Inter-city Cooperation in Destination Marketing

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I. Tourism for Inter-city Cooperation
1. Tourism for Inter-city Cooperation

- **No big money:**
  - Mutual investment is not always required to boost up the tourism industry and “the presence as it is” can be attractive enough for international travelers.

- **Win-Win Game:**
  - Not only inbound tourism but also outbound tourism can make profits from their cooperation.
1. Tourism for Inter-city Cooperation

- **Need of cross-border cooperation:**
  - The overseas travel requires cross-border cooperation.

- **Fastest growing industry:**
  - The tourism industry is a fastest growing industry in the world and the Asia Pacific market has great potentials.

- **Need of Government leadership:**
  - As the tourism industry is not fully developed in Northeastern Asia, governments in the region have been asked for leadership in promoting the industry.
2. TPO as City Network

- **Tourism Promotion Organization for Asia Pacific Cities (TPO)**
  - Launched in Fukuoka Japan in 2002
  - City network for cross-border inter-city cooperation in the tourism industry

- Activities:
  - Cooperation in tourism marketing
  - Exchange of the tourism information and policy
  - Education and publication
  - Joint projects
2. TPO as city network

• **Membership**
  - **Category of Membership**
    - Government: city governments, all other level of governments
    - NGO/NPO: travel associations, DMOs
    - Industry: businesses, media
  - **Members:**
    - 71 Cities and 34 Civil Organizations in 11 Countries
  - **Leadership**
    - President → Guangzhou
    - Co-presidents → Busan, Daejeon, Sanya
II. Inter-city Cooperation in Destination Marketing
1. Reasons for Cooperation in Destination Marketing

- **Difficulty in getting attention from the market**
  - One single city will not arrest market leaders’ attention with ease if it doesn’t have a fame in the travelers’ world.

- **Shortage of knowledge and experience**
  - A local government will not have enough knowledge and experience to perform destination marketing successfully because it is a relatively new job.

- **Need to increase tourists from other member cities**
  - A city will be able to receive more tourists from other cities than before in case that it can get support in marketing from the government of a target market.
2. Ways of Cooperation In Destination Marketing

- **Sharing expenses**
  - All participating cities share expenses for a joint marketing project.

- **Exchanging market information**
  - Participating cities exchange all related information about the target market with other participants to make a success in a joint marketing project.

- **Collaborating in project execution**
  - Participating cities do their share of work in the process of a joint marketing project.
3. Benefits of Cooperation in Destination Marketing

- **Economy**
  - By joining collaborative marketing projects cities can accomplish their goal with much less expense than holding independent events.

- **Efficiency**
  - Collaboration enables cities to carry out larger projects than one city can with limited resources, which will arrest more interest in their efforts from the target market than a small event by one single city.

- **Networking**
  - Staffs of cities participating in a joint marketing project can be a part of a professional network during the collaboration with those of other cities.
III. Cooperation among TPO Member Cities
1. Joint Exhibition

- Operating a joint exhibition booth in travel fairs
  - Cities purchase exhibition space in a travel fair cooperatively and set up an independent booth.
  - Each city occupies a section of the booth and operate it independently.
  - All expense is shared by participating cities.

- TPO members’ cooperation
  - Guangzhou International Travel Fair in March 2007~2012
  - Hochiminh International Travel Fair, September 2012.
A booth for TPO member cities in GITS
2. TPO Travel Trade

- **Holding travel trade meetings in a target market**
  - Trade meeting between staffs of city governments and travel agencies and out-bound tourism businesses of a target market
  - Presentation of new tourism products or new itineraries visiting participating cities.
  - Mission calls after the trade meeting

- **TPO members’ cooperation**
  - TPO Travel Trade China (March 2007-2012)
  - TPO Travel Trade Korea (December 2009-2012)
  - TPO Travel Trade Japan (May 2007~2008)
Photo of TPO Travel Trade China
Photo of TPO Travel Trade Japan
Photo of TPO Travel Trade Korea
3. Joint FAM Tours

• **Joint FAM tour**
  - A group of cities invites travel agencies from a travel trade meeting for a fam tour.
  - The itinerary of the fam tour usually includes visiting the participating cities.
  - The cities provide all information and convenience required to design a new product

• **TPO members’ cooperation**
  - A joint fam tour by Busan, Gyeongju, Hadong, and Namhae Korea in 2010
Photo of joint FAM tour
Photo of joint FAM tour
4. Joint Advertisement

- **Joint Advertisement**
  - Cooperatively buy time and space in influential media in a target market
  - Cutting down the price by large buy and group negotiation
  - Advertisements keeping step with promotion of travel agencies

- **TPO members’ cooperation**
  - 15,066 LCD/LED screen boards installed at populous spots in Seoul and the capital area of Korea.
  - Guangzhou, Sanya, Busan, and Daejeon participated in the project in 2012.
Coex Mall (Shopping mall)

- Multi-vision
- Regular board
- Interactive board
E-Mart (Super market)
CGV (Movie theater)
Olive Young (Convenient store)
5. TPO’s Joint Marketing Project

**STEP 1: Research**
- Market research, selection of target market

**STEP 2: TPO Travel Trade**
- Travel trade meeting with tourism businesses in the target market

**STEP 3: Site inspection and FAM tour**
- Inviting travel agencies from travel trade to give them a Fam tour

**STEP 4: Supporting development of tourism products**
- Providing solutions to difficulties of travel agencies

**STEP 5: Supporting promotion of the developed products**
- Supporting promotion and advertisement of travel agencies

**STEP 6: Reception of tourist groups**
- Welcome event, souvenir, guide books
### Result of Korean cities’ marketing in China in 2009

<table>
<thead>
<tr>
<th>Name of Product</th>
<th>Itinerary</th>
<th>Travel Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivation of Mind</td>
<td>Seoul-Busan-Gyeongju-Andong (5 nights 6 days)</td>
<td>CITS</td>
</tr>
<tr>
<td>Gorgeous Scenes</td>
<td>Seoul-Jeju-Busan-Gyeongju (5 nights 6 days)</td>
<td>CITS</td>
</tr>
<tr>
<td>Discovery of Travel</td>
<td>Seoul-Busan-Gyeongju-Namhae-Hadong (5 nights 6 days)</td>
<td>CITS</td>
</tr>
<tr>
<td>Panorama of Korea 6 Days</td>
<td>Seoul-Jeju-Busan-Gyeongju (5 nights 6 days)</td>
<td>GZL</td>
</tr>
<tr>
<td>Panorama of Korea 5 Days</td>
<td>Busan-Namhae-Hadong-Andong-Gyeongju (4 nights 5 days)</td>
<td>GZL</td>
</tr>
<tr>
<td>Leisure in Korea</td>
<td>Busan-Gyeongju-Muju (4 nights 5 days)</td>
<td>GZL</td>
</tr>
</tbody>
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6. TPO Travel Agency Network (TAN)

• **Objective:**
  - To increase tourism exchanges among member cities
  - To support travel agencies in member cities and create business opportunities

• **Establishment of Network:**
  - Member cities recommend local accredited travel agencies to join the TAN
  - Opening an online travel trading system and a business center to manage the operation of the TAN
  - Travel agencies that joined the TAN can develop businesses with other TAN members
6. TPO Travel Agency Network (TAN)

• **Operation:**
  • 21 travel agencies from 17 member cities joined the TAN (as of Aug. 2012)
  • Official launching of the TPO Travel Agency Network Committee (Sept. 2011)
  • Opening the online travel trading system and business center (Oct. 2011)

• **Recent Activity: charter flights**
  • Charted flights between Dalian City, China and Pohang City, Korea (May 2012)
  • Charted flight between Dalian City, China and Busan City, Korea (July and August 2012)
Activities of TAN

Homepage of TAN

TAN Committee Meeting
Thank you!
谢谢大家！

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