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Hot Markets

Capitalizing on the Lucrative Euro-Shopper

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

MUCH HAS BEEN WRITTEN ON THE FAVORABLE EXCHANGE RATE, which allows the European shopper to visit the US, combine a vacation with a shopping trip and still be ahead of the financial game when compared to shopping in his or her own country. As shopping centers, how can we take advantage of this? This month's article looks at what some shopping center developers are doing and will discuss what you can do to capture this market.

For the last few years, the UK has been the number-one international in-bound market to the US, and all signs indicate this trend will continue. Consider:

Over 9 million visitors have traveled to the US from Western Europe in the past year, representing almost one-half of all overseas visitations. From the UK alone, we welcomed 4,302,737 in 2004, many of whom were shoppers! In fact, we have been experiencing steady growth from the UK since 2002. By 2006 the numbers are projected to exceed pre-9/11 levels. The next top Western European country is Germany, followed by France, Italy, Netherlands, Ireland, Spain – and this list goes on. You can look this up on www.finet.ita.doc.gov and compare it to the stats in your own destination.

More important, growth is continuing from these markets. The UK is expected to grow between eight and nine percent over the next three years and will continue to grow after that, although not at that fast a rate. In fact, continued growth is projected from all the Western European countries. If you

have not already begun your European outreach program, it is not too late!

So we know the Euro-shopper is coming and we know they like to shop – how can we take advantage of this trend? First, identify the top markets to your destination. Just because the UK is the number-one market to the US does not necessarily mean it is your top market. Check with your DMO (Destination Marketing Organization) for stats specific to your destination, then compare them with the above stats for the US. Also, determine the growth markets for your area and their potential.

The second step is to develop a plan to capture that trade. This will be an important component of your overall tourism marketing plan. Of course, by now you should have all your “in-market” programs in place, including advertising in your local tourist publications and hotel partnership programs. Now it is time to aggressively go after the euro-business by working directly with the tour operators who bring people to your destination. You should be able to

get a list of top tour operators from your DMO. As with most things, you will find that 20% of the tour operators who sell your destination will bring in 80% of your business. In addition to these overseas tour operators, it is important to get the list of the Receptive Tour Operators in your area if you are not already working with them. They are the companies who contract with the overseas tour operators and provide services such as itinerary planning.

Before you contact any tour operator or receptive, have your shopping programs in place. Examples include suggested itineraries and commissionable shopping packages. Work with partners such as hotels and attractions to develop packages. Have coupon books, vouchers, meal programs, etc. in place. All of these programs have been addressed in previous articles.

The best way to reach tour operators is through active participation in trade shows, both here and abroad. Pow Wow, this country's largest travel trade show for international inbound markets produced by Travel Association of America, was held in New York City this past May. My article in August's JONESREPORT Plus covered Pow Wow. However, you should be more aggressive and work your top markets by participating in trade shows in their market. The largest of the international travel trade shows is ITB in

Berlin. The next largest and a popular show for some US shopping destinations is World Travel Market, held every November in London. We are already starting to research whom we want to meet with during the show this year.

There are other trade shows to consider such as FITUR in Spain (see sidebar). In order to leverage your budget, it is best to find out what shows your DMO participates in and determine if you can partner with them instead of getting your own booth. If your DMO does not offer booth share possibilities, consider partnering with a hotel or another of your local partners. Also, most of the international shows have a See America Pavilion in which you can participate.

If you are going to go to the expense of participating in overseas trade shows, do your homework. This means researching those tour operators who not only sell your destination but are also interested in shopping programs. Most of this information will be on the tour operators' profile sheet they fill out for the trade show's website. Contact tour operators in advance of the show and request that they see you. It is important to know that shows such as World Travel Market are unlike Pow Wow in that Pow Wow is an appointment-only show. During World Travel Market, there are no appointments (unless you make them on your own) – tour operators are free to wander the show at their leisure. All the more reason for you to contact them to let them know you will

be attending and what your booth number is. Gimmicks such as giveaways are used to encourage greater visitation.

What do you bring to the show? That depends on the show, so it is important to get an idea of the number of attendees. Sales kits are best put onto a CD-ROM since no one wants to carry that kind of bulk. Besides brochures, it is a good idea to have all your programs

European Travel Trade Shows

- **World Travel Market**
London, UK
Nov. 14 – 17, 2005
- **BIT**
Milan, Italy
February 18 – 21, 2006
- **ITB**
Berlin, Germany
March 8 – 12, 2006
- **TUR**
Gothenburg, Sweden
March 23 – 26, 2006
- **You can participate in the See America Program**
www.seaamericapavilion.com

and packages listed on a one-page collateral sheet. If you have vouchers, bring plenty to leave with the operators to avoid unnecessary shipping once the show is over. Of course, bring lots of business cards. Place your booth number on your card so when you attend networking events, tour operators you meet will know where to find you the next day. I also suggest you put together a presentation book with photos and a copy of your collateral.

As far as a display is concerned, in most cases you will want to be part of your destination or the See America Pavil-

ion, the section that promotes travel to the US sponsored by TIA (Travel Association of America). Bringing your own display overseas can be quite costly. If you are part of a large shopping center developer, you may have a corporate booth in the See America Pavilion.

Follow-up is just as important, so take good notes when you talk with the tour operators. Make sure you send them the materials they request in a timely manner and stay in touch with them. If you can develop a voucher program with specific tour operators, you will have a way to track your efforts.

Also, if you have invested the time and money to market overseas, it is a good idea to stay a few extra days to make personal sales calls. Your DMO may schedule a sales mission to your top market. This is usually an efficient way to participate and communicate your shopping message. Some malls have provided fashion shows in partnership with their DMO while overseas.

Communicate with overseas media and develop media promotions. For example, the Freeport Merchants Association in Freeport, ME, developed an overseas sister cities promotion and shopping program. The Freeport Merchants Association not only gave away all expense paid trips to the winners from the UK but also to the UK media so they would come to the US and cover the shopping spree!

This past year, TIA offered a very cost effective way to reach the UK media through the See America News Service.

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Euro Shoppers

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For only \$100, participants could reach 150 UK travel media by distributing a news release to the media registered for the See America Media Marketplace. Look for this offer to continue in 2006. TIA offers members other opportunities such as advertising in the See America Calendar, participating in See America Events and participating in inserts such as in *USA Today* and the *UK Daily Mail*.

The third step is to continue to build and nurture the business. You must remain in contact with the tour operators

with whom you develop a relationship. If they don't hear from you regularly, they will start to work with someone else!

As you are developing and tracking the business, survey the overseas shoppers in your mall and find out what they think about your shopping center and what products they are seeking. You can easily do this at your fulfillment center where vouchers are redeemed for your coupon book and possibly a free gift. Have your customer service personnel chat with them for a few minutes and ask a couple of probing questions. Listen to what they say and pass on any product ideas to your specialty leasing personnel.

For further discussion, join our roundtable at the ICSC Fall Conference, "Crossing the Big Pond: Attracting the Lucrative Euro Shopper" on Tuesday, October 18, 2005 at 7:45 a.m.

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. Visit our new web site:

www.cjfmarketinginternational.com. ■

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.

Live, Learn ...

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every one seriously. And if you can't laugh at our industry's little curve balls, you may not be in the right line of work.

#2. It's Not as Easy to Make Balloon Arches as You Think

We were having a sidewalk sale and wanted to decorate with balloons. We thought it would be great to do giant arches over our escalators so people rode through them as they went up and down. Boy, were we deflated when we got the quotes. Balloon companies wanted thousands of dollars to make the arches. So my assistant, my visual merchandiser and I decided we would make them. How hard could it be? It was just PVC, balloons, some hi-float, and a helium tank or two, right? We ordered the supplies, giddy at the cost of only

\$400. Several staff members volunteered to help. We said no. How long could this take? We would be done by 1:00 or 2:00 a.m. We met at the mall at 9:00 p.m. with sodas, pizza and snacks, thinking we would have a great time. And we did — for the first hour or so. Then it became apparent the project would not go nearly as fast as we thought. Your fingers really hurt after tying several hundred balloons and sliding them onto PVC poles. We were still there at 8:30 a.m. when the rest of the staff came in. We had the mall decorated by 10:00, but we were exhausted and had a new appreciation for exactly what it takes to make balloon décor. *Lesson learned: Ask for help when you need it and NEVER EVER turn down volunteers!*

#1. When the Nut House Burns Down, Call 911

My first night as MOD at

my very first center was quite eventful. I had worked in the industry about 45 days. I had survived a mallwide trick-or-treat and thought I was ready for anything — until I picked up my phone to hear the panicked young customer service representative tell me, "The nut house is on fire." I told her to put down the phone and call 911. I got the marketing manager and ran to center court. The Morrow's Nut House was on fire and the manager from a neighboring shoe store was using a small fire extinguisher to try to put out a large fire. Flames shot out of the roasting machine. The oil combined with fire extinguisher foam to create thick, horrible-smelling smoke. The Morrow's employee was crying and a crowd had gathered to watch. As the mall filled with dense black smoke, the fire department arrived. We were ordered to evacuate. I had

no idea how to do this — thankfully my marketing manager did. *Lesson learned: Be prepared for a crisis of any kind and know how to handle one when it happens. Because it is not a matter of if an emergency will happen, but when.*

What does this have to do with DIY? you ask. More than you think. As funny as some of these stories are, I did actually live, learn and laugh over or through every one. Besides, how many people can say they have had people bathe in their mall fountains? (A story I will spare you.) But when you think about it, what better way to teach yourself something than by experience? Conventional? No way! Some great DIY lessons learned? Absolutely! ■