



# People-in-Travel

## Tracking Travel's Leaders

### Well, yes, but

From **Fran Bailey**, Australia's minister of tourism:

- Response to Tourism Australia's new ad campaign ('So Where the Bloody Hell are You?) is better than expected, says the minister.

The head of Tourism Australia, **Scott Morrison**, says SWTBHAY has worked well because it was well-researched before being launched. Unlike the previous campaign, 'A Different Light', he said - which Morrison dropped before one year.

Bailey and Morrison need to get their strategies/speechwriters working better together. If SWTBHAY is successful because it was well-researched, then its success should not be better than expected.

They cannot have it both ways.

- China market. We have not had any overstays/absconds of tourists from China, says Bailey, because of strict protocols covering travel agencies.

Forget for the moment whether that is believable, why then has Australia felt the need to tighten up those protocols, and change some travel agencies handling China tourists? Again, if the protocols were preventing overstays etc because they were effective, then why change them?

### Rossi Ralenkotter

Ralenkotter, head of the Las Vegas visitor promotion body, says:

"For us to be successful we have to be very creative and strategic in the way we market our destination.

"Las Vegas has a lot of competitors - the cruise industry is going to be a competitor way into the future. And we have to be concerned about gaming industry competitors too. The wake-up call for [us] was when they legalised gaming in Atlantic City - it was time for us to look at our product and we realised we needed to reinvent ourselves. We couldn't just be a one-dimensional destination.

"It's not about marketing, not about the destination. It is branding, about knowing what the essence of your

brand is. You need to know who your customers are and who they will be, so you must have solid research.

"You have to be very flexible in your advertising strategy and marketing programs in our volatile environment. If you can connect the experience between your brand and the customer you'll be very, very successful.

"To define the brand we made a critical decision not to market products. Instead we realised from research that Las Vegas is essentially adult freedom.

"In growing the brand, to make sure we can fill new rooms, we're looking at four areas to take Las Vegas to a new level. We're reaching out more to specific domestic markets, opening marketing offices in other countries, working with international airlines to bring nonstop flights, and bringing special sporting events to the city."

### Ho Kwon Ping

Ho, founder and head of Banyan Tree resort group notes the following travel trends:

- 'Post-modern/niche' tourism, meaning agro-tourism (new term for environmentally-friendly/country travel), medical, tailored.

*We are somewhat surprised. Ho has been around long enough to know that environmental tourism is like the flag, mom, and apple-pie; few are against it, but few do anything about it - driving in their big diesel-powered 4-wheel-drive cars to an environmentally-friendly resort?*

*And 'tailored' is hardly new; in fact, modern travel started with that. And 'medical'? Well, yes, but will it be big? No, so that means it goes in the same niche as, say, football supporters?*

- Consolidation; only big brands plus niche will survive. *Sorry, but another word for 'niche' is small. And some small operators get big. Even Ho's own company aims to have 50-70 properties.*

- Industry will need more Asian senior managers; before, needed westerners because most travellers were western. We need more training places, like Swiss hotel schools. China and India may sideline other destina-

tions in Southeast Asia.

*We would like to think industry needs more qualified managers - without bracketing them into a region or race. Also, the real reason there were (and still are) a disproportionate share of non-local managers is because non-locals have tended to bring in a higher share of modern management skills and finance.*

### Sound bites\*

From heads of their companies:

- **Sarmad Zok**, Kingdom Hotel Investments.

The Middle East, Africa, Asia, eastern Europe and Russia are markets that are increasingly becoming part of the international community and will have growth rates over the next 10-20 years exceeding the developed world. And this presents opportunities for travel.

Governments in emerging markets are large engines handcuffed by their own bureaucracies. It's difficult to get visas for Libya, but it's changing. We work with governments, which are often cooperative, with legislation assisting us or in providing tax and duty exemptions. Ghana is becoming a hub for western Africa. We will be an oasis in a market with no other competitors.

- **Stelios Haji-Ioannou**, Easygroup.

Coming up with original ideas should be left to private entrepreneurs. Innovation usually doesn't sit well with government and listed public companies.

*What sounds like liberal thinking, is not. We would let anyone come up with original ideas - as long as there is no non-commercial interference in terms of, say, subsidies for studies.*

Easyhotel is addressing short-stay city-centre budget accommodation, aiming to undercut incumbents by 50% - so I made windows and house-keeping optional extras.

My fear is that in 5-10 years some 28-year old will come up with the next big thing in aviation. It won't come from Easyjet: we're risk averse now.

*\*Derived from Travel Impact.*

An annual subscription to People-in-Travel, costing US\$100, is delivered only via email in PDF format. A small extract from PinT is normally included in the Asia Pacific and Europe editions of Travel Business Analyst.

For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@gmail.com

Editors: Murray Bailey, Steve Shellum. Design: Context Design & Publishing. Copyright: Travel Business Analyst Ltd, 2006. www.travelbusinessanalyst.com