

What I Need to Know to Begin

Doing Business in the International Arena

The Role of the Receptive Operator

The receptive operator functions as a valuable link between the international tour operator/wholesaler and US suppliers of goods and services needed for international travelers. Tour operators plan, arrange and promote complete travel programs to a variety of worldwide destinations. Receptive operators arrange local services such as hotel, food, sightseeing, and transfers for the tour operator's programs, exclusive of transportation to and from the destination.

Receptives offer many expert services to the international buyer by providing:

- Communications between client and supplier.
- A centralized payment source that accepts payment in international currency and pays supplier in dollars.
- Marketing, sales and promotion of suppliers of goods, services and destinations in international tariff guides.
- Multilingual staff and guides.
- Experience with the customs, habits and appearances of different cultures.
- Knowledge of international consumer laws.
- Development and coordination of package components and options, including meet & greet, transfers, sightseeing, accommodations, transportation services, escorts, meals, and entertainment throughout the U.S.

Receptive operators can deliver the following types of business:

- Ad hoc groups
- Escorted bus tours/series
- FIT packages/options
- Incentive groups
- Special interest programs
- Corporate/business
- Individuals and families

The Role of the Destination Marketing Organization

Destination Marketing Organizations (DMO's) include state or provincial tourism offices, convention and visitors bureaus and chambers of commerce. Their primary function is to promote a city, state, or region as a travel destination.

DMO's can assist the receptive tour operator in the creation of itineraries by supplying pertinent information on the destinations they represent. In doing so, certain things must be taken into account, such as:

- Which market segment is most desired
- How many days visitors tend to stay in a particular area.

- What draws visitors and whether it applies to international tastes.

When promoting a destination, research is key to a successful program. By working closely with receptive companies, DMO's can understand the needs of the market and avoid pitfalls in getting the destination promoted internationally.

The Role of the Supplier

The travel and tourism infrastructure consists of services provided by suppliers to attract the visitor and enrich their experience. Suppliers provide transportation, accommodations, ground services, food services, attractions, entertainment and tour experiences.

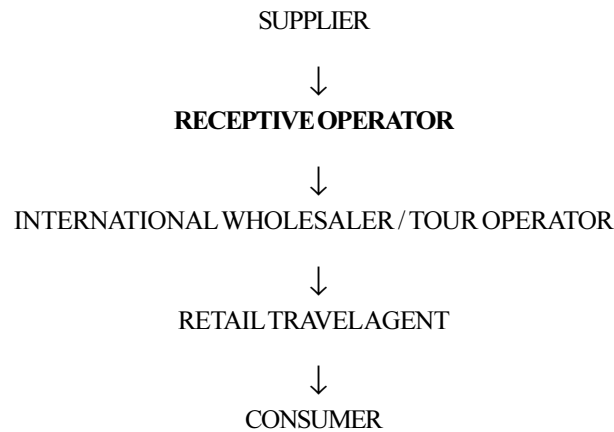
Suppliers' responsibilities include:

- Providing a quality product.
- Maintaining professional systems and procedures for reservations, operations and accounting.
- Maintaining appropriate and reasonable pricing structures.
- Providing marketing, sales and promotional support and information updates.
- Maintaining professional staffing and services.
- Understanding and providing for the needs of different cultures, customs, habits, appearances and consumer laws.
- Providing rates and schedules to the receptive twelve to eighteen months prior to the coming year.

The supplier should remember that if their product or service is a new or an unknown product or service in the marketplace, they must work in conjunction with receptive operators to promote their product. This does not preclude marketers from actively promoting their product internationally and creating the demand for it. The receptive's role in marketing a product lies in serving the established client base he/she has, and in functioning as a conduit between the tour operator abroad and wide variety of products and services he/she sells to them.

Chart of Costing Breakdown

The following chart demonstrates where the receptive operator fits in the international distribution chain.



While the chain may appear to have many links, the receptive operator fills a number of important functions that expand the supplier's marketing reach. By marketing and selling globally, the receptives become experts in international languages, customs, consumer laws, currency fluctuations, buying habits and marketing methods. They develop networks of sales contacts and personal relationships, and they sell in volume that, in many cases, would be unattainable by an individual supplier. What the receptive operator asks in return for all this is a reasonable reduction in the price of the supplier's product.

Since each link in the chain must add a mark-up or take a commission, the receptive operator's price should be the lowest price available in the supplier's tier. Suppliers will have to offer their product at a low price, but the international exposure and the increase in volume make it a winning situation for all parties involved.

International Sales and Distribution Network

Here is a more detailed description of the major links in the international buying chain.

International Consumer

- Uses travel agent to purchase pre-packaged travel. These packages may offer other options once the travelers are in the U.S.

Travel Agent

- Relies on tour wholesaler to provide brochures with packages and tour options for their clients.
- Purchases the package or product from the tour operator.

International Wholesaler/Tour Operator

- Can negotiate directly with suppliers but most often uses receptive operators who offer a range of services and prices for the entire U.S.
- Tends to expect net rate.
- Produces tour brochures distributed to agents.

Receptive Tour Operator

- Produces a tariff.
- Creates packages by combining products such as ground transportation, tours, accommodations, entertainment, and meals.
- Produces brochures.
- May sell optional add-ons.
- Collects all moneys on behalf of the suppliers.

Supplier

- Sells an individual component of a tour package to the receptive operator.
- Offers lowest tiered rate to receptive operator.
- Gains low-cost marketing and distribution.
- Gains increased sales volume.
- Can price product or service seasonally.
- Collects payment from the receptive.

Beyond The Basics:

Understanding the subtle distinctions between the various parts of the buying chain may require a more detailed description of some of its links. These descriptions should help you to understand the sometimes complex relationship between retailers, tour operators and receptive tour operators.

As you read these descriptions, keep in mind that many categories experience crossover. The lines separating the categories are not absolute.

Wholesalers

In the travel industry, wholesalers are companies that usually create and market inclusive tours and individual itineraries for re-sale by other marketers (e.g., travel agents).

Wholesalers are usually synonymous with tour operators, but there are important distinctions:

- While a wholesaler presumably sells nothing at retail, a tour operator often does both.
- While a wholesaler does not always create his or her own product, a tour operator virtually always does.
- A wholesaler is less inclined than a tour operator to perform local services, such as “meeting and greeting” clients.

Tour Operators

Tour operators are people or companies who create and/or market inclusive tours and /or subcontract

their performance. Most tour operators sell through travel agents (as do wholesalers) and/or directly to clients (as retailers).

Receptive Operators/Sightseeing Operators

Receptive operators are companies that specialize in providing a wide range of tour products and services for incoming visitors. Receptives will assemble the various components of a tour and sell them together, at a wholesale rate, to international wholesalers or tour operators. A receptive operator will meet visitors arriving at a destination and coordinate all arrangements on the tour.

Sightseeing operators are companies, which are based in a given destination, that provide contracted guide services for visitors. These services are generally sold, at a wholesale rate, through packagers such as receptive operators and international wholesalers. Sightseeing operators, while they do provide what some refer to as a "receptive service," normally do not arrange other aspects of the tour.

How can tour operators and suppliers collaborate to increase business?

The receptive's have for many years packaged and sold travel product to the international visitor and tour wholesalers throughout the world. We have learned and cultivated the nuances of different markets, and the needs these markets have to package the product. That is why we are sometimes quite difficult to deal with. We are trying to create a smooth and hassle free product for the tour wholesaler abroad.

I could tell you to do your homework and focus on one thing be goal oriented and partner with a well known company but how many of us have the time,budget and brand name to actually entice a partnership with a Mc'Donalds. As we try to package the United States for international consumption we find that many of our competitors and or multinationals have a strong presence in theses markets and we intend on breaking into these markets by attending the International tradeshows and having our products or services seen by the wholesalers, but what we seem to forget is that every aspect of the travel experience must be correlated with the whole experience.

That is where the receptive can be of considerable help. You may be very familiar with some of the larger receptive companies, but there are a multitude of receptives that focus on certain markets and are sensitive to their needs. They may already be dealing in the markets you are looking to cultivate, and have arrangements with major tour operators that are offering the United States. These companies have longstanding relationships with the most reliable sellers of the product eliminating the need for high budget promos and costly travel expenses for the budget minded destination and or service provider.

By partnering with a receptive you get the knowledge, experience, direct connection to the buyer and the collectability factor of what is owed. In otherwords you get a local number to call when payments are due. The cost for your participation is usually a lower rate a fam trip here and there. Although this is a very productive way of getting your product or destination marketed internationally in no way does it preclude you from actively promoting yourself internationally, because receptives like yourselfs' are business people and they need to make a profit so if you are encountering difficulties in getting your product or destination into the receptives tariff you can do so by creating the demand.

Many suppliers have partnered together with destinations and local CVB's to offer international tour operators the opportunity to visit and experience their destinations. One such example is New Orleans with the Brazilian market. According to their figures they have experienced a substantial growth from this market segment and the return will far out weigh the investment with the increased traffic they will receive for years to come. This will also create a scramble amongst the other wholesalers that wish to compete with the bigger tour operators that initiated the packages. These smaller operators will begin to request from receptives the destination and thus creating exponential growth for the destination.

Serving International Customers

Are You Ready?

Before thinking about reaching out to international visitors it is crucial to ask some serious questions and the first one has to be, “are we ready?” Is your hotel, attraction, destination or service equipped to take care of the international market in such a way that the customers will return home singing your praises?

Consider for a moment the role of guest retention in profitability:

- The importance of word-of-mouth advertising is even more pronounced for visitors traveling from abroad, where uncertainty and simple lack of firsthand information can influence decisions about travel.
- A dissatisfied guest will tell as many as 10 people about a bad experience. In international travel, where travel itself is often the topic of conversation, the numbers can be even greater.
- Attracting international guests takes time and money, and may require multiple visits to earn a reasonable return.
- If you lose a long-time guest, it’s even more difficult and expensive to get them back; you can’t go out and find new long-time guests overnight.

This chapter is dedicated to helping you create an international service plan that is consistent with your marketing targets, partners and overall objectives, and can be implemented within your product or service. Remember, your receptive operators will want to make sure that they are representing the best possible product to the international markets they serve.

This chapter covers learning what you need to know about your customers and learning how to serve them. While some of the information presented here is specific to hotels and tour operators, most of the information is applicable no matter what type of service or product you provide.

Know Your Customer

You simply must know as much as possible about the customers you intend to serve before you can begin to serve them. This is perhaps the most obvious step but it's the one that is most often overlooked. This is especially true in the international arena where customs, languages, behaviors, needs and expectations change from one country to the next.

“Service” is all about meeting needs and satisfying expectations. Good service is often about anticipating needs and exceeding expectations. So in order to provide good service we must be able to understand the needs and expectations of those we set about to serve.

But before we discuss the needs and expectations of the traveling public, we need to point out that a supplier has many different types of customers within the buying chain. Smart RSA members want to know not only what the consumer wants, but they want to know what the travel agent needs to sell to the customer, what the tour operator or wholesaler needs to sell to the travel agent, and what the receptive operator needs to sell to the tour operator or wholesaler. It's knowing the needs and expectations of all of his or her customers that enables a supplier to shape and position the most desirable product.

How do we learn what the customers want? Research. Research is a simple process of asking some basic questions and setting out to find the answers. For some it can seem like a daunting prospect but, with the emergence of Internet technology and the available support of numerous trade associations and government agencies, it gets easier every day. Not surprisingly, the very best place to start may be your receptive service provider or the RSA. (Much of what you need to know is right here in this manual.)

One of the first questions you'll want to ask is whether your product is appropriate or desirable to an international market. Is there an international market for your product? Do visitors from outside the country already use your product or service? How many? Where do they come from? What do they think? What are they saying about you when they go home? If you already have an international market, sit down and ask them for their opinion or develop surveys and questionnaires. They may be the best possible source for the information you need to know.

If you don't have an international following, does anyone else in your market? Can you ask them? Are there suppliers in the market that you can ask? Do you have a chamber of commerce? A convention and visitors bureau? A city or government agency that supports tourism? What are the local resources available to you? Has one of your potential marketing partners already done the research you need to discover?

Later in this manual we'll discuss the Internet, but it's worth stressing here that the world wide web contains an astonishing amount of free information. A few minutes of surfing can provide you with reams of information on the markets you want to reach. For those of you who can pop on the net right now, check out this site: www.worldculture.com.

Research can be anything from asking another tourism professional for some advice to spending thousands of dollars with a professional research firm to gain original information about your product or target markets. Let your budget be the guide. Use existing research first and, if you need it, pay for more. But, whatever you do, start by asking your tour operator buyers. Ask them what they need from you, and ask them for the information they already have about the markets they serve.

Dealing with Different Customs

More often than not, your research will reveal differences in customs between your international target markets and your own American way of doing things. Pay careful attention to these differences for they can mean the difference between a life-long repeat customer and an international disaster. You can never know too much about the customs, values, styles and habits of your guests' homelands. Consider these examples:

- Chrysanthemums symbolize death in Japan, Italy and Belgium.
- A gift of a knife in Latin America signifies the severing of a relationship.
- The American “O.K.” sign is a gesture of vulgarity in Brazil.
- The sight of a sole, considered the dirtiest part of the body, offends Arabs.
- The triangle is a negative shape in Taiwan and Korea.

It is easy to see how a seemingly innocent oversight can send a powerful negative message. Is the bouquet of silk chrysanthemums in your lobby sending the right signal? How about the clever promotional pocketknife with your name printed on it or the lovely triangle-shaped graphics on your brochure? It’s always a good idea to be knowledgeable about your guests’ greetings, gestures, eating habits, religions, values, attitudes, lifestyles history, government, economy, etc.

Of course few of us will become experts on international protocol, and cultural differences *will* lead to misunderstandings. But the more we learn, and the more information we share with our staff, the better we will be able to serve our new international customers.

Knowing your customers will help you to realize if you’re ready to serve them. If you’re not ready, it’s time to do some necessary preparation. Target a few countries that you know most about first. Add more countries each year as your knowledge and marketing plans grow.

International Consumer Protection Laws

Due to the increasing amount of consumer protection laws throughout the world, it is imperative for the RSA member to investigate the laws pertaining to the country whose citizens they would hope to attract. Many countries have strict laws protecting their consumer, and due to the looseness in which they are written, dissatisfaction with a product or service is pretty much left to the consumer’s judgement. To avoid pitfalls in this area, RSA suggests that you contact the country’s Embassy and/or Consulate office, which should be located in Washington D.C., Ottawa, or in major cities throughout the United States and/or Canada.

Understanding consumer protection laws will assist you in your marketing efforts in a given country, and will give you basic guidelines as to what is and is not covered under the governing country’s laws. Many tour operators in Latin America and throughout Europe are strictly governed by what they must provide when they issue vouchers. For example, in many countries, tour operators prefer a frontal picture of a hotel property rather than a room picture, since the client can return indicating they did not receive the actual room depicted in the brochure and thus be entitled to a refund. It can be that specific.

Associations which govern international travel such as Travel Industry Association of America (TIA), The World Travel Organization (WTO), The Receptive Services Association (RSA), ((Cheryl, can you fill in here?)) can be very helpful in learning about consumer protection laws. The WTO maintains a database of legislation regarding travel and tourism from all over the world. It is easily accessible at the WTO web site (www.world-tourism.org). And TIA’s extensive WEB site can be accessed at (www.tia.org). Most of these resources will either contain the information you need, or tell you how to get it.

The bottom line is this: know as much as you can about your liability. Be clear and honest about your product, be reasonable in your interaction with foreign customers and be consistent in your dealings with everyone. Make sure printed sales materials tell the real story about your product and keep the information up to date. The vast majority of travelers simply want to enjoy the tour they paid for. All it takes, however, is one malcontent or one person who perceives a failure on your part to live up to a promise, and you might find yourself eating a hefty chunk of your international profits.

Preparing for the International Visitor

Don't worry. Chances are you're not alone! If you are preparing to welcome an international visitor, it is likely that there are others in your community who are doing the same thing. And some of them have been doing it for a long time. Take time to get to know your local friends (and competitors) in your market. Learn from those who have experience with international markets and team up with those who compliment your product or service. A community that reaches out to foreign guests together stands a better chance of succeeding than a single product does on its own.

Are there tour services or transportation companies in your community who speak foreign languages? How about guide services? Information bureaus, consulates, DMO's? Each of these organizations can be an important marketing partner or an invaluable resource for you to tell your international guests about. It is important for you to know everything you can about the services that are available to you and to your international guests.

In meeting with these organizations, ask for copies of their promotional literature and compile a welcome kit for visitors, multilingual, if possible. Depending on the nature of your product and the nature of your local competition, the kits might include:

- Guides to the area, maps, shopping, sightseeing services, museums and zoos
- Conversion charts for weights, measures and distances
- Lists of low-cost currency conversion resources or ATM's
- Lists of local ethnic restaurants with multi-lingual menus, cultural festivals, ethnic neighborhoods and churches (especially those with foreign language services)
- Sporting events, theaters, golf courses and recreational facilities
- Hotel "how to" guides for guests' usage of telephone, television, laundry and valet services.

Anything you can do to make your visitors' experience in your community more rewarding will pay off down the road in more international business. Share the wealth with your marketing partners and pool your resources to provide the best possible overall experience.

Knowing Your Customers' Money Concerns

To many travelers dealing with unfamiliar currency can be intimidating enough to detract from the quality of a trip. Therefore, your gentle assurance and authoritative help will be much appreciated. Here's some useful information and some practical advice on dealing with money concerns>

Cash is still a popular form of international payment, but many travelers will arrive with credit cards in hand. While a credit card presented by an international traveler may appear alien to a front-line service person, in all likelihood it is simply a branded version of Visa or Mastercard. Many banks around the world offer specially branded cards, such as Barclaycard in England (Visa) or Eurocard (Mastercard). A good way to check is to locate the small Visa or Mastercard logo, which appears somewhere on the card.

In some countries, unique international credit cards dominate. In Japan, for example, the JCB Card is predominantly used. In these cases, you should determine what credit cards are most popular in your target markets, and consider accepting them; it may be very worthwhile.

To aid your staff, you might consider creating a chart of international credit cards, including their names, a photograph for each, and applicable countries. That way, staff members know immediately what they're dealing with.

Of singular importance is making it easy for travelers to exchange money. Many international travelers are aware of our poor foreign exchange facilities and, therefore, will travel carrying U.S. dollars. But, if you count on them to do so, you're only limiting your opportunities.

There are several ways you can help travelers exchange money. First, you can find a local bank or exchange outlet and ask them to convert the currencies of your target markets. A good bank will welcome the opportunity. Remember that everyone prospers from international tourism, even banks.

Second, your bank may be willing to help you establish an in-house currency exchange service. However, do not use this service as an additional profit center. Guests can easily check daily exchange rates and discover that you've marked up conversion fees beyond what it should cost to provide the service.

Another exchange method that has been growing in popularity is the use of automated teller machines (ATMs). Almost anyone who carries a credit card today has access to ready cash offered by the bank issuing the card. Beyond that, many banks around the world are issuing cards that provide 24-hour access to home bank accounts through ATMs. As part of your resource list, include a list of nearby ATM locations and the cards or networks that can be accessed through them. Again, your own bank and major credit card companies can help you in this regard.

One more very nice touch: Since visitors can be confused about the relative value of American currency, why not print up a wallet-size chart of coins and bills and their value. Your practical kindness (and your logo and contact information) will be remembered back home.

Are You Ready to Accept Vouchers?

Travel vouchers can be a little confusing, mostly because they are not standardized throughout the world. But if you have agreed to work with overseas travel agents and tour operators, you must accept the vouchers they issue. Again, help staff by maintaining a book containing the types of vouchers they can expect to encounter. Include the services normally covered by each, along with a “how-to” explanation of acceptance, processing and bookkeeping procedures.

What’s most important is training staff to accept vouchers without confrontation. If, after accepting the voucher, there appears to be a problem, it’s much easier — and a better reflection on your company — to resolve the matter as soon as possible and in a confidential manner with the tour operator. Causing embarrassment and anxiety will only serve to alienate your clients.

Planning Before the Tour Arrives

No matter what your business, it is a good idea to plan extensively before your international guests arrive. Make your master lists and check them carefully. Make sure your staff is adequately trained and fully briefed on who’s coming and what they should expect. Anticipate the questions you’ll be asked and get ready to answer them. Walk through your own door and imagine you are the international visitor arriving for the first time. What would you think? And make sure you have contingency plans if something goes wrong including a readily available, multilingual troubleshooter.

International Service Checklist

- Be warm, welcoming and friendly
- Be sympathetic to international guests' needs at all points of contact.
- Provide multiple language brochures, service guides and city guides. Establish a liaison with local organizations that provide foreign language services.
- Find out whom in your area provides various foreign language services.
- Consider adopting an international symbol/signage program.
- Make conversion charts for weights, measures and distances available to the guest.
- Appoint one person to direct your international service program.
- Discover all the languages your staff and members of your community speak.
- Store that information with appropriate telephone numbers.
- Compile a black book with all relevant phone numbers of interpreters, sightseeing services, cultural institutions, shopping outlets, consulates, embassies, airline offices, ATMs, etc.
- Be in a position to exchange foreign currency and travelers checks, or find a local bank that will.
- Accept international credit cards and travel vouchers.
- If you use media resources such as televisions or electronic signage, consider using foreign language programming or information.
- Provide multilingual telephone instructions. Check with your telephone company for this and other international telecom services.
- Translate menus into the languages of your target markets.

Something just may go wrong and certain details are likely to be overlooked but the better prepared you are, the closer you will come to a perfect visit. And if something does go wrong, being ready to correct the situation efficiently and with maximum deference to your international guests, will reflect well on your business.

Welcoming the International Visitor

If you've traveled to places with different customs and languages, you know how daunting it can be to encounter rude service people who don't speak your language and who don't seem to care about your needs or anxieties. But if you're lucky, you also know how comforting it is to be warmly welcomed by someone who respects your position as an outsider, and who wants more than anything to put you at ease.

The most important thing you and your staff can do to welcome a visitor from a foreign culture is to smile, relax and let it be known that you are at their disposal.

If your business requires orientation, such as showing a hotel guest around a room, pointing out the floor-plan in an amusement park or museum, or describing the itinerary of a sightseeing tour, make sure you have the staff on hand to pass along the necessary information in the right languages. If your staff cannot speak the language, make sure you have some appropriate printed material or pictures on hand. At the very least, have someone who will be patient with the guest and their ability to speak your language.

An awful lot of the anxiety that accompanies travel comes from fear of the unknown. The more comfort and reassurance you can insert into a traveler's visit, the more enjoyable it will be. And if you do it at the very beginning of a visit, you'll set the tone for an entire stay. In travel, first impressions can mean everything.

Serving the International Visitor

OK, now that they're here, what do I do? How do I know how to serve them?

It's easy: put yourself in their shoes. Listen and observe.

What would it take for you to be comfortable in their country? Someone who speaks your language? Having a daily newspaper or TV newscast in your language? Easy access to currency exchange? Knowing the local credit policies? Having an idea in advance of what your costs will be and an easy mechanism to pay for — especially if you do not carry a locally accepted credit card?

What about area maps and directions to attractions that you can easily read and understand? The ability to call home? Mail a postcard? Ship small packages? Use your small electrical appliances? Menu items you can easily recognize and are part of your everyday dining? Brochures that explain services in your language? The list can go on and on.

Design your service product. Take advantage of services offered by other suppliers such as the AT&T Language Line to help meet your language needs. In more remote areas, you may have to work out a special arrangement with your local bank to meet currency conversion needs. Consider involving other businesses in your area. Many travelers like study tours where they are able to make behind-the-scenes tours of major corporations, retail establishments, newspapers, or hospitals. You may want to have an informal series of these tours readily available so that you can offer them as part of your services on an as-needed basis. If you're in the accommodations or food service business, consider including some favored menu items—especially during breakfast. And for some national groups, you may need to offer unique in-room amenities. Make an effort to build in a component that encourages personal contact between the international visitor and you or members of your staff.

Designing an appealing international guest service product that encourages your visitors to return time and again need not break your marketing budget. Use a lot of common sense, ask questions, think about what you would need to be comfortable, be sensitive to culture nuances and offer only what your customers tell you they most want to have. Most importantly, remember that international visitors place a higher premium on personal relationships than do domestic tourists. Take time to build these bridges. The rewards for catering to this market are many and reach far beyond those that positively impact your bottom line.

Additional ideas that demonstrate your company's cultural sensitivity include:

- Hanging the flags of your target market's countries in your lobby.
- Displaying a "Welcome" sign in native languages.
- Having your staff wear flags of the languages they speak.
- Acknowledging a cultural gaffe humbly by saying, for instance, "I'm sorry, we'll see to it," or "I apologize; I just didn't realize." "I'll make sure everyone knows."

There's no substitute for knowledge and experience, but staff awareness and training should focus on the most common elements of culture. Respecting American culture — being a good guest — is their business. *Being a good host is yours.*

Special Guests, Special Needs

Increasingly, smart operators are accommodating business travelers by providing on-site business services: delivery service, computers and computer hook-ups, e-mail services, fax machines, teleconferencing, and even multilingual secretarial services. Telefax capabilities are especially important for international business travelers, since time differences and distances from home are so great.

But, if you hope to attract a broad base of clientele, special care for children and the elderly can be a marketing plus:

- Child care facilities or babysitting services, play areas and children's menus will demonstrate to parent travelers that you are serving their entire family.

- Older travelers, with increased disposable income and plenty of time for travel, are also a valuable and growing market segment. Mature travelers in particular value quality and convenience. Is your product useable for older persons who may have difficulty seeing, walking, or hearing?

In serving international visitors more effectively, rely on your staff to make informed recommendations for improvement. After all, *the staff is your front line*. Who knows better what your clients most want and need?

Oh, one thing that's really important to remember about international guests. **NOT ALL OF THEM TIP THE WAY AMERICANS DO**. Failure to tip does not imply that the guest is cheap or that the service was not welcome. It may simply mean that tipping for that particular service is not customary in their country. Communicating this information to staff and, if necessary, compensating for it, can go a long way toward providing the best possible service. Indicate what tips and gratuities are included or not on meal checks. Be clear and concise.

MARKETING INTERNATIONALLY

Resources

These are some of the resources you may use in marketing your product to international visitors. Keep in mind that good marketing requires clearly defined goals and objectives, detailed budgeting and a thorough plan of action. It is also good to remember that effective marketing often requires sending your message through several different channels to achieve maximum impact.

Personal Sales Appointments

Making personal sales calls to your receptive operators is a necessary to introduce a new product or service, update them on existing products, establish a new relationship or continue to build on an existing relationship. Before the initial appointment find out exactly to whom in the company you should be speaking and make sure you are addressing their business needs when you sell them on your product or service. Do some research and information gathering on your first call. Who are their customers and what are their needs? During your discussion with the buyer, demonstrate your interest in integrating your product and services with their existing or newly developing tour offering, and explain why your product will enhance or improve their business.

Advertising Opportunities

There are plenty of publications and electronic media eager to have you buy advertising. Your choices are nearly limitless and you could easily spend your entire marketing budget designing and placing ads. You will probably want to consider using advertising as a support to your other sales and marketing endeavors.

When you do advertise, make certain you are reaching the right target markets, that you are sending an accurate, compelling message, and that you are buying adequate coverage. Most ads work by repetition so don't look for a dollar-for-dollar return on a one-time placement.

Consumer:

- Print
- Radio
- Television
- Airline In-Flights
- Local Publications
- Brochures
- Internet

Trade:

- Trade Association Publications
 1. RSA
 2. TIA
 3. NTA
 4. USTOA
 5. SITE
- Membership Directories
 1. ((List Examples))
- Industry Publications
 1. *Travel Weekly*
 2. *Travel Trade*
 3. *Travel Agent*
 4. ((More?))
- Internet
- Tour operator brochures
- Wholesaler brochures
- Daily convention trades

For international consumer publications, you should translate ads into the language of the targeted market, and they should accurately reflect actual products or services. Don't embellish! Due to international consumer laws, you may be held accountable for not only the accuracy of the information you present, but for the possible interpretations of that information in foreign languages. Use only experienced translation services, preferably ones that have experience in travel publications. And always have your ads proofread by objective outsiders who speak the language.

If you advertise in foreign media, make sure that your ad isn't jeopardizing your relationship with your receptive operator. Are you inviting the wholesaler or tour operator to contact you directly? Are you publishing price information? Many companies find it beneficial to use copy lines such as "Contact you Receptive Tour Operator for More Information." Make sure to solidify your partnership with your receptive(s) by making advertising a cooperative venture whenever possible.

Familiarization Tours

Familiarization tours (FAM tours) are designed to educate your buyers by allowing them to experience, first-hand, your products or destinations. Organizing a FAM tour in conjunction with your receptive operator and your community marketing partners is an excellent way to send the strongest possible message to potential buyers. By including educational seminars and participating personally, you'll get to know those buyers, their needs and their client base. FAMS can be expensive, however, so make sure you invite the buyers who are most able to take advantage of your product. Your receptive operators and DMO's will be able to help you qualify a list of the most productive guests.

FAM tours can be targeted toward, receptive operators, retail travel agents, tour operators, corporate buyers, meeting planners, incentive planners, potential marketing partners and the press.

Due to the nature of the relationship between the receptive operator and its clients (international tour

operators), you may receive many requests for FAM oriented services. The reason for this is that the tour operator, to promote a new airfare or relationship with an airline, is asked by the airline to organize a FAM for the destination the airline is trying to promote. The tour operator then invites his/her top producers to that destination. Once this is established, the tour operator requests a suggested itinerary for the destination from the receptive.

The usual itinerary consists of four days packed with hotel stay, sightseeing, attractions, restaurant services, shopping and transportation. The key in weeding out an actual FAM and a tour operator's "*special program*" is to qualify the invitees. It is up to the receptive to understand what is being asked of him/her. Many markets tend to hide a program within a FAM trip request, which later reflects poorly on the integrity of the receptive operator.

Usually, these FAMs are to be operated as inexpensively as possible. This does not mean a lesser service, only that as much of the program as possible must be either complimentary or at a reduced rate — from the hotel to all of the services provided. This is why suppliers are often called upon to provide complimentary services for FAM trips.

The itinerary should be time sensitive and must be followed as closely as possible. This is not a leisure trip, but one of work. It should include a tour of the city as well as its hotels and attractions, and time should be allocated for pleasure and shopping. It should include meals at restaurants wishing to promote their location and sites that are particular to that destination.

The cooperation between the receptive operator and the suppliers involved is key to a successful FAM trip, and the results of the FAM should be quantified by the receptive to those suppliers, either by follow-up with any promotional materials generated by the FAM and/or press in trade journals. This allows for justification of the services rendered. The receptive operator should inquire from the suppliers or hotels the ideal time to run a FAM tour, so that it can be operated at a reduced cost without impeding peak season revenues. This information can lead to considerable savings in time and money for all involved.

Tradeshows

Industry tradeshows are an ideal way to combine targeted marketing with one-on-one sales. They are also an excellent way to develop and nurture personal relationships with buyers and other industry professionals. Trade shows are usually coordinated by trade associations or by private companies who understand that buyers and sellers need to get together periodically to do business. The two most common show types are booth shows where buyers wander among sellers' display booths, or pre-scheduled appointment formats. Some shows are combinations of the two.

Below are some of the shows an international marketer might consider attending. Keep in mind that you will meet customers who already do business with you through your receptive operator(s). You will want to support that relationship and you may find that it is wise to refer other buyers to your receptive as well.

FITUR, Madrid, January – Large show reaching travel agents and tour operators in Spain and surrounding areas.

BIT International Tourism Exchange, February, Milan – BIT is another of the largest travel exhibitions in the world and is an ideal compliment to WTM and ITB.

ITB Berlin-International Tourism Exchange, March, Berlin – ITB is the world's largest travel and tourism event. It is a prime opportunity to send a message, in images and personal meetings, to travel buyers (wholesalers, tour operators, travel agents, and some consumers) from markets throughout the world, with an emphasis on Germany and Europe.

Visit USA Benelux, March, Amsterdam, Brussels – Benelux focuses on travel professionals in the Belgium/Netherlands area.

EIBTM European Incentive Business Travel and Meetings Exhibition, May, Geneva – EIBTM is an opportunity to promote shows directly to buyers of high-end travel product.

International Travel Expo Hong Kong, May, Hong Kong – this show is geared primarily toward outbound Asian operators and a focus on the Chinese operators and corporate travel professionals.

PATA Mart, Pacific Asia Travel Association, April, Singapore – A gathering of Asian inbound and outbound operators who service the Pacific Rim.

POW WOW, Travel Industry Association of America, May/June, various cities in US. – POW WOW is the largest gathering of international buyers who are interested exclusively in North American destinations.

PATA-VUSAMART, Pacific Asia Travel Association, September, various US cities – VUSAMART is an event which brings Asian travel buyers to the US for face-to-face meetings with sellers of North American attractions, destinations and destination services.

WTM World Travel Market, November, London – World Travel Market is a large gathering of travel buyers and suppliers from throughout the world.

IT International Tourism Exchange, February, Milan – BIT is another of the largest travel exhibitions in the world and is ideal compliment to WTM and ITB.

Some things to remember for trade shows:

- Do your advance research: know how many contacts you intend to make, whom you need to meet, and what you expect to accomplish
- Make your display compelling and easy to understand (pictures!).
- Practice your sales “pitch” and be ready to use it – often!
- Keep literature and order cards available.
- Have rates that are valid through the next year and beyond.
- Take press releases.
- Consider running ads in the daily convention trade publications.
- Carry business cards at all times and include web site information.
- Be attentive to the business practices of the cultures represented.
- Visit other booths and network with other exhibitors.
- Participate in adjunct activities such as luncheons, evening functions and seminars for further knowledge and exposure.

Promotional Literature

Promotional literature is extremely important and you should always produce the right pieces, in the right quantities, for the right markets. When planning for your printed materials keep in mind that what you print (or design for the Internet) is a reflection of who you are. If you're a quality product, you need quality materials. Keep in mind also that printed materials can be expensive, they can go out of date quickly and they aren't all read, much less responded to. If you are spending money on printed materials, make sure they:

Capture attention – You and everybody else in the world are producing printed materials. What do you need to do to stand out? After all, if nobody sees it, it's a waste of paper.

Send a persuasive message – Telling the world you are there is fine, but if you don't tell them why they should come, you are wasting a valuable opportunity. Good promotional materials will always answer the reader's question: "What's in it for me?"

Be proactive – Take the opportunity to tell the reader what they need to do. If you want them to call their travel agent, say so. If you want the tour operator to contact their receptive operator, tell them to do it and give them the name and number. Passive promotional materials may be pretty but they have to be active to work.

Use pictures – Good photography, professional illustrations and quality graphic design are the best ways to communicate. Use words only to support your images.

Be informative – Make sure you include all the information the reader needs to purchase your product including contact information, maps, times and dates, prices (when appropriate), etc.

Be clear, concise and accurate – Confusing, complicated, hard-to-follow brochures can do more damage than good. Make sure you include the most important facts about your company and avoid using too many flowery adjectives. Use simple sentences with as few words as possible. Be descriptive, but not wordy. Use subheads to draw the reader's attention to important points. Make sure your information flows in a logical order.

Be Consistent - Use the same format for all of your brochures to develop a recognition factor that will become increasingly recognizable over time.

Be multilingual - Printed materials in the appropriate languages are preferred, as long as the translations are flawless. Otherwise, the simplest standard English is sufficient.

Be available – There are plenty of companies who have thousands of gorgeous brochures sitting in boxes in the storeroom. Get them out now. Get them read. Give them to your marketing partners, take them to a convention, do a last minute "reminder" mailing. Do something!

Be appropriate – If you have different prices for different buyer types, you need different printed pieces. Make sure what you offer and what you charge are appropriate to the markets you want to reach. Receptives frequently ask for brochures that can be distributed to tourists to promote items on the itinerary or to promote optionals. Let the receptive supply the price information.

Tariffs

Receptive operators produce their own printed materials called tariffs or confidential tariffs. These are the brochures they use to sell your product to their customers and they may request slides or graphic materials from you. Do everything you can to accommodate these requests because having your picture, logo or product name in a tariff is excellent, inexpensive exposure. Receptives may also request collateral materials, videos, etc., for overseas presentations. Get them whatever they need.

Press

There is plenty of travel media out there and they're all hungry for interesting travel related news. Using these media wisely can generate substantial exposure at a fraction of the cost of paid marketing. If you have experienced press people on staff, use them and invest in their potential because good press coverage is invaluable. If you do not have on-staff press support, consider seeking the aid of a free-lance press representative or consultant. A press campaign might include:

Periodic news releases about your product.

Story placement (and writing)

Press FAMs

Press conferences, announcement events, receptions, etc.

Special events

Ongoing relationships with writers, publishers, etc.

Creating Destination Demand

It is here where the DMO representative for City A will recommend special events and festivals around which the tour operators can build their itineraries. A few hours later, hoteliers will talk about the renovated rooms at their properties in City A. The sales director for a restaurant chain will then push the convenient locations in City A. Tour operators and suppliers in their booths will be flooded with appointment requests from international delegates requesting new and exciting destinations.

What works best in creating destination demand is synergy – when tour suppliers and DMOs develop a close working relationship to promote a particular city, state, province, or region. Why? Tour operators generally need information about an entire area, not a specific destination or attraction, to decide whether an itinerary will work. What makes the area unique? What attractions, hotels, restaurants, and other tour services will be available?

By using the following strategies and techniques, DMOs and tour suppliers can multiply the success of their individual marketing programs.

If the act of negotiating in any U.S. business is a complex subject, then negotiating between different cultures in international business is doubly complex.

Communicators call this interference “cultural noise”. By noise, they mean the sideline distractions that clutter and confuse a message. These could be confused translations or gestures or behavior or clothing or office surroundings or interruptions or even a poor telephone connection.

Common mistakes made by inexperienced American negotiators include:

- Ignoring the etiquette of the culture across the table.
- Not negotiating face-to-face.
- Ignoring the importance of rank.
- Jumping right into business without a period of socializing.
- Assuming American ways are the only ways to do business.
- Lacking patience.
- Assuming “yes” means “I agree” when it could very likely mean “yes, I hear you.”
- When hitting a roadblock, failing to retrace steps and examining if, perhaps, a misunderstood word or phrase was the cause.
- Failing to review, affirm, and confirm key points.
- Assuming an interpreter is always 100 percent accurate.
- Putting too much emphasis on speed and quick attention.
- Failing to have the authority to make decisions on the spot.
- Assuming that, as in America, all cultures view a final agreement as fixed in cement.

The last point is especially important. Americans tend to be “low context” people, meaning we like our agreements spelled out in precise detail. We expect others to abide by the letter of the contract. This is not so in other cultures. The Japanese, for instance are “high context.” That means most of the information is understood, while very little is in the coded, explicit, transmitted part of the message.” Twins who have grown up together have high context communication, whereas two opposing lawyers in a courtroom have low context communication.

In addition, the Japanese have the attitude that “Any subsequent disagreement can be easily resolved by honorable and well-intentioned parties.” In the Middle East, the preference is to talk in allegories and symbols. There it is difficult to remain pragmatic for a long time. An ideology is needed to bring people together.

Negotiating with Wholesalers Around the World

Wholesalers are those travel industry partners that package your product for resale by retailers—the travel agents across the world. One of the first things we learn in negotiating with wholesalers is that there are no norms, especially as we cross borders.

In South America, negotiating with wholesalers is based on relationships. You must establish a trusting relationship with the individual wholesaler in order for them to put your hotel in their packages. They have to like you to establish a business relationship with you. European wholesalers approach negotiations in a much more businesslike atmosphere. You are dealing with a handful of very large companies where product managers have hundreds of suppliers to deal with. It's cut and dry. They have a need, you have a product. They have a service and you have a price.

The nature of the U.S.-based wholesaler is a mixture. The U.S. wholesaler has to like you and your product in order to seriously promote it, but when they get down to do business, it's all business. In Canada, where charter flights are the norm, especially for the Caribbean, the product and the price are all important, relationships come secondary, but are very important if they don't know your product. They will take a chance with you based on previous trust, even with a new product at the right price.

In Europe, a deal is a done deal, and we don't need to see the wholesaler very often. An on-site representative can keep the relationship warm. North American wholesalers are always looking for a deal. In the U.S. it's more important to be in touch with the wholesalers on a day-to-day basis because of the consumer-driven fluctuations in the marketplace and the need to update prices which require more negotiations.

Wholesalers in the U.S. are also just wholesalers providing package products to a retailer. In Canada, they are primarily tour operators or charter operators. In Europe, they are wholesalers or consolidators with huge travel agent networks exclusively distributing and promoting their product. Most Europeans buy packages when traveling overseas. South America is a changing marketplace where wholesalers are growing more sophisticated each season. Traditionally they were travel agents packaging products and selling it directly to the public.

South American wholesalers have the most flexibility in seasonal fluctuations. Also, market fluctuations require a lot of last minute negotiations before and during the season. The tendency in South America is to leave everything to the last minute and contracts often have looser bonds requiring re-writing.

Cutoff dates for wholesaler allotments before placing rooms back into inventory in the various markets are also different, with the U.S. averaging 14 days and Europe averaging 21 days for a winter season.

Finally, in Europe wholesalers will ask for your prices and tell you what they think. The U.S. and Canada wholesalers negotiate repeatedly until they get the rates they want and the South American wholesaler never stops negotiating.