

## SECTION 3. MARKETING STRATEGY

### 3.1 INTRODUCTION

In this section we recommend a marketing strategy for Buffalo City Tourism. To inform the strategy we start by analysing the market potential of the identified market segments. Based on this information and the analyses contained in **Phase 5: Market Segments** and **Section 2** of this report we recommend the marketing strategy to be implemented.

The marketing strategy consists of a branding and positioning strategy, a pricing strategy and a distribution strategy. It should be noted that this section deals with the strategy, while the next section deals with the marketing plan, which contains details regarding specific actions.

### 3.2 MARKET POTENTIAL

It is difficult to estimate the market potential for each market segment, as insufficient data is available to determine the current levels of visitation by segment to Buffalo City. We have utilised the primary research conducted during **Phase 5: Market Segments** but we were not able to quantify each market segment.

For example, the number of day visitors to Buffalo City could not be quantified, as there is no reasonable benchmark or indicator to utilise. This is also true for the Weekend Break (Black mid market) segment. Also, some segments such as special interest tourists are included in the holiday market segments.

**Table 3.1** projects the market potential for the identified market segments. As far as data is available we have assessed the following for each market segment:

- The inbound market to Buffalo City;
- The inbound market to South Africa;
- Buffalo City's penetration of the South Africa inbound market;
- The spend per day in Buffalo City;
- The length of stay in Buffalo City;
- The total spend in Buffalo City;
- The growth in the inbound market to Buffalo City up to 2010;

- The growth in the inbound market to South Africa up to 2010;
- The inbound market to Buffalo City in 2010;
- The inbound market to South Africa in 2010;
- The improvement in Buffalo City's penetration rate of the South Africa inbound market; and
- The additional arrivals up to 2010.

### **The Foreign Market Segments**

In general we project that the foreign inbound market segments to South Africa will grow at an average rate of 8% per annum during the forecast period (up to 2010). We believe that the foreign inbound market segments for Buffalo City will grow at a higher rate due to the implementation of a focused marketing plan and the low base. We project that the foreign market segments will grow at around 10% per annum during the forecast period except for the USA African American/ Scandinavian market segment that should grow at 12% per annum due to Buffalo City's competitive advantage in providing cultural and heritage tourism products for this market.

We project that Buffalo City's penetration rate into the German market segments will improve from 12,2% to 14,1% in 2010, translating to 34 800 additional tourists between 2003 and 2010. The penetration rate for the UK market segments will improve from 5,2% to 6% with 26 400 additional tourists, while the USA African American/ Scandinavian market segment penetration rate will improve from 3,4% to 4,6% with an additional 9 300 tourists.

The backpacker market segment will improve with 8 300 additional tourists between 2003 and 2010 resulting in 15 500 backpackers visiting Buffalo City in 2010. The cruise market segment will increase by 1 800 tourists to 3 300 tourists in 2010, while the foreign special interest market segment will increase by 1 200 tourists to 2 200 in 2010.

Page reserved for Table 3.1. Market Potential of Identified Market Segments

**Conclusion: Foreign Market Segments**

The market potential analysis for the foreign market segments shows that the German and UK market segments will have the largest increase in numbers but that the USA African American/ Scandinavian market segment will have the best improvement in market penetration although the numbers are lower.

Although the data is insufficient to project a penetration rate for the backpacker market segment, we would suspect that the improvement would also be significant.

Our market potential analysis would thus support the classification of the German, UK, USA African American/ Scandinavian and Backpacker market segments as high priorities.

**Domestic Market Segments**

In general we project that the domestic market segments to all destinations in South Africa will grow at an average annual rate of 3% per annum during the forecast period (up to 2010). In our experience, growth in domestic tourism is closely related to growth in the general economy, which is projected to grow at rates of around 3% during the forecast period.

We project that the Eastern Cape market segments to Buffalo City will grow at 5% per annum during the forecast period. We believe that with the implementation of a focused marketing plan, Buffalo City would be able to attract a larger share of this market. We project that Buffalo City's penetration rate into the Eastern Cape market segments would improve from 10,4% to 12,1% in 2010 resulting an additional 66 900 tourists during the forecast period.

Insufficient data restricts us from projecting a penetration rate into the Weekend Break (Black mid market) but we project that Buffalo City could achieve growth of 4% in this market segment as opposed to 3% on a national level. We do not believe that this growth will be as high as for other market segments due to the range of competition for this market segment.

We project that Buffalo City would achieve slightly higher growth in the Domestic VFR market segment than the national growth rate of 3%. We believe that growth in this market segment is dependant on the location of friends and family throughout South Africa and that this market segment may rotate visits to friends and family in Buffalo City with friends and family in other destinations. Despite

the lower projected growth rate, this market segment still achieve an additional 119 000 tourists during the forecast period, resulting in 494 000 tourists from this market segment in 2010.

We project that the holiday market segments from the Western Cape, KwaZulu-Natal, the Free State and Gauteng will grow at an average annual rate of 5% per annum during the forecast period. We believe that this market segment seeks alternative holiday destinations and as recommended in the previous section, Buffalo City could attract more of this segment if it differentiates itself.

We project that the holiday market segment from Limpopo, Mpumalanga, North West and the Northern Province to Buffalo City will grow at a similar growth rate as the national average of 3% per annum. Buffalo City's penetration into this market is low and may remain low due to the distance these markets would need to travel to visit Buffalo City for a holiday. Unless road and air travel becomes far more affordable and comfortable, we do not foresee a large increase in the existing market penetration.

We project that the conference/ incentive market segment will grow at an average annual rate of 4% during the forecast period resulting in an additional 10 500 tourist up to 2010. The projected growth rate is not high, as our situation analysis has shown that the existing conference market is dominated by government conferences/ meetings from mainly Bisho. This market is not expected to growth exponentially in the near future. "Out of Town" delegates are also limited by the high cost of airfares and the number of competing destinations.

The domestic special interest market segment to Buffalo City is projected to grow at an average annual rate of 5% during the forecast period. This projected growth could be achieved by the implementation of a focused marketing plan that showcases the range of activities that Buffalo City has to offer.

The sport market segment to Buffalo City is projected to grow at an average annual growth rate of 10% per annum during the forecast period. This high growth rate is projected as the existing market segment is moving of a low base and one of the main thrusts of the Marketing Plan would be the promotion of Buffalo City's variety of sports facilities. The projected growth rate translates to an additional 32 800 sports tourist to Buffalo City over the forecast period resulting in 61 600 sport tourist visiting Buffalo City in 2010.

### **Conclusion: Domestic Market Segments**

Our analysis of the market potential of the domestic market segments shows that in terms of numbers, the Domestic VFR market segment has the most potential. Although the data is insufficient we would conclude that equally high numbers of day visitors, city break and holiday visitors from the Eastern Cape could be attracted.

Although not that high in numbers, the sport tourists market segment is projected to have the highest growth of all the market segments due to Buffalo City's comparative advantage in this market i.e. the range of sporting facilities that it has and the marketing thrust as a sport destination.

## **3.3 MARKETING STRATEGY**

### **3.3.1 Introduction**

In **Section 2** of this report we have identified that the main positioning strategy of Buffalo City for most of its target markets would be differentiation. Below we expand on this strategy.

### **3.3.2 Brand and Positioning**

Buffalo City needs to highlight its range of attractions and activities as different from other destinations by emphasising the undiscovered, uncrowded quality of these attractions and activities in close proximity to all the amenities and entertainment facilities that a tourist could want.

It is true that Buffalo City has pristine beaches, a range of activities, scenic nature, etc but these have to be differentiated from other destinations in the mind of the tourists. We believe that one way of accomplishing this differentiation is to emphasise that Buffalo City is an uncrowded destination i.e. holiday tourist can walk on a secluded beach with his family in the morning, take the kids to a movie in the afternoon and eat in a top restaurant in the evening. It should also be emphasised that all this can be done at affordable prices (see **Section 3.3.3** below).

We believe that Buffalo City has the following unique selling points (“USP”):

- Numerous excellent beaches to suit every taste
- More nature than you'd ever expect in a City - a stunning choice - beaches, nature reserves, rivers, etc
- Unique and unusual historical and cultural attractions
- Everything is uncrowded and uncongested – and in easy reach – accessibility
- Top class entertainment and shopping facilities:
- An unhurried, quality lifestyle for holidaymakers to share and enjoy
- Undiscovered – a secret, a city you never knew

We recommend that these USPs be incorporated in the brand and positioning of Buffalo City. We recommend that these values be the core of the brand and positioning and that sub-brands such as sport could be linked to this.

In **Table 3.2** we summarise the brand values and core messages for Buffalo City overall and for each identified market segment based on the experiences they seek. **Table 3.2** should be read in conjunction with **Table 8.1: Segment: Product Matrix for Buffalo City** contained in **Section 8 of Phase 5: Tourism Markets**. **Table 8.1** is included in **Annexure B** for ease of reference.

There are many consistent messages for the various market segments but most segments have certain nuances and unique messages.

**Table 3.2: Brand Values, Positioning and Target Market Messages**

Generic Positioning Strategy	
More beaches than you can visit	– “The South African Historical Awesome Foursome” – coelacanth, fossil footprints, settler history and the struggle ( plus cycads & rock art)
Beach City – 35 beaches from Hamburg to Sunrise on Sea	
The First New South Africa beach – open to all and 34 other beaches for you to enjoy	Place your footprints next to ours
With 35 Beaches everyone can choose one for them	The Laid Back Hip City by the Sea
	The Laid Back Awesome City by the Sea
	The Big Easy City
Unlimited Rivers – water water water	Enjoy our quality of life for your holidays
A City with more Nature than City	Come share our secret – unhurried quality lifestyle
A Country City by the Sea	
Top class entertainment and shopping	Mercedes chose Buffalo City – so can you
Suit every pocket – Value for money	
An adventure waiting for you to happen	Undiscovered
Uncrowded/ uncongested – a beach to yourself	Get everywhere within a few minutes – no traffic
Old-time holidays – nostalgia	

Target Market	Products	Positioning Strategy
German Organised Tour	General Interest Tour Stop	<p>Not to be missed:</p> <ul style="list-style-type: none"> <li>History and culture of Africa -</li> <li>Awesome foursome etc</li> <li>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</li> <li>Dip in the first open beach in South Africa</li> <li>German Settler history</li> </ul> <p>The Nature Milieu in the city</p> <p>The natural feel in a city</p> <p>Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa</p> <p>Country town hospitality</p> <p>Enjoy the unhurried local lifestyle</p>
German FIT's	Nature Based Holiday Adventure Holiday	<p>Not to be missed:</p> <ul style="list-style-type: none"> <li>History and culture of Africa -</li> <li>Awesome foursome etc</li> <li>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</li> <li>Dip in the first open beach in South Africa</li> <li>German settler history</li> </ul> <p>The Nature Milieu in the city</p> <p>The natural feel in a city</p> <p>Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa</p> <p>Country town hospitality</p> <p>Enjoy the unhurried local lifestyle</p> <p>An adventure on the way and once you're there</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>A journey, an adventure</p> <p>Wide range of adventure activities</p> <p>Adventure Base camp</p> <p>Wildcoast adventure gateway</p>

Target Market	Products	Positioning Strategy
German VFR	Sun, Sea and Sand Holiday Nature Based Holiday	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>Not to be missed: History and culture of Africa - Awesome foursome etc The real struggle history – authentic – Steve Biko and Nelson Mandela origins Dip in the first open beach in South Africa German settler history</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa Country town hospitality Enjoy the unhurried local lifestyle</p> <p>An adventure on the way and once you’re there</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p>
UK Organised Tour	General Interest Tour Stop	<p>English affinity – 1820 settlers , “East London” “King Williams Town” English spoken</p> <p>Not to be missed: History and culture of Africa - Awesome foursome etc The real struggle history – authentic – Steve Biko and Nelson Mandela origins Dip in the first open beach in South Africa British 1820 Settler history</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa Country town hospitality/ lifestyle Enjoy the unhurried local lifestyle</p>

Target Market	Products	Positioning Strategy
UK FIT's	Nature Based Holiday Adventure Holiday	<p>English affinity – 1820 settlers , “East London” “King Williams Town” English spoken</p> <p>Not to be missed: History and culture of Africa - Awesome foursome etc The real struggle history – authentic – Steve Biko and Nelson Mandela origins Dip in the first open beach in South Africa British 1820 Settler history</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa Country town hospitality Enjoy the unhurried local lifestyle</p> <p>An adventure on the way and once you're there</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>A journey, an adventure Wide range of adventure activities Adventure Base camp Wildcoast adventure gateway</p>

Target Market	Products	Positioning Strategy
UK VFR	Sun, Sea & Sand Holiday Nature Based Holiday	<p>English affinity and spoken</p> <p>35 beaches</p> <p>A beach for every taste</p> <p>Spoilt for choice – things to do when you’re sunburnt</p> <p>Toddler to granny – complete family fun</p> <p>Not to be missed:</p> <p>History and culture of Africa -</p> <p>Awesome foursome etc</p> <p>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</p> <p>Dip in the first open beach in South Africa</p> <p>British 1820 Settler history</p> <p>The Nature Milieu in the city</p> <p>The natural feel in a city</p> <p>Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa</p> <p>Country town hospitality</p> <p>Enjoy the unhurried local lifestyle</p> <p>An adventure on the way and once you’re there</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>A journey, an adventure</p> <p>Wide range of adventure activities</p> <p>Adventure Base camp</p> <p>Wildcoast adventure gateway</p>

Target Market	Products	Positioning Strategy
Backpackers	General Interest Tour Stop Nature Based Holiday Adventure Holiday	<p>Not to be missed:</p> <p>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</p> <p>Dip in the first open beach in South Africa</p> <p>History and culture of Africa -</p> <p>Awesome foursome etc etc</p> <p>Undiscovered and unexplored – the real South Africa</p> <p>Country town hospitality – locals with time for you</p> <p>Enjoy the unhurried local lifestyle</p> <p>Spoilt for sport and adventure choices -</p> <p>Surfing, rafting, canoeing, rowing, 35 beaches, rivers, nature reserves, abseiling, windsurfing, power kites etc,</p> <p>Adventure Base camp</p> <p>Wildcoast adventure gateway</p> <p>An adventure on the way and once you're there</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>Immersed in nature and scenic surroundings</p>
Cruises	Cruise General Interest Tour Stop Nature Based Holiday	<p>Red carpet treatment – to us you're special</p> <p>You're worth a fuss</p> <p>Country hospitality – locals who want to meet you</p> <p>Many and varied unrushed day trip experiences</p> <p>See a lot in a short time – accessible and no congestion</p> <p>Easy to get around</p> <p>History and culture of Africa -</p> <p>Awesome foursome etc</p> <p>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</p> <p>Dip in the first open beach in South Africa</p> <p>Immersed in nature and scenic surroundings</p> <p>Shopping – we'll bring the market to you (unique merchandise)</p>

Target Market	Products	Positioning Strategy
USA African American/ Scandinavian	Culture, Heritage & Struggle History	<p>Not to be missed:</p> <p>The real struggle history – authentic – Steve Biko and Nelson Mandela origins</p> <p>Dip in the first open beach in South Africa</p> <p>History and culture of Africa -</p> <p>Awesome foursome etc</p> <p>The Nature Milieu in the city</p> <p>The natural feel in a city</p> <p>Immersed in nature and scenic surroundings</p> <p>Undiscovered and unexplored – the real South Africa</p> <p>Country town hospitality</p> <p>Enjoy the unhurried local lifestyle</p> <p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p>
Foreign Special Interest	<p>Hiking Trails</p> <p>Surfing</p> <p>Palaeontology Tours</p>	<p>The Big Easy – easy to get to and easy to enjoy</p> <p>Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>A journey, an adventure</p> <p>Wide range of adventure activities</p> <p>Adventure Base camp</p> <p>Wildcoast adventure gateway</p> <p>Uncongested, scenic hiking trails</p> <p>World class surfing</p> <p>Whale watching – up close and personal</p> <p>Coelacanth, fossil footprints, &amp; rock art</p> <p>Settler history and Boer wars</p> <p>Cycads</p>

Target Market	Products	Positioning Strategy
Eastern Cape Day Visitor	Sun, Sea & Sand Holidays Entertainment/ City Facilities Events	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried quality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Come for a weekend – feel like you holidayed for a week</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>
Eastern Cape City Break	Entertainment/ City Facilities	<p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Come for a weekend – feel like you holidayed for a week</p>

Target Market	Products	Positioning Strategy
Eastern Cape Holiday	Sun, Sea & Sand Holidays Nature Based Holiday	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried quality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Come for a weekend – feel like you holidayed for a week</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>

Target Market	Products	Positioning Strategy
Weekend Break (Black mid market)	Sun, Sea & Sand Holiday Entertainment/ City Facilities Events	<p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>Struggle -Your history, your heroes Dip in the first open beach</p> <p>Range of top class sport facilities</p> <p>Juniors to Veterans - something for all Sporting mecca Regular Events - we’ll tire you out</p> <ul style="list-style-type: none"> <li>• Many events, one a week</li> </ul>

Target Market	Products	Positioning Strategy
Domestic VFR	Sun, Sea & Sand Holidays Nature Based Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried lifestyle quality</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Nature Milieu in the city The natural feel in a city Immersed in nature and scenic surroundings</p> <p>Come for a weekend – feel like you holidayed for a week</p> <p>The Big Easy – easy to get to and easy to enjoy Enjoy thr Friendly N6 on your way Hub for the wildcoast, sunshine coast and Friendly N6</p>

Target Market	Products	Positioning Strategy
Western Cape Holiday	Sun, Sea & Sand Holidays Nature Based Holidays Adventure Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried quality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>
KwaZulu-Natal Holiday	Sun, Sea & Sand Holidays Nature Based Holidays Adventure Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurriedquality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>

Target Market	Products	Positioning Strategy
Free State Holiday	Sun, Sea & Sand Holidays Nature Based Holidays Adventure Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried quality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>
Gauteng Holiday	Sun, Sea & Sand Holidays Nature Based Holidays Adventure Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays Enjoy the latest “quality place to live”</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried lifestyle quality</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Big Easy – easy to get to and easy to enjoy Enjoy the Friendly N6 on your way Hub for the wildcoast, sunshine coast and Friendly N6</p>

Target Market	Products	Positioning Strategy
Limpopo, Mpumalanga, North West & Northern Cape Holiday	Sun, Sea & Sand Holidays Adventure Holidays	<p>35 beaches A beach for every taste Spoilt for choice – things to do when you’re sunburnt Toddler to granny – complete family fun</p> <p>The Laid Back Hip City by the Sea The Laid Back Awesome City by the Sea The Big Easy City</p> <p>Suit every pocket</p> <p>Mercedes chose Buffalo City – so can you</p> <p>Enjoy our quality of life for your holidays</p> <p>Experience our unhurried family lifestyle Come share our secret – unhurried quality lifestyle</p> <p>Place your footprints next to ours Leave your footprints in the sand</p> <p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p>
Conference/ Incentive	Conferences	<p>An unforgettable experience Teambuilding and adventure second to none Close Proximity “out-of-town” Value for Money – suit every pocket State of the Art Facilities Range of accommodation</p>
Domestic Special Interest	Hiking Trails Surfing Palaeontology Tours	<p>The Big Easy – easy to get to and easy to enjoy Hub for the wildcoast, sunshine coast and Friendly N6</p> <p>Wide range of adventure activities Adventure Base camp Wildcoast adventure gateway</p> <p>Uncongested hiking trails</p> <p>World class surfing</p> <p>Whale Watching coelacanth, fossil footprints, rock art Settler and Border war history Cycads</p>

Target Market	Products	Positioning Strategy
Sport	Sport	Range of top class sport facilities We'll help you excel at your sport Juniors to Veterans - something for all Sporting mecca Regular Events - we'll tire you out <ul style="list-style-type: none"> <li>• Many events, one a week</li> </ul> Spoilt for sporting choice Sporting excellence  To Suit your pocket  A beach for every taste  The Big Easy City  Enjoy our quality of life while training for your sport Leave your footprints in the sand  Immersed in nature and scenic surroundings  Come for a weekend – feel like you holidayed for a week

We recommend that Buffalo City Tourism develop a new tourism by-line and logo for Buffalo City. The by-line and logo should encapsulate the core underpinning brand values mentioned above.

Based on recommendation by the Grant Thornton consortium and following consultation with the steering committee and the advertising agent for Buffalo City Tourism three options were designed and are included in **Annexure D**.

During the implementation of the Tourism Master Plan the wider Buffalo City Municipality Council will refine the three recommended options and a final logo will be chosen. This process is part of the implementation phase and the three recommended logos in this report will not be revised.

The final logo and by-line is to be used in all marketing collateral as defined in **Section 4** of this report.

### 3.3.3 Pricing Strategy

Buffalo City cannot currently compete on price in any market segment that arrives by air due to the high air fares charged to fly to the destination. However, Buffalo City is a value for money destination once tourists are in the city, with accommodation, entertainment and activities being reasonably priced.

We recommend that Buffalo City follow a “suit every pocket” pricing strategy as many of the high priority market segment would not arrive via air, for example the Eastern Cape market segments. We recommend that a “suit every pocket” strategy be used rather than a “value for money” strategy as the “suit every pocket” can indicate a range of affordable accommodation, activities, etc to cater for the budget to luxury market segments.

We do recommend that a strategy be put in place, including consultation with tourism stakeholders, to attract another airline to fly to the East London Airport, which will bring much needed competition to the route and hopefully reduce prices.

### 3.3.4 Distribution Strategy

**Table 2.3** in **Section 2** summarises the information sources utilised by the identified market segments. Based on this analysis we recommend that Buffalo City Tourism utilise the traditional distribution channel for the foreign market segments i.e. through local ground handlers/ inbound wholesalers to overseas wholesalers and travel agents/ outbound retailers.

As the Internet is such a huge source of information these days, we recommend that the website, that will be designed as part of the deliverables for the Tourism Master Plan, be marketed and listed extensively to ensure that any potential tourists has an easy source of reference.

For the domestic market segments direct bookings are common and use of various information sources is key in making decisions of where to book. In this market the trade is less important and going direct to the market segments more important. Buffalo City Tourism should thus employ direct consumer marketing.

A key channel of distribution for the conference/ incentive market is Professional Conference Organisers (“**PCO's**”) and incentive travel houses. We recommend

that Buffalo City market directly to the PCO’s in order to expand this market segment.

The details of the distribution channels are included in the next section.

**3.4 CONCLUSION**

The marketing strategy above has been discussed and debated with Buffalo City Tourism, 2boyz (the advertising agent of Buffalo City Tourism) and TMT Communications (the marketing and advertising experts in the Grant Thornton Consortium.)

Much of the discussions were around what Buffalo City should be selling (products) to which markets (segments) based on the market readiness of the products. It was argued that Buffalo City could not sell products that are either non-existent or poorly developed. A phased approach to the marketing strategy was advocated with products that are market ready being marketed in the first few years of the marketing strategy. As other tourism products are developed, they would be added to the marketing strategy.

Following various discussions it is recommended that:

- The marketing efforts of Buffalo City Tourism will be concentrated on the following 5 products for the first 2 years of the 5-year marketing campaign:

<b><u>Tourism Products</u></b>	<b><u>Market Segments</u></b>	<b><u>Priority</u></b>
Sport	Sport Tourists	HIGH
	Eastern Cape Day Visitors	HIGH
	Weekend Break Visitors	HIGH
Sun, sea and sand holidays	German VFR	MEDIUM
	UK VFR	MEDIUM
	Eastern Cape Day Visitors	HIGH
	Eastern Cape Holiday Visitors	HIGH
	Weekend Break Visitors	HIGH
	Domestic VFR	MEDIUM
	Holiday Visitors (All provinces)	MEDIUM
Conferences	Conference Delegates	MEDIUM

<u>Tourism Products</u>	<u>Market Segments</u>	<u>Priority</u>
Heritage and Culture	USA African America/ Scandinavia	HIGH
	German Organised Tours	HIGH
	UK Organised Tours	HIGH
	German FIT's	HIGH
	UK FIT's	HIGH
Nature	German FIT's	HIGH
	German VFR	MEDIUM
	UK FIT's	HIGH
	UK VFR	MEDIUM
	Backpackers	HIGH
	Cruise Tourists	MEDIUM
	Eastern Cape Holiday Tourists	HIGH
	Domestic VFR	MEDIUM
	Holiday Visitors (WC, KZN, FS, GT)	MEDIUM

- Once other tourism products have been further developed, they will be included in the marketing actions.
- The new logo of Buffalo City Tourism will be exclusively used during the first 2 years of the 5-year marketing campaign to ensure that the logo is well established before logos for specific markets/ products are introduced.

This marketing strategy informs the Marketing Plan included in **Phase 4** of this report.