far as the two parties are concerned. Additionally, they influence perceptions of quality and ultimately satisfaction with the entire relationship. (Harwood – Garry – Broderick 2008, 108.) As a small and new firm, might begin a relation assessment by looking to current network of buyers, suppliers and compotators. This may represent an access point for the firm. In addition, knowledge networks such as other exporters you know, people you know oversees, and home country export trade promotion agencies represent an important source of ideas and contacts. A larger firm might look to its internal subsidiaries or, as with the small firm, its external partners. Often potential distribution of relationship oversees are blocked or taken up by existing compotators, but ability to develop relationships in the foreign market determine success. (Donaldson -O'Toole 2002, 215.)

#### **5 RESEARCH METHODOLOGY AND APPLICATION**

# **5.1 Methodology Design**

"The central part of research activity is to develop an effective research strategy or design. This will detail the most suitable methods of investigation, the nature of the research instruments the sampling plan and the type of data i.e. quantitative or qualitative". (Chisnall 2001, 34.)

In this project, the main action selected to take place was to be involved in international travel trade fairs and shows as an exhibitor or as trade visitor in order to conduct interviews while promoting the company. The objective of why these methods were chosen was two folded:

1. Exhibiting in international fairs open a greater opportunity to meet large number of targeted group at the same ground in a time effective way. In addition, fair grounds give a chance of meeting other trade professionals from different destinations that the company will learn from and will create a business relationship with in the future.

"Travel and tourism exhibitions can be highly cost-effective sales and marketing tool combining all the best characteristics of advertising, promotions, direct mail and selling. Like advertising, they deliver positive message quickly and effectively to large audience across wide geographical areas". (International Tourism Trade Fairs Association 2005.)

2. The destination will be recognized by good number of visitors who attend tourism trade fairs to look for more destinations to visit and who have not known the country as a tourist destination. Research shows that more than 80% of visitors to travel and tourism trade fairs are decision makers who rate exhibitions as the most cost effective information source for new products, destinations and services. (International Tourism Trade Fairs Association 2005.)

After the idea of taking part in different international trade fairs as a way of networking with other International tour operators as well as a tourist generating means was presented by the author, the company has, with the commissioner's request designed a plan to take part in six Travel trade Fairs and shows; "Matka" Nordic travel fair. Helsinki, Finland 20-23 January 201, "Fitur "International tourism trade fair. Madrid, Spain 19- 23 January 201, "Brussels expo" Brussels holiday fair. 03 -07. February 2011, "B.I.T" (International Tourism Exchange). Milano, Italy 17-20 February 2011, The New York Times travel show, NY, USA 25 -27 February 2011 and ITB Travel Trade Show in Berlin, Germany 9 – 13. March 2011

Out of the six trade fairs designed, the author has taken managing responsibility and took part in four shows in order to conduct research interviews for the study and create business partnership while the company's managing director has taken the managing responsibility of the rest. The selected fairs for conducting the interview were *Nordic Travel Fair*, *New York Times Travel Show* and *ITB Berlin Travel Trade show*.

#### 5.2 Brief Introduction of Trade Fairs Where the Research Took Place

**Matka (Nordic Travel Fair)** is the largest trade industry event in the Nordic countries which is held once a year in January at the Helsinki Exhibition and Convention Centre. The event was organized for the 25<sup>th</sup> year in 2011 and is the best setting where to get contacts from Nordic countries, The Baltic region, Russia as well as other destinations from around the world. It is organized both for travel professionals and the public and opening has different opening times for professionals and the general public. Every year, the fair includes many shows and informative presentations. (Show today com 2011.)

According to Matka 2010 visitor's survey, 81,537 visitors (together with caravan fair which was held at the same time) have attended the fair and the number of exhibitors was 1,202 from 72 countries. The survey also shows that 86% of visitors were looking for new destinations, 85% were looking for information on new destinations abroad, 56% to get information on other travel services, 32% has booked trips, and 91% were those who intended to travel much or more than before. (Matka facts in short 2010.) The latest survey in 2011 shows the growing numbers of visitors 83,280 (together with Caravan

Fair) with visitors looking to find new destinations abroad was 87% and decrees in number of exhibitors 1,147 from 73 countries. The travel trade survey of 2011shows that 82% has attended the fair to find new destinations and services, 68% to update know how, 59% to meet business associates, and 27% to conclude deals or contracts. (Matka Facts in short 2011.)

New York Times Travel Show is one of North America's premier travel shows attracting a unique global representation of the world's leading tourism markets including Africa, Asia, Australia/South pacific, Canada, the Caribbean, Central America, Europe, Mexico, South America and the United States. The show takes place at the Jacob K. Javits Convention Centre, New York City every year in February. In 2010, the show was held for the seventh time and was featured by 500 exhibitors representing more than 150 countries around the world and thousands of consumers have attended the annual travel show each year. The main focus of the event is to encourage people to book vacations, taking advantage of the one-site special offers available only at the show and to book their vacation taking advantage of all the special promotions. Live cultural performances featured on six stages, culinary presentations from around the world and seminars held throughout the day are some of the important parts of the show. (The New York Times Company 2011.)

ITB Berlin is the World's Leading Travel Trade Show which takes place annually in March in Berlin, Germany and the event was organized for 45<sup>th</sup> time in 2011. The trade show is known as the B2B- platform for trade visitors; an opportunity to meet business partners and do business, learn about new trends, and concepts to deepen existing business relations. For other visitors, it is a wonderful possibility to discover the whole world within few hours. ITB Berlin 2001 closing report stated that each year the show attracts growing numbers of international decision makers. 11,127 exhibiting companies and organizations from 187 countries took part in 2010 and initial projections revealed that some 68,398 of the general public took the opportunity to learn firsthand about the presented destinations. (ITB Berlin Closing Report 2011.)

# **5.3 Application of the Approach**

Performing a qualitative research based on five interview questions was selected as an effective research strategy which could give clear understanding and practical information to the intended goal. In the author's opinion, selecting this approach was practical for both parties. In addition, interaction with respondent companies gave an opportunity for communication which is essential for later co-operation. "An interview is defined as a conversation directed to definite purpose other than satisfaction in the conversation itself. It is considered with a purposeful exchange of meanings, and it is the interaction between the interviewer and the respondent which contributes so much to the success of the interview" (Chisnall 2001, 173).

The Interview questions were divided in two parts (Appendix 4). Out of the three questions which was selected as the research questions to be used for this project, the first two were based on the service marketing mix concept and focused on co-operation, seeking to find answers if the companies were interested in future **business partnership** with BRC Budget. In addition, the questions were focused on packages according to tour operators, with the main focus of finding information about **Product** (service), **Place** (access, booking, and delivery), **promotion**, and **process**. The third question was about **image** and the main focus was gathering information about what kind of image customers as well as the chosen company has had about the country. The two questions which were focused on Benchmarking, seeking to find information on successes stories to be followed and management, which is based on how marketing management should go hand in hand with other activities, were used only for company use.

One of the biggest advantages of participating in trade fairs as an exhibitor is the access given to do an effective trade show marketing by taking multi phased strategy in use as an opportunity to plan meeting with other business providers. Effective trade show marketing includes a multi-phased strategy that encompasses a variety of marketing channels to engage both prospects and customers. The first phase, *personalized contact prior to the event* gives

the exhibitor an opportunity to organize meeting with other exhibitors, send direct mail invitations and /or email communication. Exhibitors can introduce their products, share their booth locations and encourage potential buyers to visit their exhibits. The second phase, *marketing activities during the show* includes live entertainment, hands-on activities, audio visual programs, unique trade show booth attractions, tradeshow giveaways (e.g. promotional materials). The final phase is, *follow-up after the show to convert leads into sales*. This gives the chance to send appropriate material as customized company information packet to booth visitors within a week following the trade show event. (Trade show advisor 2011.)

The interview was conducted at three Trade Fairs in different destinations as mentioned earlier. Respondent tour operators and travel agents were selected each time prior to the event and sent a request for a meeting (Appendix 3). Main target respondents were those who organize long distance tours. The selection was done when the contacted target groups have agreed to have the discussion. Numbers of contacted tour operators in all the fairs were 13 in Matka Trade Fair, 27 in ITB Berlin and 18 in New York Times Travel Show. 8 companies at Matka, 12 at ITB Berlin and 11at New York Times Travel Show were open for discussion. 3 companies from Matka have booked a time for meeting while other contacts were visited at their stands during the trade visitor dates. The discussion in New York was done at BRC's stand. Since the author has visited ITB Berlin as a trade visitor, all the respondents were approached at their stands.

The Respondents had different reasons for creating the contact as looking for only rental cars when they come to the destination, or to exchange contact information if /when they consider to start working on operating on additional destinations in the future Out of the three forms of commonly used interviews; *limited, free response*, and *responsive*, the author has selected the form **free response** in form of a discussion in order to give respondents freedom when answering the questions. "Free response gives the respondent a great deal of freedom in answering questions arising from some general points of discussion made by the interviewer. They are also more general than closed

questions, and the interviewer has the delicate task of encouraging the respondent to take an active part in the interview, while, at the same time keeping irrelevant discussion to a minimum" (Proctor 2005.174-175).

Recording answers of respondents with a tape recorder was planned as a method to effectively conduct interviews, but after an arrival to the first fairground, the author has discovered that due to the hectic schedule the respondents had, it would not be possible to ask all questions as an interview and start recording. Therefore, it was necessary to come up with another solution. The method used therefore was asking questions that were fitting to the particular company in form of a discussion, making short notes during the discussions and attaching the respondent's business card next to the note before turning to the next page and the next respondent. After discussing with one respondent, the author has individually written down remarks and things discussed before moving on to the next respondent. At the end of each fair, the author has written an informatory report with al responses and all the experiences to be used for the research and to be kept at the office archives.

In the author's opinion, this method was effective because companies are more interested to use their time effectively to make business deals and agreements. Therefore, approaching stands with a recorder and research interviews could seem like the interviewer is asking more of their time. In addition, having open, short and clear discussion gave the respondents the freedom to freely ask questions and communicate better. The author also thinks that this method is reliable because notes are written word by word as discussion was going on and right after the discussion before the interviewer is interrupted or has forgotten all what was said. In addition, the author thinks that this method has long term validity since reports kept in the office archives could be used.

# 5.4 Brief Introduction of Respondents

The discussion based interview with 12 of the respondents, 3 from Matka, 5 from New York Times Travel Show, and 4 from ITB Berlin selected for the research. For business secrecy reason, names, and addresses and detailed

information of all respondents as well as recorded contacts during the Trade Fairs could not be published. Therefore, selected respondents are introduced by country, Trade fair where they were contacted and given names as **Matka Company a,b,c**, **NY Company a,b,c,d,e and ITB Company a,b,c,d.** For the sake of simplicity, the author has systematically stated the results as a general report. In addition, selected tour operators and travel agent's direct responses in relation to the service marketing typology are categorized in charts (Appendix 6).

**Matka Company a** is based in Finland and It has specialized in cultural tours, tours around nature, and tracking. It has been organizing tours and individually planned trips to unlimited long haul destinations for the past 10 years and has Co-operation partners all around the world.

**Matka Company b.** The company is one of Finland's largest and oldest travel agency offering a full range of service in both business and leisure travel. Its expertise include flexible leisure travel tours all over the globe over 250 destinations offering incentive travel, city holidays, cultural and activity oriented vacations, tours for groups, to conventions. The company has offices and outlets all over the country. A total sale of the financial year 2009 -2010 was 267 million Euros.

**Matka Company c** is a privately owned and well established Finnish tour operator based in Helsinki. Currently the company is market leader in long-haul group travel in Finland and the destinations cover all the continents. It has over 40 staff and the annual turnover is 20 million USD.

**NY Company a, b and c** are small tour operators based in New York. All the three companies design tailor made trips to both short and limited long distance trips.

**NY Company d** is a full service travel company which offers a variety of travel packages. South Africa is one of the long haul destinations the company has and it has a long term plan to include more African destinations.

**NY Company e** is a travel agent company based in San Diego which arranges different types of trips around the world according to customer's needs and requests.

All respondent companies in ITB, ITB Company a, b and c are German tour operators who organize long haul trips including Africa. The difference in connection to the other potential partners in the other fairs was that all of them were aware of Ethiopia as tourism destination and have had customers who already took trips through their companies.

#### 6. RESULTS

# **6.1 Results According to Reports**

Matka Company a. Respondent of the interview was the office manager of the company and from the discussion, the author has learned that the company many agents from African destinations, but never been contacted by tour operators from Ethiopia nor it has organized trips to the destination. The respondent has seen our meeting as a good opportunity to start communication and develop business partnership in the future. "We have never been contacted by an Ethiopian company before. Even though we have had very few customers who have mentioned Ethiopia, there was never a strong need to include the destination. I cannot promise what the result will be, but if we include the destination and if it is seen by customers, it will create awareness and there might be a possibility to use your company as an agent" Office Manager of Company a. The other issue discussed was that company a normally sends its staff to the destinations for testing before selling trips to customers. Therefore the company would want to visit Ethiopia in the near future if we keep the business agreement and they get some offer from BRC Budget. "We value our customers and we want to ensure successful travel experience. Therefore there is always a Finnish speaking tour leader with our group".

**Matka Company b.** After short discussion with the product manager, as a respondent of the interview has given the author more insight of the need of promotion and marketing the destination, Ethiopia. According to the respondent, introducing the country's tourism attractions to the company is where the process has to begin in order for the company to work on selling trips. The discussion was concluded with an agreement to start introducing and sending promotional materials which will help them learn more.

Matka Company c. The discussion took place with the product manager. The discovery that she had no idea about Ethiopian tourism until she found an invitation from BRC was another eye opener. "We are very interested to know about the destination itself. Therefore, it would be nice if we could get more

information sent and if we could get some presentation for the staff. The staff working in the company is 300 and it would be good for us to have presentation for the sales personnel and management". Product Manager of Company c. For the question asked about the image of the country, the respondent answered that she has never heard either good or bad image about the country and she added that it is not a common problem because there will be many people like her who have no idea about it.

**NY Company a, b and c** Were willing to create business partnership and include BRC as there agent to the destination Ethiopia and work on finding visitors to take trips because they all want to extend their service and start selling trips to Africa.

**NY Company d.** The discussion between the two companies has proved that the connection made for future business partnership was important for both parties. "Our company is on process of expanding its African destinations and a new destination like Ethiopia could be one destination we might like to work with once we study about the destination". The respondent, General Manager of company d.

**NY Company e.** "The Company has already made connections with many African destinations and it will be interesting to include Ethiopia as a new destination, but in order to do that, we must first get a general idea and knowledge about the tourism practices, attractions and all about the country". Sales Representative of Company e.

ITB Company a and b have own staff who takes visitors to the destination and have good connections in the country, but they both had similar idea about keep the relationship alive will not be a bad idea if there might be a possibility that they will have needs in the future and need BRC Budget as an additional contact in Ethiopia. Company c is more interested to be contacted in order to develop future business partnership because the company has newly included Ethiopia as one destination and there was a need for more contacts who are service providers at the destination.

Additional concern from most respondent was the fact that the tour packages presented during the shows looked like they were designed with many activities and no breaks in between. It was suggested that easier packages could be organized or if some of the packages could be mixed in order to balance them to be tours that are filled with experiences, but include time to relax. Apart from Matka Company b, who has given a wider explanation about the image, all other companies had no special comment. According to the author, the reason can be that for tourism professionals who experience and sell deferent adventure and experience tours Ethiopia might be another additional African destination to sell for adventure trips.

All companies in Finland and USA, who had positive responds about future business partnership had similar responds about when results will show; in this case to start working together. All Companies had their marketing and selling strategies of planning very early about the destinations they are going to work with for the following year. The magazines for 2011-2012 trips of most of them are done, therefore expecting a quick result is far from the truth. However, Finnish company a might consider adding the destination in their website and Finnish company c might consider adding the destination for trips as a new destination in 2012 - 2013 calendar if they get our destination as they want it to be and they are satisfied about our **products**, **place**, **price**, **service**, **and promotion**.

## 6.3 Summary of the Marketing Typology Result (Appendix 6)

For questions asked about product (expectation of tours), the three companies in Finland had mainly similar interests. Cultural destinations were selected by all the three respondents. Experience, relaxation tracking, nature, history, adventure, and history were other expectations. In addition, each one of them had their expectations for group, business and individual trips. Tailor made trips were asked by two of the respondents. Companies in USA had no preferences in particular, but all of them were not interested with adventure trips to begin with. The question about place has remained as something to be

discussed in the future after the first process starts and the companies receive requested promotional materials. Companies were contacted after shows and the process has started with sending the first requested promotional materials (Appendix 5). In addition, they will contact BRC Budget whenever they get visitors who are interested in the destination, Ethiopia until they see the growth in the number of visitors buying trips from them to the destination in the future. There will be a high possibility for future business partnership with companies from the two destinations, Finland and USA.

### **7 CONCLUSION**

### 7.1 Own Conclusion to Results

The outcome of the goal, which is making contacts and discuss about future partnership was successful in all the fairs and shows. Therefore, if BRC Budget Car rental and tour keeps contacts, provides necessary information on time and work towards satisfying the customers by making the necessary effort to provide the expected deliverables as information, and work on towards improving its packages according to respondents expectations, there is a potential for business partnership between BRC Budget and companies in Finland as well as USA.

The main purpose of attending the fair was to research as well as create business partnership with tour operators and agents. However, attending the fair had double successful outcome. Contact with potential business partners was established and the company has gained knowledge about how it will start developing its packeges as a result of the information collected from the respondents. In addition, Interested groups as Media and related, Resorts, Hotels, trade visitor travel agents, individuals, and schools who want to be contacted and might consider networking in the future, have approached the company's stand in both fairs in Matka and New York and all contacts are registered for marketing process of the company.

Even though ITB is the world leading trade show and the author expected to get the biggest result both for the benefit of the company and for the research plan, the experience and the outcome was not as satisfactory as the other fairs/shows attended. The reason from the author's point of view might be that meetings with tour operators and agents went very quick and there was not a good chance to ask interview questions because of the big number of trade visitors, busy schedule and the limited time given at every stand.

Marketing process takes time until the actual result a company is looking for is taking place because companies who are expected to be potential business partners have their strategies and they plan very early of which destinations they will work with for the following one, two even more years depending on the company and its strategies.

Having uniformed packages has its advantages because all tour operators have to include the popular spots to be visited. In addition, stakeholders working in the sector have good knowledge and good networking possibilities. In the author's opinion, having additional interest focused packages would have added more value for the company.

### 7.2 Suggestions on Research at Tourism Trade Fairs/Shows

Research at Trade Fairs or Shows is an effective method in order to reach bigger number of business partners. For a company which is young and has aimed to enter to a new era by aiming to create a business relationship with other tour operators and agents in other parts of the world, it was very important to get basic ideas that should be carefully learned. The author, from the experiences learned that in order to do a research in fairs and Shows, a company must have strategic planning in where to do the research - knowing what types and sizes of fairs are for small destinations and companies and which ones are more focused on bigger companies and destinations should be the first step a company should consider. When to do it - considering the noise interruption and paying attention to some major differences between consumer and business-to business markets, the researcher need to be proactive in making early hour appointments before limited time the crowed is many and time is limited. Furthermore, the delivery of the service and the expectation from those companies had to be known clearly. Therefore, a researcher has to keep clear, but short notes to be used for future use. It is also important to know the reason for the presence. Is the researcher dividing the time both for marketing reason and research? Then it is wiser if the company maximizes the number of staff attendance in order to let the person researching focus on the goal.

In order to apply international Marketing practices and reach the desired goal, the company's management as well as working culture in connection to the company's marketing, service, and promotion plans, should be known. This step gives an insight to involve the staff in the activities designed in order to apply the methods of marketing process successfully. One of the key elements of marketing-oriented approach is inter-departmental co-operation and internal marketing used as a tool to ensure all marketing efforts are aligned. (Harwood - Garry – Broderick 2008.119.) It is important that the entire team, from marketing to product to the CEO, as well as finance department agree on the goals long before committing to an event.

Attending a Trade fair as an exhibitor is costly and needs a good budget. The booth/stand, things like travel, hotels, signage, swag, raffle items, staffing, opportunity cost, are some of the main costs to mention. Therefore, if a company can barely afford the cost for a stand, and still do research or marketing at fairs, it is wiser to be more selective and attend as a Trade Visitor than taking part in trade shows and suffer the consequences of an "unexpected after loss" situation.

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# **APPENDICES**

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Appendix 1

## Background Research Interviews in April 2010.

Interview 1:

19 April 2010

10.00 - 11.00

Place: Experience Ethiopia travel agency main office. Addis Ababa, Ethiopia

Interviewer: Tutu Jauhojärvi (author)

Interviewee: Anonymous

Head of Tour Operation Division

Experience Ethiopia Travel agency

1 How are the tours organized?

We have ready packages. Companies or individuals contact the travel agent directly and make their orders. We organize tailor made packages according to the need of the visitor as well.

2 Are there many tourists who are using your services?

There are tourists, but the number is not satisfying because the promotion is not wide spread and without promotion it is not easy to get customers

3 Why is the promotion a problem and what kind of promotion system the company has?

The company has a web site, but there are other web sites as well and customers have the right to choose what they want. We don't have a work force (people who are working in this area), and the connection we have with the outside world is limited. Customers take pictures, videos and WOM is also one tool, but we cannot know what goes as a news from few people's experiences. It is not enough.

4 In your opinion, what can be done to make a difference and to promote Ethiopian Tourism?

We need contact people and agents who can sell the trip and promote our service. We need qualified and interested individuals who work in this area from our side

Interview 2:

30.4.2010

14.00 - 15.30

Place: Ministry of Culture & Tourism, Addis Ababa, Ethiopia

Interviewer: Tutu Jauhojärvi (author)

Interviewee: Anonymous

Public and International relations director Ministry of culture and Tourism in Ethiopia

5 Why is tourism new for the country when the ministry has been here for many years?

The tourism policy is new to the country July 2008. Therefore the knowledge is very new and limited. (See tourism policy)

- 6 What has been done to encourage people ...Investors, business owners and entrepreneurs who would like to participate in the sector?

  They have been given priority from ministry of foreign affairs to establish tourism related business as travel agencies, lodges. Furthermore, people have been allowed to import materials, equipments and supplies which can be used in tourism related businesses without taxes.
- Promotion has been and still is the biggest problem we have, but we are trying our best by encouraging tourists to film their experiences, send brochures and magazines to some travel agencies and ticket offices who are willing, but our contacts are limited. One area we use to promote is travel fairs. We look for travel fairs and take the advantage of introducing Ethiopian Tourism when there are opportunities and when there are companies who are willing to pay the price.

### **Background interview with the commissioner**

12 December 2010

Interviewer: Tutu Jauhojärvi

Interviewee: Bishaw Belay (Mr.)

Managing Director, BRC Budget Car Rental and Tour

1 Where does BRC stand when it comes to its tourism service in order to present BRC as a tour operator? BRC has a brochure which shows different packages of tours. There is also attraction and services presented on the web site. Therefore I want to have some idea if this has ever been used just to give me some kind of back ground

We are starting the process of giving the tourism service from the ground, or as a new business development plan because the company is young and the main service which has been successful was the car rental. In addition, the tourism sector has just started growing.

2 If the company had tourists /visitors who have contacted the company directly to get tourism service, how did the visitor/s come to know about the company?

Yes, we had visitors who have visited the country through our company, but we can't give any direct answer for this question because there is no record of how visitors have contacted the company.

- 3 As a managing director of the company, are you aware of the importance and big role of marketing and promotion?
  - Yes I am definitely aware, and my aim is to make all the effort to market and make the tourism service one that is competitive and fulfils the need of as many visitors from around the world.
- 4 We have discussed about your need of marketing abroad and internationalizing the company, what part of the world do you want to see

as your target groups? In short, which nationalities are you most interested to attract as your visitors?

There is no limit to what nationality we want as visitors. As much as we are interested to promote our services in the company, we are also interested to contribute our part to introduce and market our country as a tourism destination to the rest of the world. Therefore, we want to touch every continent and do the best we can whenever our budget allows us to go.

- 5 What types of marketing methods have you used in the past in order to promote the company and its tourism services?
  The website is one tool the company has, and brochures have been distributed all along since the company has been established.
- 6 We have discussed about the tourism trade fares and shows where the company is ready to participate in. What is your general comment in that? To be ready for travel trade fairs ahead of us and to start with a new chapter as soon as possible. That will give us some incite and then we need to do some kind of short and long term planning. After that, we can consider expanding our services according to customer's needs in the future.

Appendix 3

Addis Ababa 12 November 2010

**Meeting request** 

BRC Budget is a young private company which has a long term vision of developing

its evolvement in the Tourism and Hospitality sector internationally. The main

objective of the company is to contribute its part for Ethiopia's tourism development.

In order to introduce our company and to promote Ethiopia as a tourist destination,

our company has seen the importance of visiting and making connections with tour

operators and travel agents that are working in different countries and are

interested to include us as a business partners and to have a sustainable

cooperation.

We will take part in the Nordic Travel Fair which will take place in Helsinki, Finland

20 - 23 January 2011. Therefore, we would like to request to meet with you and

discuss different matters including future cooperation possibilities. Our stand

number is 6m2 and we will be happy to welcome you or come to visit you at your

stand.

We hope that our interest and request will be accepted by your company and you

will contact us to make the appointment. For further information please contact me

by mail or by phone

With best regards,

Tutu Jauhojarvi (MS)

Manager, International Tourism Marketing

**BRC Budget Car Rent and Tours** 

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# Interview questionnaire for exhibitor tour operators and travel agents at travel trade shows and fairs

- Matka" Nordic travel fair. Helsinki, Finland 20-23 January 2011
- The New York Times travel show, NY, USA 25 -27 February 2011
- ITB Travel Trade Show in Berlin, Germany 9-13 March 2011

Questions 1-3 were used for this project as well as for official use and questions 4 and 5 were used only for official use.

## 1. Packages according to tour operators:

- 1.1 What kind of interest do most tourists have when it comes to "traveling to Africa" (What are they mostly interested in)? I am asking this because in practice, the majority of tourists have general opinion of why they take a trip to a particular destination or even if the idea is different, they want to see or experience the thing that is popular or most known in the destination.
- 1.2How should BRC organize its tour packages? What do you want to see in our packages which can be used by your company? Expected products (attraction), place (access, booking, delivery), and promotion (where and when, what kind of promotional materials)
- 1.3 What kinds of products (service) are you expecting for deferent types of your groups like individual, groups, families that we might consider in order to fulfill your needs?

### 2. Image

2.1 In the past years, Ethiopia has been known as a country of war and hunger. Even though the country is peaceful and things have changed in many ways, the images most people have for the country have remained the same. What is the image of Ethiopia as a tourist destination among your customers? In what way is Ethiopia known as a tourist destination country for your customers?

2.2 Have you, in your company experienced this "negative image" comments about the country while selling trips (if you have sold trips) to the destination?

### 3. Co- operation/ Future Business partnership

- 3.1 As you may have learned from our invitation, our main request is to have a sustainable cooperation. Is there a possibility for us to have business partnership with your company?
- 3.2Do you see partnering with our company to be beneficial for both our companies in the near future or how (from experience) do you estimate that we have to go with the marketing process before we see any result?

### 4. Benchmarking

- 4.1 What is the method we can apply in our marketing when we present our products? What should we keep in mind if we could learn something from you?
- 4.2 What kind of issues and solutions have you used when you market the tourism in your country that you can say is the biggest marketing success?

(These questions were designed as benchmarking when questioning African countries, Balkan and other destinations we want to follow their marketing process and success)

### 5. Management: (For businesses who have combined services)

5.1 The car rental department of BRC Budget has been working in the past years while the activity in the tourism department has been almost closed. One of the most challenges for Tourism marketing department has been implementing the idea of marketing in the company because marketing touches lots of issues like the reorganizing management

system because marketing requires finance. How did you archive our goal and make your combined services go side by side?

5.2 How did you manage the human resource you have in the company? I am asking this from my experience. Because marketing requires much expense, the idea of asking money for different activities seems to be misunderstood by finance department and it sometimes creates division between staff to the point where the marketing staff is seen as "they" or "spenders". Have you overcome this problem? If so, how do we learn from you?

Tutu Jauhojärvi

16 January 2011

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Appendix 5

Follow up letter after the show

Addis Ababa 8.April 2011

Dear Sirs.

Greetings from BRC Budget Car Rental and Tours, Ethiopia!

Hope this message finds you well. It was a pleasure meeting you at Matka 2011,

Nordic Travel Fair held in Helsinki, Finland from 20-23 January.

Our staff has been working on a new project in order to satisfy the requests of

different tour operators whom we have discussed at different travel shows and

tourism fairs. The project included lunching a new web site and making a new

multimedia CD, reorganizing the tour packages among others.

As per our meeting and discussion during the fair, our company is now ready to

give you the details and the services you are looking for as we believe you could be

a potential business partner in the near future. We have sent you a package which

includes the company profile as well as our multimedia CD as agreed. We would

therefore appreciate if you could have a look at the materials and inform us if there

is any additional request you have in order to satisfy the needs of your customers.

We also would like to inform you that you are one of the companies on our contact

list and we hope that we will be able to communicate.

We thank you and look forward to hear from you.

With best regards,

Tutu Jauhojarvi

**Tourism Marketing Manager** 

Email. tutu.jauhojarvi@gmail.com

Mob. +251 921252893 (Eth), +358 408511083 (flN)

# Appendix 6

# Chart of interview results in relation to the service marketing typology

Trade fair/show	Countr y	Company type	Products (attraction, Tour package expectation)	Place (Access , booking, delivery)	Promotion	Process	Potential business partnership with BRC
	Matka N	ordic Travel Fa	air				
Matka Company a	Finland	Tour operator (including long distance)	Tailor made packages , nature, culture, tracking for individuals and groups up to 18 people	To be discussed in future	Website, Multimedia CD	Communicat ion by mail, prompt response	High future possibility
Matka Company b	Finland	Travel agency (including long distance)	Cultural, experience, business, relaxation for groups and individuals including tailor made	To be discussed in future	All promotional materials the company could get from BRC, presentation	Communicat ion by mail, prompt response	High future possibility
Matka Company c	Finland	Tour operator (including long distance)	Cultural, adventure, history and all types of tours for groups	To be discussed in future	Company profile, brochures, multimedia CD, more info.	Communicat ion by mail, prompt response	High future possibility
	NY Times Travel Show						
NY Company a	USA	Small tour operator (including some long distance)	Easy to start with. Not much adventure	To be discussed in future	Website, brochures, magazines, all promotional materials	Communicat ion by mail, active response	High future possibility
NY Company b	USA	Small tour operator (including some long distance)	Easy to start with. Not much adventure		Website, brochures, magazines	Communicat ion by mail, active response	High future possibility
NY company c	USA	Small tour operator (including some long distance)	Easy to start with. Not much adventure	To be discussed in future	Website, brochures, magazines, all promotional materials	Communicat ion by mail, active response	High future possibility

NY Company d	USA	Full service travel company(i ncluding long distance)	Culture, wildlife, tracking, history, city and probably more tailor made both for individuals and groups	To be discussed in future	Website, brochures, tourist maps, Multimedia CD	Communicat ion by mail, fax, phone depending on how fast the service is needed	High future possibility		
NY Company e	USA	Travel agent (including long distance)	Tailor made according to needs	To be discussed in future	Website	Communicat ion by mail, fax, active response	High future possibility		
	ITB Berlin								
ITB Company a	Germany	Tour operator (includin g long distance)	Cannot say				Probably		
ITB Company b	Germany	Tour operator (includin g long distance)	Cannot say				Probably		
ITB Company c	Germany	Tour operator (includin g long distance)	Cannot say				Probably		
ITB Company d	Germany	Tour operator (includin g long distance)	Al types of tours for individuals and groups	To be discussed if there will be a need to include BRC	Website, multimedia CD	Online communicati on	Possibility depending on future need		