2011

Understanding Resort Marketing Practices

Eric Brey

University of Memphis, ericbrey@memphis.edu

David K. Klenosky

Purdue University, klenosky@purdue.edu

Xinran Lehto

Purdue University, xinran@purdue.edu

Alastair Morrison

Belle Tourism International

Follow this and additional works at: <https://scholarworks.gvsu.edu/jti>

Part of the [Hospitality Administration and Management Commons](#)

Recommended Citation

Brey, Eric; Klenosky, David K.; Lehto, Xinran; and Morrison, Alastair (2011) "Understanding Resort Marketing Practices," *Journal of Tourism Insights*: Vol. 2: Iss. 2, Article 2.

Available at: <https://doi.org/10.9707/2328-0824.1017>

Available at: <https://scholarworks.gvsu.edu/jti/vol2/iss2/2>

This Article is brought to you for free and open access by ScholarWorks@GVSU. It has been accepted for inclusion in *Journal of Tourism Insights* by an authorized editor of ScholarWorks@GVSU. For more information, please contact scholarworks@gvsu.edu.

Introduction

While destination resorts have been traditionally seen as elements of the accommodation sector (Inbakaran & Jackson, 2005), interest and growth of this specific segment has dramatically increased (Brey, Morrison, & Mills, 2007; Gaines, Hubbard, Witte, & O'Neill, 2004). Resort development has been and continues to be considered a viable means of international investment, with multi-billion dollar properties developed worldwide for that expressed purpose (Vencat & Au, 2006). Governments have also recognized the importance of resort development as an economic growth generator (Cho, 2002). Furthermore, the industry itself is now viewed as mature in that there has been considerable consolidation and greater focus on developing integrated destinations (Caldwalader, 2006). But while interest has grown, the depth of understanding of destination resorts has remained peripheral. Research has examined topics ranging from resort websites to consumer shopping (Baloglu & Pekcan, 2006; Kim & Sullivan, 2006), but our understanding of resort practices, specifically marketing-related practices, remains limited.

Information on resort marketing practices is available through both industry and academic publications but these sources offer a limited depth of understanding. For instance, industry-oriented publications have focused on providing timely, though specific examples of issues concerning particular industry segments, such as the growing importance of destination pools and rates (Bay, 2005; Lomanno, 2005). Similarly, available academic publications often address resort marketing as a secondary or tangential topic. Notable exceptions include studies that have examined marketing strategies for reaching particular segments of the resort market (Chiang, 2001; Knutson, Beck, & Yen, 2004) or topics relating to marketing efforts focused on specific types of resorts (Monteson & Singer, 2004; Rezek, 2002). While there are some publications that have directly spoken to resort marketing practices (Chon & Singh, 1995; Chon & Whelihan, 1992; Whelihan & Chon, 1991), these are dated and lack current relevance.

Given this lack of depth of prior research and the continued need to update our understanding of destination resort marketing trends and practices (King, 1994), this study's objectives are two fold: first, to develop a better understanding of issues examined in prior resort marketing research and second, to establish a baseline understanding of current resort marketing practices trends within industry. The first objective was addressed by reviewing existing industry and academic literature and the second through interviews conducted with resort marketing professionals. To report upon the types of marketing practices and trends discussed during the interviews, a content analysis method was used. Using this approach provided a platform in which a better understanding of resort

marketing will be established along with implications for future research and practice.

Resort Marketing Literature

The existing literature on resort marketing can be described as diverse and somewhat inconsistent – a range of issues have been examined and while some topics have been examined in considerable depth, others have received only passing attention. Among the specific issues examined in prior resort marketing research, those that have received the greatest amount of attention include pricing and packaging, internet/web marketing, resort branding, and consumer marketing practices. Recent research on resort pricing and packaging strategies has explored the concept of yield management and the promotional pricing practice of offering deep discounts on season passes at Colorado ski resorts (Perdue, 2002). Cross-product elasticities and impacts of the promotional pricing program on customer usage behavior and satisfaction levels were also examined. Other research examining all-inclusive resort product offerings have been shown to positively influence value perceptions among visitors, particularly among first-time resort visitors (Naylor & Frank, 2001). Finally, other research has documented how discounting and pricing strategies (e.g., changes from the shoulder to primary seasons) can impact resort operations (Mudambi, 1994).

Another area of interest has been the growing importance of the Internet in marketing (Simon, 2005). Specific emphasis has been placed on the growing role that the resorts' website plays (Atkinson, 2005) – an emphasis that has become magnified as traditional marketing activities become supplemented, and possibly replaced, by internet-based marketing approaches (Van-Kemp, 2004). Third-party websites have been identified as playing an important marketing role, with distributors' sites, such as Travelocity, being adopted by major resort players (Anonymous, 2002). Specific attributes and website features that contribute to website effectiveness has also been investigated (Baloglu & Pekcan, 2006; Perdue, 2001). Beyond web-marketing and its impact on guests, there has also been interest in exploring the methods and capabilities used to collect guest information at resorts (Khanna, 2005). Applying technology for this use is welcomed as data collection is important in understanding guests and the changing guest market (Baumann, 2005). Furthermore, interest in using the Internet to obtain guest feedback and to employ this feedback to help guide and improve resort operations (Higgins, 2005), has also been investigated.

Branding and relationships are other areas of the marketing function that have also been addressed. For instance, prior work has addressed the importance of resort branding and the need for brand differentiation (Adams, 2005); and has suggested that the strongest brands are ones that develop emotional relationships

to consumers (Mendenhall, 2005). From a relationships perspective, discussion goes beyond just business to consumer interactions. Marketing relationships can be developed between related and unrelated resort properties (McMullen-Coyne, 2004). Partnerships and packaging of separate products, one of which is the resort, has also been identified as beneficial for effective marketing (Staff, 2005), suggesting that resorts can benefit from partnerships with a variety of entities including movies, cruise lines, and entire island nations (Wasserman, 2004). Marketing firms have also been noted as playing an important role in marketing because of their expertise in increasing effectiveness of marketing efforts (Thomaselli, 2005).

Consumers, as the primary target of resort marketing efforts, have received significant research attention. Changes in consumer demographic segments have been identified as proliferating and increasing the popularity of timeshare offerings (Bergsman, 2005). Consumer demands and travel trends, such as shortened lengths of stay (Burnside, 2003), have changed the importance placed on amenities and activities. Different amenities, such as destination pools have become increasingly important (Bay, 2005). As consumers' pay more for resort stays (Lomanno, 2005), they now expect a higher quality product (Blank, 2004). Resorts are also changing current amenities and developing new amenities/features to address the changing needs of consumers. For instance, properties are finding success when increasing their spa offerings (Alleyne, 2005); and incorporating indoor waterpark attractions has been linked to extending the resort season and fueling development (O'Brien, 2003). The importance of successfully segmenting consumer markets during the marketing strategy development process continues to be a major focus of resort marketing research (Morrison, Braunlich, Cai, & O'Leary, 1996).

Considering the focus of this study, the evaluation and discussion of marketing trends are of specific interest. Timeshares, with its explosive growth and need to overcome negative perceptions, has received explicit interest (Chiang, 2001; Scavo, 1999; Woods & Hu, 2002). Results from this research, while integral in timeshare marketing, has limited general applicability due to the uniqueness of the timeshare product (Upchurch & Lashley, 2006). From a more general perspective, Chon and Singh (1995) recommended that for resorts to effectively market beyond the millennium they would need to address growth in the family and mature markets; take a closer look at focused marketing; add value and be inclusive; and take into account the desires for health awareness and technology applications. These recommendations were built upon previous work in which Chon and Whelihan (1992) provided insight into changes in consumers' perceptions of resorts, visitor demographics, and the overall importance of price-value relationships. These authors also suggested that resorts would need to expand current markets, create new markets and expand the current length of

services. Additional changes in the baby-boomer market, such as personal priorities and demographic shifts, would also significantly impact resort marketing (Whelihan & Chon, 1991). Changes in demographics coupled with consumers perceptions of time, have also significantly impacted resort marketing (Monteson & Singer, 2004). Johanson (2000, p. 88) adds “time is precious, money is spendable, priorities have shifted and travel is both a way to relieve stress and spend more time with the family” and this related directly to resort guest behaviors, necessitating business change.

More recently, Riley (2007) has noted that resorts will need to promote a holistic experience, maintain marketing consistency, understand guests, examine website efficiency, increase online marketing, maintain previous guests, and create strong industry relationships to be successful. The Hospitality Sales and Marketing Association International (HSMIA) has also examined current Internet marketing trends within resorts and have identified the need for resorts to plan for the future, establish infrastructure, build traffic, integrate offline and online resources, using third party intermediaries, measure overall success, and maintain vigilance in analyzing trends (Green, 2006). While providing opinions on marketing needs and trends, this recent analysis was focused strictly on identifying best practices in Internet marketing. With dated analyses of marketing trends, combined with sporadic discussion of resort marketing the lack of a resort marketing practices benchmark, a need to examine current marketing trends and practices from a supply-side perspective exists. This study initiates this process by using existent literature to provide structure for in-depth analysis of current marketing techniques and trends.

Methodology

Data were collected through on-site interviews with resort marketing executives. Using qualitative methods provided a framework in which an understanding of resort marketing trends could be established and allowed comparability of information (Brown, 2005). By using semi-structured questions, respondents were asked the same base of questions within a flexible context. This allowed the researcher to examine a pre-determined set of themes in-depth (structure components) with the flexibility of topic exploration (unstructured components) (Babbie, 2004). To develop the interview guide, a two step method was used. The first was to develop a testable interview guide based on existing literature. Questions addressed areas previously discussed within the literature. This provided study parameters to control the breadth of investigation while allowing for depth. The second step was to test the interview guide to ensure question clarity and appropriateness of responses elicited. A pilot interview was conducted with the director of marketing of a 4-star destination resort. Following the

interview, inadequacies of questions were addressed and a final interview schedule was produced.

Sample Selection

Purposeful sampling, a popular method in qualitative research, was used to select the sample. The use of homogenous-purposeful sampling is a strategic method of picking a small group to represent a larger population (Patton, 2002). Using this method ensures that the researchers could extract the greatest amount of information from a limited sample and selecting subjects according to the aims of the research project (Coyne, 1997; Schatzman & Strauss, 1973). In addition, this technique provides the ability to select information-rich cases (Morse, 1991; Patton, 1990).

While there are no defined rules as to sample size for qualitative research (Baum, 2000), sample sizes of previous studies have ranged from 10 and 100, with approximately 50 being a popular sample size. More important for qualitative research than the sample size is the detailed description of the data (Carey, 1995). There is a need to find evidence of data saturation or redundancy – i.e., when limited new significant information is uncovered through additional interviews (Phillimore & Goodson, 2004). Given these factors, and targeted subject selection, it was decided that conducting interviews at 50 of the largest destination resorts within the Midwest of the United States would be appropriate. To establish this sample, state tourism and lodging associations were contacted to provide a listing of the largest destination resorts within the state. By triangulating these listings, an initial list of 50 resorts was established. Then, given the complexity of what constitutes a destination resort (King & Whitelaw, 2003), the inclusiveness of this listing was verified by regional experts. This additional step was deemed necessary as resort size cannot be strictly defined by rooms but rather a myriad of components. This sampling method proved successful as during respondent validation, only two resorts were identified as missing. These additional resorts were then contacted to participate in the study.

To recruit the sample, an initial mailing was distributed on university letterhead to the general manager of each resort. This letter indicated the scope, purpose of the study, and that the researcher would contact them concerning participation. The researcher followed up through telephone calls with each resort to assess their interest. A total of 35 resort general managers agreed to participate. The researcher then scheduled additional appointments with marketing directors in these properties. After attrition, 32 interviews were conducted with 12 marketing directors, three executive/board members, three owners, and 14 general managers who directed the marketing function.

Data Analysis Framework and Procedure

Content analysis was selected as the methodological framework for several reasons. This technique enables analysis of 'open-ended' data, such as interviews, to be structured for the purpose of diagnostics (Babbie, 2004). The process takes extensive scripts, reduces data using scientific methods, and identifies core patterns and themes (Patton, 2002). Following this process, comparisons can be made to reach a final conclusion about the data (Collis & Hussey, 2003). Content analysis can also be structured in many different formats, based upon the needs of the researcher, ranging from strict frequency of items to the analysis of likely cause and effects. For this study, a pragmatic content analysis structure was applied whereby text was analyzed for recurring themes, concepts and other phrases. This method, even in its most informal state, is often applied in exploratory research and is useful in determining directions for further investigation (Li & Dewar, 2003).

The first step in this analysis was to transcribe each interview using the voice-recognition software, Dragon Naturally Speaking 7.0. By reducing the overall speed of interviews, the researcher was able to voice and transcribe the entire conversation. With overall accuracy at approximately 90%, transcriptions were checked a second time for accuracy. This ensured that discrepancies between raw and transcribed data were addressed. To analyze the data, Atlas Ti data management program was used. Considering more than 85 hours of transcribed interviews, a two-stage process successfully applied within the tourism context was used (Ramos, Salazar, & Gomes, 2000). The first stage broke interview questions into four code classes: marketing channels, relationships with outside firms for marketing, the targeting of consumers, and technology. To test this first stage of coding, inter-rater reliability tests were used. A random sample of interviews, representing 12% of the sample was selected. Two expert raters within tourism marketing were selected. Following a training session on Atlas Ti and the marketing concepts under investigation, experts coded three interviews. Using the Inter-Human Agreement System developed by the University Center for Social and Urban research at the University of Pittsburgh, the outputs of each individual coder was tabulated. The system, found at <http://www.isi.edu/~nkwon/AnnoHelp/main.html>, provides the F-Measure output which is used to compare raters to an expert rater. Table 1 presents the reliability and intra-rater reliability statistic.

Table 1: Inter and Intra-Rater Reliability Measures

Code (category sub-code)	M ₁	M ₂	M ₃	M ₄	M _A	M _I
Channels (5)	.92	.87	.86	.75	.85	.95
Relationships (2)	.79	.89	.83	.84	.84	.93
Targeting (4)	.88	.84	.81	.89	.88	.96
Technology (5)	.88	.82	.76	.70	.79	.98

M₁ - M₄ represent rater scores, with M₁ - M₂ for stage 1 and M₃ - M₄ for stage 2 of analysis. M_A represents score averages across raters and M_I represents Intra-rater reliability.

Following the finding of acceptable reliability, the remaining data were coded. During this initial stage, memos were assigned to each piece of coded data describing why each phrase was assigned that code. This allowed the researcher to produce descriptors concerning each of the coded quotations.

The second phase of data analysis began by breaking class-codes into individual codes. These codes were developed using a combination of analyzing assigned memos and word tabulations. By segmenting data based upon assigned memos, a word count was conducted to ascertain words and phrases considered substantial in code development. This step provided a cursory understanding of quotations coded during the first step. Similar to the initial round of coding, two additional content experts analyzed the same random interviews from the initial rater-reliability examination. Using the previously discussed process and the same interviews ensured continuity throughout the rater-reliability procedure. Table 1 presents the results of these rater reliability tests. To best present this information, code class averages are presented in lieu of individual code measures. It should be noted that lower aggregate scores were expected considering the increased amount of codes but still above suggested reliability standards (Landis & Koch, 1977; Yang & Callan, 2005).

Results & Discussion

To establish a basis of the interview's content, a distribution count of class codes and sub-codes was developed. As presented in Table 2, five class codes and 18 sub-codes were developed with a near equal distribution between the targeting (30%), channels (28%), and technology (24%) class codes. Discussion coded as relationship (11%) and marketing function (8%) constituted much smaller proportions. It should be noted that these numbers are for data representation purposes and should not be construed as an attempt to add statistical content.

Following the table is a discussion of results, providing description of the findings from each sub-code.

Table 2: Frequency Distribution of Discussion Topics

Topic	Sub-Code <i>n</i>	Class Code <i>n</i>	% of Total in Each Category	% of Total
Targeting		651		38
Consumer Segmentation/Marketing	206		40	
Competitive Pricing/Packaging	103		20	
Data Collection	82		16	
Branding Practices	63		12	
Tracking, Success	83		61	
Marketing Development / Decisions	54		39	
Relationship Marketing	60		11	
Channels		455		28
Conventional Marketing	227		50	
Onsite Marketing	67		15	
Unique Marketing	56		12	
Marketing Campaigns	53		12	
Public Relations	52		11	
Technology		410		24
Website – Resort Owned	120		29	
E-mail Marketing	110		27	
Technology References	99		24	
Website – Third Party	81		20	
Relationships		185		11
Marketing Cooperatives	120		65	
External Relationships	65		35	
Total		1701		

Notes: Due to rounding, % may sum to be more or less than 100%.

Unique marketing – The perception of a resort employing unique marketing techniques as compared to other properties was typically not unique. When asked about unique marketing techniques one resort general manager (GM) stated, “The only one that is unique is the pay per click on the Internet, (it) is still pretty young

not to the chain hotels but to independents. A lot of independents have not figured out how you can get your ratings up higher by paying per click through Yahoo and Google and some of the other tools out there.” While perceived as a unique method, this method was used consistently throughout the sample. This scenario was repeated throughout the sample as respondents who believed a method to be unique had widespread use. For properties engaging in truly unique marketing, the ability to report specific examples is limited to ensure respondent confidentiality. Generally speaking, variations of guerilla marketing were prevalent, as were strategic development of partnerships both in and out of the tourism industry, aggressive packaging strategies, advanced Internet marketing practices, and placement of marketing at strategic times and locations.

Public Relations – Although a relatively low-cost marketing tool, not all resorts actively engage in PR. Those using PR typically hired an outside specialized firm. These professionals are seen as having the necessary experience and relationships to successfully use PR. Some properties, regardless of size, do have a PR specialist on staff. Beyond the typical press release, respondents noted that they often “do a lot of donations and fundraisers,” they also sponsor local groups, get involved with non-profit organizations and make public appearances in mainstream media. Resorts not actively using PR noted specific reasons, as a resort owner (RO) noted, “I think that is one of the things that we do the worst because I think it’s one of the, if I would say a downfall for my family and myself, is that we don’t like to self-promote. We would like to be known for what we do but not because we are going to go out and how can I get the most amount of press out of this ...” While this data clip presents a very specific perspective, the majority of non-PR users acknowledged their deficiencies but wanted to explore this channel.

Onsite Marketing – A variety of internal marketing methods were used for cross-promoting on-site amenities and activities. The most popular methods included: guest room voicemails, informational signs and posters, reader boards near income-generating outlets, restaurant table tents, brochure racks, guest newsletters, and in-house television stations. Of specific interest were the differences found between formats of the guest newsletter. They are produced daily, weekend only, or only weekly. As one director of sales and marketing (DOSM) stated, “We have a newsletter that promotes everything internally...what we do is we now this summer we began printing a tabloid and it is a four-page tabloid. The three pages, the centerfold and the back page is static, it promotes the restaurants and the spa and the golf – it is almost like an advertising thing but on the front we crash print that every week so the front is constantly changing but everything else stays the same.” Another method mentioned was the cross-

promotion by employees. While not all resorts were satisfied with the staff's ability to promote internally, most stated their active push to use this method more.

Marketing Campaigns – These differed substantially between seasons, between channels and ultimately resorts. Two primary designs of campaigns evolved from these differences: the singular narrow and multiple wide-angle foci. The singular campaign typically dealt with a specific channel and marketed a specific feature. Whether this focus was amenity- or price-point driven, one substantial identified benefit was the ability to easily track success. The multiple wide-angle focus campaign employed multiple channels to spotlight diverse resort features. As a GM noted, “What we have is several (campaigns) going on... that we tie into some of the sport venues, we have giveaways, register to win with these promotions that is trying to drive our brand. We have direct advertising going on right now; packages are being promoted right now, our fall packages including Halloween those are going on as we speak, weekends in October for three weekends are being promoted right now, special golf rates are going on right now because it is fall and our peak season is over so special golf rates.” These campaigns tended to focus on specials around seasonal changes or announcements of significant changes. Campaigns in continuous rotation were mentioned with few identified for continued high success rates following the initial or second year run.

Conventional Marketing – From a traditional mass-marketing perspective, resorts use a full complement of channels. Face-to-face selling is prevalent though not as successful at consumer trade shows. Print in the form of newspaper advertising, directory listings, magazine ads, and brochure distribution is widely used. Television is another mass media channel along with billboards and radio, which is used through trade-outs rather than purchase basis. Concerning traditional marketing, they are often seen as less effective as a DOSM noted, “I don't think the mass advertising is that effective anymore, people get their information from too many different variables now. Whether it is the Web or another direct-mail or whatever it is. So the question and I have done this since I have been here is questioning the big guys like (*major metro newspaper reference*) and (*major metro newspaper reference*), and (*market leader radio station*). You get so many messages and you are spending so much to reach an audience and probably two thirds of that audience has no intention of using (the resort) nor would ever travel to (the resort), so I would rather be more direct and exacting in how I get my message out.” To deliver a targeted message through traditional marketing channels, they have focused on direct mail.

Direct mail was indicated by the majority of respondents as the most successful channel at inducing repeat business. With the waning success of traditional methods; the Internet has become the “900 pound gorilla.” As a DOSM stated, “We have really moved away from magazine advertising and some of those kind of things and moved to the Internet, we have redirected the dollars because of how people are shopping and I think you still need a fair amount of radio and newspaper advertising to get your name out there and your brand out there and awareness but we have just found that (consumers) do all or lots of their shopping over the Internet.” This quote exemplifies the fact that traditional channels have become a conduit to the Internet. Traditional media acts as a driver to the website. Finally, regardless of marketing channel success, the best marketing is quality service manifested through word of mouth. As another DOSM noted, “Number one is always word-of-mouth and we spend over \$1 million a year marketing at this resort but word-of-mouth is 98% of our business so it just goes to show how much – why good customer service is so important because people you get they probably told you in school how much marketing comes at you on a daily basis how many ads that you see and hear and think about – it is very difficult to get to a new consumer through advertising but it is easy to get one through word-of-mouth, customer service is the most important by far.”

External Relationships – Respondents noted that significant work was done through external firms. When it came to websites, developers were often consulted to develop and ensure search engine optimization. Similarly, e-mail specific companies were also hired. They are used for sending e-mail blasts and finding qualified recipients. Companies were also consulted for the development and distribution of marketing materials. Those offering a full range of services are popular but so too are specialized firms. Relationships have also been developed for marketing research purposes. Local universities are often asked to conduct focus groups and surveys in both traditional and electronic formats. Finally, companies are also employed to data mine databases and establish better market understanding.

Marketing Cooperatives – There were minimal reports of true marketing partnerships but a number of cooperative relationships existed. Through the use of trade-outs, such as providing rooms for a particular service, resorts collaborated with a wide range of businesses. These typically included hospitality entities and radio stations. Regional or state-wide association relationships existed through cooperation with similar product businesses (i.e., golf trails). The theme of working with like-minded businesses carried over into retail relationships as one GM noted, “We do partnerships with similar type businesses. A prime example is there is a large retail golf business in (*major metropolitan*

area) and we have a partnership with them, you know, where we provide them with gift certificates they use as incentives for their guests or customers ... in exchange for that we get exposure in their store, in their marketing stuff.” Packaging with regional businesses to increase the overall attractiveness of a destination was also important. Working with vendors, such as Pepsi or Coca-Cola, was limited to a few properties and only during prime seasons.

E-mail Marketing – E-mail communication comes in three basic formats: the electronic confirmation letter, the follow-up or exit survey, and a marketing focus communication. Marketing e-mails or e-mail blasts, customers typically receive on a monthly basis. This can deviate substantially as a DOSM alluded to, “(We contact consumers) once a month and it would vary depending on how many areas you had checked off. We probably send an e-mail promotion every two weeks but they are different promotions.” While e-mail addresses come through the purchase of external qualified and unqualified lists, the majority originate from internal collection. Even with aggressive address collection procedures, the process is difficult. A DOSM noted, “We do things with collecting e-mail addresses during the reservation, sometimes in certain parts of the property when guests are here but it is hard to get somebody to give you that stuff without giving them something in return... we would rather just get your e-mail address, hope you enjoy your stay and then we are going to hit you later with some kind of offer...” Collection points include sign-ups for alerts and discounts, when reservations are made either online or over the telephone, through comment cards, and often at various property outlets. To compound this difficulty is the short shelf lives of addresses, typically ranging from six months and two years.

Website, Resort-Owned – This has become the primary tool for marketers. It has gone beyond its e-brochure origin to become central to booking guest visits, acting as an information portal and data collection. Most traditional marketing now includes Web addresses to drive traffic, which one DOSM estimated at “over one million hits per month.” One GM underscored its importance by saying, “The Website is (the most important) because what happens is that your TV commercial drives people to your Website, your newspaper ad drives people to your Website, and you ask people ‘how did you find out about our Website?’ they say I found it on the Internet.”

In the development and maintenance of the website outside firms typically develop and host the site while changes are made within the resort. By hosting offsite, marketing directors are provided with usage statistics including click-through origination, visitor tracking and site section popularity. Concerning overall sophistication and scope, websites are continually increasing their attractiveness by adding interactive features and new content.

Website, Third Party – The primary role of third-party sites is search-engine listings. Google, Yahoo, and MSN were the most popular sites for search engine optimization, keyword buys and paid links. Relationships with other websites were also significant for most resorts, with resort-specific distribution site and destination-management organizations being most popular. Page sponsorships, regional partnerships and membership websites were also popular. Approximately half of the respondents used third-party distribution sites such as Travelocity.com and Hotels.com as part of their marketing. Those who did not use these stated the overall profit margins limited their involvement. Due to limited effectiveness, only a limited number of resorts still use banner ads.

Technology References – Most technology references were in regards to the Internet and its overall importance. Other references went beyond just e-mail and website channels. Whereas 10 years ago the Internet did not exist, it is now the central marketing hub. It has provided a channel where regional resorts can market their product to attract the “phenomenal number of people that are on the Internet.” As a DOSM added, “The Internet, it just allows us to compete on an even playing field with some of the big chains, we can have a Website that is out there that is as good as anybody’s.” From a broader perspective, technology has improved the marketing function itself. It has increased the speed of business, allowing resorts to develop and quickly distribute all forms of marketing. Technology-driven programs also provide more information, providing efficient marketing strategies and campaigns.

Consumer Segmentation/Marketing – For target marketing, variations of segments exist but follow a similar approach: geographical distribution and travel party composition. Concerning geographical marketing, a significant exists between traditional consumers and local markets. As one DOSM stated, “I think we need to acknowledge that our local audience is not as invested in the brand. They are coming here for different reasons; they are coming just for the round of golf or the Sunday brunch.” Concerning travel party composition, the message broadcast is similar with small enhancements based upon the segment. One GM noted, “We are basically saying the same thing to each of those markets but we may emphasize something different.” For leisure guests, the message is on the enjoyable experience, the escape to spend time with family and friends. For corporate or group customers, the focus shifts to flexibility and employee productivity. A significant difference also exists in the channels used to target these different groups. Leisure customers primarily receive mass marketing through various previously discussed marketing channels. Corporate clients however, receive more personal attention. According to one DOSM, “The group

or corporate market is kind of a whole different animal....we just don't run an ad in the (*major metro newspaper*), "Come have a meeting here" it is too costly and the percentage of people that would actually be candidates to have their meeting here would be so small that it would be money wasted so there is targeted specific industry publications if we want to do those types of things." Beyond these differences, the same brand and similar messages are portrayed, especially among leisure-based segments.

Relationship Marketing – Relationship development for the purpose of marketing can be accomplished through all channels and a variety of methods. The majority of respondents indicated their primary method of developing business-based relationships was through one-on-one contact. Methods for maintaining contact with previous guests were much more varied. Multiple resorts had independent loyalty reward programs of which guests could become members. These systems were then used as the primary vehicle for developing relationships. Properties without these programs, build relationships through consumer databases and using collected information appropriately. A GM noted on the use of his database, "I can pull my database for specific anniversaries and birthdays. 'John and Jane congratulations on your first or fifth or sixth anniversary, we hope you can consider (resort name),' that type of thing. That is really the only relationship marketing that we would do is when we are going after birthdays or anniversaries." Beyond these techniques, marketers identified simple personalization of direct mail and e-mail communications for strengthening business relationships.

Branding Practices – One assertion emerging from the interviews revolved around the importance of brand image. Image was *the* primary discussion point with limited discussion concerning other branding dynamics. A sub-set of image discussion was the impact of pricing. Respondents repeatedly noted that pricing was the key component to maintaining their respective brand images. Beyond image, the majority discussed its importance and the overall interest in increasing brand awareness. Of those identifying branding as unimportant, most respondents were unsure about this marketing concept. One GM stated, "I don't really know what our brand is to tell you the truth, which again goes back to my struggle with who is my market, how are we branded, we certainly brand ourselves...on the lake it is tradition, it has got something for everyone, that is our branding but I don't know if that is how you would consider branding." While this lack of understanding was present within the sample, it was not the standard.

Competitive Pricing/Packaging – Within this tourism sector, discounting has limited applicability. Maintaining rate integrity was thought to be extremely

important. Even with discounts having the propensity to attract consumers, they must be focused and not interfere with the ability to maintain prime season rates. A GM noted, “We work very hard on keeping our rate integrity if you are going to give your room away for \$119 just because it is September at some point and time without some kind of special hitch to it...you are never going to be able to get someone to pay \$375 for that same room again because they know it is worth \$119. So you don’t do stuff like that and slit our own throat, there are actually times that we will let a couple rooms go empty to keep rate integrity because it costs me four empty rooms tonight, \$275 or \$300 on the rooms so that is \$1200 gone. Well who knows what is gone next month when I am selling them at rack rate but they think the rooms are cheaper because they only paid \$299 and they are not going to pay \$375 this time.” In order to induce a value presentation to guests, marketers focus on special promotions and packaging. This can include a specially identified package (i.e., family spring break) to include lodging plus a number of amenities such as waterpark tickets, amenities such as spa usage, traditional dining, and tickets to local community events. To price these packages, extensive competition rate shops are conducted. Beyond measuring what competitors are charging, respondents noted that operating costs, last year’s rates and current market status also play significant roles in product pricing.

Tracking Success – Measuring return on investment is at the base of tracking marketing success. From this sample, six primary measurements emerged. The most prevalent was tracking source codes attached to marketing messages. Providing different 800 numbers was a method that has been historically successful. Another popular method was asking the consumer where they heard about the resort. Whether this was at reservation time, check-in or through comment cards, this method was popular but was no longer as successful with most noting the Website as their point of reference, regardless of where they initially saw the marketing message. With the increased use of web-based marketing, tracking website hits and visits was another dominant method. This multi-faceted technique can be applied to external linking, e-mail campaigns, search engine searching, purchased links, and a myriad of other methods. While not as popular, simple tracking of interest levels, market hits based upon zip codes, and coupons being brought in at the time of check-in were also noted. When it comes to the tracking successfully, it has become increasingly difficult with the increase in channels. As one DOSM put it, “it is very difficult to track (success) right now, very difficult.”

Marketing Development/Decision Making – There were isolated incidences where the responsibility for developing marketing strategy rested strictly on the director of marketing. However, the majority of respondents identified a team concept,

where an individual is in charge of daily decisions but not the larger strategy process. As a DOSM stated, “We actually have a marketing committee so the ideas and directives and concepts come from a lot of different avenues...certainly in-house with the marketing department itself but the decision and focus and direction is established in the marketing committee.” This team concept also involved external marketing firms. Once an overall direction was established, these companies were given the responsibility to develop materials and market the resort according to plan. For corporate or chain properties, marketing decisions were corporate based with limited input from individual properties. However, those properties were given some autonomy to engage in local marketing as long as it is congruent to corporate goals.

Conclusions & Recommendations

The primary focus of this study was to develop a better understanding of current resort marketing practices and trends. From the initial step of examining interview content, 18 areas of interest emerged from the data. Based upon this investigation, topics ranged from opinions on technology to the significance that third party websites played in the marketing of resorts. Throughout these topics, however, one overarching theme became apparent: the critical role that technology plays in resort marketing efforts. From the facilitating role that resort websites serve in customer communications, to the relationships driven strictly by technology, technology issues were omnipresent throughout all areas of this inquiry. Technology often drives marketing campaigns in the form of e-mail and creates advantages in consumer relationship marketing via PRIZM-type analyses. Relationships that were strictly structural in nature (e.g., golf-based resort working with a golf retailer) have moved to technology based, in the cases of resorts registering with Resortsandlodges.com. Perhaps most significant is the changing dynamic of traditional distribution channels. Historically these have been information sources with calls to action. According to respondents, this role is changing as they drive website traffic instead of providing information.

Beyond the primary role of technology in resort marketing, results from this investigation underscore the need for further investigation. There currently exists a limited amount of research specific to resort marketing and while this study has developed a baseline understanding, research specific to each area is needed. To this end, recommendations for future research center on examining critical topics in the areas of channels, functions, relationships, targeting, and technology.

Channels

From a channels perspective, four areas of need emerged: 1) the overall use of internal marketing is constant but the methods varied along with success tracking. A measure of success levels for each method should be gauged; 2) public relations are perceived as playing an important role in resort marketing. The true impact of this medium and its success levels would be of interest; 3) traditional marketing channels are currently used but, again, are overshadowed by the Internet. Measuring their effectiveness in today's electronic marketing age would add significantly to this study's findings; and 4) there are many unique marketing techniques currently applied within resorts. One of these is database mining through programs such as Claritas' PRIZM. This analysis is based upon the premise that zip code segmentation is appropriate for resorts. The effectiveness of this method needs to be validated.

Relationships

From a relationships perspective, two areas need specific attention. The first is establishing the types of external firms that work with resorts and guidelines for working with these firms. Important issues can include establishing what criteria resort operators use in selecting firms, influences on overall satisfaction, and an investigation of best practices in developing relationship marketing strategies. The second area in need of attention concerns the proliferation of marketing cooperatives or partnerships. Of interest would be examining which types of relationships (i.e., typical brick-and-mortar or virtual partnerships) are most effective and the proliferation of each type. A better understanding needs to be developed on which relationships are most advantageous for resorts, from both "hard" and "soft" return perspectives.

Targeting

From a targeting perspective, three areas of interest emerged: 1) branding is considered important within the sample but overall grasp of the concept is limited. Research should examine overall levels of understanding of branding in relation to marketing effectiveness; 2) price discounting is a practice with strong opposition, but packaging is a widely accepted method. Research is needed supporting or disconfirming these stances on driving business and possible impacts on long-term profitability; and 3) the methods used to segment consumers vary widely but were based primarily on forward segmentation. Backward segmentation (e.g., cluster analysis) as an alternative method should be examined for applicability, practicality, and adoptability from an industry perspective.

Considering the resort product offering, combined with technological advancements in targeting consumers, exploring the use of lifestyles or personalities for targeting should also be examined.

Technology

From a technology perspective, three areas emerged: 1) e-mail currently plays a significant marketing role. But the effects of repeated e-mail communication and perceptions of what is considered too many or too often has not been established. A lack of understanding of what consumers prefer in their e-mails, from both the content and delivery method viewpoints also exists; 2) the resort website was identified as the marketing hub but what needs to be included in a site still needs attention. Further investigation should examine attributes of effective sites; and 3) the third-party websites, have gained significant importance. Resorts have recognized this and placed significant financial resources into ensuring online optimization. Further research examining social network marketing and the growth of consumer-resort interactivity through Travel 2.0 technology will need examination.

References

- Adams, B. (2005). Radisson bed program differentiates brand. *Hotel & Motel Management*, 220(9), 3-5.
- Alleyne, S. (2005). The business of getting away. *Black Enterprise*, 35(10), 98-102.
- Anonymous. (2002). Travelocity provides great Disney deals. *Medford*, 19, 25.
- Atkinson, W. (2005). Internet impacts potential, current owners. *Hotel and Motel Management*, 220(10), 26.
- Babbie, E. (2004). *The Practice of Social Research* (10 ed.). Belmont, CA: Wadsworth.
- Baloglu, S., & Pekcan, Y. A. (2006). The website design and Internet site marketing practices of upscale and luxury hotels in Turkey. *Tourism Management*, 27, 171-176.
- Baum, F. (2000). *The New Public Health*. Oxford: Oxford University Press.
- Baumann, M. A. (2005). Sound business plans help resort spas compete. *Hotel and Motel Management*, 220(6), 4-6.
- Bay, H. W. (2005). Everyone INTO THE POOL. *Incentive*, April 2005, 38-41.
- Bergsman, S. (2005). The good times roll for time-share titans. *Barron's*, 85(23), 15.

- Blank, D. (2004). Companies, guests target high quality. *Hotel and Motel Management*, 219(21), 38-39.
- Brey, E. T., Morrison, A. M., & Mills, J. E. (2007). An examination of destination resort research *Current Issues in Tourism*, 10, .
- Brown, S. (2005). Travelling with a purpose: Understanding the motives and benefits of volunteer vacationers. *Current Issues in Tourism*, 8(6), 479-496.
- Burnside, M. W. (2003). Holiday weekends no day at the beach for Indiana park. *Amusement Business*, 115(46), 28.
- Caldwalader, L. (2006). Recent trends in mixed-use resort development. *Developments*, October, 33-36.
- Carey, M. A. (1995). Comment: Concerns in the analysis of focus group data. *Qualitative Health Research*, 5(4), 487-495.
- Chiang, L. C. (2001). Marketing timeshare in Singapore: An analysis of potential customers and present owners. *Asia Pacific Journal of Tourism Research*, 6(2), 17-23.
- Cho, M. (2002). Tourism redevelopment strategy: The case of the Kangwon Land Resort Casino. *Anatolia: An International Journal of Tourism and Hospitality Research*, 13(2), 185-197.
- Chon, K.-S., & Singh, A. (1995). Marketing resorts to 2000: Review of trends in the USA. *Tourism Management*, 16(6), 463-469.
- Chon, K.-S., & Whelihan, W. P. (1992). Changing guest preferences and marketing challenges in the resort industry. *FIU Hospitality Review*, 10(2), 9-16.
- Collis, J., & Hussey, R. (2003). *Business Research* (2 ed.). Palgrave: MacMillan.
- Coyne, I. T. (1997). Sampling in qualitative research: Purposeful and theoretical sampling; merging or clear boundaries? *Journal of Advanced Nursing*, 26(3), 623-630.
- Gaines, B. L., Hubbard, S. S., Witte, J. E., & O'Neill, M. (2004). An analysis of children's programs in the hotel and resort industry market segment. *International Journal of Hospitality and Tourism Administration*, 5(4), 85-99.
- Green, C. E. (2006). *Resort best practices study: Internet marketing and distribution strategy*. McLean, VA: Hospitality Sales and Marketing Association International.
- Higgins, S. M. (2005). Listening to feedback helps hotels improve. *Hotel & Motel Management*, 220(3), 28-30.
- Inbakaran, R., & Jackson, M. (2005). Understanding resort visitors through segmentation. *Tourism and Hospitality Research*, 6(1), 53-71.

- Johanson, M. (2000). A trend analysis of vacationing and its impacts of resort marketing. *Journal of Hospitality & Leisure Marketing*, 7(3), 81-90.
- Khanna, P. (2005). Hotel chain gets personal with customers. *Computing Canada*, 31(5), 18.
- Kim, S., & Sullivan, P. (2006). Experiential retail: Shopping in recreation tourism at teh Venetian Resort. *e-Review of Tourism Research* 3(5).
- King, B. (1994). Research on resorts: A review. In C. P. Cooper & A. Lockwood (Eds.), *Progress in Tourism, Recreation and Hospitality Management* (5 ed., pp. 165-180). New York: John Wiley & Sons.
- King, B., & Whitelaw, P. (2003). Resorts in Australian tourism: A recipe for confusion. *Journal of Tourism Studies*, 14(1), 59-66.
- Knutson, B. J., Beck, J. A., & Yen, H. H. (2004). Marketing the mid-price independently owned resort: A case study with implications for managers. *Journal of Hospitality and Leisure Marketing*, 11(4), 65-79.
- Landis, J. R., & Koch, G. G. (1977). The measurement of observer agreement for categorical data. *Biometrics*, 33(1), 159-174.
- Li, W. M., & Dewar, K. (2003). Assessing tourism supply in Beihai, China. *Tourism Geographies*, 5(2), 151-167.
- Lomanno, M. (2005). Occupancy, room-rate growth expected to increase RevPAR. *Hotel and Motel Management*, 220, 22.
- McMullen-Coyne, S. (2004). Brandlike benefits, independence drive growth of hotel collections. *Hotel and Motel Management*, 219, 3-5.
- Mendenhall, M. (2005). Emotional equity is still Disney's key asset. *Advertising Age*, 76, 24.
- Monteson, P. A., & Singer, J. L. (2004). Marketing a resort-based spa. *Journal of Vacation Marketing*, 10(3), 282-288.
- Morrison, A. M., Braunlich, C. G., Cai, L. A., & O'Leary, J. T. (1996). A profile of the casino resort vacationer. *Journal of Travel Research*, 35(2), 55-61.
- Morse, J. M. (1991). Strategies for Sampling. In J. M. Morse (Ed.), *Qualitative Nursing Research: A Contemporary Dialogue* (pp. 127-145.). Newbury Park, CA: Sage.
- Mudambi, R. (1994). A Ricardian excursion to Bermuda: An estimation of mixed strategy equilibrium. *Applied Economics*, 26(9), 927-937.
- Naylor, G., & Frank, K. E. (2001). The effect of price bundling on consumer perceptions of value. *The Journal of Services Marketing*, 15(4/5), 270-282.
- O'Brien, T. (2003). Waterpark resorts riding wave of success. *Amusement Business*, 115, 3-5.
- Patton, M. Q. (1990). *Qualitative Research and Evaluation Methods* (2 ed.). Newbury Park, CA: Sage.

- Patton, M. Q. (2002). *Qualitative Research & Evaluation Methods* (3 ed.). Thousand Oaks, CA: Sage.
- Perdue, R. R. (2001). Internet site evaluations: The influence of behavioral experience, existing images, and selected website characteristics. *Journal of Travel and Tourism Marketing*, 11(2/3), 21-38.
- Perdue, R. R. (2002). Perishability, yield management, and cross-product elasticity: A case study of deep discount season passes in the Colorado ski industry. *Journal of Travel Research*, 41(1), 15-33.
- Phillimore, J., & Goodson, L. (Eds.). (2004). *Qualitative Research in Tourism: Ontologies, Epistemologies and Methodologies*. London: Routledge.
- Ramos, P., Salazar, A., & Gomes, J. (2000). Trends in Portuguese tourism: A content analysis of association and trade representative perspectives. *International Journal of Contemporary Hospitality Management*, 12(7), 409-418.
- Rezek, S. (2002). Consumer research sheds light on all aspects of resort timesharing business. *International Journal of Hospitality Management*, 21(3), 245-255.
- Riley, L. (2007). 2007 top ten: Sales & marketing for luxury boutique hotels & resorts. *HSMAI Connect* Retrieved January 26, 2007, from www.hsmaiconnect.org/news154000370/4029871.html
- Scavo, J. J. (1999). Marketing resort timeshares: The rules of the game. *St. John's Law Review*, 73(1), 217-246.
- Schatzman, L., & Strauss, A. L. (1973). *Field Research: Strategies for a Natural Sociology*. Englewood Cliffs, New Jersey: Prentice Hall.
- Simon, E. Y. (2005). Marketing top-of-mind issue at conference. *Hotel and Motel Management*, 200, 30.
- Staff. (2005). Hilton Resorts seeks promotion partners. *Precision Marketing*, June 17, 2005, 5.
- Thomaselli, R. (2005). Starwood goes hollywood. *Advertising Age*, 76, 1-3.
- Upchurch, R., & Lashley, C. (2006). *Timeshare Resort Operations*. New York: Butterworth-Heineman.
- Van-Kemp, S. (2004). Timeshare firm gets feet wet with the net. *Adweek Magazines' Technology Marketing*, July 2004.
- Vencat, E. F., & Au, J. (2006). Dubai's glitz goes global; Ski resorts and gold-encrusted condos are rising from the desert in places like Morocco and Libya. *Newsweek*, October 30, NA.
- Wasserman, T. (2004). Avon and Bahamas go after the sunset. *Brandweek*, 45, 8.
- Whelihan, W. P., & Chon, K.-S. (1991). Resort marketing trends of the 1990s. *Cornell Hotel and Restaurant Administration Quarterly*, 32(2), 56-59.

- Woods, R., & Hu, C. (2002). Opinions of their profession by sales and marketing experts in the timeshare industry. *International Journal of Hospitality Management*, 21(3), 239-244.
- Yang, H., & Callan, J. (2005). *Near-duplicate detection for eRulemaking*. Paper presented at the ACM Proceedings of the 2005 National Conference on Digital Government Research, Atlanta, GA.