

Marketing Plan
for New Ferry Service with Emphasis in Park Programs

Gateway National Recreation Area
National Park Service

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August 2001

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Marketing Plan For New Ferry Service with emphasis in Park Programs

Part I: Executive Summary – Objectives of the Project

The National Parks of New York Harbor, in order to improve access to currently underutilized resources in Gateway National Recreational Area, is developing a water transportation system to interconnect most of National Park Services sites that have access to the harbor. The first stage of this transportation development is a ferry service that will connect Southern Manhattan with Fort Tilden on the Rockaway Peninsula during the 2001 fall. This new transportation system, if successful, would allow New York City residents fast access to the peninsula with the potential to boost the visitation which is an important objective of the park management. In order to accomplish this visitation increase, this ferry service should be properly promoted and marketed to the potential users.

The final goal of this project is to outline a marketing plan to increase the number of visitors to the park.

In order to attract more visitors to the park, the product to be marketed is the new transportation service. However, the ferry service is not a product itself; the final product for the customer or visitor is the “package” integrated by what the park offers and the convenience of using the ferry. Consequently, in order to accomplish the previously stated goal it is necessary to promote the park and the ferry service.

The secondary goals of this project are:

- To outline a marketing plan for launching the ferry service
- To outline a marketing plan for marketing the park programs

Because these units are not very well known as other parks (Statue of Liberty, Ellis Island, Central Park) or beaches (Jones Beach, Long Beach) in the New

York City area, there is a need of increase awareness among residents of this park. This would be part of the goals of this report.

Ultimately, this report is intended to increase the recognition of the park through New York residents

Achievement of these goals has to be reflected in the generation of additional sources of revenue for the park.

Scope of the Project

Even though in this report the designation "Marketing Plan" is used to define the final product, academically speaking, this term does not describe precisely this report. Nevertheless, the report has been developed with the four sections that are the backbone of any Marketing Plan – Situation Analysis, Marketing Strategy, Marketing Program and Marketing Control. The main difference between this report and a marketing plan is that the last one is documented with budget and timetables. The marketing plan presented in this paper should be considered as an educational document that provides a guidelines about how to prepare and which could be the best alternatives for marketing the ferry service and the park programs to potential visitors. Other important difference is that a marketing plan is based on previous researches about current and potential customer behaviors and in this case, there are not such preceding studies. Therefore, this document compares different alternatives from which the park management will have to choose when the promotion will be undertaken. Results from the focus groups that are being held after this document will support the decision making process to choose among the alternatives proposed here.

The project is focused mainly in the programs offered in Fort Tilden and Jacob Riis Park; both located in the Rockaway Peninsula where the ferry landing is located. However, because the park is working to develop an ambitious land transportation system linking several elements of the park, some programs at

Floyd Bennett Field, Canarsie Pier and the Wildlife Refuge are being considered as well.

Part II: Situation Analysis

This section of the Marketing Plan should answer the question of what's happening. However, because the people who will read this report have a clearer idea than I do and it wouldn't have any sense to rewrite what they know, this section has just been used to clarify the terminology used in the following sections.

Three types of analysis have to be performed:

- Analysis of customers: in this study the customers are, and will be named indistinctly as, the park visitors and users of the ferry service. An observation is that these customers can be current park visitors or potential park or ferry users. Occasionally, there could be mentions to internal customers that are park employees.
- Analysis of competitors: because the product is so complex, the park with all its recreational activities, there are several assorted competitors. These would include other parks and beaches in New York and in New Jersey, theaters, art galleries and even cinemas can be considered competition.
- Analysis of the company, in this particular case, the company would be the park.

In fact, other types of analysis could be done; for example, broad environmental and technological analysis if they are an important part of doing a detailed marketing plan, but this section must cover the points that are relevant to the case analyzed.

Part III: Marketing Strategy

This section of the report states decisions regarding which customer segments to target and which would be a sustainable and differentiable position to achieve in the minds of customers.

Jamaica Bay Unit offers visitors the opportunity to experience a natural environment that includes a wildlife refuge and several recreational, historical and cultural programs. However, traffic congestion and circuitous routing on local roadways result in difficult automobile access to the park assets. Public transportation is not a much better option as a result of their location at the urban development away from the park locations. This lack of a convenient access to the park is probably one of the causes that park visitation has been decreasing continuously in the last years.

The strategy that the National Park Service management is pursuing in order to tackle with this issue, is the development of a water transportation system that will interconnect Gateway National Recreation Area with some New York City and New Jersey sites.

Segmentation

Current visitors to the park are very diverse and could be segmented by many criteria as ethnic background, demographics, activities they perform in the park and from where they come. Because this marketing plan is focused in promoting a ferry service connecting two points, the first segmentation criterion should be the people residence. The second segmentation criterion to use should be the activities they carry out in the park in order to promote the programs they can use and to promote them through the sources where they obtain information.

Targeting

Segmented the market according to geography and how people can use the park, the market groups to be targeted are the following:

- Target 1: Southern Manhattan Residents: this market segmented by the location is a natural option. People from this segment will be the most favored by the ferry landing location.
- Target 2: Manhattan and New Jersey Residents with special interests in park programs. People from these cities with interests in activities that can be performed in the park such as bird watching, fishing, biking, history or cultural activities can be easily identified. The importance of these groups resides in that they can be marketed through direct marketing and can be a source of a steady demand during the whole year if they are satisfied with the product they receive.
- Target 3: Rockaway Peninsula Residents. Even though this group will probably not increase park visitation, they will use the ferry to commute to Manhattan or to travel for pleasure and the marketing efforts devoted to them will be minimal.

Positioning

The natural and cultural park resources constitute a selection of a meaningful, distinct and competitive value position that the park management is still improving. The best description of its positioning is that "it is a personal encounter with a special place¹". The ferry service positioning should be the fast access between the two points, especially for commuters, and an occasion to enjoy a boat trip and another view of New York City.

¹ Billy Garrett from Regional Plan Association workshop, May 15, 2001

Part IV: Marketing Program

The Marketing Program, also called the Marketing Mix, involves the activities that constitute the tactics that are designed to properly position the product.

The marketing mix is the park's offering to the target segment and it is composed for the four following elements that must reinforce one another:

- Product
- Price
- Distribution
- Promotion

Because the product, its price and distribution are already defined, this document describes them briefly and focuses in explaining the proposed promotion mix.

Product

As it was previously stated, the park and the ferry compose the product offered to the customer. An important component of the product is the information about the park provided to the public. There are several methods that can be implemented to provide more information to visitors. Signaling in the park to help move visitors. A Website for the ferry service where users can obtain information about ferry schedules and what they can do in the park with links to other Internet sites such as other ferry services, nature based tourism or the Gateway WebPages.

Price

There are several price structures, loss leader pricing, penetration pricing and differential pricing, used to reflect the product life cycle. However, in this case, the price will be set with the concessioner to breakeven in a determined period of

time. For that reason, it is not analyzed in this report. In the promotion chapter, there are some hints about special prices as a way to promote the service but it is part of the promotion strategy.

Placement

Placement that is the method of distribution simply refers to how the company sells the products to its customers. Because of the position of the park in the distribution chain, having a direct contact with the final customer – the visitor – and not selling tickets to ferry users, it has not method of using this activity of the marketing mix to deliver more value to the park users.

Promotion Mix

Promotion, in which the report is focused, is the element of the marketing mix used to communicate with customers, to inform, persuade, or remind them about a company's goods, services, image, or impact on society and is accomplished through a promotional mix that that supporting direct personal selling communication includes:

- Indirect advertising
- Publicity
- Sales promotion
- Direct marketing
- Personal Selling

Planning the promotional campaign entails first establishing objectives based on an assessment of marketing communication opportunities. Then, indirect and direct elements of the promotion mix are combined to optimize the effectiveness of each and design the final promotion plan.

An effective promotion program generally has three outcomes:

- The promotional message reaches the intended audience;

- The message is understood by this audience;
- The message stimulates recipients to take a desired action.

Communication channels are of two broad types: personal and nonpersonal.

Personal channels involve two or more people communicating directly with each other face to face, through the mails, or over the telephone and present opportunities to personalize the message and receive feedback.

Nonpersonal communication channels transmit messages without personal contact or interaction. In the main, these messages come through the following paid media:

- Print: newspapers, magazines, direct mail;
- Broadcast: radio, television;
- Display: billboards, signs, posters
- Publicity, or nonpaid messages about products in print or electronic media
- Events designed to communicate promotional messages to target customers.

1. Indirect Advertising

Advertising is defined as any paid form of nonpersonal communication about a company, product, service, or idea by an identified sponsor. Several aspects of this definition should be noted. First, the paid aspect of this definition reflects the fact that the space or time for an advertising message generally must be bought. The non-personal component indicates advertising involves mass media whereby a message can be transmitted to large groups of individuals, often at the same time. The nonpersonal nature of advertising means there is generally no opportunity for direct or immediate feedback from the message recipient. Therefore, before the message is sent, the advertiser must attempt to understand how the audience will understand and respond to the message.

Characteristics of Indirect Advertising

The main characteristics of using advertising in the promotion mix are:

- Since advertisement is paid, it can be controlled what it is said, when it is said it, and to some extent, to whom the message is sent.
 - Advertising can also represent a cost-effective method for communicating with large audiences, and cost per contact through advertising is often quite low.
 - Advertising also can be used to create images and symbolic appeals for products and services, a capability that is very important to companies selling products and services that are difficult to differentiate.
 - Another advantage of advertising is its value in creating and maintaining brand equity².
 - The costs of producing and placing advertising can be very high, particularly for television.
 - The lack of direct feedback of most advertising is also a drawback, as this makes it difficult to determine how well the message was received and whether it was effective.
-
- Consumers perceive advertising to be very biased and are concerned by its intent to persuade. Not only are consumers skeptical about many of the advertising messages, but also it is relatively easy for them to process selectively only those ads of interest to them.

Advertising channels include the following media:

- Print Advertising: newspapers, magazines, direct mail;
- Broadcast: radio, television;
- Display: billboards, signs, posters

² Brand equity can be thought of as a type of intangible asset of added value or goodwill that results from the favorable image, impressions of differentiation, and/or the strength of consumer attachment to a company name, brand name, or trademark.

1.1. Print Advertising

Print advertising is any paid-for marketing message in printed form as magazines and newspapers and it is one of the most important media used to market products. For most local and regional advertising, as it is the case for ecotourism and nature-based tourism³, print advertising is probable to be the most flexible and versatile advertising medium.

Knowing which of the specialized media are the most used by the market segments allows advertising in them with the advantage of reaching the desired targets.

For ecotourism and nature-based tourism, market groups are generally associated with the outdoor activities that visitors participate in while visiting the area. To effectively promote to these market groups it is necessary to know what resources each market group uses to obtain information about the recreational activities they are interested in.

1.2. Broadcasting Advertising

Television Advertising

This communication method wouldn't be well suited to advertise the ferry service and the park programs. Even though it probably provides the lowest cost per contact method, the costs of producing and placing advertising can be very high⁴

³ Ecotourism activities are generally based on non-consumptive activities that involve nature study, such as hiking, photography, and bird watching. Nature-based tourism activities often involve consumptive uses such as fishing and hunting. Targeting the people who participate in these activities is the key to effective promotion.

• ⁴ Cost to make a television commercial: a New York Times story on 11/20/00 stated that the average cost of producing a 30-second national television commercial in 1999 was \$343,000. The Times said this figure came from a survey of 1,753 national spots produced by 20 agencies. In contrast, a local

and does not allow high target-market selectivity. Additionally, TV ads are better used for creating brand equity or persuading people to do immediate response acts.

Radio Advertising

Radio would be very useful for supporting a ferry/park programs marketing campaign. As TV, it reaches large audiences⁵ but is substantially cheaper. It is very useful for informing concise messages as it would be a new ferry connecting Manhattan to Riis Park. Additionally, radio stations target specific audiences and provide good data – both demographic and lifestyle or attitude-oriented information, what makes it a propitious medium to target Manhattan residents or fishermen from New Jersey.

advertiser with a good Immediate Response offer should be able to get a commercial produced for around \$500.

- Cost to run a television commercial: this cost depends on how many viewers are estimated to be in the audience, how much commercial time is available for purchase and how many advertisers want to purchase it. A 30-second spot in the Super Bowl goes for around \$2,000,000, in "E.R." for \$600,000 and in "Millionaire" for \$250,000. Overall, the average price for a 30-second spot on one of the big network prime-time shows is over \$150,000. But daytime and late-night spots in local markets can be surprisingly inexpensive. In a medium-sized market, \$5 per thousand viewers is not unusual. So -- a 30-second slot in daytime that reaches 10,000 viewers might cost you around \$50 to \$60.

⁵ Table 1

Medium	Daily Reach (percentage of U.S. population 18 years old and up)
Radio	81%
Television	76%
Newspapers	69%

1.3. Display: billboards, signs, and posters

Given that one of the target markets is locally segmented, the Southern Manhattan residents market, this kind of advertisement can be an effective cost option to promote the launch of the ferry service. The best strategy with this channel would be advertising just during the first weeks of initiated the service due to the likelihood that those exposures lose value after the commuter has seen the displays many days in a row. The cost of displays are highly varied depending on the size of the display and the traffic rates on the locations they are placed, but in general costs are lower than the media previously mentioned. There are several options from posters in highways to signs in public telephone booths, to choose the best option it is necessary to delimit the geographic area to market and research the available options. An option for displays could be the ferry service that connects Manhattan with Staten Island, even though is not an alternative that reaches specifically the desired market, has a large traffic rate, is used by some passengers who enjoy waterfronts and could be cheap for its condition of being subsidized by the government.

2. Publicity

Publicity refers to nonpersonal communication to a mass audience that is not directly paid for, usually coming in the form of a news story, editorial, or announcement about an organization and/or its products and services. The organization attempts to get the media to provide coverage of or run a favorable story on a product, service, cause, or event to affect awareness, knowledge, opinions, or behavior. The various techniques used to gain publicity include news releases, press conferences, feature articles, photographs, films, and tapes.

Characteristics of Publicity

- The most important feature of publicity is its credibility. Because it is presented in an editorial format, readers tend to perceive it as more believable than advertising. Consumers generally tend to be less skeptical toward favorable information about a product or service when it comes from a source they perceive to be unbiased and objective.
- Another advantage of publicity is its low cost, as the company is not paying for time or space in a mass medium.
- A major drawback is the lack of control afforded. Information might be improperly presented or some critical details omitted.

The National Park Service has the needed ingredients to obtain a positive coverage in the editorial portion of any news medium. A first class product as it is the park, a good reputation in the community, and a good story: the launch of a new ferry service that will improve the city transportation system. Because the news is the story, this type of advertising would be appropriate only during the first weeks of launching the ferry service. Particularly in the Rockaway Peninsula, the publication of this news could be sufficient enough to spread the information through the population. The maximum goal would be publicizing in "The New York Times".

The news has enough public interest to attract readers, viewers or listeners and hold their attention, but it is necessary to be proactive, generate an appealing story and contact journalists or producers to get the news published.

3. Sales Promotions

Sales promotion provides incentives to the consumer to stimulate sales and is generally broken into two major categories: consumer-oriented and trade-oriented activities. In this particular case, just consumer-oriented sales promotion is considered, which targets to the ultimate user of a service and

includes a variety of tools such as couponing, sampling, premiums, rebates, contests, sweepstakes, and various point-of-purchase materials.

Characteristics of Sales Promotions

- Consumer-oriented sales promotion encourages consumers to make an immediate purchase and thus can stimulate short-term sales
- Contests and sweepstakes create interest or excitement in a company's product or service and can help to increase the likelihood that an advertisement or promotional display gets attention
- Sales promotion also provides marketers with a way of responding to price-sensitive consumers who prefer to purchase products offered at a discount.

There are several options that can be used but, because most of them would require special ticket prices, they should be designed with the ferry concessioner. Some options to consider would be:

- Price discounts for groups during determined days of the week to flatten daily demand and increase sales.
- Tickets for several rides valid through a specific lapse of time aimed at price-sensitive consumers.
- Free rides for group of students during low demand periods in which students can participate in educational and recreational programs. With this approach the park would promote their programs and at the same time, could promote the ferry service and the programs among the students' parents by providing brochures with information related to the programs and the ferry service to the students.
- Coupons included in magazines or newsletters specialized in topics related with activities run in the park (i.e. bird watching or fishing publications) or in New York or New Jersey newspapers Sunday supplements. This alternative would accomplish two roles; it would be a valid channel to inform the target markets about the ferry and would also increase sales.

4. Personal Selling

Personal selling is a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea. Even though the park is not involved with the activity of selling ferry services, its employees have interaction with a great number of people. This interface gives the park a communication flexibility that has to be used to inform visitors about the ferry service and to perceive their reactions to the messages sent. This personal interaction also involves more immediate and precise feedback. If the feedback is unfavorable, the park and its concessioner can modify their message.

5. Direct Marketing

Direct marketing refers to a system by which organizations communicate directly with target customers to generate a response and/or a transaction.

Marketers send out direct-mail pieces ranging from simple letters and fliers to detailed brochures and videotapes to communicate with potential customers and provide them with information about their products or services.

Characteristics of Direct Marketing

Main characteristics of direct marketing direct are:

- Direct mail, which includes letters and ads sent to prospects on mailing lists, permits high target-market selectivity.
- It can be personalized, is extremely flexible.
- Cost-per-thousand-people reached is higher than with magazines or electronic media.
- People reached are usually better prospects.
- Messages can be customized to fit the needs of the segment.

- Direct marketing allows easy measurement of results.
- Consumers are being bombarded with unsolicited mail and phone calls. This makes them less receptive to direct-marketing efforts and also has created image problems for products and services marketed this way.
- Direct marketing must deal with the problem of clutter, where too many messages compete for consumers' attention.

For most local and regional markets, as it is the case for ecotourism and nature-based tourism⁶, direct marketing is probable to be the most flexible and versatile advertising medium. For ecotourism and nature-based tourism, market groups are generally associated with the outdoor activities that visitors participate in while visiting the area. To effectively promote to these market groups it is necessary to know what resources each market group uses to obtain information about the recreational activities they are interested in.

Examples of resources where the market segments obtain information include specialized magazines, trade shows, Internet sites, outdoor recreation organizations (e.g., Audubon Society) and their newsletters, newspapers, and radio stations. These lists allow marketing to specific targets segmented by hobby (i.e. bird watching or fishing) and location (i.e. Southern Manhattan or Northern New Jersey residents). The direct marketing campaign can be designed to include:

- Mailing which is probably the best option
- Emailing is a cheaper option but is not as appealing as direct mailing and most subscription lists do not include email addresses.

⁶ Ecotourism activities are generally based on non-consumptive activities that involve nature study, such as hiking, photography, and bird watching. Nature-based tourism activities often involve consumptive uses such as fishing and hunting. Targeting the people who participate in these activities is the key to effective promotion.

- Telemarketing that is not advisable because it is mainly used by selling by phone and not to inform about a new product as the ferry service and people who have been saturated with this technique are not well predisposed to it.

While these forms of promotion can be effective at attracting visitors, methods of promotion that tie interpretation (i.e., educating visitors in an entertaining way) and tourism promotion together are also important and generally more effective at achieving long-term visitor management goals. One example of this is distributing an interpretive guidebook to visitors prior to their trip. This works both to attract them to the area and educate them about the existing natural resources in the area. Guidebooks can also help alleviate visitor pressure on sensitive sites by directing visitors only to sites that can tolerate visitor use; the location of sensitive areas is often not included. Directory signs can also serve this purpose. Guidebooks and other forms of interpretation (e.g., interpretive signs, interpretive center exhibits, staff) also help manage visitor behaviors by educating visitors about the "do's" and "don'ts" of the area.

6. Word of Mouth

Word of mouth (WOM) not mentioned previously as part of the promotion mix, is arguably the most powerful way to market any product or service. When customers talk favorably about a product, they send a free, credible and targeted marketing message. And when word spreads, it usually spreads fast. No other marketing tactic provides such benefits in one package. Many marketers ignore word of mouth on the assumption that they cannot affect what customers say. However, WOM ought to be an integral part of any marketing program that needs to track down word of mouth and at least make an attempt to influence it. WOM marketing rests in the firm's ability to inspire customers to champion a product or service. The park can inspire its visitors by offering the highest possible value, encouraging them to give their opinions, thanking them for bringing their complaints and offering them to correct any problem immediately. Follow up is essential to make sure they are satisfied. It is also important to

know how new users have known about the park and its programs. There must be implemented a formal way (i.e. a box to collect suggestions) to ask current visitors and employees whether they have transmitted information about or whether they have heard about the park or the ferry service or the park programs. Identifying the positive and negative aspects of the park allows developing new ideas to improve them.

Develop the Promotional Message

Focus in this area is on the content, or appeal, and the structure, format and source of the message. The **appeal** is the reason that the audience should take the action requested – the benefit that they will derive. It is “the one best thing to say about the product” – the Unique Selling Proposition (USP). It may rational, emotional, or moral, and it is an important device in positioning the offering.

Message **structures** is concerned with whether the communicator should draw a conclusion or leave that to the audience and whether to mention shortcomings along with benefits. The **message format** includes such decisions as the headline, copy, color, and illustrations to use with a print ad, or the script, sound and camera angles to use with electronic media. The final consideration in message design, the source, considers the credibility of the spokesperson. Credibility is enhanced by expertise, trustworthiness, and likeability.

Use of an Advertising Agency

The advertising agency consists of specialized people who are able to promote the campaign more effectively and can be called upon when needed to assist the operation.

Part V: Marketing Monitoring

Develop the Promotion Budget

After decisions regarding the promotion campaign standardization and implementation have been made, a total promotion budget can be prepared.

Determine Campaign Effectiveness

After marketing communication tasks are assigned, the promotion plan is formalized in a written document including a situation analysis, copy platform, and timetables for the effective integration of promotion mix elements with other elements of the marketing mix. Also included in this plan are the means for measuring its effectiveness once it is implemented, in terms of how actual performance measures up to planned objectives.