

# Advertising in Tourism and Leisure

Nigel Morgan and Annette Pritchard



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# Abbreviations

AOL	America Online
ASA	Advertising Standards Authority
ATC	Australian Tourism Commission
BA	British Airways
BWA	Brand Western Australia
BBC	British Broadcasting Corporation
BTA	British Tourist Authority
CEO	chief executive officer
CTC	Canadian Tourism Commission
DCMS	Department for Culture, Media and Sport
ESP	emotional selling proposition
EU	European Union
FTSE	Financial Times Stock Exchange index
G7	Group of Seven
GDP	gross domestic product
HRHB	Hard Rock Hotel, Bali
HTML	Hypertext Markup Language
IGTA	International Gay Travel Association
IPA	Institute of Practitioners in Advertising
IT	information technology
PR	public relations
SQW	Segal Quince Wicksteed Limited
SWOT	strengths, weaknesses, opportunities and threats
TAT	thematic apperception test
TTB	Torbay Tourist Board
URL	universal record locator
USP	unique selling proposition
WATC	Western Australian Tourism Commission
WTB	Wales Tourist Board
WTO	World Trade Organization



Part One

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Advertising Creation





# 1

## Understanding tourism and leisure advertising

### **Chapter overview**

Advertising bombards us every day – from commercials on television and radio, to advertising on buses and billboards, in magazines and on the Internet – and there is an increasing amount of advertising masquerading as something else – on television travel shows, in the latest blockbuster movie and on children’s toys and clothes. We live in a marketing and media-driven world and much of this advertising markets leisure, travel and tourism products and services. In fact, any organization involved in the leisure and tourism business – from local arts centres, museums, sports clubs and small hotels to the largest theme parks, airlines and cruise companies – will be interested in advertising in one form or another. Whilst for the most part in this book, we focus on the strategies of the larger players – the national tourism agencies, the airlines, the global hotel chains and the large tourism operators – many of the ideas and techniques discussed in the following chapters can be adapted by smaller operators

seeking competitive advantage and added value from advertising on limited resources. In addition, whilst even the largest organizations often have sizeable budgets for promotional activities, none has a bottomless purse and of course, all advertising activity has to be results driven in today's highly competitive and dynamic marketplace. Lessons can always be learnt from studying good (and bad) advertising practice. This chapter opens the book by reviewing the following:

- marketing and promotion in tourism and leisure today
- marketing communications, promotion management and advertising strategy
- the importance of advertising in tourism and leisure marketing
- how advertising works in tourism and leisure
- advertising messages and the audience.

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## Introduction

Advertising is expensive, its impact is difficult to judge and it usually takes a while before it has any influence on your customers. In fact, Philip Kotler (perhaps today's most quoted marketing expert), goes so far as to say that 'only the very brave or the very ignorant . . . can say exactly what advertising does in the marketplace'.<sup>1</sup> As a result (coupled with the increasing fragmentation of the media and the audience), many companies think that they should cut back expenditure on advertising and redirect it into sales promotions, direct mail, sponsorship, public relations and other forms of marketing communications. Indeed, advertising's share of the communications mix declined in many sectors towards the end of the twentieth century – particularly during the recessions of the early 1980s and 1990s when companies sought to save money on promotional activities.

This view of advertising's role in marketing fails to appreciate that it is not merely a current expense but, rather, is a strategic activity which should be regarded as an investment in the product or brand. Reducing advertising spend may yield short-term savings but may well lead to long-term loss of market share. In the late 1970s Adidas cut advertising spend on its sports shoes and found that the brand was not strong enough to maintain market share in the face of new competitors – and it has struggled to recover its former position. Edwin L. Artzt, chairman and chief executive officer (CEO) of Procter & Gamble (the world's largest advertiser, with an annual ad budget of well over \$2 billion) once drew an analogy between advertising and exercise. Both

provide long-term benefits and it is easy to postpone both as their results are hard to quantify. But:

If you want your brand to be fit, it's got to exercise regularly. When you get the opportunity to go to the movies or do something instead of working out, you can do that once in a while – that's [equivalent to] shifting funds into [sales] promotion. But it's not a good thing to do. If you get off the regimen, you will pay for it later.<sup>2</sup>

Yet in the 1980s and 1990s the trend was to allocate more money to sales promotion and between the late 1970s and early 1990s its share of the world's promotional budget grew from less than 60 per cent to well over 70 per cent. This is part of an overall ongoing marketing trend whereby long-term brand equity has often been undermined by short-term interests in which upwardly mobile brand managers have been too tactical, too parochial and too focused on increasing short-term sales volume. Declining brand loyalty is heavily influenced by a lack of advertising, which has much more of a long-term impact on market performance than tools such as price promotions – perhaps a four- as opposed to a one-year impact on sales. Brand equity is the goodwill and reputation that an established brand has built up over its life, and excessive focus on or poorly planned sales promotions can seriously damage that reputation by cheapening a brand's image. Moreover, advertising must be sustained to maintain a brand's market presence since people only buy those products they talk about. Out of sight is out of mind for the consumer – spelling bad news for forgotten products – and on average market leaders spend 20 per cent more of their budgets on advertising than do their nearest competitors.

In its most basic role, therefore, advertising is an economic investment for any leisure, tourism or travel organization, whether it is in the public, private or not-for-profit sector. Effective advertising within a well-planned communications strategy cannot guarantee success, but it certainly increases its chances. With this in mind, this book focuses on the role of advertising within the specific sectors of tourism and leisure, and considers issues such as:

- What is good advertising?
- What makes a well-planned advertising strategy?
- What is the role of advertising research in the creative process?
- What are the implications for tourism and leisure advertisers of the changing global marketing environment?

- How can advertisers use creativity to create ads with attitude?
- How can advertising help build or reposition brands?
- What does the future hold for advertising in an age of virtual reality, Internet marketing, celebrity endorsement and product placement?

## Marketing and promotion in tourism and leisure

It is important to remember that advertising is not developed or delivered in a vacuum – it plays an important although limited role within the process of marketing. At the beginning of the twenty-first century, most people have an understanding of the word ‘marketing’. To the average person on the street, it is synonymous with advertising and selling, to any student on a business-related course or to any effective manager it means the concept of the marketing mix. There are almost as many definitions of marketing as there are marketing textbooks and that of Gronroos encapsulates many of the ideas of most. He argues that marketing seeks to ‘establish, develop and commercialize long-term customer relationships so that the objectives of the parties are met. This is done by a mutual exchange and keeping of promises.’<sup>3</sup>

It has also been said that good marketers see their business from the customer’s viewpoint and organize their entire enterprise to develop relationships with the customer based on trust – in this way marketing is part of everyone’s job, from front-line staff to the board of directors. Marketing is thus both an organizational function (perhaps expressed as a marketing department in a company) and a business philosophy. It is the ability to develop a mix of marketing strategies to influence customers to buy products and services. This mix consists of a set of four decisions:

- product decisions
- pricing decisions
- distribution decisions
- promotional decisions.

The product component of the marketing mix ensures that the product (which could be anything from a tour package, an airline seat or a destination, to a hotel or a football club) characteristics provide benefits to the customer; the price component ensures the product is priced at a level that reflects consumer value; the distribution component ensures access to the product in the right place at the right time in sufficient quantities to meet customer needs; and the promotional component communicates (through advertising, publicity, personal selling and sales promotions) the product’s ability to satisfy the

customer's needs. Together these main components work in a synergistic relationship determined by the product's positioning, and all of these have to provide the framework in which advertising is created.

## Marketing communications, promotion management and advertising strategy

Together with marketing, marketing communications had dramatically increased in importance in the 1980s and 1990s to the extent that effective, sustained communications with customers is now seen as critical to the success of any organization – whether in the private, public or not-for-profit sector – from global airlines to tourism destinations and museums, theatres and local arts groups. Organizations communicate with a variety of audiences, principally to:

- inform
- persuade
- induce action.

For instance, organizations may want to *inform* prospective customers about their products; *persuade* them to prefer certain brands, products or venues, attend particular entertainment events or perform a variety of behaviours; and *induce* customer action so buying behaviour is directed towards their offering and purchase occurs sooner rather than later. These and other promotional objectives are achieved by a variety of activities, such as:

- advertising
- sales promotions
- salespeople
- point-of-purchase displays
- direct mailings
- product packaging
- sponsorship and other event marketing
- public relations.

Although our focus is on tourism and leisure advertising, it is important to note that all these activities and other promotional devices (see [Table 1.1](#)) are collectively known as *promotion management*. As such, they are part of the overall marketing mix outlined above and thus promotion is that aspect of marketing that promotion management deals with explicitly. In contrast, *marketing communications* is a much more ambiguous and all-encompassing

**Table 1.1 The key tourism and leisure promotional tools**

<i>Tool</i>	<i>Comments</i>
Media advertising	Television, press, radio, billboards and the Internet; also tourist board and travel-related guides, books and brochures that sell advertising space
Public relations	All media exposure appearing as editorial, not as paid for advertising space, includes 'ambush' and 'guerrilla' marketing
Personal selling	Meetings, workshops, telephone contact aimed at distributors and trade purchasing to sell on to end users; also aimed at consumers, e.g., at travel agents
Sales promotion	Short-term incentives to induce purchase – aimed at salespeople, distributors and consumers
Price discounting	A common form of sales promotion – aimed at wholesalers, retailers and consumers
Distribution channels	Systems by which consumers access products and services, including computerized networks
Familiarization trips	Educates and raises product awareness through sampling – aimed at wholesalers, retailers and opinion-formers (e.g., journalists)
Exhibitions and shows	Venues for display and distribution aimed at wholesalers, retailers and consumers
Sales literature	Brochures, leaflets and other print used as a selling and booking tool
Merchandising and point-of-sale displays	Atmospherics, store layout, posters, displays and other materials to create image
Direct mail	Part of the wider activity of direct marketing
Sponsorship/special events	Of community-based activities, sports and music events and 'good causes'

term (and activity) that includes communication via any and all of the four marketing mix elements. How a product is packaged, priced and distributed all communicate an image to a customer just as much as how that product is promoted.

The blend of the promotional elements described above (advertising, sales promotions etc.) are known as the *promotional mix* and promotional management is the co-ordination of all the elements, setting objectives and

budgets, designing programmes, evaluating performance and taking corrective action. Any organization is likely to use a range of promotional tools in its marketing activities. For instance, Legoland – opened in 1996 and now the UK's third largest theme park – uses television, radio, national and regional press, trade press and educational literature, plus direct marketing through the Internet and door-to-door mail drops in its promotional programme. Advertising is only one element within this promotional mix, and its management at Legoland – as elsewhere – is broadly similar in terms of its remit.

Advertising has been exhaustively defined and is usually taken to mean either mass communication via newspapers, magazines, radio, television, billboards, the Internet and other media or direct-to-consumer communication via direct mail. Whilst word of mouth may be the most credible form of promotion, both of these definitions of advertising are characterized by its two key definers: they are *paid for* and *non-personal*. They are paid for in the sense that the sponsor or advertiser is clearly identifiable (as opposed to public relations activities) yet non-personal in the sense that the sponsor is simultaneously communicating with many receivers (perhaps millions) instead of talking to small groups or individuals as a salesperson would.

Promotion can be a short-term activity (such as a sales offer), but also, when seen at a strategic level, it is a mid- and long-term investment aimed at building up a consistent and credible corporate or destination identity. Promotion, when used effectively, builds and creates an identity for the product or the organization. Brochures, media advertisements, the behaviour of staff, in-store merchandising, sales promotions and so on create the identity of the organization, and all aspects of the promotional effort should project the same image to the customer. There are many components to the promotional mix, but of all these, the tourism and leisure marketer has most control over advertising and sales promotion. Whilst identity creation affects all aspects of the promotional mix, the key vehicles for its projection are in media advertisements and brochures, although, of course, these operate in conjunction with other activities, particularly sales promotions.

### The need for integrated communication strategies

Perhaps one of the most important advances in marketing in recent decades has been the rise of integrated marketing communication – the recognition that advertising can no longer be crafted and executed in isolation from the other promotional mix elements. As markets, media and marketing itself have grown more complex and fragmented, advertisers and consumers find

themselves in an ever more confusing marketing environment. The answer to this is to convey a consistent, unified message and identity through all an organization's marketing and communications activities – *integrated marketing communications*. This means that the advertiser (and therefore the product and brand) speaks with a single voice in the most consistent, cost-effective way. This sounds logical and simple, yet the biggest problem stems from organizational structures – especially in large, multinational corporations with a varied product portfolio. Advertising agencies have also been caught up in the drive for integration and as it becomes the goal for many advertisers, unless the ad industry works more on providing clients with brand management and strategy development and less on simply securing media slots, it will lose ground.

### Why is advertising important in tourism and leisure marketing?

In the tourism and leisure sectors, where the product is a service, promotion is even more vital than in other industries. Despite arguments over the essential differences between the marketing of goods and services, it is well established that where it is a service, the tourism and leisure product is a complex bundle of value – since it is *intangible, inseparable, variable and perishable*. Put simply, there is nothing tangible for the customer to examine beforehand or to take away afterwards; the service is inseparable from its production; the experience is variable and often subject to factors beyond the marketers' control; and finally, the product is perishable and cannot be stored for future sale. Clearly, you cannot test-drive a holiday beforehand, and thus promotion becomes critical, having a greater role in establishing the nature of the product than in most other markets. Promotion *is* the product as far as the potential tourist or leisure consumer is concerned. The customer buys a holiday, a theatre ticket or attends a concert purely on the basis of symbolic expectations established promotionally through words, pictures, sounds and so forth. In this way, leisure and tourism experiences are literally constructed in our imagination through advertising and the media. Indeed, it has often been said that tourism marketing is about the selling of dreams and that tourism itself is about illusion, or about the creation of 'atmosphere'.

In addition to these characteristics, the tourism and leisure product is also a discretionary product, which will be competing for both the customer's time and money against essential items of expenditure and other discretionary purchases. These five attributes (*intangibility, inseparability, variability, perishability and discretionary purchase*) mean that the skill in tourism and leisure marketing lies in creating the perceived value of the product, in

packaging it and in promoting the experience in a way which gives an organization a competitive edge. In this respect, creating an identity becomes paramount – and hence this particular aspect of tourism and leisure marketing is the focus of this book.

### Advertising and tourism and leisure promotion

Advertising emerges as a key marketing tool in the tourism and leisure industries where potential consumers must base buying decisions upon mental images of product offerings, rather than being able to physically sample alternatives. As a result, advertising is a critical variable in the tourism and leisure marketing mix, and covers a wide range of activities and agencies. Its role reflects that of promotion in general, which is aimed at influencing the attitudes and behaviour of audiences in three main ways: to confirm and reinforce; to create new patterns of behaviour and attitude; or to change attitudes and behaviour. Thus, tourism and leisure operators use images to portray their products in brochures, posters and media advertising; airlines, hotels, theme parks and resorts do the same, as do destinations, attempting to construct an image of a destination that will force it into the potential tourist's evoked set, or destination short list, leading to a purchase decision. Whatever the tourism or leisure product, its identity is the public face of how it is marketed and the importance of advertising in tourism and leisure marketing should not be underestimated.

Certainly advertising in general is big business – and it is getting bigger. In 1997 total global advertising spend amounted to some \$300 billion, with the USA accounting for \$110.1 billion, Europe \$83.5 billion and Asia Pacific \$84 billion. Significantly, much of the expenditure comes from an increasingly small number of megabrands and in 1996 the top 200 brands accounted for over 40 per cent of the USA's media expenditure. In the UK, around 32 500 branded goods and services are advertised each year and over 7000 of these brands spend £150 000-plus annually on their advertising. In terms of total ad spend, tourism and leisure organizations are small players – in fact, if *all* public sector tourism ad spend worldwide was combined it would still be less than a quarter of the ad spend of one company – Sony (Table 1.2). However, individual *private sector* companies in the leisure industries have huge advertising budgets, the largest being Walt Disney Co., which spent \$773 million in 1997, 72 per cent of this concentrated on audio-visual advertising.<sup>4</sup>

These advertising figures are also increasing substantially as the tourism and leisure industries continue to expand faster than any other sector – during 1997–9 UK leisure consumer spending grew by almost 6 per cent, whilst all

**Table 1.2 Tourism destinations vs other advertisers:  
global spend, 1995**

<i>Advertiser</i>	<i>Global ad spend (US\$ millions)</i>
Sony	1277
Coca-Cola	1146
Renault	566
Gillette	400
<i>Tourism</i>	357
Volvo	342
Fuji Film	208

*Source:* World Tourism Organization and *Advertising Age*.

spending on goods and services grew by only 4.5 per cent. At the same time, marketing gurus such as Bill Gates and John Naisbitt predict that travel – for leisure and business – will be one of the three key industries of the twenty-first century. If advertising is *one* of the world’s fastest growing economic sectors, then tourism and leisure is definitely *the* fastest – making for a significant expansion in the specialist area of tourism and leisure advertising over the coming decades. To take one individual country, whilst total leisure and tourism ad spend figures are not available, in the UK *domestic* market alone tourism ad spend totalled £45 million in 1998 (Table 1.3). Moreover, ad spend figures are increasing at a rapid rate – *total* UK hotel ad spend increased from under £20 million in 1996 to almost £30 million in 1998, with Forte spending over £5 million, whilst over the same period, Center Parcs’ ad spend increased from £3 million to over £4 million and UK airline advertising leapt from £48 million to £61 million – British Airways, the UK’s biggest travel advertiser, alone spent almost £20 million on advertising in 1997.<sup>5</sup>

In the last thirty years, the tourism industry has grown by 1 or 2 per cent more than the global economy each year – regardless of all the major political, economic and technological upheavals which have happened in that time. Today, one in every ten jobs on the planet is linked to travel or tourism; 80 million people are directly and another 150 million are indirectly employed in the industry; and it is worth US\$4.5 trillion or 12 per cent of the global gross domestic product.<sup>6</sup> Yet, despite these figures, tourism is still in its infancy and has tremendous growth potential – only 7 per cent of the world’s population currently travel internationally – including 14 per cent of Europeans and 8 per cent of Americans. The World Tourism Organization predicts that tourist

**Table 1.3 Advertising spend in the UK domestic market, 1994–8 (£ millions)**

<i>Sector</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>	<i>1997</i>	<i>1998</i>
Hotels and B & Bs	8.6	9.6	12.8	14.5	19.9
Holiday resorts	9.6	10.0	9.6	10.7	10.1
Tourist offices	6.5	7.4	6.7	7.2	6.9
Tour operator	3.0	5.0	5.2	5.6	5.7
Camping and self-catering	0.1	0.3	0.9	2.0	1.7
Boating	0.1	0.1	0.1	0.1	0.1
Total	28.1	32.6	35.8	40.6	44.8

Source: Mintel, quoted in the *Travel Trade Gazette*, 14 June 1999.

arrivals will more than double from 673 million in 2000 to 1602 million in 2020, whilst tourism receipts are set to triple in the same period from \$621 billion to \$2000 billion.<sup>7</sup> Assuming an Asian economic recovery, over 100 million Chinese are expected to be making international trips each year in 2020. The industry is anticipated to grow significantly even in the medium term and the world's airline fleet and its accommodation base will have to double by 2010 if the travel sector is to cater for the expected growth in tourists. Every tourism region is being marketed and every niche market and interest group is now being targeted by tourism advertisers. 'Troubles tours' are available (and often sold out) in Northern Ireland; in Bolivia the government is promoting Che Guevara adventure tours; and ethnic travel is seen to be a huge growth area, with ethnic Chinese trips to China and African-American visits to Africa being just two of the more obvious examples. Tourism is even expanding beyond the Earth and in spring 2001 space tourism finally became reality when Dennis Tito became the first fee-paying tourist, whilst Hilton International is already planning its first hotel on the moon.<sup>8</sup>

### How does advertising work in leisure and tourism?

Advertising at its simplest is first and foremost a process of communication. Yet it has many different forms and consumers react to advertisements in any number of ways. Today ads are viewed by an increasingly advertising literate consumer base and not surprisingly (given the sheer volume of advertising *clutter*) most advertisements

Clutter results from the ever-increasing number of ads competing for audience attention. 'Noise' and clutter can distort the message and distract the audience so it is vital to think about how the message moves through every step of the communication process.

are of little interest to most people at any one point in time. People engage with advertisements for a relatively few number of reasons: if the product is different; if the ad is unusual; if the ad is relevant to them; and if the ad is seen often enough. Above all, the key challenge for agencies today is to create advertising executions that can penetrate the clutter of everyday life.

The good news for advertisers of tourism and leisure products is that for many people tourism- and leisure-related purchases are items of expenditure which deserve significant consumer attention and effort – unlike other inexpensive consumer goods such as toiletries or convenience foods. Ads are there to persuade and suggest things that the consumer may not previously have considered and the persuasion process is lubricated by ads that are witty, charming and beautifully constructed. This process may have an immediate effect but more likely, it may influence behaviour some time later. Indeed, advertising should have both short- and long-term results, although one thing to bear in mind is that advertising which does not work in the present will hardly work in the future. This is completely different, however, to saying that advertising must produce immediate and measurable effects. The rate and nature of effect will also depend on the objectives underpinning the advertising campaign itself (e.g., sales promotion, brand positioning, brand awareness etc.).

When it is effective, communications (and advertising in particular) moves customers along a continuum from awareness of a product to reinforcing post-purchase satisfaction:

- Stage 1 – *Awareness*. The target market needs to be aware of the product – particularly when it is a new product or a new market.
- Stage 2 – *Comprehension*. Once they are aware of the product, potential customers need to understand its features and benefits. This can be challenging where product parity exists (for instance, between destinations) and substitutability threatens.
- Stage 3 – *Acceptance*. Potential customers must decide that the product can meet their needs – advertising plays a vital role here.
- Stage 4 – *Preference*. Advertising messages must offer a compelling reason for potential customers to think that the product meets their needs (ideally in a unique way that reduces brand substitutability).
- Stage 5 – *Purchase*. Advertising motivates customers to action or to buy the product (often this objective is linked to sales promotions).
- Stage 6 – *Reinforcement*. One of advertising's key roles is to confirm customers' choices and create a sense of satisfaction about their actions or purchase.

These six stages are known as *the hierarchy of effects model* since it reflects the audience's stages of reaction to advertising, however, our understanding of how advertising works has had to move on from this model, not least because advertising objectives have evolved, as have the nature of brands and the competition. Perhaps a more useful way of understanding how advertising works, is to look at the four key models employed in planning advertising today:

- sales response
- persuasion
- involvement
- saliency.<sup>9</sup>

The first advertising technique – *the sales response* model – is a very simple price-based strategy which encourages the purchase of a product purely on the basis of its price. The second, a widely used and demonstrably successful advertising technique, is *persuasion*. This takes the advertisement as its starting point and, if it is effectively compiled, its impact and message should persuade the audience that the product presented is the most desirable available. Persuasion is not a simple technique, however, for it is capable of sophisticated variation, particularly where the 'brand advantage' is sought through emotional rather than rational appeals. Brand advantage can also be secured through a series of advertisements which each highlight a specific benefit of a product, culminating in an overall impression of a superior brand. This is a topic which will be discussed in much more detail in Part Three of the book.

Persuasion – the ability of the ad to shift attitudes towards the brand and motivate purchase.

The third advertising model is *involvement* – a technique which aims to interest and engage the consumer. Once their interest is aroused, a self-referent relationship is created with the audience – they imagine themselves within the advertisement's framework and feel good about the brand. The next progression is a commitment to the brand, resulting in increased sales. Involvement is a more sophisticated technique, characteristic of style market products such as lager and jeans (Levi's 501 campaigns of the late 1980s and 1990s, discussed in Case study 9.1, are a successful example of

'Brand' is defined as a unique combination of product characteristics and added values, both functional and non-functional, which have taken on a relevant meaning which is inextricably linked to that brand, awareness of which might be conscious or intuitive.

Involvement – whether consumers relate to and empathize with the advertising.

this advertising technique). At the leading edge of developments in advertising, is the fourth and final technique – *saliency*. This relies on innovative, radical and even controversial brand images. It is more than a simple ‘brand’ awareness strategy as it attempts to move the target audience emotionally closer to the brand product. Saliency is therefore concerned with the product’s presence in the audience’s consciousness, generating a feeling of ‘that product is for me’.

Saliency – the ability of an ad to cut through media clutter, arrest the consumer’s attention and shift attitudes towards the brand.

The concept of saliency is at the heart of current thinking on advertising impact. In the 1980s advertising was regarded as a tool which contributed significantly to direct sales. However, in the 1990s this assumption became hotly disputed and commentators argued that this ‘rush out and buy’ impact was usually only applicable to new products or variations in products with an obvious competitive advantage. Today, the widely held view of advertising (particularly in relation to established brands) is that its role is not to directly increase sales and that, even when it does have this effect, the sales generated are generally insufficient to recoup the cost of the campaign. What then is the purpose of advertising, if not to directly increase sales? Amongst today’s advertising practitioners, it is argued that its value lies in improving the consumer’s attitude towards brands, thus leading to long-term sales. In this way, the real effect of advertising is not at the point of sale but at the point of *consumption*. Consumer brand opinions are only formed after consumers have tried the brand; however, these opinions are clearly influenced by the expectations created by advertising. In this way, advertising – the repetition of arguments, creatively presented – does not influence product perception at the time it is seen, but it does increase the likelihood of a consumer making an exploratory purchase of the brand *and* has a strong influence on how he or she feels the product compares to the competition.<sup>10</sup>

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## Advertising and the audience

Some advertising campaigns challenge consumer buying decisions, leaving the audience thinking ‘I must try that’. Established brands cannot, however, generate this kind of response and instead they face the challenge of maintaining the consumers’ interest. This is particularly important as consumers purchase within a limited range of acceptable brands, choosing that which captures their interest and matches their own values at a given moment in time (see [Chapter 8](#)). Such engagement is created by the culmination of long-term advertising memories; whilst consumers discard those which are

uninteresting, they retain memories of those advertisements which are unusually appealing or provocative. The latter form the basis of successful brand identity building and maintenance. The process is accomplished over a considerable period of time but the rewards are great for the impact is also long-lived.

Advertising need not be complex to be effective – it is simply about creating enough awareness and positive brand associations for it to register as a top-of-the-mind brand when the consumer is faced with a purchase choice. However, with every adult person in the West exposed to between 2000 and 3000 advertising messages every day, the ad appeal has to cut through a lot of marketing clutter – whether by using humour (although the comedy has to be finely balanced to avoid overwhelming the message) or originality. Yet the larger and more diverse the market, the more difficult it is to find arresting messages and symbols that will not offend someone or touch on a controversial area – as in the 1980s when Pepsi ended its endorsement contract with the pop star Madonna following pressure from the American political right over her *Like a Prayer* video which featured her with a black Jesus in a sexual story line. This has driven many agencies to appeal to the lowest common denominator and create middle-of-the-road advertising – which no one hates, but probably no one really loves either. This is particularly true when it comes to issues of sexuality, gender and work/family roles, where there is no longer universal agreement about how they should be presented, and where straightforward appeals to what was once taken for granted no longer work.

The drive to create impactful *and* effective advertising still remains a major advertising challenge, despite the development of sophisticated advertising tracking and evaluation techniques. Whilst there are many examples of successful and effective advertising, calculating the ‘ad investment–return’ ratio seems at times to have more in common with the search for the Holy Grail than a practical business problem. The famous and much rehearsed quote (variously attributed to several major figures, including Lord Leverhulme) – ‘I know that half of my advertising is wasted . . . I just don’t know which half’ – was, in fact, a wildly optimistic assessment and contemporary advertisers operate in an even more unpalatable environment. The fact which advertisers have to face today is, quite simply, not only are consumers still inconsistent, mercurial and unreliable, but they are now also increasingly busy, hard to reach and fickle. With more advertising literate consumers now, at the beginning of the twenty-first century, than ever before, consumers are increasingly bored by ads and blasé about advertising.

## Reaching the right consumer

The elusive nature of today's advertising consumer is thrown into sharp relief by the experience of what was the twentieth century's most influential and penetrative media phenomenon – the television – which is now the USA's dominant advertising media, accounting for 40 per cent of media spend.<sup>11</sup> At one and the same time the television has been the most coveted and the most wasteful advertising medium. As a mass medium, it inevitably attracts many people outside an advertiser's target audience and with the plethora of channels created by the expansion in cable, satellite and digital technology the choice for consumers and advertisers has become bewildering. The advent of more specialist channels with their fragmented audiences means it is costing more to reach the same number of people – a major challenge for the \$100 billion worldwide television advertising industry. Of course, whilst the age of the mass media is ending, addressable, interactive and database-linked advertising is growing rapidly and more specialist television has also allowed much greater targeting and segmentation of audiences. However, if you add to this fragmentation the downward spiral in audience *interest* in television – particularly amongst younger people – commercial television's dominance as an entertainment and advertising medium is clearly slackening. [Table 1.4](#) shows that the percentage of people paying little or no attention to television increased by 7 per cent in the UK from the early to the mid-1990s.

If fewer people are paying attention to the television – using it instead as mere 'electronic wallpaper' – then they are certainly not going to remember the ads aired between programmes. Not surprisingly, interest in programmes greatly influences advertising recall rates but if an ad fails to be an audience-attention grabber then it does not really matter how interested people are in the surrounding programming – the advertising will have been wasted money. Given this, it is vital that advertisers distinguish between the *total* amount of coverage a campaign is likely to generate and its *sphere of influence* – those

**Table 1.4 Television's loosening grip on audience interest**

<i>Year</i>	<i>1992</i>	<i>1993</i>	<i>1994</i>	<i>1995</i>	<i>1996</i>
(% of UK viewers paying little or no attention to commercial television)	26	29	29	31	33

*Source:* adapted from Carat Insight Ltd, Television's sphere of influence.

people whom they most want to target. A campaign's sphere of influence depends on the advertising's creativity and involvement factor, together with consumers' attention factor, brand familiarity and advertising attitude. Research in the UK by Carat Insight Ltd. suggests that one particular group of like-minded people have a high probability of falling within a campaign's sphere of influence. These so-called ad *seekers* are people who actively engage with advertising, whether they are looking for information, ideas or entertainment – the other major categories of ad responders being *reactors*, *rejecters* and *ignorers* (Table 1.5).

**Table 1.5 Ad-itude groups**

	<i>Active</i>	<i>Passive</i>
<i>Positive</i>	Seekers	Reactors
<i>Negative</i>	Rejecters	Ignorers

Source: Carat Insights Ltd.

These 'ad-itude' categories are not mutually exclusive and consumers may move between them, depending on the product or service advertised and the quality of the ad. Seekers – as long as the advertising is right – will respond to a campaign (Ad highlight 1.1). Of course, some advertisers are likely to have more seekers than others – and, again, the good news for tourism organizations is that their ads are likely to have more seekers than other products and they are also more effective in generating awareness (Table 1.6). For example, a British Airways promotion offering a limited number of flights

**Table 1.6 Targeting the ad seekers**

<i>Products being advertised</i>	<i>% of consumers who are ad seekers and look out for these ads</i>
Package holidays	24
Food retailers	18
Motor cars	14
Draught lager	10
Chocolate bars	8

Source: adapted from Carat Insight Ltd/BMRB, 1997.

on Concorde for just £10 reportedly stimulated around 30 million telephone calls in one day – despite the fact that the advertising was limited to a one-page advertisement in a selected number of national British newspapers. By contrast, reactors will not actively seek out advertising; however, with sufficient exposure they are likely to respond to it – witness the success of Levi’s 501 jeans with this group (see Case study 9.1). Rejecters are aware of advertising but for one reason or another reject it. Finally, ignorers are those people who will always be oblivious to ads for particular products and even high exposure will not normally prompt them to change their minds – although attention-grabbing ads could do so.

**Ad highlight 1.1**

**Walt Disney World, Florida ads attract seekers**

One of the package holiday campaigns tested by Carat/BMRB amongst package holiday-takers was for Walt Disney World, Florida. The £1.7 million UK campaign was designed to:

- tap into the fact that people are planning their holidays
- persuade viewers to request a video brochure
- communicate Disney World’s magical qualities.

The results of the research were very encouraging:

- almost 90 per cent were aware of the ad campaign
- almost 20 per cent said that the advertising made them more likely to consider Walt Disney World
- significantly, 29 per cent of ‘seekers’ were positively influenced by the campaign, compared to 16 per cent of non-seekers
- when awareness and behaviour measures were combined, seekers were 75 per cent more likely to have responded to the campaign than non-seekers.

Source: Carat Insights Ltd.

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**Table 1.7 Matching creative advertising styles to consumer ad-itudes**

<i>Consumer ad-itudes</i>	<i>Seekers</i>	<i>Reactors</i>	<i>Rejecters</i>	<i>Ignorers</i>
<i>Advertising models</i>	Sales response Persuasion	Involvement Saliency	Persuasion Involvement	Saliency

Source: adapted from Carat Insights Ltd.

When you combine these attitude groups with the four major advertising effectiveness models then it becomes possible to match advertising styles with potential advertising consumers and appropriate advertising media. Ad seekers often respond to direct sell or persuasion techniques whilst reactors are attracted by involving or saliency measures. Rejecters and ignorers are more difficult to reach with advertising, although persuasion, involvement and saliency techniques have the potential to influence consumer behaviour (Table 1.7).

## Chapter summary

Advertising is expensive and its impacts elusive, but it is a crucial long-term investment in any brand and it is most effective when fully integrated with an organization's other marketing activities. In an increasingly competitive, confused marketplace, tourism and leisure organizations must strive to convey a consistent, unified message and identity through all their marketing and communications activities – the essence of integrated marketing communications. In the tourism and leisure industries, where most services and experiences are intangible, and consumers purchase on the basis of promotional messages, understanding the role of advertising is paramount. Whilst tourism and leisure organizations are not large advertising spenders, these economic sectors are expanding rapidly and their share of global advertising spend will increase in the coming decades.

The purpose of advertising is to inform, persuade and induce purchase, although understanding advertising's relationship with consumers is a complex process and there are four advertising models:

- sales response
- persuasion
- involvement
- saliency.

Contemporary consumers are increasingly advertising literate and proving ever harder to reach through these four techniques. As a result, tourism and leisure advertisers and advertising agencies must focus on issues such as the consumer's attention factor, brand familiarity and advertising attitude when planning campaigns.

## Notes

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- 5 Belina Archer (1997). Sun, sea, sex, sand and media. *Campaign*, 30 May, 29–30.
- 6 *Time*, June 1999.
- 7 World Tourism Organization (1998). *Tourism 2020 Report*. WTO.
- 8 The Economist (1999). The world in figures: industries. Tourism. In *The World in 2000*. The Economist Publications, p. 104.
- 9 Alan Mitchell (1994). Rephrasing the question of advertising evaluation. *Marketing*, 10 March, 25–7.
- 10 Ibid.
- 11 Jones, *The Advertising Business*.

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