



MAY 2020

STEP 3 - PRESENTATION OF THE PROJECT

WHO RUNS THE WORLD...?
GIRLS!

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ABOUT THE STEP 3- MARKETING MIX

For the third step of this project, it was important to have an overview of the product, target and segmentation, distribution and pricing strategies in similar settings. This document will help us to understand the core elements of the workshop; its objectives, positioning and expected outcomes by using the marketing mix.

The marketing mix refers to the set of actions, or tactics, that a company uses to promote its product in the market.

COMPONENTS

The 4Ps make up a typical marketing mix - Price, Product, Promotion and Place. However, nowadays, the marketing mix increasingly includes several other Ps like Packaging, Positioning, People and even Politics as vital mix elements. The Ps that we decided to focus on are:

1. Product: characteristics and benefits
2. People: segmentation and targeting
3. Place: distribution and points of sales
4. Pricing: pricing factors and strategies

The aim is to propose the right service, for the right people, at the right price and the right time.

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1.PRODUCT

AN EDUCATIONAL INTERACTIVE WORKSHOP

"You are here for a limited time but want to help a local NGO?

You want to have a better understanding of the local culture but have been hindered by the language barrier?

JOIN US AT CFI FOR AN INTERACTIVE EXPERIENCE"

What is it?

"Who runs the world?" is a half-day educational workshop where participants have to put themselves in Bopha's shoes, a Cambodian girl living in Ek Phnom. After learning more about Bopha's family and situation, participants will be divided in two groups. They will have to react to different scenarios and choose the option that seems the best for her family and herself. Inspired by the game The Labyrinth, participants will then know how many steps they can take in the maze to reach their final goal. They will be helped along the way by CFI, a local NGO supporting girls like Bopha.

What people will experience

Participants will learn about the challenges of growing up as a girl in rural Cambodia. Moving through topics like gender inequality, education, marriage, trafficking and prostitution, to illegal migration; the topics covered reflect real situations dealt with at CFI. Participants will also discover local snacks made and purchased in Battambang and Ek Phnom.

What they'll take back

- A deeper understanding of life in rural Cambodia
- An opportunity to interact with CFI's team and learn more about our work and how to best support us
- Tips and advice to help the community in a safe way while travelling with a limited time

How they'll contribute

By supporting our beneficiaries financially with this activity

By sharing their experience with other people to raise awareness

By contributing to more responsible and ethical travelling practices

By becoming donors or fundraisers in their home country

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1.PRODUCT

CHARACTERISTICS AND BENEFITS

1) Core – This is the first level to be defined and explored. What is the main or core benefit that our service offers to our consumers? In the case of a camera, they are able to capture memories forever through the purchase of a product

For the workshop, the core benefit is to propose an **alternative to short term volunteering**. The aim is to give travellers the opportunity to help local NGOs without participating in potentially harmful volunteering activities.

2) Actual – Here, any additional benefits are added on to differentiate the product and highlight its Unique Selling Proposition. In the previous example, all cameras offer the same core benefit. But any additional features or strong branding can offer a better product.

The actual benefit of the workshop is that it has an **educational approach** when compared to normal short term volunteering activities such as teaching English or helping out in an orphanage. Participants will not only help out by taking part in the workshop, they will also learn more about how local NGOs work, what challenges they face and which solutions they provide. It is about having a deeper understanding of the local culture that an afternoon at an orphanage or school won't be able to give. And doing so in a way that causes no harm to the participants.

3) Augmented – Finally, there needs to be an assessment of what further benefits can be offered to the customer to ensure a loyal purchasing customer or in our case, engage with long term donors.

The augmented benefits of this activity should be multiple. First, it will help **raise awareness** of the harms of voluntourism and short term volunteering activities. We hope that we will be able to contribute to safer tourism practice by giving people an understanding of the local situation and ways for them to help in an appropriate way. We strongly believe that participants can become advocates and share their knowledge once they will go home. We might not be able to completely prevent people from volunteering on a short term basis, but we'll be able to participate in a new form of social impact activities. Thus, **creating long term advocates** and, if possible, **develop long term donors**.

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2. PEOPLE SEGMENTATION AND TARGETING

The first and most important thing to take in account for the segmentation and the targeting strategy of a project, is to understand customer needs in order to meet them. Without having an overview of what people would be interested in, we won't be able to provide the right customer experience. This is why we undertook quantitative and qualitative research by inviting people to complete a survey. The results helped us to understand what people were looking for while visiting Battambang, but also to have an overview of people's profile, age, CSP (socio-professional category), and length of stay. (see report STEP 2 - QUANTITATIVE RESEARCH)

MAIN TARGETS

1) TO GROUPS

Even if Battambang tends to attract more individual travelers than groups, partnering with a tour operator like Intrepid or G Adventures, would allow us to have a more steady flow of people. Intrepid and G Adventures promote small groups adventure tours with a big focus on local experiences. Social impact activities are integrated or can be added in their itineraries. Their customers already have this interest and understanding of how their travel impacts the country they are visiting and are looking for local experiences that do no harm. As compared to other tour providers like TUI, they do not attract the typical mainstream traveler but people willing to travel differently.

2) INDIVIDUALS

According to the survey results, Battambang attracts mainly individual travelers as 26 of the 44 respondents were either solo travelers or couples. 50 % of them are in Battambang for a short period of time (from 1 to 3 nights). Those travellers are also the ones that are most likely to look for short term volunteering activities. In fact, Battambang tends to attract travelers that have already visited Cambodia before or who are looking for more local experiences.

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2. PEOPLE

SEGMENTATION AND TARGETING

Advantages and disadvantages of the targeted segments

1) TO GROUPS

Advantages

- Steady flow of travelers + number of participants
- More predictable
- Easier to interact with a group that already know each other (and supposingly like minded people if partnering with Intrepid or G Adventures)
- Less logistics
- Lower marketing budget
- Benefit from a TO experience and help

Disadvantages

- Less control
- More mainstream travellers (content should be adapted to the public)
- Less personal
- If part of social impact tour, might be difficult to engage donors
- Might feel like a zoo

2) INDIVIDUALS

Advantages

- More personal
- More likely to become donors
- Less mainstream travellers

Disadvantages

- Less predictable
- Number of participants (could we maintain the workshop if we only have 5 participants, or less, signed in?)
- More logistics

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3.PLACE

DISTRIBUTION AND POINTS OF SALE

SELECTIVE DISTRIBUTION

The distribution and points of sale refer to the places where we would like to market our service. As we have decided to target two different segments; TO groups and individuals, we will have to think of a distribution strategy best suited for each of them. For our workshop, a selective distribution remains the best positioning strategy. A selective distribution method will allow a small number of chosen tour providers and travel agencies to distribute our service. By having this personal selection, we will be able to collaborate with like minded organizations, sharing the same objectives and philosophy.

INDIRECT AND DIRECT DISTRIBUTION

1) INDIRECT DISTRIBUTION

An indirect distribution involves distributing our product by the use of an intermediary for example TO, TA...

This would be the type of distribution we would have for TO groups if we decide to partner with a tour operator such as Intrepid or G Adventures. It can also be the case for our individual target, if we decide to sell our activity through a local tour provider such as First Cycling Tour.

The main advantages of this of distribution are the reduced costs of advertising, reduced logistics, the ability of reaching more customers and being associated with others brands. On the other side, an indirect distribution also means less control over the product and a poor knowledge of customer needs.

2) DIRECT DISTRIBUTION

A direct distribution involves distributing directly to consumers without using intermediaries (either by having a reservation platform on our website or by having an email address to book the activity directly with us). This is the second type of distribution we could have for individual travelers. It would give us a higher control, avoid commissions and have a better understanding of consumers needs. Yet, this type of distribution is more expensive mostly due to a higher marketing budget, relies on more logistics and can suffer from a lack of visibility.

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3.PLACE DISTRIBUTION AND POINTS OF SALE

INDIRECT DISTRIBUTION OPTIONS

INTREPID AND URBAN ADVENTURE

Intrepid is a tour operator specializing in sustainable small group travels offering more than 2700 trips on every continent and through four tour operator brands: Intrepid, Peregrine, Urban Adventure and Peak.

They are committed to giving back to the people and places they visit and empower travellers to do the same. In 2002, Intrepid decided to launch the Intrepid foundation. This foundation supports local organisations across the world to improve the livelihoods of vulnerable individuals and communities through sustainable travel experiences.

They are already working with Friends International, Rehash Trash and All Ears in Cambodia.



Urban Adventures

Run by passionate locals in more than 170 cities around the globe, Urban Adventures showcase both the world famous sites and local hotspots that make a place tick. From home-cooking classes to history lessons, or cycling excursions to social enterprises, Urban Adventures were created to give travellers a taste of what an Intrepid small group adventure feels like and can be as short as a couple of hours, or as long as a whole day.

[Find out more](#)


Peregrine

We specialise in providing premium adventures with a genuine focus on immersive local experiences. Hand-picked accommodation, private transport, local guides, a more relaxed pace – Peregrine is for travellers who enjoy travelling in small groups to savour every step of their journey. With more than 300 different itineraries in over 80 countries around the globe, when it comes to selecting your perfect premium adventure, the world is your oyster.

[Find out more](#)


The Intrepid Foundation

We're committed to having a purpose beyond profit: supporting the economies and people of the communities we visit, reducing our global footprint by carbon-offsetting our trips, and respecting local customs and culture. Responsible travel is a big reason we do the things we do. It's why, way back in 2002, we set up The Intrepid Foundation. Its purpose was pretty simple: to empower travellers to make a difference and to help communities in the places we visit. We cover 100% of the administration costs and for every \$1 a traveller donates we double it.

[Find out more](#)

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3.PLACE

DISTRIBUTION AND POINTS OF SALE



INDIRECT DISTRIBUTION OPTIONS

INTREPID AND URBAN ADVENTURE

Urban Adventure, one of Intrepid's Partners, has launched its "INFOCUS TOURS" and SOCIAL IMPACT TOURS. These tours are run in partnership with non-profit organisations and support responsible tourism and sustainable development.

Those tours enable participants to travel in a way that helps local communities by experiencing activities initiated and run by local NGOs and social enterprises.

IN FOCUS

In Focus: Bangalore Solar Slum Tour
India - Bangalore

★★★★★ From EUR 43.33

Get a behind-the-scenes glimpse of Pollinate Energy, a social enterprise that's lighting up lives in the slums of India. Learn how ...

IN FOCUS

lonely planet

Lonely Planet Experiences Private Nairobi In Focus Tour: A Day with the Maasai
Kenya - Nairobi

From EUR 129.07

Get the total Maasai private experience while supporting a local non-profit dedicated to alleviating poverty. Head beyond Nairobi to the ...

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**G Adventures**

3.PLACE DISTRIBUTION AND POINTS OF SALE

INDIRECT DISTRIBUTION OPTIONS

G ADVENTURES

G Adventures is also a tour operator offering small groups tours with a focus on local experiences.

G Adventures' founder established in 2003 the **Planeterra foundation**. For each destination, G Adventures has introduced its "G for GOOD" section where they propose their Planeterra foundation activities with social enterprises and NGOs. Ranging from community guesthouses, to youth-led walking tours in New Delhi, Women on Wheels (airport pickup by women drivers in India) or cooking classes.

G FOR GOOD

Sthree Craft Shop & Café

Local Meal & Handicraft Demonstration • Kandy, Sri Lanka

Sthree Craft Shop and Café is a social enterprise created in partnership with Planeterra and The Women's Development Centre which supports training and work opportunities for local women and disabled youth. Indulge in a traditional lunch and a handicraft-making demonstration from a female entrepreneur from the shop's training program. Learn about the program while enjoying a taste of homemade rice and curry.

Amba Estate

Community Guesthouse & Organic Farm • Banderawela, Sri Lanka

Tucked into the hills of Ella Rock, Amba Estate is an organic tea plantation that provides the local community with meaningful employment opportunities and fair wages. During your two-night stay at Amba Estate, learn about traditional hand-rolling techniques used in tea production along with preparing (and eating) delicious local food.



G FOR GOOD

Moshi Mamas

Spa & Handicrafts Co-operative • Moshi, Tanzania

In Tanzania, an overwhelming amount of girls grow up without an education. The Give a Heart to Africa school provides free classes to adult women, and offers graduates a stable place from which to launch their own businesses. One of these businesses is the Moshi Mamas, a spa and co-operative created with help from a kickstarter grant from Planeterra. Travellers can receive post-Kilimanjaro trek massages through Moshi Mamas from women trained in massage therapy, or shop for locally made crafts designed at the co-operative.

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4. PRICING

PRODUCT VALUE AND PRICING STRATEGIES

In order to propose the best price for our activity, different pricing factors have to be taken into account:

1) Company's objective

Running this activity and getting involved in ethical tourism is mostly to propose a safe alternative for people to help out locally. As compared to other tourism experiences, the main objective is not to make profit, but to contribute to safer tourism practices through education. As one of the objectives of CFI is also to reduce dependency, this project will diversify CFI's funds and create an added value without taking over or replacing any other income stream.

2) The fixed and variable costs

Fixed costs

- Staff salary
- Advertising costs
- Video support
- Maze board game.

Variable costs

- Commissions
- Operational expenses
- Taxes

3) "Competition" and Partners

Social impact tours and social enterprises are slowly emerging around South East Asia. From cooking classes to educational centers, the options are multiple and requested by travellers. A market study will help us to identify the different projects available and determine our position on the market. Rather than considering other NGOs and social enterprises as competitors, we believe that we should be complementary and align ourselves to avoid unnecessary competition.

4) Targeted groups and willingness to pay

While speaking with staff from Urban Adventure, she clearly mentioned the fact that people participating in their tours were middle class travellers, mostly with a good income and willing to pay more to have local experiences and give a percentage back to charity. Urban Adventure mostly relies on loyal customers, who have travelled repeatedly with them and are aligned with their vision.

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4. PRICING

PRICING STRATEGIES

1. **Penetration pricing** – setting a lower price to increase sales and market share. Once the market share has been captured the organization may increase the price.
2. **Premium pricing** – setting a high price to reflect the exclusiveness of the product
3. **Competition pricing** - setting a price in comparison with competitors (lower, same or higher)
4. **Skimming pricing** – setting an initial high price and then slowly lowering the price to make the product available to a wider market.
5. **Psychological pricing** – for example 11,99 instead of 12
6. **Optional pricing** – selling optional extras along with the product to maximise turnover
7. **Donation** - the organization gives an estimated price of donation but people can pay what they want.

The pricing strategy that would be the most suitable for this project would be the **competition pricing** by aligning our prices to the ones of existing activities.

It could also be interesting to start the project with a donation strategy in order to assess how much people would be willing to pay. As it ensures when international travellers will be able to attend, starting with a donation approach would be the best way to go for the first sessions. It will ensure we get people to attend - so we can gather real time feedback on our product and future pricing.

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CONCLUSION AND NEXT STEPS

MARKET STUDY

This marketing mix enables us to have an overview of the activity's characteristics, the market we would like to target, the distribution options and existing pricing strategies.

In order to continue the project, we now have to clearly position ourselves to make appropriate decisions. To have an accurate positioning strategy, we will pursue our work with a detailed market study by comparing existing social impact activities around South East Asia. From their prices, target markets, distribution channels, to marketing strategies, every detail will be analysed.

With this market study, we will have the right tools and information to position ourselves on the market without creating unnecessary competition between NGOs and social enterprises. Our aim is to propose a complementary activity, aligned with already existing projects.

