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Marketing the Southeast Asia Destination Brand

A New Tourism Marketing Strategy and Plan for
the ASEAN Region

June 2009

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Executive Summary

On Saturday January 10, 2009, in Hanoi, Vietnam, the heads of the ASEAN Tourism Association (ASEANTA) and the ASEAN Competitiveness Enhancement (ACE) Project signed a memorandum of understanding under which the parties agreed that there is a need “to develop a new, more effective marketing strategy which promotes Southeast Asia as a single destination.”

It was an historic moment, witnessed by Vietnam’s Vice Minister of Culture, Sports and Tourism, Mr. Tran Chien Thang, in his role as ASEAN National Tourism Organizations (NTOs) Chairman. ASEAN Tourism Ministers “welcomed” the MoU and requested all tourism working groups to provide “guidance and necessary assistance to ACE to ensure the success of this project.”

The signing of the MOU was very timely. The long-running Visit ASEAN campaign (VAC) has not only lost momentum, but it has also lost the support of the travel industry and the commitment of destination members. The VAC is tired and falling well short of expectations. It is time for change.

This paper provides a clear blueprint for a new regional tourism branding and marketing strategy for ASEAN and its 10 member countries. It shows how the collective resources of the ASEAN destinations, ASEANTA, and the ACE Project can be leveraged to attract significantly more high-yield travelers on multi-destination trips to Southeast Asia. Importantly, it offers a strategy that adds value to the efforts of individual NTOs and an operating model that is sustainable in the long term.

It makes a series of recommendations starting with a new brand strategy that recognizes the appeal of Southeast Asia to global travelers and the key brand attributes of the region which revolve around the core promise of *warmth*: the warmth of its people, of its hospitality, of its tropical climate, and of its unique cultural experiences.

The strategy identifies key target segments and markets that offer the strongest potential for multi-destination travel, despite the debilitating impact of the economic recession on global travel flows.

- Adventurous culture seekers (particularly baby boomers) from Australia and the UK
- Young independent travelers
- Cruise travelers

Given increasing consumer dependence on the web for travel research and, to a lesser extent, transactions, as well as the web’s efficiency as a measurable marketing tool, digital communications and a lively, interactive website are at the heart of the proposed marketing plan. A win-win partnership with an ASEAN-based travel portal that employs cutting-edge meta-search technology will help create a one-stop shop for global consumers seeking to plan and book travel to and within the region.

One of the fundamental reasons for the underperformance of previous regional campaigns was the absence of a permanent, focused and adequately-resourced body to plan, manage, execute and evaluate the collaborative activity. The new strategy offers a realistic solution: a destination marketing organization with four staff and a fixed annual budget jointly funded by the ASEAN NTOs, ASEANTA and the ACE Project. While the contributions required are modest by comparison with national destination marketing budgets, their combined impact will give the new strategy a realistic chance of success.

This paper is the result of three months of intensive research with industry stakeholders in ASEAN travel and tourism including interviews with international buyers at the ASEAN Tourism Forum in January 2009, and with travel agents, tour operators and other industry leaders through February and March 2009. The author and ACE Project team members also spoke with most ASEAN tourism ministries or NTOs in the preparation of this strategy.

1. Introduction

Assisting ASEAN's transition to an economic community

In October 2007, the US State Department and the US Agency for International Development (USAID) launched a five-year program called the ASEAN Development Vision to Advance National Cooperation and Economic Integration, or the ADVANCE initiative. ADVANCE and its component programs are being implemented by a consortium of firms led by US-based consultancy Nathan Associates Inc.

ADVANCE was introduced to support the ASEAN-US Enhanced Partnership, signed in 2006, on the basis that regional economic integration should be a key focus of ASEAN and US collaboration. Its primary focus is to assist ASEAN to achieve its ambition of becoming an integrated economic community, similar to the European Union, by 2015; a goal that was confirmed by the ASEAN Leaders at the ASEAN Summit in Hua Hin, Thailand in February 2009.

In February 2008, USAID launched the ASEAN Competitiveness Enhancement (ACE) Project to be implemented over five years (2008 to 2013). The core objective of the ACE Project is to enhance the competitiveness and regional integration of ASEAN's priority industry sectors, with an emphasis placed on the developing economies of Cambodia, Laos, and Vietnam (sometimes referred to as CLV).

As its first priority, the ACE project undertook a rigorous supply chain analysis of ASEAN's 12 priority industry sectors to identify which of them should be targeted for support under the ADVANCE program. A comprehensive study, published in June 2008, concluded that two sectors stood out from the rest: Textiles/Apparel and Tourism.¹ They earned the highest scores against a set of evaluation criteria that included employment impacts, SME growth opportunities, intra-regional linkages and technology transfer opportunities.

Regional Integration through Tourism

In developing a cohesive plan for the tourism sector, the ACE Project recognizes that private and public sector partnerships will be critical to success. The Project team is working closely with the National Tourism Organizations (NTOs) of the 10 ASEAN destinations, the ASEAN Tourism Association (ASEANTA), the ASEAN Secretariat and other stakeholders to ensure it comes up with strategies and recommendations that are practical and sustainable.

In October 2008, the ACE Project developed a Tourism Activity Proposal which identified 13 proposed "interventions" or action items across the following four themes: Knowledge Management, Destination Branding and Marketing, Tourism Product Development and Human Resource Development.² It recommended the strongest weight be given to Destination Branding and Marketing and Knowledge Management.

On January 10, 2009, at the ASEAN Tourism Forum in Hanoi, USAID and ACE Project leaders signed a Memorandum of Understanding with ASEANTA confirming that the ACE Project would take the lead in developing a new Southeast Asia tourism branding and marketing strategy based on consumer and market research. The ACE Project engaged the author of this document, tourism specialist Michael Yates, head of Taramax Consultants, to develop the new strategy.

¹ Nathan Associates Inc., *Evaluation of Proposed Target Sectors: ASEAN Supply Chain Competitiveness Project*, June 2008

² RJ Gurley, Peter Semone, *Enhancing the Competitiveness of ASEAN's Tourism Sector*, October 2008

Visit ASEAN Campaign: A Snapshot View

ASEAN member countries have been co-operating on regional tourism destination marketing and development, with varying degrees of commitment, over the past two decades. From 1988 to 1996, they funded an ASEAN Tourism Information Centre (ATIC). In 1992, they staged a "Visit ASEAN Year" promotion to recognize the 25th anniversary of the founding of ASEAN.

In more recent times, the focus of regional collaboration has been the Visit ASEAN campaign (VAC). First devised in 1999 and launched in 2001, the campaign sought to attract travelers from long and mid-haul source markets, such as Europe, the Middle East, Japan, China, South Asia, Australia and New Zealand. The campaign targeted consumers, through advertising and public relations, and the travel trade, through agents workshops, trade media advertising, attendance at trade shows and distribution of collateral. It also created a new website www.asean-tourism.com.

While television commercials were aired on satellite networks, such as BBC and CNN, as well as on terrestrial channels in some ASEAN countries, it is doubtful there was ever sufficient media weight to build an effective reach with such a broad target audience. ASEAN NTOs were also encouraged to incorporate the Visit ASEAN logo and tagline (Asia's Perfect 10 Paradise) in their own brand communications and collateral. Most complied, at least for the initial phase, however some rightly questioned the marketing effectiveness of a regional brand mark being added to piece of communication with a singular destination focus, in the absence of a substantive campaign to establish the regional brand in the first place.

The advent of SARS in 2003 brought a change in strategic direction. Concerned by the prospect of a protracted slowdown in long-haul travel, due to lingering fears about health risks, the campaign switched its focus to intra-ASEAN travel. The ASEAN Hip Hop Pass, which offered discounted air and hotel prices for multi-destination travel within the region, was launched and promoted to consumers and trade within the region. Unfortunately, the thinking behind the Pass, while well-intentioned, was flawed. When the majority of ASEAN-based consumers travel within the region, they chose relatively short (up to one week) single destination itineraries. With the possible exception of the outlying markets of the Philippines and Indonesia, they generally do not have the time or motivation for multi-destination travel within ASEAN.

In 2006, the Pass was reinvented and re-launched as the Visit ASEAN Pass (VAP) with Air, Hotel and Tour content sourced through ASEANTA members. The VAP is available through a dedicated website www.visitasean.travel using an interactive booking platform and payment gateway created by a European travel distribution specialist, ZTS. It is essentially a B2B platform tailored for travel agents. Unfortunately, it too has encountered problems which have severely limited its effectiveness, including the proliferation of cheaper point-to-point fares offered by low-cost carriers, cumbersome booking processes and lack of promotion. Several ASEAN carriers are also understood to have dropped the Pass because of concerns over a possible breach of anti-trust laws. Further analysis of these issues and proposed web-based solutions will be discussed in more detail later in this plan. Suffice to say, the VAP is not performing satisfactorily and a rethink is required.

Impact Assessment: Damned by Faint Praise?

In May 2007, Dr Noel Scott, of the University of Queensland, delivered an *Impact Assessment of the Visit ASEAN campaign*, which concluded that while various marketing components had been effective, the overall campaign had been hampered by a lack of funding and research.³ In the report, Dr Scott makes the following observation:

"Brand awareness of ASEAN as a holiday destination is low. When consumers think of ASEAN they are more likely to think of it as a political grouping or economic region than as a holiday destination. (This) may be traced to a number of underlying issues such as (1) a lack of sufficient and guaranteed funding to enable a branding campaign to take place and (2) a lack of marketing strategy and plan based on consumer and trade research and endorsed by relevant government stakeholders and the industry."

³ Dr Noel Scott, University of Queensland, *Impact Assessment of the Visit ASEAN Campaign*, May 2007

The Assessment stopped short of postulating why ASEAN governments and industry had not committed to a well-planned, adequately funded, professionally managed and executed regional branding and marketing strategy. However, it did conclude that the strategic objectives of the Visit ASEAN campaign should be revisited and confirmed, and that the funding and organizational structures required to meet those objectives be provided. These matters, and other salient points raised in the Impact Assessment, will be addressed in this Plan.

By 2009, diminished NTO support for the Visit ASEAN campaign is reflected in the fact that only three of the 10 official NTO websites feature the campaign logo and web link on their home pages. The campaign website itself is tired, with out-of-date content. It is high time for a new approach.

2. Strategic Objectives

The intent of this paper is to develop a tourism branding and marketing strategy and plan for the ASEAN region, comprising the 10 destinations of Brunei, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam. It recognizes there are three strategic imperatives. First, any collaborative marketing effort must not duplicate – but rather add value to – the actions of individual destinations and their NTOs. Second, any recommended marketing programs must be practical (given budget constraints) and sustainable in the medium to long term. In the past, regional strategies have been hijacked by short-term needs. Third, to be successful, the final strategy needs to be embraced by ASEAN Tourism Ministries and NTOs, ASEANTA and the wider travel and tourism industry.

There are several compelling reasons why an ASEAN regional marketing campaign is worth pursuing. They can be defined as follows:

Building brand appeal

International tourism has become a fiercely competitive business with most developed and developing economies seeking to boost their share of the market, measured by visitor arrivals and increasingly by tourism receipts. The most successful regions and destinations understand that building a strong brand is essential for success.

For successful tourism regions, such as the Caribbean, the lead organization – the Caribbean Tourism Organization – develops the umbrella brand (“Life Needs the Caribbean”), and the individual destinations, such as the Bahamas, develop their own destination brands, or sub-brands, to sit underneath it.

For more established regions, such as Europe, the regional brand has benefited as much or more from the universal appeal of its food, wine and fashion – and the strength of individual destination brands, such as France and Italy – than from marketing campaign conducted by its lead organization, the European Travel Commission (ETC). Nonetheless, the ETC plays a valuable role in coordinating member activities as well as information flows, particularly to inexperienced travelers and emerging markets that are discovering Europe for the first time.

The model also works for destination branding at a national and provincial level. Australia is a good example, whereby Tourism Australia has invested consistently in building the country brand and providing a framework for State Tourism Offices to develop their sub-brands.

Long-haul travel behavior

When consumers are making decisions about long-haul travel, particularly to parts of the world they have not visited previously, they tend to consider first which region appeals the most and then the specific destinations within the region. For example, the first consideration for a European traveler seeking a long-haul beach resort holiday is to choose between regions such as the Caribbean, Southeast Asia or the Pacific Islands. Once Southeast Asia is selected, then further research will determine the destination or destinations to be visited.

Understanding this behavior has been critical to the success of the South Pacific region which suffers from the tyranny of distance, limited air services and a fragmented share of voice in terms of marketing communications. By pooling resources under the lead organization, southpacific.travel, an additional 150,000 tourists visited the region in 2007, despite a decline in travel to its premier destination, Fiji, due to on-going civil disruption.

Multi-destination travel

One of the most obvious benefits of a regional approach is the ability to identify, construct and market multi-destination itineraries in partnership with the industry. This is usually something that can only be achieved by a lead agency acting on behalf of the region rather than by individual destinations, although there have been instances of bilateral co-operation between two destinations (e.g. Australia

and New Zealand). Multi-destination itineraries can be based on product combinations (e.g. city plus beach or mountain resort); thematic content (e.g. cultural heritage trails); or the journey itself (e.g. self-drive, rail and cruise holidays).

Multi-destination holidays generally appeal to four distinct segments:

- Inexperienced travelers seeking to visit as many new destinations as possible in one trip (“passport stamp collectors”). Typically a high-volume, low-yield segment (i.e. first time travelers from China).
- Mid to long-haul travelers seeking to get maximum return from time and money invested in traveling to the region. A high-yield segment.
- Time-rich travelers such as retired couples with no dependents (“empty nesters”) and young backpackers.
- Niche segments, such as cruise and rail devotees.

Crisis or Reputation Management

Recent crises impacting Southeast Asia – such as SARS, avian influenza and the Indian Ocean tsunami – reinforced the reality that, in the eyes of consumers in North America, Europe and other key source markets, a problem in one part of the region means a problem for all parts of the region. Even when experienced travelers are aware that the threat is limited to individual destinations, they may still avoid travel to the region because there are so many alternatives, and they adopt the attitude of “why take the risk, even if it is very unlikely.”

By speaking with one united voice, the region can minimize the impact on travel in the short-term and also speed up the recovery process, once the risk has abated. The Project Phoenix campaign, coordinated by the Pacific Asia Travel Association (PATA) in 2003, was an excellent example of how the Asia Pacific region (NTOs and industry) combined forces to accelerate the recovery of inbound travel following SARS.⁴ It is interesting that in the aftermath of Phoenix, PATA and its NTO members discussed the idea of establishing a “war chest” of emergency funds to be ready to respond to future crises in a timely fashion.

Leveraging ASEAN Open Skies

ASEAN has agreed to a Roadmap for the Integration of the Air Travel Sector by which the region's air services are due to be progressively deregulated.⁵ The end game is for a region-wide liberalization of scheduled passenger services, with no limitations on fifth freedom traffic rights, for the capital cities of each ASEAN destination by 2010. Although International Air Transport Association (IATA) Director General Giovanni Bisignani claimed earlier this year that ASEAN had missed its December 2008 deadline to open markets between capital cities on a multilateral basis, there are genuine hopes that ASEAN is moving towards its 2010 goal. If achieved, this will create opportunities for significant development of regional air routes and services. The introduction of an open skies agreement between the US and EU in March 2008 triggered a swathe of new services and competition across the Atlantic.

Regional Coordination

To capitalize on all of these opportunities, and thereby grow the total pie for the ASEAN region, there needs to be an adequately funded, central coordinating body to manage the marketing programs. A series of recommendations for such an organization can be found in Section 8 of the report.

⁴ Michael Yates, *Project Phoenix: A Benchmark for Reputation Management in Travel and Tourism*, Tourism In Turbulent Times, Elsevier, UK, November 2005

⁵ ASEAN, *Roadmap for Integration of Air Travel Sector*, www.aseansec.org

In conclusion, the five main strategic objectives of this Marketing Strategy and Plan can be summarized as follows:

- 1. To redefine and reposition the ASEAN regional tourism brand**
- 2. To identify effective marketing mechanisms that grow total tourism revenues for the ASEAN region and add value to individual destination campaigns**
- 3. To recommend a new organizational structure to ensure the campaign is implemented professionally**
- 4. To recommend a workable funding model to ensure there are sufficient funds for the regional campaign**
- 5. To ensure that all recommended solutions are achievable within budget constraints, sustainable and supported by the public and private sectors**

3. Brand Strategy

Articulating the ASEAN tourism brand

Dominant global brands such as *McDonald's* and *Nike* have proven that, if you spend enough money, in enough markets, over a sufficiently long period of time (presuming other critical factors such as product and service delivery are effective), the name of a brand is almost irrelevant. The same is true of the Visit ASEAN brand. Unfortunately though, the reality is that adequate money has not been spent on establishing the brand and isn't likely to be spent in the near future. There is considerable media coverage of the ASEAN brand as it relates to the economic and political entity. But, this has done little to enhance the tourism brand.

Millions of dollars, however, have been invested in another brand, *Southeast Asia*. The Lonely Planet guidebook *Southeast Asia on a Shoestring* has become one of the world's most iconic and enduring guidebooks, selling millions of copies since its original publication in the 1970s. As the ACE Project report, *Enhancing the Competitiveness of ASEAN's Tourism Sector* noted, there are now more than 20 different commercial guidebooks using the Southeast Asia brand.

Brand Southeast Asia

In extensive surveys of the international travel trade conducted by this author, the overwhelming majority of respondents support the use of Southeast Asia, instead of ASEAN, as the region's tourism brand. (See Appendix A) From a consumer perspective, the survey conducted as part of Dr Scott's Impact Study, also highlighted the confusion created by the descriptor ASEAN. Recognizing this, the ACE Project recommended that the new tourism marketing plan promote Southeast Asia as the tourism brand of the ASEAN region.

Marketing collateral would carry the Southeast Asia brand with words along the lines of "brought to you by ASEAN." While the new domain for the Southeast Asia-branded website would potentially become www.southeast-asia.travel, the site would carry the words "the official tourism website of ASEAN." In brand architecture terms, ASEAN is the parent brand and Southeast Asia is the tourism sub-brand. The recommendation was unanimously supported by the meeting of ASEAN National Tourism Organizations in Hanoi, Vietnam, in January 2009 and will be adopted for this Plan.

Individual Destination Branding

It is fair to say that some of the individual destination tourism brands within ASEAN – particularly those of the three leading destinations Malaysia, Thailand and Singapore – are more potent than the regional brand. Over the past decade, these three destinations have each typically spent in excess of US\$50 million a year on marketing and promotion, dwarfing the tiny budget for regional promotion. Using the brand slogans *Malaysia, Truly Asia*, *Amazing Thailand* and *Uniquely Singapore*, the destinations have employed sophisticated multi-media campaigns to lure visitors to their shores.

All 10 ASEAN member countries invest in destination branding. Their brand positioning is summarized in the following chart.

Table 1: ASEAN Destination Branding

ASEAN destinations	Brand positioning	Brand Attributes	
		Physical	Emotional
Brunei	Green Heart of Borneo / Kingdom of Unexpected Treasures	<ul style="list-style-type: none"> • Tropical Nature • Rainforests • Resorts 	<ul style="list-style-type: none"> • Safe Adventure • Prosperous
Cambodia	Kingdom of Wonder	<ul style="list-style-type: none"> • Angkor Wat • Cultural heritage • Nature 	<ul style="list-style-type: none"> • Ancient • Fascinating
Laos	Jewel of the Mekong	<ul style="list-style-type: none"> • Cultural heritage • Traditional lifestyles • Nature 	<ul style="list-style-type: none"> • Exotic • Undiscovered
Indonesia	The Ultimate in Diversity	<ul style="list-style-type: none"> • Bali (sub-brand) • Beach resorts • Eco-adventure 	<ul style="list-style-type: none"> • Gentle welcome • Unspoiled
Malaysia	Malaysia, Truly Asia	<ul style="list-style-type: none"> • Beach resorts • Tropical jungles • Multi-cultural city life 	<ul style="list-style-type: none"> • Harmonious • Vibrant
Myanmar	The Golden Land	<ul style="list-style-type: none"> • Traditional lifestyles • Exotic culture 	<ul style="list-style-type: none"> • Mysterious • Adventurous
Philippines	Wow Philippines	<ul style="list-style-type: none"> • Beach resorts • Wild Nature • Fun-loving people 	<ul style="list-style-type: none"> • Friendly • Entertaining
Singapore	Uniquely Singapore	<ul style="list-style-type: none"> • Contemporary city life • Safari parks • Integrated resorts 	<ul style="list-style-type: none"> • Cosmopolitan • Dynamic
Thailand	Amazing Thailand	<ul style="list-style-type: none"> • Beach resorts • Relaxed city /nightlife • Eco-adventure 	<ul style="list-style-type: none"> • Warm • Welcoming
Vietnam	The Hidden Charm	<ul style="list-style-type: none"> • Post-War features • Beach resorts • Natural beauty 	<ul style="list-style-type: none"> • Exciting • Happening

(Source: NTOs, author's analysis of destination branding campaigns)

Southeast Asia as a Brand

Attempting to define Southeast Asia as “single destination” tourism brand may, on first consideration, appear to be a challenging, if not impossible, task. How can a sophisticated urban destination such as Singapore, for example, sit within the same brand parameters as an emerging destination such as Myanmar?

However, the truth is that Southeast Asia already exists as a destination brand in the hearts and minds of thousands of travelers around the world. It may not be a power brand, given that it has largely been communicated through guide books, maps, films and the general media, rather than through any concerted promotional campaign with single-minded messaging,

substantial funding and a clear brand strategy. But it exists nonetheless.

According to the Impact Study, about 15 per cent of 1,000 people (ASEAN and non-ASEAN residents) surveyed at four international airports within ASEAN answered “yes” to the question of whether or not they recalled seeing any travel advertising for the ASEAN region as a whole. It’s important to note that respondents were told what ASEAN represented before the question was asked. While the sample was skewed in that it comprised only consumers who had traveled to the region, a 15 per cent prompted awareness rating shows some degree of brand recognition. Brand preference is, of course, another matter. Respondents were not tested on their awareness of the brand logo or the brand slogan: *Asia’s Perfect 10 Paradise*.

Consumer Attitudes

The Impact Study polled responses from the same 1,000 consumers to a series of statements about the ASEAN region. The results are shown below.

Table 2: Statements about a holiday in the ASEAN region: Mean Score and Ranking (1 = strongly applies, 5 = does not apply at all)

	TOTAL	ASEAN	Non-ASEAN
lots of culture	1.73	1.81 (1)	1.64 (1)
easy to get to	1.9	1.88 (2)	1.93 (8)
lots of history	1.81	1.91 (3)	1.70 (3)
friendly and welcoming	1.86	1.96 (4)	1.74 (5)
lots to see and do	1.83	1.98 (5)	1.64 (1)
easy to travel around in	2.12	2.06 (6)	2.20 (13)
an area I feel part of	2.24	2.12 (7)	2.41 (16)
a unique area	1.95	2.13 (8)	1.72 (4)
Relaxing	2.05	2.14 (9)	1.92 (7)
Exotic	2.00	2.17 (10)	1.78 (6)
good for a cheap holiday	2.11	2.19 (11)	2.00 (10)
a great area for families	2.26	2.23 (12)	2.29 (14)
a great area for couples	2.13	2.26 (13)	1.96 (9)
a natural area	2.20	2.26 (14)	2.12 (11)
offers too much for one visit	2.22	2.28 (15)	2.14 (12)
touristy and commercialized	2.37	2.34 (16)	2.41 (15)
natural and unspoiled	2.40	2.36 (17)	2.46 (17)
quiet and secluded	2.57	2.56 (18)	2.56 (18)
a neglected area	3.10	3.18 (19)	3.00 (19)
sedate and dull	3.61	3.48 (20)	3.77 (20)

(Source: Impact Assessment of Visit ASEAN Campaign, May 2007)

“Lots of culture” ranked as the number one response for both ASEAN and non-ASEAN consumers and “Lots of history” ranked equal number three. Although “culture” and “history” are both broad terms and have different dimensions for various destinations (i.e. Khmer culture / history versus colonial culture / history), they are key brand attributes for the region.

“Easy to get to” was understandably high for ASEAN residents (ranked 2) and “lots to see and do” for non-ASEAN residents (ranked equal 1) but they tend to be generic (non-differentiating) attributes claimed by most destinations. “Friendly and welcoming” (ranked 4 and 5) is another key brand attribute for the region.

Thailand Research Institute Study

In January, 2008, Dr Therdchai Choibamroong, Director of the Thailand Tourism Development Research Institute (TRI), presented the findings of a study into ASEAN's Tourism Image⁶ to the ASEAN Tourism Conference in Nonthaburi, Thailand.

The qualitative study was based on more than 100 in-depth interviews with non-ASEAN tourists both before and after visiting ASEAN countries, between October 2006 and October 2007. A poll of the dominant perceptions of tourists after visiting ASEAN destinations revealed some remarkably consistent attributes across all destinations, as shown in the following table.

Table 3: Non-ASEAN tourists' perceptions (Top 3) after traveling to ASEAN destinations

Destination	In-depth interviews	Top 3 Perceptions
Brunei	7	Friendliness / Safety / Developed
Cambodia	12	Friendliness / Heritage / Developing
Indonesia	12	Excitement / Nature-Culture / Friendliness
Laos	8	Slow paced / Friendliness / Peace
Malaysia	15	Excitement / Friendliness / Multi-cultural
Myanmar	12	Religious / Friendliness / Culture
Philippines	8	Friendliness / Americanized / Nature
Singapore	10	Fun / Friendliness / Multi-cultural
Thailand	15	Friendliness / Culture / Quality of Service
Vietnam	11	Friendliness / Nature / Culture

Source: ASEAN Tourism Image, a study by the Thailand Tourism Development Research Institute

Two attributes – Friendliness and Culture – appeared in the top three for almost all destinations. After considerable analysis of the survey results, Dr Therdchai concluded that the tourism image positioning for ASEAN could be based around the theme of “Cultural Diversity with Warm Hospitality”.

Trade Attitudes

Based on face-to-face interviews with senior travel industry executives (See Appendices B, C and D), the following common brand attributes (in random order) emerged:

- Warm and sunny
- Good value
- Exotic culture
- Beautiful beaches
- Interesting local food
- Exciting nightlife
- Ethnic diversity
- High service levels
- World class resorts
- Shopping: malls to markets
- Tropical nature / wildlife

⁶ Dr Therdchai Choibamroong, ASEAN Tourism Image: Cultural Diversity with Warm Hospitality, presentation to the ASEAN Tourism Conference, Nonathaburi, Thailand, January 23, 2008

SWOT Analysis

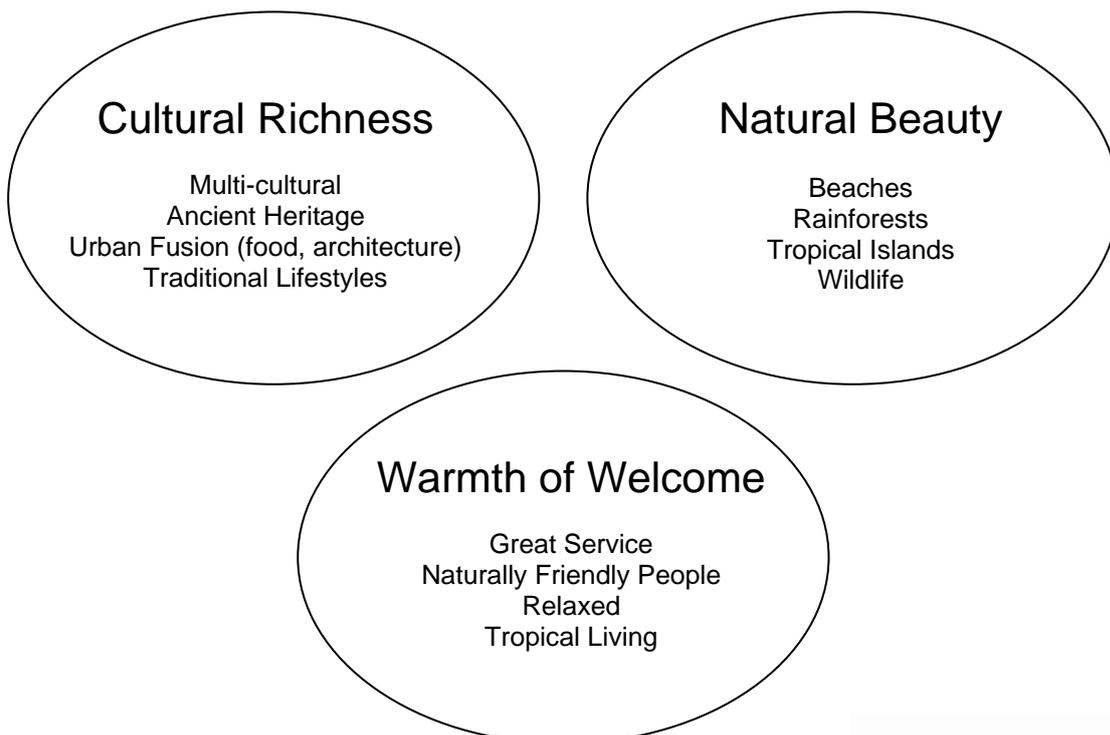
Based on both the primary and secondary research, it is possible to conduct a SWOT analysis of Southeast Asian destination branding as follows:

Table 4: SWOT Analysis of the Southeast Asian destination brand

Strengths	Weaknesses
<ol style="list-style-type: none"> 1. Warmth of service 2. Exotic 3. Diverse cultures 4. Beach resorts 5. Good value 	<ol style="list-style-type: none"> 1. Reliability of service 2. Safety 3. Pollution 4. Cultural degradation 5. Corruption
Opportunities	Threats
<ol style="list-style-type: none"> 1. Regional branding 2. Multi-destination travel 3. Cultural tourism 4. Eco-adventure 5. Cruise 	<ol style="list-style-type: none"> 1. Terrorism 2. Health threats 3. Fragmented approach 4. Lack of information 5. Political instability

Having considered the brand positioning for each of the destinations within ASEAN and the views of consumers and the travel trade, it is possible to cluster the region's common brand attributes as shown in the following diagram:

Table 5: Clusters of Brand Attributes



Recommended Southeast Asia Brand Positioning

Successful destination branding is achieved when visitors from many origins share the same singular positive perception of the destination.

In defining the brand positioning for the region, it is important that it truly differentiates Southeast Asia from other regions of the world. In other words, it is universally seen to be owned by that region and cannot be easily claimed by a competitive region.

A common element, linking all three clusters shown above, is “WARMTH.” This operates at multiple levels. There is:

- the genuine warmth that is inherent in Southeast Asian people
- the warmth you experience through the outstanding service and hospitality that characterizes travel and tourism in Southeast Asia
- the year-round warmth that literally comes with Southeast Asia’s tropical location, which is a major draw-card for travelers from seasonal climates around the world
- the warmth that one feels from encountering different cultures working in harmony and from witnessing, first hand, the traditional lifestyles of ancient cultures that have survived over the centuries.

This can be expressed in a simple but powerful tagline:

Feel the Warmth

It is recommended that a new brand identity be developed based on the two new elements: ***Southeast Asia*** and ***Feel the Warmth***.

This would include a new visual identity (brand name, symbol and strap-line) with guidelines for its use in different applications such as advertising, collateral and websites.

By way of example, a possible treatment is shown below:



Southeast Asia
feel the warmth

4. Market Review

Growth Hits the Wall

After four years of sustained growth at average annual rate of almost 7 percent, international tourism took a severe hit in mid-2008, declining over the last six months by 1 percent. According to the UNWTO, international arrivals worldwide for the full year reached 924 million, up 16 million over 2007, representing a modest growth of 2 percent.⁷ Asia, the star performer with double-digit growth since 2003, dropped 3 percent in the second half of 2008, after a 6 percent increase in the first six months. With no end in sight to the global economic recession, tourism demand is expected to continue to slow in 2009.

Southeast Asia performance

ASEAN destinations have underpinned Asia's strong performance. UNWTO figures show that arrivals to Southeast Asia grew 3.6 percent to 61.8 million in 2008. Visitors to the region contributed US\$54 billion* in tourism receipts in 2007, according to the ASEAN Secretariat.

Table 6: Visitor arrivals to World Regions 2008 v 2007

Region	2008 (Millions)	Growth (% Y-o-Y)
World	924.0	1.8
Europe	488.5	0.1
Asia and the Pacific	188.3	1.6
• NE Asia	104.7	0.4
• SE Asia	61.8	3.6
• South Asia	11.3	4.3
• Oceania	10.6	- 1.5
Americas	147.6	3.6
Africa	46.9	4.6
Middle East	52.9	11.3

(Source: UNWTO Tourism Barometer, January 2009)

According to PATA, three destinations – Malaysia, Thailand and Singapore – attracted 47.6 million visitors, or 73 percent of all arrivals in 2008.⁸ And top destination, Malaysia, attracted almost half of them. (PATA figures show that Southeast Asia attracted a total of 65.2 million arrivals, more than the UNWTO total. PATA figures match those of the ASEAN Secretariat.)

⁷ UNWTO, *World Tourism Barometer*, January 2009

* All \$ amounts in this report are US\$, unless otherwise stated

⁸ PATA, *Asia Pacific Tourism Forecasts 2009-2011*, April 2009

Table 7: Visitor arrivals to ASEAN destinations 2008 v 2007

Destination	2008 (000s)	Growth % Y-on-Y
Malaysia	22,052	5.1
Thailand	15,489	7.1
Singapore	10,143	- 1.3
Indonesia	6,234	12.8
Vietnam	4,195	0.6
Philippines	3,191	3.2
Cambodia	2,005	7.1
Lao	1,706	5.1
Myanmar	193	- 22.1
Brunei	NA	NA

(Source: PATA Forecasts 2009-2011, April 2009)

Key Source Markets

ASEAN's customers are well spread across a broad cross-section of markets, with more than 15 source markets each providing in excess of one million visitors. According to the ASEAN Secretariat, 57 percent of the region's international visitors come from outside ASEAN.

While Singapore dominates the PATA rankings, shown in the chart below, the numbers are skewed by the high-level of border traffic between Singapore and Malaysia, and variations in the way arrivals are recorded.⁹ Singapore's tally is boosted by the fact that Malaysia includes Singaporeans arriving by road and rail, whereas Singapore excludes this traffic. Indonesia also includes Singaporeans traveling by ferry into neighboring Bintan.

Table 8: Top Source Markets for ASEAN destinations in 2007

Source Market	Arrivals to SE Asia (000s)
Singapore	12,721
Indonesia	4,065
China	3,860
Japan	3,762
Korea	3,573
Malaysia	3,389
Thailand	3,323
USA	2,640
Australia	2,504
UK	2,059
India	1,825
Chinese Taipei	1,625
Brunei	1,246
Philippines	1,162
Germany	1,139

(Source: PATA Annual Travel Monitor 2007)

⁹ PATA, *Annual Travel Monitor 2007*, September 2008

There are nine non-ASEAN markets in the top 15 source markets (shaded in the chart above), headed by the Northeast Asian destinations China, Japan and Korea. These are followed by the Western markets of the USA, Australia and the UK.

When we look at source markets for individual destinations, the strength of China, Japan and Korea becomes more evident. Interestingly, Korea has become the top source market for Cambodia following an aggressive expansion of air services between the two destinations.

Table 9: Top Source Markets for individual ASEAN destinations, 2007 (Arrivals in '000s)

	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
1	Korea	Singapore	Thailand	Singapore	Thailand	Korea	Indonesia	Malaysia	China
2	Japan	Malaysia	Vietnam	Indonesia	China	US	China	Japan	Korea
3	USA	Japan	China	Thailand	Japan	Japan	Australia	Korea	US
4	Vietnam	Korea	US	Brunei	France	China	India	China	Japan
5	China	Australia	France	China	Germany	Australia	Malaysia	UK	C Taipei
6	C Taipei	China	UK	India	US	C. Taipei	Japan	US	Australia
7	Thailand	C Taipei	Japan	Japan	Korea	Hong Kong	UK	Singapore	Thailand
8	France	US	Germany	Philippines	C. Taipei	Singapore	Korea	Germany	Cambodia
9	UK	Philippines	Korea	Australia	Singapore	Canada	Philippines	India	Malaysia
10	Malaysia	UK	Canada	UK	Malaysia	UK	US	Singapore	Singapore

(Source: PATA Annual Travel Monitor 2007, data for Brunei was not included)

Looking specifically at non-ASEAN source markets for the region, there are further significant variations, particularly among the top three markets. The USA moves up into the top 3 for CLV destinations (Cambodia, Lao and Vietnam), driven by post-War interest in the Mekong. France also rates highly which is linked to its former presence in the delta. The USA also ranks No. 2 for the Philippines, where it has long-standing ties. Australia jumps to No. 2 for Singapore, due primarily to Singapore's popularity as a stopover on the Kangaroo Route between Australia and the UK, and to No. 3 for Indonesia, swelled by the popularity of Bali. India is the No. 2 source market for Singapore, due in part to strong VFR (Visiting Friends and Relatives) traffic.

Table 10: Top non-ASEAN Source Markets for individual ASEAN destinations, 2007 (Arrivals in '000s)

	Cambodia	Indonesia	Lao	Malaysia	Myanmar	Philippines	Singapore	Thailand	Vietnam
1	Korea	Japan	China	China	China	Korea	China	Japan	China
2	Japan	Korea	US	India	Japan	US	Australia	Korea	Korea
3	USA	Australia	France	Japan	France	Japan	India	China	US
4	China	China	UK	Australia	Germany	China	Japan	UK	Japan
5	C Taipei	C Taipei	Japan	UK	US	Australia	UK	US	C Taipei
6	France	USA	Germany	Korea	Korea	C. Taipei	Korea	Germany	Australia
7	UK	UK	Korea	US	C. Taipei	Hong Kong	US	India	France
8	Australia	Germany	Canada	C. Taipei	Italy	Canada	C Taipei	C Taipei	UK
9	Germany	Netherlds	O. Europe	O. Europe	India	UK	Hong Kong	Sweden	Germany
10	Canada	France	Netherlds	S.America	Spain	Germany	Germany	HongKong	Canada

(Source: PATA Annual Travel Monitor 2007, data for Brunei was not included)

Key Source Markets by Expenditure

Of course, visitor arrivals are only one yardstick of tourism performance. Increasingly, destinations are looking to receipts, measured in terms of visitor expenditure in the destination, as the key barometer of tourism success. Unfortunately, expenditure data is not uniformly available for all ASEAN destinations. However, an analysis of visitor spending in Malaysia, ASEAN's biggest inbound market by volume, is illuminating.¹⁰

Average per capita expenditure by non-ASEAN visitors to Malaysia in 2007 was \$916 (3,022 RM) compared to just \$579 (1,913 RM) for ASEAN visitors. It is important to note that the expenditure figure excludes airfares purchased in the source market, so the difference cannot be simply ascribed to transport costs. It is more a function of length of stay. ASEAN visitors stay on average 5.6 nights, whereas non-ASEAN visitors stay 8.2 nights.

There are further variations based on the spending habits of individual source markets. Saudi Arabia, for example, ranked a lowly No. 20 in terms of visitor arrivals to Malaysia in 2007. But, with an average per capita spending of \$2,414 (7,968 RM) – 3.5 times higher than the average – Saudi catapulted to No. 10 on the spending chart.

A more dramatic contrast can be found with Thailand.¹¹ The UK is only the sixth biggest volume market for Thailand, providing 746,000 visitors in 2007. However, it is the highest yielding market, delivering \$1.3 million in receipts. Britons stay for an average 16.7 days, spending \$110 per person per day. Based on receipts, the USA and Australia jump into the top 5, and Sweden and France climb into the top 10.

Table 11: A comparison of the top source markets for Malaysia and Thailand by arrivals and expenditure in 2007

	Malaysia By volume	Malaysia By receipts	Thailand By volume	Thailand By receipts
1	Singapore	Singapore	Malaysia	UK
2	Indonesia	Indonesia	Japan	Japan
3	Thailand	Thailand	Korea	USA
4	Brunei	Brunei	China	Australia
5	China	China	Singapore	Malaysia
6	India	Australia	UK	Germany
7	Japan	India	Australia	Korea
8	Philippines	UK	USA	China
9	Australia	Japan	Germany	Sweden
10.	UK	Saudi Arabia	Lao	France

(Source: Malaysia Tourism Key Performance Indicators 2007, Thailand Statistical Report 2007)

While acknowledging the limitations of incomplete data and individual market exceptions, it is reasonable to argue that long-haul European and American markets are delivering stronger tourism receipts for many ASEAN destinations, based on a combination of longer stays and higher spending per capita.

Key Source Markets by Propensity for Multi-destination Travel

As discussed in Section 2 Strategic Objectives, there is an opportunity to grow total tourism flows and revenues to the ASEAN region by the effective promotion and sale of itineraries that include multiple ASEAN destinations.

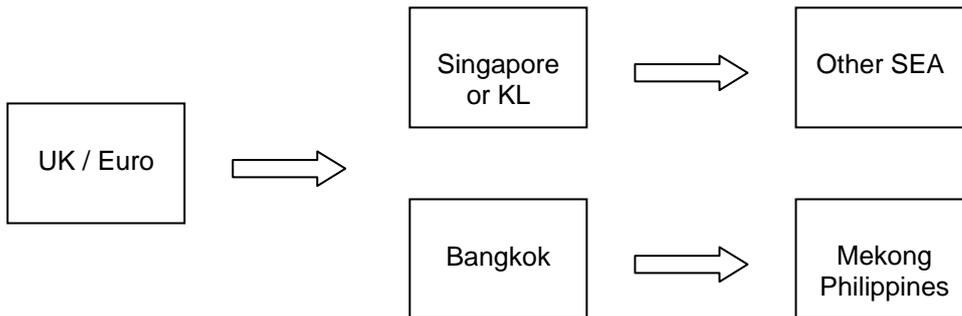
¹⁰ Tourism Malaysia, 2007 Tourism Key Performance Indicators, 2008

¹¹ Tourism Authority of Thailand, Amazing Thailand 2007 Statistical Report, 2008

There are essentially three hubs within ASEAN that are used for multi-destination programs: Singapore, Kuala Lumpur and Bangkok. Here are five of the most common travel patterns in which these hubs are used for multi-destination itineraries:



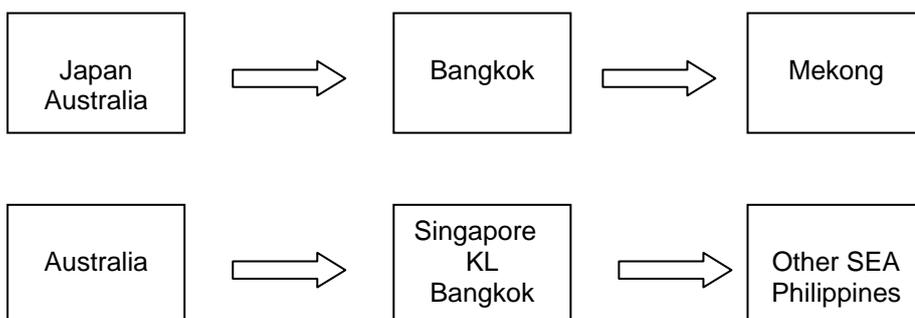
Although there is an increasing amount of mono-destination travel due to improved point-to-point air access, North East Asian and South Asian markets tend to use Singapore as a gateway to Malaysia (often by road), to Indonesia (particularly Bintan and Bataam) and to Thailand.



European travelers use all three hubs: Bangkok principally as a gateway to the Mekong and the Philippines and Singapore or Kuala Lumpur as gateways into the rest of Southeast Asia. For instance, 20 percent of all Britons traveling to the Philippines do so via another ASEAN destination, with about half stopping in Thailand, and the rest in Singapore or Malaysia. And 18 percent of UK residents arriving in Malaysia in 2007, for example, did so via Singapore. Singapore is also a key stopover point on the Kangaroo Route to Australia.



The most common ASEAN hub for the US market is Bangkok, with onward programs to Mekong destinations, particularly Vietnam, Laos and Cambodia. US outbound travelers also use Tokyo and Hong Kong as gateway into Southeast Asia. Singapore is a secondary hub - 18 percent of the Americans arriving in Malaysia in 2007, for example, came via Singapore.



The majority of travel from mid-haul markets, such as Japan and Australia, to Southeast Asia is mono-destination. However, there are some multi-destination trips being taken into the Mekong via Bangkok. From Australia, adventure travelers are taking multi-country tours from all three of the hubs. About 20 percent of all travel to the Philippines, for example, is via another Southeast Asian destination, shared between Malaysia, Thailand and Singapore.

Multi-destination Travel Prospects by Market

Based on interviews with international buyers at the ASEAN Tourism Forum (ATF) in Hanoi in January 2009 and further interviews with inbound tour operators and agents in February and March 2009, it is possible to make the following observations about the top non-ASEAN source markets and their potential to deliver high-yield, multi-destination travelers.

Australia

Australians are intrepid travelers. Almost as many traveled to Europe (1 million) in 2007 as neighboring Southeast Asia (1.3 million) and South Pacific (1.3 million). While Thailand is the most popular destination, followed by Bali, there are significant numbers traveling to virtually all destinations within the region. Given its proximity to and familiarity with Southeast Asia, Australia is mostly a mono-destination market. However, there are a number of “adventure-style” operators, such as Peregrine, Intrepid and Gecko’s, which offer a wide range of multi-destination tours throughout Southeast Asia. The tours range from 7 to 10-day programs, connecting Bangkok and Singapore, via KL, to 30-day “safaris,” such as the *Bangkok to Bali Overland Tour*, which involves a combination of transport - local trains, buses, kayaking and trekking – as well as interaction with local people and cultural attractions along the way.

Although many of the tours are aimed at young active travelers, industry operators report a growing interest from other demographic segments, such as baby boomers and even family groups. Most incorporate a strong focus on responsible travel, with a desire to help visitors develop a stronger appreciation and understanding of different cultures and lifestyles.

Cruising is booming in Australia with a growing interest in tours through Asia. Leading retailer Flight Centre now has 11 specialist cruise outlets around the country. According to a study by Visa and PATA, based on interviews with 5,500 consumers in 11 key Asian source markets, Australians tend to stay in four star lodgings and, despite the abundance of natural scenery and beaches at home, are attracted to destinations which offer natural scenery (77 percent of respondents), the chance to explore a new area (73 percent) and sunshine and beaches (65 percent).¹²

China

A significant proportion of ASEAN arrivals from mainland China are inexperienced travelers, taking multiple-destination tours to some combination of Singapore, Kuala Lumpur and Bangkok. They are price sensitive, with a focus on shopping and sight-seeing. Despite the best efforts of governments in China and the receiving countries, the practice of “zero-priced tours” (whereby inbound agents subsidize the cost of ground arrangements through shopping commissions) has been difficult to eliminate. This segment is highly seasonal, traveling during one of the two Golden Weeks: Labor Day (May) and National Holidays (October), or during Chinese New Year (January-February).

For more experienced Chinese travelers, particularly professionals living in the major cities, there is a trend towards resort-based holidays to escape the pressures of life. According to the Nielsen China Outbound Travel Monitor, which surveyed 8,000 respondents in 2007 and 2008, the second highest motivation for outbound travel after “pure leisure” was “to get away from pressure and stress.”¹³ Tour operator China Swan International says that among these travelers, there is a preference for 5 to 7-

¹² Visa and PATA, *Determining Travel Preferences in 2009 and Beyond*, March 2009

¹³ Nielsen, *China Outbound Travel Monitor*, 2008

day “fly and flop” mono-destination trips to resort destinations such as Bali, the Maldives, Phuket and Samui.

India

Over the past five years, Indian outbound travel has been growing strongly as middle-class Indians earned the discretionary income to travel abroad and new airlines such as Jet and Kingfisher made it attractive to do so. Families traveling together or with friends are a major segment. Their preferred destinations are Singapore, Malaysia and, to a lesser extent, Thailand.

While they generally prefer to stay in three-to-four star accommodation, Indians were rated as the biggest spenders in the Visa Travel Preferences study, reflecting their fondness for shopping, particularly for branded consumer goods. They tend to rely on local tour operators and agents who understand their needs, including the provision of Indian food and tour guides. Kuoni India, for example, sends approximately 20,000 Indians a year to Thailand. However the ground arrangements are handled by three Indian operators rather than Kuoni’s own inbound subsidiary, Asian Trails. The peak travel periods are June-July and November-December.

While the majority of Indian outbound travel is mono-destination, due in large part to the process required to secure visas for visits to most regional destinations, there are some multi-destination tours. For less experienced Indian travelers, as with those from China, a three-destination package tour combining Singapore, Malaysia and Thailand is popular, with a focus on shopping and sight-seeing. For more experienced, up-scale travelers, leading operator SOTC offers a 10-day escorted tour program to Bangkok, Pattaya, KL, Genting Highlands, A’famosa and Singapore. Specialist agents, such as Uplift Tours, offer tours including boutique properties, cultural and eco-tourism products.

Japan

Although Japan’s outbound market has flat-lined over the past decade, it remains a key market for the ASEAN region, ranked just behind China in numbers and marginally ahead in average spending per capita for key markets. According to several outbound operators, there are two key segments for Southeast Asia: seniors and young travelers.

The seniors (aged 50-plus) offer the most potential for multi-destination itineraries. They travel in small groups of couples and friends, seeking new “life experiences” which can involve cultural, historical or eco-focused tours. They are happy to do multiple-destination itineraries and stay between one week and one month. Thailand is a very popular destination (Japan is the second biggest source market by volume and receipts). Many choose to base themselves in Bangkok and take short trips to Vietnam and Cambodia. While this segment has the flexibility to travel throughout the year, it is also very security-conscious.

For the younger segment, there is a preference for mono-destination, resort-based holidays of about one week: typically to places such as Bali, Langkawi and Phuket. Their travel is seasonal, linked to the main holiday periods (January-March) and (July-September).

Korea

In the last few years, Korea has become Cambodia’s biggest source market, following a significant increase in direct air capacity between the two countries. Korea is also an important supplier for the Philippines, Thailand, Vietnam and Indonesia. There are some parallels with the development of the Japan market, with significant numbers of young office ladies, professionals and honeymooners traveling abroad.

According to the Visa study, the average Korean outbound traveler is 38 years of age and is more likely to be female (56 percent of respondents). They are most likely to spend seven nights at their destination, and prefer resorts and four star hotels. Koreans are attracted to destinations with natural scenery (75 percent), sunshine and beaches (68 percent) and history, heritage and architecture (65 percent). However, they do not appear to offer a lot of potential for multi-destination travel.

North America

North America, along with Europe, is a key source market for multi-destination travel. Much of Southeast Asia is seen as exotic and a region to explore. There is a strong demand from mature-age travelers, some with families, seeking culture and nature-based tours. They will spend at least two weeks abroad and can travel throughout the year. Thailand is the most popular destination, with travel growing at almost 20 percent a year from 2001 to 2006. Bangkok is the primary ASEAN-based gateway into region, with trips into Vietnam and Cambodia becoming increasingly popular.

The US is the second biggest source market for the Philippines, with strong ties between the two countries linked to America's long-term military presence in the country. The North American outbound market offers a diverse range of segments including travelers seeking special interest tours focused on eco-adventure, cruising, marine sports and golf.

UK

The UK is an important market for Southeast Asia, with outbound travelers using all three hubs in Singapore, KL and Bangkok. Britons stay longest in Thailand, where they contribute the highest expenditure. A key segment is mature aged travelers (either "empty nesters" or couples with teenage children) seeking a combination of cultural experiences and beach resorts. On average, between 20 and 30 percent of travel is multi-destination. Peak seasons are from November to March (to escape the northern hemisphere winter) or July to August (over the summer holiday break).

Other Europe

Germany and France are the two biggest European markets for Southeast Asia, followed by Switzerland, the Netherlands and Scandinavia. According to ASEAN-based inbound operators, the French tend to be culture seekers; the Scandinavians want beach resorts, while the Germans and the Dutch prefer a combination of both. Typically they stay for two to three weeks, with November to April being the most popular travel period. Europeans, particularly Germans, are repeat travelers, returning regularly to favored destinations such as Thailand. They regard traveling for holidays as an essential part of life and that Southeast Asia offers very good value for money.

Other Markets:

Gulf: Although outbound travel from the Gulf region has been growing over the past few years, the number of visitors to the Southeast Asia region is still relatively small and the majority goes to Malaysia, which offers a familiar Muslim environment and simplified visa processing. Thailand has enjoyed some success attracting Gulf residents for medical tourism.

Russia: Wealthy Russians, traveling in small groups, including families, have shown a strong interest in Southeast Asia. However, they tend to take charter flights to beach resort destinations such as Pattaya in Thailand and are less likely to travel to multiple destinations. They are interested in new and emerging destinations in the Mekong.

5. Segment Review

Psychographic Segments

It is possible to identify at least two target segments of high-yield multi-destination travelers to Southeast Asia. They are *Adventurous Culture Seekers* and *Special Interest Travelers*.

The key characteristics of *Adventurous Culture Seekers* (ACSs) can be described as follows:

- Time-rich: travel for at least two to three weeks
- Adventurous spirit: travelers with a desire to explore
- Sensitive: seek authentic and sustainable interactions with local culture and environment
- Diverse demographics: include Baby Boomers, Families, Couples and Young Travelers (see below)
- Informed: conduct extensive pre-trip research, mostly online through credible travel sites with user-generated content
- High yield: willing and able to pay for good quality arrangements. They use a combination of group and FIT packages
- Booking: make their travel arrangements through a combination of traditional channels (travel agents) and online (online agents, meta-search portals)
- Long and mid-haul: they come mostly from Western markets such as the UK, Europe, North America and Australia

The key characteristics of *Special Interest Travelers* (SITs) can be described as follows:

- Time-rich : travel for at least two to three weeks
- Travel for a Purpose: focused on a particular theme such as cruising and rail travel, where the journey itself is as important as the destination
- Soft adventurers: seeking relaxation and adventure
- Empty Nesters: typically mature aged travelers with no dependents
- Repeat Travelers: tend to be cruise or rail devotees who keep track of new products
- Medium to high yield: usually book fully-inclusive package tours
- Book through specialist agents
- Long and mid-haul (as above)

While *Inexperienced Travelers* (ITs) from mega markets such as China undertake multi-country tours, they offer low to moderate yield. Their characteristics are as follows:

- First or second time international travelers
- Stamp collectors: seek “bragging rights” by visiting as many destinations as possible in a short time (and collect multiple-passport stamps)
- Less adventurous: generally require an escort speaking in their own language, and regular access to their own food
- Less sensitive: some may be less interested in, and aware of, local cultural and environmental factors
- Price-conscious: seek the cheapest deals; book escorted, fully-inclusive group tours
- Book through travel agents
- Mid-to-short-haul: emerging markets such China and India

Young Independent Travelers (YITs)

Backpackers, or Young Independent Travelers, are a subset of *Adventurous Culture Seekers*. Given the size of the segment, and its growing interest in Southeast Asia, it's worth exploring further. Young travelers, including backpackers, are one of the fastest growing travel segments in the world and, contrary to popular belief, are not low-yield visitors. Compared with average tourists, adventurous young travelers stay longer, spend more, seek out alternative destinations and enjoy a wider mix of travel experiences. It is estimated they spent a total of US\$136 billion in 2007, or 20 percent of global

tourism receipts, of which US\$88 billion was spent in the destinations visited.¹⁴

A study by the World Youth Student and Education Travel Confederation (WYSETC) and the UNWTO shows that surprisingly few countries are developing youth travel, despite the fact that 60 percent of them recognize this segment as fundamental to the future of their tourism industry. Only a third of the world's NTOs have a specific student or youth tourism policy; less than a third collect statistics on the sector; only a quarter have policies for product development; and less than a third have a marketing policy. Southeast Asia is no exception.

Although the region is arguably the birthplace of backpacking, having been the inspiration for the first Lonely Planet travel guide, Southeast Asia on a Shoestring, there is widespread skepticism in the industry about the value of the segment. "A segment that has been largely ignored or even discouraged by tourism planners, not only in Malaysia but also in a number of Southeast Asian countries is backpacking," say Lee Tze Ian and Ghazali Musa in a recent essay *Uncovering the International Backpackers to Malaysia*.¹⁵

The bias against the segment comes about because young travelers' dollars don't, by and large, go into the pockets of the traditional distribution channels. Most chose to stay in hostels or home-stays rather than branded hotels and resorts. Catching a local bus or train is preferred to flying. They are increasingly booking holiday arrangements online, drawing heavily on sites with meta-search technology and user-generated content. They pre-book very little beyond their initial airfares, preferring to make arrangements as they go, choosing local products and services recommended by fellow travelers, blogs or social networking sites. When they use a travel agent, they often prefer to deal with specialized youth agencies.

The negative bias is understandable but counterproductive for destinations. The Australian government discovered this when it commissioned a comprehensive study on the sector in 2003. Although backpackers accounted for only 11 percent of international arrivals, they spent US\$1.6 billion or about 20 percent of the expenditure by all international visitors. The reason: they stayed longer and traveled far more widely than others. International backpackers visited an average of 6.2 regions in Australia, compared with an average of 2.0 regions visited by all other visitors.

Called *New Horizons II*, the WYSETC / UNWTO study also highlighted the strength of the segment, and the growth opportunities for Southeast Asia. In 2007, it interviewed more than 8,500 young travelers, who were active customers of youth travel organizations worldwide. They mostly ranged in age from 20 to 30 with a median age was 24.5 years. About 33 percent of respondents had visited Southeast Asia in 2007, up from only 16 percent in 2002. Thailand and Malaysia were the top two destinations in the region. We asked the study's author, Greg Richards, to go back over the raw data to determine the extent of multi destination travel amongst young travelers. Here's what we discovered:

Table 12: Multi-destination Trips by Young Travelers

No. of Countries visited	For travel to all destinations (%)	For travel to Southeast Asia only (%)
One	56	43
Two	5	11
Three	36	43
Four or More	3	3

¹⁴ WYSETC and UNWTO, *New Horizons II*, 2007

¹⁵ Lee Tze Ian and Ghazali Musa, University of Malaysia, *Uncovering the International Backpackers to Malaysia*, Backpacker Tourism, Channel View Publications

First, it showed that young travelers generally like to explore beyond borders, with 44 percent of travel to all destinations involving two or more countries. More importantly for this plan, it showed that 57 percent of all travel to Southeast Asia is multi-destinational, with almost half of all young travelers visiting three or more destinations.

Another key aspect of the segment is their interest in interacting with local people, customs and cultures. The study shows that young people continue to identify themselves as ‘travelers’ rather than tourists, and that they are exploring further, spending more, and demanding new types of experiences to fulfill their desire to learn about the world around them.

Encouragingly, the Taskforce on ASEAN Tourism Marketing has identified youth travel as a target segment to help the region counter the impact of the global economic crisis. The member destinations have agreed to aggregate and market key events and competitive tourism packages aimed at youth travelers through 2009 and 2010.

Product Segments

There are at least two product segments which could be leveraged for high-yielding, multi-destination travel programs across Southeast Asia. They are cruising and rail travel.

Cruise

Cruising represents a huge opportunity for Southeast Asia over the next five years. Western cruise operators, such as Royal Caribbean, Costa Cruises and Silversea are basing ships in the region to cater to the rapidly growing demand from Western markets for Asian cruises. Industry sources say there are signs that Asian-based passengers are starting to look for more international style cruise holidays, beyond the “gaming” cruises made popular by Star Cruises. And, importantly, the cruise market seems to be holding up well despite the recession.

According to the Cruise Lines International Association, 12.6 million Americans took a cruise vacation in 2007 and 33.7 million say they intend to do so within the next three years. The European Cruise Council says that between 1995 and 2005, the number of Europeans taking cruise holidays around the world more than trebled from 1 million to 3.3 million. It expects the number to grow to 4 million by 2010 and 5 million by 2015.

It is difficult to find accurate figures on the size of the cruise market in Asia. According to a trade media report, there were more than 1 million cruise passengers sailing Asian waters in 2008. According to the Singapore Tourism Board, Asia can expect a 1.5 million cruise passenger throughput by 2010.

In Australia, an important source market for Southeast Asia, the cruise industry is booming. Last year, the number of Australians taking a cruise holiday surged by 26 percent to reach a record 330,949 passengers, according to the International Cruise Council Australasia (ICCA). And the growth is not slowing, with a record number of ships operating from Australian waters during the traditional cruise season from October 2008 to April 2009.

Asia was the third most popular cruising destination for Australians, attracting just over 34,000 passengers. While this represents only 10 percent of the market, it was an increase of 45 percent on 2007.

Global demand for cruising is being stimulated by interest in Asian cruises. Royal Caribbean’s Regional Vice President, Rama Rebbapragada, says there is huge interest in North America and Europe in cruising in Asia. From November 2008, it has deployed the 2,000-passenger *Legend of the Seas* for Asian cruises on a year-round basis: 50 percent of the year operating out of Shanghai and the summer months alternating between Hong Kong and Singapore. Costa Cruises doubled its presence in Asia with the arrival of Costa Classica in Hong Kong in April. The 14-storey, 1,680-passenger capacity liner joins the Costa Allegra as the second Costa ship stationed in Asia.

Silversea operates two “boutique” ships in Asia, the Silver Shadow and Silver Whisper, which each carry 382 passengers. In February 2009, for example, the Silver Whisper operated three cruises between Hong Kong and Singapore, ranging between nine and 12 days and stopping at various ports in Thailand and Vietnam.

In recognition of the region’s potential for growth, four major cruise lines came together in October 2008 to form the Asia Cruise Association (ACA). Training Asian travel agents to package, promote and sell cruise holidays was quickly identified as a high priority. Other ACA agenda items include improving port infrastructure and working with government agencies and regulatory authorities to develop a cruise-friendly environment in Asia, addressing issues such as customs, immigration and quarantine.

Star Cruises dominates the Asia-based cruise market, and provides port facilities for some Western operators around the region. Its three-day “cruise to nowhere” tour with onboard gaming has proved very popular with local clientele. In some ways, however, Star’s success has left some Asian destinations wary about investing in cruise development because of doubts about how much cruise passenger expenditure would flow through to them.

Silversea’s Yap says this is a short-sighted view. Silversea’s Southeast Asian itineraries include day tours of destinations, such as Haiphong in Vietnam and Sihanoukville, Cambodia, providing significant returns to the destinations. He says that while Asian customers currently account for only 1 to 2 percent of his business, this will change over the next five years as the local market matures and starts developing a taste for traditional offshore cruising.

Some Southeast Asian governments are heeding the message. In March 2009, the Singapore Tourism Board (STB) affirmed its commitment to develop Singapore as a major cruise hub by announcing plans to build a new International Cruise Terminal at Marina South by the end of 2011 and double its current cruise handling capacity. Designed to accommodate the world’s largest ships, the terminal includes a spacious arrival and departure hall as well as a large ground transportation area to allow for efficient passenger movement.

Industry sources say that Thailand and Vietnam are also considering upgrades of port facilities. Vietnam was one of Southeast Asia’s booming cruise destinations in 2002, when an estimated 309,000 foreign visitors arrived in Vietnam by sea. But the number of sea arrivals has fallen steadily, to 157,000 last year, due primarily to a lack of port infrastructure, according to industry observers.

ASEAN destinations need to act quickly as two of their biggest competitor ports, Hong Kong and Shanghai, have both announced plans to significantly upgrade facilities. Hong Kong intends to redevelop the former KaiTak airport into a new state-of-the-art cruise terminal and Shanghai will open a second terminal in April 2010, enabling the city to cope with an expected boom in the sector. More than 30 luxury passenger liners brought a record 25,000 passengers to Shanghai in March alone.

Both Hong Kong and Shanghai are counting on growing demand from mainland Chinese. They would have been heartened by a recent Visa study which found that as many as 42 percent of Chinese had taken a cruise in the last three years, compared to an average for the Asia region of just 23 percent. Of course, a growing China cruise markets is also good news for destinations throughout Southeast Asia.

Rail Travel

In many parts of the world, rail travel is a major part of the tourism industry. From the luxury of the Venice-Simplon Orient Express to the adventure of the trans-Siberian Railway, rail journeys are variously an expensive indulgence, a relaxed way to take in new landscapes and meet fellow travelers, or a cheap form of transport.

In North America and Europe, rail travel is a well-established tourism segment with a broad range of products for international visitors. Perhaps the best known is the Eurail Pass, which enables travelers to visit multiple destinations across Europe.

There are different versions, covering three to five 5 connecting countries, or the classic Eurail Global Pass, which covers 21 countries, over 15 or 30 days. For example, a 15-day first-class Global Pass retails for 511 Euros or \$690. Just over 433,000 Eurail Passes were sold to international visitors in

2008. North America was the biggest market, accounting for 50 percent of sales, followed by Asia Pacific with 38 percent.

It is fair to say that, with the notable exception of the upscale Eastern and Orient Express, rail travel has not been well developed or marketed as an international tourism experience in Southeast Asia. Many operators and travel agents interviewed by the author highlighted the poor quality of carriages and onboard services, the slowness and rough ride due to narrow gauge tracks, and the inconsistency of schedules. However, many felt this was a missed opportunity.

Singapore-based Commonwealth Travel general manager Wee Hee Ling suggested national rail operators in Malaysia, Thailand and Mekong countries could focus on refurbishing one or two carriages on each train service, to bring them up to international standard, and then market popular routes with a regional rail pass.

One specialist rail operator in Australia, Coulter Goodall Tours, offers a combination of multi-destination train journeys across Southeast Asia, including an 8-day tour from Singapore to Bangkok. The itinerary is via Kuala Lumpur (optional day tour to Malacca); with a choice of the west coast route to Penang or the east coast "Jungle Route" to Kota Bharu. Travelers are offered further options such as stop-over on Koh Samui or an extended rail journey through to Chang Mai.

Other outbound operators promote rail travel – such as the Reunification Express between North and South Vietnam – as one of many local transport options offered within tour programs.

6. Marketing Strategy

Recognizing the Impact of the Global Recession

In reaching conclusions about the appropriate target markets for the new Southeast Asia marketing strategy, we need to make some kind of assessment about the longevity of the impact of the global recession. On the one hand, travel has proven to be remarkably resilient over the past decade, rebounding quickly from outbreaks of disease, natural disasters, terror attacks and previous financial crises. On the other hand, some analysts are suggesting this will be the worst economic meltdown since the Great Depression of the 1930s.

Asian GDP growth is projected to shrink to 3.0 percent in 2009 according to the Economic Intelligence Unit (EIU). Contributing to this fall are the two erstwhile growth engines of the travel industry; India (predicted to drop from 9 percent in 2007 to 6.2 percent in 2009), and China (from 9.1 percent in 2008 to 6.0 percent in 2009). Travel to some Asian destinations has already fallen significantly. Singapore recorded a decline in arrivals of 15.2 percent in February, after a drop of 12.9 percent in January.

Despite this, industry experts expect the Asia Pacific region to fare better than most in 2009. The UNWTO is predicting a decline in global arrivals of up to 2 percent, but suggests that arrivals in Asia and the Pacific could grow by up to 3 percent. In its forecasts released in April 2009, PATA is even more optimistic, predicting that arrivals to the Asia Pacific region will grow at an annual average rate of between 4 and 5 percent between 2009 and 2011. Southeast Asia is tipped to grow by 5.4 percent in 2009, before slowing to 4.7 percent in 2010 and increasing to 5.6 percent in 2011.

Table 13: Visitor Arrivals Forecasts for 2009 (arrivals in '000s)

Region	UNWTO 2009	PATA 2009
World	- 2 to 0	
Europe	- 3 to 0	
Asia and the Pacific	0 to 3	4.3
• NE Asia		4.2
• SE Asia		5.4
• South Asia		5.4
• Oceania		2.9
Americas	- 1 to 2	4.3
Africa	1 to 4	
Middle East	2 to 6	

(Source: UNWTO Tourism Barometer, January 2009, PATA Forecasts, April 2009)

Few disagree that long-haul travel will decline in 2009, as consumers choose to tighten their discretionary spending by traveling closer to home. Understandably, some ASEAN governments have already increased budgets for short-term tactical campaigns aimed at boosting travel from neighboring destinations. In February 2009, Singapore announced a \$60 million stimulus plan, including a campaign themed *2009 reasons to Enjoy Singapore*. Announcing the program, Senior Minister of State for Trade and Industry, Mr S Iswaran, noted travel patterns were expected to change with a switch from long-haul to shorter-haul holidays. "The campaign will target this potential higher intra-regional traffic," he said.

Defining a Sustainable, Long Term Strategy

While there is a possible case to be made for a short-term regional campaign, the objective of this plan (as stated in Section 2) is to develop a sustainable long-term plan for the region. So we need to look beyond 2009 to the future.

There is no question the US outbound travel market will be hit hard as the economy continues to dive

further into recession, and it is difficult to predict any significant upturn before 2010. Interestingly, however, the US market has been one of the few bright spots for Vietnam this year, rising by more than 5 percent in the first quarter of 2009, while total visitors have declined by 16 percent year on year. Australia and Canada also bucked the trend.

While many would argue the UK market faces a similarly slow recovery, a recent poll of 2,000 British consumers by PricewaterhouseCoopers found that only 16 percent planned to cancel their holiday plans for 2009. Over two thirds of respondents said they would take a cheaper holiday in their preferred destination by cutting the length of the holiday, staying in a cheaper hotel, opting for self-catering, taking a cheaper flight or waiting for a last minute deal.

Major European tour operator TUI said that while the trading environment continued to be "challenging," demand for the peak summer outbound period was holding up better than expected. In March, TUI CEO Peter Long told the trade press that bookings had picked up from being 18 per cent down to seven percent down stating, "Demand continues to improve despite the economic conditions as our consumers continue to seek differentiated experiences with trustworthy brands that provide excellent value for money."

Veteran Asian-based industry players admit long-haul markets to Southeast Asia will take a sizable hit. Asian Trails CEO Luzi Matzig says his European business for Thailand could decline by as much as 30 percent over the first six months of 2009. "But many will still come, and they will continue to be important customers," he says. Matzig and other industry executives argue strongly against the exclusion of the UK and European markets from the new regional strategy. "By the time the campaign is up and running, the European markets will be rebounding, and there will be plenty of capacity, because Asian travelers will be looking further afield again," says Diethelm's Richard Brower.

Closer to home, opinions are also divided as to the impact of the crisis on mid-haul markets. Although Japan's outbound market has been stagnant for a decade, many mature age travelers have stockpiled significant savings in yen, which appreciated by 23 percent against the US dollar in 2008. South Koreans, on the other hand, have seen their currency fall by almost as much against the greenback, as concerns mount about the worsening Korean economy. In the first two months of 2009, Korean traffic has fallen by 22 percent to Vietnam, for example, and almost 24 percent to Bali.

China is pumping billions of dollars into the domestic economy and has said it will inject further funds, if necessary, to sustain growth. Despite the slowdown in their key export markets, both China and India are still expected to post GDP growth of around 6 percent in 2009. Most industry executives interviewed by the author expected outbound growth rates from both markets to slow but stay in positive territory. China Swan International General Manager Bob Wang says that for people in major cities like Beijing and Shanghai travel is now part of their lives. "They may change from long-haul to short-haul, they make take one week instead of two, but they won't cancel altogether."

Bearing all these issues in mind, it is possible to identify a list of the priority target markets and demographic segments within those markets that have a high propensity to take multi-destination trips in Southeast Asia. We can tabulate these markets and segments based on their potential to deliver volume and yield, as well as cope with the recession, as follows:

Table 14: Target Markets and Segments (ACS: Adventurous Culture Seekers, IT: Inexperienced Travelers)

Target Markets	Target Psychographic Segments	Volume Potential	Yield Potential	Recession Impact
Australia	ACS (inc YITs)	Medium	Medium	Moderate
China	IT	High	Low	Moderate
Europe	ACS (inc YITs)	Medium	High	Moderate
Japan	ACS (mature-aged)	Medium	High	Low
UK	ACS (inc YITs)	Medium	High	Moderate
US	ACS (inc YITs)	Medium	High	High

The shaded markets – Australia, Europe (Germany, France), Japan and the UK – and segments offer the best combination of volume and yield and lowest recessionary impact. This does not mean that travelers from the US and other markets will be ignored. Given that a significant effort will be placed on interactive web-based communications, there will be a much broader reach, due to the borderless nature of the web.

As outlined in the previous section, there is a significant opportunity for Southeast Asia to grow its total business by focusing on the product segments of cruising and, to a lesser extent, rail travel. Similarly, we can tabulate these segments according to volume, yield, recessionary impact and key source markets, as follows:

Table 15: Target Product Segments

Target Product Segments	Volume Potential	Yield Potential	Recession Impact	Key Markets	Psychographic Segment
Cruise	Medium	High	Low	Australia, Europe, UK, US	SIT
Rail	Low	Medium	Moderate	Australia, Europe	SIT

Language Considerations

Given budget constraints, the focus of initial marketing efforts will be limited to English language communications and collateral. Therefore, we can add a further filter to the target markets and segments recommended in the previous section as follows:

Table 16: Target Markets and Segments – by language

Target Markets	Target Psychographic Segments	Volume Potential	Yield Potential	Recession Impact	English Language
Australia	ACS (inc YITs)	Medium	Medium	Moderate	Yes
China	IT	High	Low	Moderate	No
Europe	ACS (inc YITs)	Medium	High	Moderate	Some markets
Japan	ACS (mature-aged)	Medium	High	Low	Limited
UK	ACS (inc YITs)	Medium	High	Moderate	Yes
US	ACS	Medium	High	High	Yes

The markets targeted for the cruise segment – Australia, Europe, UK and US – can be addressed with English language communications. Alternative language communications, such as Japanese and

Chinese, can be progressively introduced in the next phase of the campaign.

VAP – A New Way Forward

A key element of the Visit ASEAN campaign has been the Visit ASEAN Pass (VAP) which includes a multi-destination air pass, hotel deals and tours. The VAP is available through a dedicated website which can be accessed by consumers but is primarily a platform for travel agents to make bookings. As outlined in Section 1, however, the effectiveness of the VAP has been severely reduced by the proliferation of cheaper point-to-point fares offered by low-cost carriers, cumbersome booking processes and a lack of promotion. Several ASEAN carriers are also understood to have dropped the Pass because of concerns over a possible breach of anti-trust laws. So a new approach is required.

There is no doubt that an online presence is required to market multi-destination travel to Southeast Asia. The importance of the internet as a travel planning tool was reinforced by the Visa Travel Preferences Study. Three-quarters of all respondents cited the web as their main source of information. Travel websites were researched by 82 percent of respondents followed by hotel websites (45 percent) and airline websites (44 percent).

Across Asia, traditional “bricks and mortar” travel agents still dominate sales, however online travel bookings are on the rise driven by a growing consumer belief that the best deals can be found on the web. About 11 percent of all airline bookings in Asia Pacific were made online in 2007, according to the Eye for Travel Asia Pacific Online Travel Report. And leading regional distribution company Abacus reports that the volume of bookings made by online travel agents connected to the Abacus GDS system increased by more than 20 percent in 2008. “We are approaching the turning point where the internet can no longer be regarded as an emerging channel, but has now earned its place as a key channel in the sales and marketing strategy of all significant players in the industry,” says Abacus President & CEO Robert Bailey.

Consumers now have a wide range of options for booking travel online. They can go direct to the supplier, as most airlines and hotels offer direct sales through their websites. For many Low Cost Carriers (LCCs), in fact, the internet is the only way you can purchase their tickets. They can go to sites which specialize in selling distressed inventory such as lastminute.com. Consumers who are happy to book at very short notice can pick up heavily discounted rooms that hotels have not been able to sell through other channels. Or, they can go to an online travel agent (OTA), including global operators such as www.Travelocity.com and www.Expedia.com and Asian-based operators such as www.Zuji.com, which offer air, hotel and some travel packages. There are also specialist OTAs, such as www.Zicasso.com, which invite consumers to submit a brief outline of their desired holiday and guarantee that up to three member travel agents, will respond within 2 to 3 days with a travel itinerary and a price.

Another option that is growing in popularity is the meta-search travel portal which essentially trawls all other travel sites, including supplier sites and OTA sites, and displays all possible solutions. Kayak.com is one of the biggest meta-search portals, while Singapore-based Wego.com is a growing local operator. As well as travel deals, Wego.com offers consumers the opportunity to search through guide books and travel magazines and view video clips and images of destinations.

Redefining the ASEAN websites

There are four ASEAN-branded websites that are relevant to this strategy. The first is the official website of the ASEAN Secretariat: www.asean.org which provides information about all aspects of the association and its activities. It includes a tourism page, plus tourism data within a section on regional statistics. Unfortunately, the information is very dated, relating to arrivals performance in 2003 and 2005.

There is the official website of the ASEAN Travel Association (ASEANTA): www.aseanta.org. Although it offers information about the association and promotes membership, the site seems to be more of a promotional vehicle for members’ products, particularly destination members. The home page promotes events and festivals around the region, while two other sections, *Deals and Offers* and *Travel Guide*, are currently under construction. There is a small

news section. The site provides links to destination and industry association members.

There is the website which sells the Visit ASEAN Pass (VAP): www.visitasean.travel. It is a B2B site linking tourism suppliers within the ASEAN region with travel agents worldwide. It markets the Air Pass (from \$399 for 3 destinations), Hotel pass and Tour Pass through a password-protected e-booking platform.

And there is the website of the Visit ASEAN Campaign: www.asean-tourism.com. It is a consumer-focused site offering destination information and contact details of the 10 ASEAN member countries. There is a *Travel Youth* section that contains some suggested itineraries in several of the countries. Although it features a map and some destination images, the site appears static and not often refreshed.

Clearly, the ASEAN online tourism message is not being delivered as effectively as it should be. There is a pressing need to determine which sites are worth sustaining and what purpose they should serve. The two organizational sites, www.asean.org and www.aseanta.org, have a clear role as the voice of their respective members. There is an opportunity to create a new website which would take over the functions of www.visitasean.travel and www.asean-tourism.com and, importantly, reflects the new branding recommended in Section 3.

This new site would become a one-stop shop for consumers around the world interested in travel to and within Southeast Asia, using the domain name www.southeast-asia.travel. By working with technology partners, the site could offer meta-search capabilities for researching, planning and booking travel. This will be discussed in more detail in the Marketing Plan that follows.

A Region-wide Visa

Finally, almost every interview with industry representatives touched, at some point, on the issue of visas and their frustration with some aspect of the visa process. Diethelm Travel COO Richard Brouwer summed up the feelings of many when he said, “The biggest single step towards the integration of travel in ASEAN would be the introduction of a region-wide visa for international visitors. It would provide a huge boost to travel throughout Southeast Asia, particularly for the cruise sector.” Mr. Brouwer noted that the majority of ASEAN nations don’t require a visa from travelers from fellow ASEAN nations. “Why can’t we take the next step and adopt a regional approach for immigration and border control?”

ASEAN has wrestled with this issue for many years. In 2007, there were moves to introduce a common visa for Thailand and Cambodia, amid suggestions this could be a fore-runner for a regional visa. But, sadly, little progress has been made due to various reasons including an apparent reluctance to give up the not insignificant revenue stream from visa fees.

Marketing Strategy: Key recommendations

In conclusion, the Marketing Strategy can be distilled down to five key recommendations:

1. **To redefine the ASEAN tourism brand as “Southeast Asia” and to develop new brand communications based around a positioning of “Feel the Warmth.”**
2. **Develop marketing and promotional vehicles targeting Adventurous Culture Seekers and Young Independent Travelers in Australia and the UK.**
3. **Heavily recession-impacted markets, such as the US, can be reassessed after 12 months. Alternative language communications, such as Japanese and Chinese, can also be considered in a second phase of the campaign.**
4. **Develop marketing and promotional vehicles targeting the Cruise segment in the US and, when budget permits, Europe.**

5. Build and market a new website, www.southeast-asia.travel, as a one-stop shop for consumers interested in travel to and within the Southeast Asia region.

7. Marketing Plan

Marketing Objectives

- To build global consumer and trade awareness of the new Southeast Asia tourism brand, within budget constraints.
- To educate and excite consumers and the trade about multi-destination travel holidays throughout Southeast Asia
- To encourage conversion of consumer interest into bookings by directing consumer leads to trade partners via the new Southeast Asia regional website

A plan has been developed to show how these objectives could be achieved. It is purely illustrative and by no means definitive, based on a budget of \$500,000, which is the minimum level recommended to establish the new brand and conduct basic campaign activity over a 12-month period. Of course, this is a relatively modest sum, given that individual NTO spending on destination promotion ranges from several million dollars to more than \$50 million a year.

Establishing the new brand

Once the new brand identity is created based on *Southeast Asia – Feel the Warmth*, a carefully planned launch strategy is required to a) secure buy-in from NTO and industry stakeholders and b) gain maximum media exposure and positive publicity. Digital guidelines, explaining the brand rationale and the various ways the brand identity can be used in marketing collateral, should be produced and shared confidentially with the NTOs and key industry partners ahead of the launch. Although the elements of the new branding may become public ahead of the launch, it is critical that ASEAN destination and association members have a strong sense of ownership and confidence in the brand.

The obvious launch platform for the new strategy and campaign is the next ASEAN Tourism Forum in Brunei in January 2010. It will be attended by large numbers of government and travel trade representatives, as well as international media. Given the high profile nature of this initiative, it is sure to generate a lot of interest from both the consumer and trade media. ASEAN NTOs, ASEANTA and ACE project management need to be briefed and equipped to explain the thinking behind the new brand and why it is important for the future of Southeast Asian tourism.

The new brand identity will be featured on all campaign communications, collateral and websites. Government and industry partners will be encouraged to feature the Southeast Asian brand on their own collateral and websites.

Establishing the new website

A lively, informative, interactive website is a critical element of any travel marketing plan. Creating a new site, however, is the easy part. Ensuring that it attracts an adequate volume of traffic, that the content is continually refreshed and up to date, and that there is a clear and simple means for consumer leads to be converted into bookings is not quite so simple. A smart solution is to form a strategic alliance with an existing technology platform and content provider in a way that creates a win-win scenario for both parties.

It is recommended that a partnership be established with a commercial partner, which uses meta-search technology to trawl multiple travel websites across search categories such as hotels, flights, tour packages, activities and deals. Such partners offer extensive reach, searching airline and hotel sites as well as online travel agents (OTAs) such as Zuji and consolidators, such as Orbitz. It will be important that the chosen partner also searches the websites of low cost carriers such as Jetstar and Air Asia.

Typically, meta-search portals use filters that allow users to search results according to their budgets, preferred timing, carrier and even aircraft type. Once users have chosen their preferred option, they are linked to the supplier's site to make the purchase. They earn their revenue on a pay-per-click model, receiving a payment for every user they drive to supplier sites.

It is recommended that meta-search technology be integrated into the new site, www.southeast-asia.travel. Content would be limited to travel products, services and information relating to Southeast Asia. By leveraging wide-ranging search categories, the new site can become a one-stop shop for consumers considering travel to and within the region. Under packages, for example, there will be a range of themed package tours for multi-destination travel within Southeast Asia. Tours will include cruise and rail holiday options. There will also be packages geared to the needs of key target segments such as Adventurous Culture Seekers and Young Independent Travelers. Another important search category is research. It enables users to search the leading travel magazines, such as Travel and Leisure, guide books, such as Lonely Planet, and industry news sites.

Successful travel portals have specialized competencies with search engine optimization (SEO) which is a critical factor in driving traffic to the site. www.southeast-asia.travel primarily will be a B2C site, although it can also be a source of information for travel agents.

It is essential the online conversion mechanism is open to all bona fide tourism companies in Southeast Asia, especially all members of ASEANTA and its member associations. The chosen partner must understand and agree to this requirement. Given that the creation and promotion of www.southeast-asia.travel would generate additional revenue for the partner company, any contractual agreement would need to consider a revenue-sharing arrangement, with funds going to the organization which manages the ASEAN Marketing Strategy and Plan. (Discussed in Section 8)

The advantages of partnering with a meta-search portal can be summarized as follows:

- Updated content on a broad range of products and services, including LCCs
- Multi-destination trip planning tools
- Simple conversion to bookings, with a shared revenue stream
- Updated editorial content from quality information providers
- Unrestricted access for bona fide suppliers
- Traffic generation through search engine optimization (SEO)

In short, a tailored, interactive and sustainable one-stop shop for global consumers to research, plan and book travel to and within Southeast Asia.

Consumer Marketing

Establishing a new regional destination brand and marketing it to the world's 900 million international travelers is a formidable task. In the absence of a multi-million dollar budget, above-the-line marketing is out of the question. Digital communications, supported by innovative public relations, must be at the heart of the marketing plan. Narrowing the focus of communications to key target markets and audiences is also vital.

It is recommended that the Southeast Asia destination marketing organization's marketing/media director work with a digital marketing agency to develop creative and media plans based on the allocated budgets. Together they would consider a broad suite of online marketing tools, such as banners, viral campaigns, contests and social networking programs.

Their plans will target the key consumer segments (Adventurous Culture Seekers, Young Independent Travelers), key markets (Australia, India, Europe) and key product segment (cruise) identified in the marketing strategy (Section 6). Most of the communications should be aimed at driving those target segments to the website www.southeast-asia.travel. Some communications could highlight travel deals offered by partner suppliers and be jointly funded by those partners. Air Asia, which has publicly stated its desire to be identified as an ASEAN carrier, would, for example, be a potential co-operative partner.

It is also recommended that travel-focused PR agencies be engaged in key markets to generate positive media coverage. The agencies would consider pro-active media releases, interviews and media familiarization trips, organized in concert with the NTOs.

Trade Marketing

Exhibiting at select travel trade shows is an economical and effective way of getting key messages about Southeast Asia to a broad cross-section of buyers and sellers who share an interest in transacting travel business in the region. It is recommended that Southeast Asia participates in the three key travel trade events in the region: ATF (held in January each year), the PATA Travel Mart or PTM (September) and ITB Asia (October). The purpose would be to promote the website to buyers, as a source of information, and to sellers, as another distribution channel. It is understood that PATA is also looking to hold an adventure travel mart in Nepal in early 2010, which warrants further consideration.

It is also recommended that Southeast Asia have a “regional presence” at major global shows, such as ITB Berlin (March). Small to medium-sized regional brands and operators, which might otherwise struggle financially to have a significant presence in their own right, could be invited to participate under the Southeast Asia banner. The Mekong Tourism Office (MTO) might also be interested in a joint presence.

Given the previously highlighted opportunities within the cruise segment, it is recommended that Southeast Asia have a presence at Seatrade, the leading cruise trade event held every March in Miami, Florida, USA. The nascent Asian Cruise Association could be a prospective partner. To leverage the young independent traveler segment, it is also worth considering the World Youth Student Travel Conference (WYSTC), held annually in September.

Although trade shows generally offer a more economical way of accessing the maximum number of agents at one time, a Southeast Asian road show in key target markets is worth consideration. A regional airline, such as Air Asia, could be approached to support air carriage, while regional industry players could be invited to participate. The focus of the road show would be multi-destination tours, with a focus on a theme such as adventure or cultural tourism.

Another tried and tested way of educating and motivating retail agents about the possibilities of multi-destination travel is to invite them to experience the product first hand. Select agents in target markets could be invited on familiarization programs conducted jointly with the NTOs. It is also recommended that an online agents training program (such as the successful Aussie Specialists Scheme developed by Tourism Australia) be developed and deployed gradually into preferred markets, as budgets permit. The appointed PR agencies would also be tasked with generating positive coverage in the global travel trade media.

Marketing Plan –Illustrative Budget Allocation

Below is an indicative marketing plan, based on a budget of US\$500,000, over a 12-month period, from July 1, 2009 to June 30, 2010.

Table 17: Indicative Plan at \$500,000

	Global	Australia	UK	US	Total
Brand Development					
• Logo Design / Guidelines	20,000				
• Collateral for trade events	20,000				40,000
Website Marketing					
• Marketing	40,000	90,000	90,000		220,000
PR / Media					
• Pre-launch / launch event	20,000				
• Post launch	20,000	40,000	40,000		120,000
Cruise Marketing					
• ACA Joint Promotion	20,000				
• Marketing				20,000	40,000
Trade Shows					
• ATF (Brunei, Jan)	10,000				
• ITB (Berlin, March)	15,000				25,000
Agents Training					
• Online program	20,000				20,000
Marketing Support					
• Consultancy services					35,000
TOTAL					500,000

Brand Development

- Engage local agency to develop new brand identity and guidelines for usage by NTOs and travel industry partners
- Production of collateral for exhibition and distribution at trade shows

Website Marketing

- Engage agency to help drive traffic to the site using search engine optimization and other marketing techniques
- Engage agencies in Australia and the UK to roll out digital marketing campaigns to excite consumers about travel to the region and drive traffic to the website
 - Target segments: ACS (young travelers and baby boomers)
 - Message: the warmth of discovering new cultures and engaging local people; amplify tropical warmth for UK market

PR / Media

- Engage local agency to manage pre-launch, launch, post-launch PR activity:
 - Pre-launch: trade media focus to build interest in the launch
 - Launch: co-ordinate event, media participation & communications
 - Post launch: prepare and distribute consumer & trade releases to promote travel opportunities and the website
- Engage agencies in Australia and the UK (may be affiliated) to roll out local PR programs

Cruise Marketing

- Discuss and identify joint venture promotional efforts with the Asian Cruise Association
- Develop marketing campaigns targeting cruise travelers from the US
- Consider participation in Seatrade in Miami, March 2010

Trade Shows

- Participate in:
 - ASEAN Tourism Forum in Brunei, January 2010
 - ITB, Berlin, March 2010
- Budget to cover booth rental, decoration and related costs. Look to share costs with potential partners (ie small to medium-size regional travel companies)

Industry Training

- Develop online training program to help ASEANTA members (travel agents, hotels, airlines) make full use of the website. This could include educational modules showing how to:
 - include products on the site
 - develop web-based booking tools
 - grow business through multi-destination itineraries

Marketing Support

- Engage marketing specialist to
 - Oversee the brand development and PR strategies
 - Develop cruise marketing strategy, including a possible partnership with ACA

Year Two Considerations

Following a thorough review of Year One activities, it is recommended the following issues be considered for Year Two of the Marketing Plan (from July 2010 to June 2011).

Website Marketing

- Extension into additional markets such as the US, Germany, France, Japan
- Creation of different language versions of the site

Trade Shows

- Participate in key regional shows such as PATA Travel Mart (September) and ITB Asia (October)
- Consider participation in the Youth Travel Forum, WYSTC (September)

Fam Trips

- Coordinate industry and media familiarization trips from key markets

8. Organizational Model

Embracing Best Practice

One of the fundamental reasons why recent efforts to market Southeast Asia as a single tourism destination have foundered is the absence of a permanent, focused structure with adequate resources to do the job. For this marketing strategy to be successful, it is essential that this weakness be addressed. Carefully considered marketing plans and campaigns do not create nor implement themselves. Best practice demands that, at the very least, the following elements are required:

- A dedicated Destination Marketing Organization (DMO) to craft the strategy and implement the plan
- A market research capacity to provide essential market intelligence required to craft the strategy and adapt it over time
- An agreed, adequate and continuous source of funding to support the DMO, the research capability and the annual campaign activity

The Visit ASEAN Campaign lacked all of these essential elements. Let's review each one in more detail.

Destination Marketing Organizations

Institutions which market tourist destinations are often referred to as Destination Marketing Organizations (DMOs). At a national level, they are generally funded by Government Ministries of Tourism and called National Tourism Offices (NTOs). A good example in ASEAN is the Tourism Authority of Thailand (TAT) which is responsible for the international marketing of Thailand and is fully funded by the Thailand Ministry of Tourism and Sports. Sometimes NTOs are departments or divisions within the Ministries of Tourism, as is the case in the Philippines, Malaysia, and Indonesia. Nonetheless, all ASEAN countries understand the importance of having a dedicated and well resourced organization to craft and implement their marketing plans. For our purposes, we will refer to the organization which will manage the Southeast Asia strategy as a DMO.

Leveraging Research

"Successful tourism marketing depends in large part on research. Tourism promotion efforts undirected by research are largely wasted efforts."¹⁶

DMOs develop, refine, and update their marketing plans annually based on marketing research. The research is conducted and provided by marketing research specialists in the research departments within the DMOs, often supported by external agencies. For example, Tourism Australia is a global marketing organization with a research focus which spends about 10 percent of its approximate \$100 million budget on research. The 10 percent determines how and where the other 90 percent is spent. Timely, quality research is essential to any national tourism marketing campaign. Regional destination marketing campaigns around the world are managed by DMOs and supported by internal or external market research units. Some of the more successful examples follow:

The Caribbean

The *One Caribbean* marketing campaign is managed by the Caribbean Tourism Development Company (CTDC) (www.caribbeantravel.com), a DMO charged with marketing and business development. CTDC's role is "to own, promote, protect, advance and enhance the Caribbean brand." CTDC is owned equally by the Caribbean Hotel and Tourism Association (CHTA) and the Caribbean Tourism Organization (CTO), which is comprised of 32 members; NTOs and private sector organizations. The CTO has an internal research department that provides input to the CTDC for its marketing strategies.

¹⁶ Charles R. Goeldner, J.R. Brent Ritchie, *Tourism: Principles, Practices, Philosophies, Eleventh Edition*, John Wiley & Sons, 2009.

The CTDC combines the resources of the Caribbean region's destinations, accommodations and service providers to create a viable, cohesive, destination marketing organization that is able to identify commercial opportunities and allow the members of CHTA and CTO to benefit collectively from those opportunities in ways that individually they could not.

The South Pacific

Similar to the Caribbean model, 13 NTOs and over 200 tourism operators joined together to form the South Pacific Tourism Organization (SPTO). The DMO is a division within the SPTO, the Division of Marketing, Information and Membership Services (MIMS) which implements the "Visit South Pacific" campaign (www.south-pacific.travel). The primary role of the MIMS Division is "to co-ordinate and facilitate the marketing and promotion of the South Pacific region as a tourism destination to selected priority markets as well as marketing the services of the organization within the region and overseas." In addition to the MIMS, SPTO has a Division of Policy, Planning and Research and a Division of Finance and Administration. As its name implies, the Division of Policy, Planning and Research is responsible for undertaking market research as well as regional tourism planning, coordination of the regional tourism strategy, and development and project management of regional tourism development projects.

Europe

The European Tourism Commission (ETC) is comprised of the NTOs of 38 European countries. Like the Caribbean, the ETC has established a subsidiary company as its DMO, CET Marketing Services, which runs the Visit Europe Campaign (www.visiteurope.com). The DMO works closely with the ETC Market Intelligence Group whose members are the research directors of ETC's member NTOs. CET Marketing Services is comprised of four staff members who work full time on marketing Europe as a premier tourist destination. It is interesting to note that with the launch of www.visiteurope.com, the ETC completed its transformation to a fully online marketing organization.

More complete information on these three regional marketing organizations and their funding and operation structures is attached. (See Appendix E)

The ASEAN experience

It is clear that a well-funded DMO is essential to the success of regional tourism marketing. Yet ASEAN had neither a DMO nor a marketing research capacity to implement the Visit ASEAN campaign. Today, the responsibility rests with the Task Force on ASEAN Tourism Marketing, a committee comprised of full-time employees of the tourism divisions of the governments of the 10 member destinations. However, a marketing task force that meets only two or three times a year, without a fixed annual marketing budget, cannot be expected to do the work of a dedicated DMO and manage a major marketing campaign. This does *not* mean there is no further role for the Task Force. There is an important role: it could and should serve on a board of directors for the DMO that is dedicated to implementing the marketing campaign on a full-time basis.

Ten years ago, ASEAN did have a regional tourism body: the ASEAN Tourism Information Center (ATCI) which operated from 1988 to 1992. Its purpose was defined as follows: "To serve as an information centre on ASEAN tourism and to undertake promotional activities to vitalize greater travel from and among ASEAN Member Countries as well as to promote greater tourist traffic from countries outside the ASEAN region through close cooperation among the ASEAN Member Countries."

In an article published in the Bangkok Post on February 23, 2009, former Tourism Malaysia Chairman, Mr. Abdullah Jonid, stated: "The disbanding of ATCI stopped the significant momentum toward promoting ASEAN as a single destination. With no one in charge, and the subsequent entry of Laos, Cambodia, and Burma, with their poorly funded national tourism organizations, ASEAN's tourism drive lost focus and financial support."

It bears repeating: a dedicated, well-resourced DMO will be essential to the success of a new regional tourism marketing campaign for ASEAN.

An ASEAN DMO

It is recommended that ASEAN establishes a subsidiary company similar to the European model to implement the new regional strategy and campaign. This would require the establishment of an office and a team of four full-time professionals. The positions would include:

- Marketing/Media Director
- Knowledge management/web site specialist
- Content management/research coordinator
- Finance/accountant

Draft position descriptions and a budget breakdown are attached. (**See Appendix F**) The estimate is based on the cost of establishing the office in Bangkok. However, it is ASEAN's prerogative to determine which city would be most appropriate to base the DMO.

An ASEAN Market Research Capacity

Again, in line with the European Tourism Commission (ETC) model, it is recommended that ASEAN form an ASEAN Tourism Marketing Research Task Force. The task force would be comprised of the directors or heads of research of the ASEAN NTOs. It is recommended the task force also include research directors from private sector organizations with strong tourism research capabilities, such as the Pacific Asia Travel Association (PATA) and the Thai Tourism Development Research Institute.

The idea of establishing a Market Research Task Force was discussed and supported in principle at the Special Meeting of the Task Force on ASEAN Tourism Marketing in Bangkok in February 2009. As a transition step, the Marketing Task Force endorsed the establishment of an Ad-hoc Committee of the ASEAN NTOs Heads of Research, to be called the ASEAN Market Research Group (MRG). It is recommended that ASEAN considers providing funding to the MRG to undertake special ASEAN research that would be useful to and shared by all ASEAN members. It is also suggested that the MRG pursue a research partnership with the UNWTO. The UNWTO has a similar partnership with the ETC and contributes 25,000 Euros to the ETC's Market Intelligence Program.

Getting Started – A Pilot DMO

The ACE Project proposes to set up a pilot DMO in Bangkok, in close co-operation with its MoU partner, ASEANTA. It will utilize a knowledge management/web site specialist and a finance/accountant already on staff, and recruit an online marketing/media director and content management/research coordinator to complete the team.

ACE will also issue a request for proposal and terms of reference for developing the www.southeast-asia.travel website, leveraging meta-search technology (as recommended in Section 7).

The pilot DMO would report on its activities to the ASEAN NTOs and ASEANTA at their semi-annual meetings, as if reporting to a board of directors.

When the pilot DMO has proven to be an effective mechanism for implementing the ASEAN regional marketing strategy, the establishment of a permanent DMO and Market Research Task Force can be included into the ASEAN Tourism Strategic Plan 2011-2015. At that point, ASEAN would take over full responsibility for the DMO, making it the permanent DMO, or establishing a new organization based on lessons learned from the pilot body.

Following presentations in April 2009 to ASEANTA in Thailand and the ASEAN Marketing Task Force in Myanmar, we have revised this paper to incorporate their comments and suggestions. In partnership with the ASEAN NTOs and ASEANTA, ACE plans to launch the new Southeast Asia marketing strategy, including the Southeast-Asia.travel website, at the ASEAN Tourism Forum in Brunei in January 2010.

ASEAN Funding – A Long Term Solution

The ASEAN Declaration (Bangkok Declaration) embodies the principle of “common action to promote regional cooperation in South-East Asia in the ***spirit of equality*** and partnership....” Similarly, the ASEAN Charter embraces the principles of “sovereignty, ***equality***, territorial integrity, non-interference, consensus and unity in diversity....” Italics are added to emphasize that the declaration and the charter both recognize the importance of “spirit” of equality. It does not say nor infer that all ASEAN countries are equal economically and thus all contributions to all endeavors must be of equal amounts. As long as the wealthier countries can only contribute the same amounts as the poorer countries, any effort will be limited to the lowest common denominator and thus the lowest possible result.

To an observer, the principle of each contributing the same as the least can contribute seems illogical. Certainly, the means of the countries are not equal. A quick look at the annual per capita GDPs reflects the wide differences in the economies of the different countries. Indeed, the 2007 ASEAN Economic Community Blueprint highlights the wide economic gap between countries and the need to reduce them,

“...the AEC will address the development divide and accelerate integration of Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) through the Initiative for ASEAN Integration and other regional initiatives.”

National budgets allocated to tourism promotion also vary greatly. In terms of ASEAN tourism marketing, such an approach puts ASEAN at a distinct disadvantage to its competitors and renders any collaborative effort doomed to failure.

In the article in the Bangkok Post, Abdullah Jonid linked the failure of the Visit ASEAN campaign and the closure of ASEAN Tourism Information Center to “the entry of Laos, Cambodia, and Burma, with their poorly funded national tourism organizations.” However, it was not the entry of the poorer countries into ASEAN that doomed the ASEAN tourism marketing effort to failure. Rather it was the untenable principle of “equal contribution” which is also at odds with “spirit of equality” championed by ASEAN.

It is time for ASEAN tourism to reconsider its contribution policy. It is recommended that each country could contribute an **equal percentage** of its annual tourism marketing budget to a common ASEAN tourism marketing effort. Certainly, a contribution of an equal percentage embodies the spirit of equality and allows every member country to contribute within its own means with dignity, pride, and face. At the end of the day, it could be the policy shift that finally puts the ASEAN regional tourism strategy on the road to success.

Appendices

- A. Interviews with International Buyers at the ASEAN Tourism Forum**
- B. Interviews with the NTO and travel trade in Malaysia**
- C. Interviews with the NTO and travel trade in Singapore**
- D. Interviews with the NTO and travel trade in Thailand**
- E. Information on global Destination Marketing Organizations**
- F. Draft position descriptions**

(Note: these appendices are representative of the research conducted; they are by no means exhaustive as there were many other interviews and discussions, as well as extensive secondary research)

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The views expressed in this report, not attributed to other sources, are solely those of the author and do not necessarily reflect the views of Nathan Associates Inc, USAID, ASEAN, ASEANTA or any of the other supporting organizations.

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Previously Michael managed brand communications for two leading destinations, Singapore and Australia, and was most recently Vice President of the Pacific Asia Travel Association (PATA). Michael has an intimate understanding of the business and cultural dynamics of the Asia Pacific region, having lived and worked in Sydney, Hong Kong, Tokyo, Singapore and Bangkok.

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Appendix A. Interviews with International Buyers at ATF, Hanoi, Vietnam, January 2009

Summary of Key Points

USA

Tedjo Express Tours, CA

- Sells mostly Indonesia but also multi-destination across SE Asia
- Predominantly empty nesters with culture focus
- Agrees on SEA brand
- Pitch: "So much to offer in 10 SEA destinations couldn't do it in a lifetime"
- Not aware of VAP

Customize Asia Tours, DC

- Sells tailored tours across Asia, many with multi-destination
- Mostly mature-age, some with families
- Agrees on SEA brand
- Feels more should be done to service / assist tour operators
- Aware of the VAP (previously lived in HKG) but doesn't use it

Wild Card Adventures, WA

- Sells tailor-made tours to Asia, all demographics
- Vietnam and Cambodia are the hot "captivating" destinations
- Challenged the concept of marketing SEA: "it's too broad, the destinations are too different to sit under one brand"
- Not aware of VAP, nor are his customers.
- Noted that Vietnam Airlines had a "3 for 1" circle fare for Vietnam / Laos / Cambodia, which was good value

Jovial Tours, NJ

- Recently set up, small operation doing tailor-made tours to Asia
- Focusing on niche segments: golf tours, honeymoons
- While US outbound will be soft in 09, he believes his biz will be less impacted

China

China Environment International Travel Service, Beijing

- Sends FIT travelers to SEA
- Mostly mono-destinations: Bali, Maldives, Bintan, Phuket, Samui
- Beach resorts : fly and flop, not sight-seeing, average 5 to 7 days
- Experienced travelers: 30 to 40 y-old professionals, couples and families
- Stay in 4 to 5 star; regard SEA hotel resorts as not too expensive
- CNY 09 is still strong; 80% chance that 09 will be a normal year
- No knowledge of VAP
- Visa issuance is important: on arrival for groups to Indonesia, Thailand, Vietnam, Singapore; for FIT on arrival in Bali, still before departure in Singapore, but easier process (30USD)

China Swan International Tours

- Sends FIT, plus incentive groups to SEA
- Preferred destinations: Malaysia: KL, Langkawi, Sabah; Thailand: Bangkok, Phuket, Samui, Pattaya; Philippines
- Golf tours: 2-3 families traveling together
- For expats in China, Vietnam: Da Nang

- Cambodia, Vietnam and Laos are popular for incentive groups, although some are switching to Thailand due to reduced budgets in 09
- “For people in Beijing, Shanghai, Guangzhou, traveling is now part of their life. They may change from long-haul to short-haul, they may take one week instead of two, but they won’t cancel altogether”
- Change to 3 Golden Weeks: CNY and October 1 National holidays (1 week each) unchanged, but May 1 Labor Day reduced from 7 to 3 days, workers can take other 4 days at other times during the year

Classic Travel, Shanghai

- Sells Asian tours to expats in China
- Almost all single destination: most want to fly and flop
- Agrees with SEA brand
- Not aware of VAP although not relevant to his business model

Russia

Oliana Travel, St Petersburg

- Sells outbound tours to China, Myanmar, Laos and Cambodia
- Two tiers of traveler: very wealthy and mid-level income earners: both will still travel despite the economic downturn, particularly to China
- For SEA, target the wealthier segment
- Travel in groups, including families
- Limited direct air access, route via Moscow

India

Star Airways, Delhi

- Group travel to SE Asia, send average two groups of about 16 per month
- Extended families on first time overseas visits
- Typically, second overseas visit to Europe; then Singapore, Mauritius
- More than 50% visit BKK, SIN, KL: TG offers special fare (Delhi-BKK-SIN (by road to KL)-BKK-Delhi)
- Primary focus shopping, sightseeing
- Seasonal: June/July, November/December
- Unaware of VAP
- ASEANTA can provide more information on itineraries, sights, activities
- 2009 hot destinations: Cambodia & Brunei

Uplift Tours, Delhi

- Sends upscale FIT tours to SEA (min 3-star properties)
- BKK, SIN, MAL, HKG, Macau, China
- Families, couples, 20 to 25 pax per week
- Typical Thai itinerary: 2 days BKK (inc city tour), 2 days Pattaya (inc Coral Island tour)
- Honeymoons to Phuket
- KL: Afmosa Malaca City: 5 star resort / amusement park
- Visa issuance: BKK, HKG, Vietnam on arrival
- Direct flights are important, particularly for families; Vietnam only via BKK, SIN, HKG (5- 6 hour transits)
- Many airlines offer “triangle fare” for SIN-MAL-BKK itineraries

- Some (Malaysian Air, Air India, Jet) offer “open jaw” for Delhi-SIN (by road) KL – Delhi
- TG offers Delhi-BKK- Chang Mai-Phuket-BKK-Delhi

Japan

A&P Marketing, Yokohama

- Sells FIT to SEA
- Two key segments: Young (age 20-30) and seniors (empty nesters, 50+)
- Young:
 - Both working and students
 - Prefer mono-destination, resort-based holidays of about 1 week: typically Bali, Malaysia resorts such as Langkawi, and Thai resorts
 - Seasonal: holiday periods: Jan-March, July-Sep
 - More price-sensitive
- Seniors:
 - Travel in small groups of couples and friends (5-6 pax)
 - Preferred destinations include Thailand, Malaysia, Australia
 - Experienced travelers, seeking overseas “life experiences”
 - Stay between one week and one month
 - Happy to do multi-destination itineraries
 - Some will base themselves in BKK and travel out to Cambodia, Vietnam or even Singapore
- Overall market is impacted by tough economy and security concerns
- YOLs (young office ladies) not traveling as much due to economic downturn: taking shopping trips to Korea
- Market “switched off” Thailand while there were problems

Rest of Asia

CordyM Tours and Travel, Philippines

- Sells mostly incentive and corporate travel
- Some incentive tours are multi-destination
- Agrees with SEA brand
- Sells some VAPs but limited value

Asialink Holidays, Bali / Hanoi

- Inbound operator handling Euro biz into Indo & Mekong
- Mostly couples, 35+
- More quality info about destinations for operators
- Felt there was some brand equity in ASEAN, hesitant about shifting to SEA
- Doesn't use VAP because Euro operators negotiate fares direct with airlines

Concorde Travel, Hong Kong

- Outbound operator to Asia, 20-30% is multi-destination
- All demographic groups, including families
- Agrees with SEA brand
- Aware of VAP and has used it occasionally, but not very competitive, particularly compared to LCCs

Indochina Hotels and Resorts, Vietnam

- Almost all ASEAN destinations have ocean coastlines
- Beach and culture are the main drivers

- Successful infrastructure development will integrate cultural aspects
- Access is critical: Bali, Phuket, Penang do well; Palau, Fiji suffer despite the fact all five destinations offer similarly high quality beach resorts
- An ASEAN-wide visa would be a huge impetus for development

N.S. Travel & Tours, Bangkok

- 80% group incentives; 20% ticketing / FIT
- Send to Singapore, Hong Kong, China, Malaysia, Brunei, Indonesia
- Leisure groups (20-30 pax); incentive groups (40-80 pax)
- Sells other ASEAN cities as mono-destinations
- Sometimes Singapore-Malaysia combinations; Vietnam-China (rail connection) is emerging but not popular yet
- For Thais, particularly in the North East, low-cost packages BKK-Laos-Vietnam-BKK, all by land are very popular
- Expects slowdown in business in 09 as many clients are taking a “wait and see” approach on the economy; doesn’t anticipate a pick-up until Q3 09

#	Country	Demographic	Source Mkt	SEA Product	% to SEA	Popularity	Length Stay	Multi-destination	Visit ASEAN	ASEAN vs SEA	Effective how?	Provide what?	VAP
1	Netherlands	Middle age, culture, beach, light tours	Netherlands 100%	Mostly group tours / Partly FIT	60%	Thailand best-selling (best known, comfort level, perceived safe), then Indonesia, Vietnam "booming"	14-17 days	30%, especially Indochina	No	SEA, but Asia in Europe	Price, emphasize ease of travel, infrastructure	Intermediary between hotels and operators and travel agents overseas; longer term promotions when selling into Europe; refresh programmes and products; more interactive programmes; cooperation on quality standards between destinations	No
2	Belgium	Flight only, backpackers, free and easy travellers. 30+ age group. Family groups. Couples.	Mainly Belgium	Experiential products	95%+ SEA specialist	Thailand ; used to be Indonesia (sumatra, java, bali, lombok	2-3 weeks	Max 20%. Yes, Malaysia-Indonesia; Thailand-Cambodia; Vietnam-Cambodia.	Yes. Visa system integration needed. Infrastructure is improving all the time	SEA better. Not everyone fam with ASEAN		Fam tours. ATF hosting.	Yes, but not well organised or promoted. Did not try to buy for customers.
3	KL, Malaysia	Upscale single, couples, families	Upscale Malaysia, Singapore, Indonesia	Free and easy	10% to SEA	Philippines and Thailand best sellers	less than 7 days	n/a. Short-haul, short trips, single destination	Something about visa integration.	Same thing	Airfares are key. Market intelligence.	Not applicable to my business and target market	Improve by airlines cooperating on fares
4	Malaysia	MICE; Longhaul leisure - middle-age empty nesters; Middle East leisure - families	Long-haul inbound - Europe; Middle East	Package multi-destination trips; culture; adventure; ecotourism; soft adventure	100% (inbound operator)		5-7 nights for single destination; +5-6 nights for multi-destination	80%. MY-SIN; MY-Thai; My-Cmb-Viet etc.	Yes, but more publicity needed. ATF is best platform to let industry know.	ASEAN	Branding and publicity		Not really

#	Country	Demographic	Source Mkt	SEA Product	% to SEA	Popularity	Length Stay	Multi-destination	Visit ASEAN	ASEAN vs SEA	Effective how?	Provide what?	VAP
5	Chicago, USA	MICE: Corp VIPs, stockholder meets; incentives	USA esp Illinois	MICE inclusive of leisure, corporate teambuilding	25%	Even. Malaysia and Thailand	10 night	Not in SEA countries.	Not sure	SEA more familiar term	Education	Seminars; courses; fam trips; online seminars	Heard about it. That's all.
6	Germany		Germany		10,000 people; 90+%	Thailand	2 weeks		Not really	ASEAN			
7	Beijing, China	Mostly 30-50 yo	China	Island leisure destinations	30%		3-4 nights		Not really. Sing, My, Thai well promoted in China			Information and intel	No
8	Sweden	Leisure. Families and empty nesters	Sweden, + Norway	Group tours	20%	Thailand was #1	2-3 weeks	Only Lao-Cambodia	No	SEA	no comment		No promotion. TG, SG don't promote it
9	Vietnam	40-45 yo with families	Vietnam	Cultural tour with shopping	90-100%	Thailand, Singapore, Malaysia	5 days	60% more than one destination	Yes. Packages would be popular	ASEAN	Perceptions and image building		No
10	Belgium	Mixed. 40 yo + for cultural trips	Belgium (90%), Benelux, France	Beaches for mass market	80%; 35000	Thailand. Most first-time trips to Asia are to Thailand	14 days	Sometimes. Mekong-based.	No	SEA is well known.	Sell diversity in culture, nature.	Pictures. Images. Make people dream about sunshine in winter.	No, but one visa for all ten countries very valuable.

#	Country	Demographic	Source Mkt	SEA Product	% to SEA	Popularity	Length Stay	Multi-destination	Visit ASEAN	ASEAN vs SEA	Effective how?	Provide what?	VAP
11	Thailand	Groups, all inclusive	Japan inbound. In future Thailand outbound	Sight-seeing	20%		More than one dest, then more than 7 days.	Yes. More than 60% of tours. Offices in CLV also.	No	ASEAN			No
12		All	Europe	All types, budgets	45%	Higher profitability; Thailand most popular	12 nights	20%. Mekong area two countries. Vietnam-Thailand most common.	No	Asia. Southeast Asia.		Manpower, money, invitation for famils	No
13	Germany	All. 40-60 yo for group tours.	Germany, Austria	Mainly package leisure.		Most popular region. All dest covered	Week.	Multi-destination, mainly combined with Thailand	No	Asia. Not even Southeast Asia	Consumer marketing	So many tools we could use. Roadshows etc. Focus should be put on end consumers.	
14	Denmark	55+	Denmark + Sweden, Norway	Escorted Danish group leaders, all-inclusive or half-board tours. Themed tours.	One third of business	Same.		Max two destinations. Most Danes travel to one or two destinations only.	No. Name only.	ASEAN ineffective. Not Southeast Asia neither. In Scandinavia guidebooks are single country focused	Shared marketing funds. Image ads okay if relatively new destination. Mistake to over-focus on image ads.	Shared cost/benefit on ad campaign. Airline one-third, hotel one-third, agent one-third. But not too bureaucratic.	Yes. The best idea, but need immigration systems to co-ordinate. More an individual thing. Our groups can't use it.
15	UK	45+ couples, well-heeled	95% UK. Balance from Europe, Namerica	Cultural, beach	20-25% to SEA; the rest to Sasia	SEA sold on demand.	15-16 days	Very common. Most common is Vietnam, Cambodia, Laos	No	SEA	Plenty of information. Eyecatching, bold, and interesting		No.

ASEANTA

ASEAN Pass from 1980s to 2005

Back in the 80s, ASEANTA developed the ASEAN circle fare (and other variations) aimed at long-haul markets on ASEAN carriers. It worked reasonably well. However, with the advent of the financial crisis in the late 80s, the focus was switched from long-haul to neighboring destinations. The Hip Hop Pass was developed: an Air Pass with ASEAN airlines, agreed fare levels: (e.g. KL-MNL-BKK-KL 3 coupons for 399 USD, add BKK-SIN sector, one more coupon add 100 USD). Sold by travel agents through Abacus (ok for most airlines except TG because of its tie-up with Amadeus), or by airlines direct. It could be multi-airline, and offered changeable dates. It was marketed and sold within ASEAN (although available elsewhere). It worked fairly well in a pre-internet environment. ASEANTA also added a Hotel Pass, with fixed rates (e.g. 30USD for 3-star, USD40 for 4-star, etc) But it suffered from a cumbersome process of confirmation and payment and had limited success. By 2005, there was a need to refresh the program. In 2006, ASEANTA launched the new Visit ASEAN Pass (VAP).

VAP

To be effective, the Pass needed to be available on line. Klaus Lengefeld (of Euro NGO GTZ) introduced Michael Zartmann of Zartmann Travel Services (ZTS) who created a web-based distribution channel using his interactive booking platform and payment gateway. Hotel Passes and a new element, Tour Passes (offering sight-seeing and transfers) were added, utilizing product from ASEANTA members. But it was more B2B than B2C, with bookings to be made through agents. Zartmann offered his expertise in exchange for a revenue sharing deal. In the end, the Passes didn't sell well due in part to consumers being unable to book airfares directly through the site. Since the end of 08, it is thought that some carriers have dropped the Pass due to concerns over anti-trust laws.

General Discussion

A discussion ensued on alternative options, including a suggestion that a "one-stop shop" site be developed, by leveraging partners such as online travel agents and meta-search portals. It was agreed that LCCs be included. ACE suggested the formation of a new body – DMO – to manage programs / website with a Board made up of ASEANTA and NTOs, similar to the ETC model, including a research component.

Asian Overland Services

Business model

- Focuses mostly on inbound to Malaysia, with some Mal + Sing
- From late last year, started to develop a B2B online platform with content for Mal, Sing, Indo, Thai China, Hong Kong, Macau
- Expect 80% to be from Asian markets – and they don't do multi-destination itineraries because of limited holiday time.
- Expects multi-destination to be about 10-15% of business

New target markets: Middle East – Saudi, UAE, Qatar,

- Typical itinerary: Mal + Sing, Mal + Thailand
- City tours, sight-seeing, shopping (less so on culture), families, honeymooners
- Mid June to Sep peak season, but increasingly year-round, particularly honeymooners (KL-BKK-Phuket) and families with young (pre-school) kids
- Used to be 5-star, now 4 to 5 star

World Express

World Express, originally an offshoot of Singapore operation, about 10 years ago, built standalone inbound Malaysia business

Source markets

All English-speaking markets (not so much N Asia: China, Japan, Korea)

- UK 40%, rest of Europe 15%
- Aust/NZ 25%
- India 20%
- MEast, in peak season as much as 35%
- Eastern Euro, Russia small but growing
- NAmerica, small but multi-destination, plus cruise

Euro tour operators are selling multi-destination tours, use WE for Malaysia component

For group tours, WE offers multi-destination itineraries

- Combinations of Indo, Sing, Mal, Thai
- KL-Cameron-Penang (by rail, Malaysian Railway) to Bangkok

Agreed that Visit SE Asia site could feature themed itineraries, e.g.

- Rail journeys
- Cruise
- World heritage sites

Malaysian Tourism Ministry Tourism Malaysia (TM)

Research

- Collects data on arrivals, hotel occupancy, tourism receipts
- Specific market research: contract external agency: about to do study on Russia, will complete study on potential of cruise market by May/June

Industry Development

Focus on high-yield segments

- Ecotourism
- Education
- Medical / Health Tourism

“Malaysia, My Second Home”, aimed at foreign retirees, encouraging them to relocate to Malaysia.

General Discussion

TM – would like to see more sharing of intelligence between ASEAN destinations; offered to share data on multi-destination itineraries

ACE proposed

- formation of DMO to co-ordinate Visit SEA marketing, based on ETC model
- a new grouping of Research Directors from key ASEAN NTOs, PATA, perhaps airlines and others, to meet a couple of times a year

TM agreed the research group and DMO model could work.

In regard to target markets, agreed with mid-haul

- India, Middle East (Dubai at 8 hours, outer limit of mid-haul)

Possibly Russia – “multi-destination” because they come to Malaysia via either Singapore or Bangkok (but at 10 hours, perhaps more long-haul)

Appendix C. Meeting Notes, Singapore, 17-20 February 2009

Silversea Cruises

- Offer a range of multi-destination cruise options throughout SE Asia, including Hong Kong, Singapore, Thailand, Vietnam, Cambodia, Indonesia, Philippines
- Two boats: Silver Whisper, Silver Shadow (380 pax)
- Some itineraries include overnight stays & tours in destinations
- Mostly non-ASEAN: 50% from North America, 30% Europe, 15% Australia/NZ.
- Asia only 1-2%, although there is growing interest. "Sun / seasickness" factors, plus Asians are "time-poor" therefore prefer short cruises, less than 7 days (i.e. Star Cruises "three days to nowhere" cruise)
- Infrastructure issues: Star Cruises allow us to use their port facilities
- US market has softened but the top-end of the market is more "recession resilient"
- Silversea focus on need to educate trade to sell cruise holidays more effectively, in Singapore there are only five agents qualified to sell cruise

Singapore Tourism Board

- Youth focused-campaign, want to launch in April to drive business by June/July
- Youth defined as 16-35, working and students
- Campaign elements: calendar of events, plus discounted packages (aggregate deals that are in the market)
- Provided brief update on regional cruise developments, including formation of Asia Cruise Association last year
- Discussed ETC model, debated its value versus role of marketing taskforce
- Agreed with idea of regular Market Research Group meetings; used to happen on a regular basis

Hong Thai Travel

- Handles inbound and outbound
- Reviewed source markets for multi-destination itineraries
- Euro, N America, Japan, Korea declining
- Gulf markets: Singapore visa issues, unlike Malaysia
- China – Singapore – Bali; China – Singapore – Bintan; China – Singapore – Star Cruises to Malaysia / Thailand 5-6 day itinerary, with pre-post accom in Singapore
- India – same as above, India – Singapore – by land to KL – Bangkok
- Plus up and coming regional markets: Vietnam, Philippines, Cambodia: many opt for two country combinations, i.e. Sing / Mal; Mal / Thai
- Gulf markets – good for Malaysia but Singapore faces visa issues; Iran opportunity, now with direct flights to KL
- Russia impacted by crisis, some charters to Langkawi, Bali etc have been cancelled
- Asian travelers are time-poor compared to Euros generally less than a week
- VAP: struggles to compete with LCC fares

Worldwide Tours

- Spa focus which tends to be mono-destination.
- Singapore – Bangkok – Mekong destinations, plus Bhutan
- Singaporeans are well-travelled, multi-destination is kind of passé
- Cruise is gathering momentum
- Rail hampered by lack of product, either super luxury Orient Express or low-end national railways and nothing in between
- VAP too many restrictions, LCCs are cheaper
- Youth segment: agents will question whether they can make money from it

NATAS

- Agrees with SE Asia branding

- VAP some success but... today's traveler wants mono destinations and one-way point-to-point has become so cheap due to LCCs. Also some issues with processing
- Need to get airlines to relook at pricing / distribution of the pass BUT airlines shy of anti-trust issues
- Like Europe, ASEAN needs to ease the complexities of traveling around the region. In Europe, you can cross borders easily with few immigration hassles. Not so for SEA.
- Agrees with the formation of a new body along the lines of ETC. NTOs only meet twice a year. Major focus is promoting own destinations, regional ASEAN focus is secondary at best.
- Noted that NATAS has its own website promoting member travel packages to global destinations (www.travclass.com)

Research and Statistics, STB

- Can provide arrivals, by spend, by purpose, by age demo and by source market for 08 compared to 07'
- Forecasts? Tourism 2015 Vision: 17 m visitors, \$30b receipts
- Cruise: limited data from the association: no of ships and throughput
- Agrees with the need for regular research meetings; they now have the opportunity to do this at various conferences throughout the year (PATA, UNWTO)
- Noted that ASEAN secretariat has a research capacity across all sectors, including tourism

Commonwealth Travel

- Outbound operator
- About to launch new partnership with "Fly Free for Health" organization to send Singaporeans – or inbound visitors to Singapore – to Thailand for health tourism (surgery, wellness, spa etc)
- Singaporeans don't do multi-destination within ASEAN, will do 4-5 day mono-trip within region, 1 week-plus, possibly multi-destination long-haul
- Market is more price sensitive: about to launch a series of 3d/2n land only packages (accomm, transfers, some tours) to HKG, BKK and KUL for \$198
- Cambodia / Vietnam getting popular: first time visits so basic attractions
- Cruise is getting popular: Costa and Silversea are "parking" boats in Singapore; traditional offshore cruising is in the infant stage; Star Cruises "gambling" tours are much bigger
- China, India, Japan and Korea are markets which hub through Singapore onto other ASEAN destinations, including Malaysia, Bintan, Thailand and the "cruise to nowhere". Access cheap one-way fares on the many LCCs operating thru Singapore
- China: FIT packages: couples, singles
- Japan, Korea: FITs, young professionals, honeymooners, golfers: SIN-Bali, SIN-Bintan
- Rail: need to improve the product: renovate one or two carriages for international customers

Royal Caribbean

- From Nov 08, Legend of the Seas (2000 pax) deployed for Asian cruises on a year-round basis: 50% operating out of Shanghai, summer months in HKG & SIN
- Home port is critical: must be a strong source market; Singapore advantage: good air connections;
- Various itineraries: 3-5 nights through to 14 nights
- Huge interest in North America and Europe in cruising in Asia, shorter duration cruises appeal more to the local market
- Need visas on arrival or expansion of visa free travel: sometimes paperwork can be very cumbersome; in the Caribbean, cruise passengers get a US visa and then nothing further is required for cruising the islands
- Infrastructure improvements need to continue: 38 new international cruise liners

- being built between now and 2012, none would be able to berth in Asian ports
- Asian cities don't have to invest in full-blown home ports, just a finger berth would be enough initially
- Need to train the travel industry within Asia to sell cruise holidays; even in the most mature markets US and UK, 90% of cruise bookings are through an agent
- Mid-haul target markets: China, India, Australia, Hong Kong
- Target segments: retired people have time and money
- Opportunities for long-haul, medium haul and intra-ASEAN

Wego

- Confirmed Wego's interest in developing an interactive site for Visit South East Asia, using meta-search technology
- Highlighted another recent project for a local client along similar lines
- Initial discussion re content: maps, themed itineraries linked to operators; links to articles, guides (already have access to Lonely planet and others), video clips etc
- Can leverage search optimization to drive traffic to the site

Appendix D, Meeting Notes, Bangkok, Thailand, 23-27 February 2009

Tourism Authority of Thailand

- Conduct research on tourism behavior, satisfaction and competitive analysis
- Management of tourism database has been shifted to the Ministry
- Multi-destination: North Americans more than Europeans, plus first time travelers from emerging markets
- TAT also conducts individual market studies (inc Japan, Korea) plus segment studies (Health, Golf, Shopping and Entertainment)
- Thailand Tourism Research Fund has conducted several studies on ASEAN tourism (follow up to get copies)
- Don't have data on multi-destination travel. Would need to ask the Ministry to work with Immigration department to analyze landing cards

Pacific Asia Travel Association

- ACE update on project
- Multi-destination: JK suggested sourcing MIDT airline data, although the cost is prohibitive (US\$50K a month), alternatively talk with GDS companies
- GD (speaking in previous capacity as head of IndoChina Services): 60% of business from Europe, of which 50% from Germany, 20% from US
- Recommended that ASEAN not give up on Europe market. "There might be a washout of 10 to 15% but they'll still come"
- PATA agreed to participate in a new ASEAN Market Research Group (MRG)
- Suggested the MRG could focus on a) standardization of NTO research gathering and b) working with immigration to collect more accurate and timely travel data (i.e. "get hold of the passport swipes")

ASEAN Tourism Marketing Taskforce Meeting

Minister of Tourism

- 2009-2010 focus on Youth Tourism will be included in ASEAN Summit statement

Chairman, Tourism Authority of Thailand

- Outlined range of incentives under Year of Youth Tourism including a 90-day exemption on visa fees from 5 Mar, reduced airport landing fees
- New rail link to connect Thailand and Laos; complements current services to Singapore and Malaysia

General discussion of Year of Youth Promotion

- Singapore has two key events: ASEAN Youth Games in 09 as a pre-qualifier for the inaugural Youth Olympics in 2010. Focus on generating pre and post tours to other ASEAN destinations
- Singapore-Thailand co-operating on sharing travel business generated by Formula One grand prix – opportunity to "spread the benefits" with pre and post touring, or travel deals for Singaporeans who choose to rent out their homes
- Chair outlined overall campaign strategy: individual NTOs develop their own youth activities under regional "Year of Youth" banner
- All NTOs encouraged to identify one key youth-focused event and liaise with trade partners to develop discounted youth-focused travel packages
- Events Calendar and Travel Packages to be posted on the ASEANTA website and individual NTO websites
- STB suggested it would distribute a Visit ASEAN video and power point slides which could be used by NTOs for promoting YAY during road shows

ACE Project

- Presented a compelling case for the establishment of a Market Research Group (MRG) and a Destination Marketing Organization (DMO) to co-ordinate the Visit South East Asia campaign. Suggested a pilot program in Year One with a total budget of USD300K with contributions of 25K from each of the NTOs, ASEANTA and ACE. ACE would also provide staff and office facilities.
- ASEAN secretariat supported the proposal. Some NTOs asked for more supporting information. It was agreed that ACE would submit a proposal to this effect to be considered by the taskforce ahead of its next meeting in early May. It was also agreed that ACE would invite NTO research directors to the first MRG meeting in April.

Tourismo Asia

- 80% of business comes from Europe (Scandinavians are the biggest group, followed by Germans, Brits, Italians); 20% North America, South America
- Agreed there were two hubs for multi-destination travel from Europe: Singapore and Bangkok. "Singapore is a travel stopover point but Bangkok is a more of a tourism hub"
- Scandinavians
 - Mostly couples, families
 - Book at least six months in advance
 - Travel in northern winter: November to April
 - Travel is a must
 - Financially conservative: stay 3-star accomm, enjoy Thailand's value
- Brits, Germans:
 - Travel on regular, scheduled flights
 - Tend to be more independent travelers
- Segments: Target backpackers: they are wrongly seen as low-yield; they travel widely and have good discretionary income. May not spend big on accommodation but will spend on tours and activities
- Impact of economic crisis: they will continue to travel as long as they can get here at a reasonable price
- From Europe, SE Asia is competing with Caribbean from long-haul
- Long-haul travelers are more attractive to destinations because of length of stay
- Rule of thumb: 10 hour flight / stay 10 days; 2 hour flight / stay 2 days
- For Thailand and beyond: 10 to 14 days
- First timers: combination of BKK, north (culture), and south (beach resort)
- Then either multi-destination into CLV, with culture / beach focus, or mono-Thailand
- Indochina is all about culture; SE Asia is beach and culture
- It's also about value: for long-haul travelers "you can live like a king for two weeks"
- ASEAN website needs to excite people about SE Asia, motivate them to explore different options and pass them onto the industry to convert them into bookings
- Liked the concept of a one-stop shop site. Suggested there would need to be some monitoring to ensure a) bona fide association members could participate and b) suppliers were behaving appropriately

Diethhelm Travel

- Self drive holidays represent a tiny proportion of the industry: but with the development of the Asian highway, this segment is worthy of consideration in the mid to long term
- The biggest single step towards integration of ASEAN travel would be an ASEAN-wide visa. The majority of ASEAN nations don't require a visa for fellow ASEAN nations, with only a couple of exceptions, notably in Indochina.
- ACE project target: go for long-haul because by the time the campaign is fully underway, the economy will have recovered sufficiently for Asians to resume traveling further afield and there will be plenty of capacity

- Diethelm is a leading regional operator. Europe is the biggest market, providing 35% of its business. Top four markets: Germany, France, UK, US
- China is the biggest outbound market for the US, hubbing thru HKG and TYO, opportunity to swing some of that business thru Singapore
- Mainland Europe is saving money, US & UK doesn't have the money, so the outlook is gloomy for the next six to 12 months, "don't think we've seen the worst of it yet"
- Bright lights: Iran market to Malaysia, Eastern Europe, youth / budget travelers, and extremely high end (spread over many markets).
- Problem with youth is that they book along the way, little revenue in it for traditional distribution
- For Diethelm, Thailand and Malaysia are mostly mono. Rest of ASEAN destinations as multi-destination, with BKK as the hub
- Holiday preferences: Russians: beach; French: culture-seekers; Brits: mix of above; Scandinavians: beach; US: explore multi-country
- Bali – isle of the gods – has been very successful in building a desirable brand image in the US
- Rail: could be a big draw-card if the product is sufficiently developed. For now it has limited application. Use train to get the French back from northern Thailand to BKK, limited use in Vietnam, otherwise too slow / not up to standard for most travelers
- Gourmet tours / food is a big appeal
- Cruise: could be potentially a huge business in ASEAN, look at how it grew the Caribbean region; but it is being frustrated by lack of port infrastructure and visa hassles.
- ASEAN brand attributes: **high service levels / warmth of welcome**; diversity – from modern to ancient, culture to beach, budget to luxury; **value** for money, great food

Asian Trails

- SE Asia brand attributes: "warm and sunny", shopping, good value, exotic culture, food, entertainment; diversity of cultures, tribes, languages
- Two hubs: BKK, SIN; Thai thru to CLV and Brunei
- Asian Trails (part of Kuoni group): 80% from Europe, Americas 15%, Asia 5%
- India:
 - market needs to be handled by Indian inbound operators
 - want Indian food, some will bring their own chef
 - Kuoni India sends 20,000 pax a year to Thailand but doesn't use AT: instead three local Indian operators in BKK
 - Stronger for SIN/MAL
- Middle East: stronger for SIN/MAL/INDO
- Europe: Swiss, Germans, French, Dutch, Brits, Spanish, Italians
- Generally come for 2-3 weeks, Nov-April, but also at other times
- Italians, Spanish also come July-Aug: perhaps too crowded in their own countries
- French are culture-focused, "see 10 temples still want more" and most likely to do multi-destination
- Euro market will be down 10 to 30% over the next few months: beyond that?
- Youth market: stay long time, but tend to book as they go, use local transport and cheaper accommodation (not much return for operators)
- Rail: limited appeal at the moment: most tracks are narrow gauge so speed is limited to 30/40 kph and carriages rock from side to side;
- Improved networks (i.e. Thai to Laos will help) but product needs upgrade
- Cruise: yes, in all forms. We do a lot of river cruises (Chaopraya, Kwai etc) and coastal cruises (Phuket, Krabi) mostly in smaller boats, up to 15-20 cabins

Appendix E. Information on global Destination Marketing Organizations
(Sourced by the ACE Project Office)

The Caribbean

The **Caribbean Tourism Organization (CTO)** (<http://www.onecaribbean.org/>), with headquarters in Barbados, comprises 32 member countries, including English, French, Spanish and Dutch speaking countries and territories, as well as private sector allied members. These include the Caribbean Hotel Association, companies, organizations and persons providing products and services to the Caribbean tourism industry.

CTO was established in 1989 with the merger of the Caribbean Tourism Association (founded in 1951) and the Caribbean Tourism Research and Development Center (founded in 1974). CTO's offices are located in the USA, UK, Canada and Barbados. CTO Chapters are located in France, Germany, Holland, across the USA and in the Caribbean.

2008 data shows that the Caribbean tourism market attracts 22 million visitors and injects \$21.6 billion into the island economies each year. The United States accounts for 50% of the region's tourists while Europe accounts for another 40%.

Caribbean Tourism Officials

CTO Chairman, Council of Ministers & Commissioners of Tourism: Antigua & Barbuda - Minister of Tourism, Harold Lovell

CTO Chair, Board of Directors: Antigua & Barbuda - Mr. Cortwright Marshall

Vice-Chair, Council of Ministers: United States Virgin Islands, Martinique, Curacao, St. Vincent & the Grenadines, British Virgin Islands, Trinidad & Tobago

The Ministers or Commissioners of Tourism and Directors of Tourism in each CTO member country are responsible for the industry's development and tourism marketing at the national level.

CTO Barbados (headquarters)

Office of the Secretary General

Acting Secretary General: Hugh Riley

Executive Secretary: Harriette Banfield

Communications Officer: Johnson Johnrose

Receptionist/Clerk-typist: Suzette Kellman

Sustainable Tourism Specialist: Gail Henry

Human Resources

Director Human Resources: Bonita Morgan

Secretary: Marvella Sealy

Research & Information Management

Deputy Director: Winfield Griffith

Intranet Administrator: Sharon Coward

Statistical Officer: Sean Smith

Research Officer: Angela Maynard

Data Processing Officer: Stephen Aymes

Database Clerk: Carol-Ann Giles

Research Assistant: Adrian McAllister

Secretaries: Lydia Collins, Gillian Hunte

Library

Librarian: Sophia Lashley

Finance & Resources

Acting Director: Neil Walters

Secretary: Kim Jackson

Support:

Nedra Thompson - Office assistant; Claude Clarke - Mail Clerk/Driver

Member Countries

[Anguilla](#), [Antigua and Barbuda](#), [Aruba](#), [The Bahamas](#), [Barbados](#), [Belize](#), [Bermuda](#), [Bonaire](#), [British Virgin Islands](#), [Cayman Islands](#), [Cuba](#), [Curaçao](#), [Dominica](#), [Dominican Republic](#), [Grenada](#), [Guadeloupe](#), [Guyana](#), [Haiti](#), [Jamaica](#), [Martinique](#), [Montserrat](#), [Puerto Rico](#), [St. Barts](#), [St. Eustatius](#), [St. Kitts & Nevis](#), [St. Lucia](#), [St. Maarten](#), [St. Martin](#), [St. Vincent & the Grenadines](#), [Suriname](#), [Trinidad and Tobago](#), [Turks and Caicos Islands](#), [United States Virgin Islands](#), [Venezuela](#).

The Caribbean Tourism Development Company (CTDC) (<http://www.caribbeantravel.com/>) is a marketing and business development unit, owned equally by the Caribbean Hotel and Tourism Association (CHTA) and the Caribbean Tourism Organization (CTO). Its mission is: *To own, promote, protect, advance and enhance the Caribbean brand.*

The CTDC combines the resources of the Caribbean region's destinations, accommodations and service providers to create a viable, cohesive, business unit that is able to identify commercial opportunities and allow the members of CHTA and CTO to benefit collectively from those opportunities in ways that individually they could not.

In all its endeavors the company will engage only in activities that honor the Caribbean brand and benefit the members of CHTA and CTO. CTDC may be contacted through the offices of CTO and CHTA.

The South Pacific

The **South Pacific Tourism Organization (SPTO)** (<http://www.spto.org/>) is the mandated inter-governmental organization for the tourism sector in the South Pacific. In the early 1980's an informal association of South Pacific national tourism organizations was formed, which subsequently became the SPTO. SPTO is an organization with a membership that substantially represents both the public and private sectors.

Current full government member countries include The Cook Islands, Fiji, French Polynesia, Kiribati, New Caledonia, Niue, Papua New Guinea, People's Republic of China, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu. Private sector members include over 200 of the major tourism operators in the region.

SPTO is marketing the South Pacific brand with the statement *South Pacific Islands* together with the tag line *Discover Paradise*. The region features a positioning of: *A safe and culturally diverse destination, with friendly people and an unspoilt natural environment*

EXECUTIVE STRUCTURE

The structure of SPTO consists of the Council of Ministers, Board of Directors and Management. SPTO's supreme governing body is the **Council of Tourism Ministers** that meets annually. The Council's primary functions include monitoring and reviewing SPTO's policies, strategies, work programs and budgets. The **Board of Directors**, that meets three times annually, is responsible for the general administration of SPTO's operational and financial policies. The Board has one representative from each of the member countries and six from the private sector. The Board implements the policies approved by the Council of Ministers.

A **Chief Executive**, appointed by the Board, carries out the day-to-day administrative functions of SPTO and is supported by a number of professional and administrative staff as well as technical advisors.

DIVISIONAL STRUCTURE

The SPTO has three Divisions within its organizational structure as follows:

Division of Policy, Planning and Research

The Division is responsible for undertaking market research, regional tourism planning and HRD policy, coordination of the Regional Tourism Strategy and development and project management of regional tourism development projects.

The key strategies for the Division are to:

- Improve the sustainability and quality of the regional tourism product through the coordination of regional training initiatives;
- Facilitate sustainable tourism development in the region, with a particular focus on eco-tourism and the development of small and medium sized enterprises.

Division of Marketing, Information and Membership Services

The primary role of the MIMS Division is to co-ordinate and facilitate the marketing and promotion of the South Pacific region as a tourism destination to selected priority markets as well as marketing the services of the organization within the region and overseas. The Division is also responsible for the development of SPTO's private sector membership program.

The key strategy for the Division is to:

- Increase visitation and yield to the region through a market led approach to promotion and product development.

Division of Finance and Administration

The Division is responsible for the coordination of SPTO's functional budgets as well as for the preparation and maintenance of management accounts, the preparation of annual financial statements, as well as the provision of annual accounts. The Division is also responsible for personnel and the integrity and security of the organization and its assets.

The key strategy for the Division is to:

- Provide support services that ensure the effective and accountable operation of the organization.

SPTO PRODUCTS AND SERVICES

SPTO's goal is to develop tourism through the delivery of products and services that satisfy its members' needs. The SPTO aims to be a customer focused international organization, which is self-financing based on the delivery of identified value propositions. In order to achieve this, SPTO has member driven work programs and adopts a commercial approach to the operations and activities of the organization. This ensures that the SPTO adds value to the activities of its government and private sector members.

SPTO offers the following range of products and services:

Research

- Regional Statistical Analysis
- NTO Bi Annual Benchmarking Survey
- Quarterly Market Intelligence Summary
- Market Sector Studies
- Membership Weekly Newsletter

Marketing

- Regional Branding
- Overseas Representation
- Travel Show/Road Show Coordination and Facilitation
- Regional Collateral Material
- Regional Tourism Magazine
- Web site development and promotion
- Internet Marketing
- Lead Generation
- Tourism Products Database
- Internet and Marketing Training / Consulting

Membership Services

- Product Promotion via SPTO's Website
- Member Discounts
- Photo Library
- Banner Advertising
- Database Marketing
- Regional Tourism Conference

Policy, Planning and HRD

- Training Facilitation and Implementation
- Industry and Stakeholder Workshops
- Bi-annual Regional Tourism Conference
- Regional Tourism Policy and Planning
- Technical Assistance
- Project Management/Implementation Services
- Consultancy Database
- South Pacific Tourism Investment Guide

SPTO works for everyone

The South Pacific Tourism Organization (SPTO) is dedicated to assisting any organization, large or small, regional or international, involved in South Pacific travel and tourism. SPTO is far more than just another tourism association. Our regional and international membership encompasses National Tourism Offices, hotels, resorts, car rental operators, coach operators, travel agents, tour operators, airlines, cruise and dive operators and all other businesses associated with travel and tourism in the South Pacific.

SPTO – THE FUTURE

SPTO continues to play a pivotal role in the regional co-ordination of the tourism sector. SPTO works closely with both its government members and the private sector to co-ordinate regional marketing, planning, investment and human resource development activities. SPTO is committed to achieve the sustainable growth of the sector as encompassed in the regional Vision for tourism. SPTO will facilitate the achievement of the regional Vision, in partnership with governments, the private sector and the donor community, for the benefit of the people of the South Pacific.

SPTO HEAD OFFICE

Level 3, FNPF Place, Victoria Parade, PO Box 13119, Suva, Fiji Islands.
Tel: (679) 330 4177 Fax (679) 330 1995 email: tourism@spto.org

Europe

The **European Travel Commission** (ETC) is a non-profit making organization with its headquarters in Brussels. ETC is the organization responsible for the promotion of Europe as a tourist destination. Its members are the 39 National Tourism Organizations (NTOs) of Europe, whose role is to market and promote tourism to Europe in general, and to their individual countries in particular.

ETC's corporate website: www.etc-corporate.org/ is aimed at industry, government and educational personnel interested in tourism to Europe while its consumer-oriented site: www.visiteurope.com is aimed at visitors seeking travel-specific information and ideas.

The National Tourism Organizations (NTOs) of 39 countries who are members of ETC contribute to its activities and funding. Its current member countries include:

[Austria](#), [Belgium \(Flanders\)](#), [Belgium \(Wallonie-Bruxelles\)](#), [Britain](#), [Bulgaria](#), [Croatia](#), [Cyprus](#), [Czech Republic](#), [Denmark](#), [Estonia](#), [Finland](#), [France](#), [F.Y.R. of Macedonia](#), [Georgia](#), [Germany](#), [Greece](#), [Holland](#), [Hungary](#), [Iceland](#), [Ireland](#), [Italy](#), [Latvia](#), [Lithuania](#), [Luxembourg](#), [Malta](#), [Monaco](#), [Montenegro](#), [Norway](#), [Poland](#), [Portugal](#), [Romania](#), [San Marino](#), [Serbia](#), [Slovak Republic](#), [Slovenia](#), [Spain](#), [Sweden](#), [Switzerland](#), [Turkey](#), [Ukraine](#)

VISION and MISSION

ETC sees itself as a virtual organization marketing Europe as a tourist destination in global market, primarily by means of the internet. The three principal focuses of the Commission's work are electronic marketing, market intelligence and operational excellence. ETC seeks to provide added value to members by encouraging exchange of information and management expertise and promoting awareness about the role played by national tourism organizations. The main objectives of the European Travel Commission are to:

- a. **Promote Europe** as an attractive tourist destination;
- b. Assist member NTOs to **exchange knowledge** and work collaboratively;
- c. Provide industry partners and other interested parties with easy access to **material & statistics** regarding inbound tourism to Europe.

STRUCTURE

The NTOs of Europe elect a President, three Vice-Presidents, a Board of Directors, a Chairman of the Market Intelligence Group and a Chairman of the Marketing & Technology Network for revolving two years terms.

The organization of the ETC comprises:

- A **Board of Directors** (President, three Vice-Presidents, Board Members, the Chairs of the Research Group and New Media Groups, and Operations Group representatives;
- An **Executive Unit** comprising an Executive Director, a person responsible for Media & Market Research, and an Administrative Assistant;
- Four **Operations Groups**:
 - **US Operations Group**
 - **Canada Operations Group**
 - **Japan Operations Group**
 - **Latin America Operations Group**
- Two **Working Groups**:
 - **Market Intelligence Group** commissions and produces market intelligence studies, handbooks on methodologies and best practice, and facilitates the exchange of European tourism statistics on the "TourMIS" web platform.
 - **Marketing & Technology Network** provides information and expertise about the use of digital media by national tourism organizations, produces the "New Media Review", and organizes an e-Business Academy once a year.

OPERATIONS

ETC operates in all the major overseas markets where at least 6 NTOs are represented: Canada, Japan, Latin America, and USA. ETC undertakes three basic activities: **public relations, consumer advertising and trade promotion**. Prior **market research** determines the choice of activities and campaigns in the overseas markets.

Overseas

The representatives of the overseas offices of the European National Tourist Offices (NTOs) operating in the various long-haul markets join together to form an **ETC Operations Group** and elect a Chairman. They decide on a program of joint activities for the promotion of Europe for the year ahead, propose a budget, and seek local industry support.

In Europe

This program is submitted for approval to ETC's Members in Europe, who meet twice a year (in spring and autumn) for a General Meeting.

ETC is entirely financed by Members' contributions, calculated according to a set of agreed criteria. Additional financial support for specific campaigns is raised overseas. Long-standing local industry support for ETC's activities is proof of its credibility in the field. ETC's seed money is multiplied annually by two, three or even four times.

Each Operations Group may hire the services of a public relations agency which is also responsible for raising local industry support. ETC's strength is that it has very low running costs, and can therefore allocate the major proportion of its funds to its overseas activities. ETC provides a Forum for the Directors of the European NTOs to meet regularly and exchange ideas. It is in constant touch with all international organizations and with people working in tourism.

Activities & Events

Originally established in 1948, ETC has been promoting Europe internationally for over 60 years, and currently undertakes the following activities:

- Public relations
- Consumer advertising in selected overseas markets
- Trade Promotions
- Market Research
- Professional development for members (seminars, information exchange)
- Liaison with other relevant agencies (e.g.; the European Commission's Tourism Unit (DG Enterprise), the United Nations World Tourism Organization (UNWTO), and the Organization for Economic Co-Operation & Development (OECD))

These activities are financed entirely by Members' contributions, calculated according to a set of pre-agreed criteria. Additional financial support for specific campaigns is raised in source markets from industry partners. As a result of this local industry support, the ETC is able to lever its core marketing budget from **€1 million** to over **€4 million** annually.

Appendix F. Draft Position Descriptions
(Defined by the ACE Project Office)

Position 1: Marketing/Media Director

General responsibilities

The Marketing/Media Director will serve as Executive Director of the ASEAN Destination Marketing Organization (DMO). S/he will manage the operations of the DMO and manage staff in the DMO office. S/he will work closely with counterparts in the ASEAN tourism sector: the ASEAN Secretariat, the ASEAN Tourism Marketing Task Force, National Tourism Organizations, and the ASEAN Tourism Association to implement and update the ASEAN tourism marketing campaign.

Specific Job Functions:

- Manage day-to-day operations of the DMO office.
- Manage, supervise, and evaluate performance of DMO staff.
- Identify marketing goals for the ASEAN tourism marketing campaign.
- Develop an integrated media plan outlining the campaign's online objectives and strategies for ASEAN tourism.
- Implement the media plan involving developing and sending out RFPs to relevant websites/media vendors; negotiating targeted, thoughtful, effective media buys, etc.
- Coordinate with the ASEAN Tourism Marketing Research Group (MRG), composed of research directors from ASEAN National Tourism Organizations and the private sector, as a basis for refining and update the ASEAN Tourism Marketing Plan. Refine and Update the plan accordingly.
- Implement media plan for Southeast-Asia.travel. This will include conducting research to identify cost-effective online channels for marketing the website and pursuing appropriate channels to market the website effectively.
- Organize Southeast-Asia.travel participation in target tourism trade shows, both regionally and internationally, in designated target markets to promote the website to target tourist groups.
- Brief counterparts, including the ASEAN Tourism Marketing Task Force, ASEAN NTOs, and ASEANTA, on planned marketing activities and progress.
- Learn appropriate applications of media research tools and analyzes information relative to media planning and buying (e.g. competitive analyses, SRDS, @plan runs, DART, Atlas)
- Stay apprised of industry standards, new media programs
- Develop and foster strong relationships with vendors
- Identify key learning based on campaign performance that can be used to develop future media plans

Qualifications

An ideal candidate must have a strong background in interactive (web-based) marketing and sales, including marketing of websites and online media marketing; excellent organizational skills; highly persuasive presentation skills, a flexible approach to working arrangements; be able to work independently and on his/her own initiative; be willing to learn and take on new challenges; able to communicate very well and establish good rapport with others.

- Advanced university degree in marketing, communications, or related field or undergraduate degree in one of these fields.

- A minimum of five years management experience.
- Experience in developing media plans, media buys, and organizing and participating in trade shows, exhibitions, and expositions.
- Tourism marketing experience.
- Web-based marketing experience.
- Fluent in oral and written English.

Position 2: Knowledge Management/Website Specialist

General Responsibilities

Under the direct supervision of the Marketing/Media Director, the Knowledge Management/Website Specialist will work closely with counterparts in the tourism sector to determine specific design and utility needs for the Southeast-Asia.travel website and make recommendations that meet and exceed the clients' online objectives. S/he will be responsible for managing the information infrastructure, design, and content of the website and communicating each element to project counterparts, although actual design and coding will be handled by outside parties. The KM/W Specialist will also be in charge of managing the on-going updates to the website, including brainstorming new features, tools, or functions to be integrated into the site, refreshing content, and optimizing performance to draw a larger, more loyal user base and increase monthly unique visitors.

Specific Job Functions:

- Work with DMO team and technical experts to define the set of requirements needed for the ASEAN web site, including design aesthetic, information infrastructure, utility, and integrated technologies.
- Draft the request for proposals for the development of the website, and coordinate the selection of the website development agencies, insuring their compliance with the RFP.
- Manage relationships with the external website development agencies, design firms, and partners, including verifying the quality of website mockups and actual websites.
- Work with DMO team and industry experts to manage, maintain, and refresh content on the website as needed.
- Assist with the creation and maintenance of web-based knowledge management system to organize ASEAN tourism records into which DMO staff, business associations, and ASEAN staff can input papers, reports, data, and other information.
- Develop graphics design for any planned promotional materials and assist with their layout, as appropriate.
- Design posters, brochures, leaflets, booklets, newsletters, any reporting materials, etc.
- Design business cards, certificates, and other materials as needed.

Qualifications

An ideal candidate must have a strong background in online media; some experience with graphic design; excellent organizational skills; a flexible approach to working arrangements; be able to work independently and on his/her own initiative; be willing to learn and take on new challenges; able to communicate well and establish good rapport with others.

- University degree (advance degree preferred) in a communications design, knowledge management, information infrastructure field, or related field.
- Fluent in oral and written English.

- Ability to organize and outline the functionality of a website.
- Creative and artistic skills necessary to visualize the overall look and feel of a website. Experience in graphic design is a plus.
- Advanced computer skills in Microsoft applications; experience using graphic design software, such as Adobe In Design, Quark Xpress, PageMaker, CorelDraw, Photoshop (or equivalent), Illustrator (or equivalent) is a strong plus.
- Knowledge of web development software and tools, such as Macromedia Dream Weaver, Microsoft FrontPage (or equivalent) and HTML/XML.
- Knowledge of various web site content management systems and their advantages and disadvantages for different types of content.
- Experience managing or working with website development contractors (on the procuring side).

Position 3: Content Management/Research Coordinator

General responsibilities

Under the direct supervision of the Marketing/Media Director, the Content Management/Research (CM/R) Coordinator will work closely with counterparts in the tourism and textiles and apparel sectors on maintaining websites that meet and exceed the clients' online objectives.

The CM/R Coordinator will work with the KM/W Specialist in forming and implementing editorial policy, defining the structure of content, creating graphical and audio-visual content, and developing new web-based solutions.

S/he will be primarily responsible for creating, researching and/or acquiring current and up-to-date news, features, interactive and multimedia content for websites, newsletters, and other online media on behalf of Project clients and beneficiaries.

S/he will also work with the KM/W Specialist and other DMO colleagues in developing marketing materials, success stories, and reports.

Specific Job Functions:

- Acquire, research and/or create content:
 - Schedule the creation/acquisition of content in accordance with editorial policy.
 - Allocate tasks to additional content contributors when necessary.
 - Manage the creation/acquisition of content in accordance with the schedule.
 - Prepare textual content for websites, e-newsletters or other planned online media.
 - Specify the multimedia content needed to support or work alongside textual content.
 - Locate and select appropriate, existing multimedia content, including still images, animations, music and video.
 - Liaise with multimedia specialists in the creation of any new multimedia content.
 - Edit copy received from additional content contributors.
 - Clear copyright for the use of any existing content.
- Edit all content into high quality English.
- Take proactive measures to promote websites:
 - Use metadata and other methods to optimize search engine positions.
 - Participate in appropriate social networks to promote new content/promotions.
 - Communicate with other relevant site owners in order to maximize incoming links.
 - Ensure the site is listed in relevant indexes and directories
- Perform regular content maintenance:
 - Update and maintain time-sensitive material.
 - Maintain menus, indexes and directories within the site.

- Archive and backup content (where this is not automatic).
- Perform periodic evaluation of the websites:
 - Compile and analyze website usage statistics.
 - Obtain and analyze user feedback.
 - Recommend changes in editorial policy and site design.
- Collect and analyze information from a variety of sources to support these tasks.
- Contribute user-orientated perspective to the design, development, and evolution of client and beneficiary websites:
 - Contribute to the top-level and detailed design of online media with a particular focus on the ways in which the goals for the site and the needs of users can be met through the provision of appropriate content.
 - Contribute to the process of information design and architecture, to ensure that content is appropriately structured to meet the goals of the site and the needs of users.
 - Contribute to the documentation of design.
 - Contribute to the selection of appropriate content management software and tools.

Qualifications

An ideal candidate must have a strong background and passion for working on online media content; some experience with graphic design; excellent organizational skills; a flexible approach to working arrangements; be able to work independently and on his/her own initiative; be willing to learn and take on new challenges; able to communicate well and establish good rapport with others.

- Bachelor's degree in a related field.
- Fluent in oral and written English.
- Ability to organize and outline the functionality of a website. An understanding and appreciation of information architecture is a plus.
- Enthusiastic, creative, and artistic skills necessary to visualize the overall look and feel of a website or a multimedia content object. Experience in graphic design is a plus.
- Advanced computer skills in Microsoft applications, plus experience using graphic design software, such as Adobe In Design, Quark Xpress, PageMaker, CorelDraw, Photoshop (or equivalent), Illustrator (or equivalent) is a strong plus.
- Practical experience using open source content management systems and web development software and tools, such as WordPress, Drupal (or equivalent), HTML/XML, etc.
- An active participant in new and social media, and online trends, with an understanding of how “Web 2.0” can support the objectives of a website and a marketing campaign.
- Experience interacting with external content providers and external stakeholders.

Position 4: Finance/Accountant

General Responsibilities:

Under the direct supervision and guidance of the Marketing/Media Director, the Finance/Accountant will be responsible for the ASEAN Destination Marketing Organization's accounts payable and ensure accurate and timely financial operations are maintained at all levels.

Specific Job Functions:

- Process and manage accounts payable (preparing vendor invoices, operating funds requirement reports, processing vendor payments, preparing checks, generating expense reports).
- Process operating funds (assist in the preparation of operating funds reports, and requesting wire transfers or payments from contributors).
- Process, maintain and manage petty cash (processing cash withdrawal from the bank for petty cash, maintaining petty cash, processing petty cash requests by DMO office staff).
- Process payroll for staff hired directly by the DMO office (coding and entering timesheet data for payroll, preparing payroll payment requests with the bank, preparing staff benefits calculation, processing document for benefits payments).
- Make journal entries and prepare general ledger for the DMO office.
- Supervise the preparation of local quarterly accruals and the compilation of regular financial and management information reports for the Marketing/Media Director.

Qualifications:

The position requires a university degree in accounting (or equivalent experience) and relevant computer skills, including Excel and QuickBooks. An internationally recognized accounting certification is a plus. Candidates must have at a minimum:

- Strong communication skills in English.
- 5–6 years of experience in accounting or bookkeeping, including:
 - Accounts payable (generating expense reports and preparing vendor invoices)
 - Accounts receivable
 - Petty cash maintenance
 - Making deposits
 - Providing regular cash activity reports
- Experience in processing payroll (coding and entering timesheets, transmitting, reconciliation, benefits)
- Understanding the general ledger.

Candidates must be well organized, professional, and possess strong communication skills. Position requires daily interaction with employer, employees, partners, subcontractors, vendors, etc. Individual must be able to manage multiple tasks with competing priorities.