

Resources:

- SYTA website - syta.org
- US Census Bureau - census.gov
- US Educational Statistics - nces.ed.gov
- US Office of Travel & Tourism - tinet.ita.doc.gov
- Canadian Tourism Commission - Canadatourism.com
- Canadian Statistics - statcan.ca

Part Two

How Centers Tap the Market for Traveling Students

By Carolyn J. Feimster SCMD President, CJF Marketing International, North Brunswick, NJ

LAST MONTH, WE TOOK A LOOK AT THE STUDENT MARKET. Statistics demonstrated the strength of this market, which was defined in detail. This month we will look at how best to reach the market.

The best way is through tour operators via the Student Youth Travel Association (SYTA) annual conference. SYTA's mission is to promote and support integrity and professionalism among student and youth travel service providers and to promote quality student/youth travel services that enhance social, cultural and educational growth. This organization is notable for their appreciation and concern for the children and a desire to broaden their horizons and experiences through travel.

SYTA's first show drew 65 people. In 10 years it has grown to well over 900 attendees including actives (tour operators) and associates (suppliers). The conference was a mixture of networking, educational seminars and marketplaces. SYTA emphasizes networking and provides plenty of them.

The show was interesting and rewarding. We started with 16 scheduled appointments and ended up with 39 contacts. I was representing "America's

Premier Shopping Places" (APSP), the 44 tourism-branded centers of the 200+ centers in the portfolio of General Growth Properties, Inc. (www.americasshoppingplaces.com). We jumped right into this market and capitalized on every opportunity. If you are going to invest in a trade show, it is critical that you "work" the show before, during and after. We sent several rounds of pre-show e-mails to every tour operator in attendance to gain

brand recognition. This is especially important when attending a show for the first time.

For any first-timer, SYTA offers several excellent programs. The mentor program assigns every first-timer a mentor. I was fortunate. Because I work near my mentor, we were able to meet for lunch. Since this show is a bit different from ABA and NTA (two others that target group markets) I found his advice valuable. Additionally, there was a web seminar several weeks prior to the show, an orientation, which included a tour of the conference and marketplace hall, and even a reception for the new delegates. Plenty of opportunities to get to know people!

Sponsorship Opportunities

"To strengthen the APSP brand, whenever we participate

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Traveling Students

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in a trade show where there is one of our centers, we usually host one of the evening functions,” explained Susan Houck, SCMD, VP marketing, General Growth Properties, Inc. “Since SYTA was in Boston this year, Faneuil Hall Marketplace hosted a function with cocktails, hors d’oeuvres and entertainment. This gives the tour operators first-hand experience as to what one of our properties can offer. It also makes it easier for our representative at the show to better sell our centers during the meetings!”

SYTA offered additional opportunities, such as placing materials in the delegate’s bags and setting up a tabletop display in the sponsorship area, which APSP took advantage of. One of the tour operators told me, “Your brand is everywhere!” That certainly was the intent.

Another unique element was roundtable sessions where associates are placed at tables according to their business type – for us that meant attractions. Two tour operators at a time would rotate to the tables in eight rotations. We introduced ourselves, but the tour operators did most of the talking, explaining what they were looking for. This great educational experience helped us better target our sales pitch during the tour operator meetings.

After any show, followup is critical. During the meetings you should limit your handouts to a one-page, double-sided, three-hole-punched profile sheet and business card. Everything else, such as sales kits,

should be shipped after the show.

What Are Other Centers Doing to Attract this Market?

Grand Central Terminal in NYC offers group tours for a fee. The tours talk about the history of the terminal as well as the redevelopment/refurbishment of the property. This is a very educational component to add to the itinerary of groups coming to NYC. After the tour, groups are offered shopping and dining incentives. More information on these tours can be found at www.grandcentral-terminal.com – click on tours and go to guided tours.

As mentioned in the November article, Lisa Kunkler McClure, VP marketing & tourism manager of Union Station in Washington, DC, also offers students lessons in history and architecture in addition to the shopping, dining and performance space. She promotes easy access by car, train, trolley, motorcoach, bus, Metrorail and foot. There is also motorcoach parking – a very important, but often overlooked, necessity. There are free exhibits, movies and choral performances.

“With everything we have offer, we are not just another stop for the student market. Therefore, we actively market ourselves at the American Bus Association and National Tour Operator trade shows. We work closely with our Convention and Tourism Corporation and, of course, we work with SYTA operators,” said McClure.

In San Diego, groups travel trouble-free to San Diego’s bay-front Seaport Village. The Village offers customizable

group packages and can include meal vouchers, VIP shopping passes and gift certificates.

For the student market, this ability to customize is important. Depending on the needs of the tour operator and students, Seaport Village offers an easy solution for groups with limited meal budgets. Their meal vouchers are valid at eight sidewalk restaurants. Sold at \$5.50, they are valued up to \$8.50 and can be purchased in quantities to match the size of the group.

The VIP shopping pass presents special discounts, two-for-one buys, gift with purchase and more throughout Seaport Village. A special touch includes Seaport Village gift certificates, which individuals can spend on food or a gift. The gift certificates double as a fun prize for trivia or raffle drawings throughout the trip. “We found a real demand for a safe, fun and convenient place for student groups to visit. These packages seemed like the perfect solution. All the elements plus customizable packages have made this program a success,” said Marketing Coordinator Megan Capizzi.

Groups who visit The Shops at Prudential Center in Boston can take advantage of the PRUferred Pack, an all-inclusive package that offers a voucher for lunch or dinner in the food court, ice cream, admission to the Skywalk Observatory, shopping discounts and more, for only \$20 per student.

“We target the groups through the Group Information page on The Shops at Pruden-

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right to leave their positions and then compete.

Regarding the personal friendship issue, there's nothing wrong with being close personal friends with those with whom we do business, but the closer the relationship, the more important following proper procedures (and proper documentation) becomes. Therefore, I would strongly recommend that the janitorial service for your mall be put out to bid using detailed specifications to all qualified and experienced providers who have an interest. And, each step should be properly detailed and documented. (Note: If following standard operating procedures negatively impacts existing friendships with individual providers or bidders, I would submit that a sincere friendship didn't exist in the first place. So nothing is really lost.)

Lastly, the amount of savings (the amount of dollars involved, whether \$50 or \$50,000) is irrelevant when the decision involves ethics.

Signed,

The Mall Advisor

Mall Advisor questions should be sent to JONESREPORT Plus, c/o John S. Adams, 286 Riverside Drive, Port Republic, NJ 08241. Call 609/652-3742, fax 609/652-3636, or e-mail johnsadamspr@aol.com

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tial Center's website (www.prudentialcenter.com), the Boston Duck Tours website (they offer a package that includes the PRUferred Pack and a tour for \$37.50), and partnerships with area hotels who offer shopping packages. We also network and develop relationships with tour operators via monthly event updates and by contacting new operators to see if our program is a good addition for their itineraries," said April Worden, customer service manager at The Shops at Prudential Center.

Tech Tours

Shopping centers are a natural for technical tours, a perfect tool to have in place for the student market. Think about how amazed a teenager, who loves to hang out at the mall, will be to see how much work it takes to develop and operate a mall. And think how grateful a tour operator would be to be able to include a new product in his itinerary. It is a win-win. In fact, according to the July/August edition of *Package Traveler Insider*, the tour operator is constantly challenged to come up with fresh ideas. As a result, they are turning to guided factory/tech tours. More and more, companies are inviting the public to see "first-hand" how they operate. We need to become a part of this new trend.

Key components of a tech tour are that they be educational and fun, and include samples, videos and unforgettable memories. Many focus on everyday elements of our lives – things

(like shopping centers) that we take for granted and just "assume" operate on their own. A shopping center behind-the-scenes tour can be an eye-opening experience. A tech tour can include a presentation on the various disciplines involved in operating a center; a behind-the-scenes tour of the center and a department store, a general tour of the mall, a meal function and some time to shop.

Even a stop at a food court can be turned into a learning experience if mall management gives a presentation on food court operations. This creates real value for the tour operator and the student.

What is the future for the student market and shopping centers? SYTA Executive Director Michael Palmer had a terrific idea. More students are looking toward volunteerism travel as part of their itinerary. Shopping centers play an important role in their community and frequently look to develop community-oriented events. This can be an interesting partnership and a way to leverage student group travel. The shopping center identifies a local charity that has a program that needs volunteers. Then the center works with a student group tour operator or school seeking a project for their students. This combination can provide the mall with a new, creative promotion, provide the student group with an innovative project and the community organization with the volunteers they need to develop their program. Perhaps we are planting a seed here for a 2007 Community Relations Maxi winner!

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Catastrophe Insurance

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to be evaluated, since it varies so much between office, commercial retail and industrial properties. Minimum lender requirements must also be factored into the decision. Under most loans, if the borrower fails to maintain required insurance levels the lender has the right to “force purchase” the coverage and bill back the premium. We have seen no indication that this is being done on California earthquake insurance.

Of course, the other 800 pound gorilla in the room is Tier One Wind. Perhaps the best time to assess this would be after the current hurricane season is safely over. The good news is that rates are going down for virtually all other types of insurance coverage. Depending on experience, liability rates are dropping from 10 – 15%

Finally, the big question is how long will this adverse market continue? You get a variety of responses from the experts. Historically, recovery from difficult markets starts about 1.5 to two years after the market is hit. It appears that 2006 will be a good catastrophe year, one with no major earthquake, wind or flood losses. For example, the recently posted six-month results for the top 20 US reinsurers indicated a significant turnaround. A favorable “combined” loss and expense ratio of 96.5% compared to a 105.8% in 2005. This generated a net income of \$4.7 billion.

Generally, our US contacts predicted improvement in rate levels by mid 2007. The Lon-

don crew was slightly more pessimistic, citing the reinsurers’ need for recouping depleted market capital to increase capacity. History seems to indicate that given reasonable cat experience, rates will drop next year and continue a downward adjustment until the next major disaster strikes. It is critical that real estate owners and advisors track developments closely and adjust their coverage strategies as the catastrophe market evolves. While it was certainly not unanimous, most experts expect the “leaky ship” will right itself, as it has in the past, and the rates will return to normal historical levels. ■

Nelson is a partner in Nelson & Bernstein LLC, San Francisco, a risk management consulting group. He has been the principal instructor for the ICSC Management Institute on the subject of risk management. He has authored many articles, including the risk management chapter in the ICSC book on shopping center management. He can be reached at 530/335-4198. For more information, visit www.nelsonbernstein.com.

Traveling Students

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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 Carolyn@CJFMarketingInternational.com, fax 732-545-3138 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. Visit her website at cjfmarketinginternational.com.

Focus on Experience

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unique ways to cater to and attract customers by enhancing the store experience. Based on many participants’ comments, successful retailers are those that are willing and able to keep up with not only demographic and lifestyle changes, but also the sometimes more difficult nuances of their shoppers’ interests, habits and attitudes. The most successful are those that respond quickly. ■

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