

Understanding Visitor Needs



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1 Introduction

This module focuses on identifying and developing quality visitor experiences that meet, and ultimately exceed, consumer expectations. It reinforces the importance of research, product differentiation and quality customer service.

Successful marketing requires timely and relevant market information. Marketing is often a major expense for SMEs, but use of market research can significantly reduce costs by highlighting those market segments that will produce the best results.

There are cost effective measurement tools available to provide consumer feedback and to help understand visitor needs and expectations, but these are often overlooked, or underutilised, especially by SMEs, because of time, perceived cost and work pressure.

Monitoring of the wider social and economic trends can also help a business to anticipate problems and to capitalise on opportunities.

2 Researching The Market

There is a wealth of free or low-cost data that can help you to understand your customers:

- Council Economic Development Units
- Regional Tourism Associations
- Visitor Information Centre staff and surveys
- Local/ regional tourism studies/ strategies
- [Tourism Australia research library](#)
- Other State/ Territory Tourism Organisation's research libraries (online)
- [Tourism Research Australia](#)
- [Australian Bureau of Statistics](#)
- Industry associations (you may need to be a member)
- Industry and professional journals
- Industry conferences and workshops (key presentations are often available online)
- Market research companies
- Tourism industry consultants
- Newspapers (business sections and opinion pages are often good sources)

3 Customer Surveys

One of the simplest and most cost-effective ways to obtain personalised customer data is to conduct your own survey. This can be done when:

- You receive enquiries by telephone
- Customer check-in
- Customers are enjoying your product
- Customer check-out
- You conduct a post-visit follow-up

When doing your own surveying, remember:

- Format the questions for ease of data processing
- Minimise the number of questions and keep them brief
- Make the questions meaningful to your business
- Consider offering an incentive (especially for written surveys)
- Make the time to regularly analyse the results
- Share the results with your staff

If constructed and conducted correctly, the results of surveys can not only inform you about your customers, but can also reveal your business's strengths and weaknesses.

Regular analysis will help you to correct problems and to react to new trends, especially if they could adversely affect the business.

By thoroughly understanding your key market segments you will be able to identify key selling points and determine product offers and marketing messages that may appeal to them. Knowing the information processing habits of your segments can also help you to be more strategic and cost-effective when choosing publications and electronic media to reach them.

There are many companies who can assist you to accurately construct and conduct surveys.

To undertake post-visit surveys, it is worth considering the many online survey options available, some of which are free, and many are low cost.

4 Mystery Shoppers

Most operators are emotionally involved in their business operation, so it's often valuable to engage an external, independent organisation to undertake a professional, objective assessment of how you are serving the needs of your customers. The process is called customer auditing. You may also know it as 'mystery shopping'.

Establishing high standards of customer service across your region should be one of the roles of your regional tourism association. Talk to them about how the association conducts industry networking, professional development for operators, training and quality control measurement across the local sector.

5 You Are The Product

Tourism is an amalgam of service industries. The 'products' we sell are 'experiences'.

A motel room, tour bus, fishing boat, café and, in fact, any piece of infrastructure is not the 'product' in itself, but is simply the tool needed to help deliver the visitor 'experience'. As the host, you are the primary creator and deliverer of that experience to your guests.

Tourism experiences are primarily created through service and, in particular, through the people who deliver that service. Long after the holiday photos have faded, it is the service, the experiences - and the people who helped to create them - that visitors remember.

It's also important to remember that nobody in the tourism business operates in isolation. The total visitor experience relies on quality delivery from many suppliers.

This makes the issue of quality control even more important for members of the tourism industry, and especially for regional tourism associations, who need to build quality control across their entire sector.

Whether you're a single operator or a regional tourism association, creating exemplary service requires a solid understanding of your customer and the wider marketplace.

6 Segment Your Thinking

There is no such thing as the 'mass market', especially in the tourism industry. Rather, the marketplace comprises smaller and often niche segments that reflect people's diverse tastes, interests, values and priorities.

Traditional 'scattergun' advertising is an expensive way to reach new prospects. Marketing needs to be as targeted as possible. Your product offer and your marketing message needs to reach those who will respond most positively to it, and at times when they're most likely to respond.

Almost all products have more appeal to some market segments than others. Your challenge as a tourism operator is to discover which segments will produce the best return on your effort and financial investment.

7 Questions To Think About

It's important to know as much as you can about your customers - both current and potential – as well as your major competitors. It is also important to not only look at your customers in isolation, but in the context of the broader environment.

• What do I know about the environment I am operating in?

- o What are the relevant trends that I should be taking into account?
- o What are the trends affecting the tourism industry in Australia?
- o Do these trends differ for Victoria and my region?
- o Who are my direct and indirect competitors, and how are they performing?

• What do I know about my existing customers?

- o Who are they?
- o Are they really the type of customers I want or need to be attracting?
- o What are their needs and expectations from a tourism product?
- o What else do I need to know about them? How can I find this out?

• How am I segmenting the market?

- o Is the financial return from my current segment/s worth the effort I am putting into chasing them?
- o Do I need to rethink my target markets?
- o Do I know enough about potential new customer segments?

• What are the broader consumer trends?

- o What are the emerging and changing preferences, motivations, behaviours?
- o How are people now spending their money? What are their priorities?
- o How might this be affecting my business?
- o What don't I know?

Some steps to follow:

1. Identify what's important to know for your business
2. Assess what you know already
3. Identify what information/research already exists and is accessible to you
4. Outline what are your information/ research gaps
5. Determine how you can address the gaps. Remember, collecting your own research is one option, but may not necessarily be cost effective or the only alternative. Seek advice.

8 Satisfaction Is Not Enough

You'll find many definitions of 'customer satisfaction', but what it boils down to is the difference between

- what the consumer expects from you, your business and staff, vs
- what you actually deliver to them.

A better understanding of, and response to, the needs and desires of the market should boost business performance and, therefore, levels of customer satisfaction. This usually results in:

- Increased loyalty
- Repeat visitation
- Word of mouth endorsement
- Greater tolerance of price increases
- Enhanced reputation
- Cheap/ no cost customer acquisition
- Improved staff morale and workplace satisfaction

To build repeat business and to achieve excellent word-of-mouth you must aim to exceed their wants, needs and expectations. It's called the 'delight' factor and is best described as the 'surprise' component of your product offer. In tourism and travel the delight factor is usually generated through exceptional and personalised service.

9 Choosing The Market Segment

If you are developing a new tourism product you have a ground-up opportunity to carefully plan and tailor the product to satisfy your chosen market segment/s. This is achieved not just through the 'bricks and mortar' of your facility, but also how you will meet, and exceed, the service and experiential expectations of that segment/s.

The information needed to be known by someone contemplating a new tourism product, or buying an existing business, includes:

- Will/ does the product meet a real market need and consumer demand?
- What competition already exists?
- Does the product have synergy with the branding and market positioning of the region?
- Which market segment/s will best respond to my product offer?
- Is the segment large enough – and accessible enough – to sustain business for the majority of the year?
- What service standards are expected by that market segment/s?

Fine-tuning can pay dividends

Even a mature business, with a well-established clientele, can benefit from examining whether its target market/s is still relevant and is cost beneficial.

Does your existing target market/s still respond to your product offer? If not, and a new segment can't be found, then it may mean that your product is outdated and may need re-working to enable it to survive in the competitive tourism environment.

What should you aim to know?

- Where they live
- Leisure/ recreation interests
- Travel patterns
- Disposable income
- Spending habits and priorities
- Values
- How they obtain their information

How can you do this?

- Ask questions
- Pay attention to your customers' comments
- Observe other businesses
- Consult tourism industry colleagues
- Consult relevant industry associations
- Conduct surveys
- Analyse existing data