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TABLE OF CONTENTS

1.	Introduction	3
2.0	Analysis of Strong and Weak Points, Opportunities and Threats (SWOT)	5
2.1	Strong Points	5
2.2	Weak Points / Problems	5
2.3	Opportunities	6
2.4	Threats	6
3.	Vision	8
4.	The Role of Sustainability in the planning process	9
5.	Numerical Targets of the Strategic Plan	10
6.	Strategic Options in Marketing Planning	11
6.1	Option 1: Volume Strategic Option	11
6.2	Option 2: Value Strategic Option	11
6.3	Option 3: Value – Volume Strategic Option	11
7.	Tourism Income Maximization	12
7.1	Duration of Stay	12
7.2	Seasonality	12
7.3	Repeat Tourism	13
8.	Strategic Development Plan 1999 – 2003	14
9.	Repositioning Strategy of Tourist Cyprus	15
9.1	Introduction	15
9.2	Positioning of Tourist Cyprus	16
9.3	History and Culture	17
9.4	Nature	18
9.5	People	18
9.6	Various activities, Sports, Entertainment, Multidimensional Experience	19

9.7	Positioning Criteria	19
9.8	Consequences of Strategic Positioning	20
9.9	Product Strategy	20
9.10	Value Strategy	21
9.11	Marketing Strategy	22
10.0	Segmentation and Prioritization of Markets	23
10.1	Introduction	23
10.2	The Future Tourist	24
10.3	Segmentation of the market based on motivation	25
10.4	"Sun and Sea Plus"	26
10.5	Culture	27
10.6	Conference and Incentive Travel	27
10.7	Nature	27
10.8	Hiking and Cycling	28
10.9	Sports Tourism	28
10.10	Cruises	29
10.11	Wedding Ceremonies and Honeymoon, Water Sports, Yachting	29
10.12	Mega events	29
10.13	Water Sports and Yachting	29
11.	Geographic Market Segmentation	31
11.1	Top Priority Countries	31
11.2	Medium Priority Countries	32
11.3	Lower Priority Countries	34
11.4	Emerging Markets	35
11.5	High Priority Markets	35
11.6	Medium Priority Markets	35
11.7	Lower Priority Countries	36

12. Demographic segmentation of the Market	37
13. Marketing Strategy	38
13.1 Introduction	38
13.2 Marketing Targets	39
14. Conceptual Strategy	39
15. Prioritization Strategy	
16. Communication Strategy	44
16.1 Targeted Advertising	46
16.2 Tactical Advertising	46
16.3 Advertising in Cooperation with Other Parties	46
16.4 Advertising in Cooperation with Foreign Tourism Professionals	47
16.4 Advertising by Cypriot Authorities and other local parties	48
17. International Mass Media	48
18. Cooperation with Advertising Agencies	48
19. Promotion and Public Relations	48
20. Promotion Events and Public Relations	49
22. Cooperation with public relations agencies	51
23. Subsidy of Tour Operator's Catalogues	52
24. Tourist Exhibitions	52
25. Promotional Tools	53
26. Internet	54
27. Merchandizing	54
28. Supply of Tourist Information	54
29. Information and research Strategy	55
30. Distribution Strategy	56
30.1 Destination Management Service	57
32. Product Strategy	62
33. Culture and the Repositioning Strategy	64

34. Environment and Repositioning Strategy	69
35. Tourist Strategy, Policies, Plans	73
36. Aspects of Product	74
37. Implementation Priority:	81
38. Accommodation	85
38.1 Prioritization of Accommodation Products	86
39. Strategic Directions/Action Areas	87
40. Catering	91
41. General Infrastructure	95
42. Inland Transport	100
43. Shopping and Merchandising	101
44. Regional Strategy	102
45. Quality and Value added Strategy	104
46. Appendix	120

1. Introduction

Cyprus, as a developed tourist destination in a highly competitive field that is the recipient of the effects of globalisation and of the maturing of the tourism market, has to cope with conditions that are very different from those observed at previous stages of its tourist development.

Competition has significantly intensified and new tourist destinations are constantly offered in the international tourism market at competitive prices. Furthermore, there is intense competition between tourist businesses such as tour operators, who put pressure on tourist destinations for further decrease of offered prices. Additionally, tourists are more demanding, independent, active and well aware of the product, of services and of offered prices. They are in quest of unique experiences in relation to their special interests and needs, exhibiting an increased sensitivity in maintaining the peculiarity of a place, both of its natural and cultural environments. Other significant alterations in the environment of tourist Cyprus is the upcoming integration of Cyprus in the European Union, the liberalisation of transportation, political developments, socio-economic modifications in the tourist source-countries, technological developments etc.

Apart from the external factors that affect tourism in general, Cyprus has to deal with weaknesses and problems that have accumulated over the years of rapid tourist growth that preceded, e.g. the one-dimensional development and standardisation of the tourist product, the exhaustion of the natural environment and of our cultural identity, the increase of antisocial behaviour, the high operational costs, seasonality, dependence upon certain tour operators, inadequacy of infrastructure, transportation means and of other tourist facilities etc.

The problems of Tourism in Cyprus are not current problems or temporary ones; therefore it is imperative that they be dealt with, effectively and with a modern, scientific, resourceful and dynamic approach. Cyprus, as a tourist destination, is also called to exploit opportunities that arise in the international tourism arena and to be protected timely and efficiently from threatening developments in external factors. Cyprus, carrying an experience in tourism of over 30 years, is called upon to utilize the knowledge of the past within the framework of new developments and to map out a route for Cyprus Tourism, towards the 21st century.

From our experience in tourism development, we have learned that transient and hasty actions are dangerous and that they fundamentally undermine the sustainability of tourism development in Cyprus and the survival of the destination in the international tourism arena. The development of tourism rests in the hands of various official bodies, organisations, groups, people, both in the private and public sector; therefore, their coordination within the framework of a long term strategic plan is imperative for the guarantee of success in this sector.

Within this framework, it has been decided that a strategic plan for tourism is formed, to be followed up to the year 2010. The main aspiration of this Strategic Plan is to set Cyprus Tourism on new bases. The Plan defines the desirable degree of development of the tourist sector; it combines the long-term targets of the sector and designates the ways (Strategies) towards achievement of the individual Goals. Any short-term and medium-term development plans whether on a central executive authority level (e.g. Five-year Development Plans, Development Budgets etc) or on a level of Local Authorities or other bodies of the public and private sector, should be part of and be consistent with this long-term framework.

2.0 Analysis of Strong and Weak Points, Opportunities and Threats (SWOT)

2.1 Strong Points

- Rich cultural and historic inheritance
- Diversified and attractive natural environment
- Good climate all year round
- Hospitable, friendly and safe environment
- Easy communication with locals
- Established tourist destination
- Strategic geographic location
- Short distances
- Good level of hotel infrastructure

2.2 Weak Points / Problems

- Lack of clear long-term course / strategy, planning, consistency and implementation mechanisms
- Weakness in adjusting to new methods / models
- Weak presentation of cultural and historic inheritance
- Lack of Destination's originality / tendency to imitate
- Lack of distinctiveness / identity / character
- Lack of activities / things to do for the visitor
- Insufficient environmental management / regulation / control, exhaustion of natural sources

- Inadequate infrastructure – transportation means, information etc.
- Weak marketing
- Lack of local human force, high labour value
- Low profitability levels
- Old fashioned policy in the sector of human force

2.3 Opportunities

- Increased demands of tourists, especially on what concerns culture and environment
- Good prospects in the market of special interests (Education, Entertainment, Excitement – 3Es), conference and incentives and cruises
- Opportunity of repositioning Cyprus and establishing a clear and distinctive image
- Technological Development and in particular of informatics
- Mature tourist industry, recognition of the need for change and cooperation
- Strategic alliances with tourist partners and other destinations
- Perspective of integration and developments in the E.U. (1)
- Demographic and social changes in the source-countries (1)

2.4 Threats

- Political situation in Cyprus and in the wider area in general
- Arduous economic changes
- Increase and upgrading of competitive destinations

- Abandonment of destination by tour operators or/and airline companies
- Lack of local human force and increase of labour value
- Negative social impact
- Environmental destruction
- Utilization of non-licensed accommodation establishments
- Price competition
- Erosion of viability and competitiveness of the industry
- Perspective of integration and developments in the E.U. (1)
- Demographic and social changes in the source-countries (1)

Note (1) These points constitute opportunities as well as threats for the destination. Cyprus must turn the opportunities to advantage and impede the threats by exterminating their negative consequences.

3. Vision

Cyprus: a qualitative tourist destination that will satisfy the visitor with various interests and quests and ensure the continuous improvement of the quality of life quality for the locals.

Strategy Framework: Priorities, Targets

The achievement of the strategy's vision will be accomplished through a strategy that will focus on sustainable development. The sustainable tourism development aims to:

- improve life quality for the locals
- offer experiences of high level quality to the visitor
- maintain environmental quality.

Within the concept of sustainability what is aimed is a tourism development that will exploit the available resources without destroying or exhausting them, allowing in this way for the destination to successfully respond to the present and future needs of the visitor as well as of the locals.

The notion of sustainability, which will constitute the Strategy's main target, is consistent with the concept of quality. Sustainable tourism development aims the safeguarding of the quality of tourist experience, of environmental quality and of the quality of life of the inhabitants of all areas. The tourism development must cover the aforesaid parameters; i.e. to satisfy the increased demands of an experienced and demanding tourist, to harmoniously be part of the environment and to manage the natural environment as well as the unique culture, tradition and the character of the island with respect. At the same time it must contribute to the welfare of the locals with a viable and productive operation of tourist businesses that will offer attractive conditions / prospects for employment.

Sustainable tourism development will secure the maximization of socio-economic benefits for Cyprus that will be pursued through the increase of income from tourism.

An important point of this new orientation that characterises the strategic plan up to 2010 is concentration on the increase of income from tourism as the basic index of the sector's success. The income from tourism is a complex index that covers both the arrivals of travellers as well as the per capita expenditure .

The traditional concentration on the maximization of arrivals of tourists must give place to the maximization of income, which will be attained by:

- ✓ increase of the tourists' expenditure
- ✓ improvement of seasonality
- ✓ increase of arrivals
- ✓ increase of duration of stay
- ✓ increase of repeat tourism

4. The Role of Sustainability in the planning process

Maximization of income will be pursued by balanced achievement of the individual numerical targets within the framework of a sustainable tourism development. Success rests in giving the proper significance to each one of the numerical targets.

It is acknowledged that the increase of income through increase of arrivals exhausts the available resources and undermines the sustainability of a destination. However, if this increase is set to limits, comes from desired market segments and is achieved sensibly through time and space, then it will contribute positively and fundamentally to the maximization of income within the framework of sustainability.

For the destination that aims sustainability the real challenge is to continuously increase the per capita expenditure on real terms. Regarding

this index any increase beyond the minimum defined target will constitute an additional success of the destination.

The per capita expenditure is a complex index consisting of the expenditure per day and the duration of stay. To maximize the increase of this index it is advisable to aim at the best possible clientele mixture.

Finally, the target of repeated tourism is a basic quality index for a certain destination. The tourist that travels to the destination repeatedly proves that he enjoys the expected quality level in his tourist experience.

The aforesaid five targets will be pursued within the framework of a sustainable tourism development that will secure:

- ✓ Maintenance, utilization and presentation of the historic, cultural inheritance and tradition of the island
- ✓ Protection, perseverance and upgrading of the natural environment
- ✓ Maximization of social benefits and prevention of the negative social impacts of tourism

- ✓ Proper development and utilization of the human factor
- ✓ Maximization of economic benefits and the safeguarding of the viability of investments in tourism
- ✓ Provision of a qualitative experience to the visitor.

5. Numerical Targets of the Strategic Plan

The basic target of the strategic plan is the maximization of income from tourism. Based on the strategy study, Cyprus has the capability and the possibility to achieve doubling of income from tourism in real terms in relation to 1999 so as to reach £1,8 billion. This target is considered feasible, given that the proper strategy will be followed, and in addition it constitutes a challenge for Cyprus in the course for its achievement.

The achievement of this goal is aimed through the framework of a sustainable tourism development that will define the degree of growth and the priorities of the parameters that constitute the target "income".

6. Strategic Options in Marketing Planning

The strategy study examined three different options by which the achievement of the target for the doubling of income is possible:

6.1 Option 1: Volume Strategic Option

Priority is given to the increase of the number of tourists while the actual per capita value is of secondary significance. Therefore for the income to reach £1,8 billion up to 2010, 6.163.000 tourists should be attracted.

6.2 Option 2: Value Strategic Option

Priority is given to the increase of the actual average value of tourists and allows, relatively, low increase rates in the number of tourists.

Therefore, for the income to reach £1,8 billion up to 2010, 2.927.000 tourists should be attracted.

6.3 Option 3: Value - Volume Strategic Option

The achievement of the target for doubling of the income up to 2010 is aimed through a balanced growth of both parameters (arrivals of tourists / average real per capita value). Therefore, the attainment of income of £1,8 billion is achieved by attracting 3.512.000 tourists.

TABLE: Arrivals of Tourists based on the Strategic Options

YEAR	OPTION I (VOLUME)	OPTION II (VALUE)	OPTION III (VOLUME - VALUE)
1999	2.319.000	2.319.000	2.319.000
2000	2.534.000	2.401.000	2.408.000
2001	2.770.000	2.449.000	2.501.000
2002	3.027.000	2.498.000	2.597.000
2003	3.309.000	2.548.000	2.697.000
2004	3.616.000	2.599.000	2.800.000
2005	3.952.000	2.651.000	2.908.000

2006	4.319.000	2.704.000	3.020.000
2007	4.721.000	2.758.000	3.136.000
2008	5.160.000	2.813.000	3.257.000
2009	5.639.000	2.869.000	3.382.000
2010	6.163.000	2.927.000	3.512.000

The strategy study suggests the adoption of the strategy of Volume and Value option to be the most appropriate for Cyprus. All parties, both of the public as well as of the private sector, adopted this option. The Volume option was dismissed due to serious negative impacts on the destination that would be caused by the attraction of a big number of tourists, while the value option was considered to require an extremely big increase in the average real per capita expenditure, a target that was thought to be non realistic.

The Volume and value option implies an average annual increase of 3.8% on **tourist arrivals** for the period 1999 - 2010. The **average per tourist expenditure** on real terms is estimated on £512 in 2010. However, as regards arrivals there are sufficient indications that the number can reach 4 million up to 2010 (annual increase of 4% for the period 2000 - 2010).

7. Tourism Income Maximization

As regards to the remaining numerical targets through which maximization of income from tourism will be achieved, the following are noted:

7.1 Duration of Stay

The target for the duration of stay is set to 11,6 days compared to 11,3 days in 1999. The increase is considered realistic bearing in mind the market segments that Cyprus is aiming at with the creation of the appropriate product, despite the tendencies observed in the international tourism market for more frequent holidays of less duration.

7.2 Seasonality

The target is better distribution of arrivals within the year with decrease of the percentage during the peak season (July - September) to 33% from approximately 40%, that was the case in the last few years, and increase of the percentage of the first and last trimester of the year. This development will result to better exploitation of current investments and limitation of the need for new investments, decrease of negative impacts from possible accumulation of a large number of tourists during the three peak months, less pressure on natural and human resources and maintenance of the quality level.

TABLE: Proportional Distribution of Tourists per Trimester 1998 - 2010

YEAR	JANUARY MARCH	APRIL JUNE	JULY SEPTEMBER	OCTOBER DECEMBER
1998	10.1	30.9	40.3	18.7
1999	10.1	30.9	40.3	18.7
2000	10.1	30.9	40.3	18.7
2001	10.1	30.9	40.3	18.7
2002	10.5	30.9	39.6	19.0
2003	10.9	30.9	38.7	19.5
2004	11.3	30.9	37.9	19.9
2005	11.7	30.9	37.1	20.0
2006	12.2	30.9	36.3	20.6
2007	12.6	30.9	35.5	21.0
2008	13.0	30.9	34.8	21.3
2009	13.5	30.9	33.9	21.7
2010	14.0	30.9	33.0	22.1

7.3 Repeat Tourism

What will be pursued is the achievement of a percentage of 15% of total arrivals to constitute repeat tourism. This target will be achieved with the creation of the appropriate product and will contribute to acquiring customer loyalty and will constitute proof of the quality of the destination. At the same time, this target limits the need for continuous increasing cost towards the direction of having to attract new additional customers.

8. Strategic Development Plan 1999 – 2003

The basic aspirations and goals defined in the Strategic Development Plan 1999 – 2003 are almost in complete accordance with the targets of the Strategic Tourist Plan up to 2010, as they are described hereinabove. What is particularly emphasised—is the safeguarding of the sustainability of tourism focusing on quality and its compatibility with the maintenance of the environment, the security of the viability of the investments, the flexibility and readiness of the sector for prompt response and adjustment to the changes in the international environment and the strengthening of competitiveness and attractiveness of Cyprus as a tourist destination.

The proposed policy covers the areas of the product, marketing and human resources. In the area of product development what is particularly emphasised is the utilisation of Cyprus' particularities for the acquiring of a competitive advantage mainly through the safeguarding of the environment, the presentation of the cultural inheritance and sights and of the development of particular activities within these areas.

In the area of marketing it is aimed to focus on more efficient market segments, both traditional as well as new, where Cyprus' tourist product will be more competitive; and on better and more effective promotion of the qualitative and particular characteristics of Cyprus.

In the area of human resources the goal is to increase productivity of the labor force through continuous and upgraded training and education and the upgrading of the level of offered services.

Regarding the volume targets, income is estimated to reach £1,3 billion in 2003 (average annual increase 1998 – 2003, 8,2%), the average per tourist expenditure on nominal terms £457 (average annual increase 3%) and arrivals 2.836.800 (average annual increase 5%).

9. Repositioning Strategy of Tourist Cyprus

9.1 Introduction

One basic weakness that was ascertained by several studies is that Cyprus does not have a clear image in the tourism market and has not managed to showcase its distinctive element as a tourist destination. It is considered as just another destination for sun and sea and the maintenance of this strategy involves risks for competitiveness and in general for the future of tourism in Cyprus as these have been extensively presented in various studies / researches.

The Strategy up to 2010 aims at repositioning Cyprus on the tourist map as a distinctive tourist destination, differentiated from competition, reinforcing in this way its competitiveness and securing the sustainability of tourism on the island.

The strategy study as well as the markets' studies and various other sources of the Organisation underline the need of a clear positioning in the tourism arena, which accepts the impacts of globalisation and of the tourism market's maturity.

While competition increases in the tourism market, all tourist destinations try to define the element that differentiates them and to be positioned clearly and uniquely in relation to their competitors. Many traditional

competitors of Cyprus have a clear position in the tourism market and they invest systematically in its reinforcement and upgrading, e.g. Greece, Spain, Egypt etc. Spain, in particular, which is considered as a Leader-Country in our competitive field, invests substantially in the upgrading of its image from a destination of sun and sea to a country with a clear and distinctive profile that offers a variety of products beyond the sun and the sea. Furthermore, Malta, which is considered to be amongst the competitive countries in tourism, invests lately in a new positioning strategy and reformulation of its communication policy.

In our continuously expanding competitive field, countries that traditionally are considered long-distanced and out of our competitive field, now become particularly competitive and they invest in a clear positioning of their product, e.g. Cuba – Caribbean, Cancun – Mexico etc.

9.2 Positioning of Tourist Cyprus

From studies carried out so far the parameters that stand out and which constitute the core values of the tourist product upon which the distinctive element of Cyprus is proposed to be based, are:

- Rich history and culture
- Natural environment, good climate, sun, sea, diversified landscape, enhanced nature, unique geographic location
- Friendly people, hospitality
- Various activities, sports, entertainment, multidimensional experience

On a first glimpse someone might wonder what is so special about this destination, given that many of our competitors base their positioning on these same parameters. It is noted that our competitive destinations present their distinctiveness by employing parameters that also constitute strong points for tourist Cyprus, and/or by emphasizing one of them that can give them some advance. In specific:

- a) Cultural identity and character – Egyptian civilisation, Hellenic civilisation, Spanish culture / character / temperament etc.

- b) Hospitality – Many destinations project their hospitality and the particular idiosyncrasy of their inhabitants, e.g. the Caribbean islands etc.
- c) Climate, sun, sea, and nature – Many other competitive destinations offer good climate, both in the Mediterranean as well as long-distanced exotic destinations, which become gradually more competitive in the global tourism arena. As regards to the natural environment, there are many competitive destinations that are distinguished, especially new faraway exotic destinations. Furthermore, even our immediate competitors in the Mediterranean have equivalently beautiful mediterranean environment, which in addition they preserve on admirable quality levels, e.g. Greek islands, Spain etc.

The characteristic that could be used for the positioning of Cyprus and at the same time act as the connecting link for the above parameters is the "diversity in a small geographical area". Diversity in the case of Cyprus has a unique meaning and importance:

9.3 History and Culture

Cyprus carries a rich history and culture of more than 10.000 years. Due to its unique strategic geographic location between three continents, Cyprus has attracted many significant peoples of ancient and modern history, who left behind a pleiad of influences that were absorbed by the locals and constituted Cyprus' culture, whose basic keystone as a historically cultural choice was Hellenism. These influences are not only limited to many monuments and historic sources but they expand to the entire spectrum of Cyprus' culture, language, gastronomy, tradition, manners and customs, arts and in general to all aspects of our peoples' cultural expression.

This wealth of history and culture is particularly significant as far as tourism is concerned. Investing in our culture and its particularities will reinforce and promote Cyprus' identity, which the visitor will recognise and respect.

Additionally, the tourist will appreciate the influence from peoples with historic and cultural relevance to his own origin.

When projecting our cultural heritage it is important to utilise unique attractive cultural elements. For instance, Cyprus could exploit the myth of Aphrodite as the island's Goddess, without this, however, constituting the only element of positioning of the island because this would involve weaknesses, as proven by various studies / researches carried out, e.g. tourists considering Cyprus as just another Greek island, it is relatively unknown in the tourist markets and presupposes a knowledge of Greek Mythology.

Simultaneously, it should be pointed out that culture is not something static. The broadness and variation of Cyprus' culture does not rest only on the long history of the island and on the various influences but also on the continuous cultural growth. Cyprus is a country with great history, but also a very modern European country, ready to embrace innovation and progress and integrate with the European Union.

9.4 Nature

Cyprus has all the natural characteristics of a mediterranean island. Furthermore, its unique geographic location in the crossroads of three continents supplies some particularities to the climate and in general to its natural environment. It is considered one of the most sun drenched and warm islands of the Mediterranean. Its flora and fauna is opulent, with many native species and the island shelters many species of migratory birds.

Nevertheless, the most important thing is that Cyprus offers varied landscapes in a small geographic area. In a single day it is possible for someone to travel across Cyprus enjoying multiform beaches, forests abounding with pines, mountains covered with snow, flat lands, big cities and small traditional, picturesque villages. The interchange of landscape in a relatively small distance constitutes a pleasant and exquisite surprise for each visitor.

9.5 People

In conjunction with the extended history of the island and the variety of influences, Cypriots have developed a charming character that constitutes a magnetic pole for the visitor. They are friendly, exhibiting enormous hospitality; they are condescending and comfortable when interacting with tourists, offering the latter the opportunity to come to immediate contact with local culture and civilisation. In Cyprus the tourists will meet, in small distance, very simple and humble village people as well as modern city people. Each area has its own character, culture, manners and customs, even a dialect, something that is quite surprising if we bear in mind the insignificant distance.

9.6 Various activities, Sports, Entertainment, Multidimensional Experience

The strategy study, the markets' studies but also previous ones, have indicated the prospects of Cyprus for satisfaction of different interests. What is important for the tourist is that in this small geographic area he has the opportunity to engage in many activities, always according to his hobbies or personal interests. The variety of activities, either in relation to nature, or in relation to history and culture, sports and entertainment etc, may enrich his tourist experience and assist substantially to the materialisation of the targets of the strategic plan.

The element of this great diversity in a small geographic area, of this enhanced microcosm in the eastern Mediterranean, in relation to the powerful parameters of tourist Cyprus as analysed hereinabove, may be described as follows:

A mosaic of nature and culture, a whole magical world concentrated in a small, warm and hospitable island in the Mediterranean, at the crossroads of three continents, between West and East that offers a multidimensional qualitative tourist experience.

9.7 Positioning Criteria

This positioning is evaluated successfully having as basis the following criteria of positioning tourist destinations:

- ✓ It differentiates the product from competitive destinations
- ✓ It is based on unique selling points and core values of the destination that are important in the target markets
- ✓ It is a complete idea that has strategic perspective both as regards to the development of the tourist product as well as to the destination's marketing, affecting all the elements of the marketing mix. It is rich and substantial and at the same time it permits the requisite flexibility in covering the particularities of markets and their segments
- ✓ It takes into consideration the present and future needs of tourists
- ✓ It has duration and the capability to resist to the attacks of competitors – difficult to imitate
- ✓ It safeguards the accomplishment of long-term targets and aspirations of the destination
- ✓ It takes into consideration the available resources and ensures their sustainability
- ✓ It constitutes a powerful, distinctive and attractive idea
- ✓ It promises benefits that the destination can offer

9.8 Consequences of Strategic Positioning

It should be clear that the positioning is not an advertising slogan but the basis of a destination's strategy. This implies that as regards to the development of the tourist product as well as to the destination's marketing, special programmes will be drawn up that will support and promote the unique selling point of the destination.

9.9 Product Strategy

The aforesaid positioning has various consequences regarding the product:

- The area of **culture** is of strategic priority. The preservation, strengthening and promotion of tradition and history of the island, but also the support of the cultural expression of contemporary Cypriots are a basic presupposition for a successful repositioning of tourist Cyprus. Another significant point is the presentation of the richness of culture, of the breadth of the aspects of Cyprus civilisation, of the historic and cultural impacts, of the relevance to other peoples and cultures.
- The preservation, protection and upgrading of the **natural environment** is another strategic priority of the destination. The environmental destruction must be prevented, the natural environment must be protected and guarded from hostile, to the environment, development, while the destination must proceed to projects that will reinforce, upgrade and promote its natural wealth. Tourism development must be pursued with respect to the environment while at the same time the environment will complete and fortify the tourist infrastructure.
- The **People** of Cyprus constitute a basic point for quality and competitiveness of the tourist package. Expertise in servicing and supply of services and in general the contact with the locals modulates the tourist experience and differentiates it. Within the framework of the strategic plan, the supply of advanced level services should be pursued and improved, and the experience of contact with the locals should be enriched and expanded.
- The transportation of the visitor to the destination should be facilitated, as well as his access to various spots of interest, so as to be encouraged to taste the available tourist experiences to the full. A requisite presupposition is the accurate and thorough information of the visitor as well as the flexible and perfect organisation of the trip.

- Special products that will emphasize the variety and the richness of the destination in a small geographic area should be developed and promoted as well as products that will respond to the interests of the visitors, e.g. thematic routes.

9.10 Value Strategy

The upgrading of quality and the increase of value for money is a basic presupposition for the safeguarding of tourist Cyprus' competitiveness and in general for the accomplishment of the long-term targets of its tourist strategy. In this context it is imperative to invest on continuous improvement of the quality of the supplied product, of the infrastructure and of service supply. It is imperative that we invest on quality systems and improvement / development of organisations, on utilisation of new technology and constant amelioration of capabilities and know-how of the human force etc.

9.11 Marketing Strategy

Having as basis the new positioning of tourist Cyprus, the marketing strategy of the destination must be adjusted appropriately. This implies new branding based on the new positioning, creation of a new logo and slogan, new creative material and targeting of all promotional means (advertisement, printed matter and electronic means) to the attraction of the desired market segments and to the creation of a uniform distinctive image of the destination.

In addition to the new positioning, other elements of the marketing mix must be adjusted, e.g. distribution. Tourist packages must promote the variety of tourist interests on the island. Moreover, direct distribution channels should be developed by exploitation of the opportunities offered by modern technology (e.g. Internet). It is of extreme importance to equip the visitor with flexibility so as to allow him to compose his own tourist experience according to his interests.

10.0 Segmentation and Prioritization of Markets

10.1 Introduction

The accomplishment of the strategic plan's targets is based on an aggressive and focused marketing strategy. For this purpose it is essential to segment the tourism market, evaluate and prioritise these segments and to aim at those that are of service to the goals of the strategy.

The new orientation in repositioning tourist Cyprus has constituted the framework within which the segmentation of the tourism market and the strategy for choosing markets and segments was promoted. The market segments that have been selected serve the axis around which the new position of Cyprus in the tourism market rotates, i.e.:

A mosaic of nature and culture, a whole, magical world concentrated in a small, warm and hospitable island in the Mediterranean, at the crossroads of three continents, between West and East that offers a multidimensional qualitative tourist experience.

The segmentation methodology that was followed is:

1. Segmentation according to the reasons for travelling / motivation, evaluation and prioritisation of each segment.
2. Identification of the geographic markets that can become source-countries for tourism
3. Combination of segments based on motivation with each geographic market
4. Evaluation and prioritisation of geographic markets
5. Demographic segmentation.

In order to segment and prioritise markets / segments what was taken into consideration was the present status as well as the future prospects of the markets and their segments so as to allow the strategic choice and the

systematic and long-term investment of tourist Cyprus in markets segments that will emerge.

However, changing market conditions may lead to changes of data and therefore to altered results of the evaluation. The defining of criteria regarding segmentation and prioritisation permits continuous monitoring so that if substantial changes of data or of the markets' conditions occur to be able to be taken into consideration.

10.2 The Future Tourist

Demographic, social and technological changes will determinatively alter the international tourism market of the future. The transformation in the clientele's profile renders the definition of the future tourist's preferences a difficult matter and, furthermore, the complexity of the market neutralises the notion of "average tourist". The needs of the clientele are formed by experience and education. Some of the characteristics of the future client are:

- He is older and more well-off
- He is more active both spiritually as well as physically
- He travels more frequently but travelling is of less duration
- He requires higher levels of service quality and better environment
- He demands better value for money and compares prices on a world basis
- He requires clear options for holidays that offer the requisite flexibility to be shaped according to the special needs of the customer
- He is especially aware and sensitive regarding the environment and requires holidays that have limited negative impacts upon the natural and social / cultural environment. The selection of destination is affected by the presence of programmes / systems that are friendly to the environment

- He is a regular user of information technology requesting immediate and complete information and possibility to make reservations through electronic systems
- He is characterised by more self-knowledge, he appreciates learning, requests continual improvement of himself and seeks to be personally involved in the natural and social / cultural environment of the destination and the learning of new abilities and knowledge
- He avoids crowded areas and seeks full exploitation of his leisure time particularly regarding the travelling time to and from the destination.

10.3 Segmentation of the market based on motivation

The segmentation of the tourism market was carried out in the framework of the new positioning of tourist Cyprus, based on motivation for trips as those have been identified by researches / studies and which are expected to be transformed over the next 10 years according to the altered characteristics and expectations of the tourist clientele.

The motivations that were identified and evaluated are those that serve at best the measurable targets of the strategy and other criteria:

- Per capita value
- Tourists' arrivals
- Average duration of stay
- Improvement of seasonality
- Repeated tourism
- Product fit
- Investment / marketing and product
- Environmental, social / cultural, economic impacts
- Possibility to add on the tourist experience.

These motivations may attract by themselves tourists that are seeking to satisfy a specific motivation:

- Sun and sea plus
- Culture
- Conference and Incentive Travel
- Nature
- Hiking
- Cycling
- Water Sports
- Sports Tourism
- Wedding Ceremonies and Honeymoon
- Cruises
- Megaevents
- Yachting

An evaluation was carried out based on the defined criteria and three groups were identified as regards to what extent they satisfied those criteria. Although, all groups serve the specific repositioning of tourist Cyprus and must be given the appropriate significance, yet it is important to recognise the different contribution of each group in the attainment of the targets and of the criteria. Therefore, the strategy for their development must be appropriate.

Group 1: "Sun and Sea Plus", Culture, Conference and Incentive Travel

The sectors in the first group are distinguished due to their high satisfaction level of the defined criteria.

10.4 "Sun and Sea Plus"

The largest part of the tourism market selects Cyprus as a vacation location that offers sea and sun. This segment is internationally being developed and transformed, and it demands more "content" in holidays. Although the main motivation for the selection of the destination remains the sun and the

sea, other attractive elements will play an equally important role (add ons) that will complete the tourist experience, e.g. culture, nature, sports and other activities etc.

Tourist Cyprus can utilise this trend to aim at those strata that demand a multidimensional and qualitative experience in the destination, apart from the sea and the sun. In this way Cyprus will attract customers of higher income, with a higher per capita value and who travel also out of season.

The segment of "sea and sun plus" will constitute the basis of the tourism market of Cyprus (our bread and butter) satisfying a big number of criteria. Nevertheless, it is at disadvantage regarding the impacts upon the environment and society and is characterised by increased seasonality.

10.5 Culture

The demographic and socio-economic changes in the tourism source-countries have created an increased interest for holidays with cultural content. Cyprus has the possibility to satisfy a series of such interests like history, archaeology, religion, tradition / customs, arts / handicrafts, local cuisine / gastronomy etc.

Culture constitutes the main axis for repositioning tourist Cyprus and satisfies all criteria. Additionally, it constitutes the main enriching element of tourist experience for various other segments.

10.6 Conference and Incentive Travel

This segment is continuously growing at high rates and is one of the most important forms of tourism. Due to the suitability of its product and of its geographic location, Cyprus is able to be of service to this category and especially as regards to conference and incentive trips of small and medium size.

The segment of conference and incentive trips is distinguished for its contribution to the target for the increase of the per capita expenditure and

additionally it will contribute to the decrease of seasonality and in general to the maximization of economic benefits.

Group 2: Nature, Hiking, Cycling, Sports Tourism, Cruises

10.7 Nature

The changes in the way of life in the tourism source-countries have cultivated the environmental conscience of the tourist and have created an increased interest for holidays focused on nature. This segment involves holidays for studying the flora, fauna, geology etc as well as holidays in the countryside and mountainous resorts.

Nature is another keystone of Cyprus' repositioning and a significant special interest for an increasing number of visitors. Furthermore, it can enhance the tourist experiences of various groups of tourists and contribute to all targets.

10.8 Hiking and Cycling

There is an increased interest in the source-countries for hiking and cycling. Hiking and cycling are activities that are of interest and Cyprus has the possibility to develop them. They are also enriching elements of the whole tourist experience.

10.9 Sports Tourism

Sports tourism, i.e. training / preparation of teams / individuals is significant for its contribution to improving seasonality and contributes substantially to various other targets e.g. the increase of the per capita expenditure and of repeated tourism.

10.10 Cruises

The cruises (post of call, point of departure / arrival) are an important point for enriching tourist experience and utilisation of Cyprus' unique geographic location while simultaneously they contribute to the achievement of important targets, e.g. increase of the per capita expenditure.

Group 3: Wedding Ceremonies and Honeymoon, Megaevents, Water Sports, Yachting

10.11 Wedding Ceremonies and Honeymoon, Water Sports, Yachting

Cyprus is offered as a destination for wedding ceremonies and honeymoon due to its relation to the goddess of love, Aphrodite, and the quality of the relevant products / services that are required. This sector contributes to the target of increase of the per capita expenditure.

10.12 Mega events

Mega events can constitute a magnetic pole for tourists for specific time periods. They contribute substantially to the increase of the per capita expenditure and of the financial benefits as well as to the upgrading of the destination's image. However, its contribution to the other targets is restricted due to the limited duration of the events and frequency of their organisation.

10.13 Water Sports and Yachting

Given that Cyprus is an island it is expected that it offers the possibility for tourists to engage in water sports and yachting. Diving and other water sports are an important point for enriching tourist experience of basic market segments like that of sea and sun. Cyprus has the capability of

becoming a diving training centre. Yachting can also contribute to the increase of economic benefits, the improvement of seasonality, the increase of duration of stay.

Out of the motivations hereinabove listed, those that could constitute "add ons" for the tourist experience are the following:

- Culture
- Nature
- Special Interests
- Cruises
- Events

The biggest contribution, by far, in the tourism stream will come from the segment of "sea and sun plus". The contribution of the rest of the segments will be small due to their small size, however their prioritisation was not exclusively based on their volume but also on their contribution to the repositioning and to the other targets and defined criteria.

Continuous changes in the way of life and the demands of the tourist offer the possibility for development of many interests (market fragmentation) and the destination should be able to perceive promptly and to utilise with readiness all opportunities.

11. Geographic Market Segmentation

The countries that can become source-countries for tourism were identified, evaluated and prioritised on the following criteria:

- Daily per capita expenditure
- Average duration of stay
- Market volume towards the Mediterranean in relation to direct competitors
- Share of Cyprus in the market and its possibilities
- Improvement of seasonality
- Accessibility
- Product fit
- Relation of selected segments – markets
- General trends and market prospects.

See Table 2

The implementation of the hereinabove-listed criteria resulted in the prioritisation of countries that is presented herein below, in which data is analysed and justification for each case is given:

11.1 Top Priority Countries

These countries were noticeably distinguished from the others after having raised, in general, very high average scores in many of the evaluation criteria. **United Kingdom** constitutes our principal market to which we have systematically invested both as regards to the product as well as to promotion. It can substantially contribute to the achievement of the strategic plan's targets with the repositioning of Cyprus in the market and penetration in more efficient market segments.

The **German market** is one of the largest markets on an international level and Cyprus has the possibility for further penetration, given its small share

in the market. Moreover, this market is characterised by low seasonality and by the prospect of development of all targeted segments.

The **Russian market** is a relatively new tourism market in which Cyprus managed to penetrate since the early stages of its growth. It is a market with prospects but with stability problems, as well (economy, politics). It offers the possibility of being of satisfactory service to the targets while it presents a strong relationship with the product. This market is at the early stages of development and the immediate prospects are mainly in the segment of sun and sea as the market has not developed many of the other targeted segments.

The **Greek market** presents a particular connection to the destination and requires special handling. It can substantially contribute to the increase of the average duration of stay and improvement of seasonality as well as to support the development of certain targeted segments, e.g. conferences, religious travelling etc.

Although the prospects of development of the **USA market** are limited from lack of direct flights, due to the big size of the country and of the increasing tendency for travelling in the area, Cyprus can attract specific segments especially in combination with neighbouring destinations.

11.2 Medium Priority Countries

The countries that fall into this category raise a satisfactory average rating. They satisfy some criteria to a great extent but they fall behind on others.

Switzerland can contribute significantly to the achievement of the targets and particularly in the increase of the expenditure per capita. Cyprus has penetrated to the German-speaking section of the market, while it has the possibility to enter the French-speaking section. The restraining factor for development in the French-speaking sector is the deficient air connection.

Next, in this category, are **Austria** and **Holland**, countries on which we have invested and which satisfy adequately the strategy's targets and which can contribute to the development of targeted segments.

Sweden is a traditional market for Cyprus, especially for the segment of sun and sea. However, it has the possibility of development of other segments and upgrading of the clientele for sun and sea, given that basic confining factors, e.g. air connection and the entailed dependence on tour operators, will be surmounted.

Although the **Belgian market** is relatively small, it serves significantly the target of increase of the value per capita and of improvement of seasonality while at the same time it offers the possibility of development of other segments.

Israel is distinguished for its contribution to the target of increase of the value per capita, however, it is characterised amongst other things by very low duration of stay. Due to its geographic location it permits the development of short stay tourism outside peak season.

Poland is a new tourism market in which Cyprus retains an adequate presence since the early stages of its growth. It constitutes a market with prospects for Cyprus and it offers the possibility of being of service to the targets. Furthermore, it presents a good relationship with the product and offers the possibility of attracting targeted market segments.

Ireland is of service to all the strategy's targets. The lack of direct scheduled flights, the relatively small size and seasonality of the outgoing tourism stream are factors that need to be dealt with effectively so as to increase the destination's attractiveness.

The **French market** is satisfying all the targets, however, its growth is limited by two confining factors: inadequate air connection and deficiencies in the product in relation to the market's needs: e.g. language. A positive development is the announcement of Cyprus Airways for establishment of daily flights commencing in summer 2001.

Regarding the **Finnish market**, the air connection is carried out by scheduled flights, which, nevertheless, are operating as chartered flights. It presents the possibility of development especially during the winter months; however, the confining factors as regards to the air connection need to be surmounted.

11.3 Lower Priority Countries

Countries of low priority are considered the countries that present basic confining factors for development or markets that raise low rating as regards to the criteria. Norway, Denmark and Italy belong to the first category of countries, i.e. they present perspective for development, which, however, is confined by various factors with the most significant being the inadequate air connection. Priority should be given to the lifting of the confining factors and simultaneous perseverance in the presence of tourist Cyprus in these markets. The Czech Republic and Hungary that have raised low rating belong to the second category.

Norway and **Denmark** can contribute to the achievement of various targets and the development of targeted segments, nevertheless they are characterised by great dependence upon the tour organizers and the lack of inadequate air connection. Both countries have access problems during the winter season. Connection with Norway and Denmark is carried out only by chartered flights.

Italy has great development prospects and can contribute substantially to the target of increase of the value per capita. However, it is characterised by extended seasonality. A confining factor in this market's growth is again the deficient air connection and the priorities imposed by hoteliers regarding their allocation of beds to various markets.

Certain **Arab Countries**, e.g. countries of the Arab Gulf, may be of significant service to the strategy's targets and especially of the target for increase of the value per capita and the improvement of seasonality. The existing number of air seats confines the possibility of further development of the markets.

The **Czech Republic** and **Hungary** constitute new markets, which at the present stage are not of satisfactory service to the targets and they have several confining factors for growth. However, since they are at the early stages of development they will be closely monitored and cultivated so as to proceed with prompt handling of any positive or negative development of the market.

Finally, the **Japanese market** is also included in the low priority countries.

11.4 Emerging Markets

Furthermore, there is a fourth category of countries (Emerging), which includes countries that are expected to present prospects for tourism development and which require special monitoring and preparation for exploitation of the opportunities they offer. Such countries are:

- Countries of the Far East, e.g. China, Korea
- Spain and Latin American Countries
- Canada
- India
- Other Countries of the Former Eastern Europe, e.g. Romania

As it is ascertained from the aforesaid criteria the present status as well as the future prospects of the markets, which allow the strategic selection of markets and the systematic and long-term investment of tourist Cyprus in the emerging ones, have been taken into consideration.

The defining of the above criteria permits continual monitoring so that if substantial changes in the markets' conditions are perceived, to be able to be taken into account.

In summary, the priority categories of markets are the following:

11.5 High Priority Markets

- United Kingdom
- Germany
- Russia
- Greece
- United States

11.6 Medium Priority Markets

- Switzerland
- Holland
- Austria
- Sweden
- Belgium
- Israel
- Poland
- Ireland
- France
- Finland

11.7 Lower Priority Countries

- Norway
- Italy
- Arab Countries
- Denmark
- Czech Republic
- Hungary
- Japan

It is noted that the above rating can be revised when the conditions of each market are altered substantially.

12. Demographic segmentation of the Market

As it emerges from researches / studies, Cyprus' target zone should include the significant demographic segments of couples (young and middle-aged), families and old people. It is also revealed that Cyprus has the opportunity to attract clientele of medium to high-income class, of average to high education level.

From the market researches and other studies it is obvious that these demographic sections are instigated by the motivation of segments that have hereinabove been selected (segmentation based on motivation). These segments can coexist harmoniously. Furthermore, they are part of the wider framework of repositioning tourist Cyprus and are compatible with main elements on which the repositioning will be based e.g. culture, low intensity activities, safety, friendliness etc.

Although, the main body of tourist clientele will consist of the above sections it will be completed with market segments of younger age. These segments will form the investment for the future and at the same time they will avert the establishment of the image as a "destination for old people" although, in general, their value per capita is limited, they travel primarily during the summer months and they demand high-tension activities. Attracting these segments should be handled in relation to the remaining market mix so that the main market segments is not alienated since they have different needs and they are in quest of a different tourist experience. Selectively, youth segments may form the targets of specific areas within Cyprus that have the appropriate product and where they can coexist with other segments without affecting the general positioning of Cyprus.

13. Marketing Strategy

13.1 Introduction

The international tourism market is rapidly transforming under the impact of globalisation and its increasing maturity. It is characterised by intense competition between tourist destinations while most destinations upgrade and differentiate continuously their product in an effort to increase their share in the tourism market. Furthermore, new destinations enter the market.

Consumers and mainly the European tourists have changed their behaviour so as to benefit from special offers and to assert their rights at maximum. Their expectations and interests are increasing continuously and they select tourist destinations that allow them to engage in their special interests. Moreover, there is the tendency for holidays of less duration, especially in the winter season, something that naturally affects seasonality.

On the other hand, the tour operators, as a result of their continuous attempts to increase their share in the market, often face problems of profitability. There is a predisposition of centralisation by certain big tour operators that may be in control of airline companies, hotel accommodation and main travel agents networks. This trend contributes to the decrease of the control of tourist destinations and may affect negatively the development of the tourism traffic. Another tendency that has been ascertained is that the tour operators offer more specialised and flexible packages in response to the needs of the new clientele for more content and flexibility in holidays.

The tourist traffic is expected to be significantly affected by the increase of individual tourism. The number of persons that prefer to travel without using standard packages is increasing and this is due to the increased maturity of the tourist, the technological development, air transportation etc.

As a result it is imperative that destinations adopt a more aggressive and focused Marketing Strategy and better programming and readjustment of their products for the satisfaction of the targeted consumer.

13.2 Marketing Targets

Within the framework of a sustainable tourist development and based on the strategic goals, the Marketing Strategy targets are summarised as follows:

- Creation of a clear distinctive image and identity and repositioning of Cyprus in the international tourism market
- Balanced development of markets and their segments
- Attraction of more effective clientele from the sun and sea segment and development of other segments
- Improvement of the product's distribution through the tour operators and development of individual tourism.

14. Conceptual Strategy

Considering the intense competition on an international level, the limited resources and the targets of the strategic plan, Cyprus will have to make a choice between four different directions:

NEW

MARKETS

(iii)	(iv)

(i)	(ii)
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CURRENT

PRODUCT

NEW

- (i) **Market penetration:** Continue the supply of the same product to the same type of tourist that it already attracts
- (ii) **Development of Product:** Attract the same type of tourist with improved product / or with new products
- (iii) **Development of Markets:** Attract new tourists with the same product / or slightly improved
- (iv) **Differentiation of Markets / Products:** Attract new tourists with improved / differentiated products as well as with new products.

The above options are interlinked and none dismisses the other. The desirable direction towards which Cyprus should move in order to achieve the targets of the strategic plan is the development of new markets / market segments that will be more efficient. Regarding the product the basic product of sun and sea should be upgraded and completed with new products.

During the first years of implementation of the strategic plan it is not possible to make significant changes in the product, therefore, emphasis will be given to the penetration in existing markets /segments with an attempt to attract more efficient clientele (Development of Markets). As the product is being transformed (upgrading of present and creation of new products) emphasis will be given to the cultivation of new markets / sections (Differentiation of Markets / Product).

The Marketing Strategy will support the repositioning of Cyprus stressing its uniqueness and aiming to attract a more efficient and productive clientele from selected source-countries. This can be achieved through a more careful approach to market segments and through a prioritised exploitation of opportunities. Moreover, the marketing actions will be redesigned so as to address the targeted markets and their segments.

15. Prioritization Strategy

The accomplishment of the strategic plan's targets is based on an aggressive and focused marketing strategy. This is why it is of vital importance to segment the tourism market, to evaluate and rate the segments and aim at those that can be of service to the strategy's targets.

Having as basis the analysis that is being presented in the section "Segmentation and Prioritisation of Markets" of the Strategic Plan, the Marketing Strategy should focus on the following segments and markets:

Market segments Based on Motivation

- Sun and Sea plus
- Culture
- Conference and Incentive Trips
- Nature
- Hiking
- Cycling
- Water Sports
- Sports Tourism
- Wedding Ceremonies and Honeymoon
- Cruises
- Mega Events
- Yachting

Out of the evaluation that was carried out according to the defined criteria, three groups of segments were identified in relation to the degree of

satisfaction of the criteria. Although, all groups contribute to the repositioning of tourist Cyprus and therefore should be given the requisite significance, it is important to recognise the different contribution of each group to the satisfaction of targets and of criteria.

Group 1:

"Sea and Sun Plus", Culture, Conference and Incentive Trips

Group 2:

Nature, Hiking, Cycling, Sports Tourism, Cruises

Group 3:

Wedding Ceremonies and Honeymoon, Mega Events, Water Sports, Yachting

Geographic Markets

Three market priority categories were formed as follows:

High Priority Markets

- United Kingdom
- Germany
- Russia
- Greece
- United States

Medium Priority Markets

- Switzerland
- Holland
- Austria
- Sweden
- Belgium
- Israel
- Poland
- Ireland
- France

- Finland

Lower Priority Countries

- Norway
- Italy
- Arab Countries
- Denmark
- Czech Republic
- Hungary
- Japan

Emerging Markets

Furthermore, there is a fourth category of countries (Emerging), which includes countries that are expected to present prospects for tourism development and which require special monitoring and preparation for exploitation of the opportunities they offer. Such countries are:

- Countries of the Far East, e.g. China, Korea
- Spain and Latin American Countries
- Canada
- India
- Other Countries of the Former Eastern Europe, e.g. Romania

Demographic Segments

As it emerges from researches / studies Cyprus' target zone should include the demographic segments of couples (young and middle-aged), families and old people. It is also revealed that Cyprus also has the opportunity to attract clientele of medium to high-income class, of average to high education level.

POSITIONING TOURIST CYPRUS

Cyprus needs to be differentiated from other destinations, to create a clear image in the tourism market and to project its distinctive element as a tourist destination.

According to the analysis in the section "Repositioning of Tourist Cyprus" of the Strategic Plan, the distinctive element consists of the extended diversity in a small geographic area that may be described as follows:

A mosaic of nature and culture, a whole , magical world concentrated in a small, warm and hospitable island in the Mediterranean, at the crossroads of three continents, between West and East that offers a multidimensional qualitative tourist experience.

16. Communication Strategy

The researches / studies have identified a gap between the image projected by CTO and the image projected by the private sector. Furthermore, these studies pointed out the difference of the projected image with the supplied tourist experience.

The communication strategy is called to bridge the gap between the image projected by CTO and by the private sector with the systematic promotion of a unified and distinctive image based on the repositioning. We should aim at immediate improvement on basic parameters of the product, always having as basis the repositioning, so as to make possible the promotion of the new unique image without the creation of expectations to which the tourist product will not be able to respond to. The cultivation of a distinctive image requires consistency and method and it takes time to produce. All communication attempts must be integrated in a common framework that will be based on the repositioning. We should bear in mind that the way of advertising Cyprus, by CTO, is already determined up to 2001 according to the current cooperation with an advertising agency.

At the stage of the evaluation of the cooperation with the advertising agency, there will be adjustment / differentiation of the advertising messages so as to serve the target of repositioning Cyprus as a tourist destination.

Besides, the messages that were used surrounding the "Miss Universe" competition organised in Cyprus during the year 2000, as well as the spots included in the telecast of the Competition will be fully exploited.

Advertising

Advertising contributes significantly to the creation of an image and to the increase of awareness and establishment of the destination. Nevertheless, it is characterised by high cost.

Generic Advertising

The strategy up to 2010 is a strategy for the repositioning of tourist Cyprus. Therefore, generic advertising should be substantially employed since it constitutes a significant tool both for the increase of awareness of the destination as well as for image creation. Ideally, the repositioning strategy requires image advertising to all important tourism source-countries. However, due to the high cost and to the limited resources it is not possible for this type of advertising to be used in all markets, therefore choices should be made and in certain countries Cyprus should limit itself to advertising aimed at maintaining its current levels of awareness (preservation advertising).

With repositioning advertising we imply an advertisement of high intensity and frequency in mass media that aims to the creation of a new, special and distinctive image for Cyprus. For this kind of advertising it has been proven very useful to use media that offer picture e.g. television, magazines, and giant posters. Preservation advertising, on the other hand, is of low intensity and frequency in mass media and aims at the preservation of a minimum presentation in the markets so as not to lose the existing market share.

The repositioning advertising will primarily be promoted in high priority markets, e.g. United Kingdom, Germany and Russia, always with consideration to the particularities of each market, like the maturity of the markets, the degree of convergence of the present image with the new in every market, the penetration degree, the significance of each mass medium in the market etc. Furthermore, and given that the necessary resources are available, the repositioning advertising will also be extended in selected medium category markets, which present possibilities for

increasing their contribution to the criteria, again with consideration to their particularities. With the accomplishment of the target of repositioning and of the maturing of the market, resources from the priority markets will gradually be conveyed to other markets of medium category.

The preservation advertising will be promoted in the remaining medium category markets. In low priority markets we will keep to other kinds of advertising (targeted advertising, tactical advertising, advertising in cooperation with tour operators etc).

It is noted that changes in conditions of the source-countries, imply changes in the advertising actions.

16.1 Targeted Advertising

Advertising through specialised media and Direct Mail attends to the targeting of specific segments on lower cost than generic advertisement. It may be promoted in all tourism source-countries depending on the selected motivation and demographic segments that are located in each market. The targeted advertising will commence with the existing completed products and will gradually be promoted with the completion of other products, as well. The resources allocated for this kind of advertising will be relatively limited where targeting of the segments can be achieved with other actions, e.g. other forms of advertising, promotion and public relations.

16.2 Tactical Advertising

The tactical advertising is distinguished for its short-term character and its immediate results. It will be used mainly in cases that demand this kind of advertising (e.g. negative publicity in markets, need of immediate attraction of clientele etc.). Occasionally, it can be used for attracting clientele from specific segments and be undertaken in cooperation with other parties.

16.3 Advertising in Cooperation with Other Parties

The tendency in destination marketing is for bigger cooperation between the public and private sector and for increased financial contribution of the latter to the actions of advertising and promotion. This advertising can complement and reinforce the advertising actions of all authorities involved.

The advantage of this kind of advertising is the apportionment of the cost between the partners. Nevertheless, the control of the advertised message is limited due, mainly, to non-coincidence of interests.

16.4 Advertising in Cooperation with Foreign Tourism Professionals

Cooperation with tourism professionals in source-countries, e.g. tour operators, complements other forms of advertising encouraging in this way the professionals to promote the destination and attract the desired tourist traffic. Because this advertisement is specific and assists directly to the promotion of sales, it is especially useful in periods of regression of the demand. Its contribution to the promotion of a general image of the destination is, nevertheless, limited and it includes the danger of identifying the destination with the tour operator and his promoted products.

Advertising in cooperation with foreign tourism professionals will be promoted in all selected source-countries. This kind of advertising is very important in markets of low priority and in the emerging ones, where the advertising presence of Cyprus is limited or even non-existent.

The cooperation policy should be of service to the strategic targets and pursuits of the plan, e.g. selection of appropriate associates, subsidy height etc.

16.4 Advertising by Cypriot Authorities and other local parties

The advertising by Cypriot authorities and other local parties should be consistent with the spirit of repositioning and be of service to the strategy's targets. Initiatives for this kind of advertising from authorities that promote the destination should be supported. Cooperation in this sector may particularly assist the promotion of specific destinations within Cyprus and contribute to regional development. This kind of advertisement can be promoted in all source-countries. For the promotion of this cooperation a relevant policy should be prepared and the appropriate mechanisms for the participation of other authorities should be created.

17. International Mass Media

With the globalisation of the tourism market, the employment of international mass media for advertising is vital and can complement other advertising activities. Within the action framework for the creation of a distinctive identity of Cyprus, advertising in international media should become an inseparable part of the advertising attempts. Moreover, in markets where there is no tourism advertisement, it offers the possibility of a minimum presence of the destination. The cost of a complete campaign with these media is quite high, however, there are opportunities that the destination must take advantage of.

18. Cooperation with Advertising Agencies

For better attending to the target of repositioning the advertising campaigns must be assigned to one advertising agency. The basic target is the materialisation of a complete advertising campaign that will aid the repositioning and to the creation of a distinctive and exquisite image of tourist Cyprus within the next few years taking into consideration the peculiarities of each market. This image will be based on the new positioning of Cyprus and to the expectations and trends of the markets.

Having as basis the new positioning new branding, new logo and slogan and new advertising material should be developed. The new positioning will aid

