

State of the Industry Conference 2015

General Session V: “Business Opportunities: Teach Me to Niche”

Date: October 23, 2015

Time: 1:30 p.m. – 3:00 p.m.

Place: Exhibition Hall, World Trade Center, Curaçao

Conference Anchor: Anita Mendiratta

Rapporteur: Marlon Reina

Key Summary:

- I. **Choose the niche market that fits your destination.**
- II. **Communicate in an appropriated way and change possible negative perception.**
- III. **Be aware of specific needs of your chosen niche market.**
- IV. **Millennials wants personal realizations and what their friends want.**
- V. **Millennials surf and communicate for the most time through social media.**

MODERATOR: Orlando Cuales, Chief Executive Officer, CUROM Broadcasting, Inc.

SPEAKERS:

1. David Paisley, Senior Research Director, Community Marketing & Insight, Inc.;
2. Ting Ting Yang, Senior Marketing Strategist, Google;
3. Leah Marville – Chief Executive Officer, My Destination Weekend.

The changing tourism landscape and the increasing competitive nature of the industry demand that we seek business opportunities beyond traditional sources. But in order to successfully attract the varying niches of modern travelers and the global experience seeker, and to keep them coming back, we must develop an international standard that reflects a keen understanding of their needs, motivations and travel styles. The new realities require that we create, not just a compelling product, but also a compelling experience.

This session is focused on these important and lucrative niches: LGBT, MICE, Events and Millennial audiences. We will share insights into how to personalize your business offerings and stage compelling experiences that help you connect with these travellers and how to develop a plan to target these audiences.

LGBT Tourism Market (By: David Paisley)

The LGBT travel market has been active now for about 20 years. Right now it has become an established market.

There are cultural and business reasons to take the LGBT market into consideration.

The cultural reasons are:

- Traditionally LGBT were seen as DINK (Double Income, No Kids), that is changing
- Travel has always been part of the LGBT cultural identity
- The perception is also that LGBT earn more than their straight counterparts, which is not necessarily true. They live in urban areas which tend to be more affluent and have greater wealth
- When targeted the LGBT market is very cost effective with the appropriate outreach
- LGBT are very brand loyal

The business reasons:

- The LGBT travel market is a \$ 100 billion market in the USA
- There are over 12 million LGBT in the USA
- LGBT people travel 50% more compared to other groups
- 80% of LGBT population in the US has a passport
- LGBT spent more on hotels, restaurants and travels, less in gaming for example
- Most people in the USA now are LGBT friendly, which means being LGBT friendly creates goodwill beyond the LGBT community

To attract LGBT visitors it is important to get beyond LGBT stereotypes.

In reality LGBT people are not that different. LGBT travellers have two main concerns:

- Safety: what happens to other LGBT visitors at a destination, what happens to the local LGBT people living in the destination
- Discrimination: are LGBT people treated with dignity and respect at the destination.

LGBT travellers find the beaches and the nice weather important, it is not necessary to have LGBT parties and other LGBT specific products.

Right now the Caribbean is underperforming with the US LGBT market.

Changing perception will be important to attract LGBT travellers.

A LGBT-dedicated Tourism Marketing does matter.

Here are the eight steps to outreach to the LGBT market wisely:

1. Join organizations like IGLTA
2. Educate: visit LGBT travel conferences and seminars, organize local staff trainings
3. Commit. Decide if LGBT market is right. Pick the 3 niches that matter, and then commit.
4. Organize: make an inventory of which hotels, restaurants are LGBT friendly

5. Research. Know what the consumer wants
6. Be smart. Reach out to the most likely segment (of the LGBT market) interested in what you have to offer
7. Media. LGBT's can be reached easily through their own media
8. Track. Track the visitors and learn from their experiences.

Good marketing: knowing your audience and knowing your product (By: Ting Tang Yang)

Tin Tang Yang focused on the so called Millennials, people born in the early 1980s to the early 2000s.

The Millennials watch less TV than all other groups. Research found out that the most important channels for them when choosing a destination are online travel videos.

60% mentioned online travel videos

The Millennial has a very specific (and new) reason to travel: Self-realization: this is the generation of ego: they want to identify personally with what they do, and where they visit should be an expression of how they see themselves.

It is important for the Caribbean to change some perceptions to attract the Millennials.

The current perception is that the Caribbean is boring, the only thing to do is lay on the beach.

The Caribbean has potential. There are some challenges to be addressed.

When communicating with the Millennials, content is very important.

Create content that speaks to your viewers on a fundamental level.

One way to divide the audience is in the level of engagement expected.

SEE: the biggest group who will only want to see your content and has no intention in visiting.

THINK: the group you want to reach to spark an interest in your product

DO: the group you want to do an effort to for example gain information about your product

CARE: the group that knows your product, they are the best customers, and are loyal.

The Content has to fit the group you want to reach and it is important to measure the performance of your effort with the right parameters. Sometimes you measure reach, other times you measure engagement, actions.

Entertainment tourism (By: Leah Marville)

Inspired by her own life in the past as model and Miss Barbados World, Mrs. Marville developed her travel product aimed at Weekenders.

A Weekender travels for an activity for 4 days, which always includes a Saturday and Sunday.

There is a need for frequent mini vacations. That is how My Destination was created.

The My Destination travel concept has a new set of requirements and needs.

There is need for more practical souvenirs. People want contemporary items like cups or t-shirts which can show the travel life style of the traveller.

Millennials wants exciting and unique travel experiences.

A My Destination trip can be described as: touch down, party, take off.

Entertainment and tourism

Millennials make decisions their friends have already made or they think will make: social media is the place where it happens and interact with real life very smoothly.

Millennials wants to share their travel experiences on social media through pictures. When they post it, it has to be cool enough.

This creates interactive social advertising: their friends will be part of the experience right away.

The Millenialls influence each other and other generations.

My Destination also wants to focus on the Caribbean internal market, the Carib Beings: people that like to party and would travel for a festival or party. There is an audience of 22 million here.

Teach me to niche, how to cater to Millennials prone to be a Weekender:

- Tailor making entertainment: very personalized
- Content souvenirs: pics for social media
- Unique and intimate presentations
- Distribution and visibility strategies, e.g. hash tags

Millennials spend 60% of their time on social media.

Experiences are the new trophies of social media.

As a destination there are aspects to take into consideration to be fit for Entertainment Tourism and Millennials:

- Wi-Fi and hotspot must be available, gives opportunity to gather data to track visitors
- Installations and signage boards as destination recognition signs (to be photographed with)
- Souvenirs, more meaningful souvenirs, t-shirts, cups, no more ornaments
- Partner with party brands
- Destination brand identity
- Travel incentives, encourage friends of visitors to do the same

The Entertainment Tourism has some challenges

- Inter-regional travel: lack of travel options between the islands
- Taxation, there should be exceptions for events taxation
- Sponsorships opportunities are not enough
- Movement of event materials is difficult and expensive
- Lack of investment