

## **Winter Marketing Project**

Includes:  
**Final Report**

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Completed for:  
Marrick's Landing  
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## Literature Review

The purpose of this project is to develop a good marketing strategy for Marrick's Landing. They must know exactly who their target market is, where they live and how to advertise to them effectively at the lowest cost possible. Marketing is a concept that every business should be familiar with. The goal of marketing is to deliver a product to consumers while making a profit. Armstrong defines marketing as:

[T]he business function that identifies customer needs and wants; determines which target markets the organization can serve best; and designs appropriate products, services, and programs to serve these markets...It is a philosophy that guides the entire organization.

(Armstrong 2003: xiv)

Companies need to have a marketing strategy or they will have difficulty getting their product to market, gaining public interest in their product and selling their product at a profit, which is the eventual goal of the organization. It is important to note that advertising is the action phase of a marketing strategy. Advertising is the voice of the company and is how information about a product is delivered to potential customers (Armstrong 2003).

Marketing is all around us everyday. We see advertising in print, such as newspapers, magazines, books, flyers and billboards. We see it on television, in movies and on the Internet. We also hear it on the radio and by word of mouth. There really is no escaping marketing in our modern society. Companies must take advantage of these resources and exploit them as best they can (Armstrong 2003).

In order to determine a marketing strategy for a company, they must first determine who their market is. This process is not as simple as it may sound. It is crucial that the company knows what specific segment of the population they want to target their

product to. Hayes discusses some considerations that should be made when trying to determine a market. First, we look at the entire market audience, which is essentially everyone. It would be extremely inefficient to market a product to everyone unless is truly unique. We need to decide what segment of the audience to focus our marketing on. There are six considerations that must be thought about before a market segment, or target market can be defined. These are:

1. Demographics: This is the oldest and most popular way to determine a target market. Variables such as age, sex and income level can be used to pick the broad class of people you want to target.
2. Geography: Buying patterns will be affected by municipal, regional or international boundaries. Population density and climate are also factors that determine where and what people spend their money on.
3. Psychographics: This groups consumers by life-style and personality differences. This includes what activities they like, personal values, interests and opinions.
4. Benefits: This puts consumers into groups according to the perceived benefits they seek from the product.
5. Behaviour or Usage: This differentiates users from non-users. For example people who travel a lot compared to people who travel infrequently.
6. Situation: Different situations create different markets. For example, are people spending money on pleasure traveling, or are they only traveling for special occasions?

(Hayes 1985)

Appendix A is a chart that lists some of these concepts. It can be a useful skeleton for determining a target market.

Knowing the size of the target market is also important. This does not have to be an actual number, but there should be a rough estimate of how many people are potential clients. Armstrong provides three criteria that should be considered when determining the market size. It depends on the number of consumers who:

1. Have an interest in the product. If there is no interest, they will not buy it.
2. Have the resources to buy the product. The consumer must have enough money to be able to pay for the product. There may be a lot of people who want the product, but if they cannot afford it, it is not worth advertising to them.
3. Have the willingness to spend their resources to buy the product. Many people may be able to afford the product, but are they willing to spend their money on it. If not, then it is again, not worth pursuing this group.

(Armstrong 2003)

These three variables are crucial when looking at a target market. The company does not want to spend any advertising money on people who will not buy their product anyway. In this case, advance preparation can save a great deal in the long run (Armstrong 2003).

In determining the target market for Marrick's Landing, we must learn what type of guests they want at the resort. This relies largely on the personal preference of the business owners. They then need to learn where these people are located and the best way to reach them. This must all be done by not overspending. If too much money is spent on marketing and advertising, then the company could face financial shortfalls. This is why

planning and having a good marketing strategy is the backbone of any successful company.

Successful marketing requires input from all levels of an organization. This is important because all levels of a company impact the final delivered product. The goal of everyone in the organization should be customer satisfaction and producing a good quality product (Armstrong 2003).

It is sometimes difficult to grasp the entire concept of marketing. Granted, there are thousands of theories and approaches to the field and it would be unrealistic to learn them all. Following are two frameworks that can be used to construct a good marketing strategy. These frameworks offer certain criteria that help the organization to maximize their marketing potential. Armstrong uses the “4 P’s.” This stands for Product, Price, Place and Promotion:

**Product:** This is the product that the company is selling. When marketing, it is crucial to know exactly what the product is. Sometimes it is not as obvious as one thinks. For Marrick’s Landing, for example, what exactly are they selling? Is it a weekend getaway, or is it nature experience in the Kawarthas.

**Price:** How much does the product cost. Pricing is not directly related to marketing, but if the price is not right, people will not pay for it.

**Place:** Where is the product accessible. This could be a retail store or a resort. It is important to keep in mind the location of the product when determining the market. If it is too far, people will not travel to get there.

**Promotion:** These are the activities that communicate the merits of the product to the target market. This is fancy term for advertising. The way a product is promoted is

often a key factor in its success. Successful companies must invest time and money in their promotion to make their product appealing. Many of these strategies are thought out very carefully. It is not a mistake when you cannot get a company's jingle out of your head. This means the company has been successful at making their product stand out from their competitors (Armstrong 2003).

Hayes uses a different framework for his marketing strategy. T.I.P. stands for Timing, Image and Persuasion:

**Timing:** Is it the right time for a company to be introducing or marketing a product. This is an important consideration. If the travel market is low, for example, it is a bad time to open a resort. However, if travel is up, then it is good time and the company has a greater chance at success.

**Image:** How do the market and your customers view the company? Image is a factor that stays in consumers' heads. If they have a bad experience with a product, they are likely not to buy it again or even deal with the same company. Furthermore, the physical image of a company is important. Is the store (if applicable) clean and organized? Are the staff helpful and courteous? Does the company have a good reputation in the community and with the environment? If any of these is bad, it could leave a poor impression in people's minds.

**Persuasion:** This is the most important of the three points. This is the ability to make your product seem better than your competitor's. It is similar to "promotion" in Armstrong's framework. If your product does not stick out, it has a lower chance of being sold and the company has less chance to make money (Hayes 1985).

This is an introduction to some general theories about marketing. In order to have a successful marketing plan though, the company must know how to obtain information about their market. It is possible to attempt to figure everything out from scratch, but this can be unreliable and expensive. Market research, data collection and data analysis are effective ways to learn about one's market. It can provide a quantitative measure of a target market and can provide confidence in a marketing strategy. Marketing Research in Canada tackles these techniques and provides a unique Canadian perspective on the issues (Darmon 1989).

The American Marketing Association defines marketing research as “the systematic gathering, recording and analyzing of data about problems relating to the marketing of goods and services” (Darmon 1989: 4). Although this definition does not explicitly state it, it is important to note “that the data must always be gathered, recorded and analyzed in an objective and accurate fashion” (Darmon 1989: 4).

The authors distinguish between two main data sources: primary and secondary. Primary data involves conducting research and collecting raw data. It could take the form of a survey for example. This is effective for the company because they can ask what they want and get specific answers that relate directly to their product. However, this type of data gathering is expensive and time consuming. Secondary data is data that somebody else has already compiled. It could have been performed by another company or a marketing data collection agency. This is much cheaper than primary data and has already been manipulated into a form that is easier to interpret than raw, primary data. It is suggested that a firm exhaust all secondary data before conducting any primary research (Darmon 1989).

Once data is collected, there are a variety of methods to analyze it. This paper does not aim to teach all of these, but they are general statistical procedures that are designed to manipulate the information and extract the evidence the company requires.

This is a good introduction to marketing. It details some general techniques and goals of marketing. It also demonstrates the importance of a good marketing strategy and effective data collection in order to successfully sell a product. This type of information is relevant to this project because it may be able to assist Marrick's Landing to refine their current marketing strategy and attract more clients in the winter.

Now, it is worth examining some theories about outdoor recreation because one of Marrick's Landing's pitches is winter sport, including cross-country skiing and snowmobiling. Outdoor Recreation in Canada, by Geoffrey Wall, provides this type of information. Although most people only spend a small portion of their time participating in outdoor recreation, it has a tremendous impact on us both physically and mentally (Wall 1989). Recreation is a mass consumer of natural and monetary resources. In many cases, expensive equipment is required, especially for winter sport. Furthermore, large areas of land must be consumed for water sports, or activities which require trails to be built. Outdoor recreation is a huge industry, which benefits industry employees as well as those who participate in it (Wall 1989).

There is a debate about why people engage in outdoor recreation. It could be a way to burn off excess energy, or a way of escaping the stress of the workplace and the home. Places such as Marrick's Landing provide an outlet for these activities, which makes their product attractive to those who enjoy being outdoors in the winter.



Supply and demand play an important role in outdoor recreation. As in any other industry, there must be demand for the product and a supply to deliver it. There are a few definitions of demand with respect to outdoor recreation. Simply, demand is a “schedule of the quantities of some commodity that will be consumed at various prices” (Wall 1989: 45). Demand for a product fluctuates with price. In general, the lower the price, the higher the demand and vice versa. A challenge to any company selling a product is what price to set in order to create the highest amount of demand, while still making the desired profit. Another way of looking at it is to make the demand equal the supply (Wall 1989). For Marrick’s Landing, this would be creating a demand to fill all of their cottages, which is the supply. This balance is called the equilibrium.

Supply is the other aspect of outdoor recreation. If there is not an adequate supply of facilities (i.e. trails, open water, lodges, sporting equipment) then there is not a good opportunity for recreation. The supply side of recreation is where we discuss building facilities and providing equipment for people to use. At least six attributes can be considered with respect to recreation supply: Types, numbers, qualities, capacities, accessibility, and climate and weather (Wall 1989). We will not discuss each of these on its own, but they do offer some basic points to keep in mind when trying to sell outdoor recreation.

There are sources that are more specific to this project and relate directly to Marrick’s Landing. Although the marketing review provides vital background knowledge, it is the tourism and advertising information about the Kawartha region that will provide the raw data for the final project.

A travel guide called Peterborough and the Kawarthas is an excellent starting point. This guide published by Peterborough and the Kawarthas and the Province of Ontario provides information on all activities and facilities in the region, including resorts like Marrick's Landing. Many of these resorts advertise in the guide. The most important feature of this publication though is a chart that details all the resorts in the region and lists the services and facilities they offer. This information will be used to evaluate the effectiveness of Marrick's Landing and assess their product compared to others in the same area. The main purpose is to determine what other successful winter resorts have that Marrick's Landing does not.

A similar publication is put out by the Buckhorn District Tourism Association. It too has listings and statistics for all the resorts in the region. There is also advertising in this publication. Marrick's Landing has placed an ad in each of these. These two sources provide raw information that specifically relates to Marrick's Landing and the surrounding region.

Marrick's Landing also advertises in a small Toronto newspaper targeted at dog owners called Dogs, Dogs, Dogs! Marrick's Landing is a pet friendly resort and wants to attract dog owners. Because their current target market is in the Greater Toronto Area, Dogs, Dogs, Dogs! seems like a worthwhile place to advertise. The newspaper is free, but is only available to veterinarians or others in the dog industry. Although people may read their ad in the waiting room at the veterinarian's office, the publication does not have a large reader base. Marrick's Landing has had some feedback from this advertising and has attracted a couple of guests this way. However, if more dog owners could find out about Marrick's Landing, they may have more success.

There are also some electronic sources relevant to this project. The Ontario Tourism Marketing Partnership is an Ontario government website. It is designed for people involved in the tourism industry, but is accessible to the public with a free username and password. This site contains a wealth of marketing data for Ontario tourism, such as statistics of where people travel (broken down by county), average expenditure of trips, where people are traveling from and the number of tourism related services in each county. There is much more information available that will be valuable when devising a marketing plan for Marrick's Landing. This is the most specific information of this type that I have found. I do not think that marketing data would exist at a more microscopic level. I am hopeful that this data will be sufficient to carry out my project. This website lists figures for Peterborough County, which should be specific enough to get realistic and accurate results.

Another good government website belongs to the Ministry of Economic Development and Trade. This site is designed to help business owners, especially small businesses, to gain access to professional guidance and information on how to succeed. It is useful because it can offer some ideas for a company like Marrick's Landing on how to compete and be successful in the tourism industry.

This review has outlined some general marketing techniques, as well as good data collection and analysis methods. It has provided this project with the necessary background to devise a new marketing strategy for Marrick's Landing. As well, it has examined data at the local level including how many people visit the area and how much money they will spend. The theory is that the background knowledge coupled with these figures will allow Marrick's Landing to draw up new ideas and learn how to attract more

visitors to them. After looking at the preceding evidence, it is hopeful that myself, working with Marrick's Landing will be able to accomplish this goal.