

# Strategic Marketing Plan Destination Holland 2008 – 2010

## Summary

### 1. Challenge

The Netherlands Bureau of Tourism & Conventions (NBTC) is the leading marketing organisation for the promotion of leisure and business travel to and within Holland.

NBTC's challenge is to promote Holland, both domestically and internationally, in a world in which boundaries are becoming increasingly more blurred, information channels are becoming clogged, and new destinations present themselves.

In conjunction with the Ministry of Economic Affairs, the destination promotion of Holland is organised in such a way that an optimal mix of volume (number of arrivals from abroad) and customer value (spend per visit) will be achieved.

In the Strategic Marketing Plan (SPM), NBTC addresses the issues of how to carry out effective Holland marketing activities in a world in which people are bombarded with choices. How do you ensure not only awareness, but how do you also make sure that travellers think your country is special and worthwhile? How can you further enhance the competitive position of Holland? NBTC sees a solution in a dedicated focus. Destination marketing must be aimed at the groups of travellers that, because of their volume in combination with their spend, are most favourable for the Dutch economy.

For the 2008-2010 period, NBTC considers a 2 percent growth of incoming tourism feasible, and a growth of the relative market share<sup>1</sup> for conventions and meetings of 19 percent.

A dedicated focus goes hand in hand with clear choices. NBTC's choices for the marketing of Holland are described in the Strategic Marketing Plan 2008 – 2010. This plan reflects the overall strategy. What these choices mean for you as an NBTC partner, we will happily explain to you in a one-on-one meeting.

### 2. Marketing Strategy

#### 2.1. Introduction

Holland cannot be everything to everyone, but we have to take advantage of the fact that certain of its aspects are very appealing to specific target groups, and that these target groups each have their very own economic values, behaviour and needs. More than ever before, it is, therefore, essential to carry out marketing activities based on target group segmentation.

For international promotions NBTC uses the brand name *Holland*, while the brand *Lekker weg in eigen land* is used in the domestic market.

#### 2.2. Promise: personal enrichment

In order to actually motivate the international travellers to visit Holland, you need a promise that fits in with their world as they experience it and with their travel motives. This promise must mean more than just the tangibles of transport, accommodation, and entertainment. It must refer to that special feeling that a visit to Holland evokes. Charged by the country's individual character, its diversity and tourism product density, we have called this promise personal enrichment.

This personal enrichment has its origins in

- the *surprises* our cities have in store;
- the well-deserved *enjoyment* of our regions;
- the *fun* you have in the countryside;
- the *vitality* that the sun, sea, wind and water along our coast bring;
- the *wonder* that our typically Dutch icons evoke;
- the business and personal *energy* that our conventions in their state-of-the-art surroundings bring.

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<sup>1</sup> In North-West Europe, and compared with our benchmark countries of Germany, Great Britain, Belgium and Denmark.

### 2.3. Marketing mechanisms

The Dutch leisure and business travel sector has an enormous untapped potential of strong brands, smart people, good ideas and executive ability. At the same time, it has a high level of fragmentation, unnecessary competition and separate propositions that are being presented without a framework. This means that Holland can still develop greatly in strength and significance internationally. NBTC has developed a number of mechanisms to assist this growth.

#### 2.3.1. **Endorsed branding mechanism**

Holland is the *source brand*. The brand Holland combines the separate propositions (the products) offered by the tourism and convention sector, and creates awareness of, trust in and standing for the product abroad. The other way around, these *propositions* make Holland the dynamic, fun, fascinating, inspiring and different country that it is.

#### 2.3.2. **Product-Market-Partner Combinations (PMPCs) mechanism**

Combining products allows specific markets and target groups to choose those aspects of Holland that particularly appeal to their wishes and travel needs. These combinations are promoted through a powerful amalgamation of means, which NBTC calls Product-Market-Partner Combinations (PMPCs). The PMPC categorisation is not just functional, but also emotional. Emotional in the sense that they take into account the travel motives of the potential traveller. The PMPCs are the basis for the marketing of Holland.

NBTC distinguishes the following leisure and business PMPCs:

##### *Leisure*

###### Holland Classics

The versatile and strong Dutch icons, such as tulips, wooden shoes, windmills and cheese. In addition, Holland is known for its cultural heritage from the Golden Age, such as Rembrandt, the VOC (United Dutch East-India Company), the canal houses, for its traditional locations, such as Volendam and the Zaanse Schans, and for its attractions, including Kinderdijk and Keukenhof. Holland Classics travellers mainly visit Holland as a part of a European tour, and the majority overnights in 3-star hotels.

###### Holland City Style

Holland City Style is all about the versatile, cultural and trendy Dutch city life. Shopping, wining & dining, culture and experiencing the pleasant Dutch way of life are the main motives. Amsterdam, Rotterdam, Utrecht, The Hague and Maastricht are the main cities. Predominance of short city breaks, with accommodation in hotels.

###### Holland Beach Life

The varied and family-friendly facilities along the coast. Sea, beach, dunes and beach pavilions, in combination with entertainment, wellness centres and family-oriented attractions in the hinterland, such as Madurodam, Duinrell and Neeltje Jans. Short breaks in the spring and autumn seasons, preferred accommodation in top-end holiday parks, B&Bs, and hotels or campsites.

###### Holland Country Fun

Versatile entertainment products in the green and rural hinterland along the eastern and southern borders of Holland. The Holland Country Fun product comprises biking, hiking, and fun family attractions, such as zoos, theme parks and playgrounds. Visitors mainly stay in holiday parks in the heart of the countryside.

###### Holland the Good Life

The target group wants to actively enjoy wining and dining, hiking and biking, and being pampered in health and beauty centres. Mainly short spring or autumn breaks; favourite types of accommodation are 4 and 5-star hotels, deluxe holiday parks and upmarket B&Bs.

##### *Business*

###### Holland Let's Meet

The meetings market for international business meetings (corporate meetings, product launches, training sessions, meetcentives, etc.), always initiated by the companies themselves.

###### Holland Be Inspired

This PMPC is aimed at sharing and exchanging information and knowledge, i.e. Holland the convention market. The canvassing of these international congresses is realised through bids by Dutch associations and corporate congresses.

NBTC has developed a central end value for each PMPC, related to the promise of personal enrichment mentioned above. The central end values represent the feelings that the proposition in question should generate in the visitor. The end values are fixed and are the focus in the marketing of the various PMPCs.

**2.3.3. Segmentation mechanism**

A segmentation model helps to link PMPCs to target groups that are potentially successful. In addition to socio-demographic variables, such as age, family composition and income, lifestyles, travel needs and travel motives must be taken into account. One and the same traveller may come to Holland for a range of reasons, and can be open to the appeal of a range of products.

*Five mentalities*

Based on an international survey by NBTC and research bureau Motivaction, five mentalities were formulated, based on people's standards, values and lifestyles.

Empty nesters

A large group of mainly 50+ people who are nearing the end of their working lives. They are fond of nostalgia, set store by certainties, and are conscientious. They are locally oriented and focused on passive entertainment. The empty nesters have ample spare time and an average income.

Mainstream families

Families with school-age children. They lead regular lives in which security plays an important role. Family is more important than career opportunities, and the male-female division of roles is usually traditional. Mainstream families are materialistic and status-conscious, with an average amount of spare time and average incomes.

Upper-class quality seekers

Mainly families for whom quality of life is important; they appreciate a high level of comfort. Working provides this mentality group with identity and status. These families lead busy lives, and are interested in politics and history.

Post-modernists

This group comprises all ages, with a slight overrepresentation of the 35-44 year age bracket. Post-modernists are open to new and different experiences. This mentality group is tolerant, strives for a balance between work and private life, and is interested in immaterial values. They have an international outlook and are focused on experiencing what life offers.

Status-conscious achievers

The status-conscious achievers are very career-driven. They are individualistic and open to changes. They are also impulsive and adventurous, not hampered by traditions and standards, and have an international outlook. Many 20 to 30-year-olds belong to this mentality group.

**2.3.3. Partner marketing mechanism**

The success of the marketing strategy for Holland is partially defined by the level of cooperation of NBTC and the market parties, now and in the future. For this reason, NBTC emphatically aims to work together with tourism and non-tourism partners, at home and abroad. After all, by combining strengths and means and by working as one single marketing movement, you reach more people and more goals. NBTC has developed a platform format which connects stakeholders with joint interests who market themselves and, at the same time, Holland, under the direction of NBTC.

**3. Practice**

**3.1. Hierarchy of marketing choices**

For the marketing of Holland, NBTC targets the countries, PMPCs and economically viable target groups with the highest potential. There is a specific hierarchy in the choices that lead us to the leisure or business traveller with the intention, the financial means, and the opportunity to travel, as shown below.

Each choice is based on potential (volume x client value) and primary rational arguments.

1	Countries	In which countries does NBTC carry out promotional activities?
2	Market segments	Which market segments are targeted? (leisure, business, or both?)
3	PMPCs	Which PMPCs are positioned in these market segments?

4	Target groups	Which target groups fit in with the chosen PMPCs?
5	Instruments	Which instruments are used to reach the target group (B2B, B2C, Press & PR)?
6	Activities	Which marketing activities per instrument?
7	Structure & financing	What does this mean for our organisational structure and financial situation?

### 3.2. ABCD Model

NBTC uses an integral marketing programme. The separate promotional instruments of this programme reinforce one another. NBTC uses the ABCD communication model in its marketing planning.

A stands for awareness (reach of media and reach of campaign/activity)

B stands for belief (preference for Holland)

C stands for conversion (actually going to Holland)

D stands for durable relationship (loyalty, repeat visits).

For each activity, the specific target group is determined, while the emphasis within the ABCD model is also defined. On this basis, and in cooperation with partners, the media choice and planning are defined.

### 3.3. Theme years and international events

In order to create further awareness for the brand Holland, and to generate more Press/PR, NBTC and the Ministry of Economic Affairs have decided to launch a theme year or an international events year annually. These are communicated domestically and internationally and existing activities/campaigns are used, in addition to dedicated activities.

Unlike a theme year, an international events year has an additional objective to the aim of generating international publicity. This additional objective is to attract extra international and domestic visitors. For the next few years, the following theme years and international events have been chosen:

2008: Theme year Hidden Holland

2009: International events year Holland Art Cities

2010: International events year Holland Art Cities

2011: Theme year to be determined

2012: International events year Floriade

### 3.4. Financing model

NBTC connects marketing and communication objectives and public-private participation and financing. Public marketing resources are preferably used for image building, awareness campaigns and promoting the Holland and *Lekker weg in eigen land* brands. Private financing is usually primarily aimed at action and transactions, whereby the invested marketing euros should preferably realise immediate return on investment. Public funds ensure a multiplier effect for private financing.

NBTC's activities are usually carried out together with partners. Cooperation is essential and results in more powerful activities (more budget, greater reach, more media tools, etc.), and more conceptual value (promotion of brand and product).

## 4. From strategy to execution

The strategy described above is the foundation for all NBTC campaigns and activities. Campaigns, activities and the correct media mix are selected in line with the strategy. Some campaigns are already executed along the lines of the SMP 2008 – 2010, such as the City Break Campaign in Belgium, Germany, Great Britain and France, and the family campaign in the German market. All other activities will be reassessed and will be adapted, where necessary, to be in line with the new strategy.

The dedicated focus and the choices mentioned above are the only way in which Holland can present itself as a destination that truly offers the promised personal enrichment.

## Market choices

While the numbers of arrivals used to be the main criterion, the emphasis is now on the optimal mix of arrivals and money spent. This is the result of supply and demand; when the available capacity is close to its maximum, the sole objective is not further volume growth. The aim is to attract guests with the highest possible economic value. This is reflected in the allocation of NBTC's marketing budgets. NBTC has discontinued its activities in Taiwan, Korea and Poland, as these markets yielded less return on investment than other markets. As of 2008, however, other activities are implemented and/or reinforced. An example is the increased emphasis on the meetings and conventions market. New markets will be judged by their potential economic value.

The SMP is a dynamic document, that will change as circumstances change. For this reason, NBTC is open to any party who wishes to contribute to the discussion on Holland marketing. The ultimate goal is to contribute added business value for Holland and the travel sector.