

INNOVATIVE MARKETING PRACTICES IN TOURISM – A CASE STUDY OF DESTINATION MARKETING OF DUBAI

Shubhada S. Marathe, *Institute of Management and Career Courses IMCC, Pune*

05. E-mail : ssm241@yahoo.com, ssm.imcc@mespune.in

Introduction

Tourism Marketing is a complex, dynamic, creative and innovative process that seeks to market new destinations, new tours, itineraries and attractions to customers. Advertising is a highly visible part of this process but marketing also includes other important activities. Successful companies achieve their objectives by focusing on satisfying customers needs more effectively than their competitors. In order to stay in the world competition Tourism companies have to invest a considerable time and money in introducing innovative marketing strategies to market their tours and destinations.

Tourism is the largest component of service sector industry with annual revenue of almost 550 billion dollars. Tourism industry has earned over 735 billion dollars worldwide, provided service to over 900 million international travelers in the year 2012 and the number of tourists has increased to 1200 million in 2014 as per World Tourism Organisation records. According to 'World Tourism Institute' the prediction for tourism is that till 2020 the number of tourist traveling across the world will be nearly 1600 million and they will spend nearly \$2000 billion on it. The average growth in the tourism industry would be about 4.3% and the receipts would be 6.7% of the total service sector receipts.

The preliminary planning for marketing strategies begins by understanding the

1. Target Market
2. Understanding Customer motivations, expectations, needs and wants.
3. Customer's preferred mode of purchasing.
4. Optimal Marketing mix for the service offered.
5. Means of Retaining Customers.

Today's innovative methods of marketing incorporate the model of integrated business strategy. These methods when implemented enable the Tourism companies to compete and sustain themselves in the competitive global environment. The advancement in technology has left no option for the Tourism companies but to adopt new innovative practices for retaining and expanding their market. With a view to achieve this tourism companies have adopted the following Innovative marketing practices .

Internet Marketing Strategy



Internet as a Promotional Tool - It is an inevitable aspect to understand the importance and benefits of internet in today's competitive era. Internet is growing faster than all other communication technologies that have preceded it. This promotional tool is efficient, cost effective and its reach is unassuming and overwhelming. It has become important for every organization to have its own website and to operate and update it regularly. Attractive Tourism websites enable customers to do online tour booking and airline ticketing.

Types Of Innovative Online Advertising methods employed by Tourism Companies

Advertising of the internet comprises essentially three different types of format:

1. Search marketing
2. Classified advertising
3. Display advertising

Display Advertising

Online advertising has developed rapidly over recent years. The main forms of online display advertising are similar to print advertisements or short moving image clips, sometimes called 'banners' or 'skyscrapers' depending on where they are positioned on the screen. These can take the form of interruptive advertisements or pop ups. These are advertisements which automatically open a new window of the advertiser's site when a link is clicked on from a host site. Pop ups have a range of types including pop overs which sit on top of the website being

viewed or pop unders which stay behind the website being viewed until the window is closed. **Email marketing**

Email marketing is a form of direct marketing. A user or potential customer logs onto an organization's website and the site asks him to provide certain contact details, in order to register to gain access to the website content or at the point of purchase he makes on the website. The information demanded generally includes demographic details and email contact address. The organization builds up a database of email addresses which it then uses to send direct marketing emails.

Viral Marketing

The concept of viral advertising is literally a type of word of mouth that uses an online platform as opposed to the spoken word. Viral marketing works on the assumption of peer to peer communication and recognizes that people will pass on and share relevant and striking content which reflect their personal values most often by email or in social networking spaces.

Affiliate Marketing

This type of online marketing is different in that it relies on links between a 'host' website or online publisher, the affiliate and the organization placing the advertisement. An affiliate can be organization or an individual which promotes similar values or content, or complements the activities. For example Make My Trip advertises Hotels on its website .

Dr. Mrs. Vani Laturkar, Professor, Dean (Management) of SRTMU, Nanded. E-mail :
vanilaturkar@gmail.com

This refers to the 'renting' out of a part of a website by an advertiser or brand who then pays commission to the media owner on any revenue generated from sales which have been derived from this space.

Podcasting

Podcasting involves the production of audio content mainly in the style of a radio programme that is stored as an MP3 compatible file format and made available for downloading from a website. Online audio communications are at an early stage of adoption as a form of marketing communications but have been used effectively in non-advertising messages for the voluntary sector.

Online community

Online communities also provide an outlet for user generated web content often through the use of traveler forums or special interest groups. These types of sites are becoming increasingly popular with users and the business community .This type of content is often very useful for customers and advertisers alike since they have descriptions and explanations of tourist places.

Customer Relationship Marketing (CRM) is a core tool and tactics used within the tourism industry. Companies gather demographic data (age, income, location, etc.) and “psychographic” information (interests, hobbies, lifestyle, etc.) from email list brokers, hotels, airlines and other tour service providers. The information is used to develop marketing strategies to target prospects and develop tour services based on travel interests like visiting the Caribbean, Europe, major cities in the United States and more.

Building Repeat Business and Referrals

Marketing is used to gain preference by travelers to generate repeat business. Companies market awards and loyalty programs to allow travelers to earn points for each time they stay at a hotel, buy a ticket on an airline, rent a car, or use a travel company sponsored credit card. This marketing tactic increases the likelihood of tourists to return again and recommend others to tour the city or destination they visited. Marketing tactics are also used to provide travelers with incentives and rewards for repeat visits and referral.

Experiential Marketing -The experiential marketers argue that consumers no longer exist and we are all prosumers—enlightened and empowered consumers. The unique and memorable experience emerges as a strategic choice for tourism and leisure organizations to capture an intangible differentiation. It is imperative to understand the role of the emotional relationship that is established between the customer and tourism company, which contributes to boost the consumers’ satisfaction when their expectations are fulfilled.

These innovative strategies are especially useful in the Tourism sector because the customer profile is changing – the elderly and middle aged customers are replaced with a younger lot. They have the knowledge of online working and little time for direct contact. So these modalities attract them.

Innovative Strategies used for marketing Dubai as a tourist Destination

With the help of an excellent marketing strategy Dubai has emerged as one of the most attractive tourism destinations in the world. The ruling Makhtum dynasty of Dubai had the foresight to realize that oil is not an unlimited resource and there would be a need for alternative source of revenue. Here it differs diametrically from Abu Dhabi which did not take concrete steps to increase the tourist influx preferring to rely on its oil resources. The rulers have invested heavily in world class infrastructural facilities, as well as undertaken extensive marketing, and the outcome has seen a strong growth in tourism. Dubai has little or no natural attractions but has built many manmade attractions and added events to it. Without aggressive marketing Dubai would have remained a small part of Emirates.

Dubai as a Destination

Dubai is located on the coast of United Arab Emirate with the Persian Gulf bordering the western coast of the country. Dubai is surrounded by other states, including Abu Dhabi, the capital city of the Emirates (south), Sharjah (northwest), Oman (southeast) and Ras Al Khaimah (north). Dubai covers an area of 4,114 kms and lies directly in the Arabian Desert, where the sand consists mostly of crushed shell and coral and is fine, clean and white. Dubai doesn't have any natural river or oases, however, it does have a natural inlet named Dubai Creek that runs northwest through the city.

Dubai Tourist Attractions

Dubai has a number of products and services ranging from luxurious, adventure, unique, and business experiences/activities and services. Some examples of the products/services Dubai has Wild Wadi Water Park and Desert safari or Dune bashing for the adventurous , Burj Al Arab and Dubai Mall for Shoppers and for the businessman the city is an international business hub linking the West to the Far East. The Palm Island is an artificial archipelago comprising the Palm Jumeirah, the Palm Jebel Ali and the Palm Deira. Dubai Shopping is fast reaching legendary proportions -a place to enhance shopping experience by bargaining at traditional souks comprising of aromatic spices, scented perfume and other items such as kitchenware, clothes and accessories. This place is also famous for its incredible gold souk.

Dubai Events

The Rulers are always reinventing Dubai as a tourist destination by adding new attractions to the place . Current attractions include -The Dubai Shopping Festival (DSF) which has played a major role in promoting Dubai to the stature it enjoys around the world today as shoppers paradise. Today, DSF is a leading global event that employs innovation to offer the finest in retail shopping, winning, and family entertainment. Held in January-February every year, it attracts world-renowned entertainment events to Dubai, many of which make their Middle East debut during DSF. DSF also highlights the latest destinations and attractions in Dubai that are a symbol of the emirate's growing popularity and state-of-the-art infrastructure.

Dubai Summer Surprises

Dubai Summer Surprises is the hot weather counterpart of the Dubai Shopping Festival. For ten weeks, there are special events in many of the shopping malls with themes changing weekly. This annual festival event was launched in the summer of 1998 by the Dubai government in order to promote Dubai as a family holiday destination in the region. It focuses on fun, knowledge, and entertainment for kids during the yearly summer vacation and attracts families year after year. The Dubai Summer Surprises normally runs during the months of June to August.

Horse racing - Dubai World Cup

The brainchild of HH Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President, Prime Minister and Ruler of Dubai, the Dubai World Cup is a fitting tribute to his love of horses and of horse racing. The inaugural Dubai World Cup meeting was held in 1996. Today, the world's richest horse race is held at the iconic Meydan Grandstand and Racecourse. More than 50,000 race goers attend the Dubai World Cup meeting each year.

Dubai Target Market- Dubai's target market is a diverse group of tourists from shoppers to business people, and sports lovers to celebrities. The reason why Dubai has such a diverse range of tourists is because it caters a wide range of products/services. Dubai also has selected its targets, including among others Europe, United States and Australia, as well as some developing markets like China, Latin America, and India.

Dubai has evolved from a seaport trading center to a leading tourism destination and transshipment hub. The Dubai International airport, Dubai Duty Free and Emirates Airline, which are all owned by the government, together focus on promoting Dubai through extensive advertising and innovative promotions. Emirates Airline for example offers packages during DSF and assists in obtaining Visa. Substantial investments have been made, in creating attractions such as, the tallest hotel, the richest horse race, the largest manmade archipelago.

Marketing of Dubai as a Destination

The concept of destination lies at the heart of tourism. Gunn C. A. in 'Tourism Planning' sees a destination as being a 'travel market area' and referred to destination zones as 'geographic areas as critical mass of development that satisfies traveler objectives.' C. J. Matelka in the 'Dictionary of Hospitality, Travel and Tourism' defined a destination as a 'geographic location to which a person is travelling.' A destination is therefore a spatial or geographic concept that tourists visit for a limited period of time for leisure.

Destination Marketing Issues

Due to the scale of operations most Destination Marketing Organisations (DMO's) are managed by government and semi government bodies and committees with each member representing stakeholders with different skill sets objectives and resources.

Most destination marketing organizations seek to influence the 7 'Ps' of the marketing mix for the destination, namely the product, price, place, and promotion, people, process and physical evidence. The 'P's' where these agencies have a significant control is promotion and price which is why most of their activities are focused in this field. This often results in glossy brochures and competitive pricing.

Innovative Destination Marketing Strategy

An effective marketing strategy for services identifies an organization's key products and people strengths and creates a customer offer based on them. The basis of marketing strategy is formed by sector experience, destination knowledge and building of the service product to suit the tourists expectations.

Destination marketing is structured around five primary reference points-

1. Destination-A geographical locale with a set of attractions, events, services and places which together create a total experience and value proposition to the tourist.
2. Tourist: Defined as a buyer of services providing him with leisure, relaxation, fun, personal enrichment.
3. Tourism Services Suppliers- Destination marketing is primarily accomplished by a large group of independent firms and agencies that work together to serve their independent interests. Suppliers include both private sector firms (e.g. hotel), and public sector agencies (e.g., a public transportation).
4. Management - Careful management ensures a coordinated and consistent offering. The Coordination required between different agencies involved in the tourist experience including private and public agencies, Airlines and Tour Operators etc. is essential. An apex body is usually in charge.
5. The Local Citizens: The more interest the locals take in the development of the destination the more the rewards they get .The citizens get monetary rewards , craftsmen get a boost and traditions are kept alive with the influx of tourists.

Innovative Marketing Strategies used to Promote Dubai

Strategy -Developing a powerful and unique value proposition to urge tourists to select the city over numerous alternatives Execution of Strategy - by constant internet advertising by Dubai Tourism Website, by emails and Tenancies.

Strategy -Dubai has to be looked upon as a city of excitement and surprises. Execution of Strategy -the referrals and customer loyalty play a big part here. There are many repeat customers who visit the Dubai Festival every year.

Strategy - Branding the value proposition in a advertising program that is consistent. Execution of Strategy The Emirates Airline projected as a luxury partner is constantly offering freebies, discounts and Visas to tourists . The Brand Dubai stands for Luxury and Excitement.

Strategy -. The socio demographic details of the tourists give the Dubai tourism authorities an understanding of customer's preferences, and purchasing pattern. Execution of Strategy –The

target market is then tapped by email and viral marketing .

Strategy -. Perennially laboring to increase of destination's offerings by adding new attractions.

Execution of Strategy - Loyalty is built in by viral marketing and Tenancies at sites the customer sees on the Net so that the repeat customers will come to see the new attractions . .

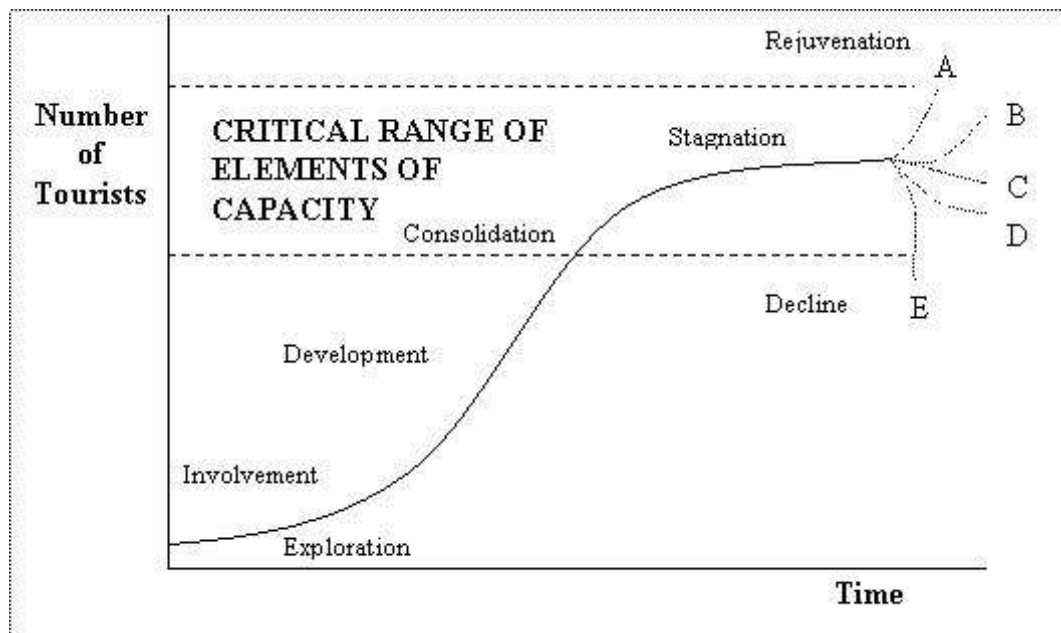
Strategy -. Creating compelling reasons to visit in the off-season when the temperatures are high Execution of Strategy - by offering huge discounts in the off season .

Branding of Dubai Destination

Dubai has a brand, logo and various websites promoting the destination. The Dubai Department of Tourism and Commerce (DTCM) launched the Dubai Heart logo in 2005. According to the DTCM the red colour of the Dubai Heart reflects courage and dynamism of leadership in the area, and the heart logo represents the healthy, vibrant, and strong character of Dubai. "Even when the whole body is asleep, the heart is at work diligently pumping and that is an expressive comment about Dubai".

Dubai Department of Tourism and Commerce Marketing (DTCM) has announced that a new survey has named Dubai as the world's top shopping destination among shoppers in the Arab World. The survey by Yahoo! Maktoob Research revealed that 32 per cent of shoppers rank Dubai as the best in a list that included prominent global cities such as London, Paris and New York .

Dubai's Position in Destination Life Cycle



The placement of Dubai in the destination lifecycle is at the consolidation phase because the destination is still being built .Although it is already thriving, when it is completed in 2020,

Dubai will be like no other city in the world .The continuous increase of tourists to the destination and the service given to the tourists by national and international companies is geared to future success.

Conclusion

We have seen that destination marketing is an interesting, complex and difficult activity. However, as more and more places seek to become major tourist destinations, there has never been a greater need for effective destination marketing. This is particularly true of Dubai where we have traditional mores and way of life paving way for the latest that technology can offer. Dubai is already a good tourist destination, but in the near future once they have completed their outstanding projects, Dubai will become a great tourist destination. A place that has a little something for everyone, Dubai will truly become the ‘City of the Future by implementing innovative marketing strategies .

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