

Feeder Markets

Club Estrellas Program for Mexican Visitors Expands Around the Country

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CAPITALIZING ON DOMESTIC OR INTERNATIONAL PRIMARY FEEDER MARKETS IS KEY TO A SHOPPING CENTER'S TOURISM MARKETING PROGRAM. One of the best examples is the popular Club Estrellas (Star Club) program, which was initially created by North Star Mall in San Antonio, TX. Brand awareness and use of the program has been so successful The Rouse Company expanded and rolled it out to select Premier Marketplaces throughout the US. Premier Marketplaces are a collection of 19 Rouse centers in top tourism destinations throughout the US that attract visitors from around the world in addition to their local trade area."

"As long ago as 1994, we understood how important Mexico was to North Star. In fact, it was and still is our number-one inbound market," said Donald Wearden, visitor market manager for North Star. "We needed an effective program that would reach the more lucrative Mexican market, the population with the greatest propensity to spend, and entice them to select North Star as their shopping destination instead of one of our competitors," he explained.

They developed a relationship with Mexicana Airlines. On all inbound flights to San Antonio business and first class passengers received a voucher on their tray liner that could be redeemed for discounts and special offers at North Star. This developed into a membership-based program. Having visitors "register" as Club Estrellas members, and providing them with a coded card, enabled the center to build a marketing database for ongoing communication and, in conjunction with Texas Tax Back, provided a means to track purchases and

repeat visits. (Texas Tax Back is a private agency that helps process the necessary paperwork — passport, flight tickets and original receipts — so a store can reimburse the sales taxes to foreign visitors). Wearden explained, "With their Club Estrellas VIP card they receive discounts at over 50 retailers and information on sales dates, mall events, special airline/hotel packages, mall operating times and local attractions."

By 1999, the program had 25 partners, and in Mexico awareness about North Star continued to rise. Partners included hotels, the San Antonio visitor's bureau, SeaWorld, Six Flags Fiesta Texas and retailers. Advertising was secured in Mexicana's in-flight publication and packages were developed with VTP, Mexicana's vacations program. Events were also coordinated, including fashion shows, familiarization tours for both the travel trade and the media, seasonal gift-with-purchase campaigns, and numerous public relations missions to Mexico. Membership increased by

350% and generated \$280,000 in publicity in Mexico, spurring additional, trackable sales of \$7.5 million.

"More than 25% of our sales are now tied to Mexican nationals and our stores have a program that targets a selective group of international consumers who really spend money. We currently have over 40,000 Club Estrellas household members with an average of four people per household," said Wearden.

The Rouse Company recognized that the rebound in visitation from Mexico and projected increases in arrivals going forward held substantial sales potential for other Premier Marketplace centers. In addition, Rouse is opening a new center, The Shops at La Cantera, in San Antonio in 2005 and needed a way to establish awareness of that opening in the Mexican market. Due to the vast differences in merchant mix and visitor experiences at each Premier Marketplace, a strategy was developed to capitalize on the brand awareness of Club Estrellas, while tailoring the program to each center.

Mexicana Airlines agreed to support the expansion of Club Estrellas in top destinations serviced by the carrier. Six new markets and 11 Premier Marketplaces were identified, including South Street Seaport in New York, Water Tower Place and Oakbrook Center in Chicago, Bayside Marketplace, Mizner Park and The Village of

Merrick Park in South Florida, Fashion Show in Las Vegas, Park Meadows in Denver and Riverwalk Marketplace in New Orleans, as well as North Star, and The Shops at La Cantera.

Why invest so heavily in the Mexican market? Research by the US Department of Commerce indicates that the number-one activity for Mexican nationals traveling to the US is shopping. Over 20 million visitors arrived from Mexico by air in 2002, and this number is projected to increase 13% by 2007. The majority of these visitors arrive with empty suitcases and depart with excess baggage fees.

To kick-off the expanded Club Estrellas program, a sales mission was held in Mexico City this past June. The Rouse Company solicited sponsors, including the International Bank of Commerce, Shop Las Vegas and of course, Mexicana Airlines. Two events were coordinated: a breakfast for the travel trade and media to educate and inform them about Premier Marketplaces and the Club Estrellas program, and a cocktail reception for upscale consumers to entice them to book a trip to one of the destinations.

The highlight of both events was a runway fashion show presented by upscale US retailers. "From experience, we knew this would be a challenge, as most department stores have policies against allowing fashions to leave the country and usually won't feature their fashions along with other retailers,"

explained Kathy Anderson, tourism consultant for The Rouse Company. Proposals were sent to tourism marketing contacts at several targeted anchors, which were forwarded to corporate offices for review. After numerous meetings and conference calls, four department stores and a forward-thinking specialty retailer committed. Nordstrom, Dillard's, Macy's, Marshall Field's and Cache became event retail partners — with Nordstrom, Dillard's and Marshall Field's also sending representatives to meet with travel professionals, media and consumers — a first for all three companies!

To coordinate both events, The Rouse Company contracted with Barbara Jackson, an in-market sales representative in Mexico City whose company also represents The Arizona Office of Tourism and Sky Harbor International Airport. They secured a suitable location, developed a timeline, created an invitation list, organized details for event co-sponsors, coordinated travel arrangements and shipping, and managed all logistics. The invitation list for the consumer event consisted of first class passengers on Mexicana Airlines, VIP clients of the International Bank of Commerce, recognized society members and select cardholders from participating retailers. Custom-designed "shopping bag" invitations were hand-delivered by courier.

Representatives from the targeted Premier Marketplaces flew to Mexico City to promote their individual projects. As the tourism consultant for South

Street Seaport in New York City, I was asked to attend and can report first-hand on the unique events and marketing strategy.

Both events were held at the Marquis Reforma Hotel, Mexico's City's only privately owned, five-star hotel — a classy venue for a classy event!

The opening night was a huge success, with 250 wealthy, influential Mexican shoppers in attendance. Following a cocktail reception, attendees listened to a presentation about Premier Marketplaces and Club Estrellas. Sponsors also gave brief presentations. Then, participants were entertained with a professional fashion show featuring such upscale fashion collections as St. John Knits and Faconable. The evening concluded with door prizes, including two round trip tickets on Mexicana Airlines and shopping sprees at Premier Marketplace centers. Premium gift bags contained brochures, information and a variety of signature gifts from all participants such as Godiva chocolates, stationery sets, key chains, luggage tags and more!

The next morning's breakfast was targeted to the travel trade and media. Approximately 150 industry professionals saw the same presentations and fashion show. Additionally, a mini trade show prior to the breakfast enabled each delegate to host a table with tourism literature, brochures, press kits, photographs, business cards, signature gifts, etc. This exposure for participants and the ability to answer questions one-on-one for the tour operators and media was important to the

overall success of the events.

For any tourism event such as this to be successful requires continued follow-up with the tour operators and support at the center level. A database of tour operators, media and consumers was created and distributed to participating Premier Marketplaces. E-mails thanked the guests for attending. Cohesive campaign elements were developed for each Club Estrellas center. Sixty thousand vouchers have been printed in Spanish and distributed throughout Mexico via Mexicana Airlines ticket offices and participating tour operators. Of course, as the program rolls out, it is necessary to keep up with fulfillment to ensure visitor satisfaction and repeat visits. In some cases, this may involve ongoing training and communication, particularly for centers that do not have a concierge center and need to rely on a retailer to distribute the Club Estrellas campaign elements.

As visitors from Mexico arrive at participating Premier Marketplaces with a voucher, they receive a special Club Estrellas envelope. Here is where the program is customized to the specific location. The new Club Estrellas centers insert a directory, discount book or passport, and optional exclusive Club Estrellas incentives or merchant offers into the envelope along with a welcome letter in Spanish that cross-promotes other Club Estrellas centers and destinations.

An area on the Premier Marketplace website has been developed in Spanish to provide tour operators and consumers detailed information on

Club Estrellas centers and even print a voucher for redemption upon arrival. (Another plus for this tourism program is the ability to track return, since in order to receive a Club Estrellas envelope, visitors must show their voucher.)

The Rouse Company has made a long-term commitment to the Club Estrellas program and is currently developing new strategies and enhancements for next year. From the amount of media coverage received and early usage by both tour operators and consumers, it's positioned to be a huge success.

We are continuing this series of articles on tourism every other month and would like to focus on some of the more innovative tourism programs. Please submit your programs to me, either via e-mail (CFEims1000@aol.com), fax or mail. If possible, include samples of your graphics via e-mail. Full credit will be given to the person or team responsible for the program. ■

CJF Marketing International offers a range of services for creating and implementing strategic tourism, economic development and marketing programs for shopping centers, urban entertainment projects, downtown retail districts, communities and commercial properties globally. The firm also offers educational programs and seminars for corporate meeting planners, shopping center developers, communities and re-development agencies. Feimster can be reached by phone at 732/249-6080 or by fax at 732/545-3138.
