

REPORT

MARKET RESEARCH ON IMPROVING CONNECTIVITY OF SUSTAINABLE TOURISM OPERATIONS IN ECUADOR AND PERU TO THE EU MARKETPLACE



BTC TRADE FOR DEVELOPMENT



**Rainforest
Alliance**



Prepared for

BTC – Trade for Development Centre

REPORT

MARKET RESEARCH ON IMPROVING CONNECTIVITY OF SUSTAINABLE TOURISM OPERATIONS IN ECUADOR AND PERU TO THE EU MARKETPLACE



COMMISSIONED BY

**BTC – Belgian Development Agency
Trade for Development Centre**

Rue Haute, 147
1000 Brussels, Belgium
Contact: Mathieu Desantoine
Phone: +32 (0)2 505 37 66
E-mail: tdc@btcctb.org
www.btcctb.org
www.befair.be



BTC TRADE FOR DEVELOPMENT

SUBMITTED BY

mascontour GmbH
Matthias Beyer/Managing Director
Schwiebusser Str. 9
10965 Berlin, Germany
Phone: +49 (0) 30 61 62 57 47
Fax: +49 (0) 30 61 20 25 84
E-mail: beyer@mascontour.info
www.mascontour.info



DATE

30 March 2017

Executive Summary

The purpose of this study is to support tourism companies in Peru and Ecuador, especially those with a focus on sustainable tourism, on how to access the European market. While the content of the study is geared towards the conditions in Peru and Ecuador, readers from other Latin American countries may also find the information useful.

The coverage of the European market includes the countries Germany, Austria, Switzerland the Netherlands, Belgium, United Kingdom, France, Italy and Spain. The study includes a look at players such as tour operators (including databases) or trade associations, examines market access mechanisms (both with regard to the destination - Peru and Ecuador, as well as with regard to the mentioned source markets) and describes a wide range of approaches and tools to improve market access to the European market.

Chapter 1 provides an **introduction to the research subject**, including methodology used.

Chapter 2 deals with the **relevance of the European source market for Peru and Ecuador**, comparing it with other markets such as the Latin American market, the North American market and the Asian market. In addition, it points out how the European market distinguishes itself through aspects such as relatively extended lengths of stay and the benefits that the resulting travel patterns imply for destinations like Peru and Ecuador in terms of economic impact, especially in rural regions. The long vacations that Europeans are entitled to allow them to spend time and explore beyond the traditional hubs of tourism activity, creating a demand for multi-faceted itineraries and spreading economic benefits that can be drivers of product diversification and innovation. Furthermore, given the seasonality of the different European source markets, hotels in Peru and Ecuador can balance their occupancy rates throughout the year when systematically working with the European market, often when most needed – in low season.

Chapter 3 analyzes the **participation of MSMEs in the tourism market**, essentially concluding that the tourism industry in Ecuador and Peru overall, as well as with regard to the European market, is driven by MSMEs. The same applies to most companies in Europe offering travel to Latin America. Furthermore, it emphasizes that most Europeans prefer to stay in authentic hotels that generally fall into the MSME category, adding reflections regarding the advantages and challenges that such a structure implies concerning market access, including aspects such as destination management and air connectivity. Destinations with strong MSME predominance require good coordination among all stakeholders through trade associations, destination management organizations, product clubs and well-organized tourism clusters; which requires a facilitating framework on the legal and regulatory level, leadership, common vision building, pooling of resources and creation of synergies along the lines of public private partnerships and the harmonization of efforts on the subnational and national level. When this internal coherence is nurtured and a critical mass of stakeholders, funds and activities is created, destinations are much better prepared to tackle the big structural issues of tourism development in a long-term perspective, including aspects such as infrastructure and air connectivity that play a decisive role in market access.

The **relevant markets segments** for tourism to Peru and Ecuador are analyzed in **chapter 4**. These include adventure tourism, nature tourism, cultural tourism, rural tourism, tourism with social orientation, educational and research tourism, wellness tourism, backpacker tourism and luxury travel, as well as the main subsegments. In each part, real-life examples are provided in order to illustrate how the corresponding offer appears in the catalogues and

webpages of European tour operators, providing practical insight into how the Peruvian and Ecuadorian product is presented in the different European source markets. While there are many markets segments, the main motivations of Europeans traveling to Peru and Ecuador center on discovery, culture, nature and adventure, with an increasing accent on quality, comfort and sustainability.

Chapter 5 takes a more systemic view of the tourism activity and analyzes **market needs, as well as frequently observed barriers to fulfilling these**. While there are many individual obstacles to overcome for MSMEs, numerous structural elements related to market access that need to be considered on the level of destination management and destination marketing are also discussed here. No study on market access mechanisms can be complete without considering these underlying factors. These include aspects such as consistency of quality, a price – quality relationship according to market realities in Europe, adequate and articulated promotion of the destination in the European market, satisfactory connectivity, a framework geared towards facilitating an overall coherent experience for the visitor, a diversified tourism offer and well managed destinations on the sub-national level. The chapter makes evident that tourism entrepreneurs in MSME settings need to work both on their individual challenges as well as on overarching issues through associative mechanisms on the sub-national and national level, in order to raise destination competitiveness; based on the premise that there is a close correlation between destination competitiveness and earnings received from tourism.

Nine European target markets are analyzed in **chapter 6**, including **Germany, Austria, Switzerland, the Netherlands, Belgium, United Kingdom, France, Italy and Spain**. Basic facts are presented for each market, as well as information on the profile of the tourism industry and final consumer in each country. In addition, the main national characteristics are highlighted, indicating the necessity to adjust to the culture and mentality of each individual market in order to successfully establish business relationships. The presentation of each country concludes with key references regarding the main segments, including fairs, media and special interest associations. One key insight is that the United Kingdom and Germany represent leading markets which not only have a high travel propensity due to high disposable income and population size but also developed structures (that is, trade associations focusing on sustainable tourism) and a travel culture of sustainable tourism with many discerning consumers.

Chapter 7 provides an overview of **market mechanisms**: which are the main mechanisms to access the European market from the perspective of an individual company? How do the trade and the consumer relate to the tourism offer of Peru and Ecuador? It shows how tour operators in Europe relate to the consumer through activities such as advertising, specialized fairs, newsletters or by taking part in events that are relevant to the general public, and how tour operators cooperate with tourism ministries, airlines, trade associations and the press for concerted marketing in their country. The key elements of the traditional tourism value chain are examined here, and the strong role the traditional value chain still upholds with regard to the European market, in part because of the legal framework regulating tourism in Europe. Online travel portals, internet promotion and social media, direct bookings, word of mouth, guide books and tourism fairs (geared towards the final consumer, as well as trade fairs with consumer segments) are also considered as mechanisms of direct interaction with the general public, in the understanding that working through trade channels and direct marketing must always complement each other as elements of an overall marketing strategy.

Chapter 8 goes into detail about the **most promising players** in the European market. This includes a view of traditional players such as tour operators (which are listed in detail in the

databases accompanying this study), travel agencies and the media, but also non-traditional generators of travel from Europe that do not pertain directly to the tourism industry, such as special interest associations, universities or supermarket chains. The chapter concludes with an overview of the main players in each European source market, focusing mainly on the relevant trade associations that can serve as supporting platforms for gaining a better understanding of the market, as well as improving market access.

The **willingness to invest in green tourism** is looked at in more detail in **chapter 9**. Entry requirements to work with the European market are specified, such as health, safety and an organizational culture in tune with a European clientele, as well as pricing considerations, organizational culture and competitiveness. Based on these fundamentals, sustainability can positively influence purchasers' decisions when products are market ready. The main types of tour operators are described, and the way they relate to sustainable tourism with regard to their profile and company size.

Chapter 10 discusses in detail **key activities to gain market access to the European market**, starting with elements such as market investigation, customer motivations and satisfaction, as well as positioning and branding. The chapter then continues to go into details about working with the different members of the tourism value chain, covering details on how to participate in promotional activities such as fairs or roadshows. A subchapter is dedicated to online marketing, including establishing an effective web presence, working with social media and the most common social media channels, as well as aspects such as search engine optimization. In addition, dealing with the media and bloggers is discussed. Concluding, the chapter emphasizes that there is no single bullet strategy with regard to the European market and that a number of strategies must be pursued in a parallel and complementary fashion.

Concluding, **chapter 11** summarizes the **ten most important things** a tourism company in Ecuador or Peru can do, it is a short checklist of key points to consider in order to ensure market access, which can be helpful in ensuring that some vital elements are not overlooked. While many aspects already may seem familiar, it is the consistent and parallel pursuit of improvement in all mentioned areas that will contribute to improved market access.

Key Insights from this Study



The **median age** in the European countries analyzed in this study is a factor contributing to an increased interest in **health and wellness** during travel.



Europeans are legally entitled to the **longest paid vacations**, allowing them to spend more time in the destinations and facilitating more visits to rural regions or non-traditional destinations.

Sustainability



The yearly representative Flash Eurobarometer survey (2016) reveals that Europeans increasingly value **sustainability as a criterion for making travel decision** - mainly on the destination level but also with regard to accommodation and transport.



However, due to historic, cultural and linguistic ties, Latin America has more relevance for the **Spanish source market** than other long distance markets.



Luxury travel is clearly on the increase in Europe, with the United Kingdom, France and Germany playing a leading role in this segment that has seen a **growth of 48%** in the last five years.

3rd Germany
4th United Kingdom
5th France
9th Italy



European countries rank high among the **top 10 source markets** in the world in terms of expenditure and departures, according to UNWTO.



Europe is the third **most important source market region** for Peru and Ecuador after Latin America and North America but the one that generates the longest average length of stay – which contributes to the economic impact.



Northern European countries with leading source markets like Germany and the United Kingdom have an overall higher **propensity for international long haul travel** than Southern European countries assuming an intermediate relevance.

Discovery + Culture +
Nature + Adventure



While there are many markets segments, the **main motivations** of Europeans traveling to Peru and Ecuador center on discovery, culture, nature and adventure, with an increasing accent on quality, comfort and sustainability.



While the use of internet and social media is ever more important, the **traditional tourism distribution chain** involving travel agencies as well as outbound and inbound tour operators still plays a pivotal role in organizing tourism from Europe to Latin America.

Table of Contents

1	Introduction	1
1.1	About this Study	1
1.2	Introduction to the Research Subject	1
1.3	Research Methodology	3
2	Relevance of European Tourism to Peru and Ecuador	6
2.1	Relevance of European Tourism to Peru	6
2.2	Relevance of European Tourism to Ecuador	7
3	Current Level of Participation of MSMEs with Regard to the European Tourism Market	12
4	Relevant Market Segments for Tourism to Peru and Ecuador from Europe.....	15
4.1	Adventure Tourism	15
4.2	Nature Tourism.....	18
4.3	Cultural Tourism	23
4.4	Rural Tourism	27
4.5	Tourism with Social Orientation – Volunteer Tourism	29
4.6	Educational and Research Tourism.....	33
4.7	Health and Wellness Tourism	34
4.8	Backpacker – Student – Youth Tourism	37
4.9	Luxury Travel	39
4.10	Conclusion	41
5	Identification of Market Needs	43
6	European Target Markets	56
6.1	General Characteristics of the European Source Market	56
6.2	Travel Behavior of Europeans	58
6.3	Booking Channels Utilized by European Tourists	59
6.4	Sustainability Considerations of European Travellers.....	61
6.5	National Source Markets	64
6.5.1	Germany	65

6.5.2	Austria.....	73
6.5.3	Switzerland	77
6.5.4	The Netherlands.....	80
6.5.5	Belgium.....	87
6.5.6	France.....	91
6.5.7	Spain.....	94
6.5.8	Italy	99
6.5.9	United Kingdom	102
6.6	Conclusion	106
7	Market Mechanisms	110
7.1	Tour Operators	110
7.2	Travel Agencies.....	111
7.3	Online Travel Portals.....	111
7.4	Company Website.....	111
7.5	Social Media	112
7.6	E-Mail Marketing	112
7.7	Destination Marketing	113
7.8	Direct Information – Direct Bookings.....	113
7.9	Fairs.....	113
7.10	Word of Mouth.....	115
7.11	Guide Books	115
8	Most Promising Players.....	117
8.1	Types of Players.....	118
8.1.1	Tour Operators	118
8.1.2	Airlines	119
8.1.3	Travel Agencies.....	122
8.1.4	Trade Associations	122
8.1.5	Travel Media for the Final Consumer	123
8.1.6	Special Interest Associations.....	123
8.1.7	Foundations	123

8.1.8	Universities and Colleges.....	123
8.1.9	Incentive Travel.....	123
8.1.10	Religious and Church Organizations	124
8.1.11	Non-Governmental Organizations	124
8.1.12	Supermarkets, Coffee Shops and Similar.....	124
8.2	Overview of Tourism Players.....	125
8.2.1	Germany	125
8.2.2	Austria.....	128
8.2.3	Switzerland	129
8.2.4	Belgium.....	131
8.2.5	Netherlands.....	132
8.2.6	United Kingdom	133
8.2.7	France.....	135
8.2.8	Italy	136
8.2.9	Spain.....	138
9	Willingness to Invest in Green Tourism	140
9.1	Health and Safety.....	140
9.2	Accessibility	140
9.3	Management and Organizational Culture	140
9.4	Sustainability.....	141
9.5	Pricing.....	141
9.6	A Competitive Product is an Entry Requirement to the European Market.....	141
10	Key Activities to Increase Exposure and Market Uptake	146
10.1	Market Investigation	146
10.2	Monitoring Customer Satisfaction.....	146
10.3	Positioning – Branding	148
10.4	Working with the Trade Chain	150
10.4.1	Travel Agencies.....	150
10.4.2	Tour Operators	151
10.4.3	Incoming Agencies	151

10.4.4 Implications of the Tourism Value Chain for the Pricing / Commissioning Policies of a Hotel	151
10.4.5 Legal Dispositions	152
10.4.6 Tourism Fairs	153
10.4.7 Roadshows	158
10.5 Online Marketing	159
10.5.1 Webpage	159
10.5.2 Ensuring You are Found on the Web	160
10.5.3 Response Times in an Internet-Driven Service Industry	161
10.5.4 Social Media Marketing	161
10.5.5 Public Relations	165
10.5.6 Dealing with Journalists	167
10.5.7 Dealing with Bloggers	168
10.5.8 Online Travel Portals	168
11 Overall Conclusion	169
12 Appendix	173

List of Tables

Table 1: Adventure tourism and main sub-segments	16
Table 2: Organizations focused on sustainable tourism in selected European countries	18
Table 3: Nature tourism and main sub-segments	19
Table 4: Cultural tourism and main sub-segments	24
Table 5: Rural tourism and main sub-segments	27
Table 6: Volunteer tourism and related sub-segments	30
Table 7: Educational and research tourism and main sub-segments	33
Table 8: Health – wellness – spiritual tourism and related sub-segments	35
Table 9: Backpacker and student travel and main sub-segments	37
Table 10: Luxury tourism and main sub-segments	39
Table 11: Barriers to access European market	43
Table 12: EU-1 Importance of sustainable tourism among EU-28 citizens	62
Table 13: DE-1 Main segments – Germany	71
Table 14: AT-1 Main segments – Austria	76
Table 15: CH-1 Main segments – Switzerland	79
Table 16: NL-1 Main segments – Netherlands	84
Table 17: BE-1 Main segments – Belgium	90
Table 18: FR-1 Main Segments – France	94
Table 19: ES-1 Main segments – Spain	98
Table 20: IT-1 Main segments – Italy	101
Table 21: UK-1 Main segments – United Kingdom	104
Table 22: Major airports and airlines connecting Europe with Ecuador and Peru	120
Table 23: DE-2 Tourism players in Germany	125
Table 24: AT-2 Tourism players in Austria	128
Table 25: CH-2 Tourism players in Switzerland	129
Table 26: BE-2 Tourism players in Belgium	131
Table 27: NL-2 Tourism players in the Netherlands	132
Table 28: UK-2 Tourism players in the United Kingdom	133
Table 29: FR-2 Tourism players in France	135
Table 30: IT-2 Tourism players in Italy	136
Table 31: ES-2 Tourism players in Spain	138

List of Figures

Figure 1: PE-1 Arrivals and income from top 15 generating markets for Peru	6
Figure 2: EC-1 International arrivals to Ecuador: 2015 vs. 2016	7
Figure 3: Median age of selected countries in Europe / Latin America.....	34
Figure 4: EU-1 Top 10 source markets in the world by expenditure and departures.....	56
Figure 5: EU-2 Outbound trips with a minimum duration of 4 nights, according to source market and destination (by million).....	57
Figure 6: EU-3 Vacations of OECD countries.....	58
Figure 7: EU-4 Main reasons for EU28 citizens to go on a holiday	59
Figure 8: EU-5 Booking methods by EU28 citizens.....	60
Figure 9: EU-6 Sustainability considerations when making travel decisions among E28 citizens	61
Figure 10: DE-1 Key indicators Germany.....	65
Figure 11: DE-2 Trends within the different types of holidays that Germans undertake.....	67
Figure 12: DE-3 Preferred destinations by Germans for main holidays of at least 5 days duration	68
Figure 13: DE-4 Spending of Germans for holidays.....	69
Figure 14: DE-5 Holiday organization and booking channels of Germans	70
Figure 15: AT-1 Key indicators Austria.....	73
Figure 16: AT-2 Evolution of duration of stay for main holiday trips taken by Austrians.....	75
Figure 17: AT-3 Travel motives of Austrians	75
Figure 18: CH-1 Key indicators Switzerland.....	77
Figure 19: CH-2 Evolution of number of trips taken abroad by Swiss (in m.)	78
Figure 20: CH-3 Destination choices of Swiss travellers ..79Table 15: CH-1 Main segments – Switzerland.....	79
Figure 21: NL-1 Key indicators Netherlands.....	80
Figure 22: NL-2 Environmental sustainability of Dutch tour operators.....	81
Figure 23: NL-3 Holiday plans of the Dutch in 2016.....	82
Figure 24: BE-1 Key indicators Belgium.....	87
Figure 25: BE-2 Attitudes of Belgians towards holidays.....	88
Figure 26: BE-3 Life priorities of Belgian consumers.....	89
Figure 27: FR-1 Main segments – France.....	91
Figure 28: FR-2 Preferred destinations by French	92
Figure 29: FR-3 Sources of information of the French in comparison with EU average.....	93
Figure 30: ES-1 Main segments – Spain.....	94
Figure 31: ES-2 Activities included in ecotourism products, according to a survey of tour operators in the tourism Fitur in Spain, 2001.....	95

Figure 32: ES-3 Information sources of Spanish travellers for decision-making, in comparison with other European countries 97

Figure 33: IT-1 Key indicators Italy 99

Figure 34: IT-2 Travel budget of holiday makers in selected EU countries 100

Figure 35: IT-2 Tour operator survey – activities proposed in ecotourism packages offered by Italian tour operators..... 101

Figure 36: UK-1 Key indicators United Kingdom 102

Figure 37: UK-2 Importance of sustainability aspects when deciding about holidays 103

Figure 38: UK-3 Usefulness of caps on tourism according to industry players..... 104

List of Images

Image 1: Altos del Pastaza Lodge, Puyo, Ecuadorian Amazon region	10
Image 2: Túcume Museum in Lambayeque, Peru.....	24
Image 3: Indigenous community near Iquitos in the Peruvian Amazon region	29
Image 4: Agua Blanca – Community based tourism in Machalilla National Park, Ecuador ..	32
Image 5: Hacienda Santa Ana near Cotopaxi volcano, Ecuador.....	41
Image 6: Presentation stage at Vakantiebeurs tourism fair, Utrecht, Netherlands	86
Image 7: Ecuador stand at World Travel Market, London, United Kingdom.....	114
Image 8: Tour operator fair stand at FERN.licht travel fair in Leipzig, Germany	118
Image 9: Arbeitsgemeinschaft Lateinamerika (“Working Group Latin America”).....	121
Image 10: Trade association forum anders reisen	142
Image 11: Guestbook of Tambopaxi Lodge, near Cotopaxi volcano, Ecuador.....	147
Image 12: Authentic meal in the Peruvian Amazon, wrapped in a banana leaf.....	149
Image 13: Peru gastronomic tasting at tourism fair	155
Image 14: Press center at the World Travel Market tourism fair, London, United Kingdom	166

List of Acronyms

50 plus – Demographic market segment with consumers aged 50 years or older

ABTA – Association of British Travel Agents

ABTO – Association of Belgian Tour Operators

ADAC – General German Automobile Club

AHOTEC – Hotel Federation of Ecuador

AITO – Association of Independent Tour Operators, United Kingdom

AITR – Italian Association for Responsible Tourism

AKTE – Working Group on Tourism and Development, Switzerland

ANVR – Dutch Association of Travel Agents and Tour Operators

APOTUR – Peruvian Association of Incoming Tour Operators

APTAE – Peruvian Association of Adventure and Eco Tourism

ARGE Lateinamerika – Working Group Latin America, Germany

ASR – Alliance of Independent Travel Companies, Germany

ATD – Actors of Sustainable Tourism, France

ATES – Association for Fair and Solidarity Tourism, France

ATOI – Agricultural Tour Operators International

ATR – Acting for Responsible Tourism, France

ATTA – Adventure Travel Trade Association, United States

B&B – Bed and Breakfast

B2B – Business to Business

BIT – International Tourism Exchange, Milan, Italy

BMC – British Mountaineering Council

BTC – Belgian Technical Cooperation

CANATUR – National Chamber of Tourism, Peru

CBI – Centre for Promotion of Imports from Developing Countries, Netherlands

CBT – Community Based Tourism

CEVIED – Centre of Exchange and International Travel for Ethical Discovery, France

CMAS – World Underwater Federation, Italy

CMT – Caravanning, Motoring and Tourism Fair, Stuttgart, Germany

CRM – Customer Relation Management

CSR – Corporate Social Responsibility

DIRCETUR – Regional Directorate of Foreign Trade and Tourism (Peru)

DMC – Destination Management Company

DMO – Destination Management Organization

DNP – Sustainable Nature Conservation Peru, Dutch NGO
DRV – German Travel Association
EARTH – European Alliance for Responsible Tourism and Hospitality, Belgium
EC – European Commission
ECEAT – European Centre for Ecological and Agricultural Tourism, Netherlands
EECTA – European Community Travel Agents Association, Belgium
EU – European Union
EU 28 – Group of currently 28 EU member states
EUROSTAT – Coordinating body of the European Statistical System
FAR – Forum Anders Reisen, Germany
FEPTCE – Community-Based Plurinational Tourism Federation of Ecuador
FESPO – Exhibition for Holidays, Sports and Leisure, Switzerland
FIAVET – Italian Federation of Travel & Tourism Associations
FITUR – International Tourism Fair, Madrid, Spain
FUR ReiseAnalyse – Yearly Travel Analysis by the ‘Research Association Holiday & Travel’, Germany
FUTOURIS – Sustainability initiative of the German tourism industry
FVW – Fremdenverkehrswirtschaft International Trade Magazine, Germany
GDP – Gross Domestic Product
GNTB – German National Tourist Board
GSTC – Global Sustainable Tourism Council
INE – Spanish Statistical Office
ITB – International Tourism Exchange, Berlin, Germany
LATA – Latin America Travel Association, United Kingdom
MINCETUR – Ministry of Foreign Trade and Tourism, Peru
MINTUR – Ministry of Tourism, Ecuador
MSME – Micro, Small and Medium Enterprise
MVO – Centre of Excellence for Dutch companies striving towards CSR
NATO – North Atlantic Treaty Organization
NGO – Non-Governmental Organization
OECD – Organization for Economic Co-operation and Development
OPTUR – National Association of Incoming Tour Operators of Ecuador
ÖRV – Austrian Travel Association
PIMTE – Integral Tourism Marketing Plan of Ecuador
PPP – Public Private Partnership
PR – Public Relations

PromPeru – Peru Export and Tourism Promotion Agency

REWE – Revisionsverband der Westkauf-Genossenschaften, a German retail and tourism co-operative group

RTI – Responsible Tourism Institute, Spain

SEM – Search Engine Marketing

SEO – Search Engine Optimization

SETO – Syndicate of French Tour Operators

SITV – International Tourism and Travel Fair, Colmar, France

SME – Small and Medium Enterprise

SNAV – French Travel Agents Association

SNV – Netherlands Development Organization

SRV – Swiss Federation of Travel Agents

SST – Swiss Foundation for Solidarity in Tourism

TDC – Trade for Development Centre, a dependency of Belgian Technical Cooperation

TOP RESA – International French Travel Market, Paris

TTG Incontri – Italian Business-to-Business International Trade Show, Rimini

TUI – Touristik Union International, Tour operator with headquarters in Germany

UGC – User Generated Content

UK – United Kingdom

UNEP – United Nations Environment Programme

UNWTO – United Nations World Tourism Organization

URL – Uniform Resource Locator (for identification of a website)

US – United States of America

USP – Unique Selling Proposition

WTM – World Travel Market, London, United Kingdom

WWOOF – World Wide Opportunities on Organic Farms

Definitions

Cluster

According to C. Ketels, a cluster is “a group of companies and institutions co-located in a specific geographic region and linked by interdependencies in providing a related group of products and/or services.

Clusters share four critical characteristics:

- *Proximity*: the companies need to be sufficiently close in space to allow any positive spillovers and the sharing of common resources to occur.
- *Linkages*: they need to share a common goal (for example, final market demand) for them to be able to profit from proximity and interaction.
- *Interactions*: being close and working on related issues is not enough. For positive cluster effects to occur, some level of active interaction has to be present.
- *Critical mass*: there needs to be sufficient number of participants present for the interactions to have a meaningful impact on companies' performance.”

Source: Move It – EMAS (2012)

Destination Management Organization

According to UNWTO, a “Destination Management Organization is the co-ordinated management of all the elements that make up a destination (attractions, amenities, access, marketing and pricing). It takes a strategic approach to link-up very separate entities for the better management of the destination and is typically led by the ‘destination management organization’ (DMO).”

Source: UNWTO (2014)

Public Private Partnership (PPP)

In tourism, “PPPs bring together stakeholders with different objectives and skills, and resources in a formal or informal voluntary partnership to improve the attractiveness of a regional destination, its productivity, associated market efficiency, and the overall management of tourism.”

Source: UNWTO (2014)

Responsible Tourism

“Having the following characteristics, Responsible Tourism:

- minimises negative economic, environmental, and social impacts;
- generates greater economic benefits for local people and enhances the well-being of host communities, improves working conditions and access to the industry;
- involves local people in decisions that affect their lives and life chances;
- makes positive contributions to the conservation of natural and cultural heritage, to the maintenance of the world's diversity;

- provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local cultural, social and environmental issues;
- provides access for physically challenged people;
- and is culturally sensitive, engenders respect between tourists and hosts, and builds local pride and confidence.”

Source: Responsible Tourism Partnership / Cape Town Declaration on Responsible Tourism (2002)

Sustainable Tourism

“Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment and host communities.”

Source: UNWTO (2005)

Note: There may exist overlapping definitions of responsible tourism and sustainable tourism, with no clear separation between the two, and both terms are often used interchangeably, focusing essentially on the environmental, socio-cultural and economic benefits of tourism for the local population in the destination. While the term ‘responsible tourism’ tends to be used more frequently in the United Kingdom, the use of the term ‘sustainable tourism’ is more commonly found in the countries of continental Europe.

Tour Operator – Inbound

There are many different expressions for inbound tour operators that operate within the destination. Other terms frequently used are incoming agency, inbound agency, receptive agency, receptive tour operator, ground handler, Destination Management Company (DMC) or simply tour operator. Sometimes this type of enterprise is even called travel agency although this term is not appropriate and does not apply within the context of this study.

An inbound tour operator designs and organizes tourism packages for outbound tour operators, taking care of all the details in the destination, such as hiring guides, making hotel reservations, organizing transfers and ensuring that all aspects of an itinerary work together smoothly. An inbound tour operator therefore plays a vital role in ensuring a coherent experience for the tourist travelling with a prearranged package.

It should be noted, however, that a tour operator in the destination can simply capture international tourists locally (thinking of local agencies with presence in the Plaza de Armas of Latin American cities) but does not qualify as an inbound tour operator. Generally speaking, and certainly in the context of this study, the term inbound tour operator is limited to those companies that actively engage in attracting tourists from foreign markets and that maintain commercial relationships with outbound tour operators in Europe. The tour operator companies from Ecuador and Peru that participate regularly in international trade fairs and promotional events qualify as inbound tour operators.

Tour Operator – Outbound

A tour operator in the source or originating market (in the case of this study a European country) that designs and organizes complete packages, usually with flight arrangements

included, is called an outbound tour operator. Since it is challenging to work with many different hotels and tourism providers in Latin America due to geographic distance and the complexity of itineraries, generally European outbound tour operators, usually referred to simply as tour operators, work through an incoming agency in Latin America that organizes all local arrangements and takes care of handling passengers in the destination.

Travel Agency

A travel agency sells travel services, such as flight tickets, travel arrangements, prearranged packages or travel insurances to the final consumer, acting as an intermediary between outbound tour operators and the general public in the source market. It does not design complete tourism packages itself but rather sells these on behalf of an outbound tour operator. The activity of travel agencies is also referred to as travel retail. From a legal point of view, a travel agency therefore does not have the same status as a tour operator. This implies that if a purchased service is not fulfilled as part of a prearranged package during a trip to Peru and Ecuador, the tour operator is liable, not the travel agency that only acted as an intermediary in selling the package. However, in some cases travel agencies also endeavour in the area of tour operating, organizing their own packages at a limited scale, and therefore their legal status and responsibilities may change in accordance with the laws of the respective country.

Travel Intensity

According to a commonly accepted definition by FUR Reiseanalyse in Germany, “travel intensity indicates the proportion of the population with a minimum age of 14 years that takes at least one trip per one year”.

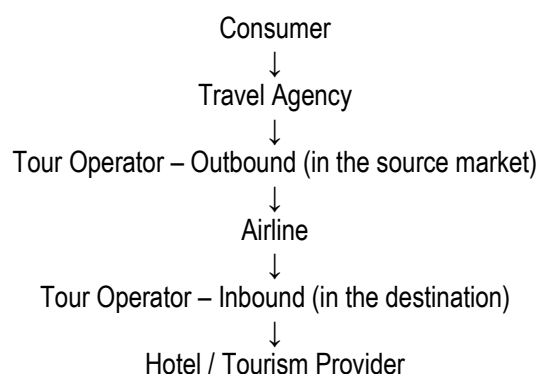
Source: FUR Reiseanalyse (2011)

Value Chain / Tourism Value Chain

“A value chain is the whole series of activities that create and build value at every step of the production process and provision of a product or service. The total value delivered by the company is the sum total of the value built up all throughout the company.”

Source: The Economic Times (2016)

With regard to tourism, the classic value chain is structured as follows:



1 Introduction

1.1 About this Study

This market study has been commissioned by the Trade for Development Centre, a program of the Belgian Development Agency.

The Trade for Development Centre (TDC – www.befair.be) promotes fair and sustainable trade. In developing countries, TDC aims to economically and socially empower micro, small and medium-sized enterprises/organizations (MSME) by enhancing their business and marketing knowledge and by improving their access to markets.

Therefore, conducting market research studies allows these MSMEs to better understand and capture market opportunities, be it nationally or internationally. These market studies are either used directly by MSMEs or by partner organizations (e.g. business support organizations, certification bodies, producer networks) in their day-to-day work to strengthen these MSMEs. Additionally, with its producer support program TDC provides financial and marketing assistance to MSMEs.

Lastly, TDC closely observes the evolution of sustainable markets to inform authorities, civil society, consumers and other economic actors as objectively as possible on the relevance and potential of sustainable trade in Europe and in the South.

1.2 Introduction to the Research Subject

Tourism, one of the world's largest industries, employs more than 235 million people worldwide and generates some 9.2 percent of the global GDP. According to the United World Tourism Organization (UNWTO), the number of tourists is expected to grow to 1.8 billion by the year 2030, offering a great opportunity for tourist destinations to leverage this industry for generating local wellbeing but also putting significant pressure on sensitive ecosystems worldwide.

The Rainforest Alliance believes that forests and other habitats can be conserved and economic needs can be fulfilled by training local communities in best management practices and linking them to markets that value sustainable practices. Accordingly, it offers training and certification services to tourism businesses – including hotels, lodges and ground operators – that provides them with the tools and techniques they need to run efficiently and sustainably. The Rainforest Alliance's definition of sustainability includes conservation of the environment and natural resources as well as respect for traditional cultures. For example, working with forest communities that have the potential of welcoming travellers and leveraging travel and tourism as a means to diversify their economic activities and improve their livelihoods while protecting their local environment and culture.

In Peru and Ecuador, tourism has become one of the most important sources of income and is an important and growing industry. Yet, the majority of operations are MSMEs. These MSMEs lack access to resources to be able to acquire the know-how that will enable them to become more competitive and sustainable. The United Nations Environment Program (UNEP) concluded in its Green Economy report that “the private sector, especially small firms, needs to be mobilized to support green tourism. The tourism sector involves a diverse range of actors. The awareness of green tourism exists mainly in a selection of larger scale firms. Smaller firms are mostly outside this

sphere and diverse supplier groups may not be connected at all. Specific mechanisms and tools to educate small and medium sized tourism related enterprises are critical and are most effective when they are accompanied by actionable items. The increased use of industry-oriented decision support tools, for example, would help speed the adoption of green practices” (UNEP, 2011).

Objective

The main objective of this market research is to improve connectivity of sustainable tourism operations in Ecuador and Peru to the European Union (EU) marketplace by finding the main/potential opportunities of each country, identifying potential buyers, ground operators and destination management companies (DMCs) interested in developing and offering these destinations and finding a sense of market interest from final consumers/travellers.

About the Rainforest Alliance

At the heart of the Rainforest Alliance’s approach is the understanding that the health of the land is inextricably connected to the well-being of those who depend on it for their livelihoods. The Rainforest Alliance advances environmental conservation and sustainable economic development in some of the most vulnerable ecosystems through training, education, technical innovation, and certification.

By linking forward-thinking farmers, foresters and tourism entrepreneurs to the growing global demand for responsibly produced goods and services, the Rainforest Alliance harnesses the power of the market to build a better future for us all. The Rainforest Alliance is a leader in the movement to build a truly ethical global market – one that sees farmworkers and companies, wildlife and foresters, and communities and consumers as part of an interconnected whole.

Responding to a changing planet

By the year 2050, the world’s human population is expected to reach 9.6 billion. As people work to feed, clothe and house their families, they will exert increasing pressure on the Earth’s limited resources, particularly on its most sensitive and unique ecosystems. Although more than 15 percent of the world’s land area is set aside as parks and reserves, at least 1.6 billion people rely on forests for their survival. Economic necessity will continue to drive many of them into protected zones to eke out a living from the land.

That’s why the Rainforest Alliance designs landscape-level solutions that are not only environmentally sound and socially responsible but also economically viable for those who depend on the world’s natural bounty. The Rainforest Alliance helps individuals, communities and companies to transform their land-use and business practices so that they can work sustainably, protect the rights and well-being of people, and conserve the planet’s biodiversity for future generations.

Tourism with a conscience

With more than one billion people traveling the globe each year, tourism is big business. It is also a growing source of revenue for people who live in biodiversity-rich areas. While irresponsible tourism can damage the environment and harm local communities, the Rainforest Alliance has worked with the industry to foster powerful incentives for environmental conservation and community benefits.

The Rainforest Alliance has developed best management practices and conducted training workshops for tourism businesses throughout Latin America and the Caribbean. In the past year, for example, the Rainforest Alliance has provided sustainability training to 55 new small and micro-tourism enterprises in Guatemala, El Salvador, and Honduras. Businesses that comply with their criteria earn the Rainforest Alliance Certified seal, and the Rainforest Alliance works to create demand for their services by encouraging tour operators to partner with them.

The Rainforest Alliance also collaborates with the UN Environment Program (UNEP), the UN World Tourism Organization (UNWTO) and national governments to promote the adoption of sustainable practices. In 2014, for example, the Rainforest Alliance worked with the Ecuadorian government to design a sustainable tourism program to protect Cuyabeno, one of its most precious nature reserves. The government has since adopted a blueprint for the protection of reserves throughout the country, and this work is being replicated across the Andean Amazon region of South America.

Looking ahead

The Rainforest Alliance is proud of all that has been accomplished since the founding in 1987, but climate change coupled with population growth and the increasing demand for natural resources will only heighten the challenges ahead. The Rainforest Alliance will continue to focus on designing landscape-level conservation approaches that stop ecosystem destruction and enhance the livelihoods and climate resilience of rural producers and communities.

The Rainforest Alliance is working hard to accomplish many ambitious goals by 2020, including:

- Train millions of additional producers in environmentally, socially and economically sound practices, and link them to each other so that they are able to share information easily;
- Dramatically increase the amount of land under sustainable, climate-smart management and protect high-risk landscapes from deforestation;
- Expand the market for sustainable products and services;
- Establish new connections with companies across all sectors to make their supply chains more sustainable;
- Engage millions of new supporters to join us in these efforts around the world.

By sharing our knowledge, harnessing technology, building new alliances and strengthening existing ones, the Rainforest Alliance will continue to serve as a leader in the growing global movement for a sustainable future.

1.3 Research Methodology

Scope of the market study

a) Identification of interested tour operators from EU countries

The identification of tour operators will include those that already work with sustainable operations in Peru and Ecuador, as well those that potentially might be interested in doing so. This process will include a review of webpages of European tour operators including any references of sustainability activities, membership directories

of trade organizations in Europe as well interviews done in person, by phone or via electronic survey with representatives of individual companies or trade associations.

b) Identifying tour operators from EU countries willing to support community development by investing in improved conditions

Possibilities of cooperation with the continuous development of tourism MSMEs, such as sustainable accommodation partners or community services, through investment in improved conditions in Peru and Ecuador, will be analyzed, although this is not part of the core business of most European tour operators. Potential measures will be pointed out, especially regarding those tour operators that have close ties to their local incoming agency, which in some cases might be a direct dependency of the tour operator itself, or tour operators that take part in certification systems; thus raising the possibility and potential of such an interest.

c) Market interest from end consumer

Common segments such as ecotourism, birdwatching or adventure tourism will be specified, as well as more specialized and niche activities (for example, the UK market is very much oriented towards highly specialized market niches, such as tourism to appreciate orchids). Other possibilities include offering special courses for people who seek to “return to the roots” and look for well-being, spirituality and an intact environment; people interested in a certain kind of fauna or flora (e.g. wildflowers or butterflies), people interested in very specific activities (e.g. kayaking), as well as educational tourism generated through universities or specialized associations.

d) Approach of the three key players

Recommendations on how to address the three key players (tour operators in general, tour operators willing to actively engage in supporting the development of community services, and end consumers) will be formulated in line with market realities, and will include, but are not limited to:

1. Individual marketing activities such as brochures, web, social media, newsletters, promotional mailings, fair participations;
2. Marketing in cooperation with local, regional or national tourism authorities or trade associations (e.g. with regard to fam and press trips);
3. Marketing cooperations with incoming agencies; or likewise, European tour operators.
4. Cooperative marketing activities among sustainable accommodation services (entrepreneurial networks / marketing clusters);
5. Marketing by partnering with trade associations, as well as with certification systems in the areas of quality and sustainability, in Europe.
6. Personal visits to European tour operator companies, typically before or after major tourism fairs.

e) Key activities

The specification of key activities will include both measures within Peru and Ecuador (i.e. forming of support networks, entrepreneurial alliances, marketing clusters) as well as in Europe (with the key elements of a

marketing mix, as well as partnerships with strategic players in Europe). Based on practical experience, this two-fold approach on both the destination and source market level is very prudent to increase the marketing effectiveness within limited budgets that generally characterize the reality of MSMEs.

For the elaboration of this study, during a visit to Peru and Ecuador in September and October of 2016 some eighty organizations were interviewed, including national tourism administrations, regional / provincial and municipal governments and their tourism directorates or departments, individual enterprises including incoming agencies, tour operators on the subnational level, hotels and eco-lodges, trade associations, destination management organizations, airlines, universities, community based tourism initiatives, national park administrations, tourism consultancies and local and international NGOs with interventions in tourism.

Furthermore, relevant available local sources were reviewed, with research and interviews covering the regions of Lima, Lambayeque, Cajamarca, Amazonas, San Martín, Loreto, Madre de Dios and Cusco in the case of Peru as well as the localities of Quito, Guayaquil, Manglares Churute, Puerto López, Machalilla National Park, Cuenca, Chimborazo, Cotopaxi, Cotacachi (Imbabura) Pastaza (Puyo), Cuyabeno and Yasuni in the case of Ecuador.

The research regarding the European tourism industry covered a review of relevant existing sources, a review of hundreds of tour operator websites in nine European countries (Germany, Austria, Switzerland, Netherlands, Belgium, United Kingdom, France, Italy and Spain) and selective interviews with tour operators and trade associations in the United Kingdom and Germany via phone, electronic survey or in person. In-person interviews were held at ITB 2017, realized in March in Berlin, Germany.

2 Relevance of European Tourism to Peru and Ecuador

2.1 Relevance of European Tourism to Peru

This chapter analyzes the importance of the European market for Peru and Ecuador. Given that it largely deals with country specific analyses, it focuses on data provided by the national tourism administrations of Peru and Ecuador, including additional data by the United Nations World Tourism Organization (UNWTO).

According to numbers offered by PromPeru, the National Promotion Agency of Peru, based in part on global statistics elaborated by UNWTO, in 2014 there were 180.9 million visits to the Americas as a whole. Of these 28.6 million (16%) were arrivals to South America. Peru as an individual country within South America registered 3.21 million arrivals in 2014, thus capturing 1.8% of all arrivals to the Americas and 11.2% of all arrivals to South America.

The graph below, figure PE-1, indicates the 15 top generating source markets for Peru, with red referring to tourist arrivals, blue to tourism receipts. The Latin American neighbors (Chile, Ecuador, Colombia, Brazil, Argentina and Mexico) are among the leading generating countries for Peru, due to geographic proximity. This finding also confirms UNWTO's assessment that most of the travel in the world takes place within world regions themselves.

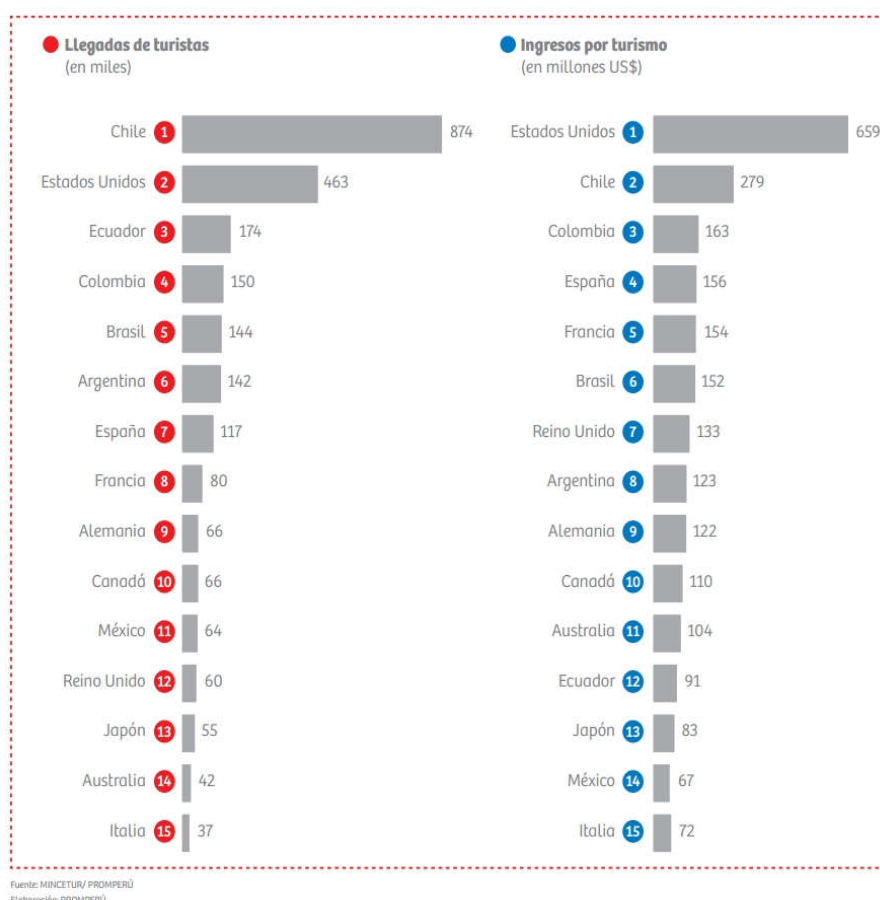


Figure 1: PE-1 Arrivals and income from top 15 generating markets for Peru

Source: Mincetur / PromPeru, Perfil del Turista Extranjero, 2014

Taking into account the Americas as a whole, the United States (“Estados Unidos”) come into play as a very strong source market, due to relative geographic proximity, considerable population size and their economic power; followed by Canada within the North American context, a country with a much smaller population.

In overall terms, the third important player for the destination Peru is Europe, with Western European countries like Spain, France, Germany, the United Kingdom and Italy taking the lead both in terms of arrival numbers (red color) as well as tourism income generated (blue color), in comparison with their European neighbors.

In fourth place is the Asia-Pacific region, with leading source markets such as Japan and Australia topping the list.

2.2 Relevance of European Tourism to Ecuador

For the case of Ecuador, similar overall patterns exist but also some differences. According to data offered by MINTUR, the Ecuadorian Ministry of Tourism, for the period 2015 / 2016, among the top ten source markets again the South and Central American neighbors clearly dominate (Colombia, Peru, Venezuela, Argentina, Chile, Cuba, Panama). North America also plays an important role with the United States (“Estados Unidos”) in second position by absolute numbers, and Mexico in ninth position. The third source market region for Ecuador is Europe, with Spain (“España”) taking a clear lead, being the only European market among the top ten generating markets for Ecuador in the 2015 – 2016 period. Asian countries are not among the top ten generating source markers.

RK	País	2015		2016		% Var. YoY
		Registros	% Part	Registros	% Part	
1	Colombia	59,614	35.2%	43,429	29.8%	-27.1%
2	Estados Uni..	22,466	13.3%	20,821	14.3%	-7.3%
3	Perú	16,686	9.9%	15,648	10.7%	-6.2%
4	Venezuela	6,133	3.6%	8,704	6.0%	41.9%
5	España	5,373	3.2%	5,033	3.5%	-6.3%
6	Cuba	5,129	3.0%	3,350	2.3%	-34.7%
7	Argentina	10,375	6.1%	8,101	5.6%	-21.9%
8	Chile	4,991	2.9%	4,917	3.4%	-1.5%
9	México	2,029	1.2%	2,153	1.5%	6.1%
10	Panamá	943	0.6%	1,722	1.2%	82.6%
	Otros Países	35,649	21.0%	31,454	26.3%	-10.7%
	Grand Total	169,388	100.0%	119,665	100.0%	-14.0%

Figure 2: EC-1 International arrivals to Ecuador: 2015 vs. 2016

Source: MINTUR Ecuador, 2016

Within regard to the data provided for 2016, Spain as a single European country has a market participation of 3.5 %. While this number might seem rather low at first sight, it does not take into account the volume from other European countries which individually may not seem high but adds up to a significant number for the entire European source market.

In fact, with regard to the overall importance the 2014 version of the Integral Marketing Plan for Ecuador (known in its abbreviated form as PIMTE) offers aggregated data for all European countries visiting Ecuador, situating the participation of arrivals of Europeans at 17.56% for the year 2008. Although this data is not as recent, it does accurately reflect the overall importance of the European market concerning inbound tourism to Ecuador, confirming its role as the number three source market region to the country after South America and North America.

However, in order to fully appreciate the economic importance of European tourism to Peru and Ecuador, and Latin America, in addition the following factors must be considered:

Beyond arrival numbers: The difference between Europe and other source markets

In tourism, there exists a so-called time-money paradox. Essentially, it states that people that have a lot of money usually do not have much time (thinking of busy professionals) and that people that have a lot time generally do not have much money (thinking of backpackers). Of course, tourism requires lots of both – money for flights, hotels, food, excursions, entrance fees, souvenirs and the like – and a lot of time to visit all the places of interest. Clearly, the European source market represents the best of both worlds in this regard – Europe is one of the most prosperous regions in the world and Europeans enjoy some of the longest vacations in the world.

How does this play out in practice? Comparing the North American market with the European market in the Latin American context, Americans tend to have shorter stays in long-haul destinations such as Ecuador and Peru (as a very rough estimate, 7-14 days versus some 14 - 21 days for Europeans, depending on the destination and a variety of factors). Consequently, they tend to travel around less in the country of destination, spend more time in key tourism sites and spend more money per day (again, as an overall tendency, Europeans will often stay in 3 - 4 star hotels while the presence of Americans will be felt stronger in the 4 - 5 star segment).

In addition, the following factors are important to be considered:

- As expressed, as a world region, Europe overall takes a third place after Latin America and North America as main source market region. This is a frequently found pattern, consistent with many other Latin American destinations. Even though Europe in its entirety is the biggest source market region in the world, because of the considerable distance it only takes an overall 3rd place in the Latin American context, as generator of arrivals.
- Even though on average the daily spending of Europeans tends to be somewhat less than that of Americans, it is still among the highest among all visitor groups. Consider the net effect of a fictitious example in which a European spends 110\$ a day over a period of 18 days (total spending in the destination: 1980\$) versus a US-American spending 120\$ a day over a period of 11 days (total spending in the destination: 1320\$). The length of stay correlates strongly with the economic impact.
- Targeting European markets is always a healthy diversification strategy given that the individual European markets demonstrate distinct patterns in terms of market trends and consumer behavior. This has significance in crisis situations, for example when one market is affected because of a natural disaster or other issues affecting certain nationals. Consider the scenario of a fatal bus accident due to a landslide, involving seven Italian nationals and the press coverage this would generate mainly in Italy; while the Italian market might respond with fewer arrivals, other nationalities would continue to visit.

Likewise, when one airline from a European market withdraws, other markets are not affected by it; when one nationality does not contribute to occupancy in hotels in a given season, others do. When one Europe market undergoes sudden socioeconomic changes, like Brexit in the United Kingdom or the economic crisis in Spain, others continue unabated with their internal national dynamics.

- A single event can sometimes negatively affect a tourist destination's image for years and there is very little a tourism entrepreneur can do individually once it happens. The key, both from a destination marketing perspective as well as from an entrepreneurial perspective, is to prepare for such an eventuality when times are good, continuously diversifying markets. Diversified tourism companies can much better withstand the ups and downs that inevitably shake up the tourism industry every once in a while.
- Comparing the US market with Europe, overall the seasonality tends to be more balanced in the case of the European market. While the US market often presents strong differences, with many arrivals in high season and few arrivals in low season, the European market tends to present less pronounced differences. It is important to consider that many hotels don't need more reservations in high season when they are booked out anyway – they need higher occupancy rates in low season in order to cover their operational costs. So when adequately diversified, European tourism can play an instrumental role in balancing hotel occupation throughout the year.
- Because they have more time available than travelers from other markets, Europeans travel more to remote places, the ones that need foreign exchange more badly than the typical focal points of tourism activity – thus spreading economic benefits throughout the destination.

Taking into account all of these factors integrally, the economic importance of the European market is often underestimated because generally speaking, arrival numbers are perceived as the decisive indicator. The truly relevant indicator however is the economic impact per tourist which is determined by the following simple calculation:

Number of arrivals

multiplied by

daily average spending

multiplied by

average length of stay.

When this is factored in, the true economic importance and benefit of the European market becomes much more evident.

Furthermore, working with the European market favors a type of tourism development that is in tune with both the possibilities and requirements of a sustainable tourism in Ecuador and Peru – considering relevant factors such as manageable group sizes, visits and value creation in remote areas, a product and target group diversification that go organically hand in hand, and a relative immunity to crisis situations. Europeans, with all their national

differences, are generally appreciated and distinguished for their genuine interest in the culture and nature of the host country, making them ideal visitors to share the abundance of attractions found in Peru and Ecuador.



Image 1: Altos del Pastaza Lodge, Puyo, Ecuadorian Amazon region

Source: Hendrik Wintjen, 2016

Altos del Pastaza Lodge in the Ecuadorian Amazon overlooks the Pastaza river and is surrounded by abundant nature and biodiversity. Instead of focusing on the exploration of the ecology, the lodge has evolved into offering health tourism, offering treatments based on natural medicine, thus diversifying its offer and tapping into new market segments and target groups.

Both destinations analyzed in this study face a central common challenge which is the issue of monothematic tourism underlying most of the tourism activity. Specifically, Machu Picchu / Cusco in the context of Peru and Galapagos in the context of Ecuador capture much of the foreign exchange, leaving an already much smaller piece of the tourism cake to all other regions. Of course, both icons are instrumental in attracting tourists to the countries in the first place. Quite possibly Peru and Ecuador would not receive as much international tourism without these world-famous icons to begin with.

Yet the challenge persists to balance the distribution of economic benefits and to diversify products on the destination level in order to be able to diversify on the demand side also. It is in the hand of policy makers and tourism players in both countries to create the framework for an increasingly decentralized tourism that allows to gradual spread economic benefits beyond the main attractions which, coincidentally, in both cases show some

symptoms of over-visitation. Such a decentralization focus plays a central role in strategies designed to attract returning visitors – the ones that may already have visited these icons on their first trip. In any decentralization strategy, the European market is likely to play a pivotal role.

3 Current Level of Participation of MSMEs with Regard to the European Tourism Market

Tourism, an economic activity driven by MSMEs

In comparison with other industries, tourism essentially is an activity characterized by micro, small and medium enterprises (MSME). Even in the mature European tourism industry, often associated with giants like TUI, Thomas Cook and hotel chains like Accor, Intercontinental and NH Hotels, most tour operators and hotels still fall into the MSME category. A simple review of the contacts contained in the databases that have been developed jointly with this study readily confirms this panorama. As a case in point, most of the tour operators specialized in Latin America are among the smaller companies.

The European Union (EU) defines a small and medium enterprise (SME) as a company with less than 250 employees. In agreement with the general trend, most tourism companies in Peru and Ecuador clearly fall into that category, including hotels, restaurants, tour operators, handicraft vendors and ground transportation companies. Among the few notable exceptions are airlines and large hotel properties, usually part of a transnational hotel chain, or specific singular enterprises such as the main national airport.

The European Union, although it refers to SMEs rather than MSMEs, includes micro enterprises in its definition and categorizes as follows:

- Medium: less than 250 employees
- Small: less than 50 employees
- Micro: less than 10 employees

MSMEs play a dominant role in tourism in Peru and Ecuador

The Ministry for Foreign Commerce and Tourism in Peru (Mincetur) has elaborated a market study of the hotel sector in Peru, analyzing the future demand situation in focal points of the tourism activity. Naturally, one such focal point is Cusco and surroundings, as a main hub of tourism activity in the country. For the case of Cusco, among the bigger investment opportunities that have been identified, building hotels with 50-100 rooms is recommended – which would still fall into the medium category.

The overall projection is clear: with the expected growth of tourism, both Cusco and surroundings likely need new options, mainly in the upscale segment but not necessarily in the luxury tourism segment. Hotels with more rooms are required in the future to absorb the growing demand, but nothing remotely comparable to the big resorts found in the Caribbean. Coincidentally, this reflects a typical pattern of European tourism in non-beach destinations, which most of the time seeks out small and medium sized hotels in the 3 star to 4 star area, although backpackers might want to stay in 2 star places and discerning travelers in 5 star luxury hotels. There are also differences between nationalities – as an overall tendency, the Dutch might prefer somewhat more frugal accommodation while the British or French might look for more refined accommodation options.

Following these established and widely accepted definitions regarding MSMEs, European tourism to Peru and Ecuador takes place primarily in the MSME category, and is mainly characterized by boutique hotels, eco-lodges, haciendas, hostels and moderately sized upscale hotels that often maintain a degree of authentic atmosphere, reflecting the host country's character. This is also the case for some other destinations in Latin America and

notable exceptions can usually be found with regard to large beach resorts in places like the Caribbean coast of Mexico, Cuba, Dominican Republic, Cartagena in Colombia, or in the realm of major city hotels. In the case of Peru, examples of the biggest properties available in the hospitality market are the new 5 star Westin Libertador in the capital Lima with 301 rooms or the Decameron in Punta Sal, in the Tumbes region in Northern Peru, featuring 313 rooms. However, these types of hotels are not typically found in catalogues of European tour operators, and hotel properties of this kind are predominantly frequented by well-to-do travelers of Latin American origin. Similarly, in the case of Ecuador, among the biggest hotels that can be found in the country is the Hilton Colon Guayaquil with 294 rooms or the Decameron Mompiche with 282 rooms, situated on the Ecuadorian coast. Luxury hotels commonly have 0.5 to 1 rooms per employee – basic math puts even some of the relatively large properties still in the MSME category.

Europeans prefer authentic accommodation typical of the destination country

It must be underlined that both Ecuador and Peru, despite extensive coastlines and a number of attractive beaches, are not positioned as beach destinations in Europe, nor is the ambiance of big business hotels in major urban centers what Europeans are mostly looking for. As a case in point, the national Ecuadorian tourism plan underlines that the ideal tourism to be developed is that of circuits covering and linking different parts of the country (namely the four worlds that Ecuador promotes – Andes, Amazon, Coast and Galapagos).

Coincidentally, the typical pattern that in effect plays out with regard to European tourism is that of itineraries, be it packaged or self-organized, which means that tourists usually change hotels every day or two – often staying in hotels in rural areas or smaller towns that again unequivocally fall into the MSME category. However, itineraries might have some key stopping points, implying that visitors stay there for 3-5 days within a larger itinerary. Such is the case with the hubs of tourism activity (Lima, Quito, Cusco, Galapagos) where the average hotel property may be somewhat bigger; but it can also apply to small remote jungle lodges in the Amazon area which may require already quite some time to even get there. Beach stays, such as in Puerto López, Ecuador, also tend to have a duration of a number of days.

Structural limitations of a MSME-driven tourism development

The prevalent hotel structure of MSMEs has the advantage of spreading economic benefits obtained through tourism but can also be a limiting factor for tourism development and market access. For example, the Panamanian Airlines Copa, which maintains agreements with European airlines such as Lufthansa, within the global airline network Star Alliance, as well as with KLM, as part of a code share agreement, transports a fair share of Europeans to their final destination Peru or Ecuador. From its “Hub of the Americas”, Tocumen airport near Panama City, the airline had established international flights to Iquitos, Peru in the past, and then eventually had to give up this air route again.

Among a variety of factors to consider in such scenarios, which may or may not have applied in the mentioned case, a typical challenge is that tour operators of a certain size, in order to work profitably, need to buy a minimum quantity of seats on airlines. However, if the local hotel structure is not in tune with tour operator requirements, allowing room allotments of a certain size, bigger tour operators will not be interested and consequently will not contribute regularly to filling up the seats of any particular air connection. The eco-lodges clustered around Iquitos, gateway city to the Peruvian Amazon, cannot absorb major flows of tourism; expressed vice versa, bigger tour operators cannot easily distribute their passengers among a plethora of small lodges. The

hotel offer relevant to international markets is too fragmented and of a too limited scale to sustain a corresponding air connectivity.

Such a panorama implies that significant tour operator allotments on the airlines serving this destination are not characteristic for Iquitos, even if in theory enough hotel rooms are available in the area. In essence, a critical mass is lacking. More recently, Copa Airlines has opted to connect Panama City with Chiclayo, a city of half a million people and an important hub of economic activity in Northern Peru. Given that Chiclayo has a different hotel structure and better road connections with adjoining regions, while also serving as a focal point for Peruvians, different dynamics might occur, likely favoring many tourism MSMEs in Northern Peru.

Destinations driven by MSMEs require good coordination among stakeholders

In summary, the participation of MSMEs in handling European tourism in Ecuador and Peru is very pronounced which ensures that economic benefits are spread among many tourism stakeholders but also requires very good coordination among many small tourism stakeholders, in order to pursue overarching tourism development goals to their benefit and tackle the challenges mentioned in this chapter.

4 Relevant Market Segments for Tourism to Peru and Ecuador from Europe

The following section analyzes the main market segments relevant to Peru and Ecuador. Sustainable tourism, also referred to as responsible tourism, is not treated separately because more than a segment, it is a transversal, overarching approach that drives many Europeans' travel decisions. In the different sub-segments, it will become evident how sustainable, or responsible, tourism impacts travel choices in multiple ways.

It is important to bear in mind that travelers always have complex, overlapping motivations and that addressing segments and target groups in isolated ways is rarely convenient. There is no point in developing a marketing strategy for caving as a standalone activity, for example. However, if adventure tourists come to a region and caves are available for exploration, then the obvious strategy is to include these in itineraries and market this as one option among others. There are a few exceptions where highly specialized tourism companies may want to focus their marketing on only one aspect, segment or target group. Diving is a case in point, since it fundamentally differs from other activities dedicated to exploring the biodiversity, because of the particular kind of location, equipment and training involved. Fortunately, with the advances in web page design, nowadays it is easy to offer differentiated activity modules that can be highly targeted and specific without obliging the user to navigate through the details of each option. This allows companies to offer a menu of alternatives, providing each potential client with tailored content as required.

One expression of these multidimensional travelers' motivations relates to the type of accommodation used. While many tourists enjoy immersion in rustic nature, adventure and outdoor experiences, they also appreciate a taste of the finer side of life during their vacations. Many itineraries in Latin America therefore include a mix of rustic eco-lodges and upscale haciendas, of chic city hotels and quaint posadas in the countryside. Rather than contradictions, these are simply facets of what tourists typically look for on their Latin America vacation and a sensible mix usually creates a solid base for a successful itinerary.

Note: With each segment, corresponding sub-segments will be presented with additional explanations and references, as well as real-life examples of how the European tourism industry offers products within these. It is recommended to carefully study these examples in order to get a better feel for how the marketplace provides different target groups with highly tailored products within specialized segments. At the same time, studying tour operators' webpages helps to understand how different motivations of clients are integrated in one multi-faceted but still coherent package. For a complete overview of the offer within each European source market, the databases accompanying this study provide indications regarding the specialization of each tour operator.

4.1 Adventure Tourism

While adventure tourism usually takes place in natural settings or places of scenic beauty, the primordial motivation of adventure travelers is to experience a challenging physical activity. Adventure travel comes in many forms and varieties and presents a strong overlap with nature-oriented outdoor tourism. Some of the more relevant types of adventure tourism are described in the table below. The practice of adventure tourism may just require adequate physical strength or on top of that different levels of equipment, in order to be carried out. The range goes anywhere from proper shoe wear to complete diving equipment.

Given the many outdoor activities that are possible in Ecuador and Peru, these two destinations are predestined to receive adventure tourism. It comes as no surprise that European travelers strongly associate the two countries with adventure activities. In addition, in the national tourism and marketing strategy of both countries, adventure tourism is clearly part of the product development, positioning and promotion. Adventure activities can be roughly divided into **Soft Adventure** and **Hard Adventure**. Soft Adventure has a much broader appeal because it allows less physical fit travelers, such as the elderly or simply all those that do not have interest in engaging in strenuous activity, to engage in outdoor activities. While some tourists are happy with a moderate degree of adventure, others actively do seek out physically challenging itineraries, pursuing hard adventure activities such as trekking or caving. Therefore, tourism service providers must be careful and provide an exact idea of the degree of physical fitness that is required for each tour in their itinerary descriptions. They should also ensure that travelers in a given group have similar expectations and degrees of fitness.

Among the markets analyzed in this study, the ones that dominate particularly in the area of adventure tourism are Germany, Netherlands, United Kingdom and France. In general terms, adventure tourists do have more precise ideas concerning their travel plans than the typical mainstream. Therefore, this kind of tourist needs to be catered to with more personalized services; which represents both an opportunity and a challenge for incoming tour operators and service providers. It is important to be prepared for the elaboration of highly customized itineraries while also demonstrating the ability to accommodate special requests. This might relate to details concerning the itinerary or health concerns, for example when traveling at high altitudes in the Andes, or other provisions; for example, when elderly travelers choose to engage in adventure activities.

Table 1: Adventure tourism and main sub-segments

<p>Adventure tourism</p> <p>According to a market study realized by ATTA (Adventure Travel Trade Association) in 2010, which included six source markets, including the United Kingdom, Germany and Spain for the case of Europe, as well as the United States, Brazil and Argentina, 26% of those surveyed in these six countries indicated that they engage in adventure travel activities; in addition, 16% of all international departures were related to adventure travel.</p>	<p>Adventure tourism is an umbrella term for leisure activities that are physically challenging and that frequently include the exploration of untouched, remote or exotic locations.</p> <p>ATTA – Adventure Travel Trade Association is one of the main organizations for adventure travel in the world and has members from around the world, including tour operators from Europe www.adventuretravel.biz.</p> <p>ATTA organizes a yearly adventure tourism fair in a rotating manner in countries around the world, called Adventure Travel Word Summit www.adventuretravel.biz/events/summit/.</p>
<p>Trekking</p>	<p>Involves strenuous, often extensive hikes, usually in mountain settings or around volcanoes, and good physical shape.</p> <p>A directory of UK based tour operators offering walking and trekking trips can be found at http://www.travel-lists.co.uk/travel/listings/categories/holiday-types/active-holidays/walking-holidays</p>

	<p>Some tour operators, such as Walks Worldwide in the UK www.walksworldwide.com or Hauser Exkursionen in Germany www.hauser-exkursionen.de, specialize in trekking.</p> <p>In addition, specialized fairs such as Fiets en Wandelbeurs in the Netherlands www.fietsenwandelbeurs.nl cover this segment.</p>
Mountain biking	<p>Refers to biking with robust bikes in rugged terrain under challenging conditions.</p> <p>Amsterdam based Sawadee Reisen, in cooperation with another Dutch tour operator, Cycletoours, offers an Ecuador biking trip that includes visits to volcanoes, stays in the jungle and waterfalls in the Andes www.sawadee.nl/fietsvakanties/midden-en-zuid-amerika/ecuador/ctecu-fietsreis-ecuador/.</p>
Whitewater rafting	<p>Whitewater rafting is practiced in Europe itself but strongly associated with destinations known for adventure travel, including Ecuador and Peru.</p> <p>Some adventure tour operators offer packages including whitewater rafting trips such as Explore in the UK www.explore.co.uk/multi-activity-holidays/white-water-rafting-holidays.</p>
Diving <p>According to a market study by the Caribbean Tourism Organization, there are some 2.2 million divers in Europe, a market roughly half the size of the US diving market. Main generators of diving tourism in Europe include Italy, Germany, France, and the United Kingdom, with Germans figuring among the heavy spenders. Around 25% of UK divers take an overseas diving holiday every year.</p>	<p>Once a rather small niche, diving now has many enthusiasts across European markets. One of the principal requirements in the context of Latin America is to facilitate up-to-date diving equipment since Europeans cannot bring it along on their long-haul flights.</p> <p>Italy is the official seat of CMAS, The World Underwater Federation, which provides a list of national underwater sports and diving federations from around the world, including Europe http://www.cmas.org/federation-list.</p> <p>Furthermore, France is the seat of the European Underwater Foundation www.euf.eu.</p> <p>In the context of this study, Galapagos is the key diving destination. Northern Peru also offers a few diving opportunities but overall, Peru and Ecuador are not strongly positioned as diving destinations in Europe.</p>
Caving	<p>The exploration of caves is usually not practiced as a standalone activity but included as one aspect of adventure trips, as in the case of British tour operator Contiki, offering a caving experience in the Jumandi cave near Tena, Ecuador http://www.contiki.com/destinations/latin-america/ecuador/tena.</p>

Source: Own elaboration

Legal considerations: Most European markets have a strong consumer protection legislation in place, reflecting the principles laid out in the so-called EU Directive. It is extremely important that Latin American providers take all the required safety measures in the development of adventure tourism. If an international tour operator senses that this aspect is not duly taken care of, there will be reluctance to incorporate a particular offer into an itinerary, since tour operators want to avoid problems with their clients and avert legal consequences at all costs. In addition, just one incident can be enough to damage the reputation of a tour operator, be it through the media or

via comments in online forums and social media channels. Consistent safety practices are therefore the only way to successfully work with the European market.

With regard to direct bookings through the internet, which usually are not subject to consumer protection laws, it is all the more important to demonstrate the seriousness of the company by demonstrating that all pertinent regulations are met and all insurances are in place. One good way is to show membership in an association that regulates the company's activity. In the Peruvian context, a good example is APTAE, the Peruvian Association of Adventure Tourism and Ecotourism which in its Code of Ethics, binding for its members, refers to several safety measures: www.aptae.pe/archivos_up/0025-codigo-de-etica-aptae.pdf

4.2 Nature Tourism

Nature tourism can be divided in **activity-oriented** and **observation-oriented**, or **relaxation-oriented**. As with any segmentation attempt, these are only approximate divisions. The activity-oriented aspects of nature tourism often present a strong overlap with adventure tourism.

The main source markets in Northern Europe, like Germany, the United Kingdom and the Netherlands, have a particular interest in nature-based tourism and at the same time are concerned with sustainability. As analyzed in more detail in the country chapters, nature tourism tends to be on the increase, and along with it goes the wish to travel sustainably and to have some type of reassurance that the trip is organized in accordance with objective sustainability criteria. For that reason, in Northern European countries sustainability labels play a greater role than in other parts of Europe.

All across Europe, there has been a trend to constitute new travel associations and platforms that focus on nature conservation and sustainable travel, as the following (non-exhaustive) list of examples clearly demonstrates:

Table 2: Organizations focused on sustainable tourism in selected European countries

Country	Example of leading organization engaging in nature-friendly, sustainable tourism
Germany	Forum Anders Reisen www.forumandersreisen.de
Austria	Respect – Naturefriends International for Sustainable Tourism Development www.respect.at
Switzerland	Arbeitskreis Tourismus & Entwicklung – Fair Unterwegs www.akte.ch / www.fairunterwegs.org
Netherlands	ANVR – Dutch Federation of Travel Organizations – Sustainable Tourism Initiatives www.anvr.nl/English/sustainable-tourism.aspx
United Kingdom	Responsible Travel www.responsibletravel.com
Belgium	EARTH – European Alliance of Responsible Tourism and Hospitality www.earth-net.eu
France	ATR – Agir pour un Tourisme Responsable www.tourisme-responsable.org
Italy	AITR – Italian Association for Responsible Tourism www.aitr.org/italian-association-responsible-tourism/

Country	Example of leading organization engaging in nature-friendly, sustainable tourism
Spain	Institute for Responsible Tourism www.institutoturismoresponsable.com/en

Source: Own elaboration

As with other types of tourism, a key trend is to focus on **experience**. So rather than observing, the challenge is to organize **immersive experiences** in which visitors can sense and smell the rainforest, stand under that waterfall, dive into that lagoon, camp near those animals, feel that connection with nature and swim with those dolphins. However, as it is easy to imagine, immersive experiences require expertise, careful planning, and respect of limits in order not to disturb ecosystems and the wildlife.

Table 3: Nature tourism and main sub-segments

Nature tourism According to the Rainforest Alliance, nature tourism accounts for about 20% of international travel.	Nature tourism comprises all nature-based forms of travel in general which emphasize the enjoyment of landscapes, ecosystems, fauna, and flora in some way.
Hiking	Hiking represents a universal way of enjoying nature and can be integrated in any product or itinerary. Unlike trekking, the difficulty is modest, thus accommodating the majority of travelers. Some gear might be necessary, such as adequate shoes and a daypack. Wikingen Reisen in Germany is a leading tour operator specialized in this segment, please see example Peru & Ecuador multi-destination hiking trip: www.wikingen-reisen.de/fernreisen/suedamerika/4509.php
Walking	Calmer and more relaxed than hiking, walking allows persons to discover nature, or cities, at a leisurely pace. It does not require any particular equipment or preparation. Usually slopes or uneven and rugged terrain are not involved, making this an ideal activity for guests of the 50+ generation. Walking is more contemplative than hiking. It is also an ideal activity in places with a high density of attractions, especially if interaction with the local population is a desired part of the experience. Exodus Travels offers many walking tours around the world, and one in Peru combining Andes and Amazon: www.exodustravels.eu/de/peru-holidays/walking-trekking/inca-trail-amazon-rainforest/tj-94359 .
Biking	Biking is yet another pleasant and easy way of discovering new places. However, Latin America does not offer the infrastructure and road safety Europeans are used to in their home cities in terms of cycle paths, so cycling is mostly reserved to explore natural landscapes and requires robust bikes, or even mountain bikes, for that purpose. Miller Reisen, a tour operator in Germany specialized in Latin America, offers a tour called "Bike Challenge Southern Peru": www.miller-reisen.de/de/detailanzeige.htm?header=S%C3%BCdperu_Bike_Challenge&detail=true&id=1112

Equestrian tourism / horseback riding	<p>Horseback riding is a universal activity that can be realized by adults and children alike, representing a fabulous way to discover new scenery, for example during farm or hacienda stays. Equestrian tourism goes one step further and uses better horses in more challenging environments that require a certain skillset from experienced riders. Usually each European source market has one or two tour operators specialized in equestrian tourism. UK-based Ventureco specializes in horse-riding holidays: www.ventureco-worldwide.com, including in Peru and Ecuador</p>
Canoeing	<p>Canoeing can be realized at calm lakes and rivers and is an easy activity for most people, including families and children. Some more advanced forms, such as whitewater canoeing, may require special equipment, such as racing canoes made of fiberglass, and are reserved for the more adventurous. The Dutch tour operator FairTravel4U offers canoeing in the Cuyabeno reserve in Ecuador, in a way that does not disturb the wildlife: www.fairtravel4u.org/en/latin-america-tours/cuyabeno-reserve-8-days-paddling-tour</p>
Kayaking	<p>Kayaking can be done on rivers or the open sea and is generally more sports- and adventure-oriented than canoeing. Kayaks are designed to be faster and more agile and have a closed deck, and kayaking is often realized in a more competitive spirit. Ecuador Kajak from Germany is a good example of a very small and highly specialized tour operating company, focused on kayaking in Ecuador: www.ecuador-kajak.com/ecuador/fluesse.</p>
<p>Ecotourism</p> <p>As a sub-segment of nature tourism, ecotourism always places an explicit focus on the conservation of the environment.</p> <p>Ecotourism can be divided into “soft” and “hard”, with no clear line separating the two. The soft eco-tourists are estimated to represent 60-90% of the market and the hard, dedicated committed eco-tourists may represent 10-20%, depending on each market and estimations from a variety of studies. The Northern European markets, especially the UK, Netherlands, and Germany, and to some extent France, are the strongest generating markets in this segment.</p>	<p>Refers to nature-based forms of tourism that seek to protect the visited area by minimizing environmental impact and by fostering mechanisms that help to conserve it (like park entrance fees, donations or the selling of souvenirs, as well as a sustainable management of the visited area). It can be divided into dedicated eco-tourists (that are well informed and hold destinations and themselves up to very high standards) and soft eco-tourists with a more general or even opportunistic interest and a less critical eye. Scottish tour operator Andean Trails offers wildlife observation opportunities and ecotourism activities in Ecuador, marketing a variety of Amazon and Andean lodges in the UK market: www.andeantrails.co.uk/wildlife-holiday-south-america-namibia-vacation/ecuador-eco-holiday-adventure-trip-vacation.</p>

<p>Enjoying landscapes, observation, contemplation</p>	<p>Any tourist enjoys observing the landscape but many times tourists provide the feedback that during tight itineraries there was not enough time to do so. Operators should ensure that their packages always allow for enjoying the natural landscape instead of just rushing from stop to stop. British tour operator Veloso promotes the enjoyment of Andean landscapes in Ecuador by means of one of its many tours: http://veloso.com/ecuador#andean-landscapes</p>
<p>Birdwatching</p> <p>The United Kingdom is the most important source market for birdwatching in Europe.</p> <p>The Royal Society for The Protection of Birds www.rspb.org.uk estimates that there are around 3 million people in the UK that engage in birdwatching every year.</p>	<p>Observing birds in their natural habitat requires extensive knowledge of the terrain and local ecosystem. Some birdwatchers have a general interest in birds and equally enjoy the natural environment where birds can be found, while others have a rather defined interest in observing specific, often rare, or endemic birds. This activity requires highly experienced guides, detailed knowledge of suitable observation spots, accommodation services geared to birders (for example, hotels willing to provide breakfast at 5 am), or camping gear in some cases, and special equipment such as high quality binoculars and bird identification books. Rezzato-based Ornitour in Italy is a tour operator specialized in birdwatching and offers an itinerary for Ecuador: www.ornitour.it/sudamerica_2014.html www.ornitour.it/ecuador_2014.html</p> <p>A key event for birdwatching in Europe is Birdfair in Egleton, Rutland, United Kingdom: www.birdfair.org.uk</p>
<p>Whale and dolphin watching</p>	<p>Examples for this activity are whale watching off the coast of Ecuador near Puerto López or observing pink dolphins in the Peruvian Amazon. In either case, guidelines for not disturbing the animals should be observed at all times. An operator offering whale watching in Ecuador is the Spanish company Rutas10 with offices in Bilbao, Madrid and Barcelona: www.rutas10.com/america/ecuador-galapagos-10462.html.</p>
<p>Observation of animals in general – mammals, reptiles, amphibians, insects</p>	<p>Among the species that tourists like to observe are the Spectacled or Andean bear, jaguars, or poison dart frogs. Naturetrek in the United Kingdom offers a circuit called “Ecuador’s mammals”, diversifying upon previously developed birdwatching tours and highlighting the role of well-equipped Amazon lodges in these more advanced explorations of biodiversity: https://naturetrek.co.uk/tour.aspx?id=593.</p>

Butterfly spotting	<p>Many travelers are attracted by beautiful butterflies such as the Blue Morpho and enjoy observing these in open nature as part of an overall ecological excursion or in butterfly gardens, observatories, farms or conservatories. Depending on the level of interest and target group, both varieties may be combined in one tourism package. In some source markets, special organizations dedicated to butterflies exist, such as the Butterfly Conservation in the United Kingdom: www.butterfly-conservation.org or the Society for the Protection of Butterflies in Germany: www.ufz.de/european-butterflies/index.php?de=17421</p> <p>German tour operator Erlebe Fernreisen offers Ecuador packages with butterfly (and hummingbird) observation in the cloud forest of Mindo, Ecuador: www.erlebe-ecuador.de/reise-baustein/ecuador/kolibris-und-schmetterlinge-mindo/</p>
Botanical tourism	<p>Many Europeans have a great interest in the appreciation of flowers and gardens. As a case in point, the Bundesgartenschau (Federal Garden Show) carried out annually in a rotating manner in German cities mobilizes up to 8 million visitors. Every major city in Europe has at least one botanical garden. A number of tour operators specialize in botanical tours (see database), such as Ramblers Holidays in the UK: www.ramblersholidays.co.uk/walking-and-flower-holidays</p>
Orchids	<p>As one variety of botanical tourism, orchids draw the attention of many people – usually as one aspect of a broader itinerary, often involving a mix of orchid farms, botanical gardens, and local flower markets. However, some European tour operators offer packages focusing specifically on the appreciation of orchids, like the British tour operator Naturetrek with the tour “Andean Flora of Ecuador”: www.naturetrek.co.uk/tour.aspx?id=77 and many countries have orchid societies, such as the Orchid Society of Great Britain: www.osgb.org.uk</p>
Volcanoes	<p>Since volcanoes are not as common in Europe as in Latin America, many Europeans have a fascination regarding the observation of volcanoes, preferably active ones, or climbing them. While most Latin America-focused operators include the observation of volcanoes in some way, a handful of tour operators specializes in this segment, with some even named after the activity, such as French tour operator Aventures et Volcans www.aventurevolcans.com or Volcanic Experiences in the United Kingdom: www.volcanicexperiences.co.uk. Adventurous trekkers prefer climbing a volcano, and corresponding offers can be found at many tour operators specialized in trekking.</p>

Photo safari	Many travelers enjoy taking photos and some dedicated aficionados aim to take high quality photos of landscapes, flora and fauna, often with sophisticated and expensive photo gear. Tours designed to satisfy these target groups accommodate specific needs, like operating in certain light conditions, being close to animals, traveling to remote areas or taking pictures at very early or late hours, with stops that truly adjust to the requirements of photographers. The Swiss tour operator Fotoreisen offers a photo safari to Ecuador that is accompanied by an expert biologist and photographer: www.fotoreisen.ch/index.php/ecuador
---------------------	---

Source: Own elaboration

4.3 Cultural Tourism

All analyzed source markets share a high interest in cultural tourism. On one side of the spectrum there are the outright culture buffs who want to learn everything about historic sites and who plan their days carefully to visit as many museums as possible. This kind of tourist tends to be well-armed with guide books and often prefers to hire a personal guide. On the other side of the spectrum, there are those travelers that visit cultural sights more by chance. For example, a family with two children might look for a beach hotel and only visits a museum about maritime culture because it happens to be nearby and it is easy to reach.

An interesting characteristic of the European market is that the relatively long lengths of stay facilitate that travelers book round trips and complex itineraries within the destinations. This allows them to visit not just the main attractions, often found in the capital or main tourism hubs, but also in the countryside and in remote rural locations, where they may want to appreciate smaller touristic gems or living cultures rather than churches and monuments. Because of this effect, European travelers can be instrumental in spreading economic benefits to rural areas.



Image 2: Túcume Museum in Lambayeque, Peru

Source: Hendrik Wintjen, 2016

While both Peru and Ecuador share an Inca heritage, there are also pre-Incan cultures that capture the attention of European travelers. Those visitors interested in going beyond Machu Picchu, undoubtedly one of the main icons of South America, often consider Northern Peru as an option to enhance their understanding of Peru's rich cultural heritage. One interesting site to visit is the Túcume Museum near the city of Chiclayo, shown in the picture above.

Table 4: Cultural tourism and main sub-segments

<p>Cultural tourism</p>	<p>Cultural tourism focuses on the cultural, historical, archeological, architectural, or religious aspects of a destination, both in tangible form (monuments) as well as in intangible form (music, traditions, folklore, art). To learn about Latin American culture represents one of the fundamental motivations of Europeans visiting the region, present in almost any trip. A good example of a European tour operator specializing in cultural tourism is 7Plus Reizen in Zaventem, Belgium, offering a variety of packages to Peru: www.7plus.be</p>
--------------------------------	--

City tourism	Cities are focal points of cultural tourism, condensing a plethora of aspects such as churches, monuments, architecture, museums, arts, theater and so. Sunvil, a British tour operator, includes many Peruvian cities in the “Comprehensive Peru” package: www.sunvil.co.uk/traveller/south-america/peru/example-itineraries/comprehensive-peru , offering an itinerary packed with cultural sights in and around cities in Northern and Southern Peru, a good example of how the multidimensional motivations of tourists are addressed in practice. Europeans themselves are used to an extraordinary cultural diversity and are usually interested in learning about some aspect(s) of the local culture, with the cultural variety that only cities can offer as an obvious starting point.
Study tourism	Study tourism refers to a deepened form of cultural tourism with tourists taking great interest in the facts and details surrounding historic and cultural events. This kind of tourism is often undertaken by travelers with an academic background who are very familiar with a country's history and background or simply wish to obtain more profound insights about history, culture, politics, society, anthropology, among others. A well-known German study tour operator is Studiosus, offering a range of study tours in both Peru: www.studiosus.com/Peru and Ecuador: www.studiosus.com/Ecuador
Heritage tourism	Many Europeans take great interest in learning about the colonial legacy of the Spanish in Latin America, sometimes motivated by previous visits to Spain. Dutch consumers, with their characteristic open-mindedness and curiosity, are particularly interested in learning about remnants from the past. The Spanish are also motivated to learn about their cultural legacy in Latin America. Tour operator Martin Randall is well known in the British market for organizing cultural tours with focus on heritage and archaeology and offers an itinerary “Peru: the Andean Heartland – Pre-Columbian to present day”: www.martinrandall.com/peru-the-andean-heartland
Archaeological tourism	<p>A type of tourism concerned with the discovery of ancient sites, ruins and the legacy of past civilizations such as the Incas. Archaeological discoveries play a role in the mind of many Europeans, popularized by many “Discovery Channel” type of TV programs or expressed through organizations such as the British Archaeological Association www.thebaa.org or magazines such as the Archeologie Magazine in the Netherlands www.archeologieonline.nl/magazine. Dutch travelers, known for their spirit of exploration, are particularly lured to discover ancient civilizations.</p> <p>Arvel Voyages, a company known for solidarity tourism in France, offers a cross-border itinerary combining Northern Peru with Ecuador, with focus on the main pre-Inca archaeological sites: www.arvel-voyages.com/Expedition_PerouNord_Equateur.html</p>

Living cultures	One of the remarkable characteristics of destinations such as Peru and Ecuador is that living cultures still uphold centuries-old traditions in daily life. Since these are not common in Europe, they are of great interest to Europeans. Redturs, the Latin American Community Based Tourism Network, promotes this kind of tourism at its "Latin American Living Cultures Portal" www.redturs.org , which includes experiences in Peru and Ecuador. The site also includes databases of European tour operators offering this type of tourism on its homepage.
Indigenous tourism	As one expression of tourism interacting with living cultures, indigenous tourism (sometimes also referred to as aboriginal tourism) is particularly relevant in Latin America and focuses on learning about, and possibly participating in, traditions of indigenous people. Spanish tour operator Nadiu Viatges offers a "journey to the indigenous Peru": www.nadiuviatges.com/es/viaje-peru-indigena/ . The remote location of some indigenous communities, rather than representing an access problem, is part of the attraction or adventure, if properly communicated to the market. The British edition of National Geographic Traveller has published an article highlighting indigenous tourism, citing Ecuador as one prominent example and mentioning tour operators that offer corresponding packages: www.natgeotraveller.co.uk/smart-travel/features/real-life-indigenous-tourism/ .
Gastronomic tourism	Gastronomy is an important expression of a destination's culture and many destinations, tourism companies, media and travelers focus on gastronomic aspects. While it is usually tied into local customs and traditions, good gastronomy can be created anywhere and can considerably enhance whatever experience a destination has to offer. Based on their rural traditions, Peru and Ecuador are also well positioned to tap into the Slow Food movement (see examples of local initiatives at www.facebook.com/Slow-Food-Peru-194985747232673/ and at www.facebook.com/slowfood.quitoecuador). Peru is now world famous for its cuisine and gastronomy, which can be easily included in any package with different connotations – like an upscale restaurant in the capital Lima, as healthy and organic in a wellness spa or simple and as hearty in a family-run rural accommodation. Paris based company Images Du Monde offers a gastronomic tour in Peru to the French market: www.images-du-monde.com/voyage/1-amerique-latine/15-perou/circuit/197-circuit-gourmand-au-perou/
Wine tourism	As one manifestation of gastronomic tourism, wine is a topic of interest to many Europeans. Pisco is also an important element to consider in the context of Peru, and although wine is not a strong theme in Ecuador, its cultivation in some locations can be tied to the history of the Incas who first started cultivating it a long time ago. America Special Tours with offices in Munich, Germany, offers a culinary itinerary that includes a visit to a winery and the tasting of Pisco: www.america-special-tours.de/kulinarische-peru-reise/

Source: Own elaboration

4.4 Rural Tourism

Latin America in general offers many natural spaces, untouched landscapes, and scenic beauty, as well as rural communities dedicated to a traditional lifestyle. Certainly, Peru and Ecuador are not the exception. In other words, rural tourism can readily be developed and is fully in line with many the expectations and aspirations of many Europeans. Rural tourism presents an overlap with nature and adventure tourism but the emphasis here is on the authentic life in the country side, experiencing the traditions of the locals, blending into the local lifestyle, and enjoying authentic encounters with the local people, often by sharing their daily activities and way of life.

Table 5: Rural tourism and main sub-segments

Rural tourism	<p>Rural tourism allows visitors to experience, and possibly partake in, rural life. It may include interaction with communities and their traditions, farming activities, enjoyment of nature and outdoor activities, usually in beautiful rural surroundings.</p> <p>Sommer Fernreisen is a German tour operator specializing in the destination Ecuador. The company philosophy, as an expression of the “Ecuador Discover” brand, highlights the commitment to foster sustainable forms of tourism that benefit rural populations in the Andes, the Amazon region and on the coast: www.ecuador-discover.de/das-unternehmen/wir-stellen-uns-vor/</p>
Community based tourism (CBT)	<p>Community based tourism refers to visits to a community, often in form of stays beyond a day tour, to learn about the local traditions and share everyday activities with the community. It is a growing segment in European tourism but also one that has to be put into proper context in order to continue to grow and generate tangible benefits for communities. Most CBT experiences are organized in combination with more traditional forms of tourism, i.e. stays in 3 or 4 star hotels. So a two-week itinerary might include a CBT experience for 3 days and 2 nights, offerings a glimpse of the authentic rural life. Most Europeans, however, will not go beyond that because they want to be pampered during their trip after working hard for it and will appreciate the usual creature comforts for most of their stay. One way for CBT establishments to extend the average stay or attract more customers is to scale up on quality and facilities.</p> <p>Most CBT tourists come from Northern European countries such as Germany, the United Kingdom and Netherlands, and are usually well educated and very interested in the host country realities. Some tour operators include CBT in their itineraries and additionally provide support through activities focusing on Corporate Social Responsibility (CSR), like Berlin-based Viventura does in the Ecuadorian Amazon: https://blog.viventura.de/749-ecuador-gemeindebasierter-okotourismus-im-amazonas.</p> <p>With regard to the UK market, overland tour organizer Dragoman works with the CBT philosophy on its Community Inca Trek in Peru, including communities in the itinerary while providing additional support through projects at the same time: www.dragoman.com/about-us/responsible-travel/our-projects/item/1041-tarpuy-yachay-community-inca-trek-peru</p>

Farm stays / Agrotourism	<p>Farm visits and stays are a sub-segment of rural tourism and focus on learning about life on a farm and being in touch with a rural environment. A special version is visiting or staying on a coffee farm, since many Europeans take great interest in coffee, in order to learn about the coffee production process. Many tour operators include visits to farms or even focus exclusively on farm tourism such as Bay Farm Tours in the UK: www.bayfarmtours.co.uk/tours_more.asp?tour_id=22&tour_name=Peru&our_type=1. Agrotourism, as this segment is also referred to, is an important market segment in Italy, the country where the concept initially took hold.</p> <p>The organization WWOOF (World-Wide Opportunities on Organic Farms) facilitates opportunities to live and learn on organic farms worldwide and has offices throughout Europe and Latin America, including Peru and Ecuador: www.woofinternational.org</p> <p>There also organizations that facilitate farm stays on a national level, like Farmarbeit in Germany: www.farmarbeit.de.</p> <p>Typical offers include taking care of horses on a farm in Peru or Eco-Volunteering on an Ecuadorian Hacienda.</p> <p>Beyond general interest agrotourism, there are also trips specifically geared towards the target group of farmers that wish to learn about farm practices in other countries. A portal listing many of these tour operators, and also general interest ones, is provided by Agricultural Tour Operators International: www.atoi.org/en/tour-operators.</p>
Home stays	<p>Home stays focus on living with a family in the host country that can be from all backgrounds in society – a middle-class family in the capital or a rural family in a remote area. Home stays sometimes tend to be less driven by authenticity and more by comfort and are longer, often linked to such purposes as language study, doing research or an internship. An example of a genuinely Peruvian home stay experience is offered by British tour operator Tribes in the Lake Titicaca area: www.tribes.co.uk/Peru/amantani-island-homestay.</p>
Hacienda stays	<p>Hacienda tourism is a more upscale experience and refers to staying in often luxurious haciendas. The idea is less to cooperate with daily activities but rather to enjoy the refined ambiance in beautiful rural settings. The Dutch tour operator Ander Licht Reizen, for example, offers a whole range of Hacienda stays in Ecuador: www.anderlicht.nl/hacienda-santa-ana.htm.</p>

Source: Own elaboration



Image 3: Indigenous community near Iquitos in the Peruvian Amazon region

Source: Hendrik Wintjen, 2016

Rural tourism can create economic opportunities for indigenous communities, like this one near Iquitos, gateway to the Peruvian Amazon; by creating a source of income complementary to other existing activities, such as agriculture. When local traditions are shared as an authentic expression of the local culture, both community members and tourists can have a mutually enriching experience.

4.5 Tourism with Social Orientation – Volunteer Tourism

Volunteer tourism is driven by idealism and a strong desire to gain a new perspective on things, beyond what an ordinary vacation can offer. A keen interest in more authentic interactions with local people, beyond the routine stops of well-oiled tourism itineraries, is also a strong driver for people to engage in volunteer tourism, or voluntourism. While not limited to younger people, many volunteers are indeed of a younger age and therefore have restricted travel budgets. The contribution these travelers want to make is in terms of time, work, or know-how, not money; which they may not have much of because they tend to be at the starting point of their professional careers. On the other hand, financially better-off elder volunteers might have a feeling that it is time to give back after having taken many traditional trips geared towards pleasure and fun, realizing that travel can also be a way of creating benefits for the visited countries, and might be more inclined to combine time and work with actual financial donations.

Volunteer tourism can be a topic of debate and has been criticized for its lack of effectiveness in bringing about substantial improvements to the people visited. So as with anything, it has to be organized carefully, for example by a local tour operator and NGO. Ideally, different efforts from different volunteers should compound into something tangible for a community over time, and a tour operator may require outside orientation from a reputable NGO to focus correctly the kinds of interventions that are organized. If this is accomplished, however, then volunteer tourism can be very valuable and an expression of a broader commitment that a company has with the destination. Well implemented, volunteer tourism can also facilitate donations and other kind of support when participants have returned to their home countries, creating word of mouth, and attracting new volunteers and visitors.

Project tourism differs in the sense that it focuses on a specific project that is carried out by a local or international NGO, or the tour operator itself. Usually it means for a tour company to show its engagement for the benefit of a destination, and also to highlight a possible participation of the visitor in it, for example when project activities are part of the overall tour package price.

In a more generic sense, **pro poor tourism, ethical tourism, fair tourism**, etc. seek forms of tourism that, while no specific community or project may be involved, ensure benefits for the visited destinations. Travelers increasingly seek out operators that have understood how to contribute to the wellbeing of local populations through their itineraries and activities. Possible ways to accomplish this might include anything from luxury hotels that have favorable working conditions for their employees, to visiting grass roots level initiatives that create economic opportunities for vulnerable parts of the population in a visited area. These types of tourism can be understood as universal approaches that can be applied to a number of types of tourism. A rather common approach is simply to ensure that accommodation and other services are owned and managed locally, to warrant that economic benefits stay in the visited region.

Table 6: Volunteer tourism and related sub-segments

Volunteer tourism	<p>This kind of tourism aims to support some cause in the destination (often social, economic or environmental) without receiving any financial compensation for it. While all age groups can be engaged in volunteer activities, the dominant age group involves young people.</p> <p>Globalteer is a UK charity offering volunteer stays worldwide, including in Manu, Peru: www.globalteer.co.uk/volunteer-projects.aspx?project=peru-amazon-rainforest-project.</p> <p>In France, Projects Abroad offers a broad variety of volunteering opportunities, including in many Latin American countries: www.projects-abroad.fr/pays/perou/. Options include areas as diverse as archaeology, ecology, culture, arts, training, agriculture, marketing, health, and many others.</p>
--------------------------	--

<p>Project tourism</p>	<p>This kind of tourism is directed towards visiting projects and initiatives to understand how they benefit the local population. Projects might relate to tourism (community based tourism) or not (example: biogas installation in a village for energy). AITO, the Association of Independent Tour Operators in the UK, provides an overview of projects supported by members around the world, some of which can be visited during tours: www.aito.com/sustainable-tourism/members-projects/2</p> <p>In Spain, the tour operator Tarrana offers “sustainable tours”, among these a trip to Ecuador that includes visits to communities with different entrepreneurial activities, designed to foster the local economy and protect the local culture and nature: www.taranna.com/viaje-a-ecuador-responsable/</p>
<p>Pro poor tourism</p> <p>Note: Not to be confused with poverty tourism which is a kind of tourism focused on visiting poor areas, such as big-city slums.</p> <p>Pro poor tourism is a small market niche that, because of its name, usually is not marketed as such but represents a legitimate way of seeking ways to benefit economically disadvantaged people through tourism. Pro Poor Tourism focused operators usually have a deepened understanding of the economic mechanisms and impacts of tourism, and trickle-down effects in communities, or absence thereof.</p>	<p>This tourism explicitly aims at economically benefitting a part of the population that is usually not participating in a relevant way in the tourism business. Pro Poor Tourism can be conceived as community based tourism but also as a so-called inclusive business concept, implemented by large tourism companies such as luxury resorts or big tour operators. A wealth of information about pro-poor inclusion mechanisms as well as mentions of tour operators and case studies can be found under www.propoortourism.info, including concrete examples of Peru and Ecuador.</p> <p>Vision Du Monde, a French tour operator, aims at improving the livelihoods of the local population and at financing sustainable development projects, including in Peru: www.visiondumonde.org/66-perou.</p>
<p>Ethical tourism</p>	<p>Ethical tourism strives to benefit visited communities in a broader and ethical sense, including economic factors, but also covering aspects such as the environment, human rights, rights of women and children, cultural identity, and self-determination of visited communities. An example in practice is offered by the British Mountaineering Council www.thebmc.co.uk/uk-tour-operators-with-policies-on-porter-working-conditions, a page that lists UK tour operators that look after adequate working conditions for Peruvian porters on the Inca Trail, as reported to the UK organization Tourism Concern. Tourism Concern has also set a group of ethical tour operators providing a profile of each tour operator company: www.tourismconcern.org.uk/category/etog/page/3/</p>

Fair tourism	Fair tourism is related to ethical tourism but emphasizes the socioeconomic aspect of tourism. An example with a revealing company name is the Dutch tour operator Fair Travel: www.fairtravel.nl . In the same line, the British tour operator Sumak has created a line of packages called fair trade adventures: www.sumak-travel.org/fair-trade-adventures/
Solidarity tourism	Solidarity tourism is closely related to the previously mentioned concepts but emphasizes a two-way relationship or dialogue between visitors and visited, which goes beyond simply conceding economic benefits. It reflects a more eye-to-eye way of setting up a tourism partnership. The France-based event Solidarissimo: www.sitvcolmar.com/fr/solidarissimo-un-salon-unique-en-europe , as part of the SITV fair in Colmar, is dedicated to this segment and tour operators that define themselves as organizers of solidarity trips, such as Double Sens, tend to participate every year. To put it in the words of Double Sens, within this philosophy the tourist is “part of a human and authentic adventure”: www.doublesens.fr .

Source: Own elaboration



Image 4: Agua Blanca – Community based tourism in Machalilla National Park, Ecuador

Source: Hendrik Wintjen, 2016

The self-administered community of Agua Blanca organizes community based tourism within the Machalilla National Park on the Pacific coast of Ecuador, offering a variety of services such as accommodation, gastronomy,

guided excursions, a local museum, spa treatments and handicraft, as shown above. Both Peru and Ecuador offer sustainable tourism experiences in which communities live in harmony with nearby protected areas, within a regulatory framework provided by the national park administration that values communities as close partners in the field of conservation. Many Europeans have a keen interest in such experiences and enjoy educating themselves about them.

4.6 Educational and Research Tourism

Educational and research tourism lures people to faraway destinations because they find rich possibilities for learning and understanding new aspects of topics that may not be available back home. These trips can be undertaken individually, based on personal motives, but are frequently tied to a school, university or have a professional background of some sort. But in contrast to the already mentioned study tourism, the primordial driving factor is not tourism or leisure but investigation, education and expanding one's horizon – against the pleasant backdrop of travel. Although this represents only a small market niche within the European market, sometimes very specific interests can bring somebody to a destination and then lead from a first time visit to a return visit with a more leisure-oriented travel motivation. Facilitating such study trips within the destination usually requires some knowledge or affinity regarding the topic that is being researched. If a Latin American tour operator does not have such knowledge, it can be acquired through temporarily hiring an external expert in the field.

Table 7: Educational and research tourism and main sub-segments

Educational and research tourism	Under this umbrella term, several types can be distinguished, related to the motive, background, intensity and depth of the educational experience. Some options are presented below. World Strides, one of the main tour operators in this field in the United Kingdom, offers educational student travel around the world, including Peru. The company is part of the biggest network for educational travel in the world, headquartered in the United States: http://worldstrides.co.uk/education/tour/treasures-of-peru/ https://worldstrides.com
Educational tourism	Refers to tourism with an educational component, but not as part of a formally established study or academic program. German tour operator Museumsreisen in Berlin offers highly personalized educational tours to select destinations, including Peru and Ecuador: www.museumsreisen.com/reisen/chile-und-peru/ www.museumsreisen.com/reisen/galapagos/
Research tourism	Can be organized independently or as an aspect of internships or school / university programs, and usually involves visiting areas related to topics such as ecology, biodiversity, anthropology or cultural heritage. Often takes place through study groups sharing interest in a common research topic. It may vary with regard to the depth of the research. Many universities, foundations and other institutions offer pages in which they explain funding opportunities to undertake research, one example being www.rcuk.ac.uk/international/funding/fundingopps/ by Research Councils UK.

Special interest	Any kind of specialized tourism can and is usually classified as special interest (segments like birdwatching, which are covered throughout the document). In the present context, the term instead refers to tourism oriented to investigate highly specialized topics with a clear academic or scientific motivation, for example volcanism, effects of climate change or the effects of tourism on social structures in the destination. Usually it is reserved to small groups of highly specialized, professional researchers. A specialized company in the Netherlands, Study Tours, organizes tailor-made study tour and business tour programs for groups of participants with an academic background worldwide: www.studytours.nl
Language study	Spanish is the fifth most important language spoken in Europe. Many Europeans would like to learn it, or improve their level of proficiency, albeit in more exotic locations than Spain. While language study usually takes place in cities like Quito or Cuenca (example: tour operator Boa Lingua from Switzerland: www.boalingua.ch/sprachaufenthalt-spanisch-in-ecuador-suedamerika/sprachschulen-in-cuenca-ecuador-suedamerika.htm), it is also available in rural or beach areas like Montañita in Ecuador or even some Amazon lodges. Thus, language study can easily be combined with other travel motivations and product lines, and thus create an added value for the foreign visitor. It also represents an excellent way to accomplish extended stays by visitors, in benefit of the destination.

Source: Own elaboration

4.7 Health and Wellness Tourism

Europe has an aging population with low birthrates. Just to compare the average age of the source markets analyzed in this study, versus the destinations under consideration, provides an immediate insight:

Median age per country (in years)	
Germany	46.8
Austria	43.8
Switzerland	42.2
Netherlands	42.5
Belgium	41.4
France	41.2
Italy	45.1
Spain	42.3
Median age per country (in years)	
Ecuador	27.4
Peru	27.7

Figure 3: Median age of selected countries in Europe / Latin America

Source: Wikipedia / CIA World Factbook, 2016

This panorama of an aging European population is the main driving factor for the wellness trend in Europe. As a mega-trend, it truly permeates all forms of all travel. Increasingly, the European hospitality industry creates barrier-free hotels which might feature seemingly insignificant details such as an elevator, walk-in showers with extra handles, emergency switches in hotel rooms and remote controls with big buttons. Usually these hotels do not announce themselves as “barrier-free”, “50+” or anything like it but clients appreciate these often-unnoticed details and keep coming. Other details frequently include soundproof windows and healthy bio food in the restaurant. In addition, wellness travel has of course its own independent classification and sub-segments as such. Europeans are getting older, and they are willing to spend money to stay healthy, feel well and enjoy comfort – including during their travels. In addition, many Europeans are increasingly concerned with the deeper questions of life and see travel as one way of finding meaning.

Health and wellness tourism, as the title suggests, has two strong currents that play into each other but have a different focus. **Health tourism** is primarily geared towards maintaining and restoring health and often related to specific medical conditions. Most of the health tourism originating in Europe also takes places in Europe, given the excellent infrastructure of hospitals, treatment centers and spa resorts available. In addition, for Europeans it is much easier to get insurance coverage of their health treatments staying within their own country or within Europe. Therefore this aspect shall be dealt with only briefly.

In contrast, in the context of tourism from Europe to Latin America, **wellness tourism** is a much more widespread phenomenon and presents many overlaps with nature-oriented tourism, since immersing in untouched landscapes, either through leisure activities or by contemplating them, is seen as one way of returning to a state of balance and well-being. Often the concept of wellness includes both physical as well as spiritual aspects.

Table 8: Health – wellness – spiritual tourism and related sub-segments

Health – wellness – spiritual tourism	<p>This segment corresponds to an increased concern for health and wellbeing among travelers which reflects a wider trend in society. While there are sub-segments, frequently there is a strong overlap among these. TourVital, a Cologne-based tour operator now belonging to the Thomas Cook Group, is an example of the growing health and wellness trend, offering wellness travel but also tours with accompaniment by a medical doctor, reflecting the increasing importance some travelers, especially the elderly, place on health aspects during their travels: www.tourvital.de/tvrproduct/LIM01CA/peru-und-bolivien-welt-der-inka-und-anden/</p> <p>In this specific case (Peru and Bolivia itinerary), clients value the presence of a doctor due to the altitude in the Andes.</p>
Health / medical tourism	<p>Health tourism can be of a general kind, seeking general health benefits, but often is specific, geared towards specific medical conditions (in the latter case, implementation can be challenging because it requires qualified medical advisory and might imply legal consequences in the case of malpractice). With a high standard of medical care in Europe, health tourism is not a strong segment but might be cost-driven in some cases. UK citizens check for health care options, including Latin American ones, at portals such as Treatment Abroad: www.treatmentabroad.com. Obtaining dental treatment is one of the more frequent forms of health tourism and is</p>

	often done in combination with a regular tourism itinerary.
Wellness Wellness is a megatrend in European travel. Even if many trips are not labeled this way, they increasingly include elements of wellness geared towards an aging European demographic group. Latin American hoteliers should take notice – success lies in an eye for details.	In comparison with health tourism, wellness tends to be much less specific and more oriented to achieve an overall state of wellbeing and sense of balance through activities such as exercise (often for weight loss), massage, ayurveda, yoga and similar. To achieve this, hotels realize corresponding activities, have special facilities, or position themselves as spas, creating an integral (and often luxurious) experience geared towards that goal. High Fives in London is a case in point and offers a wellness package in Peru called "Culture, Calm and Cuisine" which combines "colonial and Inca locations with rejuvenating multi-day spa treatments in a luxurious setting": www.highlives.co.uk/wellness/peru-culture-calm-and-cuisine/
Spiritual tourism	This type of travel focuses on getting away from the hustle and bustle of everyday life by immersing oneself in a pleasant setting conducive to reflection, meditation, practicing yoga, renewal of mind and body, finding purpose and meaning, often complemented by eating organic food, passing time in nature and realizing physical activities. Spiritual tourism can have a religious connotation, depending on the individual person's beliefs, but not necessarily so. Frequently, it also focuses on sacred sites – Machu Picchu itself regularly attracts many spiritual tourists. Frankfurt-based Atambo Tours focuses on "design travel" with a sustainability philosophy in mind and offers a "spiritual journey of discovery" to Peru, "to live the energy and mysticism of the archaeological centers": http://lateinamerika.atambo-tours.de/reisen/peru/spirituelle-entdeckungsreise14-tage-lima-puno-colca-machu-picchu .
Ayahuasca tourism	In the Amazon regions of Ecuador and Peru, as well as other Amazon countries, Ayahuasca has a long tradition among locals and is tied into local belief systems and spirituality. For foreigners, participating in Ayahuaca ceremonies, typically guided by a local shaman, is becoming increasingly popular, with Iquitos, Peru being a worldwide known focal point of this activity. The purpose is to have a spiritual experience by entering expanded states of consciousness. In general terms, younger and more adventurous travelers seek out for these kinds of experiences that are described as very intense and should be enjoyed taking due precautions. Ayah Tours in the Netherlands offers "a journey to the inner self" in Peru: www.ayah-tours.nl/us/welkom.htm .
Religious tourism	Religious tourism, sometimes also called pilgrimage tourism, is primarily guided by religious faith, and includes visiting religious sites, participating in religious ceremonies or festive days, or withdrawing to contemplation, for example in retreat centers or monasteries. In the context of Latin America, it is mostly of a catholic orientation. Some tour operators specialize in this segment, like Viajes Pertur in Spain www.viajespertur.es , while more general ones may limit themselves to organize special packages to witness Holy Week celebrations, or simply visit religious sites such as churches. A special variant are trips realized by missionary groups.

Source: Own elaboration

4.8 Backpacker – Student – Youth Tourism

Backpacking and student travel is primarily realized by travelers of young age; it is mainly young people that are engaged in studying and preparing their career path and it is mostly young people that are very budget-conscious because they do not yet generate a normal income. Young people also tend to have more time than people that are in the midst of busy working lives and full of family commitments. Quite naturally, there is a certain way of traveling that correlates with this phase of life, the travel style corresponding to backpacker, student and youth travel.

While some destination managers emphasize that they do not want to focus on backpackers and low budget travel because apparently, this segment does not generate strong economic benefits for the destination, more long-term thinking tourism marketers know of course that those young backpackers will turn into professionals, generating higher incomes and developing other travel patterns as they grow older and more prosperous. Furthermore, according to research done by Phocuswright, millennials travel the most compared to all other age groups, with 66% of millennials considering travel a very important part of their life. Remembering their early backpacking adventures, these consumers might then want to return to a destination, staying in better hotels, possibly accompanied by their spouse and children. So, the philosophy regarding backpackers and the mainstream should not be “either / or” but rather “welcome now, welcome back later”, at a different stage in life.

Backpackers tend to initiate new developments in tourism, traveling to places where others have not ventured yet, going on exploration tours that the mainstream will pick up on at a later stage. Properly understood and managed, this segment can play an important role in the tourism development of a destination. Likewise, many hotels started out attending backpackers and over the years matured into more refined accommodation options, by improving their facilities and professionalizing their marketing. Many tourism professionals in Europe share the opinion that Peru once was a backpacker destination and is increasingly evolving into a more upscale option for affluent long-haul travelers. There was a time in history when it simply was not realistic to have all these increasingly affluent travelers in Peru but the backpackers from 20, 30 years ago, in some way contributed to current developments. In summary, a prudent mix of target groups is part of an organic destination development and an expression of a healthy diversification strategy.

Table 9: Backpacker and student travel and main sub-segments

Backpacker and student travel	Young people have different ways of engaging in travel, often referred to as youth travel, backpacker travel or student travel. Sometimes it is also described as the travel behavior of millennials, the demographic group born between 1980 and 2000. The two common denominators for all these types of travel are typically young age and limited budget. A common orientation source for this target group are travel blogs covering the segment, like the Peru backpacking guide offered by the Indie Traveller which describes Peru as a prime destination for backpackers: www.indietraveller.co/peru-travel-guide/
Backpacking	Backpackers are very budget-conscious. They tend to have lots of time and often spend months on the road, but with limited financial resources, or to put it more precisely, with a spending limit per day given the length of the trip. So they prefer public transportation, basic accommodation and generally less organized and intermediated forms of travel. In general, they value flexibility and spontaneity and use the internet or guide books such as the Lonely Planet or the Rough Guide as their source for on-the-go

	<p>travel decisions.</p> <p>Tunafish is a travel agency in the Netherlands focused on the needs of backpackers. In line with needs of its target group, it focuses mostly on flight tickets for long-term stays and hotel reservations, not on organized itineraries, offering hostel arrangements with prices as low as 7 EUR per night.</p> <p>For Peru: www.tnfsh.nl/nl/landen/zuid-amerika/peru/1171</p> <p>For Ecuador: www.tnfsh.nl/nl/landen/zuid-amerika/ecuador/1062</p>
Student travel	<p>Student travel is equally budget conscious because students are not yet employed and earning a stable income, but not necessarily in a backpacking style. Some students prefer rather conventional hotels and activities but seek out very economic options. Often student travel is done with some educational or research background, or to broaden the personal horizon in some way. Often the socializing element is very important – to share with other students from the home country or the visited country, especially when travel is realized in groups. A prominent international tour operator for student travel is STA Travel headquartered in London, with offices in the UK, Germany, Austria, Switzerland and France, among many other countries worldwide: www.statravel.com/worldwide.htm.</p>
Youth travel	<p>Youth travel refers to travelers aged approximately around 15-25 years. Travel motivations of this group may greatly vary and overlap with backpacking, volunteering, adventure travel, sustainable tourism and other modes of travel. In general, young travelers are very budget conscious, more willing to travel off the beaten track and more interested in social and environmental issues of the host country. Overall, they are also less concerned with security issues or with the reputation a host country might have, and don't require comfort and luxury as much. Many are also more inclined to socializing, intense activities, parties, and nightlife than the average traveler. Prearranged packages are often by left aside by this group so these young travelers need to be lured in their own way, with marketing messages reflecting the latest trends and fashions that shape the lives of young people in their respective culture today. However, a few tour operators do specialize in youth travel, Grenoble-based Zigo Tours being one such case, captures the 6-25 years age group in the French market: www.zigotours.com/31-amerique-du-sud.</p> <p>Millennials represent a certain overlap with the age bracket associated with youth travel and one key characteristic is their high affinity to internet and social media, as well as an easy, go-with-the-flow attitude towards life. Modern backpacks tend to contain laptops, tablets and smartphones as well as the obligatory selfie stick; the former travel scrapbook has been replaced by a note app with Instagram functionality and cloud synchronization. Good internet access, for example in hostels and B&Bs, is very important to these always plugged-in travelers, as many experiences on the road are constantly shared online.</p> <p>Brite Spokes is a brand developed by Kuoni to deliver to millennials what they want – experiential travel: www.britespokes.com/press/brite-words/travel-market-report-august-15. Although South America is not on offer, browsing the website allows an excellent insight into the millennial mindset.</p>

Source: Own elaboration

4.9 Luxury Travel

Luxury tourism is one of the most rapidly growing segments in tourism. According to a study realized by IPK International published ahead of the Berlin tourism fair ITB 2015, the luxury travel segment has experienced an increase of 48% in the preceding five years. The leading source market for luxury travel in Europe is the United Kingdom, followed by France and Germany. Luxury travelers rely heavily on the internet to seek out options, but then book their travel through the organized tourism chain – much more so than other segments. That implies that luxury travelers value reliable partners, good organization, safety and all the legal warrants available. In addition, as the saying goes, time is money, and luxury travelers want to maximize benefits for the time they spent on vacation. In a service intensive industry like tourism, luxury tourism therefore provides excellent possibilities to create value for tourists, as well as for the tourism companies themselves, by offering excellent facilities and an attentive service. In addition, to have an eye for subtle touches and questions of style is part of the experience which requires an understanding of the luxury traveler's mindset.

Table 10: Luxury tourism and main sub-segments

Luxury tourism	Luxury tourism refers to the kind of tourism that focuses on upscale or high end products and services. These can relate to the sophistication of the product (like a hotel suite with all imaginable facilities), the level of service (5 star service with highly personalized attention) or also to the exclusivity (private vacation on a remote island). Abercrombie and Kent is one of the world's best known luxury tour operators, offering trips to both Ecuador and Peru from the United Kingdom: www.abercrombiekent.co.uk/peru/ www.abercrombiekent.co.uk/ecuadorandgalapagosislands/
Cruise tourism	In the context of luxury tourism, examples include upscale cruises to the Galapagos islands or on the Amazon river. Journey Latin America offers a luxury package to Peru including a multi-day trip on the Amazon river with all the creature comforts: www.journeylatinamerica.co.uk/destinations/peru/holidays/luxury-peru-andes-to-amazon/itinerary .
Spas	Luxury tourist enjoy spa stays associated with wellness, but definitely value an upscale ambiance, exclusivity and personalized attention. Sapa Pana Travel in the Netherlands offers such an option in the Otavalo / Cotacachi region of Ecuador: www.sapanatravel.nl/otavalo/accomodaties/le-mirage-garden-hotel-spa-ecuador

<p>High-end environmentally conscious tourism</p>	<p>Although luxury travelers often tend to make choices that imply an above average consumption of resources, some are very conscious of environmental concerns and value products of the highest quality that incorporate environmental or sustainability principles (“eco-luxury”). This includes enjoying healthy, organically grown food, staying in lodges that engage actively in rainforest conservation and use environmentally friendly technologies, or using tourism companies that pay above average wages and therefore have a highly motivated, qualified, and service-oriented staff. Such tourists might also value modern vehicles that reduce remissions and noise, buy high quality souvenirs that benefit local producers or stay in upscale hotels in remote locations that bring benefits to areas with little economic activity going on. Sacha Lodge is such a high-quality, luxurious lodge in the Ecuadorian Amazon, offered by a number of European tour operators, including Akzente Tours in Bavaria, Germany: http://www.akzente-tours.de/galapagos-ecuador/amazonas-und-dschungel-sacha-lodge-napo-wildlife-center/sacha-lodge.html .</p>
<p>Tailor-made travel</p> <p>Rather than a segment, tailor-made travel really is a mega-tendency in tourism, driven by the accumulated travel experience of many modern tourists, technological advances and online facilities such as dynamic packaging, and an ever growing, more differentiated tourism offer worldwide.</p> <p>With regard to the luxury segment, however, there is much higher interest and willingness to pay for the customization which (considering that tourism is a service-intense industry) requires a lot qualified human resources.</p>	<p>Luxury travelers are willing to pay for personalized arrangements which may include services such as airport pick up in a limousine, private guide and/or driver, individual vehicle, highly customized itineraries, private flights in small airplanes or transportation in boats, special gastronomic arrangements or VIP treatment in hotels, airports and tourism sites. The entire line of services provided by a tour operator company must go hand in hand with this approach, always assuring swift and courteous service, and a willingness to go the extra mile to satisfy discriminating tastes. The 2016 Travel Trends report by the British Travel Association ABTA underlines the rise of bespoke (customized) tours as one important trend in the UK market. A good example is Bespoke Latin America, a UK company that prides itself in offering “a truly bespoke service”. For Peru: www.bespokelatinamerica.com/destinations/peru/ For Ecuador: www.bespokelatinamerica.com/destinations/ecuador-galapagos/</p>

Source: Own elaboration



Image 5: Hacienda Santa Ana near Cotopaxi volcano, Ecuador

Source: Hendrik Wintjen, 2016

Ecuador offers a range of upscale hacienda experiences that allow the visitor to enjoy rural surroundings in style and comfort. One example is Hacienda Santa Ana near Cotopaxi volcano, offering a fine ambiance and starting point for activities such as trekking and horseback riding. It is properties like these that draw affluent European travelers to rural areas, contributing to the geographic spreading of tourism flows and generating economic benefits in different parts of the destination.

4.10 Conclusion

While many segments and sub-segments have been discussed in this chapter, synthesizing the research undertaken, both with regard to the tour operator databases accompanying this study as well with regard to the country-specific market information, the input points to three ever-present overarching segments that drive most of the tourism business from Europe to Ecuador and Peru, namely: cultural tourism, nature tourism and adventure tourism. While it is difficult to pinpoint the exact market share of these segments for each country due to the multilayered travel patterns and motivations of tourists, as well as the different approaches and methodologies used in the consulted sources, almost without exception, across all source markets analyzed in this study, packages offered in Europe include these three types of tourism.

Cultural tourism: Key motivations include both appreciating monuments, such as the ruins of Machu Picchu or the cathedral in Cuenca, as well as living cultures, like visiting traditional markets in the Andes or indigenous tribes in the Amazon.

Nature tourism: The main motivations tend to oscillate between the mere contemplation, observation or enjoyment of nature on one end, for example watching the exuberant scenery during an Amazon river cruise, or jumping into a thermal pool in a natural spa; and the activity-based enjoyment of nature on the other side of the spectrum, a pattern often strongly influenced by the age of the visitors.

Adventure tourism: While the vast majority of travelers prefer a modest degree of soft adventure activities, primarily walking or hiking, a few opt for more challenging forms of adventure tourism. More often than not, adventure tourism tends to be linked to the motives of exploration and discovery.

Furthermore, while sustainability is not the main driver for decision-making, most tourists will appreciate an itinerary set up with sustainability orientation. As a matter of fact, nowadays many tourists take some sort of sustainability orientation for granted, given that so many tour operators empathize their sustainability philosophy in the catalogue and on their webpage.

The art of creating marketable packages therefore does not consist in designing itineraries that are strictly limited to a certain segment at the expense of ignoring everything else but rather by addressing the **multidimensional motivations of travellers**, taking into account the classic driving factors of travel while emphasizing those aspects that a particular target group looks for. Even the most versed bird watching aficionado will want to take in some of the Peruvian culture on his once-in-a-lifetime ecotourism trip, and even the most rugged outdoor type climbing Ecuador's volcanoes will appreciate a glimpse of Quito's colonial architecture.

5 Identification of Market Needs

By meeting the needs of the market, i.e. the European consumers and the European tourism industry, Latin American providers can gain access to the market and receive tourists. However, there are many interdependencies given that tourism is a multi-layered, multi-stakeholder and multi-disciplinary industry. Not honoring or addressing this essential nature of the tourism industry can contribute to not understanding barriers to market access, or not properly dealing with them.

Therefore, in the following Table 11 we will provide an overview of typical expectations and barriers and analyze

- aspects that companies can do by themselves
- other aspects that **require coordination** with other stakeholders in the destination (in blue color)
- specific **examples** on how **challenges** are **addressed** by the tourism industry (in green color)

showing possibilities to overcome these frequently identified challenges.

Table 11: Barriers to access European market

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
Consistency of quality	Services not in accordance with expectations of European travellers.	<ul style="list-style-type: none"> ▪ Understanding expectations through careful monitoring of customer satisfaction. ▪ Employ strategies to train and retain workforce to ensure consistent service. ▪ Organize internships with other companies known for excellent service (for example in Cusco, community based establishments have organized internships in luxury hotels with the help of non-governmental organizations). ▪ Follow best practice guides in areas such as Food & Beverage, Housekeeping, Waste Handling or Facility Management. For these areas, many standard procedures exist. ▪ Many European travellers express their dissatisfaction with regard to the levels of acoustic contamination frequently found in Peruvian and Ecuadorian cities, either from traffic or establishments such as bars and discos, a concern shared by many locals. www.elcomercio.com/actualidad/quito/ruido-quito-sobrepasa-niveles-tolerables.html The Hotel Association of Ecuador, through its provincial sub-chapter Chimborazo headquartered in Riobamba, has been addressing this issue with the Ecuadorian Tourism Ministry MINTUR,

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>through a proposal of monitoring and sanctioning establishments that violate corresponding regulations. Some tour operators / hotels advertise soundproof windows, example La Fuente de Piedra en Quito: www.ecuadorviajes.ec/haciendas-hotel/quito-hotels.html</p>
	Unreliable or unprofessional tourism providers taint the image of a destination.	<ul style="list-style-type: none"> Through associative structures, tourism providers can establish auto-regulatory measures, such as minimum quality and safety criteria as well as an ethics code, ideally in strong cooperation with the public sector. Examples are safety regulations for adventure tours, working conditions for porters on the Inca trail or regulations for the taxi business, such as standardized fares for common routes.
Price - quality relationship in accordance with market realities	Price not in accordance with what is being offered; quality not in accordance with price.	<ul style="list-style-type: none"> A tourism provider must monitor the local competition to get a feel for what is a realistic balance between quality offered and price charged. Additionally, a tourism provider should monitor international publications, such as tour operator catalogues and prices therein. These are available on the web in most cases, often as a downloadable PDF. A simple starting point is to research the own company name periodically on the web or to establish a Google Alert with the company name, as well as related concepts. The databases related to this study can be very helpful in reviewing the market panorama on an international level. Benchmarking should include an understanding of what other competing destinations typically charge; Ecuadorian ecotourism entrepreneurs might check out services for comparable services in Costa Rica; alternatively, Peruvian entrepreneurs in the area of archaeological tourism might look at the offer in Guatemala for a market comparison. By concentrating and increasing business volume with certain buyers, for example by meeting specific expectations of these or adjusting rates, providers can negotiate more favorable terms.
	Structural aspects may make the tourism product more	<ul style="list-style-type: none"> Professional tourism companies should always seek membership, and coordinate with fellow enterprises in well-established tourism

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
	expensive, such as taxes, fees, high airfares, or high interest rates.	associations, in order to lobby for a favorable framework for tourism.
Adequate promotion of the destination in the European market	<p>A lack of promotion is frequently perceived by all parties involved; consumers, tour operators and tourism providers in the destination. The key principles to address this situation are:</p> <p>1) Establish clear priorities for marketing, focusing on the most promising segments or markets with consistency.</p> <p>b) Seek cooperative marketing with the national tourism organization or trade associations in Peru/Ecuador or Europe whenever possible.</p> <p>c) Articulation of stakeholders, creating a critical mass for destination marketing (example: joint fair participations or promotional publications).</p>	<ul style="list-style-type: none"> Both tour operators and accommodation providers can include destination information in their sales information, showing how their unique product relates to other attractions in the area or country. Through social media and newsletters, tourism companies can provide constant updates about what is new and exciting in their destination. Cooperative marketing activities with tourism boards, trade associations or airlines can be realized, such as road shows, press and fam trips or specialized promotional publications like a brochure and guide on birdwatching. In spite of limited marketing funds per individual company, synergizing these can create considerable leverage and prove to be much more effective. Furthermore, individual marketing plans should always be in alignment with regional or national marketing priorities. Granja Porcón, a community based establishment in Cajamarca region, appears prominently in the Cajamarca section of the PromPeru sales manual for the German speaking market, distributed by trade magazine FVW as part of a Peru E-Learning, thus benefitting from international marketing that is beyond its individual possibilities. http://akademie.fvw.de/files/smfiledata/2/0/6/4/6/9/1/Verkaufshandbuch-Peru.pdf Northern Peru is well-known for its biodiversity and abundant birdwatching opportunities. PromPeru has repeatedly organized familiarization trips with international tour operators to Northern Peru in coordination with tourism stakeholders from the area (individual companies as well as different regional tourism entities), in addition to realizing B2B workshops in various locations over the years: www.portaldeturismo.pe/index.php/gremio/item/4397-aptae-y-promperu-realizaran-workshop-ruta-normazonica-este-viernes-09-de-setiembre With regard to the European market, the United Kingdom is the prioritized market for birdwatching. Not only does this approach generate targeted

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>international coverage such as in http://naturetravelnetwork.com/birding-northern-peru/ but it also nurtures cooperation between regions – the Northern Amazon regions of Tumbes, Lambayeque, Cajamarca, Amazonas and San Martin in this case – based on products and segments relevant to the European market. The Northern Amazon Council of Birdwatching and Nature Tourism is a good example of such a cooperation www.conave.org.pe.</p> <ul style="list-style-type: none"> ▪ In the same line, Chaparri in Lambayeque www.chaparri.org plays an important role in the birdwatching route in Northern Peru, articulating promotional efforts with like-minded companies like the Tres Nortes hotel group which operates a specialized birdwatching website http://www.birdingnorthperu.com/accommodation.html#.WQiR-dVE5PY including a map that is highly relevant to the target group of birdwatchers http://www.birdingnorthperu.com/pdf/northern_peru_birding_route_web.pdf or like-minded incoming agencies such as Arawi http://arawiperu.com/chaparri/. Arawi, in turn, is obtaining an international label to strengthen its position in the European market http://www.tourcert.org/fileadmin/user_upload/tourcert/Images-Events/TourCert-ITB/Invitation_TourCert_ITB_2017.pdf. Furthermore, Chaparri appears in official publications like the CBT directory of Peru http://agronegocios.catie.ac.cr/images/pdf/Experiencias%20exitosas%20de%20turismo%20rural%20en%20Peru.pdf, showing that multiple articulations with commercial orientation pave the way for improved market access, a phenomenon that aptly has been characterized as ‘the connection economy’ by American marketing guru Seth Godin; suggesting that multiple and highly targeted connections increasingly replace standardized mass marketing. The corresponding connections are defined by close coordination, trust and the continuous exchange of ideas. Chaparri also has participated in the Tourism Council of Lambayeque and has geographic proximity to the Moche Tourism Route with Chiclayo and Trujillo as its main hubs, www.responsibletravelperu.com/de/destinations/15-chiclayo demonstrating a whole range of

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>articulation mechanisms that supports its marketing as a sustainable tourism option in Northern Peru.</p> <ul style="list-style-type: none"> By joining a critical mass of stakeholders, activities become possible that are difficult to organize individually or do not make sense when done in isolation. These concerted efforts, among tourism companies with complementary economic interests, create more impact in source markets. Examples: Joint presentation in a fair in an emerging/potential source market such as Scandinavia through presence in the TUR fair in Gothenburg, with participation of companies specifically interested to engage in that particular market; or editing a joint destination image video for the Amazon region; setting up a webinar on hacienda tourism in Ecuador; or developing a sales guide on mystical tourism in Peru; creating a directory of home stay services linked to authentic cultural experiences in a destination; or setting up macro-regional itineraries in any of the macro-regions in Peru (north, center, south) by involving tour operators from different regions within those macro-regions. Receive suggestions from European trade partners on how to orient promotional activities in their respective home market. Instead of a Peruvian/Ecuadorian company trying to figure it out all alone, a befriended European tour operator might give advice on which fairs to attend, which journalists to work with, what promotional messages to focus on, etc. Napo Wildlife Center www.napowildlifecenter.com/about-us/ is a remote upscale lodge in Yasuni National Park run by the Kichwa community; that actively engages in the European market through fair participations (ITB, WTM), memberships (LATA in the UK) and TourCert Andina in Germany, making use of networking activities that come with these (participation in B2B event organized by LATA http://experiencelatinamerica.travel or in TourCert Andina event during ITB) www.tourcert.org/fileadmin/user_upload/tourcert/images-Events/TourCert-ITB/Invitation_TourCert_ITB_2017.pdf. By strongly emphasizing community development, nature conservation and an authentic, high quality

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>experience, working with partners in the Amazon and Europe, the lodge clearly positions itself as a model of sustainable development that allows it to charge corresponding prices; essentially competing by quality, not price; while maintaining a marketable price-quality equilibrium within the luxury segment.</p>
Satisfactory connectivity	<p>Connectivity can be a serious limiting factor and mainly refers to road access (inadequate road infrastructure in rural areas) or air access (lack of suitable air connections in terms of travel time, frequency of service and/or price).</p>	<ul style="list-style-type: none"> ▪ The only way to influence these issues is through tourism associations on the regional or national level that work with government entities to improve road or aviation infrastructure. ▪ With Lima airport reaching its maximum capacity, strengthening regional airports is an ongoing discussion in Peru, as analyzed in El Comercio: http://elcomercio.pe/economia/peru/peru-puede-operar-seis-centros-conexion-aerea-internacionales_1-noticia-1549430 Correspondingly, the region Amazonas has undertaken efforts to improve connectivity to Chachapoyas airport www.portaldeturismo.pe/index.php/regiones/item/5976-lc-peru-iniciara-vuelos-directos-entre-lima-y-chachapoyas-en-abril while also upgrading its attractiveness by installing a new aerial tramway to Kuelap, a main tourism icon in Northern Peru, thus raising its overall competitiveness and market access. www.condortravel.com/en/blog/post/6una8/since-november-kuelap-will-become-more-accessible-due-to-the-new-cable-car/ ▪ Providers in remote areas, such as the Amazon, can consider pooling transportation services in order to save costs and have a higher occupation-per-seat rate. ▪ Any tourism company should know and communicate what transportation options are available so it can be visited. A remote lodge can specify all possibilities of reaching it in its sales information; an incoming agency can inform potentially interested European tour operators about the most feasible flight connections, as well as facilities for domestic air travel. So instead of just promoting Iquitos, one can specify the number and departure times of flights connecting Iquitos with Lima every day.

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
<p>Facilitate a coherent experience for the visitor by tuning the different elements in the destination</p>	<p>Visitors and trade professionals from Europe perceive (subnational) destinations as an uncoordinated accumulation of services, often sensing internal conflict and unethical competition/business practices.</p> <p>A simple but very common example is the taxi driver that overcharges the very moment a tourist arrives, thus affecting negatively the tourist's perception regarding the entire stay.</p>	<p>A number of factors need to be addressed:</p> <ul style="list-style-type: none"> ▪ Leadership: Identifying and networking among leaders from a destination is a key element. Candidates to assume this leadership through associations or informal networks usually have some expertise in relevant but also complementary areas (i.e. hospitality, ecotourism, aviation, service quality, marketing), a commitment to working on destination levels, and are respected for their entrepreneurship and professional integrity. ▪ Branding: A good tourism brand communicates the essence of a destination towards the market but also unites stakeholders in a destination under a common slogan. ▪ Tourism planning: A plan, even a simple but always consensus-based one, can help a destination to set its development priorities. Some examples of sub-national tourism plans creating a framework for tourism development and improved market access are: <ul style="list-style-type: none"> Loreto, Peru http://www.promamazonia.org.pe/wfr_Descarga2.aspx?path=WZYztTK1plqzMSct9bmNYdTRavUR08l0jJ1YFW19SxQ0a2GW7u0BFGbJSA1he5d&nombre=hPsKgNgul7qoKvoCj2mAt3WUUhw1y2L9l4Csxdmv8AY= San Martín, Peru www.turismosanmartin.gob.pe/perubiodiverso/estudios-diversos/PERTUR-2008-2013.pdf Cusco, Peru http://regioncusco.gob.pe/transparencia/attach/docs_normativo/planes/per/PER-DIRCETUR.pdf Cuenca, Ecuador http://blog.espol.edu.ec/ricardomedina/files/2011/10/PlanDesarrolloTuristicoCuenca.pdf Guayas, Ecuador (coastal development) www.quayas.gob.ec/turismo/dmdocuments/consultoria/Plan%20Estrategico%20de%20Control%20Turistico%20y%20Ordenamiento%20de%20Bailn.pdf <p>Sub-national tourism plans may vary in structure but usually and ideally reflect a degree of alignment with the national tourism planning, to ensure maximum synergy with regard to marketing. The national tourism plans are:</p> <p>Peru – PENTUR: www.mincetur.gob.pe/wp-</p>

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>content/uploads/documentos/turismo/documentos/PENTUR/PENTUR_Final_JULIO2016.pdf</p> <p>Ecuador – PLANDETUR: www.turismo.gob.ec/wp-content/uploads/downloads/2013/02/PLANDETUR-2020.pdf</p> <ul style="list-style-type: none"> Establishment of a common code of ethics can help to identify and sort out the “black sheep”. The National Tourism Chamber of Peru has adopted a code that is in alignment with widely accepted UNWTO principles and guidelines: http://www.canatur.org/docs/Codigo-Etica-CANATUR.pdf In Puerto López, Manabí province, since 2016 the hotel association PLAH has geared up its activities towards higher internal and external cooperation, seeking a constructive working relationship with the municipality, supporting local clean-up campaigns, co-ordinately offering promotional rates after the April 2016 earthquake on the Ecuadorian coast, realizing joint promotions through Facebook campaigns and press conferences, therefore projecting a positive and competitive image for the entire destination - in benefit of each affiliated hotel: www.manabi.gob.ec/9687-hoteles-puerto-lopez-apoyan-reactivacion-manabi.html
<p>Offer something attractive to each target group with a diversified tourism offer</p>	<p>Tour operators like to work with a range of options that differ from each other and are unique. However, sometimes they perceive that the offer is “more or less the same” in different places.</p>	<p>A tourism company can diversify its offer by:</p> <ul style="list-style-type: none"> Working with different geographic markets that have similar needs (e.g. a hotel already receiving German tourists also receives Dutch tourists, adding Dutch language signs and information material). Creating different product lines (e.g. a hotel offering ecotourism also offers wellness, yoga and meditation). Addressing different population segments (e.g. by creating additional offers for children that allow for family friendly vacations). Recombining existing products to address new target groups, e.g. using a botanical garden and meeting facilities to do seminars about healing plants and healing methods instead of attracting flower lovers and business people. Addressing and adjusting new market segments, for example incentive tourism instead of regular package tourism.

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<ul style="list-style-type: none"> ▪ Closely and continuously observing the marketplace to understand differentiation needs and potentials: by visiting fairs, scanning promotional materials or studying the available market intelligence published by the Tourism Ministry. ▪ Cooperating with neighboring tourism entrepreneurs, for example by combining adventure activities and the corresponding equipment of one provider, with thermal spa facilities of another. ▪ The Peruvian incoming agency Condor Travel has implemented an Inclusive Business approach with the community of Misminay in Cusco, supporting community development and facilitating market access. What started out as a basic CBT experience many years ago has evolved into a matured, multifaceted tourism product with one or multiple day tours, combining elements such as homestay, volunteering, sale of handicraft, hiking, biking and horseback riding with visits to nearby attractions such as Moray and Maras; thus attracting international visitors who seek an authentic and meaningful experience beyond traditional sightseeing while also empowering the community to broaden its activities in the tourism business and gain improved market access. www.condortravel.com/en/travel/id2xzm2/volunteering-misminay-water-project/ www.condorwings.org/en/projects/p1pg4i/ www.vivemisminay.pe Some European tour operators such as America Andina in Germany have decided to support the initiative www.america-andina.de/ueber-uns/presse/, winning sustainability awards in the process: www.travel-one.net/news/produkt/article/travel-one-nachhaltigkeitspreis-fuer-america-andina/
Well-managed destinations on the subnational level	<p>Tourism services don't add up to a coherent destination perspective.</p> <p>Because of a lack of planning or regulating frameworks, as well as missing innovation in product development,</p>	<ul style="list-style-type: none"> ▪ When a number of tourism services have geographic proximity in the form of a tourism cluster, stakeholders can work jointly on enriching and diversifying the offer, for example through festivals, complementary services and infrastructure improvements that benefit all. ▪ Even with diversification in mind, it is important to focus on flagship products in the promotion strategy. In Cotopaxi province, promotion is not

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
	<p>some destinations have an oversupply of one service and a notable lack of other complementary services. For example, five local tour operator agencies around the 'Plaza de Armas' might offer the exact same half-day tour to a nearby waterfall. This kind of scenario commonly leads to dumping practices in pricing which causes a low quality experience for the tourist due to cut-throat competition, as well as diminished income for the destination.</p>	<p>imaginable without the Cotopaxi volcano and in Chimborazo province, it will be hard to attract European visitors without mentioning Chimborazo volcano. But in addition, other products such as the Tren Ecuador / Tren Crucero can be helpful – the train that travels through the Andes from Quito to Guayaquil and that has won a number of international awards for benefitting nearby communities http://trenecuador.com/en/powerful-potential-of-big-business-recognized-in-world-responsible-tourism-awards-2016/ Tourism promotion should always work with known elements (= famous attractions) and lesser known elements (= unique discoveries) at the same time because it is the famous icons that bring tourists into a region in the first place and it is the lesser known elements that generate the sense of having experienced something out of the ordinary.</p> <ul style="list-style-type: none"> ▪ Complementarity of different elements in a tourism package is a key principle when organizing and marketing products. Manglares Churute, an ecological reserve in Guayas province in Ecuador, can be easily combined with a visit to Guayaquil. While both locations satisfy very different interests, precisely the contrast within a small geographic area appeals to many travellers, as becomes evident in offers such as by Erlebe Fernreisen in Germany www.erlebe-ecuador.de/reise-baustein/ecuador/kakao-und-kustenmetropole/. ▪ The development of new products or promotional themes, such as a gastronomic or cultural route, creates a better visitor experience and highlights the region's uniqueness. ▪ The organizing principle of such a cluster can be a public private partnership (PPP) to manage all key issues in a coordinated manner. ▪ Common activities may include the elaboration of a tourism map of the area, a common website or joint participation in promotional events. ▪ Offering a better interpretation of attractions, e.g. by identifying tropical plants through little wooden signs on trails in a nature reserve used by the clientele of various establishments, can enhance the visitor's experience. ▪ An example of a tourism cluster with PPP elements is the Corredor Turístico Tambopata in Southern Peru:

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>http://www.facebook.com/corredortambopata/?rf=447894295286056 or http://www.corredortambopata-aoatam.org/quienes-somos/</p> <p>In this example, tourism enterprises jointly cooperate with the regional tourism authority Dircetur Madre de Dios.</p> <ul style="list-style-type: none"> ▪ SERNANP, the National Service of Natural Protected Areas, a dependency of the Peruvian Ministry of Environment, and Rainforest Expeditions www.perunature.com, a social enterprise that operates three eco-lodges in the Peruvian Amazon, cooperate in the Madre de Dios region within the 'granting of rights' scheme implemented by SERNANP. This allows for product diversification within a protected area of high touristic value, facilitating longer stays of tourists in the Amazon rainforest, while also ensuring a coordinated and sustainable tourism development in accordance with the regulatory framework set forth by SERNANP for the protected area, Tambopata National Reserve in this case. <p>www.sernanp.gob.pe/otorgamientos-de-derecho http://www.sernanp.gob.pe/documents/10181/101461/quia+de+otorgamiento+de+derecho.pdf/ff49a772-b65b-46ff-b0fe-596bd0d09abc This carefully planned and coordinated tourism development, jointly assumed by the public and private sector, in turn leads to other opportunities, such as attracting volunteer tourism.</p> <p>http://worldwidevolunteering.org/details?organisationID=1337&returnURL=%2Fsearch%3Fstart%3D0%26count%3D20</p> <ul style="list-style-type: none"> ▪ With regard to community-based tourism, Otavalo-based Runa Tupari is a good example of a local Ecuadorian tour operator facilitating market access for communities mainly in Imbabura province. Runa Tupari has created a solid reputation for organizing community experiences, homestays and authentic ways of enjoying life in the Andes. Both Ecuadorian incoming agencies engaged in the European market, such as Pure! Ecuador www.pure-ecuador.com/ecuador/hotels/runa-tupari-community-lodging/ as well international tour operators, like Latin America specialist Aventoura

Market need-expectation from the European tourism industry	Frequent barriers	Strategies and practices to overcome barriers
		<p>in Germany</p> <p>www.aventoura.de/unternehmen/engagement/projektpartner/runa-tupari/ work with Runa Tupari due to its specialization. The community tour operator, with the help of a multilingual webpage, in turn generates business for communities like La Calera in Cotacachi</p> <p>www.runatupari.com/index.php/de/lct-2-kunsthandwerk-cuicocha.html#reiseablauf / https://www.runahomestay.com/alojamiento/rooms/f63c3c23-17cb-412c-8231-f2a663d51fbf which otherwise would have little chance of getting in touch with international markets. The initiative also attracts volunteers from around the world</p> <p>www.ecuadorvolunteers.org/ecuador-volunteer-programs/development-volunteer-ecuador/cotacachi-development-program.html as well as press coverage, for example in the United Kingdom</p> <p>www.wanderlust.co.uk/magazine/articles/destinations/revisiting-quito-ecuador?page=all or www.bbc.com/travel/story/20110131-scaling-the-ecuadorean-andes .</p>

Source: Own elaboration

The key issue to consider is tourism competitiveness. The competitiveness ranking of a destination is a rather reliable indicator on how the destination fares overall in international markets, and how much foreign exchange it manages to earn through tourism. The World Economic Forum publishes yearly a very illustrative ranking of tourism competitiveness, with reports available for many countries pinpointing the specific strengths and challenges of a given country. The reports reflect the structural issues which, from a private sector perspective, are best addressed through an active and constructive membership in relevant trade associations that have advisory and lobbying power with national tourism authorities. A competitiveness ranking reveals how mature destination management and destination marketing structures are. These play an important role in facilitating market access for their members, especially in destinations dominated by small and medium enterprises.

- The Peru competitiveness report is available at <http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/economies/#economy=PER>
- The Ecuador competitiveness report is available at: <http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/economies/#economy=ECU>

As an example, the Peru report clearly reveals weaknesses in ground and port infrastructure as well as in air transport structure. As one important step to overcome these, Cusco, the main hub of tourism activity in Peru, will receive a new airport in a few years and the new airport will benefit many SMEs in the Cusco area, as well as bigger hotels, contributing to improved market access. This type of critical market access factor is beyond the circle of influence of an individual company. Therefore, well-organized trade associations are very important to

jointly discuss all related issues with the pertinent public sector entities. A typical issue might be how the parking area for tour operator buses might be organized, or what kind of fees are charged in the airport, or how the tourism promotion office should be set up effectively, or what joint marketing activities can be realized involving the airport and airlines, like an image video that is shown on incoming flights and airport screens.

A more specific way of looking at the issue of destination competitiveness is through the lens of adventure tourism. The Adventure Travel Trade Association ATTA has developed the Adventure Tourism Development Index (ATDI) that includes the following 10 key areas:

- Sustainable development policy
- Safety and security
- Health
- Natural resources
- Cultural resources
- Adventure activity resources
- Humanitarian
- Entrepreneurship
- Tourism infrastructure
- Country image

The Index differentiates between developed countries and developing countries. Within developing countries, the 2015 rankings for Peru and Ecuador are:

- Peru: 26 (a rating to be considered high, in the vicinity of countries like Philippines, Barbados or Singapore)
- Ecuador: 84 (a rating close to the mean score, with countries like Uzbekistan, Macedonia and Guatemala in the vicinity)

More information about the index is available at www.adventureindex.travel .

6 European Target Markets

6.1 General Characteristics of the European Source Market

Overall, Europe is the biggest source market in the world, accounting for roughly half of all international tourist arrivals. However, even though most travel by Europeans is realized within Europe, it is also a leading market for long-haul travel. Within each world region, certain countries contribute much more to international tourism arrivals worldwide than others; in the case of Europe, these include Germany, the United Kingdom, France, Russia, and Italy, as Figure 4: EU-1 demonstrates. The figure shows absolute spending per source market ('International tourism expenditure') as well as per capita spending taking into account the population of each country ('Expenditure per capita'); showing that certain markets within Europe, like the United Kingdom and Germany, clearly take the lead in per capita spending. Considering that Germany and the United Kingdom are also among the most populous countries in Europe, with a high number of international departures, it becomes evident why they represent very attractive source markets and, not surprisingly, are host to the most important tourism fairs in the world. From the perspective of relevance for Latin American destinations, particularly Ecuador and Peru, all of these except Russia, are covered in more detail in this study.

International tourism expenditure ¹ (US\$ billion)			Local currencies change (%)		Market share (%)	Population (million)	Expenditure per capita (US\$)	International departures (million)			
Rank	2014	2015*	14/13	15*/14	2015*	2015	2015*	Series	2014	2015	
1	China	234.7	292.2	n/a	26.2	23.2	1,375	213	VD	116.6	127.9
2	United States	105.5	112.9	7.6	7.0	9.0	322	351	TD	68.2	73.5
3	Germany	93.3	77.5	2.1	-0.6	6.2	82	946	TD	83.0	..
4	United Kingdom	62.6	63.3	3.5	8.9	5.0	65	972	TD	58.4	64.2
5	France	48.7	38.4	15.4	-5.6	3.0	64	598	TD	28.2	..
6	Russian Federation	50.4	34.9	13.7	10.0	2.8	146	239	VD	45.9	36.8
7	Canada	33.8	29.4	3.3	0.6	2.3	36	820	TD	33.5	32.3
8	Korea (ROK)	23.2	25.0	3.0	15.6	2.0	51	493	VD	16.1	19.3
9	Italy	28.8	24.4	6.9	1.4	1.9	61	402	TD	27.2	27.5
10	Australia	26.4	23.5	-1.3	6.9	1.9	24	978	VD	9.1	9.5

Figure 4: EU-1 Top 10 source markets in the world by expenditure and departures

Source: UNWTO Tourism Highlights, 2016

Furthermore, the very revealing graph below (Figure 5: EU-2) indicates the proportion of trips taken within the European Union (blue) and outside the European Union (green) for each source market. Again, it provides clues with respect to the relative importance of European source markets for long distance travel (please note, however, that "non-EU" can still imply that a country is geographically situated within Europe, like Serbia for example; or very close to Europe, like Morocco). The main generating markets among those analyzed in this study are Germany, United Kingdom, France, Netherlands, Spain and Italy. Clearly, it can be observed that Northern European countries like Germany and the United Kingdom again take the lead while the South of Europe, with major countries such as Italy and Spain, has less relevance for international outbound travel. Furthermore, with some notable exceptions like Poland, the intensity of foreign travel within Europe correlates with the intensity of foreign travel to countries outside of the EU.

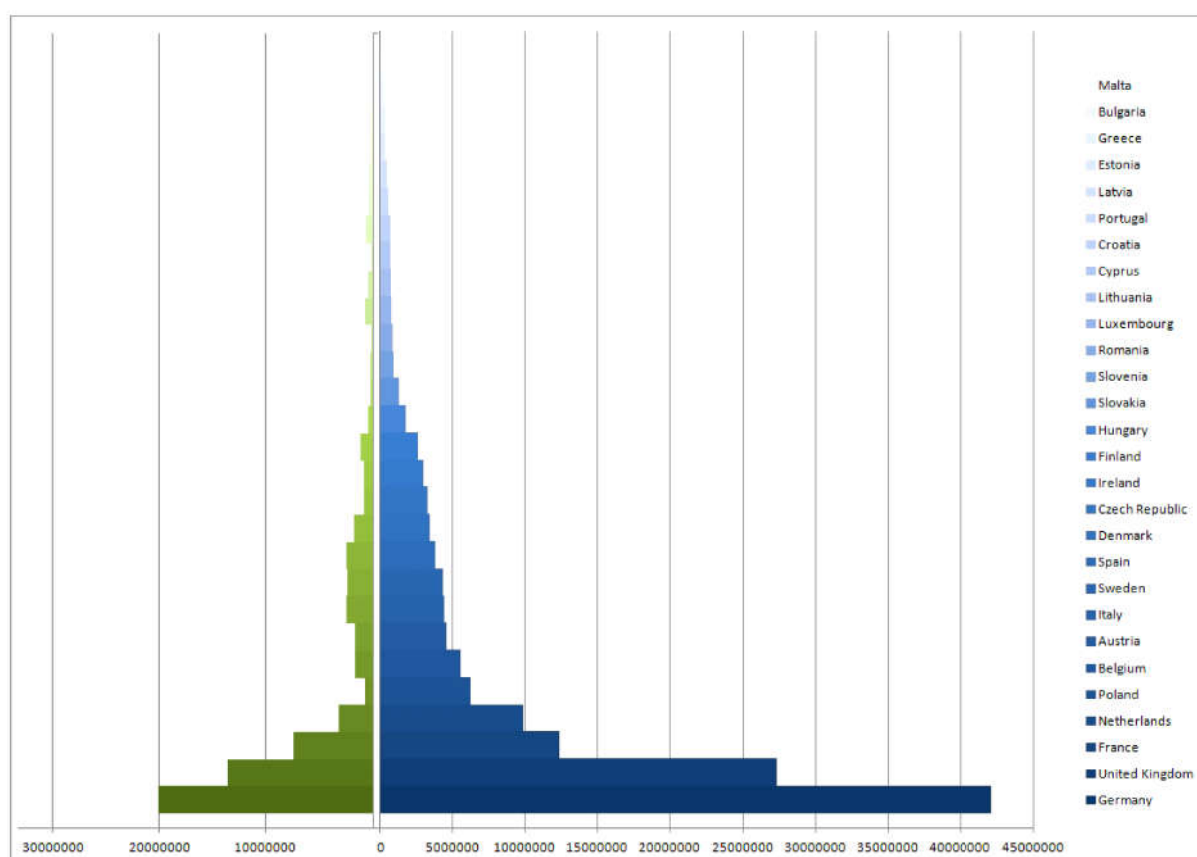


Figure 5: EU-2 Outbound trips with a minimum duration of 4 nights, according to source market and destination (by million)

Source: Own elaboration based on “España en Europa” published by Instituto de Turismo de España (TourSpain), adaptation of Eurostat data, 2014

The main factors that drive travel behavior are:

- economic situation (GDP, disposable income for travel);
- consumer preferences (priority of travel among other consumption options such as housing, health or food);
- travel propensity (the disposition to undertake one or various trips per year);
- annual vacation days;
- industry maturity (expressed in indicators such as the number of tour operators and travel agencies, air connectivity);
- cultural aspects (the overall role of travel in the culture of a country).

In all of these, Europe has high rankings in comparison with other world regions, thus presenting a whole host of facilitating factors for long-haul travel.

Already a change in one factor can have a significant impact. For example, an important difference between the North American market and the European market is that Europeans, on average, enjoy much more vacation days per year, as the following OECD table (Figure 6) indicates:

Paid Vacation and Paid Holidays, OECD Nations, in Working Days

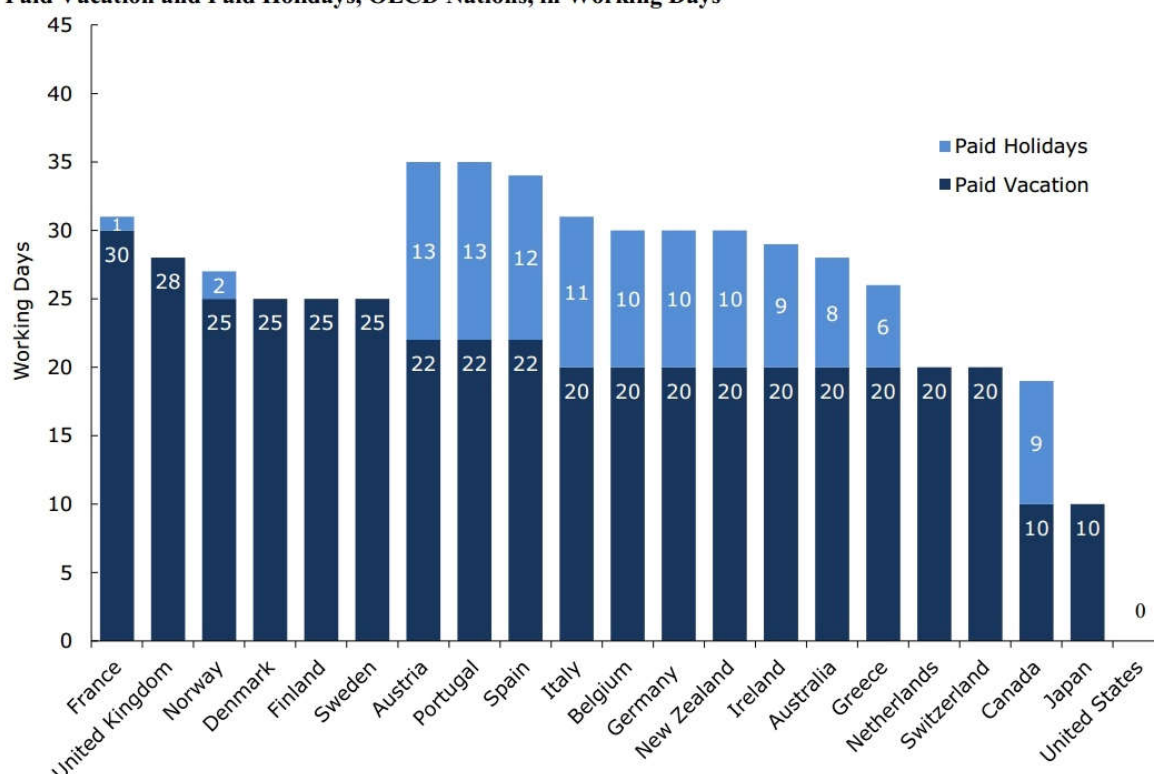


Figure 6: EU-3 Vacations of OECD countries

Source: OECD / Center for Economic and Policy Research, 2013

One simple reason that Europeans can engage in long-haul travel and spend a considerable number of days in a destination is that they dispose of sufficient vacation days. Citizens of the United States, in contrast, have no legal entitlement to paid vacations and in practice enjoy considerably less vacations than Europeans. This is reflected in travel patterns in a number of ways, as explained throughout the study.

6.2 Travel Behavior of Europeans

According to the 2015 edition of the “Europeans and Holidays Barometer” published yearly by Europe Assistance/ Ipsos, the average holiday budgets within the Eurozone amounts to 2390 Euro (the sample to arrive at this number included consumers from six countries, namely Spain, Italy, France, Belgium, Germany and Austria) in 2015, with an 8% increase compared to 2014.

For Latin America, a considerably higher average can be assumed, given the cost of a long-haul flight, but no specific data is available. However, the available data shows, that the average holiday budget has been increasing with relative consistence over the last years, showing a favorable overall situation.

With regard to travel motivations of Europeans, the following Figure7: EU-4 provides an overview on the overall motives when going on a holiday.

Q5T What were your main reasons for going on holiday in 2015? Firstly? And then? (MAX. 4 ANSWERS)
(% - EU)

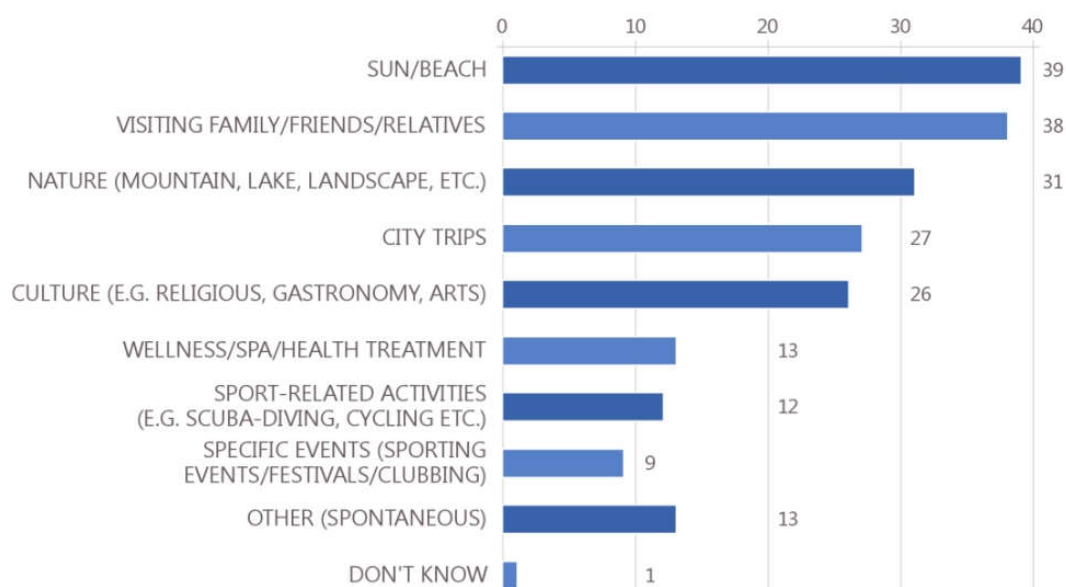


Figure 7: EU-4 Main reasons for EU28 citizens to go on a holiday

Source: Flash Eurobarometer 432, 2016

The Flash Eurobarometer is published yearly and includes 28 EU countries in its survey. It is therefore very representative concerning the overall patterns that govern the holiday behavior of European tourists and useful to get a global understanding of the European market, before taking a closer look at national particularities.

In accordance with Figure EU-3, the main motivation for Europeans to travel is to take a sun and beach vacation. This leads many Europeans, especially families, to head to the southern parts of Europe in summer and spend the vacation on the beach. In second place, visiting family and friends is also a very important motive. Both these primordial motives do not have much relevance for the outbound travel from Europe to Latin America, or specifically to Peru and Ecuador; two countries that from a European perspective are not considered to be strong beach destinations. However, complementing key segments such as culture and nature, beach stays in either country present interesting add-on options for travelers, such as spending a few days in Piura or Tumbes in the case of Peru; or in Santa Elena or Manabí in the case of Ecuador. The main motivational drivers regarding Peru and Ecuador, however, relate very directly to the principal tourism offer of Peru and Ecuador, including key aspects such as nature, adventure, culture and cities, rural tourism and communities, wellness, and relaxation.

Tourists' motivations always come together to form an organic whole – motivations of European travelers are usually multi-dimensional. Therefore, the challenge is to accommodate a number of travel preferences in one single itinerary, thus facilitating a rich and multifaceted holiday experience.

6.3 Booking Channels Utilized by European Tourists

In line with global trends, travel reservations undertaken by Europeans are done increasingly online. At the same time, it is important to understand the pattern in the specific case of tourism from Europe to Peru and Ecuador.

Given that these two countries are long-haul destinations, the traditional tourism distribution chain is still very much in place. This means that many Europeans will use a travel agency and tour operator to arrange their trip and will then be attended by an incoming agency in the destination which in turn hires all the different local services. This has to do with the complexity of destinations on the one side and the typical products (itineraries), requiring lots of coordination that is assumed by the incoming agency, on the other side.

Nowadays, tour operators have very sophisticated webpages to provide information and to capture online reservations, often in combination with a telephone information line or an online chat possibility. This means they maintain their role as mediators and product designers in the market place. However, the role of the printed catalogue is changing. In some cases, tour operators do not print catalogues anymore, and therefore do not rely on travel agencies as a distribution channel any longer. That is why the arrival of internet has changed the situation for travel agencies much more drastically than for tour operators.

Q6 Did you book your holiday in 2015 by any of the following methods? (MULTIPLE ANSWERS POSSIBLE)
(% - EU)

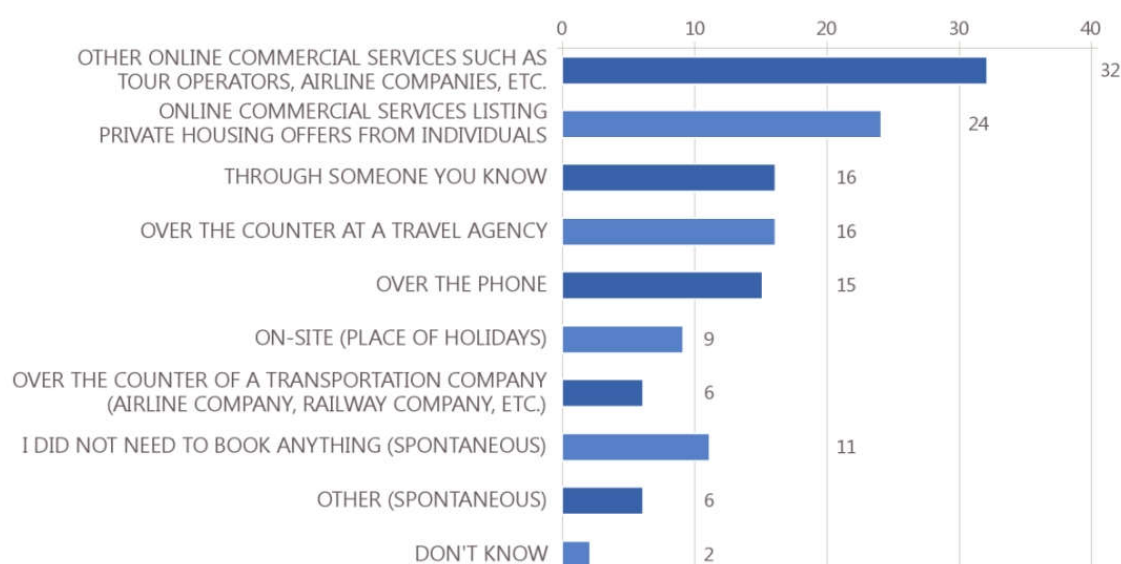


Figure 8: EU-5 Booking methods by EU28 citizens

Source: Flash Eurobarometer 432, 2016

6.4 Sustainability Considerations of European Travellers

Sustainability plays an increasing role in the travel choices of Europeans. The following graph shows that while 54% simply stated that sustainability criteria do not play any role in choosing the destination, for 17% of the interviewed persons in this particular survey, sustainability plays a role in one form or another. Latin American providers can attract this group by emphasizing their sustainability efforts in the promotion in a transparent way.

Q8C Were any of the following aspects relevant for you when you chose the destination(s) to visit during your main holiday in 2015? (MAX. 3 ANSWERS)
(% - EU)

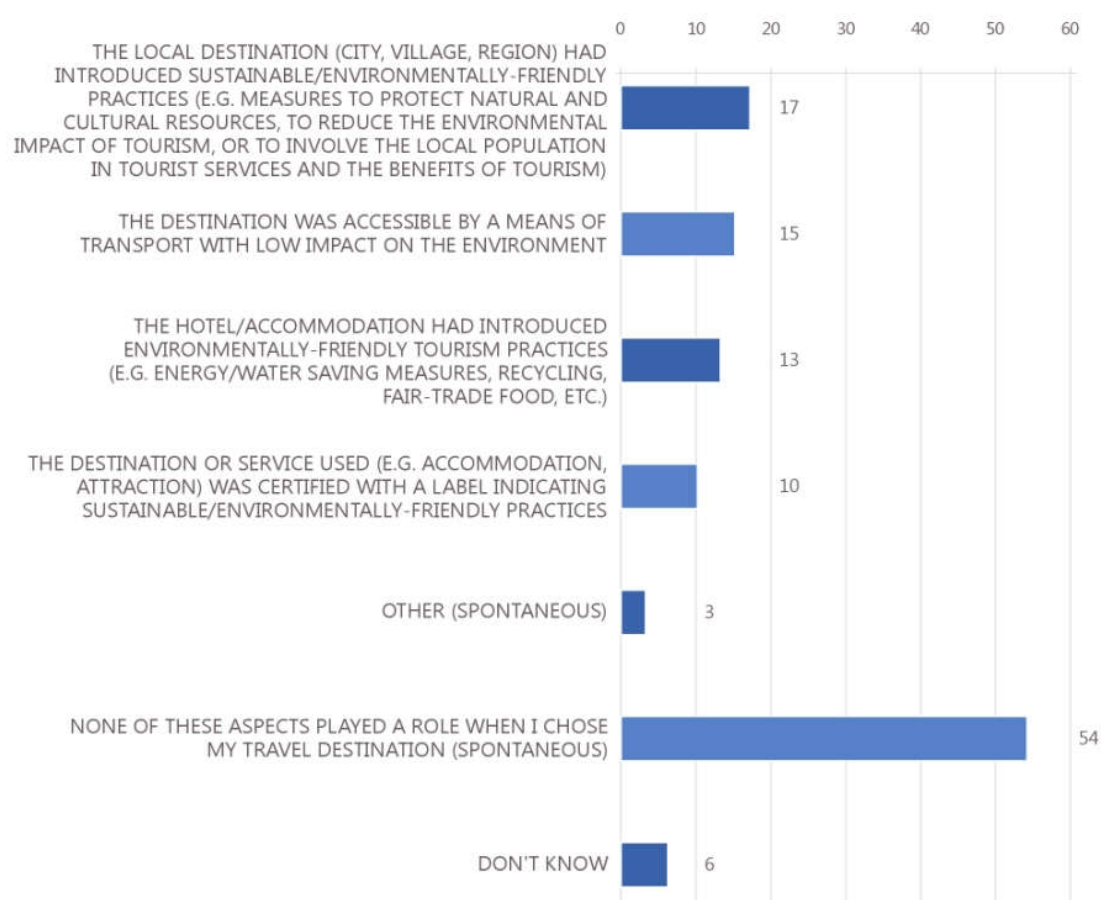


Figure 9: EU-6 Sustainability considerations when making travel decisions among E28 citizens

Source: Flash Eurobarometer 432, 2016

To better understand national differences, the following Table 12: EU-1 represents an excerpt of the individual national results, focusing on the countries that are analyzed in this study.

Table 12: EU-1 Importance of sustainable tourism among EU-28 citizens

Possible aspects of relevance when choosing a destination to visit during the main holiday in 2015 (max 3 answers, in %)

Country	The local destination (city, village, region) had introduced sustainable/ environmentally-friendly practices	The destination was accessible by a means of transport with low impact on the environment	The hotel / accommodation has introduced environmentally-friendly tourism practices	The destination or service used (e.g. accommodation, attraction) was certified with a label indicating sustainable/ environmentally-friendly practices	Other	None of these aspects played a role when I chose my travel destination	Don't know	At least one aspect
EU	17	15	13	10	3	54	6	40
Germany	15	16	12	7	6	50	9	42
Austria	13	17	15	10	1	62	2	36
Netherlands	8	6	12	4	2	72	4	24
Belgium	28	23	31	17	2	40	3	57
UK	27	25	21	18	1	47	4	48
France	21	11	13	11	2	52	6	42
Italy	12	11	12	8	2	59	5	36
Spain	15	12	12	7	3	54	9	36

Source: Own adaptation based on European Commission – Flash Eurobarometer 432, 2016

Note: Switzerland is not included in this list because it is not a member of the European Union.

Numbers in **bold** represent the affirmative answer with the highest percentage for each country.

Based on this survey, in combination with other insight from this study, there are some aspects to consider regarding sustainable tourism from Europe to Latin America:

- Among all sustainability aspects, the highest emphasis is placed on sustainability on the destination level, followed by accommodations in second place and then on transport. This means that the overall preference is for destinations that have introduced measures to protect their natural and cultural resources, that reduce the environmental impact of tourism, or that involve the local population in tourist services and the benefits of tourism. With regard to accommodation as a second factor, Europeans look for establishments that offer fair-trade food, have water and energy saving measures in place, as well as recycling practices. Regarding transport, Europeans prefer means of transport with low impact on the environment. Since a long-haul flight to Ecuador or Peru is without alternative and inevitably leaves a considerable CO2 footprint, there are essentially three strategies to consider:

- Compensation of CO2 emissions caused by the flight (offered increasingly by tour operators and airlines alike, through platforms such as www.atmosfair.de or www.myclimate.org).
 - Reforestation measures supported by some tour operators as part of their engagement through environmental projects (example Miller Investment, a sister company of German tour operator and Latin America specialist Miller Reisen: www.miller-investment.de)
 - Promoting longer average stays so that the CO2 footprint of the entire trip calculated per day is lower; in this regard Latin American tourism services can contribute with a more diversified offer facilitating longer stays. A two-week trip or a three-week trip from Europe to Latin America produces exactly the same CO2 emissions in absolute terms, but broken down to the CO2 footprint per day, the 3-week leaves a much more favorable value. Since tourists can contribute economically to the conservation of the local biodiversity through sound ecotourism practices, a longer stay is always preferable from a variety of perspectives.
-
- Destinations can only be truly sustainable when there is good stakeholder coordination and a facilitating policy and regulatory framework. The survey indicates the necessity to go beyond individual efforts and the need for tourism entrepreneurs to cooperate through trade associations; given that sustainable destination management represents a systemic and systematic effort. Furthermore, the private sector structures need to cooperate with the public sector to jointly foster a sustainability agenda.
 - Labels do have relevance but are not among the top priority concerns. Rather, the top concern is that sustainable practices are in place, not the labels providing transparency with regard to these practices. That said, the market that places the highest importance on labels is the United Kingdom.
 - Belgium and the United Kingdom place the highest emphasis on sustainability aspects. However, given that the United Kingdom is a much bigger market, especially with regard to Latin America, the country has a much more articulated and mature offer in terms of sustainable travel than Belgium. This suggests that there can be a gap between consumers' voiced preferences and the actual availability of bookable sustainable tourism products, as well as the actual travel behavior. With regard to the scope of sustainable tourism offers, the leading markets among the countries analyzed in this study are the UK, Germany and France because they have trade associations through which dozens, or more than a hundred, tour operators present market-ready, bookable packages that are generally accepted as sustainable, as shown throughout this study. Not surprisingly, these are also the markets with the biggest populations, among the countries analyzed in this report.

In summary, sustainable tourism from Europe to Latin America can successfully take place when three conditions overlap:

- Consumers demand it: by having a travel culture that leads to making conscious travel choices, by being aware of sustainable travel options and by having the possibility to choose the most suitable ones in line with their interests.
- The tourism value chain facilitates it: by programming itineraries with sustainability criteria in mind and marketing them accordingly.
- Destinations implement it: by articulating the efforts of key tourism stakeholders for a sustainable destination management, complementing individual efforts with overarching activities that benefit the entire destination.

Furthermore, in the 2015 edition of Eurobarometer, 80% of Europeans confirmed their concern regarding the loss of biodiversity and expressed their support for the enforcement of the EU's current legal framework on the protection of nature. Given that Latin America is associated with a still intact biodiversity, tourism entrepreneurs should always ensure that the enjoyment of nature is linked to biodiversity protection in their packages.

6.5 National Source Markets

While the European market presents many commonalities, each country maintains its own national characteristics. There are clear differences between Northern and Southern Europe, as well as between Western and Eastern Europe. Furthermore, countries with a bigger population tend to have more evolved tourism industries, implying a higher presence of tourism consortia and a higher degree of differentiation in their tourism offers.

From an outside Latin American perspective, Europeans might seem similar to North Americans, or similar among themselves. This is clearly not the case; one aim of this study is to point out key differences Latin American tourism entrepreneurs should look for when dealing with the different markets and mentalities.

As a matter of fact, in interactions with the different European markets, it is the details that count. A pattern frequently observed in European tourism is that Europeans who have established themselves in Latin America open their hotel, tour operator business or some other type of tourism company. Part of their success is based on the fact that they understand their target group in depth – an Italian hotelier in Peru will know how to take care of an Italian clientele and what touches to look for in the service he provides. Likewise, many successful Latin American tourism entrepreneurs have spent some time abroad, studying a language in Europe or going to university there. Vice versa, many European tour operators specialized in Latin America employ staff from Latin America, or European nationals who have spent some time in Latin America. And those entrepreneurs that have not spent time abroad tend to frequently interact with their target group, be it with the trade or with the final consumer while in the destination; constantly sharpening their senses about what customers value and how they see the destination through European eyes.

Tourism is an eminently intercultural field of economic activity that requires a thorough understanding of the visitor's culture in order to function successfully. This study analyzes market segments and target groups, and at times this information may seem a little abstract. It also mentions lifestyle segmentation, a way of looking more organically at target groups. Looking at target groups like this, categories like the "explorers", "early adopters" (of new trends and technologies), "traditionalists", "social climbers" or "millennials" come to mind. These come in different proportions with each market: for example, the Netherlands will have more "explorers" than other markets, while "cosmopolites" may be a stronger group in Germany than in other countries.

Seeking close interaction with European target groups helps to develop intuitions about the mentality of these target groups. The more a Latin American entrepreneur interacts with Europeans, the clearer the nuances will become. A backpacker will be different from a medical doctor, a Londoner will be different from somebody living in rural Spain, a biology student from Germany will be different from a fashion designer working in Milan, Italy.

Please watch the image videos available at the following links to get an immediate sense on how different European companies, all with their unique philosophies, attract different kinds of customers:

- Martin Randall – Cultural travel
www.martinrandall.com/about-us
- Thomas Cook Airlines on sustainable travel
www.youtube.com/watch?v=tFbE4BUAeM8
- Tribes Travel on tailor made travel around the world
www.youtube.com/watch?v=hXDbUpWdnk&pbjreload=10
- Gebeco on experiencing exotic countries (in German)
www.youtube.com/watch?v=n7TJ-VrtOeU
- Neckermann Reisen on travel around the world (in German)
www.youtube.com/watch?v=RzcoSNSp6nY
- Weltweitwandern (Austria) on hiking and trekking
www.youtube.com/watch?v=AxLDVZ1tEYk
- TUI on family vacations
www.youtube.com/watch?v=T4K_9BYSzuo

6.5.1 Germany

Germany at a glance:

GDP: 41,219 US\$

Population: 80.6 million

Unemployment: 4.1%

Annual vacation: 20 work days

Travel intensity: 74.8% (the proportion of the population with a minimum age of 14 years that takes at least one trip per one year)

Major originating markets: Berlin, Hamburg, Munich, Frankfurt, Rhine-Ruhr area, Stuttgart

Characterization: Biggest European source market with a mature and differentiated travel industry, often trendsetter for other European markets. Third biggest source market in the world after China and the United States.

Figure 10: DE-1 Key indicators Germany

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the German travel market

Germany is the biggest source market in Europe. With a population of more than 80 million people, a high spending power for travel and an equally high travel propensity, it is also the third largest source market in the world. According to the German travel association (DRV), 77.1% of all Germans traveling in the year 2015 took an average of 1.3 trips. A total of 69.1 million trips were taken in 2015 and more than 70% of those where to a destination outside of Germany.

The average travel duration has been continuously decreasing in the last two decades and was 10.2 days on average in the year 2015. However, for long-haul travelers, the average length of trip tends to be considerably longer – with 6 weeks of vacation on average, long-haul trips have a typical duration of two to three weeks. To

address Germans' vacation needs, there is a plethora of tour operators and travel agencies (9,880 in 2015), offering an endless variety of destinations and tourism products and catering to every taste imaginable.

In many regards, Germany is a trendsetter in the European context simply because in a market with more than 80 million consumers, there is always sufficient critical mass to try out new destinations or products. Many of the near 10,000 travel agencies in Germany are organized by chains such as the DER, TUI or Lufthansa City Center and only a few independent ones remain, often retaining a very particular travel philosophy, and mostly located in the bigger cities.

The German travel industry is very developed and structured, moving a total volume of 27.3 billion Euros in 2015. Among the major players are companies like TUI, Thomas Cook, REWE and FTI. While internet and online reservations are a game changer as everywhere else, particularly with regard to long-haul destinations, especially the ones that are perceived as complex destinations (usually countries where circuits and multi-layered travel arrangements dominate over simple beach stays), the traditional tourism chain is still very much in place, with the travel agency, the tour operator on the source market side, and the incoming agency on the destination side playing still an import role as intermediaries. Especially middle-aged and older people as well as busy professionals will prefer to browse through a tour operator catalogue, be it online or offline, and make an advance booking while younger travelers such as students or backpackers might prefer to make short-term arrangements on the go as they travel from place to place.

Another trend is to make reservations through specialized tour operator companies that either have a clear focus on certain geographic destinations (like Latin America), certain types of travel (like family travel), certain kinds of activities (like birdwatching) or segments such as luxury travel or wellness. Many of the specialized small tour operators in Germany are members of Forum Anders Reisen, a travel association focusing on sustainable tourism that has now around 130 members. Although these companies are small, most have had considerable growth rates in the last years, which leaves no doubt that they are in tune with evolving market demands.

With regard to travel trends, the following overview by Reiseanalyse (Figure 11: DE-2) reflects some important tendencies, namely that nature, beach and family holidays, measured over a period of twelve years, are clearly on the increase while adventure, active, cultural holidays zigzag around the same average. Since travelers' motivations are always multidimensional, those Latin American tourism providers that are prepared to incorporate these demand patterns in their offerings can make use of the dynamics in growth segments while also attending more classic motivations. For example, the fact that nature tourism increases while adventure tourism does not, quite possibly might be related to demographic change in Germany, meaning that elderly travelers enjoy nature but without the challenging activities.

The task is consequently to design products accordingly and focus on soft adventure, replacing hiking by walking activities or the like. And while certainly Machu Picchu does not count as the typical family excursion destination for Germans with interest in nature, it might be helpful for the local tourism industry in Cusco to gradually prepare for more families arriving.

With respect to Germans interest in nature tourism, it is important to consider that Germany is a densely populated and highly industrialized country and that many Germans are lured by wide open spaces and untouched landscapes in nature that are not easily found at home.

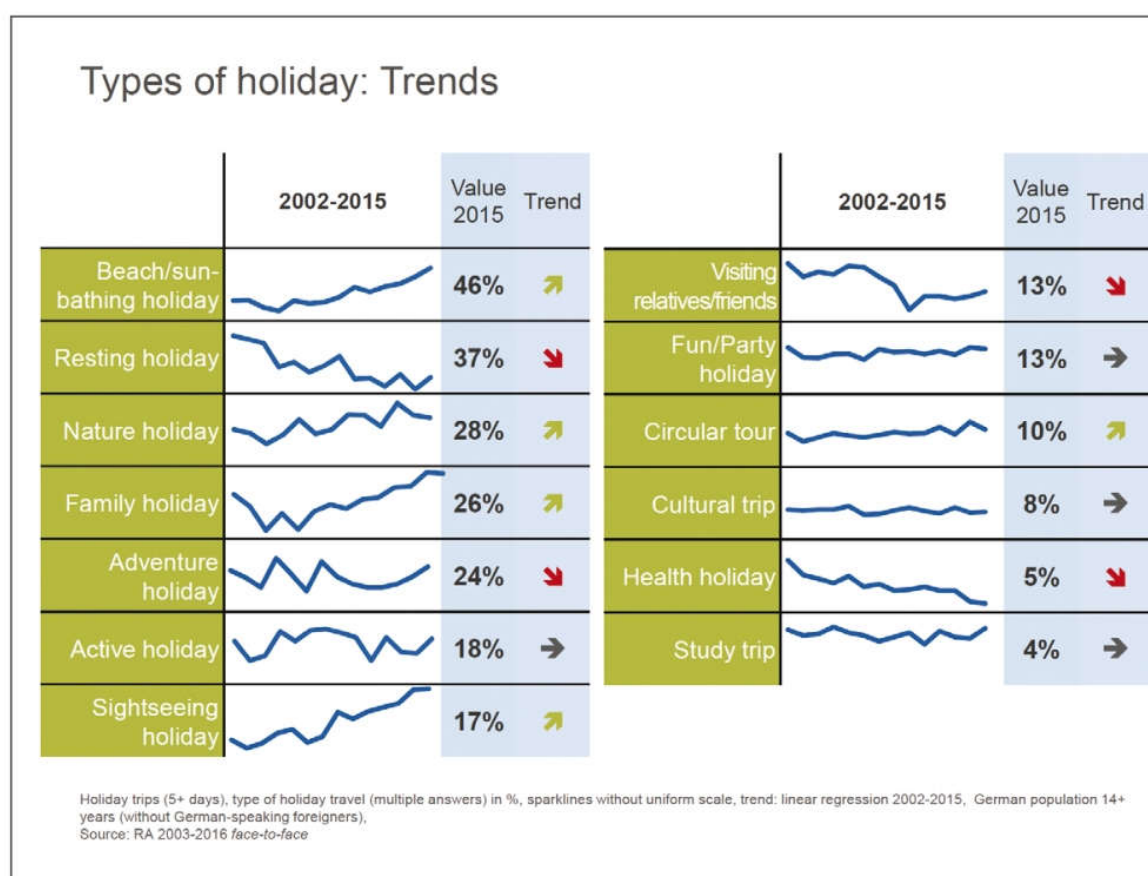


Figure 11: DE-2 Trends within the different types of holidays that Germans undertake

Source: FUR Reiseanalyse, 2016

With regard to long-haul travel, there is a gradual upward trend with 8% of Germans taking a long-haul trip in 2015 versus 6% in 2005, according to FUR Reiseanalyse. Germans are highly experienced travelers and having visited already many destinations in Europe, the focus of interest gradually shifts to long-haul destinations. Situated in the center of Europe, the country enjoys excellent air connectivity, with many long-distance routes with competitive prices and schedules available to the German consumer. The main aviation hubs for long distance flights are Frankfurt and Munich, and with regard to overall importance, these two main airports are followed by Berlin, Düsseldorf and Hamburg.

Travel preferences of Germans

The table below shows, strictly within the long-distance segment, the travel intentions of Germans regarding trips with a duration of more than 5 days. All long-distance destinations combined represent approximately 7% of all trips taken in a year – most Germans tend to travel within Europe or even within Germany itself.

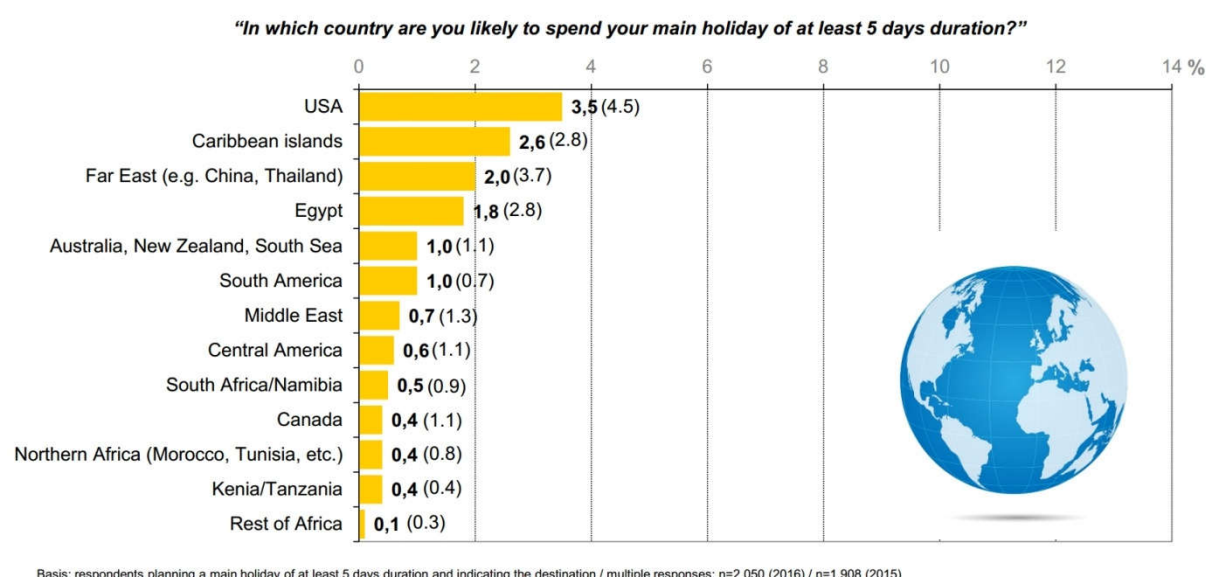


Figure 12: DE-3 Preferred destinations by Germans for main holidays of at least 5 days duration

Source: ADAC Reisemonitor, 2016

In the area of travel, Germans enjoy a high level of consumer protection and are entitled to reimbursements in case something goes wrong. The "Table of Frankfurt" establishes the corresponding percentages for typical deficiencies and many Germans are aware of what kind of reimbursement they can expect from their tour operator for problems like a swimming pool without water, a malfunctioning air conditioning or a monotonous breakfast.

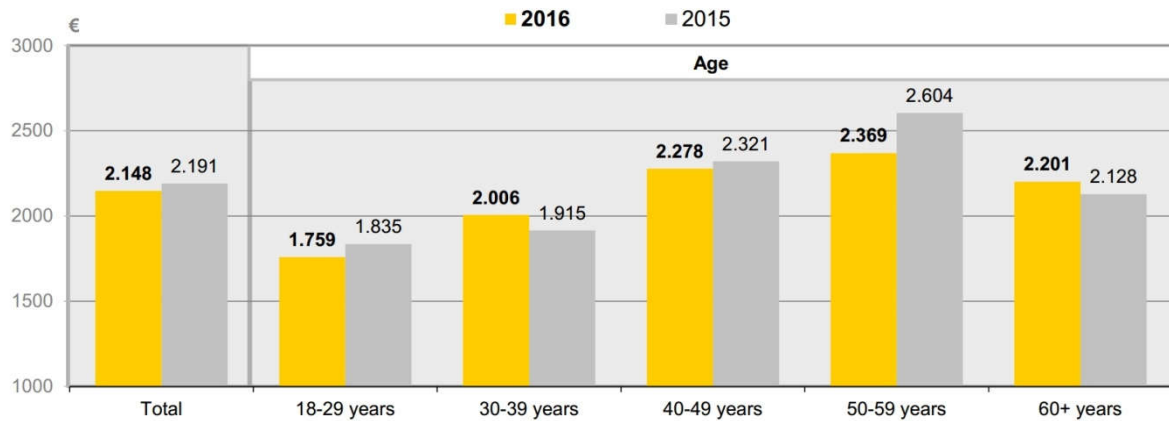
According to DRV, the German Travel Association, another strong growth segment is cruise travel, both on sea and rivers (such as the Amazon, one of the world's great rivers). With 2.2 million passengers in 2015 compared to 1.7 million travelers in 2010 and 309,000 in 1995, the cruise segment has demonstrated an amazing growth of 710 percent in 20 years.

Given their travel experience, Germans are discerning about the quality – price relationship and they usually gather information about the destination the plan to visit, planning ahead a number of months and researching carefully through guide books or on the internet. The online travel market is dominated by short- and medium-haul destinations such as Spain, Turkey and Egypt. Given the high familiarity Germans have with these destinations, they often make direct reservations following their knowledge from previous visits or recommendations from friends, reserving travel products that are simple to book online, like a low-cost flight with a simple fare structure, a beach hotel, or a car for a week.

In contrast, when it comes to far away long-haul destinations, such as Latin American countries, many Germans prefer to seek assistance from qualified tour operators and travel agencies to ensure that everything goes smooth during a trip that for many is a "once in a lifetime" journey. Another tendency is to seek out unique experiences that are different – different from the usual European destinations. Consequently, destinations that appeal to a spirit of exploration, that breathe authenticity, that allow to immerse oneself in a different cultural and natural environment, in order to experience something new and exciting, are highly regarded. Certainly, Peru and Ecuador fall into this category.

In terms of pricing, the dominating target group values the formula “good quality at an adequate price”. Figure DE-4 allows additional insight into the spending patterns of German tourists, showing that the 50-59 years age group has the highest spending power, followed by the age group 40-49 years.

“How much will you spend in total on your main holiday? Indicate the expected total spending in € for all fellow travellers living in your household including travel, accommodation, meals and incidental expenses”



Basis: Respondents planning a main holiday of at least 5 days duration and indicating the total spending for all fellow travellers; 2016/2015 → total n=1,733/1,504; 18-29y n=209/309; 30-39y n=270/353; 40-49y n=372/343; 50-59y n=436/254; 60y or older n=440/239

Figure 13: DE-4 Spending of Germans for holidays

Source: ADAC Reisemonitor, 2016

Booking channels

As figure DE-5 reveals clearly, there is a strong trend towards modular bookings, even if those modules can still be entire tour packages. And while online booking play an ever-increasing role, a personal conversation is often the main booking channel, implying a direct interaction between client and service provider (for example, a walk-in client in a hotel). Most bookings, however, are made in advance – Germans do like to plan their vacations and this is especially true for long-haul destinations like Peru and Ecuador.

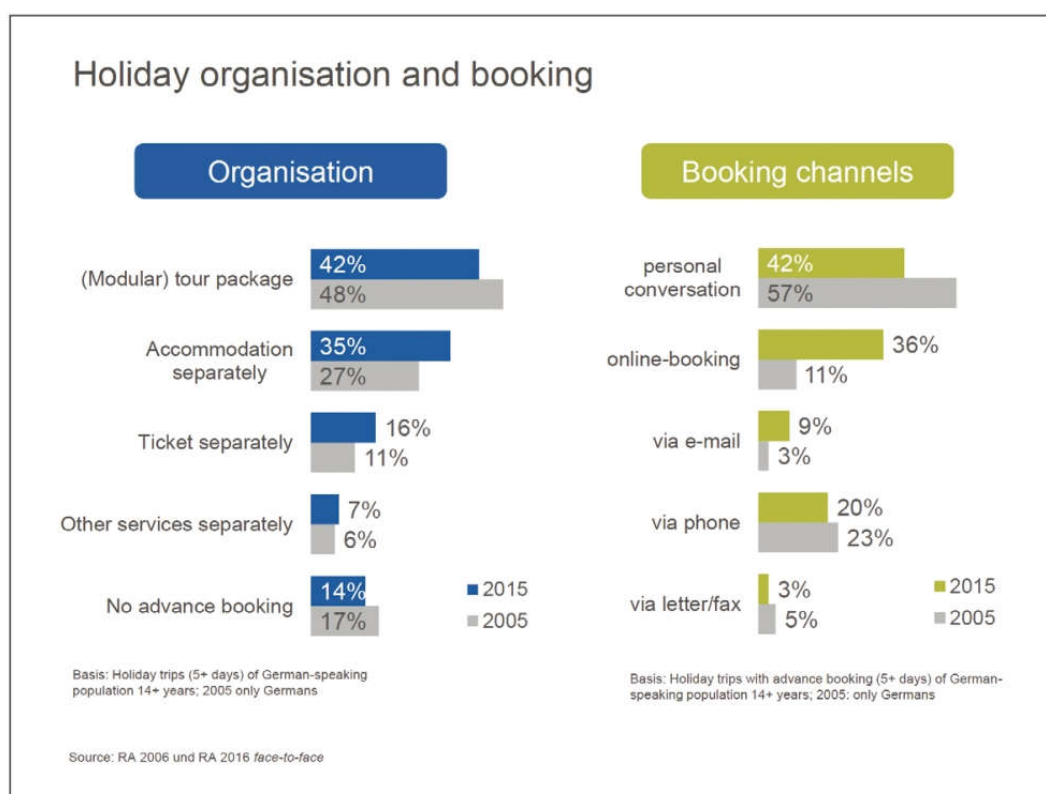


Figure 14: DE-5 Holiday organization and booking channels of Germans

Source: FUR Reiseanalyse, 2016

Tapping into relevant market segments – Germany

In the context of Latin American destinations, segments such as nature travel, cultural travel, and adventure travel all have high importance. These can be further subdivided into more specific niche segments, as detailed in chapter 4 of this report. While considering these segments, it is always important to understand that travelers' motivations are multi-dimensional. These should be addressed comprehensively, all at the same time, within a tour package offered. The question usually is not: Nature or culture? But rather: In which proportion? With what intensity, each part? Nor is the question: Adventure or not? But rather: With which degree of challenge, soft or hard? In the same way, the typical gastronomy of the country should be incorporated in any package. In practice, the different segments merge and fusion into real-life products and the many links to tour operator packages mentioned throughout this study attest to the tour operators' capacity to address many interests at once.

The following table provides some key references for the most relevant segments of the German source market, a structure that will be maintained for all following markets explained thereafter as well.

Table 13: DE-1 Main segments – Germany

Nature tourism	<p><u>Media:</u></p> <p>Geo Saison – travel Magazine associated with Geo, a German magazine similar to National Geographic www.geo.de/magazine/17032-thma-geo-saison</p> <p>Abenteuer und Reisen – leading travel magazine in Germany, focus on adventure travel www.abenteuer-reisen.de</p> <p>Trekking Magazin www.trekkingmagazin.com</p> <p>Wander Magazin www.wandermagazin.de</p> <p>Outdoor Magazin www.outdoor-magazin.com</p> <p><u>Fairs:</u></p> <p>ITB Berlin – biggest tourism fair in the world www.itb-berlin.de</p> <p>Tournatur – fair specialized in outdoor travel www.tournatur.com</p> <p>The popular CMT consumer fair has a special segment on biking www.messe-stuttgart.de/fahrrad/</p> <p>Fernlicht – a fair specializing in travel, the outdoors and nature photography www.fernlicht-messe.de</p> <p><u>Organizations:</u></p> <p>German Hiking Association www.wanderverband.de</p> <p>ARGE Lateinamerika – the main association in Germany for promoting Latin American destinations among Germans. Allse segments are promoted but nature and culture figure prominently in all activities. Interesting partner for cooperative marketing efforts in Germany. www.lateinamerika.org</p>
----------------	---

Cultural tourism	<p>Culture Lounge – a segment/exhibition space within the ITB tourism fair dealing exclusively with culture www.culturelounge.de</p> <p>Merian – a leading travel magazine covering in-depth cultural aspects of destinations around the world, among others topics www.merian.de</p>
Sustainable tourism Sustainable tourism is an increasing trend in the German market. Germany in many regards plays a leadership role within Europe.	<p>ITB – CSR events The biggest tourism fair in the world has a special section for Corporate Social Responsibility and sustainable forms of travel www.itb-berlin.de/en/ITBBerlin/SocialResponsibility/CSREvents/</p> <p>Forum Anders Reisen is an association of 130 German tour operators focusing on sustainable forms of travel, cooperating with the TourCert label which is active mainly in Germany, but also in Latin America www.forumandersreisen.de</p> <p>Wir sind anderswo – a magazine dedicated to alternative forms of travel www.wirsindanderswo.de</p> <p>Destinet – provides information on sustainable tourism, including labels that are known in the German and European market http://destinet.eu/who-who/market-solutions/certificates/fo1442810</p>
Wellness and health tourism	<p>German Wellness Days – an event covering everything related to wellness, including spa offers www.deutsche-wellnesstage.de</p> <p>Ihr Wellness Magazin – covering various topics related to wellness, including wellness travel www.ihr-wellness-magazin.de www.ihr-wellness-magazin.de/reisen.html</p> <p>Deutscher Wellness-Verband – German Wellness Association www.wellnessverband.de</p>

Source: Own elaboration

Recommendations for the German market

- Promotional material should be prepared in German – it will clearly give a company an edge in the German-speaking market, with 100 million consumers the biggest in Europe. Likewise, tour guides should definitely be able to speak German.
- It is important to create correct expectations and to meet them – with reference to level of services, punctuality, points to cover in an itinerary, etc. Germans are willing to go along with many situations when expectations were created correctly but might be upset by frequent last minute changes.

- On the other side, German tourists also expect to find a certain easygoingness in Latin America that they are not used to in their own country. However, it is important to discern when Germans are ready for some fun and when it is more appropriate to stick to the rules. An experienced tour guide usually plays a pivotal role in managing these nuances.
- Germans value sustainability but as with everything else, they want to see a serious implementation; tourism enterprises should be prepared for critical questions about sustainability practices and make sure that they can respond with verifiable facts.
- Because of demographic developments, many German tourists are of a mid age or older age. It is important to be prepared for the needs of this group, in terms of facilitating comfort and safety. Example: provide an elevator instead of stairs, or provide support with bringing luggage to the room in multistory hotels.
- When something goes wrong, Germans will most likely not display a lot of emotion or create a scene but instead make use of their cherished consumer protection once back at home. Any complaints should be taken seriously and be resolved swiftly and with good care. It goes without saying that safety regulations should always be observed, such as life vests on boats.
- A comprehensive and free online database of German tourism companies can be found at <http://touristik-kontakte.tid.de>. It is published in German language by Germany's leading tourism trade magazine FVW and a good way of deepening the understanding of a particular German company, for example regarding size or destinations offered.
- Because of its considerable size and maturity, the German market is a good starting point for promoting a Latin American travel product in Europe. It will however take a lot of consistency and investment to successfully penetrate the market.

6.5.2 Austria

Austria at a glance:

GDP: 43,439 US\$

Population: 8.6 million

Unemployment: 5.9%

Annual vacation: 30 calendar days

Travel intensity: 189.3%

Major originating markets: Vienna

Characterization: Austria is a small European German-speaking country that has many industry links with Germany but maintains its own set of values and travel patterns. In travel, Austrians essentially value what they enjoy in their own country: beautiful landscapes, a balanced rhythm of life and an eye for the little touches that generate quality of life.

Figure 15: AT-1 Key indicators Austria

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Austrian travel market

As in neighboring Germany, a large chunk of the Austrian travel market is dominated by big tours operators, with companies like TUI, Thomas Cook, REWE and Kuoni taking the lead. Many of these companies are headquartered in Germany, demonstrating the close ties between these two German-speaking countries and the

interconnectedness of the European tourism industry, especially on the level of big conglomerates as a whole – as phenomenon referred to as horizontal integration.

There are also a number of smaller specialized tour operators but due to a smaller market size, their number is significantly less than in neighboring Germany. As a result, Austrian travelers sometimes will also book with specialized German travel companies that can easily organize departures from Vienna also. Furthermore, a number of Austrians pick Munich as departure airport, due to its proximity to the German-Austrian border.

Travel preferences of Austrians

Austrians prepare their vacations thoroughly with a love of detail. They value authenticity and prefer accommodation typical of a country or region over standardized, chain-type hotels. Cleanliness is also very important. Sustainability is an additional element Austrian travelers increasingly consider when checking for travel options. According to a survey among Austrian travel agents realized by Best Sabel University of Applied Sciences on behalf of the Austrian travel association ÖRV, 61% estimate that the demand for sustainable travel has been the same in the last three years, 5% respond that it is less and 31% consider that it is higher which, overall, suggests a gradual increase in the demand for sustainable travel. According to the same survey, in one third of all conversations with clients, sustainability plays a big role (5%) or a rather important role (25%). Furthermore, many Austrians prefer healthy and organic food when they eat outside of home. Wellbeing and health are also highly esteemed by Austrian travelers. Living in a country of great scenic beauty themselves, they look for beautiful landscapes and intact nature when traveling, usually tend to avoid overcrowded places, and like to spend their vacation in the company of friends or family.

According to Statistics Austria, the travel intensity has been growing consistently over the years. While in 1993 44.5% of the Austrian population took at least one main holiday with a minimum length of four nights per year, this number went up to 58.7% per year for the year 2013. Austrians took on average 2.2. trips per year in 2013 and are gradually shifting towards more international travel. In 1993, 55% of all trips taken with a minimum length of four nights were international, and 45% were within Austria. In 2013, the distribution had shifted and was 63.4% for international trips and 36.6% for domestic travel.

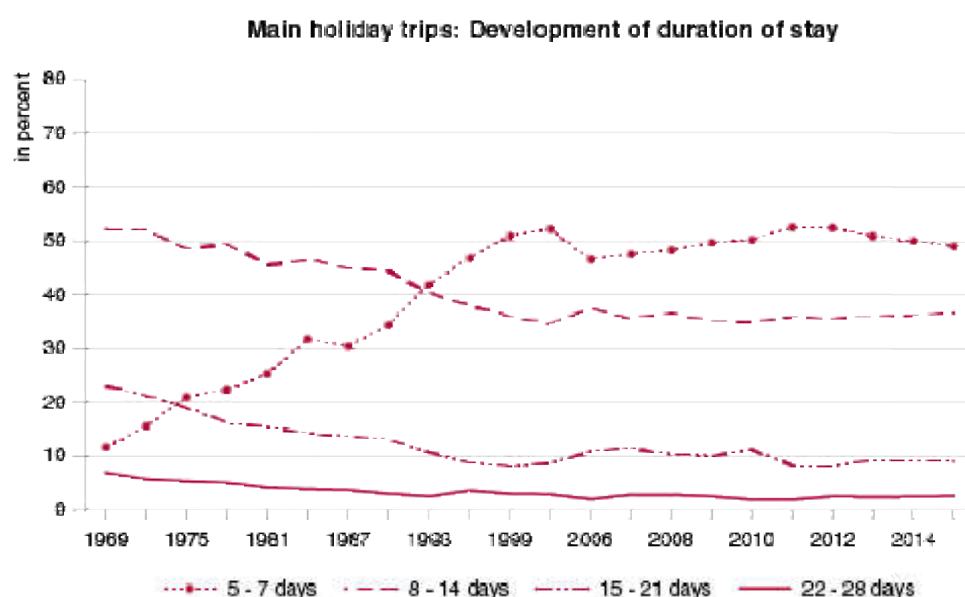


Figure 16: AT-2 Evolution of duration of stay for main holiday trips taken by Austrians

Source: Statistics Austria, 2016

Reflecting a broader trend found in many European countries, parallel to the increased travel intensity there is a trend towards shorter trips. While very long trips (22-28 days), long trips (15-21 days) and trips of a medium duration (8-14 days) have been decreasing gradually, shorts trips with a duration of 5-7 days have increased overall but also reached a plateau, and even slight decrease in more recent years. This must be seen in context with the consolidation of the low-cost airlines in Europe that facilitate city breaks at accessible prices. Despite the fact that many Europeans have increasing environmental concerns regarding flights and the corresponding CO2 emissions, the low-cost sector has had an impact on travel behavior that cannot be underestimated.

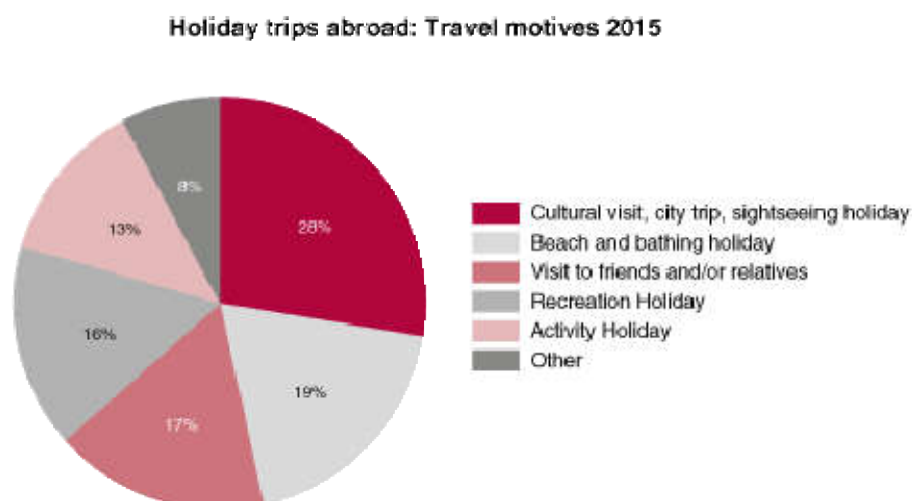


Figure 17: AT-3 Travel motives of Austrians

Source: Statistics Austria, 2016

With regard to travel motives, Austrians like cultural visits, exploration of cities and sights, but also beaches and bathing, visiting friends and family, or traveling together with them, are important to Austrians. There is a slight preference concerning recreation over activity-based holidays so any tourism package offered to Austrians should include a sensible mix of activities versus relaxation.

Tapping into relevant market segments - Austria

Table 14: AT-1 Main segments – Austria

Nature / active tourism	<p>Ferienmesse Wien – leading Austrian tourism fair in Vienna covering all segments, including nature and active tourism www.ferien-messe.at</p> <p>Radtouren Magazin – biking magazine also covering bike travel www.radtouren-magazin.com</p> <p>Respect – platform for sustainable tourism in Austria, supported by Naturefriends International www.respect.at</p> <p>Nachhaltig Reisen – online platform for sustainability oriented travel http://www.nachhaltig-reisen.at</p>
Culture tourism	<p>Reise Aktuell – premium travel magazine covering the finer aspects of destinations around the world www.reiseaktuell.at</p> <p>Besser Reisen – leading travel portal in Austria covering also long-distance travel www.besser-reisen-online.at</p> <p>Reisesalon – a fair placing interest on "unique travel", wellness, luxury and cultural travel, realized yearly in Vienna www.reisesalon.at</p>
Lifestyle	<p>Wellness Magazin – magazine focused on wellness and travel www.wellness-magazin.at</p> <p>Gourmet Reise – Oscars magazine focusing on culinary travel, with readership in all German-speaking countries www.gourmetreise.at</p> <p>Lebensart – magazine for a sustainable lifestyle also covering travel www.lebensart.at</p>

Source: Own elaboration

Recommendations for the Austrian market

- Austria is part of the German-speaking market, with some 100 million consumers Europe's biggest market. It is recommended to seek synergies in promotion, combining activities among the German, Austrian and Swiss source markets. The first obvious step is language – any promotion set up in German language, such as a website, brochure, or roadshow, will equally facilitate access to these three markets.
- However, Austria is not “sort of a smaller version of Germany but with a lot mountains”. Although Austrians and Germans have many things in common, including in terms of industry structure, Austria has its own national characteristics, cherished traditions, and idiosyncrasy, therefore companies working with Austria should understand and respect these.
- It is important to keep what is promised in the itinerary. Since Austrians prepare their trips thoughtfully, they want to know in advance what is to be expected. Otherwise they can be very upset when trip changes occur.
- Austria is a relatively small Central European country. Most promotional activities will focus on Vienna and surroundings, given that it is the hub of the country in terms of population, travel propensity, presence of tour operator companies, fairs, and media as well as air connectivity. That makes it much easier to geographically focus activities than in the neighboring, much more complex German market.

6.5.3 Switzerland

Switzerland at a glance:

GDP: 80,214.7 US\$

Population: 8.1 million

Unemployment: 3.3 %

Annual vacation: 4 weeks

Travel intensity: 296.4%

Major originating markets: Zurich, Geneva, Basel

Characterization: Switzerland is a compact but very wealthy European nation that highly treasures its neutrality and independence and is not part of the EU nor NATO. Swiss tourists are usually well esteemed in the destinations they visit and are considered to be very prosperous and cultivated travelers. Three languages are spoken in Switzerland: German, French and Italian.

Figure 18: CH-1 Key indicators Switzerland

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Swiss travel market

Switzerland is one of the wealthiest countries not only in Europe, but the entire world. Tourism companies dealing with Swiss clients frequently attest to that: Not only do Swiss clients choose high quality options, they also have an above-average length of stay and an above-average daily spending in many (including long distance) destinations. Switzerland is a very stable and well-organized country, essentially “operating like a Swiss clock”. The Swiss also like their vacation to be well organized: anticipated points in an itinerary should be kept, the announced quality standards should be complied, and so on. If a company can comply consistently with high quality standards, it is well prepared to deal with the Swiss market.

Travel originating in Switzerland to foreign countries has been consistently on the rise. While in 2009 14.5 million Swiss took a trip abroad, in 2015 the figure amounted to 20.4 million trips. Of these, longer trips with a duration of at least 4 nights, amounted to 63%, corresponding with 12.7 million trips taken outside the country. The majority, 71% of all trips taken, were for leisure purposes.



Figure 19: CH-2 Evolution of number of trips taken abroad by Swiss (in m.)

Source: German National Tourist Board, 2016

Travel preferences of the Swiss

In 2015, most Swiss booked their trips via the internet (67%), followed by travel agencies (24%) and self-organized travel (10%).

According to a study undertaken by the University St. Gallen, among the main travel motives for the Swiss dominate discovering new landscapes and the nature, personal regeneration, spending time with family and being pampered with good food and drink. Sun and beach are also travel motives, but generate only medium interest, clearly less so than with regard to other European markets. Enjoying nightlife, experiencing adventure or exotic locations do not figure strongly among most Swiss travelers' motivations.

With regard to sustainability in tourism, a survey realized by Best Sabel University of Applied Sciences in 2014, in cooperation with the Swiss travel association SRV, states that among the sustainable products most requested by Swiss consumers in travel agencies, there are nature and hiking trips (27%), bike trips (19%) and stays in ecological hotels (14%). 6% demand environmentally friendly travel in general, 8% volunteering and 6% fair trade travel. This confirms an overall trend found throughout Europe in which there is a bigger group of consumers with more general conceptions about sustainability (i.e. as an aspect of hiking trips, which are very common) and a smaller fraction of consumers that has rather defined ideas such as fair trade travel. The fact that 14% request eco hotels, which includes hotels that are operated under sustainability criteria, hotels that offer organic food and hotels located in intact natural settings, is an indicator that the hospitality industry should take note of.

As the following Figure 20: CH-3 indicates, the destination choices of Swiss travelers have been continuously evolving towards more international travel over the last years. This means primarily that instead of travelling in Switzerland, Swiss explore the neighboring European countries more; at the same time, the long-haul segment, even if still limited, has been steadily increasing.

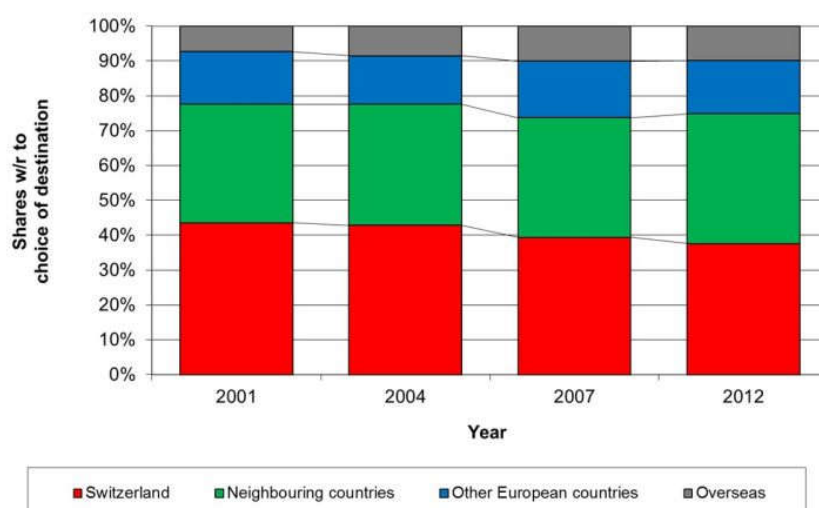


Figure 20: CH-3 Destination choices of Swiss travellers

Source: Travel Market Switzerland by University of St. Gallen, 2012

Tapping into relevant market segments – Switzerland

Table 15: CH-1 Main segments – Switzerland

Nature / active tourism	<p>Fespo Zürich – the most important Swiss tourism fair is geared mainly towards the final consumer and offers all segments, including nature and active tourism www.fespo.ch</p> <p>Globetrotter Magazine – a high-quality travel magazine with 4 editions per year, presenting exotic destinations around the world www.globetrottermagazin.ch</p>
Culture tourism	<p>Fernweh – a Swiss travel magazine presenting destinations and their people, culture and nature, history and gastronomy www.fernweh-magazin.com</p>
Lifestyle	<p>Ferienmesse Bern/Activ Plus – a Bern-based travel fair for the generation 50+ or “Golden Agers” target group www.ferienmesse.ch/de/aussteller-1/activplus.aspx</p>

Source: Own elaboration

Recommendations for the Swiss market

- Try to combine marketing activities in Switzerland with those you realize in Germany or Austria – always respecting the individuality of each market in your dealings with trade partners and consumers. Switzerland is a highly developed, proud nation with many genuinely Swiss traditions that you should be aware of and respect in all your interactions.
- The focus should mainly be on quality, not on price. In your product development, operations and promotion, aim for quality and consistency of service above anything else.

- The Swiss are known for their sober manners: cordiality, a certain reserve, understatement and punctuality. Dealing with Swiss trade partners should always focus on facts and the issues at hand. Over time, you can develop a friendship with the Swiss that should allow to relax manners a bit. But in the beginning, stick with rules and formalities.
- The same applies for dealing with customers in the destination: Rather than attempting to provide for great entertainment or “a fun atmosphere” as part of your service, focus on delivering a quality product in accordance with what was promised while maintaining politeness. When they feel professionally attended, the Swiss will start to relax all by themselves without the need to create the proper atmosphere for it.
- Remember that Switzerland is a country where three languages are spoken – German, French and Italian. Ideally, you should be able to attend trade contacts and customers in all three.

6.5.4 The Netherlands

The Netherlands at a glance:

GDP: 43,439 US\$

Population: 16.9 million

Unemployment: 5.6%

Annual vacation: 4 weeks

Travel intensity: 168.2%

Major originating markets: Amsterdam, Rotterdam, The Hague, Utrecht

Characterization: Although not a big European country in terms of geography or population, the Netherlands represent a mature and attractive source market, with Dutch travelers demonstrating a high propensity for international travel and a great openness to explore new destinations. The Dutch are experienced travelers and very discerning with regard to the price-quality relationship.

Figure 21: NL-1 Key indicators Netherlands

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Dutch travel market

A key player in the Dutch travel market is ANVR, the main trade association representing the Dutch tourism industry, grouping some 230 tour operators and 1100 retail agencies which represent 90% of the total Dutch market size.

Another important player in the Dutch context is Vakantiebeurs, the biggest tourism fair in the Netherlands. According to 2016 information provided by Vakantiebeurs, carried out annually in the city of Utrecht, leading long-haul destinations that Dutch travel to when not staying within Europe are Asia (39%), North America (28%), Central and South America (26%) and Australia and New Zealand (24%). The average spending on trips amounts to 3,376 Euros per year and per trip. In terms of countries outside of Europe, among the preferred ones, the United States, New Zealand, Australia, South Africa as well as Peru are mentioned as frontrunners within the preferences of Dutch travelers.

An important tendency observed in Vakantiebeurs that can also be found in many other European countries, especially with regard to the population in cities, is single travel. The main Dutch fair has its own Pavillon

dedicated to it: Go Solo. More than half of all surveyed Dutch have traveled at least once alone, even when 41% of the sample has a partner at that time. One of the reasons the Dutch prefer to travel alone is that they can do “different things” which reflects their adventurous and inquisitive nature, opting for holidays of a totally different kind than usual. On the other hand, several travel offers observed in the Netherlands and other European countries are designed to bring singles together during a journey, underlining that for every trend in the market there is also a contrary trend. However, in a European perspective the Dutch are clearly among the more autonomous travelers.

With regard to sustainable travel, Dutch tour operators are increasingly focused on implementing sustainability principles in their daily practices. Research done in 2005 shows to which degree Dutch tour operators align with sustainability criteria, with specialist tour operator companies like Sawadee Reizen (www.sawadee.nl/duurzaam-toerisme/) leading the field.

Level of sustainability

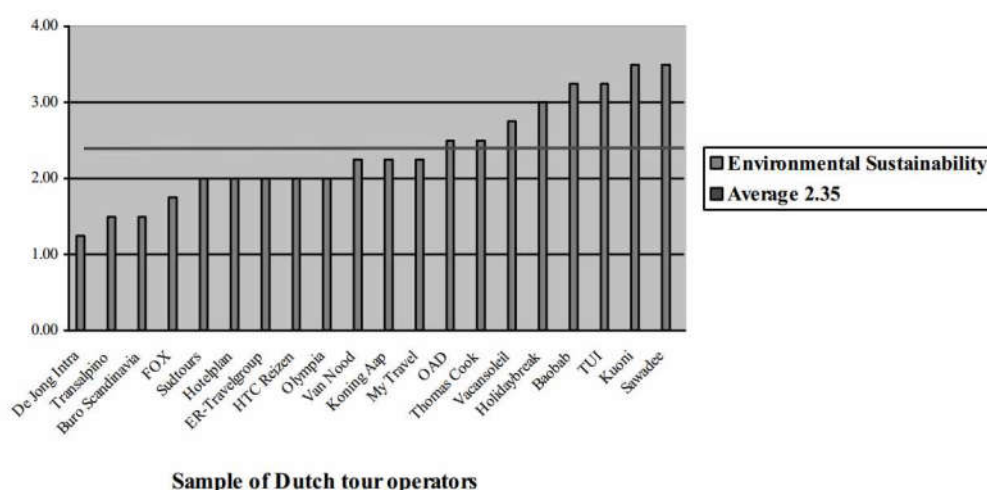


Figure 22: NL-2 Environmental sustainability of Dutch tour operators

Source: van Beugen, 2005

In addition, the Dutch travel association ANVR has a comprehensive agreement with the sustainable tourism label Travelife in order to guide its members in sustainability aspects, thus driving a sustainability agenda on the national level that involves hundreds of industry partners. Creating such an industry framework facilitates a booking and traveling behavior among consumers more geared towards sustainability.

Travel preferences of the Dutch

The travel propensity of the Dutch is very high and international travel plays a prominent role: 80% of the Dutch go on vacation, with some 45% traveling to foreign countries. This comes as no surprise considering the small size of the Netherlands and the country’s relatively homogenous landscape and its proximity to other European countries. Other driving factors include a high standard of living in a country that has a long tradition of sustaining commerce with the entire world. As the biggest port in Europe, Rotterdam is a hub of global trade and logistics and the Netherlands is among the top five countries in Europe in terms of per capita GDP.

Travelers from the Netherlands tend to be environmentally conscious. Dutch people are known for their love of cycling which is a very sustainable way of moving around in cities, both in terms of the environment and physical

health. Not surprisingly, Dutch travelers are attracted by sustainable tourism offers that include some level of activity, such as walking, hiking or biking. Dutch also tend to be aware of climate change issues as the low-lying Netherlands themselves are exposed to climate change related risks, and increasingly a small percentage of travelers is willing to compensate the CO2 emissions of their flight, as offered by the national carrier KLM and other independent compensation platforms such as GreenSeat. The latter partners with Benelux tour operators like Fox Vakanties and SNP Reizen from the Netherlands or companies such as Anders Reizen and Joker from Belgium to carry out compensation projects in the developing world, focusing on cooking stoves, windmills and biogas.

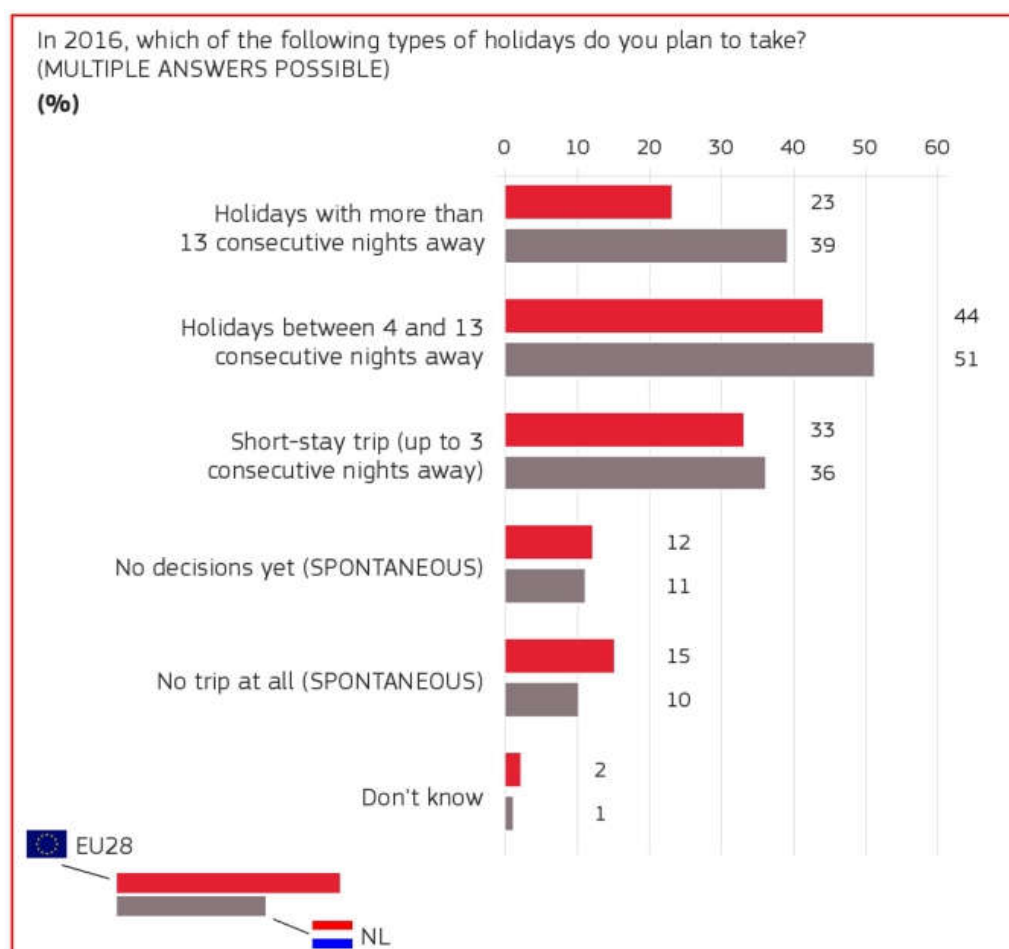


Figure 23: NL-3 Holiday plans of the Dutch in 2016

Source: European Commission – Flash Eurobarometer 432, 2016

The Dutch, especially of a younger age, are also among the more adventurous travelers in Europe. As a very liberal nation used to doing commerce with the entire world, the Netherlands has always been open to other cultures and Dutch tourists have a greater curiosity than the European average about the world and faraway exotic places. They are also more inclined to seek out innovative accommodation types (think staying in a Wigwam) or trying out new types of holiday activities. In addition, Dutch often distinguish themselves for speaking foreign languages very well, and many Dutch know two or even three foreign languages. That said, as any other

country, the Dutch appreciate it when addressed in their own language – but usually do not expect or demand it from Latin Americans.

Although the Netherlands are not a country with a very big population, compared to other European nations, the Netherlands represents a promising market for Latin American tourism entrepreneurs due to the high travel propensity of Dutch consumers. For all types of trips asked about (long, medium and short stays) the Dutch indicated clearly a higher intention for traveling than the European average. This holds especially true for the long-haul segments. In this context, it is worthwhile mentioning that the biggest Dutch airport, Schiphol near Amsterdam, ranks among the top 5 airports in Europe. In terms of passenger volume, although the Netherlands only has a small geographic extension, the country is very well connected with Europe and overseas markets by air.

Dutch consumers are price-sensitive and carefully seek out offers with a good price-quality relationship. They will thoroughly review their options and make sure that they get good value for their money. 3-star options are more common among Dutch travelers than other European travelers who, as a general tendency, tend to focus on the 4 star segment for their long-haul travels. Cleanliness is another aspect the Dutch value, consequently “value-oriented” should never be confused with “not as tidy”.

79% of all trips taken is leisure motivated and 21% are related to business motives, according to ANVR figures (2015). Leisure travelers tend to spend much more than the business segment. With a travel intensity of 1.7 trips abroad per year for persons with a minimum age of 15, the Dutch are among the most eager travelers in Europe. Online bookings tend to increase and travel is among the areas of consumption showing the highest online usage. That implies that user generated content that is available online has an increasing influence on the travel decisions made by the Dutch such as comments by other travelers available on different online platforms and on social media. Authentic evaluations are therefore a strong factor when making travel decisions before and during the trip with the help of guide books and the internet, and are usually well informed about the options that are at their disposal.

Another way of looking at the Dutch consumer in terms of segmentation was developed by the Dutch company Motivaction which divides consumers into lifestyle milieus. These can be summarized as follows:

- **Cosmopolitans** - combining traditional success values with postmodern ones
- **New conservatives** – open to technological innovation but averse to social change
- **Post modern hedonists** - focused on trying out new experiences
- **Social climbers** – career and status oriented
- **Traditional** – driven by classic middle-class values
- **Convenience oriented** - seeking an easy life with material well-being
- **Modern mainstream** - seeking a balance between tradition and modern values

It is recommended to visit the Motivaction website for detailed information:

www.motivaction.nl/en/mentality/mentality

The clear advantage of looking at target groups through the lens of lifestyle segmentation is that it helps tourism entrepreneurs to understand their market on a more intuitive level. It is easier to imagine a status-oriented social climber and the preferences that such a person might have when traveling than to go by abstract data or statistical averages.

Naturally, travel preferences are always a projection of a lifestyle so the choices the different lifestyle groups make will affect aspects such as information and booking channels, preferred destinations, price, and type of holiday. A look at tour operator websites, of the Netherlands or any European country, usually reveals very quickly the lifestyle group that each company is targeting. Similarly, pages with headlines like “Our travel philosophy”, “Who we are” or “What we stand for” commonly found in tour operator catalogues reflect the target group(s), or lifestyle milieu(s) that each company is addressing. By taking a close look at the webpages of European tour operators, a Latin America tourism entrepreneur can get a better feel for the clientele to expect from a particular tour operator. Usually the pictures showing tourists, as they enjoy activities in the destination, are very telling.

In addition, with regard to direct marketing activities by Latin American tourism providers, the product or the company’s own market investigation, such as customer satisfaction questionnaires, can be helpful in understanding and defining the target group.

Tapping into relevant market segments – Netherlands

Table 16: NL-1 Main segments – Netherlands

Nature / active tourism	<p>Vakantiebeurs – the most important Dutch tourism fair is more compact than other European counterparts but excellent to address both the trade and the final consumer within geographically-focused pavilions. It takes place every January in the city of Utrecht and covers all relevant segments for the Dutch market, including nature and active tourism. www.vakantiebeurs.nl</p> <p>Fiets en Wandelbeurs – leading Dutch fair for hiking and cycling, held annually in Utrecht www.fietsenwandelbeurs.nl</p> <p>Natuurfoto Magazine – a Dutch magazine dedicated to nature photography www.natuurfotomagazine.nl</p> <p>Dutch Birding – leading birdwatching fair in the Netherlands www.dutchbirding.nl</p> <p>Bike and Trekking – Dutch magazine focused on biking and trekking www.bikeandtrekking.nl</p> <p>Hike and Trekking – Dutch magazine focused on hiking and trekking www.hikeandtrekking.nl</p> <p>My Natour – a Dutch online community dedicated to nature and ecotourism. Tours and accommodation options from around the world are presented in the form of a directory. www.mynatour.org</p> <p>Fair Tourism – a Dutch-language website focusing on sustainable tourism, ecotourism and community based tourism www.fairtourism.nl</p>
--------------------------------	--

Cultural tourism	Meridian – a leading Dutch travel portal covering all aspects of travel www.meridiantravel.nl Archeologie Magazine – a magazine focused on Archeology http://archeologieonline.nl/magazine
Adventure tourism	National Geographic Traveler Netherlands www.natgeotraveler.nl

Source: Own elaboration

Recommendations for the Dutch market

- Pricing: the Dutch market is well known for its price sensitivity. Therefore, a product should have an excellent quality-price relationship. Reviewing at what prices similar products are being offered on the internet is always a good idea. Apart from the information on web pages, most tour operator websites, in the Netherlands and elsewhere, now have downloadable PDF documents with information from the catalogue.
- The focus should be on products that are innovative, adventurous to a degree and above all, authentic; and appeal to the “explorer within” of so many Dutch travelers.
- Transparency in the evaluations customers make about a product is recommended. It is good practice to share customer reviews of previous customers on the website, blog, or social media. Dutch consumers will appreciate the authenticity and frankness, even if occasionally a comment turns out to be not 100% favorable. If a comment reads “The road leading to the eco-lodge has many potholes”, rather than deterring the Dutch, it is probably an encouragement for them in the sense that apparently adventure awaits. It is much better than overpromising anything that cannot be kept in practice, as the Dutch value straightforward and truthful communication.



Image 6: Presentation stage at Vakantiebeurs tourism fair, Utrecht, Netherlands

Source: Hendrik Wintjen

The stage at the Dutch tourism fair Vakantiebeurs, carried out annually in the city of Utrecht in the Netherlands, allows destinations to present themselves with their colorful traditions.

6.5.5 Belgium

Belgium at a glance:

GDP: 40,231 US\$

Population: 11.2 million

Unemployment: 7.9%

Annual vacation: 20 work days

Travel intensity: 179%

Major originating markets: Brussels (19%), Flemish region (50%), Walloon region (31%)

Characterization: Belgium is a small multilingual European country, Brussels being the seat of many European institutions, with travel preferences approximating those of the country's immediate neighbors, Netherlands to the north and France to the south. French is spoken in the Walloon region and Dutch is spoken in the Flemish region while there is also a separate Brussels capital region – the defining three parts of Belgium.

Figure 24: BE-1 Key indicators Belgium

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Belgian travel market

In life and in travel, Belgians can be considered as the epicures who savor the good life, value close social relationships, and good food. Among all Europeans, they embody the “bon vivant” philosophy. That basic orientation reflects itself in their travel preferences. Work-life balance, spending quality time offline rather than online, living a lifestyle of health and self-care, enjoying nature and culture are all associated with the Belgian way of life and way of traveling. They also like to go at their own pace, avoiding over-organization and rigid schedules. This small country, often referred to as “Europe in a nutshell”, appears to have found a happy medium because Belgians also enjoy one of the highest per capita GDPs in Europe.

Travel preferences of Belgians

Of all trips undertaken by Belgians with a minimum duration of at least 4 days, 61% correspond to trips taken outside the country – not surprising since neighboring countries are only a short drive away. The number of trips taken outside of Belgium has been increasing only slightly, but continuously, over the last ten years. However, the overall travel propensity for foreign trips is much higher than the European average, amounting to 1.4 trips per month for people aged at least 15. As with all European source markets, most trips are undertaken in Europe itself, and in the long-haul segment essentially the United States plays a prominent role as a key destination outside of Europe, the only non-European destination among the top ten preferred by Belgians, according to data from UNWTO (2001).

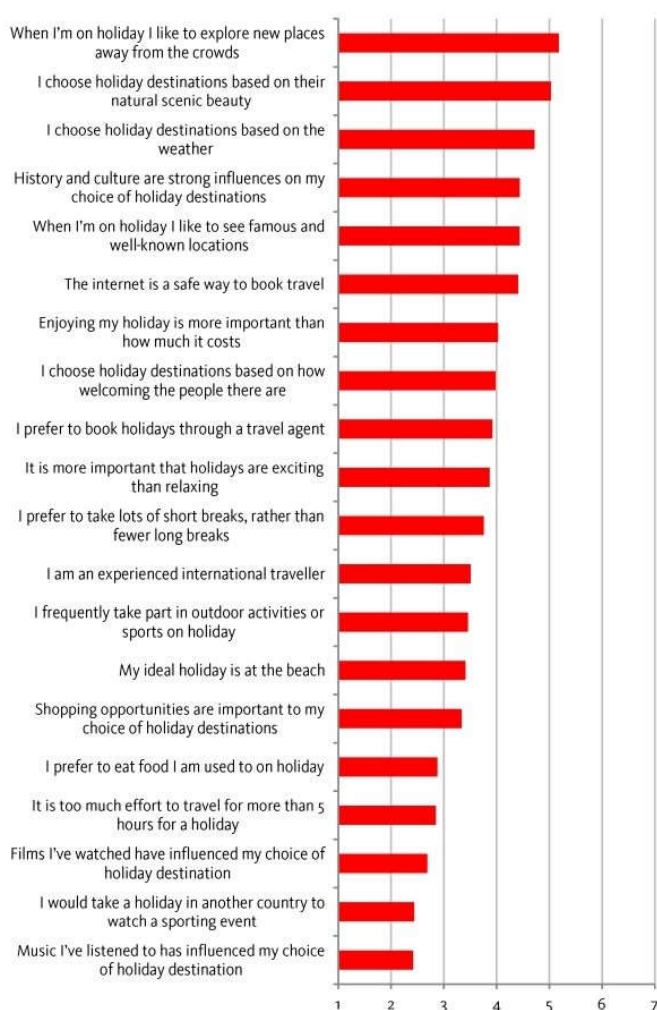


Figure 25: BE-2 Attitudes of Belgians towards holidays

Source: Visit Britain – Belgium Market and Trade Profile, 2014

Belgians like to discover new places when traveling abroad and value scenic beauty, history, and culture more than beaches or shopping.

TUI, Europe's biggest tour operator, has carried out a survey about the preferences regarding sustainable travel of consumers in a number of European countries including Belgium. Among those surveyed by TUI in Belgium, 9 percent prefer sustainable hotels which is slightly below the 11% average that was determined among all respondents. The survey relates both to ecological and social sustainability and determines that factors like environmental protection, biodiversity and better social standards for the local population play an increasing role in the choices that consumers make. Two thirds of all respondents in the TUI survey shared the opinion that tour operators play an important role in offering sustainable holidays. This comes as no surprise as in the organized part of the tourism business, to a large degree tour operators by default set the framework for how tourism is organized in the destinations. Overall, the study states that one in 10 Europeans book eco-friendly holidays and that many respondents criticize a lack of information and choice – this again points to the necessity that Peruvian and Ecuadorian tourism providers make their sustainability policies as clear and transparent as possible.

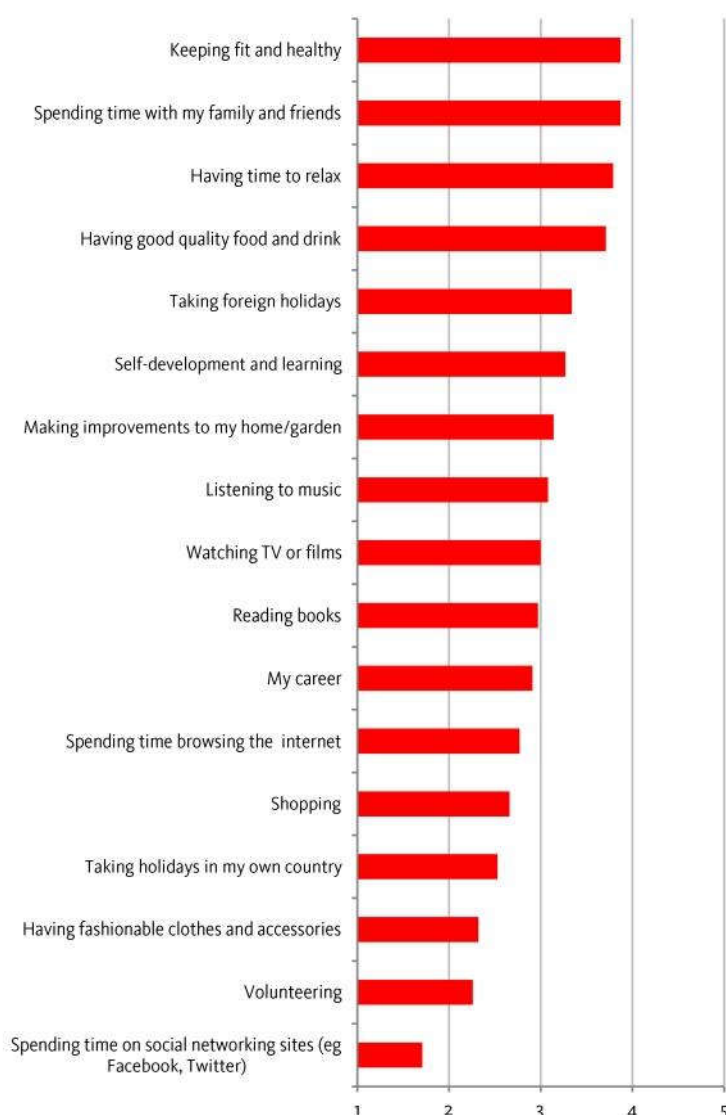


Figure 26: BE-3 Life priorities of Belgian consumers

Source: Visit Britain – Belgium Market and Trade Profile, 2014

Figure B-E3 provides an insight into the life priorities of Belgians and underlines that they truly appreciate the good life – staying healthy, spending time with friends and family, having time to relax and spending foreign holidays are all important priorities, more so than career or spending time online on social networking sites.

Tapping into relevant market segments – Belgium

Table 17: BE-1 Main segments – Belgium

Nature / active tourism	Salon des Vacances – leading Belgian fair in Brussels www.salondesvacances.eu/fr/ Fiets en Wandelbeurs – outdoor-oriented fair focused on hiking and cycling www.fietsenwandelbeursvlaanderen.be/index.php/nl/
Cultural tourism	Grande – general travel magazine with strong presence in Flanders www.grande.be Le Journal de l'Evasion – Belgian online travel magazine www.lejournaldelevasion.be
Lifestyle	Food Inspiration – magazine about gastronomy that covers national and international culinary trends as one aspect of travel www.foodinspiration.be

Source: Own elaboration

Recommendations for the Belgian market

- Due to its limited market size, many destinations in Latin America classify Belgium as a “potential”, “secondary”, “emerging” or “consolidating” market. In order to make wise use of marketing budgets, seeking synergies with promotional activities realized in France or in Netherlands is advised, due to geographic proximity and common language – especially when targeting tour operators that have established a presence across countries. However, in dealing with the Belgian market and Belgian business partners, it should always be treated as a standalone, autonomous market. The Belgian culture of reserved cordiality should always be honored. Belgians tend to be less frank than the Dutch, for example.
- Belgians’ preferences for a high quality of life should be addressed in the design of itineraries. Good food, a hospitable atmosphere, quality, and a warm, cordial welcome are key ingredients so that Belgians can truly appreciate a service and enjoy their stay in Latin America. Itineraries should be designed to leave some time for independent exploration and relaxation time.
- Packages should include a balanced mix of nature, culture, activity and relaxation, local cuisine and possibly some wellness offerings, especially for the 50+ segment.
- In addressing the Belgian market, it is a good idea to seek a mix of traditional and digital marketing channels.

6.5.6 France

France at a glance:

GDP: 36,428,20 US\$

Population: 66.4 million

Unemployment: 9.7%

Annual vacation: 30 work days

Travel intensity: 64,2%

Major originating markets: Greater Paris, Marseille, Lyon, Toulouse

Characterization: France, the most visited tourist destination in the world, as a source market reflects an intermediate position among European neighbors, reflecting characteristics from both Northern and Southern Europe. French tourists show an increasing interest in adventure travel and sustainability while also valuing traditional elements such as good gastronomy in a trip. Traditionally one of the economic locomotives within Europe, the country's standing has weakened somewhat, reflected in an above-average unemployment rate.

Figure 27: FR-1 Main segments – France

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the French travel market

Of the southern European markets analyzed in this study (France, Italy and Spain), France is the most northern one. That means that it has some commonalities with Italy and Spain but also reflects some of the traits of its northern neighbors. France, Italy and Spain all share, at least in parts of their territory, a warm Mediterranean climate. Traditionally this pleasant climate has led to many people to spend vacations in their own country, often with their families, while Northern Europeans like the British or Germans, would want to escape their cold winters or rainy summers. Many families in the Southern countries analyzed in this study own a second house on the beach or in the countryside. Consequently, climate and the corresponding tendency to travel domestically is one among a variety of factors that has led the Northern markets to be more focused on air or long distance travel, as well as their higher standard of living and disposable income for travel.

According to UNWTO data, France is also the number 1 country in the world for receiving international visitors which underlines that the country has plenty to offer that makes the French want to stay at home.

With all that said, France is a leading, mature European source market with a healthy appetite to discover exotic destinations around the world. Among the most important segments are adventure and nature as well as luxury tourism. Sustainability also plays an increasing role and a number of institutions have been developed over the years that articulate the sustainability efforts of French tour operator companies. The network ATES (www.tourismesolidaire.org) strives for a tourism that is equitable and characterized by solidarity and has French tour operators focused on that philosophy among its members, distinguished by a corresponding label. Actors of Sustainable Tourism (ATD) (www.tourisme-durable.org), seeks to create awareness about sustainable tourism and to foster best practices in this area. Similarly, Actors for a Responsible Tourism (ATR) (www.tourisme-responsable.org) aims to foster responsible forms of tourism that protect the environment, respect and support local populations on the social and cultural level, and contribute to the economic wellbeing of the visited destinations.

Travel preferences of French

As detailed in the following Figure 28: FR-1, the replies given by French in an Eurostat survey underline that the citizens in France like to take vacations within their own country and that there is only a slight above-average interest, in comparison with other European markets, in going to long-haul destinations outside of Europe. Some of the long-haul travel is absorbed by overseas French territories such as the French Antilles in the Caribbean or Reunion off the coast of Africa. The exact travel pattern, of course, depends on each destination, and in the case of the destination Peru, for example, the French market is of higher importance than the German market although overall Germany is a much stronger source market for long-haul travel.

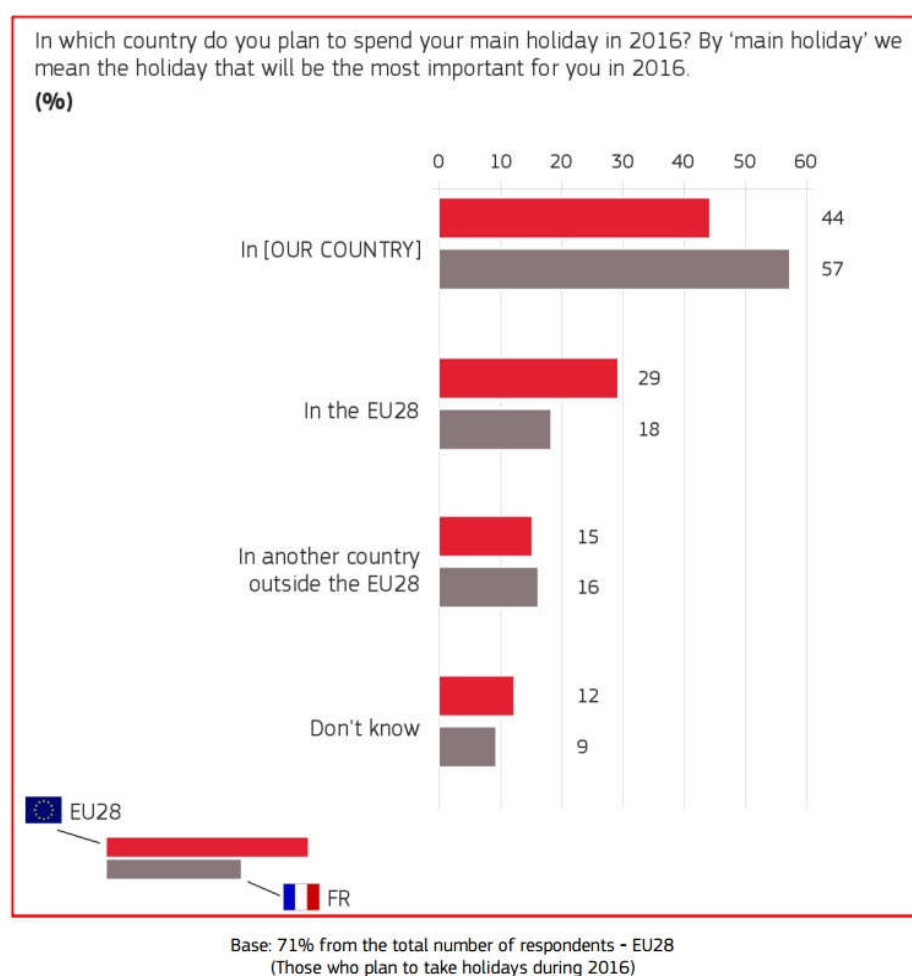


Figure 28: FR-2 Preferred destinations by French

Source: Eurostat, 2016

Key travel motivations of the French, which like to take up to four trips per year, include knowing new landscapes, encountering new exotic destinations and explore the unexplored parts of the world. Beach holidays are preferred by many French, followed by holidays in the mountains, touring holidays and staying in the countryside or in cities. Not surprisingly, French also value good gastronomy and taking the time to enjoy a good meal. France is a country with a high degree of centralization, meaning that roughly 20% of the population lives in the greater Paris region, a vast urban conglomerate. With a population of 12.4 million people, metropolitan Paris is the second

largest urban area in the European Union, surpassed only by London. This comparatively wealthy region is at same time the biggest source of international outbound travel in the country.

French travelers rely both on the internet and guide books to seek out options for their upcoming trips. They tend to do plan with less anticipation than of their European neighbors. French market research institute Ipsos has coined a term of *adjusted consumption* to describe an increased pragmatism that the French show in uncertain times, favoring quality over quantity, and making full use of the possibilities that modern technology has to offer, which includes aspects such as more flexible and short-term bookings. All these factors make the French consumer less predictable than in the past and Latin American travel business wanting to deal with the French markets should be prepared to respond accordingly with a high level of flexibility.

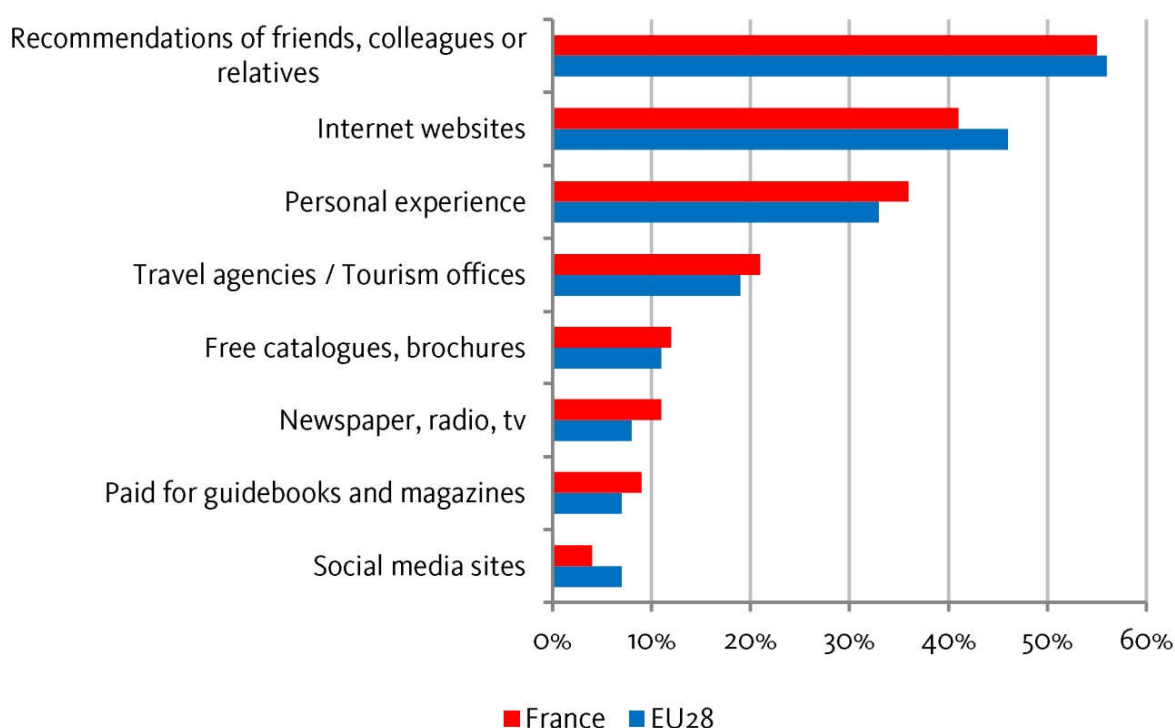


Figure 29: FR-3 Sources of information of the French in comparison with EU average

Source: Visit Britain / Flash Monitor, 2015

Figure 29: FR-3 indicates that the French still value very much recommendations by friends and family, followed by information available on the internet. However, consulting the internet for the decision-making process is less pronounced than in other European countries. While guide books do play a role, internet clearly dominates as information source. In contrast, social media do not yet play a significant role as information source.

Tapping into relevant market segments – France

Table 18: FR-1 Main Segments – France

Nature tourism	Destinations Nature – tourism fair focusing on nature tourism www.destinations-nature.com Trek Magazine – key French source for trekking www.trekmag.com
Culture tourism	Tour Magazine – general online travel magazine www.tourmagazine.fr Desirs de Voyage – travel and lifestyle magazine www.desirs-de-voyages.fr
Sustainable tourism	Solidarissimo – fair (segment) focused on solidarity tourism that is attached to the SITV tourism fair in Colmar, with both fairs taking place at the same time around November each year http://www.sitvcolmar.com/fr/solidarissimo-un-salon-unique-en-europe SITV Colmar – Salon International du Tourisme et des Voyages www.sitvcolmar.com ATD – Acteurs du Tourisme Durable – network of sustainable tourism actors in France www.tourisme-durable.org ATR – Agir pour un Tourisme Responsable – French network for responsible tourism www.tourisme-responsable.org ATES – Tourisme Solidaire – network for solidarity tourism www.tourismesolidaire.org

Source: Own elaboration

6.5.7 Spain

<p>Spain at a glance:</p> <p>GDP: 25,831,6 Population: 46.5 million Unemployment: 19,2% Annual vacation: 30 calendar days Travel intensity: 42,2% Major originating markets: Madrid, Barcelona, Balearic islands, Valencia Characterization: The Spanish traditionally take more vacations at home than many of their European counterparts. However, when they do travel outside of Europe, Latin America is one of the preferred long distance destinations due to historic, cultural and linguistic ties.</p>

Figure 30: ES-1 Main segments – Spain

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Spanish travel market

Similar to France, Spain has a strong international inbound market (number 3 in the world according to UNWTO figures, both in terms of international arrivals in Spain as well as international tourism receipts) and Spanish vacationers, blessed with a warm climate and an extensive coastline, have traditionally taken many vacations at home, often at the beach. However, because of historic and cultural ties, in the context of the European market, Spain has an above average interest in Latin American destinations, with the factor common language being a strong facilitator. In fact, Spain is the leading European source market within international arrivals for Ecuador. In general, travel from Spain to developing countries has increased over the last years and Latin America often comes to mind when considering a trip outside of Europe. The national carrier Iberia also has more connections to Latin America than most other European airlines, including the Peruvian capital Lima and the Ecuadorian capital Quito.

The interest in sustainability is less palpable than with other, mainly Northern European, markets although Spain has tour operators and institutions specifically dedicated to sustainable forms of tourism. In part these can be understood as a contrast and reaction to the impact of mass tourism that can often be witnessed in Spain and that has forever changed the face of the country's coastline and tourism hot spots like Barcelona, Benidorm or Ibiza. As one evidence of this tendency, the most important tourism fair in Spain, Fitur, has now its own segment dedicated to sustainable tourism called Fitur Green.

An article in the online trade magazine Tourism Review reports that two Spanish studies conducted jointly by researchers from the Universities of Extremadura and Jaén led to the conclusions that Spaniards are increasingly attracted to sustainable forms of tourism and that they are more discerning with regard to the travel choices they make. Additionally, overcrowded tourist places are associated with a negative impact on the overall tourist experience. Latin American destinations therefore have the opportunity to position themselves as uncrowded, pristine, untouched destinations still offering the authenticity and intact nature that has been lost in other places.

A study by UNWTO provides an overview of the main activities characterizing the ecotourism packages found in the Spanish ecotourism market.

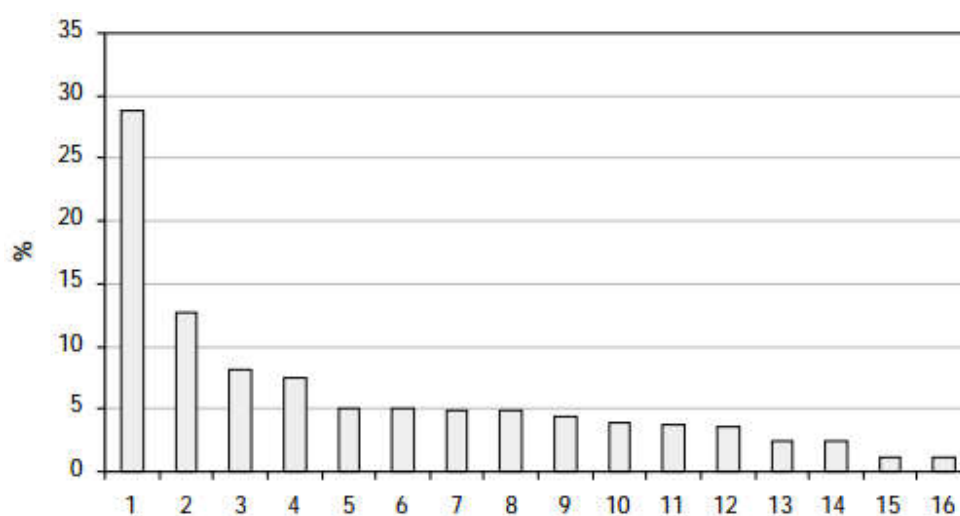


Figure 31: ES-2 Activities included in ecotourism products, according to a survey of tour operators in the tourism Fitur in Spain, 2001

Source: The Spanish Ecotourism Market, UNWTO, 2002

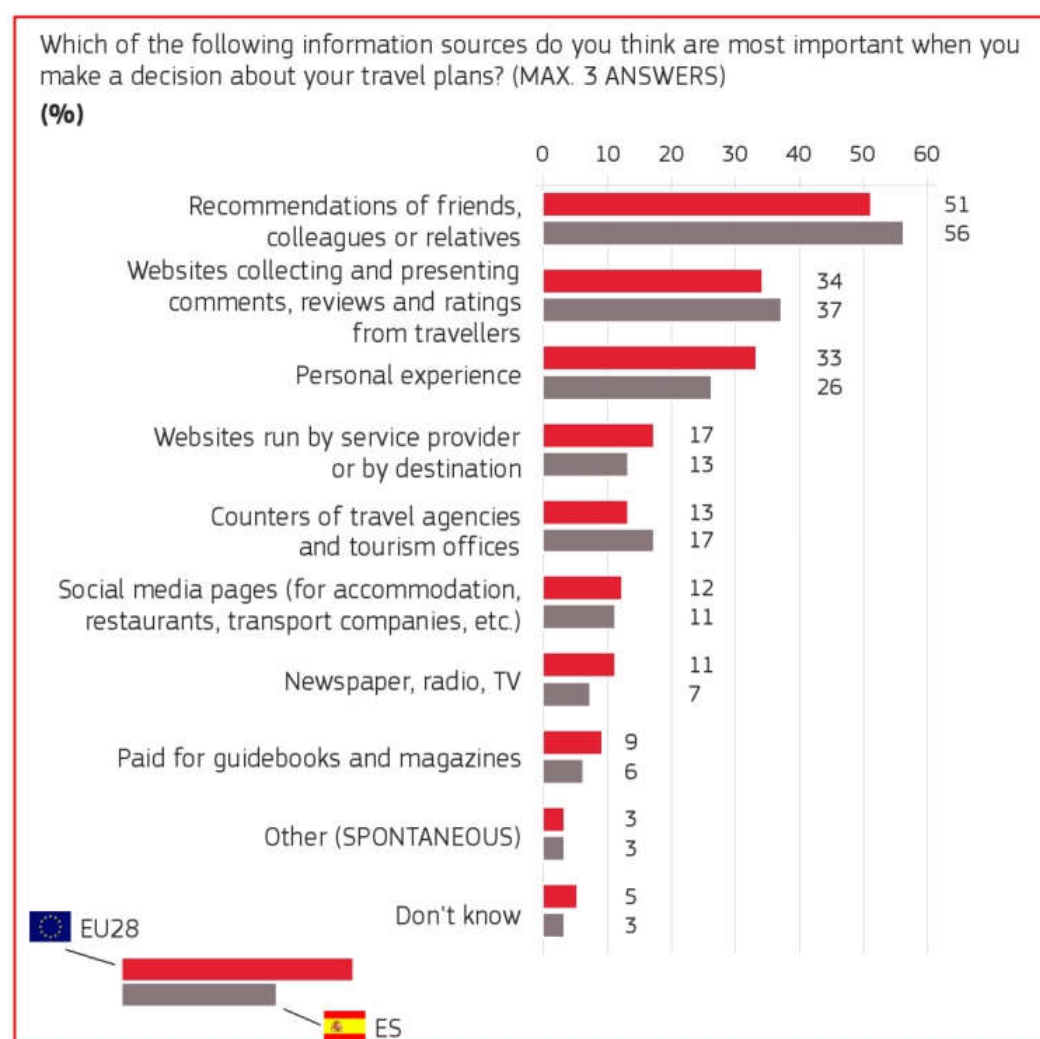
Key:

- 1 - Protected areas
- 2 - Trekking
- 3 - Cultural tours
- 4 - Nature sports
- 5 - Observation of fauna
- 6 - Combination
- 7 - Adventure
- 8 - Indigenous communities
- 9 - Bird-watching
- 10 - Handicrafts
- 11 - Exploration
- 12 - Naturalist, botanical tours, etc.
- 13 – Volunteer tourism
- 14 - Others (archaeology, cuisine, rural tourism, etc.)
- 15 - Hunting and fishing
- 16 - Health and natural life

Travel preferences of Spanish travelers

Spanish holidaymakers like to receive information and attention in their language and this is one of the main reasons why they feel very much at home in Latin America. However, as many Latin American destinations, including Peru and Ecuador, also have a strong orientation towards the North American market, Spanish guests dislike having to deal with English language information in countries that use Spanish as official language. Receiving brochures in English or visiting a museum or national park with signs mainly in English might be appreciated by other Europeans, but certainly not by Spanish visitors. The same applies for tour guides in guided itineraries – English-speaking guides, for example in groups combining different nationalities, should be avoided at all cost. When Spanish guests dislike something, they can express their discontentment in no uncertain terms but tend to use less legal mechanisms to defend their rights as clients and consumers than, for example, the Germans would do once having returned from their trip.

On average, Spanish travelers tend to use less anticipation for making their reservations than other European countries. This is in part due to the economic challenges Spain has been facing in the last years. Many Spaniards are very price-sensitive and will check for low cost, last minute or competitive offers rather than committing a budget to a trip far in advance. Although long-haul travel is usually planned and booked with more advance than short trips within Europe, the same tendency applies also. Recommendations by friends play a big role in making a decision for the next trip, as do personal experiences, such as from previous trips to the same or similar destinations.



Base: Total number of respondents - EU28

Figure 32: ES-3 Information sources of Spanish travellers for decision-making, in comparison with other European countries

Source: Flash Eurobarometer 432 – Preferences of Europeans towards Tourism – Spain, 2016

Spanish travelers value social interactions during their trips and like visiting markets, shopping venues, events, going out to dine, dance, visiting pubs, etc. Likewise, they enjoy visiting cities, cultural sights and museums but also do appreciate relaxing, beach stays and wellness. Tourism businesses should make sure that Spanish guests can always find some options for entertainment to keep them happy during their stay.

According to a survey carried out by the Instituto Nacional de Estadísticas in 2015, 91.5% of the Spanish took a trip within Spain and 8.5% took a trip to a foreign destination. 77.5 % of all trips undertaken had a duration of less than four nights and 4.4% had a duration of more than eight nights. Since long distance trips usually take longer than eight nights, it can be assumed that this percentage of slightly less than 5% is suggestive of the proportion of long-haul travel in the overall travel movement of the Spanish population.

Tapping into relevant market segments – Spain

Table 19: ES-1 Main segments – Spain

Nature / active tourism	<p>Lonely Planet España – Spanish version of the international magazine focusing on discovery and adventure www.lonelyplanet.es/revista.html</p> <p>Revista Oxígeno – a Spanish magazine dedicated to outdoor and active travel www.revistaoxigeno.es</p> <p>Aire Libre – monthly magazine about active and rural tourism www.airelibre.com</p> <p>Doñana Bird Fair www.donanabirdfair.es/en/</p>
Cultural tourism	<p>Condé Nast Traveller – Spanish version of the international travel magazine, focusing on refined travel www.traveler.es</p> <p>Ocho Leguas – El Mundo – leading travel portal in Spain operated by El Mundo newspaper www.ocholeguas.com</p> <p>Siete Leguas – a unique semestral magazine combining travel, art and culture www.unidadeditorial.es/producto.aspx?id=siete_leguas</p>
Gastronomy and lifestyle	<p>Viajar – a leading Spanish travel magazine that also gives ample coverage to gastronomy http://viajar.elperiodico.com</p>
Sustainable tourism	<p>Fitur Green – a segment of Spain’s most important tourism fair dedicated specifically to sustainable tourism. Organized in cooperation with UNWTO, it has a trendsetting role beyond the Spanish market http://www.ifema.es/fitur_01/FiturGreen/</p> <p>Turismo Sostenible – website dedicated to a sustainable hospitality industry www.turismososteniblemedia.com</p>

Source: Own elaboration

Recommendations for the Spanish market

- Tourism providers should calculate tightly – Spanish consumers will be attracted to value-for-money offers. However, this does not imply products should be cheap, just carefully designed to optimize good value for an accessible price.
- When Spanish guests complain, it is important to react swiftly and to show concern. They will usually calm down and quickly forget about the issue when they feel that their complaint is taken seriously, even if initially they may have been very outspoken in bringing it forward. This will help with personal recommendations once they return home.
- The main fair in Spain, Fitur, takes place every January in Madrid and is an important event for Latin American tourism destinations. Of all major tourism fairs in Europe, given that there are no language

barriers, this can be an important and relatively easy-to-manage entry point especially if a company is at an early stage in working with the European market. A comprehensive guide for exhibitors in Spanish language is available at: http://www.guiaexp.fituronline.com/?page_id=2&lang=es. The information available at this link provides a good idea about all the elements that need to be taken into consideration for a participation in a major international tourism fair.

- Product design and information used in marketing should take into account the gregarious character of the Spanish: good food and a pleasant ambiance play an important role in promoting and carrying out the trip.
- The cultural contributions Spain has made to Latin America should be appreciated in promotional materials and descriptions, implicitly or explicitly.

6.5.8 Italy

Italy at a glance:

GDP: 29,847 US\$

Population: 60.8 million

Unemployment: 11,6%

Annual vacation: 4 weeks

Travel intensity: 41,7%

Major originating markets: Rome, Milan

Characterization: Italians focus their travels on domestic and European destinations. However, when traveling long distance, Latin America is among the preferred destinations. Italians enjoy the good life and value spending time with friends and family, style and fashion, good food and drink when traveling. Italy has given rise to phenomena such as agrotourism and the slow food movement.

Figure 33: IT-1 Key indicators Italy

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the Italian travel market

There are some 10,000 travel agencies in Italy, according to information by a Visit Australia market report, which clearly makes Italy one of the bigger players on the European tourism stage.

Italy can roughly be divided into North and South. The north is highly developed, heavily industrialized, and wealthy. Many of the most important companies in Italy have their head offices in Milan, and many of the main players in tourism are also concentrated in the Milan area. The south is more characterized by agriculture, has a lower standard of living overall, and is heavily subsidized.

Italy is a country blessed with an excellent climate and much scenic beauty, as well as an extensive coastline. As in most southern European countries, many Italians also prefer to take a vacation in their own country and do not venture out as much as their northern neighbors. Although Italians are sophisticated travelers with often refined tastes, they fulfill these mostly on trips undertaken within their own country or within Europe. Good food, style and fashion, art and culture are all important to Italians, as well as having a good time with friends and family. In addition, economic factors clearly play a role. In a study realized by Ipsos on behalf of Europe Assistance in 2013, the average summer holiday budget for Europeans was researched, and Italians were in 6th position (out of 7) in terms of spending, with only Spain showing a lower average in the sampled group.

Base : To people claiming they will leave on holiday in summer 2013

Open-ended question








	All	EURO ZONE							
	n=2133	n=1842	n=320	n=262	n=291	n=211	n=265	n=490	n=293
Average budget	2 242€	2 100€	2 140€	2 343€	2 803€ *	1 607€	1 761€	2 508€	2 505€
Rank	-	-	5th	4th	1st	7th	6th	2nd	3rd
Change cf. 2012	+117 €	-4 €	+28 €	-129 €	+570 € *	-256 €	+71 €	+101 €	+325 €
Change cf. 2012 (in %)	+5,2	-0,2	+1,3	-5,5	+20,3	-15,9	+4,0	+4,0	+13,0
2012 Average budget	2 125€	2 104€	2 112€	2 472€	2 233€	1 863€	1 690€	2 407€	2 180€

Figure 34: IT-2 Travel budget of holiday makers in selected EU countries

Source: Europ Assistance / Ipsos, 2013

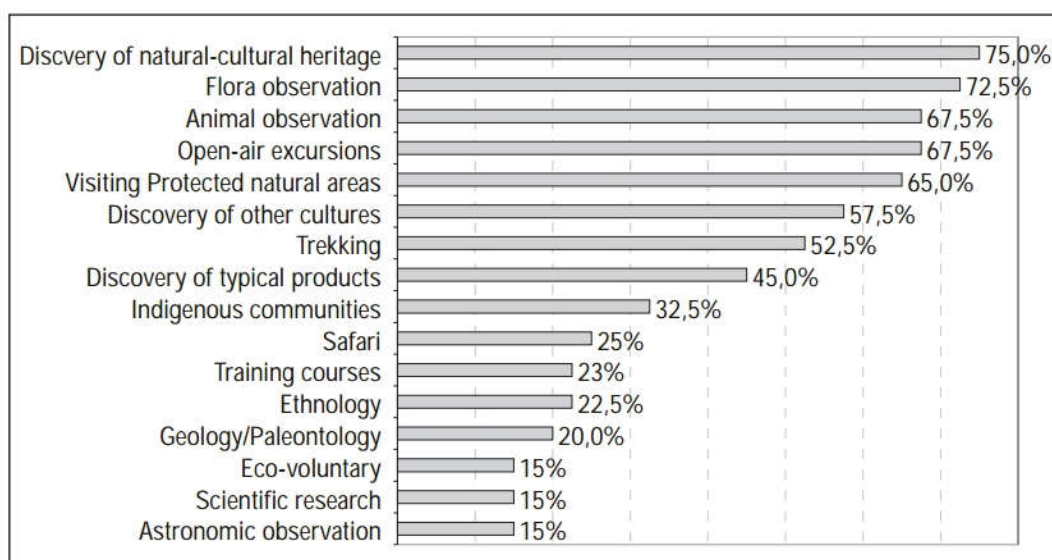
Travel Preferences of Italian travelers

According to data by Euromonitor, the number of trips taken outside of Italy is very stable, without strong variations over the last five years. In 2015, Italians took 22.3 million trips outside of their country. Taking into account the population with a minimum age of 15, this amounts to a travel intensity of 41.7% which in comparison to other major European source markets represents a low percentage,

A number of institutions and initiatives reflect the growing concern for sustainability in the Italian market. AITR, the Italian Association of Responsible Tourism, brings together tour operators and other partners to foster the philosophy of responsible tourism. The Slow Food movement, by now known worldwide, also has its origins in Italy and is concerned with enjoying healthy organic food that is locally produced and consumed in traditional and in fair ways. This growing trend offers tourism businesses in Peru and Ecuador many opportunities to tap into.

Agrotourism is another popular segment related to sustainable tourism that has experienced higher than average growth in Italy in the last years and that can be offered in the context of Latin America. Italy itself is a leader in this field and many Italians are very familiar with the idea of agrotourism.

Furthermore, a study of the Italian ecotourism market published by UNWTO reveals that among long distance destinations, Latin America takes the lead for ecotourism destinations in comparison with other world regions, with countries like Brazil, Peru and Ecuador figuring strongly among preferred countries.



Source: survey of 40 Operators

Figure 35: IT-2 Tour operator survey – activities proposed in ecotourism packages offered by Italian tour operators

Source: UNWTO, 2002

Tapping into relevant market segments - Italy

Table 20: IT-1 Main segments – Italy

Nature tourism	<p>BIT Milan – Italy's main tourism fair covers all segments, including nature, outdoors, adventure http://bit.fieramilano.it</p> <p>Buy Latin America – a B2B workshop designed to connect the Latin American offer with Italian trade buyers http://www.buylatinamerica.com</p> <p>Trekking – Italian magazine for trekking and outdoor activities www.trekking.it</p>
Cultural tourism	<p>Immagimondo – an event with sustainability orientation dedicated to travel and culture www.immagimondo.it</p> <p>Agenda Viaggi – Italian online magazine with orientation to travel and lifestyle www.agendaviaggi.com</p>
Sustainable tourism	<p>AITR – Italian Association of Responsible Tourism – the main organizations in Italy for sustainable tourism www.aitr.org</p> <p>Agrotourism Agrotourism is an important segment in Italy, both for domestic and</p>

	<p>outbound travel. Stays on fincas and haciendas can be organized, as well as in eco-lodges, showing farming methods and inviting tourist to actively participate in them</p> <p>Italy-only portal on Agrotourism, providing a good idea on the type of product clients look for</p> <p>www.agriturismo.it</p> <p>Agritravel Expo – Bergamo-based fair on agrotourism, slow tourism and sustainable tourism</p> <p>www.agritravelexpo.it/en/</p>
--	--

Source: Own elaboration

6.5.9 United Kingdom

<p>The United Kingdom at a glance:</p> <p>GDP: 43,734 US\$</p> <p>Population: 64.8 million</p> <p>Unemployment: 4.7%</p> <p>Annual vacation: 28 work days</p> <p>Travel intensity: 122,2 % for the population with a minimum age of 15%</p> <p>Major originating markets: Greater London, Manchester, Birmingham, Leeds, Glasgow</p> <p>Characterization: Major European source market with a mature and differentiated travel industry offering a wide variety of segments, including a focus on responsible tourism.</p>

Figure 36: UK-1 Key indicators United Kingdom

Source: Own elaboration based on different sources (please refer to references)

Key characteristics of the British travel market

According to the British travel association (ABTA) which lists some of the main trends for the British market, British travelers will continue to travel long-haul. This is due to the fact that mainstream tour operators have seen a strong increase over the years in long-haul travel, once an area that was reserved for the more adventurous travelers, apart from destinations like North America. A reduction in fees has also led to lower prices in the long-haul segment.

The 55+ market, according to ABTA, is also more adventurous than ever before. Already with a lot accumulated travel experience and now endowed with the facilities of the modern-age tourism industry, more and more silver agers are interested in forms of travel that once were considered only by the most intrepid. This is clearly a trend that Latin American destinations should take note of.

Reflecting a broader trend in the European travel market, tailor made tours are clearly on the rise in the UK market. Beyond standardized packages tour operators need to be able to satisfy every fancy of their customers, but have lots of business opportunities if they manage to address their customers' preferences in a highly-personalized manner.

With regard to specific destinations, Peru figures among the currently “hot” destinations for the British market due to the introduction of direct flight connections with British Airways from London Gatwick in 2016. The ABTA report indicates that Peru has left behind the image of a backpacker destination and is now positioned as one of the prime “must see” destinations in South America, due to its world class attractions such as the icon Machu Picchu and the Inca trail, the country’s diversity and also the surge of Peruvian gastronomy which is now the best known South American cuisine in the world. Since overall a more discerning clientele will arrive in Peru, it is important to cater to British tourists emphasizing aspects such as quality, safety, and a high degree of customization. Given that the report cites in very specific terms security concerns, among these unauthorized taxi drivers, accident risks on the road or when flying over the Nazca lines, as well security problems related to organized drug trafficking in some parts of the country, and considering consumer protection regulation on the British and European level, ensuring safety as a top priority.

According to the World Travel Market Industry report, 70% of interviewed British holidaymakers believe that the tourism industry has become more sustainable over the last 10 years. That could have happened only if there was demand to go along with it. Asked about the importance of the environment and sustainability in the choice of a holiday and destination, 40% of UK holidaymakers respond that it is somewhat important, 24% respond that it is quite important and 11% report that it is very important, as demonstrated in Figure 37: UK-2.

Q. How important is the environment and sustainability in your choice of holiday(s) and destination(s)?

(UK holidaymakers survey)

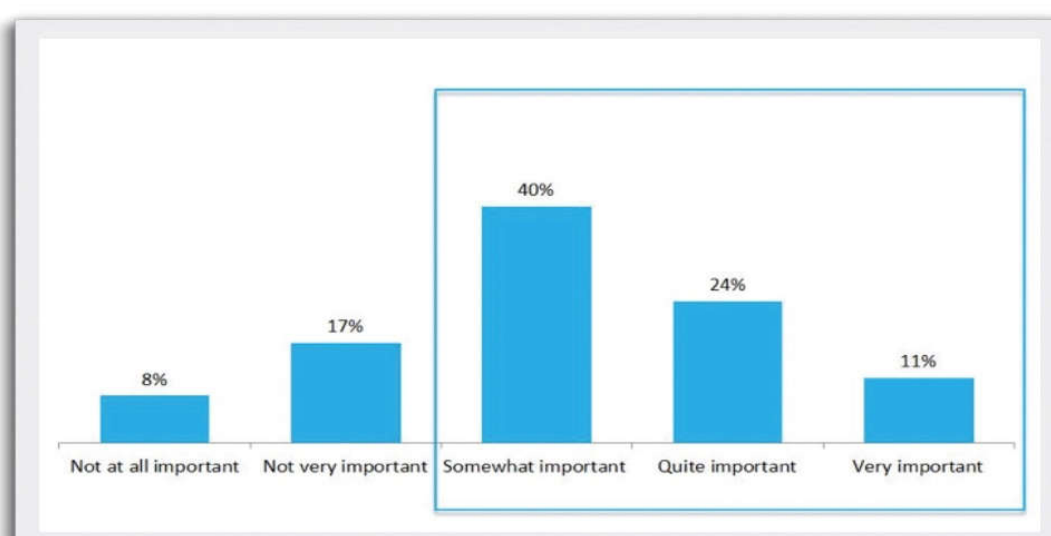


Figure 37: UK-2 Importance of sustainability aspects when deciding about holidays

Source: World Travel Market Industry Report, 2016

As most Europeans, British travelers like to explore beautiful landscapes and untouched natural areas. With the growing concern for sustainable tourism it comes as no surprise that the effects of mass tourism are regarded with a critical eye, even in the context of Latin American destinations that do not have the same number of tourist volumes as many places in Europe. A survey among industry professionals takes a closer look at this issue (see Figure 38: UK-3 below).

Q. Popular destinations such as the Disney resorts, Barcelona, Venice, and Machu Picchu have tried introducing measures to manage visitor numbers. How useful do you think tourism caps are to...?

(Industry survey)

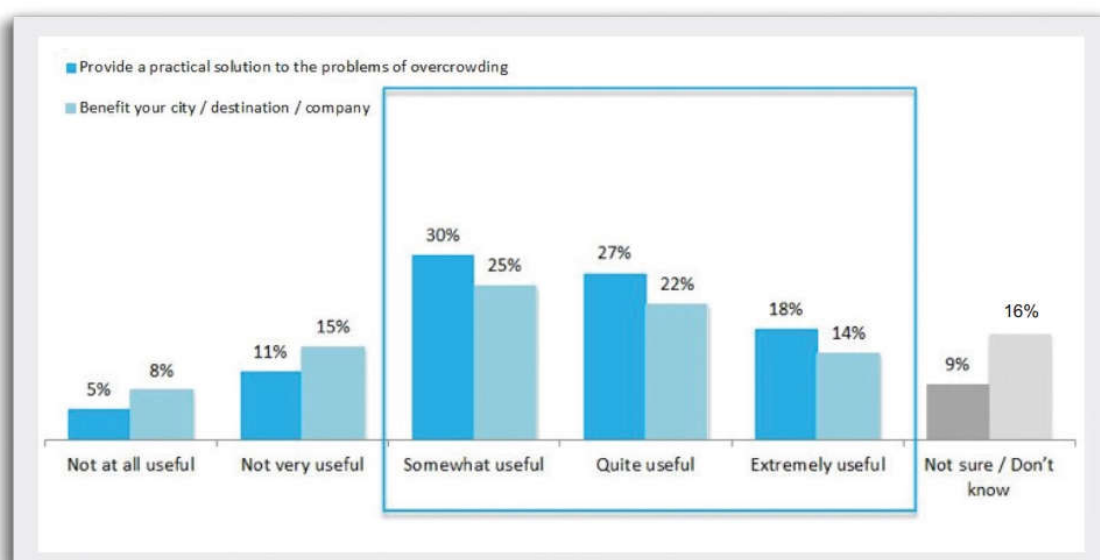


Figure 38: UK-3 Usefulness of caps on tourism according to industry players

Source: World Travel Market Industry Report, 2016

Clearly, among tourism professionals there is an awareness of the problem of overcrowding, and a majority feels that measures taken to reduce overcrowding also benefit their companies. In the context of Peru and Ecuador, this signals two necessities: a) to carefully manage sites like Machu Picchu and Galapagos in a long-term perspective, in order to avoid symptoms of overcrowding, and b) to further develop their tourism offer in other parts of the country.

Tapping into relevant market segments – United Kingdom

As one of the most developed and mature source markets in Europe, the tourism offer in the United Kingdom covers any imaginable fancy, often including very specific niches that are not on offer elsewhere. This encompasses the sub-segments discussed in this study, such as orchid tourism, butterfly observation or equestrian holidays.

Table 21: UK-1 Main segments – United Kingdom

Nature / active tourism The United Kingdom is known as a leading European market for specialized forms of travel. Every market niche usually	Hiking Wanderlust Travel Magazine – key UK travel magazine covering everything related to hiking www.wanderlust.co.uk Ramblers – British organization dedicated to walking www.ramblers.co.uk
--	--

<p>has its own association, publication, activities, and events that bring interested persons together.</p>	<p>Birdwatching Birdwatching Magazine – leading birdwatching magazine in the United Kingdom www.birdwatching.co.uk Birdwatch – another UK-based birdwatching magazine www.birdwatch.co.uk/clubs Birdwatching associations in the UK There are many birdwatching associations in the UK, one of the most important European source markets in this segment. A comprehensive list can found under birdwatch.co.uk: http://www.birdwatch.co.uk/clubs/Default.asp Birdfair – key birdwatching fair in the UK and a leading fair in Europe for birders, in which Latin American exhibitors regularly participate www.birdfair.org.uk</p> <p>Botanical tourism Orchid Society of Great Britain – this society is the focal point for orchid lovers in the UK. Occasionally, trips within Europe and also to destinations outside of Europe are organized in order to appreciate orchids. www.osgb.org.uk/travel/travel.html</p> <p>Adventure Adventure Travel Magazine www.adventuretravelmagazine.co.uk Trek and Mountain – leading UK source for trekking and climbing www.trekandmountain.com Adventure Travel Show – fair specialized in adventure travel, carried out yearly in London www.adventureshow.com</p>
<p>Cultural tourism</p>	<p>Travel and Leisure – US based travel magazine covering sophisticated forms of travel which has a sizeable readership in the UK www.travelandleisure.com</p>
<p>Responsible tourism</p> <p>As a reflection of its maturity as a source market, the UK is a global trendsetter for responsible forms of tourism and for bringing the sustainable tourism agenda forward.</p>	<p>World Travel Market – WTM Responsible Tourism – main tourism fair in the UK and one of the most important tourism fairs in the world, having a segment called Responsible Tourism which is a leading international forum for discussing advances in responsible tourism. Participating in WTM and doing networking during WTM Responsible Tourism Day represents an ideal opportunity for Latin American providers with a sustainable tourism philosophy, with contact and business opportunities that go beyond the UK market www.wtmresponsibletourism.com Responsible Travel – leading site in the UK for all aspects of responsible travel. Includes a directory of services for responsible tourism services for which it serves as a marketing platform www.responsibletravel.com Travel Foundation – independent UK charity concerned with how tourism</p>

	<p>benefits the destinations visited. The website offers many valuable articles about sustainable tourism, including practical how-to guides that help businesses to put sustainability principles into practice</p> <p>www.thetravelfoundation.org.uk</p> <p>Tourism Concern – promotes ethical tourism and human rights, for example of indigenous people, by lobbying and providing advice on how to travel ethically</p> <p>www.tourismconcern.org.uk/ethical-travel-advice/</p> <p>AITO – Association of Independent Tour Operators which has established guidelines for sustainable tourism</p> <p>www.aito.com/sustainable-tourism/ethos</p> <p>www.aito.com/sustainable-tourism/guidelines</p> <p>It also publishes a comprehensive list of member's projects, showing the whole range of possibilities on how operators engage in the host countries by supporting sustainable development initiatives, some of which are linked directly to the tourism business</p> <p>www.aito.com/sustainable-tourism/members-projects/1</p>
<p>Luxury tourism</p> <p>The United Kingdom is the leading market for luxury travel in Europe, followed by France and Germany. Luxury is not necessarily defined by fancy facilities in the traditional sense, but by the uniqueness of an experience. Therefore, a rustic eco-lodge can be perfectly sold as a luxury product if it has an eye for quality and certain details.</p>	<p>Travel Plus – a UK website that names itself “the voice of luxury travel”</p> <p>www.travelplus.co.uk</p> <p>Condé Nast Traveller UK – the British version of the well-known premium travel magazine targets an upscale market segment</p> <p>www.cntraveller.co.uk</p> <p>Luxury Travel Fair – organized in cooperation with Condé Nast Traveller, in London</p> <p>www.luxurytravelfair.com</p> <p>European Spa Magazine – a UK-based business magazine for spa and wellness travel with a European orientation</p> <p>www.europeanspamagazine.com</p>

Source: Own elaboration

6.6 Conclusion

Having taken a look at the different source markets, for a tourism provider, such as a hotel or local attraction, the questions arises which market to focus on in your marketing activities. Which markets offer the highest potential for sustainable tourism? As has been demonstrated, there are leading markets like the United Kingdom and Germany which not only have a high travel propensity due to high disposable income and population size but also developed structures (that is, trade associations focusing on sustainable tourism) and a travel culture of sustainable tourism with many discerning consumers. However, the challenge is always to break down market potential to the realities of your company. For example, if you have already years of engaging in the Italian market, should you suddenly turn to the United Kingdom?

The key recommendation is: Always start from where you are, based on your current company profile and strengths.

Take your next best step instead of trying it all

If for some reason you already have received Dutch or German customers in the past, maybe more due to happenstance than through careful planning, analyze what might be your next obvious step. For example, if you already have worked with German tour operators and happen to have German speaking staff, see if in addition to that you can establish a commercial relationship with Austrian or Swiss tour operators. It is easy to do, there is no additional language barrier, the culture is similar, no major investment is required – essentially, it is your next best step and that should be the focus.

However, if your company is focused on a clear-cut market niche, like bird watching, and you are recognized as a leader in that particular field; then based on that specific vantage point the recommendation is to address tour operators focused on bird watching, across the entire European market – obviously taking into account the strength of each market as you approach tour operators.

If, in contrast, you are in the early stages of exploring the European market, then a first appropriate step might be to attend ITB in Berlin or WTM in London, both mega-events that can serve well as initial door openers as well as long term promotional strategies – if prepared well. But be aware that these are hotly contested market spaces where a lot of experienced competitors gather. Instead, you might consider doing the exact opposite and focus on a much smaller fair in tune with your profile, like BirdFair in the United Kingdom. In any case, ask befriended incoming agencies if they can introduce you to contacts or if you can join them in their promotional activities. As you gradually insert yourself in the market and get a grasp of how potential clients react to your product, you will be able to fine-tune more and develop more your specific approaches.

Before you engage in costly activities in Europe, always make sure you consult and interact with incoming agencies in your country. These usually work with a mix of clients from different European countries and might be able to give you clues which European tour operators might be particularly interested in the kind of product you offer. Investigate if opportunities for cooperative marketing are available. For example, the fact that British Airways initiated flights to Lima in 2016 tends to open possibilities for new UK tour operator contacts, familiarization trips, press trips, etc. These are the kinds of changes in the marketplace that you need to be fully aware of and make use of. Ensure also that you make wise use of events organized periodically within your destination, such as workshops and internal fairs organized or supported by PromPeru / Mincetur in Peru or MINTUR in Ecuador, to relate to potential buyers such as incoming agencies or even invited international tour operators at a comparatively low cost. Examples include Peru Travel Mart (www.perutravelmart.com.pe), macroregional workshops like in Peru's Northern macro-region (<http://portaldeturismo.pe/index.php/gremio/item/5038-apavit-organizo-exitoso-workshop-macro-region-norte-kuelap-fotos>), community-based tourism (CBT) focused events (www.mincetur.gob.pe/mincetur-presentara-36-empresamientos-en-iv-jornada-de-comercializacion-de-turismo-rural-comunitario/) in the context of Peru; or workshops for the presentation of new products to the national trade, such as the Chocolate route in Ecuador (www.turismo.gob.ec/workshop-para-impulsar-el-desarrollo-de-la-ruta-del-origen-del-chocolate/). Check with your national tourism organization if you are not sure when these events take place, subscribe to locally available newsletters to find out or follow the corresponding pages on Facebook.

Finally, if your strong point is sustainable tourism, make sure that you explain your policies and practices transparently in all promotional materials. Clearly mention references, endorsements, labels and awards that

demonstrate your credibility and commitment, underlining that quality is a key aspect and logical expression of that philosophy. Then you should be in an excellent position to approach European tour operators with a sustainability approach, in any country. More than abstract market potential, a compelling company philosophy and reputation as well as speaking with potential partners with high affinity to what you represent, will be decisive in your marketing success.

The breadth and depth of your marketing strategy depends on your resources

If you have a sizable marketing budget, then you can independently and proactively pursue a strategy in which you decide to focus on a certain geographic source market, say the French speaking market, and initiate activities with the realistic expectation that over time commercial relationships will materialize; be it through fair participations, by hiring a marketing representative in Europe or realizing personal visits to tour operators in the French speaking market.

However, if you have a modest marketing budget, as it is the case for most small companies, this may not be realistic. Instead, it will be much more important to find out about marketing opportunities as they arise and flexibly align with these. By networking constantly within your industry, including with companies with complementary commercial interests (such as hotels or lodges in other parts of the country), incoming agencies and the tourism ministry, as well as trade associations and subnational destination management organizations, you can gain a comprehensive awareness of activities such as press and fam trips, workshops, roadshows and co-exhibiting opportunities in fairs as they arise and decide to co-participate, usually at a much lower cost than if you were to do everything on your own.

Alternatively, you can proactively cooperate with colleagues and set up this type of activities jointly, to the benefit of the destination and your own company. For example, you can discuss the organization of a press trip to your sub-national destination in coordination with other colleagues from the area and the national tourism organization, offering complimentary rooms or guide services to international journalists, in order to facilitate their stay in your region. Note that most promotional activities that are perceived as relevant from the perspective of the European market tend to be organized collectively and on the destination level, so a typical and costly mistake and usually inadequate strategy, is to pretend that as an individual entrepreneur you can take care of everything on your own. By reviewing databases of European tour operators, such as the ones accompanying this study, as well as the corresponding web pages of European tour operators, you can usually see which other companies from your destination appear in the itineraries – or maybe your company is already included – getting a sense of how the market operates and who the players are. In addition, as a hotel, you may want to investigate with which incoming agency in your destination a European tour operator is working. Rather than approaching the tour operator in Europe through a mailing or during an international fair, you can talk to the local incoming agency and request that a representative inspects your property or service.

Sometimes employing both strategies at the same time can be helpful: the incoming agency can suggest your property to a European tour operator or conversely, a European tour operator can request that the incoming agency takes a closer look at your property. A typical pattern found among incoming agencies is that they have certain geographic affinities, working predominantly with the German, French, Italian or whichever market, especially when key staff in the agency is from a given European country. In addition, some incoming agencies may focus more on sustainable tourism than others; make sure you do take these factors into account when approaching incoming agencies.

Long-term, you should always seek to diversify into different European source markets in order not be overly dependent on one particular market. In the short-term, in the choice of geographic markets and segments, always focus on your specific next best step.

7 Market Mechanisms

There are many mechanisms that facilitate market access to the European market. It is important to understand that these present a high degree of overlaps and interdependence so there is no one single-bullet, surefire way of capturing the European market. Some of the key mechanisms are described below (although some hints are given, practical marketing recommendations are covered in a separate chapter).

7.1 Tour Operators

Given that many trips to countries like Ecuador or Peru are costly “once in a lifetime” trips from the perspective of the average European, many travelers want to make sure that everything goes right and to prefer to book via a tour operator, with all legal assurances in place. Most tour operators still have a printed catalogue with pages of fine print regarding travel conditions and references to the legal framework protecting the consumer, attracting many traditional consumers who enjoy browsing through a printed catalogue to find inspiration for their next trip.

Some tour operators do not print catalogues anymore and focus on their webpage to market products. One such example is Papaya Tours in Cologne, Germany www.papayatours.de, selling Latin American destinations by focusing primarily on online marketing. In either case, the same legal guarantees apply and offer ample protection to the consumer.

In addition, tour operators approach their clients through a number of channels such as advertising in special interest magazines, participation in fairs, newsletters, or through events for the consumer. Hiking specialist Wikinger Reisen organizes the so called Wikinger-Treffs (“Wikinger Meetings”) throughout major German cities every year, sometimes involving providers from the destinations www.wikinger-reisen.de/wiktreff/index.php. Another example is AT Reisen, a Leipzig-based tour operator that organizes a yearly fair for adventure travel and photography, FERN.licht www.fernlicht-messe.de, and also involves partners from the destinations as exhibitors in this event geared towards the final consumer. Cooperative marketing measures like these, between providers in the destination and tour operators in the source market, usually are very effective means of capturing the interest of the market.

In turn, tour operators in Europe are approached by the national tourism entities of Peru and Ecuador by promotional mechanisms such as trade roadshows, newsletters or trainings (webinars), in order to raise the interest among decision makers and product managers in tour operator companies. When within Peru and Ecuador roadshows are announced for the different source markets, Peruvian and Ecuadorian enterprises can usually join to present their individual product parallel to the general promotion of the destination – usually a very effective promotion mechanism. If a provider cannot participate directly because of cost or time, alternatively arrangements can be made to be represented through a participating incoming tour operator or the representative of some trade association or marketing alliance.

Given that many consumers utilize international tour operators to book their trip, providers should seek synergies with these instead of trying to bypass key instances in the source market that are specialists in their market environment. The primordial goal is therefore to appear published in the catalogue of an international tour operator – either through direct interaction or facilitated by the Peruvian/Ecuadorian incoming agency of that operator – in order to be benefitted by the promotional activities that the tour operator realizes.

7.2 Travel Agencies

Although the importance of travel agencies definitely has lessened in Europe, with a number of country source markets showing a reduction of almost 50% in the number of travel agencies in the last 10 to 15 years, they still represent an important source of information, as well as a booking channel for many final consumers, especially those used to traditional ways of setting up their travels. Travel agencies tend to organize local marketing activities in their geographic area of influence to attract consumers, for example by setting up a raffle with the local newspaper. While specialized tour operators often do not use travel agencies as distribution channel, or only a few selected agencies, most mainstream operators continue to depend on travel agencies as a means of reaching out and selling to the final consumer through their printed catalogues.

The focus for Latin American providers in this scenario remains the same: Try to establish a presence in tour operator catalogues through direct negotiation with tour operators or their respective incoming agencies in Peru or Ecuador.

7.3 Online Travel Portals

A number of online portals offer trips to almost any destination in the world, including Latin America. In some cases, a dedicated tour operator is behind these; in others, travel portals simply serve as online intermediaries and earn a commission for each sale they realize.

Among the better-known ones are travel portals like expedia.com, opodo.com, booking.com, hotel.com, tripadvisor.com, orbitz.com and kayak.com. Furthermore, many portals also operate under country-specific domains, such as expedia.de (.de instead of .com). Some portals are country specific like hrs.de in Germany, a major platform for hotel reservations worldwide in the German market.

In addition to the classic travel portals that move high volumes of business, a plethora of smaller and specialized travel portals exist that serve certain market segments and niches. In terms of transactional mechanisms, these are much less sophisticated than the major travel portals or even may lack entirely booking facilities. Some limit themselves to referring visitors to tour operator websites.

Examples are:

- Studienreisen (Germany, focused on study tours) www.studienreisen.de
- Responsible Travel (United Kingdom, focused on responsible travel) www.responsibletravel.com
- Fair Unterwegs (Switzerland, focused on fair and sustainable tourism) www.fairunterwegs.org

The commonality of these specialized portals is that they do have much more focus on the needs of their particular target group and therefore attract many people who wish to inform themselves about options for their next trip.

7.4 Website

As a centerpiece of promotion and direct link to both trade and final consumer, every tourism company has its own webpage. In order to attract visitors and convert lookers into bookers, some key elements need to be considered:

- Professional design of the webpage to inspire trust and facilitate direct reservations
- Availability of content in different languages that are relevant in Europe
- Booking facilities – this may be a simple e-mail address, a contact form, a booking form (with or without payment facilities) or a reference to a booking possibility in the source market (hint at tour operator or travel portal)

Key mechanisms to ensure visitors are:

- Search Engine Optimization (SEO) / Search Engine Marketing (SEM)
- Exchange of links with other complementary websites
- Inclusion of URL in related travel directories and portals
- Continuous promotion of content via social media
- Promotion of URL in brochures, via presentation cards or little flyers that are economical to print, for massive distribution in events

7.5 Social Media

All participants in the tourism value chain make use of social media in some form (Facebook, Twitter, Instagram, Pinterest, among others) to promote products or to generate interest through their posts. It is the younger generation that is more receptive to these marketing messages. While middle aged and older generations may also pay attention due to the now elevated internet penetration in Europe, in the context of long-haul destinations such as Ecuador and Peru, they are much more likely to turn to the traditional value chain and packaged tours to make a booking, often by physically visiting a nearby travel agency instead of using the internet as a reservation channel.

In contrast, the younger target groups will be more inclined to make direct reservations, however often in a very modular fashion, combining flexibly elements of a trip that is assembled fluidly before and during the stay (on-the-go bookings). But even younger consumers may opt to book with companies in their own country rather than with providers in Latin America, so again a professional online image and references regarding quality, safety and insurance are highly recommended for those Latin American providers seeking to capture direct reservations.

7.6 E-Mail Marketing

Tour operators, destinations and tourism providers in Latin America send out newsletters to keep potential customers updated about their product. However, from the standpoint of effectiveness and the lens of the consumer, the most effective one are those by tour operators with presence in their own market. These tour operators represent known and trusted brands and have a fully market ready product that interested persons can book, therefore the look-to-book conversion rate tends to be much higher than with isolated offers sent from Latin America. From a tourism provider's point of view, it is therefore much more desirable to be mentioned in a tour operator newsletter, rather than sending out newsletters to consumers directly. Latin American providers instead should focus on updating the European trade through newsletters.

7.7 Destination Marketing

As part of their marketing mix, the national tourism authorities Peru and Ecuador realize several activities that are dedicated to both the trade and the final consumer in Europe. Among these, examples are advertising in the public transportation system or in special interest magazines, participation in trade or consumer fairs, press conferences, roadshows, social media campaigns or tastings of typical gastronomy in events. These activities frequently create opportunities for cooperative marketing, especially joint participation in fairs, therefore tourism providers in Ecuador and Peru should consult about the opportunities that are available at any given moment.

7.8 Direct Information – Direct Bookings

Many independent travelers prefer to arrange direct bookings and the internet is a primary information source for them. Often, how professional a particular company's website looks determines whether it will be used for information only or also for reservation purposes. Personal recommendations from friends play an important role as well as hints in guide books and the position of the company webpage in search engine rankings. Another way to obtain direct bookings is through distribution of printed materials in fairs and events. While trade-oriented materials should be more in depth and of higher quality, consumer oriented materials can be kept economical to print so that they can be distributed massively.

It is important to realize that many direct bookings occur in the destination itself and are not done from Europe. The key mechanisms to obtain such bookings is to have promotional material in strategic points (tourism information centers, partner establishments, airports, taxis, bus stations and so on) as well as have presence (editorial or advertising) in local promotional media, like the type of magazine that typically can be found in a hotel room, or in the local English-language paper. A more modern way of capturing reservations is through travel apps facilitating on-the-go bookings, typically by appearing in a travel app that has a comprehensive list of services in the destination. Of course, the already mentioned major travels portals like Expedia also have their own apps and facilitate on-the-go bookings in a trustworthy manner so they should be considered as one distribution channel.

7.9 Fairs

Fairs are a key mechanism to gain market access in Europe for long-haul destinations such as Peru and Ecuador. They can be roughly divided into three types:

1. Trade events (however, it is important to note that many trade fairs do also have a consumer segment)
2. Consumer fairs of a general nature
3. Special interest fairs (mostly geared towards the consumer)

Major tourism fairs in Europe (the most relevant ones from a Latin American perspective):

- Germany: ITB www.itb-berlin.de (emphasis trade, biggest trade fair in the world)
- Germany: CMT www.messe-stuttgart.de/cmt (biggest consumer fair in the world)
- Austria: Ferienmesse Wien www.ferien-messe.at (consumer only)
- Switzerland: Fespo www.fespo.ch (consumer)
- United Kingdom: WTM www.wtmlondon.com (emphasis trade)
- Netherlands: Vakantiebeurs www.vakantiebeurs.nl (emphasis trade)
- Belgium: Brussels Travel Expo www.btexpo.com (trade)

- Spain: Fitur: www.ifema.es/fitur_01 (emphasis trade)
- France: Top Resa <http://topresa.iftm.fr> (emphasis trade)
- Italy: BIT Milan <http://bit.fieramilano.it> (emphasis trade)
- Italy: TTG Incontri www.ttgincontri.it (trade)



Image 7: Ecuador stand at World Travel Market, London, United Kingdom

Source: Hendrik Wintjen

Ecuador participates regularly in World Travel Market in London, one of the most important tourism fairs in Europe. Artistic presentations complement the activity on the stand which is mainly geared towards B2B interactions.

Fairs for the final consumer:

Apart from the already mentioned consumer fairs in the German-speaking market, there are many tourism fairs for the final consumer throughout Europe. These take place either in the capital or also frequently in the secondary cities of each country.

Examples of European tourism fairs for the consumer include:

- **Free in Munich**, Germany – Major consumer fair in Germany's third largest city

- www.free-muenchen.de
- **Salon des Vacances**, Belgium – Biggest Belgian tourism fair
<http://salondesvacances.eu/fr/>
- **Freizeitmesse Klagenfurt**, Austria
www.kaerntnermessen.at/de/messen/freizeit.html
- **Tourissimo Strasbourg**, France
www.tourissimo-strasbourg.com
- **Destinations Manchester**, UK
www.destinationsshow.com/manchester/discover-your-next-escape-norths-essential-event-travel-inspiration

Examples of specialized fairs in Europe (relevant only if providers are engaged in a particular segment/market):

- **Birdfair**, United Kingdom – specialized in birdwatching
www.birdfair.org.uk
- **Fiets en Wandelbeurs**, Netherlands – specialized in biking and hiking www.fietsenwandelbeurs.nl
- **Tournatur**, Germany – specialized in outdoor tourism
www.tournatur.com
- **Gesund und Wellness**, Austria – specialized in health, wellness and travel
www.cmw.at/de/messekalender/4_messe_gesund_wellness_und_reisen_urlaub/
- **Destinations Nature**, France – specialized in hiking, walking and cycling www.destinations-nature.com

Since fair participations are costly, a careful prioritization when choosing them is recommended. If a company decides to participate in Birdfair UK, there should be a serious commitment to working in birdwatching tourism. A participation in Gesund und Wellness in Austria makes the most sense if there is already a lot of interaction with the Austrian market and a clear focus on wellness. If such preconditions and affinities with certain markets or segments do not exist and the goal is to improve market access in general terms, the best strategy is to participate in the major tourism trade fairs listed above (most relevant ones from a Latin American perspective). These are fairs of a universal character, accommodating best the wide variety of segments, target groups and opportunities for commercial exposure.

7.10 Word of Mouth

Word of mouth is often underestimated because it does not cost anything. However, it is rather effective because it is based on personal recommendations and trust. Particularly more specialized niche products that cannot be found readily on the internet or in tour operator catalogues, in which affinity plays a big role, have a very valuable tool in word of mouth promotion. In addition, special interest groups readily communicate preferences among their members through word of mouth precisely because there are not so many information sources available. Specialized products are not a commodity that can be easily compared by price on the internet; thus, price is not the driving factor. The key competence is having a very close understanding of customer needs in order to satisfy the clientele properly and promote favorable word of mouth.

7.11 Guide books

A mention in guide books such as Lonely Planet, Rough Guides, Frommer's or Eyewitness Travel, among many others, is an excellent means of promoting one's tourism enterprise. There is no guarantee that a guide book will

cover any particular company but one can raise the chances by creating a reputable name and by writing to the guide book editors (many such letters are simply ignored though). Sometimes opportunity knocks at the door and a guide book writer wants to cover a certain property. In such a case, there should be good cooperation from the selected company because it represents a rare opportunity.

In practice, all mentioned possibilities will overlap and it is important to understand that there is no single market access mechanism that will take care of all needs or possibilities.

8 Most Promising Players

This study is accompanied by a database specifying tour operators offering Peru and Ecuador (see appendix). Among these, there are tour operators that source sustainable tourism operations, trying to fulfill in specific ways the needs of the different target groups described throughout the chapters, using certain magazines, fairs, events and ways to promote their services. All of these jointly represent ‘crystallizing points’ that allow consumers to compare the offer and make the decision that best suits them. Correspondingly, Latin American tourism providers will want to understand these in order to promote their products.

In addition, there are other kinds of organizations, not belonging to the traditional tourism value chain, that promote travel to Latin America, often for very different reasons; but again, fulfilling the needs and aspirations of certain target groups. Likewise, these target groups express their interests through certain associations, by reading certain magazines or attending certain types of events. Once more, it is through these ‘crystallizing points’ that Latin American tourism providers can really get a deeper understanding of their target group.

What does that mean in practice? To use one example, let’s say you start working with a birdwatching tour operator from the United Kingdom. Winning a tour operator account is an important first step that should be complemented by many others:

- Talk regularly to that operator’s clients when they are in the destination, to understand their mindset and their preferences.
- Consider participating in the birdwatching fair, that same one your clients possibly went to before they came to the destination.
- Read the magazines and books that your clients read, like a birdwatching magazine or some book titled “Birds of South America” or similar.
- Pay close attention to the ads that appear in the magazines and watch what your competitors and other destinations do.
- Carefully study the websites, blogs, Facebook pages and Twitter accounts that your clients typically follow. Simply ask them where they get their inspiration from.
- Likewise, subscribe to the newsletters that they subscribe to, related to birding and conservation.
- Get an awareness of the activities that the bird watching association – the one that your clients pertain to – organizes.
- Try to participate in one of the events such an association organizes – ideally seeking an active role, positioning yourself as an expert – for example, you could make a presentation during a visit to the United Kingdom, profiling yourself as the go-to authority for avifauna in Northern Peru. This is not only good for your business but will also be highly appreciated by your partners who have a rare opportunity to get a first-hand account of the destination and all it has to offer.

By mingling again and again with your target group in all its facets, almost becoming one with it, you cannot help but become their successful business partner in Peru or Ecuador. This refers both to your trade partners as well as to the consumers you interact with. The more you assimilate the tastes and preferences of your target group, the more you can give back by actively contributing to blogs, forums, events, trade associations and the like. Not only will you be able to respond to your clientele but also develop an intuition regarding their next step, the next trend, the upcoming preferences so that you can orient your commercial activities accordingly and create conditions for growing your business and enhancing your relationship with the target group.

All along, you sharpen your senses to define what your true market niche is – it may turn out that customers really like the combination of avitourism and visiting ancient archaeological sites so you fine-tune your offerings accordingly. Instead of merely fulfilling market demands, you engage in a process of constant co-creation with your European customers which will result in better products, higher customer satisfaction, better business, and more commercial opportunities in the future.

8.1 Types of Players

In this section, the role of players that are part of the traditional tourism value chain will be clarified, as well as some others that can generate tourism flows to Latin America.

8.1.1 Tour Operators

Specialist tour operators

Specialist tour operators can focus on a country or region (e.g. Latin America), activity (e.g. trekking tours) or demographic group (e.g. families). Most tour operators offering Latin American can be considered specialists. Many are committed to sustainable forms of travel and have an explicit Corporate Social Responsibility (CSR) policy or some sort of certification.



Image 8: Tour operator fair stand at FERN.licht travel fair in Leipzig, Germany

Source: Hendrik Wintjen

European tour operators organize a wide array of promotional activities, such as roadshows, consumer information days, participation in fairs and public events, multimedia travel shows and others, to capture the interest of the public. In this example, German specialist tour operator AT Reisen exhibits at its own event FERN.licht in Leipzig, dedicated to experiential travel, outdoor tourism and travel photography, inviting partners from destinations around the world, especially partner incoming agencies, to co-participate. PromPeru was also present in this occasion (2015) through its representation office in Hamburg.

Medium-sized tour operators

Medium sized tour operators like Studiosus in Munich (approx. 320 employees) or Gebeco in Northern Germany (approx. 200 employees) offer many specialized and personalized travel options with global coverage while also having a strong presence in travel agencies with their catalogues. They are usually associated with high quality travel and may have ties with the big tour operator consortia (as a case in point, Gebeco is part of the TUI Group).

Big tour operators

Major tour operators like TUI and Thomas Cook are relevant because of sheer size and their broad presence in travel agencies throughout Europe. However, given that they focus mainly on mass tourism destinations, they may not be strongly represented in Latin American countries, with notable exceptions such as Mexico, Cuba and the Dominican Republic. Thomas Cook Germany has offered Latin America in cooperation with Miller Reisen in the past, a specialist tour operator for Latin America, which demonstrates that it is primarily the specialists that handle much of the organized passenger flow from Europe to countries like Peru and Ecuador.

Many big tour operators pursue two types of integration strategies, vertical and horizontal:

- Vertical integration – Integrating all services along the tourism value chain: travel agency, tour operator, airline, incoming agency, hotel, and sometimes additional services like travel insurance or rent a car.
- Horizontal integration – This refers to creating branch offices in different European countries, like TUI Germany, TUI France and TUI Spain, or Thomas Cook United Kingdom, Thomas Cook Germany, Thomas Cook Belgium, etc.

To provide an idea of the enormous dimensions this can imply, TUI as Europe's biggest tour operator consortium has some 76,000 employees, some 1,800 travel agencies of its own throughout Europe, around 140 planes, 300 hotels and 13 cruise ships. The TUI group moves some 30 million passengers per year.

8.1.2 Airlines

Long-haul tourism fundamentally depends on air connectivity. The availability of seats between European source markets and Latin American destinations is a central determining factor of tourism development and market access opportunities. An abundance of seats can drive prices down, a scarcity can drive prices up and make the destination as a whole less competitive.

Airlines are interesting partners for the realization of joint promotional activities on the destination level, especially roadshows, and to organize familiarization trips for tour operators, travel agents and the press. If these activities are organized professionally, which usually implies active involvement from the national tourism organization,

private sector partners, a destination marketing company in Europe and possibly trade associations such as ARGE Lateinamerika in Germany or LATA (Latin American Travel Association) in the UK, then airlines will be more inclined to cooperate, typically by offering seats at discounted rates. When organizing a fam or press trip, an airline will be interested in knowing about the caliber of tour operators or media/journalists that are participating and will determine its willingness to cooperate accordingly. Naturally, preference is given to tour operators with a high passenger volume for the destination at hand; and media with high circulation or high affinity to travel or certain travel segments.

The major carriers connecting Europe with Peru and Ecuador are shown Table 22 below (the following is a non-exhaustive list of typical connections that appear on major travel portals when corresponding queries are made, not including connections via US airlines/cities).

Table 22: Major airports and airlines connecting Europe with Ecuador and Peru

	Main departure airports	Lima, Peru	Quito / Guayaquil, Ecuador
Germany	Frankfurt, Munich, Berlin, Hamburg, Cologne, Stuttgart, Düsseldorf	Lufthansa / Copa or Avianca via Panama or Bogota; frequently via Amsterdam with KLM or via Madrid with Iberia, LATAM via Madrid	Lufthansa / Copa or Avianca via Panama or Bogota frequently via Amsterdam with KLM or via Madrid with Iberia LATAM via Madrid
Austria	Vienna	Typically via Amsterdam with KLM or via Madrid with Iberia	Typically via Amsterdam with KLM or via Madrid with Iberia
Switzerland	Zurich	Typically via Amsterdam with KLM or via Madrid with Iberia	Typically via Amsterdam with KLM or via Madrid with Iberia
Netherlands	Amsterdam	KLM	KLM
Belgium	Brussels	Typically via Amsterdam with KLM or via Madrid with Iberia	Typically via Amsterdam with KLM or via Madrid with Iberia
United Kingdom	London	British Airways; frequently via Miami in combination with American or via Madrid with Iberia	Typically via Madrid with Iberia
France	Paris	Air France	Typically via Amsterdam with KLM or via Madrid with Iberia or via Bogota with Avianca / Air France
Italy	Rome, Milan	Typically via Amsterdam with KLM or via Madrid with Iberia / Air Europa	Typically via Amsterdam with KLM or via Madrid with Iberia / Air Europa
Spain	Madrid, Barcelona	Iberia Air Europa LATAM	Iberia Air Europa LATAM

Source: Own elaboration based on information provided by travel portals / airline websites, 2017

All provided information is typical but not exhaustive (there are many other possible connections) and subject to change as airlines may change their routes, itineraries and prices at any moment.

Note that the main European network carriers connect many countries in Europe with Peru and Ecuador through intra-European feeder flights via their national hubs (Lufthansa via Frankfurt and Munich and then mostly via Bogota/Panama; Iberia via Madrid, British Airways via London, Air France via Paris, KLM via Amsterdam). Traditionally, Iberia and KLM play a particularly strong and consistent role in connecting Europe with Peru and Ecuador.

In addition, note that there are numerous connections via the United States with US carriers such as Delta, United and American, typically with stops and change of plane primarily in Miami, New York, Houston or Atlanta.



Image 9: Arbeitsgemeinschaft Lateinamerika (“Working Group Latin America”)

Source: Hendrik Wintjen

Arbeitsgemeinschaft Lateinamerika (“Working Group Latin America”) organizes joint promotional activities to foster tourism from German-speaking countries to Latin America, among these fair participations (like the one shown at ITB Berlin) and roadshows dedicated to educating the tourism trade about Latin American destinations.

8.1.3 Travel Agencies

With many thousands of travel agencies throughout Europe, it might appear to be a daunting challenge to set up marketing activities with this important element of the tourism value chain. However, there are four key possibilities to orient marketing activities towards travel agencies, usually in cooperation with the national tourism organization, trade associations and select private sector partners from Latin America and/or Europe.

- **Through tour operators**

Mayor tour operators can invite their travel agencies to organize joint promotional activities, like educational seminars. These are either travel agencies directly pertaining to the tour operator or they are operating under a franchise system. Usually the top sellers are invited, or simply all interested travel agencies in a certain city or region. Tour operators can also push certain travel products, for example realizing a Peru promotion by sending decoration materials related to Peru to their partner agencies, with packages and special prices to go along with it.

- **Through travel agency cooperation**

In order to compete in the marketplace, many travel agencies pertain to a travel agency cooperation such as AER in Germany (www.aer.coop) which has 770 independent travel agencies among its affiliates. These travel agency cooperations typically organize yearly events to discuss industry issues and provide trainings to participating travel agents, thus opening a window of opportunity for tourism destinations to participate with educational seminars. Ideally, these are done in cooperation with some relevant tour operators from the source market who are equally interested in fostering close ties with these travel agencies.

- **Through trade associations**

Source market promotional organizations like LATA – Latin America Travel Association in the United Kingdom and ARGE Lateinamerika in Germany are also channels to reach out to travel agents in their respective markets, primarily in the form of educational seminars or through presence in promotional materials sent out to agencies.

- **Through trade media**

Tourism trade media can facilitate access to travel agents either through destination supplements (a Peru or Ecuador special edition that is sent out to subscribed travel agents along with the magazine), through webinars (for example Hosteltur in Spain www.hosteltur.com/webinars) or through e-learning activities (for example FVW in Germany <http://akademie.fvw.de> or Travelution in The Netherlands www.travelution.nl/nl/products/e-learning).

8.1.4 Trade Associations

The most relevant trade associations in each European country are the ones grouping tour operators and/or travel agencies. Browsing the member directory usually allows to identify those tour operators that work with any given destination, like Peru or Ecuador in the context of this study. These associations can also be relevant as partners for marketing activities in a source market, either to announce activities to their members or by jointly organizing an activity. This is always a recommendable strategy to consider given that associations have the most reputable travel brands among their members.

A good overview of European tourism trade associations is provided by the European Travel Agents' and Tour Operators' Association (ECTAA) headquartered in Brussels, Belgium. The directory of national member organizations can be found at www.ectaa.org/en/detail_31.aspx, also for European countries that are not analyzed in detail in this study. In addition, the website offers a number of links and resources regarding the tourism industry in Europe (see www.ectaa.org).

8.1.5 Travel Media for the Final Consumer

Media are a highly relevant target group for public relations efforts (editorial content published about Peru or Ecuador), marketing (advertising, often by means of ads placed near articles covering these destinations) as well as reader trips (trips organized for the readers of a magazine or newspaper, often with a thematic focus). Because of the high costs involved, individual advertising in European media oriented towards the public in general is out of reach for most tourism providers. However, once in a while a quality travel magazine, such as Geo Saison in Germany, will publish an extensive article about a destination. In select circumstances like these, it can be interesting to place an ad that is published near the editorial content which often creates an immediate market response.

8.1.6 Special Interest Associations

An old joke in Germany says that wherever three Germans gather, an association will be formed. Indeed, as collective interests crystallize, associations tend to be formed to articulate the joint pursuits of its members. In the context of this study, there are many highly specialized associations throughout Europe related to market niches relevant to Peru and Ecuador, in areas as varied as archaeology, bird watching, gastronomy or wellness. These tend to organize group excursions periodically, related to their field of endeavor. If a Latin American company is operating in a specific market niche, it should gain an awareness of relevant associations to better understand its potential clientele and see if it can play an active role in those excursions.

8.1.7 Foundations

Foundations are usually non-profit organizations pursuing some beneficial cause for the greater good. Similar to what associations do, many periodically organize trips related to their area of interest. Foundations can also have a political background, depending on their objectives and funding structure.

8.1.8 Universities and Colleges

Universities and colleges realize study trips related to a certain field of study. Universities throughout Europe provide grants for research trips. Again, there is often a high affinity to tourism-related activities. For example, researchers in the field of biology tend to have a conservationist mindset and are often multipliers and influencers at home who can help to attract more eco-tourists to a destination.

8.1.9 Incentive Travel

Incentive travel is organized by specialized agencies to reward top performing employees of a company, often sales people that excel in selling anything from insurance policies to automobiles. Because these trips are about providing a motivational boost, they have to comply with high requirements and go beyond the run-of-the-mill

tourism itinerary. One possibility would be to do a wellness retreat for stressed out managers in an upscale Amazon lodge.

IMA Europe is the association for incentive travel in Europe, with members active in many countries around the globe www.imaeurope.com.

8.1.10 Religious and Church Organizations

There are many church groups and religious and spiritual communities that organize travel for their members. These trips are designed to appreciate religious and spiritual sites and traditions, and to foster a sense of community among members. As catholic countries with rich spiritual traditions dating back to the Incas, Peru and Ecuador can be very interesting destinations for these kinds of groups.

8.1.11 Non-Governmental Organizations

In many European countries, there are non-governmental associations and organizations (NGO) that support development initiatives in Peru or Ecuador. However, they have no direct relationship to the tourism industry. As a way to better relate to project activities, some of these organize trips to visit projects. Such travels can be organized independently or with the help of a tour operator or travel agency.

There are many NGOs around the globe. To research NGOs worldwide, you can use the online directory provided by the World Association of Non-Governmental Organizations (WANGO). You can search their website by country or reference words (see www.wango.org/resources.aspx?section=ngodir).

8.1.12 Supermarkets, Coffee Shops and Similar

Since travel is such an enormous business, many companies from other economic areas have jumped on the tourism bandwagon and offer travel although they are not tour operators per se. Many supermarkets in Europe now offer travel packages, with a leaflet offering packages placed near the cash register. Often prices tend to be highly competitive, in line with the “discount image” that supermarkets have. Coffee shops are another example. Behind these offerings are often no-name tour operators that essentially were founded to comply with the pertinent legislation – their name can be found in the fine print of the brochure but the brochure and product is branded under the supermarket name. In some cases, this channel can be interesting for cross-marketing, for example when offering coffee tours that include visits precisely to those coffee fincas that produce the coffee sold in Europe.

Some well-known examples in Europe include:

- Carrefour Voyages in France (supermarket chain)
<http://new.voyages.carrefour.fr>
- Lidl Reisen in Germany (supermarket chain)
www.lidl-reisen.de
- Tchibo Reisen in Germany (coffee shop chain)
<http://reisen.tchibo.de>

8.2 Overview of Tourism Players

The following sections provide an overview of players and events relevant to planning marketing activities in Europe, organized by source market. Each country list is focused on players from the tourism trade and includes organizations, whenever available, directly related to Latin America, the main trade associations as well as organizations that focus on sustainable tourism. Note that each European country has its own combination of relevant players and that the countries with strong populations tend to have a more differentiated institutional landscape.

8.2.1 Germany

Table 23: DE-2 Tourism players in Germany

Organization	Web	Mission	Examples of Members / Partners / Activities
ARGE Lateinamerika Bad Vilbel	www.lateinamerika.org	A promotional platform of German and Latin American companies to promote Latin America in the German-speaking market	Members www.lateinamerika.org/index.php/mitglieder/liste-der-mitglieder Peru information http://lateinamerika.org/index.php/laenderinformationen/peru Ecuador information http://lateinamerika.org/index.php/laenderinformationen/ecuador Roadshows http://lateinamerika.org/index.php/aktivitaeten/schulungen
DRV – Deutscher Reise Verband Berlin	www.driv.de English version www.driv.de/en.html	DRV is the association of medium and big-sized tourism enterprises in Germany	Information about sustainable tourism www.driv.de/fachthemen/nachhaltigkeit.html
asr Berlin	www.asr-berlin.de	asr is the association of small and medium-sized travel agencies and tour operators in Germany	Information about sustainability and cooperation with Travelife www.asr-berlin.de/ausschuesse/ag-nachhaltigkeit/travelife-wege-zu-einem-nachhaltigen-tourismus/ Presentation of members www.asr-berlin.de/startseite/mitgliedervorstellungen/

Organization	Web	Mission	Examples of Members / Partners / Activities
Forum Anders Reisen Hamburg	www.forumandersreisen.de	A tour operator association with more than 100 members dedicated to sustainable tourism	Member directory https://forumandersreisen.de/mitglieder/unse-re-mitglieder/ Online catalogue "Reiseperven" (travel pearls) http://konradinheckel.tpk6.de/smart3/pub/reiseperven-2017/?alias= Latin American destinations https://forumandersreisen.de/reiseziele/mittelamerika-karibik-reisen/
ITB – CSR Berlin Corporate Social Responsibility Segment	www.itb-berlin.de/en/ITBBerlin/SocialResponsibility/	ITB Berlin, the biggest tourism fair in the world, has a special segment dedicated to CSR in tourism	Information about CSR at ITB Berlin www.itb-berlin.de/en/ITBBerlin/SocialResponsibility/
ITB Hall 4.1 Exhibition hall for sustainable tourism and adventure travel within the world's biggest tourism fair Berlin	www.itb-berlin.de	ITB Hall 4.1 focuses on sustainable and adventure tourism. Many NGOs, development agencies and associations focused on sustainable tourism regularly exhibit in this part of the fair.	Hall 4.1 is a part of ITB specifically dedicated to sustainable and adventure travel www.itb-berlin.de/en/Visitors/ExhibitionGrounds/
DestiNet Saarbrücken	www.destinet.eu	DestiNet is a knowledge networking portal for sustainable and responsible tourism	Tourism labels and certifications worldwide http://destinet.eu/who-who/market-solutions/certificates/fo1442810 http://destinet.eu/who-who/civil-society-ngos/ecotrans/publications/guide-through-label-jungle-1/

Organization	Web	Mission	Examples of Members / Partners / Activities
Futouris Berlin	www.futouris.org	Futouris is the sustainability initiative of the German tourism industry, implementing sustainable tourism projects around the globe	<p>List of projects realized by Futouris worldwide, including Latin America and the Caribbean www.futouris.org/projekte/</p> <p>Futouris members (includes tour operators and travel agencies) www.futouris.org/en/membership/members/</p>
Studienkreis für Tourismus und Entwicklung Seefeld-Hechendorf	www.studienkreis.org	The Institute for Tourism and Development is an organization dedicated to development-related information and education in tourism, by creating awareness among consumers and training tour guides, among other activities	<p>Publishes the country-specific "Sympathy Magazine" to educate about different destinations. These are used by many German tour operators to educate their clients before departure www.sympathimagazin.de</p> <p>Bolivia – Ecuador – Peru edition www.sympathimagazin.de/amerika-karibik/bolivien-ecuador-peru.html</p> <p>To-Do! Contest for Sustainable Tourism www.to-do-contest.org</p> <p>Example – former winner in Ecuador www.to-do-contest.org/preistraeger-en/amazon01.html</p> <p>Example – former winner in Peru www.to-do-contest.org/preistraeger-en/posada01.html</p>

Source: Own elaboration

8.2.2 Austria

Table 24: AT-2 Tourism players in Austria

Organization	Web	Mission	Examples of Members / Partners / Activities
ÖRV – Österreichischer Reiseverband	www.oerv.at	ÖRV is the leading tourism trade association in Austria	Information about social engagement / CSR in the Austrian tourism industry www.oerv.at/de/index.php?page=soziales
Respect Austria Vienna	www.respect.at	Website by Naturefriends International about sustainable tourism with respect	Coverage of sustainable tourism www.nfi.at/index.php?option=com_content&task=view&id=366&Itemid=145 Tourism and development cooperation www.nfi.at/index.php?option=com_content&task=view&id=367&Itemid=146
Nachhaltigkeit.at Vienna	www.nachhaltigkeit.at	Leading Austrian Sustainability Portal, run by the Austrian government. Informs about sustainability initiatives in Austria, including tourism	Special coverage of sustainable tourism www.nachhaltigkeit.at/thema/archiv-thema-des-monats/archiv-2009/monatsthema-0809-nachhaltiger-tourismus
Österreichisches Lateinamerika-Institut Vienna	www.lai.at/aktuelles	The Austrian Latin America Institute is a platform for exchange on the cultural, political, and scientific level	News and events related to Latin America in Austria www.lai.at/aktuelles
Cultura Latina Vienna	www.culturalatina.at	Platform for intercultural exchange between Latin America and Austria, with online and print publications	Events related to Latin America in Austria www.culturalatina.at/de/veranstaltungen
Corps Touristique Austria Deutsch Wagram	www.corps-touristique.at	Association of tourism representation offices active in the Austrian market	List of represented countries, including some from Latin America www.corps-touristique.at/show_1058.aspx

Source: Own elaboration

8.2.3 Switzerland

Table 25: CH-2 Tourism players in Switzerland

Organization	Web	Mission	Examples of Members / Partners / Activities
Fair Unterwegs Basel	www.fairunterwegs.org	Swiss web portal for fair and sustainable travel	<p>Guide of sustainable tourism labels www.fairunterwegs.org/vor-der-reise/labelfuehrer/</p> <p>Labelguide – English Version www.fairunterwegs.org/fileadmin/user_upload/Dokumente/PDF/Dokumente_intern/PDF-Labelguide_Dritte_Auflage_ENG_2016.pdf</p> <p>Ecuador www.fairunterwegs.org/laenderinfos/ecuador/</p> <p>Peru www.fairunterwegs.org/laenderinfos/peru/</p>
AKTE – Arbeitskreis Tourismus und Entwicklung Basel	www.akte.ch	The Swiss Working Group on Tourism and Development looks at tourism from a development perspective	<p>Sustainable development of tourism www.akte.ch/en/issues/sustainable-development/</p> <p>Fair trade in tourism www.akte.ch/en/fair-trade-on-holiday/</p> <p>Fair trade travel – Standards www.akte.ch/fileadmin/user_upload/akte/PDF_engl/fair/Standardsengl.pdf</p>
Nachhaltig Leben Zürich	www.nachhaltigleben.ch	Swiss portal for a sustainable lifestyle	<p>Focus topic sustainable travel www.nachhaltigleben.ch/themen/nachhaltiges-reisen/nachhaltiger-tourismus-schweiz-470</p>
SRV – Schweizer Reise-Verband Zürich	www.srv.ch	Trade association of Swiss travel agents and tour operators	<p>Sustainable tourism and CSR www.srv.ch/aktivitaeten/umwelt-soziales/</p> <p>SRV frequently informs members about destination webinars that are available online, for example by Swiss tour operators www.srv.ch/mitglieder/veranstaltungen/</p>

Organization	Web	Mission	Examples of Members / Partners / Activities
Swiss Media – Reader trips with Cotravel Allschwil	www.cotravel.ch (see Swiss media partners at bottom of homepage SRF – Swiss Radio & TV Der Bund Tages-Anzeiger Tagblatt Berner Zeitung Kulturclub Luzerner Zeitung NZZ – Neue Zürcher Zeitung SonntagsZeitung Schweizer Illustrierte)	Cooperation of Swiss media with Cotravel, a tour operator as well as with other Swiss tour operator, such as Latin America-focused Dorado Latin Tours	Reader/study trip to Ecuador offered by Swiss tour operator Cotravel in cooperation with Swiss media Luzerner Zeitung and Tagblatt www.cotravel.ch/reise/275/luzerner-zeitung-tagblatt-studienreise-ecuador-galapagos/
SST - Schweizerische Stiftung für Solidarität im Tourismus Basel	www.sstfoundation.org	Swiss Foundation for Solidarity in Tourism supports initiatives that foster sustainable tourism	List of supported projects and initiatives worldwide, including in Latin America www.sstfoundation.org/wp-content/uploads/2016/10/SST_Vergabungen_2001-2015.pdf

Source: Own elaboration

8.2.4 Belgium

Table 26: BE-2 Tourism players in Belgium

Organization	Web	Mission	Examples of Members / Partners / Activities
Voyage Autrement Brussels	www.tourisme-autrement.be	Educate about, and promote alternative forms of travel (fair, sustainable, solidarity tourism)	Sens Inverse offers ecotourism packages worldwide www.sensinverse.eu
Alter Voyages Liège	www.altervoyages.org	Belgian platform for alternative travel	Alter Voyages supports different projects, such as a CBT Project in Manabí province in Ecuador www.altervoyages.org/projets-sud/equateur/
ABTO – Association of Belgian Tour Operators Zaventem	www.abto.be	Trade association for articulating the interests of Belgian tour operators, as well as consumers choosing organized travel	ABTO Information about Sustainable Tourism www.abto.be/tourisme_durable.htm Practical guidelines by ABTO for sustainable tourism in the destinations www.abto.be/en-visite-dans-dautres-pays.htm Member directory, searchable by destination, to identify tour operators www.abto.be/membres.pl

Source: Own elaboration

8.2.5 Netherlands

Table 27: NL-2 Tourism players in the Netherlands

Organization	Web	Mission	Examples of Members / Partners / Activities
ANVR Baarn	www.anvr.nl	ANVR is the main travel trade association in the Netherlands representing approx. 230 tour operators and 1100 retail agencies	Information about sustainable tourism, initiatives, and partners www.anvr.nl/English/sustainable-tourism.aspx Cooperation with sustainability label Travelife www.anvr.nl/lists/nieuws/artikel.aspx?ID=6552
Fair Tourism	www.fairtourism.nl	Dutch-language tourism portal to create awareness about sustainable tourism	Article about sustainable tourism in Peru www.fairtourism.nl/respons-peru/
Duurzaam Toerisme Kamperland	www.duurzaam-toerisme.com	Dutch portal covering sustainable tourism, with links to Dutch tour operator offers	Coverage of options for Peru www.duurzaam-toerisme.com/zoeken/peru/
CBI The Hague	www.cbi.eu	CBI is the Centre for the Promotion of Imports from developing countries	CBI offers comprehensive information on market access mechanisms to the European tourism market via its portal at www.cbi.eu/market-information/tourism/
ECEAT Amsterdam	www.eceat.org www.eceat-projects.org	European Centre for Ecological and Agricultural Tourism (ECEAT) is a European organization in the field of small-scale sustainable tourism	Members throughout Europe www.eceat.org/index.php/public/en/29 Starter Guide to developing sustainable tourism in protected areas www.eceat.org/images/Practical,%20profitable,%20protected%204%20MB.pdf
Club Green	www.clubgreen.nl	Club Green represents a network of Dutch experts on sustainable development, including sustainable tourism	Coverage of tourism themes https://www.clubgreen.nl/lifestyle/vakantie-recreatie/ https://www.clubgreen.nl/bedrijven/fair-tourism/

Organization	Web	Mission	Examples of Members / Partners / Activities
MVO Utrecht	http://mvonederland.nl/mvo-netwerk-toerisme	MVO is an organization to foster sustainability in general and has a sector-specific network for sustainable tourism in the Netherlands	MVO Tourism network http://mvonederland.nl/mvo-netwerk-toerisme
Retour	www.retour.net	A Dutch foundation dedicated to fostering sustainable tourism and implementing projects	List of projects www.retour.net/projects_history.html
DNP - Duurzaam Natuurbehoud Peru	www.peruinformation.net	Environmental organization realizing conservation projects in Northern Peru	Peru ecotourism offer http://www.peruinformation.net/reisinfo.html

Source: Own elaboration

8.2.6 United Kingdom

Table 28: UK-2 Tourism players in the United Kingdom

Organization	Web	Mission	Examples of Members / Partners / Activities
AITO – Association of Independent Tour Operators London	www.aito.com	AITO is the association of independent British tour operators offering financially protected, quality holidays around the globe	AITO members www.aito.com/aito-members Projects supported by AITO members worldwide https://www.aito.com/sustainable-tourism/members-projects/1 AITO Top Destinations – Peru https://www.aito.com/peru/1
ABTA London	www.abta.com	ABTA is the largest tourism trade association in the UK	ABTA Sustainability initiatives https://abta.com/working-with-the-industry/sustainability Find an ABTA member https://abta.com/find-a-member ABTA's guide to the new Package Travel Directive www.youtube.com/watch?v=2xidwXYZCw

Organization	Web	Mission	Examples of Members / Partners / Activities
LATA – Latin American Travel Association London	www.lata.org	LATA is a membership association comprised of over 275 companies that aims to promote Latin America as a tourist destination and stimulate growth of travel to the region	Ecuador destination information www.lata.org/destinations/ecuador-and-galapagos-islands/ Peru destination information www.lata.org/destinations/peru/ Members LATA www.lata.org/members/ LATA events www.lata.org/events/ LATA Foundation www.lata.org/members/the-lata-foundation/
LATA Foundation London	www.latafoundation.org	LATA Foundation seeks to change lives in Latin America by supporting a range of projects in different Latin American countries	Condor Trust - Project in Ecuador www.latafoundation.org/projects/condor-trust Picaflor House – Project in Peru www.latafoundation.org/projects/picaflor-house/
WTM Responsible	http://responsibletourism.wtm.com	WTM Responsible Tourism, a segment of World Travel Market, aims to spread sustainable practices and ethical methods within the travel industry	WTM Responsible Supporters List supporting companies from around the world, including Europe and Latin America www.wtmresponsibletourism.com/supporters WTM Responsible Tourism Awards includes Tren Ecuador in 2016 www.wtmresponsibletourism.com/about/responsible-tourism-awards/ www.responsibletravel.com/awards/?epslanguage=en

Source: Own elaboration

8.2.7 France

Table 29: FR-2 Tourism players in France

Organization	Web	Mission	Examples of Members / Partners / Activities
ATES - Association pour le Tourisme Equitable et Solidaire Paris	www.tourismesolidaire.org	Association to promote fair and solidarity tourism	Taddart – Tour operator www.tourismesolidaire.org/membres/taddart www.taddart.com www.taddart.com/destinations/equateur/hauts-plateaux-et-amazone Terre des Andes – Tour operator www.tourismesolidaire.org/membres/terres-andes www.terresdesandes.org www.terresdesandes.org/destinations/perou
ATR - Agir pour un Tourisme Responsable Paris	www.tourisme-responsable.org	French association for responsible tourism unites tour operators committed to responsible and sustainable forms of tourism	Member directory listing operators with sustainability orientation www.tourisme-responsable.org/agir-tourisme-responsable/membres/membres-de-lassociation/
ATD - Acteurs Du Tourisme Durable Paris	www.tourisme-durable.org	ATD unites actors interested in fostering sustainable tourism in the French market	Best practices in sustainable tourism www.tourisme-durable.org/bonnes-pratiques
CEVIED Lyon	www.cevied.org	A French tourism association that organizes travel around the world with focus on a ethical, responsible and solidarity tourism; also publishes materials on responsible tourism	Ecuador itinerary www.cevied.org/voyages/%E9quateur.htm Peru itinerary www.cevied.org/voyages/perou.htm

Organization	Web	Mission	Examples of Members / Partners / Activities
Solidarissimo - SITV Salon International de Tourisme des Voyages Colmar	www.sitvcolmar.com/en/solidarissimo	Solidarissimo is a fair segment associated with the SITV fair in Colmar and specifically dedicated to solidarity tourism	<p>The list of exhibitors in 2016 includes a number of French tour operators focused on solidarity travel www.sitvcolmar.com/sites/default/files/medias/infos_pratiques/sitv16_liste_exposants_soli_0.pdf</p> <p>One example of a Latin American exhibitor characteristic of this segment is Arequipa-based Casas del Peru, a network focusing on homestays in Peru linked to a cultural experience www.casasdelperu.com</p>
SNAV - Syndicat National des Agences de Voyages Paris	www.snav.org	SNAV is the association of travel agencies in France and offers market intelligence regarding the French travel market	<p>Studies and publications on the French tourism market www.snav.org/Snav/public?controller=fr.ameuspro.fo.StandardContent&sectionID=HomePublic%23Etudes-et-publications&cp=1</p>
SETO Syndicat des Entreprises du Tour Operating Paris	www.ceto.to	The French Association of Tour Operators defends the interests of tour operator companies and consumers choosing organized travel	<p>The SETO member directory lists many French tour operators http://www.ceto.to/s/colonne_droite/r/2657551664831005255/a/2657551664831005433/SETO-Nos-membres/Liste-des-membres-du-SETO-edition-decembre-2016.html</p>

Source: Own elaboration

8.2.8 Italy

Table 30: IT-2 Tourism players in Italy

Organization	Web	Mission	Examples of Members / Partners / Activities
AITR – Associazione Italiana Turismo Responsabile Bologna	www.aitr.org	The Italian Association for Responsible Tourism fosters responsible forms of travel within the Italian tourism market	<p>AITR Incontra is a periodical meeting of AITR members to exchange ideas about responsible tourism www.aitr.org/aitr-incontra-novembre-2016/</p> <p>Members AITR www.aitr.org/soci/elenco-soci/</p>

Organization	Web	Mission	Examples of Members / Partners / Activities
BIT - Borsa Internazionale del Turismo Milan	http://bit.fieramilano.it	Principal tourism fair in Italy, realized yearly in Milan	Premiation of Ecotourism Oscars during 2016 edition http://bit.fieramilano.it/de/nod/e/4932 http://bit.fieramilano.it/sites/default/files/Bit2016_11.pdf
FIAVET - Federazione Italiana Associazioni Imprese Viaggi e Turismo Rome	www.fiavet.it	The Italian Federation of Travel & Tourism Associations is the umbrella trade organization in Italy	Fiavet cooperates with the Travelife certification to foster sustainable tourism practices in the Italian tourism market www.fiavet.it/page_detail.php?id_articolo=1856
Legambiente Rome	www.legambiente.it	An Italian environmental organization fostering awareness of environmental issues, including in the area of tourism	Coverage of tourism themes www.legambiente.it/temi/turismo Award ceremony of Ecotourism Oscars during BIT Milan tourism fair www.legambiente.it/contenuti/comunicati/legambiente-assegna-gli-oscar-dell-ecoturismo-2016 Festambiente – ecological festival realized by Legambiente www.festambiente.it/index.php/festival.html
Green Me Rome	www.greenme.it	An Italian portal dedicated to “green” or sustainable living, including sustainable tourism	Coverage of sustainable tourism https://www.greenme.it/viaggiare Peru coverage www.greenme.it/viaggiare/sud-america/18430-peru-riserva-amazzonia
Associazione Solidarietà Italia Perù Onlus Lodi	http://italiaperuonlus.org	An Italy-based association to support development projects in Peru that also organizes occasional trips to Peru	Peru itinerary http://italiaperuonlus.org/scoprire-il-peru/proposta-di-viaggio/

Organization	Web	Mission	Examples of Members / Partners / Activities
Agroturismo Italy	www.agriturismoitaly.it/en/index.php	Leading agrotourism portal for Italy. Options for Latin America do not appear but site serves as inspiration regarding what Italians look for in this segment	Agrietour – yearly national agrotourism event in Italy with participation of different agrotourism associations and their members www.agrietour.it

Source: Own elaboration

8.2.9 Spain

Table 31: ES-2 Tourism players in Spain

Organization	Web	Mission	Examples of Members / Partners / Activities
Fitur Green Madrid	www.ifema.es/fitur_01/FiturGreen/	Fair segment to foster innovation and sustainability in the Spanish tourism sector and beyond, in order to increase competitiveness	Best practices in sustainable tourism are presented during this forum, see 2016 program www.ifema.es/PresentacionInet/groups/public/documents/formulario/if_095179.pdf
UNWTO Madrid	www.unwto.org	The United Nations World Tourism Organization (UNWTO) is the global umbrella tourism organization that realizes activities worldwide, including in Spain where it is headquartered	In “2017 - International Year of Sustainable Tourism for Development”, UNWTO realizes many activities in partnership with tourism organizations around the world www.tourism4development2017.org
Ecotumismo Mallorca / Tenerife	www.ecotumismo.org	Spanish association dedicated to fostering sustainable tourism, slow travel and sustainability in general	Ecotumismo has cooperated with a Latin American event, namely the Festival de Sabores, Sonidos y Saberes en Colombia http://comunitur.com/blog/2016/07/07/primer-festival-de-sabores-sonidos-y-saberes/

Organization	Web	Mission	Examples of Members / Partners / Activities
Ecotur Argüero, Asturias	www.ecotur.es	Promotes rural tourism and agro tourism in Spain. Although Latin America is not on offer, the site reflects what Spanish tourists look for in this segment	Offers educational online courses about the development of rural tourism www.ecotur.es/ecoturismo/en-portada/herramientas-para-la-gestion-sostenible-de-establecimientos-de-turismo-de-naturaleza-y-rural_7024_3302_8269_0_1_in.html
Foro de Turismo Responsable Madrid	www.foroturismoresponsable.org	Lobbying platform in pro of sustainable forms of tourism	The website publishes articles that cover responsible tourism in Latin America, example Peru www.foroturismoresponsable.org/index.php?option=com_content&view=article&id=100:turismo-rural-comunitario-y-diferenciacion-campesina&catid=1:noticias&Itemid=36
Centro Español de Turismo Responsable Madrid	www.ceturismoresponsable.com	Platform to exchange experiences in sustainable tourism	CETR publishes guidelines for responsible tourism oriented towards consumers https://ceturismoresponsable.files.wordpress.com/2013/01/vademecun-turismo-responsable.pdf
RTI – Responsible Tourism Institute Barcelona / Madrid	www.institutoturismoresponsable.com	Implements actions and programs related to sustainable development and tourism	RTI implements the Biosphere certification www.biospheretourism.com/en/biosphere-certification/6
Hosteltur Madrid / Palma de Mallorca	www.hosteltur.com	Hosteltur is a leading trade publication for the Spanish market	One economical way of reaching the trade in Spain is through webinars. A range of examples showing what is possible in terms of tourism promotion through this channel is available at www.hosteltur.com/webinars/ Example of a Peru destination webinar directed to travel agents and product managers www.hosteltur.com/empresa/oficina-comercial-del-peru-en-espana/cusco-el-valle-sagrado-y-machu-picchu-todos-los-detalles-para-la-programacion-perfecta/

Source: Own elaboration

9 Willingness to Invest in Green Tourism

There are many European tour operators interested in sourcing sustainable tourism providers, always and only if a number of conditions are satisfactorily met – minimum conditions that really apply to any kind of product.

For a product to be included in the catalogue of a European tour operator, it has to comply with minimum quality standards with regard to accommodation, facilities, quality of vehicles, training of tour guides and so on. Usually, companies entering the European market in a systematic way already have had interaction with European travelers, usually clients that were captured locally within the destination itself. These first interactions represent important learning opportunities to see what works and what does not. Measuring customer satisfaction is of paramount importance, as is benchmarking one's product against what similar competitors have to offer. This way, many SMEs gradually acquire a maturity to engage more systematically with the European markets. In addition, there are other concerns which are discussed in the following sections.

9.1 Health and Safety

It is of utmost importance that clients find healthy conditions, for example with regard to the manipulation of food, hygiene in the kitchen and restaurant, cleanliness in restroom areas and so forth. Furthermore, all precautions should be in place to avoid accidents, especially with regard to adventure tourism activities. This includes aspects such as using life vests on boats, training guides for emergency situations, ensuring that the tires of a bus have enough tread, and following applicable local rules and regulations. European tour operators are extremely cautious regarding health and safety aspects due to the strong legislation in Europe protecting the consumer. This means that an incoming agency in Peru or Ecuador has to be duly insured and prepared to respond in the case of an accident.

9.2 Accessibility

A good accessibility raises the chances of being included in a tour operator catalogue. In Peru, part of the success of tourism development in the Southern Madre de Dios region is due to the fact that it is relatively close to Cusco, the main hub of tourism activity. This means that it is easy to combine the Andean world with the Amazon region. In addition, lodges that are close to the next town in terms of transportation by boat might have a higher chance to be considered than lodges that are farther away, because they imply higher transportation costs and longer travel times. Accessibility has less relevance when the remoteness of the service is part of the attraction – some people just love to be far away from it all and will boast about their long journeys on jungle rivers when they are back home – but tour operators will still take a frank look at the “cost – time - density of attractions” relationship. For remote lodges, the key is to show how other tourism products can be easily combined to add up to a manageable itinerary, which requires an analysis beyond one's own property.

9.3 Management and Organizational Culture

Why many companies in principle offer everything that is required with regard to facilities and sustainability, they sometimes lack consistency on the human resources level. This may concern aspects such as friendliness of service, qualification of tour guides, punctuality of drivers, handling of language by the staff, and others. Tourism is first and foremost a service industry based on social interactions and experiences. Therefore, a European tour

operator will be on the lookout for qualified staff and an organizational culture that is in tune with the requirements of European travelers.

Make no mistake about it: the organizational culture will quickly reveal itself to any clients, and customers will note when the bus drivers throws litter out of the window, a tour guide tries to make some extra dollars bringing people to a good friend's establishment or the to-be-separated waste is all mixed up in those recycle bins. A company must live and breathe the values it sells to its European commercial contacts and the organizational culture must go hand in hand with a company's aspirations to handle European tourism.

9.4 Sustainability

Many Latin American tourism providers claim to operate in a sustainable way. However, from the perspective of European tour operators, these claims are not always backed up sufficiently in order to promote a sustainable tourism product in Europe. Consequently, it is important to have a consistent and systematic sustainability approach with transparent policies and practices firmly in place. This should be illustrated on the company web page or in a fact sheet in a transparent and comprehensive manner. Demonstrate how your company benefits the environment, the local community and the culture of the host country; and show how clients have responded to your company philosophy in the past and sure enough you will have an interest from the demand side. A company can also aim for a sustainability label to win more credibility, such as those accredited by the Global Sustainable Tourism Council (www.gstcouncil.org).

9.5 Pricing

Different market studies show that travelers may want to spend a little more if the product is sustainable, typically in the order of 5%. However, this mainly refers to consumers with a sustainability mindset. For most people the typical mindset is "I have worked hard all year, now I want to have some fun on my next vacation". Therefore, it is best not to rely on sustainability as a defining element of a pricing strategy but rather use other arguments, such as quality, highly personalized service or an exclusive experience. A company can weave sustainability into its product and service and even allow it to make the package more expensive but it should not be used to justify above average prices. Usually sustainability and quality go hand in hand so emphasis should preferably be placed on the quality aspects to back up the pricing philosophy.

9.6 A Competitive Product is an Entry Requirement to the European Market

By complying with the before-mentioned criteria, your company creates a compelling case for being considered as a sustainable option. Based on an offer that is competitive according to usual market standards, sustainability can be factored in as an additional benefit and create a preference on the side of the European tour operator. Expressed vice versa, if the competitive factors are not adding up, as expressed essentially in the price-quality relationship, then sustainability will not be able to compensate for that lack of competitiveness.

Once your sustainable tourism product is market-ready, the aim is to identify companies willing to work with it in Europe. There are four main approaches to be considered:

- **Tour operators with sustainability focus**

As laid out in this study, each source market has usually some platform bringing together sustainable tourism operators. In some countries, even various associations exist (for example, ATD, ATR and ATES in the case of France). As these tour operators need to market themselves as sustainable options, and also create a framework for their activity in order to be duly recognized as sustainable tour operators in their market, these operators are the obvious choice for marketing efforts of sustainable tourism providers and can be identified through the member directories of the associations they pertain to.



Image 10: Trade association Forum Anders Reisen

Source: Hendrik Wintjen

The more than one hundred tour operators affiliated to the Hamburg-based trade association Forum Anders Reisen are strongly committed to sustainable tourism and seek out their commercial partners in the destinations accordingly. Given that most are small and specialized companies, rather than presenting themselves individually, they seek cost-effective synergies by means of joint fair participations and a joint catalogue. The consumer benefits by getting a good overview of sustainable travel options.

- **Specialized tour operators**

The more clear-cut the niche of a tour operator, the easier it is to launch a sustainable tourism product within that market niche. A few examples:

- A European tour operator specialized in bird watching will be naturally inclined to analyze an offer focusing on the conservation of biodiversity and the protection of bird habitat.
 - A tour operator specialized in trekking will likely be very open to receive offers that focus on a sustainable management of trekking operations, e.g. by ensuring that littering does not take place and porters are guaranteed fair working conditions.
 - A tour operator specialized in wellness will be much more open to receive an offer from a spa that emphasizes its organic integration into the natural environment and the protection of surrounding resources.
 - A luxury tour operator will be interested in offers that are geared towards high quality tourism. If a lodge can show that it pays good wages to its employees and also supports local school children, a luxury operator will welcome such practices and not mind the higher prices, as long as the product has characteristics in tune with the rates charged.
- **Big mainstream tour operators**
To approach bigger tour operators, a sustainable product has to be designed in a way that it can handle a certain number of passengers and can satisfy different target groups, market segments and age groups. The fact that bigger numbers of tourists may be involved does not make the product per se unsustainable, as long as it is designed with sustainability criteria in mind, such as daily carrying capacity in the case of a protected area.

Use storytelling to appeal to the mainstream

Sustainable products should be sold as any other tourism product – through appropriate marketing mechanisms. Having in mind that tourism is an experience-based industry, a company can make use of storytelling techniques, weaving sustainability elements into an appealing story that will attract and engage the customer. By demonstrating how the product contributes to the preservation of the environment (while having lots of fun in that environment), well-being of the local community (which paves the way for mutually enriching interactions) and respect of the culture and traditions of the host country (which assures authenticity), customers will want to purchase the product without the need to think much about the concept of sustainability as such. And if they do, even better.

In essence, it is important to “wrap” sustainability into classic travel motivations. That said, to explain in detail sustainability policies in the company homepage is always a good practice so that interested clients can get all the information they may want. But others may just notice that there is a sustainability section and move right on to itinerary descriptions – that tell a story of exploration, fun and discovery.

- **Labels and certifications**
European tour operators are much more willing to consider a sustainable tourism product or company when it has been awarded a label, certification, recognition, or award of some kind. Furthermore, many European tour operators have a certification themselves and can be identified through the directories of the corresponding label.

There are many sustainability labels nowadays, and a good overview can be obtained through the following websites:

- Destinet – Guide through the Label Jungle
<http://destinet.eu/who-who/market-solutions/certificates/fol442810>
<http://destinet.eu/who-who/civil-society-ngos/ecotrans/publications/guide-through-label-jungle-1/>
- Global Sustainable Tourism Council (GSTC) – Global accreditation body for tourism certifications
www.gstcouncil.org

Make sustainability part of your core philosophy

A saying that is generally true is especially valid for sustainable tourism: birds of a feather flock together. Given that companies offering sustainable tourism want to demonstrate the solidity of their principles, they will tend to seek out business partners with a similar philosophy – up and down the value chain. An incoming agency committed to sustainable tourism will therefore look for providers that follow sustainable principles in the destination, as well as tour operators with a sustainability philosophy in the different source markets – frequently members of associations such as Forum Anders Reisen in Germany, AITO in the UK or ATR in France; or possibly distinguished through labels such as Rainforest Alliance, TourCert, Travelife and similar.

This implies that sustainable tourism providers should, as a first step, review which incoming agencies in their destinations are committed to sustainable tourism principles, how they integrate these in their daily operations and what level of community involvement exists. In a second step, review the European tour operator database with indications about a possible sustainable tourism focus for each case should be helpful (please refer to databases that are part of the study).

Make it as easy as possible to sell sustainability. Some European tour operators state that at any time they would prefer a provider with sustainability focus over one that does not; but because of other factors, usually concerning the price - quality relationship, they decide not to go for the sustainable option. If all other selling points comply with what is expected in the market, sustainability can be a decisive plus, but sustainability in and by itself cannot replace the minimum quality, safety and pricing requirements mentioned in this study. Rather than seeing sustainability as some characteristic separate of quality, instead it should flow organically from quality. This approach reflects the evolution that sustainable tourism has undergone in the past decades. What started out with isolated activities such as solar panels on the roof of an eco-lodge or sporadic donations made to communities, is increasingly a 360 degree approach integrated in the core business principles of a company. That is also the philosophy sustainability labels are increasingly reflecting, evaluating how a company implements sustainability practices in its core business as well as in its relations with external stakeholders such as buyers and providers, employees and partners. As a case in point, Explorandes <http://explorandes.com/en/commitment/piuray-outdoor-center/> supports a center in Piuray lake in the region of Cusco - note how the activity benefits both the community as well as the company, and likewise any European tour operator or tourist using the services of the agency or the community. This is a good example of how the philosophy of sustainable tourism is integrated organically in the everyday business operation, creating a win-win situation for everybody involved in a market-oriented perspective.

Never lose sight of the ‘why of sustainability’. Studying promotional materials, talking about sustainable tourism sometimes seems the fashionable thing to do but on a subtle level, readers do capture whether a sustainability promise flows from a deeper conviction and commitment to the destination, or is merely some type of marketing

gimmick. A case in point is the history of Cuyabeno Lodge in Cuyabeno Wildlife Reserve www.cuyabenolodge.com/amazon-rainforest/amazon-holiday.htm that provides an idea of the origins of the lodge and the many obstacles that had to be overcome to establish it in a remote part of Ecuador. It is an authentic story about how ecotourism came to develop and leaves little doubt that there was always a 'deeper why' driving the whole process. It is precisely this kind of earnest approach and authenticity that many Europeans value and look for, hoping that in some way their visit can make a small contribution to the visited destination. And while the primary purpose of the cited webpage is not marketing, through the mechanism of authentic and credible storytelling it does a much better job in raising interest and engaging the reader than many other web pages with a more promotional tone.

10 Key Activities to Increase Exposure and Market Uptake

10.1 Market Investigation

This study provides recommendations on how to orient market activities. Beyond this specific report, market investigation represents an ongoing activity that any company should constantly engage in. The more systematically a company is committed to understanding its potential demand, the more efficiently and effectively it can spend its marketing resources and have the capacity to generate a market response.

To ensure that marketing activities are effective and given that markets are constantly evolving, it is important to realize market investigation in a periodic manner. Surprisingly, one obvious but often overlooked opportunity for market investigation is the client itself – the one already in the destination who is actually using the service of a company. Following are some key points to consider.

Every customer that returns from Peru or Ecuador to his home country will share with friends and others his impression about the services received, be it from an incoming tour operator, hotel or local attraction. Through word of mouth, a tourism provider or destination can and will, by default, positively or negatively influence other potentially interested customers. Every customer already attended, through word of mouth, is thus a PR channel. Consequently, high emphasis should be placed on ensuring high customer satisfaction.

10.2 Monitoring Customer Satisfaction

Monitoring satisfaction can be done in a number of ways: by talking to the clients during tours, when checking out by means of an evaluation sheet, or just listening to clients' concerns as they arise. In many small establishments, the owner is in direct touch with clients and over time intuitively develops an understanding of the target group and how customers think about the company. To be in close contact with your clientele is always a healthy practice.

A guestbook located on a stand in central place within your premises can be an additional means of capturing the mood of clients – although comments tend to be positive, it can also be a way of picking up signs of dissatisfaction in areas that need to be improved.

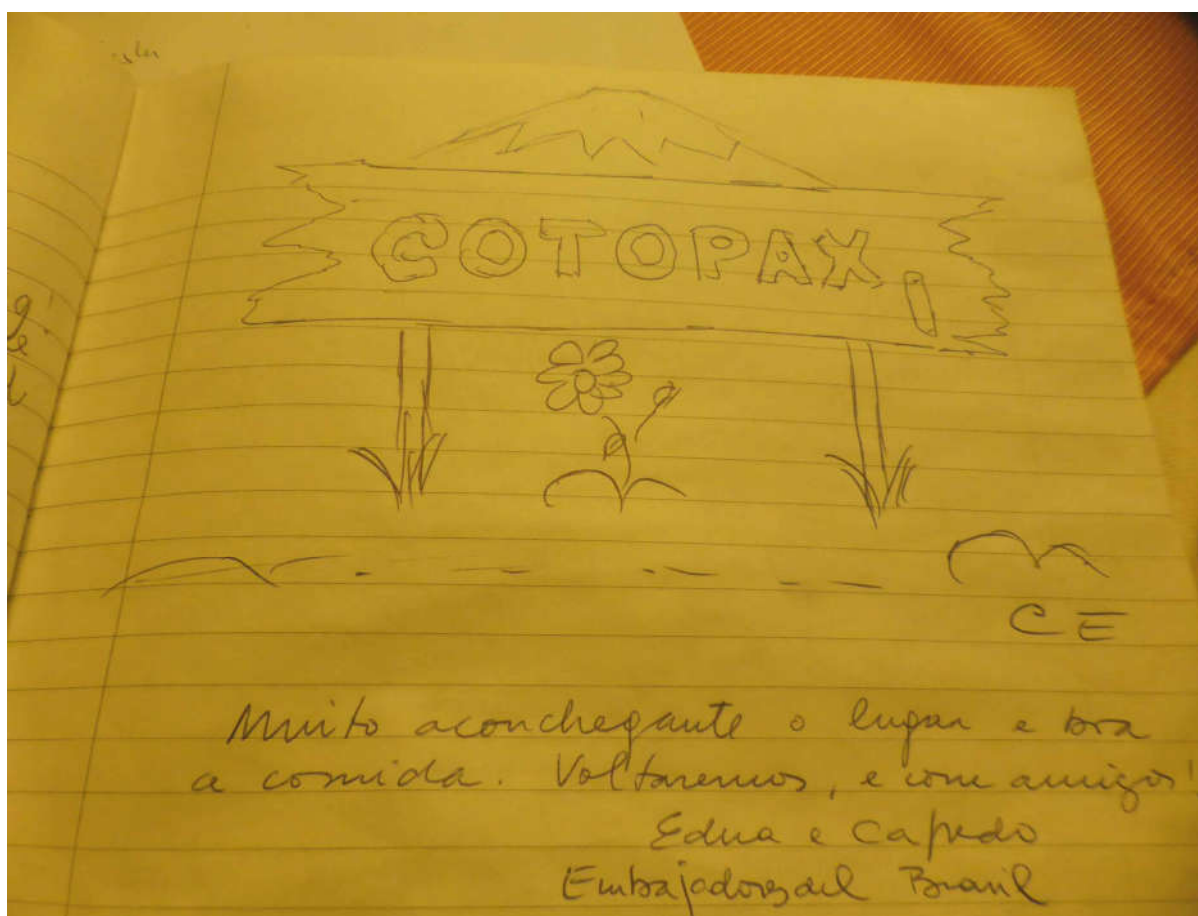


Image 11: Guestbook of Tambopaxi Lodge, near Cotopaxi volcano, Ecuador

Source: Hendrik Wintjen, 2016

In the guestbook of Tambopaxi Lodge near Cotopaxi volcano, clients left a drawing of the nearby volcano, suggesting that they thoroughly enjoyed their stay. It is clues like these, as well as the insights derived from the answers to a short 10-question evaluation sheet that the lodge hands out to clients, that allow a company to make continuous adjustments to best meet the expectations of visitors.

A more systematic method is to have a little evaluation sheet handy and ask clients to fill it out before they depart. The number of questions should be enough to cover important aspects but also selective enough to maintain the willingness of the client to cooperate with the evaluation. Questionnaires can be a little more in-depth in the case of inbound tour operators, asking about different points of a tour. But the general rule of thumb is: less is more. Customers should be encouraged to fill out these forms, especially by tour guides, but never pushed to do it.

Whether you are a tour operator or hotel or another type of tourism provider, over time these surveys will help you to understand your customers' motivations and their degree of satisfaction. A survey should take into account elements as quality of the product or service, price-quality relationship, suggestions for improvements of your product and so on.

Once a number of surveys have been collected, it is important to review them in order to detect any patterns and act upon them. Staff related to operations, marketing, sales and customer satisfaction in general can review the

surveys and simply draw conclusions. Issues that come up should be addressed in internal team meetings, in order to jointly detect causes and come up with customer-oriented solutions. Alternatively, you can systematically elaborate a statistical analysis determining aspects such as: place of origin of your visitors, how they found out about your company or service, what booking channel was used, which aspects were particularly liked or not liked by your customers, how much they spent, how long they stayed, and so on. Over time, this information becomes increasingly representative and of increasing strategic value for your entrepreneurial decision-making.

A more advanced version of such a survey is an online questionnaire, accessible from the company's homepage or through the link to a separate online service that clients can fill out after they have returned to their home. A good practice would be to send them a thank-you mail, with the possibility to subscribe to a company newsletter and at the same time facilitate a link that allows them to fill out an online survey. However, a company should not push the client to receive the newsletter or just send it out without asking for permission – for many Europeans a trip to South America is a once-in-a-lifetime affair so quite possibly they may feel bothered by constant newsletters from Latin American tourism providers, once having arrived back home. Alternatively, you can ask a consumer to “Like us on Facebook” to keep in touch.

Many clients, especially the elderly, might not be inclined to fill out an online survey at all. However, the advantage of an online survey system is that results can be evaluated by a program in an automatic manner, again generating relevant statistics over time that provide deeper insights into customer patterns.

A second possibility is to become aware of the market intelligence that is available in your destination through national tourism entities, trade associations or specialized media. Make sure you make good use of these kinds of offerings as they are often under-utilized by tourism entrepreneurs.

Thirdly, as explained in the section related to social media marketing, online marketing offers sophisticated tools for tracking absolutely every aspect of an online presence. By employing the corresponding tools, you can find out a great deal about your clients' preferences at the click of a mouse.

Finally, carefully listen to your trade partners. They will usually tell you what works, what doesn't work and what they need, because their business depends upon it. So does yours! Take careful notice, make sure to follow up diligently on all comments you receive and you will notice how you become ever more market-ready.

10.3 Positioning – Branding

A key characteristic of tourism is that it is an activity based on immersing in experiences.

Of course, creating a tourism experience includes tangible aspects such as a transport from A to B (you can touch that minivan), a hotel room (you can touch that hotel bed) or certain visitor facilities (you can touch that fence surrounding the observation point). Yet, in essence, the promise of travel is not at all about these things. It's all about the experience that the client can have in a destination. And all the tangible parts are chiefly designed to facilitate that experience.

Since the experience is intangible, positioning the promise of what awaits a traveler during the actual trip, is of utmost importance. On the destination level, it is usually the country brand, or a country's tourism brand, that communicates the essence based on a few key attributes, that may transmit perceived or real benefits. Likewise,

on the company level the name and service description should also clearly communicate the essential characteristics of the product or experience.

The company brand should have affinity with the country tourism brand and be used in alignment. For a time, Peru focused on “Discover Peru”, appealing to the explorer-type of traveler who expects to encounter new, not yet well-known places and experiences – a motivation that is in direct contrast with the more regulated and foreseeable environment that most Europeans are used to at home. Consequently, this basic motive should be tapped into and the company branding should be in tune with it. Possibilities to be used in promotion include themes like “Uncover the secrets of the Amazon rainforest”, “Explore the mystical ruins of Moray in the Sacred Valley of The Incas” or “Get a glimpse of age-old traditions in this remote Andean village”, etc.

An important differentiation element of sustainable tourism is authenticity. The whole point of sustainable tourism is to know and to experience the local culture and to learn about the importance of the natural environment. That is why travelers looking for sustainable tourism essentially expect to have authentic experiences.



Image 12: Authentic meal in the Peruvian Amazon, wrapped in a banana leaf

Source: Hendrik Wintjen, 2016

Instead of offering a box lunch in styrofoam packaging during its boat transfers, Ñape Lodge, a jungle lodge run by an indigenous community in Tambopata, wraps up a typical meal (tamal) in the leaf of a banana. Not only is this a presentation in tune with the visited area, the Amazon rainforest, but also represents an authentic Peruvian

gastronomic experience while avoiding plastic waste in a delicate ecosystem. For multiple reasons, this is a good practice that many European visitors will take note of and appreciate.

However, local communities sometimes strive to fulfill the expectations of international travelers by offering elements and comforts they associate with the lifestyle found in industrialized countries. This interpretation can lead to effects that may feel alien and out of touch, such as installing a big TV flat screen with 24/7 news in the bar of an eco-lodge; or making an attempt to serve German Weisswurst in the middle of the jungle, or organizing a Halloween party in a traditional Andean village.

In addition, tourism providers may want to impress clients with foreign luxury brands which they are already familiar with from back home, like serving Chivas Regal, a Scotch whisky brand. However, none of these measures may appear impressive at all in the mind of a European traveler who is quite simply interested in living a genuine experience in a Latin American country. In this regard, clearly less can be more, although it all depends on the specific target group; luxury-seekers in particular might value international brands more than others.

To position your company and to develop a company brand that hits a nerve with your target group, you have to truly get to know your clientele. You have to be able to tap into your clients' vision of the world while also being aware of everything that your country has to offer as a host. Quite simply, you have to have a genuine understanding and appreciation of your own culture as well as the visiting culture, otherwise you might not succeed in the tourism business.

From an open mindset that values both the Latin American as well as the European culture, that reflects a deeper understanding of the uniqueness of your offer and of what it is exactly that makes your clients spend a year's savings to visit your country, the positioning and branding of your company will almost flow organically. The best way to nurture such an understanding is to have frequent and meaningful interactions with your target group. Instead of thinking of "them Europeans", a better focus would be think of "our German friends who escape their big cities and stressful working routines to have an enriching experience in our beautiful untouched natural spaces" or "our French guests who bring their refined tastes with them to enjoy our fantastic national cuisine in ways even we ourselves have not thought of before".

10.4 Working with the Trade Chain

When working with the European market, it is very important to understand the tourism value chain because it tends to be much more structured and solid in comparison with trade relations concerning the US or Latin American source markets.

10.4.1 Travel Agencies

Although the importance of travel agencies has decreased, they still represent a very important point of sale for the products of the organized tourism chain. The commissions that travel agents receive for their distribution services can vary but from the perspective of a Latin American tourism provider, 10% commission should be calculated as a typical approximation.

10.4.2 Tour Operators

Tour operators in Europe face a number of costs, which apart from maintaining their staff include aspects such as managing the product, making agreements with airlines, designing, printing and distributing the catalogue, responding in case of legal claims, deal with exchange rate fluctuations, support their clients when in the destination, train tour guides and so on. So again, it should be assumed that a tour operator will need 10% commission off a hotel's rack rate in order to assume all these responsibilities. Since the tour operator also has to pay out the commission to the travel agent, all in all a tour operator will roughly have to receive 20% of a total travel package.

10.4.3 Incoming Agencies

The primordial role of the incoming agency, also referred to as inbound agency, inbound tour operator, destination management company or ground handler, is to make sure that all the parts and pieces come smoothly together at the destination level. Making reservations, organizing transfers, attending clients, responding in case of complaints, facilitating tour guides, designing itineraries and monitoring customer satisfaction all play an important role. Again, for those services, the incoming agency will roughly want to earn 10% off the total value. Since it has to pay out roughly 10% commission to the tour operator in Europe, who in turn will have to pay 10% to the travel agency, the incoming agency will approximately aim for 30% off a hotel's rack rate.

10.4.4 Implications of the Tourism Value Chain for the Pricing / Commissioning Policies of a Hotel

If a hotel has a rack rate (rate for the final consumer / general public) of 100 US\$ for a single room (without considering taxes), then it should be prepared to offer a net rate of around 70 US\$ to an incoming agency. Please note that this is an estimate and that the actual percentage might be higher or lower depending on a number of factors. Continuing with the example, if an incoming agency sets up a 10-day itinerary with a hotel cost of 100 US\$ per day (rack rate, with a total of 1000 US\$ for the entire itinerary), then it would want to calculate roughly with a net rate of 700 \$ for the hotel portion of that itinerary. Of course, on top it has to calculate the cost of transfers, bus, guides, entry fees to attractions and so on, but the net cost of the hotel portion would overall be approximately 70% of the cost the final consumer usually would have to pay.

This also implies that a hotel must have a consistent pricing policy. Consider an imaginary example in which a hotel has a formally established and published rack rate of 100 US\$ in high season, and 85 US\$ in low season. If the hotel suddenly decides to lower its rack rate from 85 US\$ to 65 US\$ in low season, because the occupation rate has unexpectedly turned out to be very low, a group of Europeans having paid a rate equivalent to 100% of the official rack rate in their home country might quickly notice this. Possibly hotel guests from Europe saw the lower price on the hotel web page or as some last-minute deal on a online portal like Expedia, and started to make price comparisons, feeling "betrayed" in the end.

Consequently, it is essential that a hotel anticipates its seasonal fluctuations and develops a coherent pricing policy with regard to the international market. If a hotel is well integrated in the international tourism chain, it has good possibilities for generating an attractive revenue but definitely less possibilities for changing room rates arbitrarily. If a hotel does not address the requirements of its Europe-focused business partners for coherent pricing and commission policies, it may not win the preference of potential European tourism partners at all. The

prices charged by a European tour operator in the catalogue should always closely correlate with the rack rates that the hotel has published beforehand for the general public.

As a matter of fact, prices and quotations should have a validity of at least 12 months, preferably 18 months and in some cases up to 24 months, always differentiated by high and low season, so that European tour operators have a clear framework to work with. In their dealings with the European market, Latin American tourism providers will notice certain patterns and differences:

- Certain geographic source markets, such as the United Kingdom, usually require more anticipation than others (like Spain)
- Tour operators that work with a printed catalogue need more anticipation than those that market themselves primarily online through their website
- Bigger tour operator companies, such as TUI or Thomas Cook, require more anticipation than a highly-specialized boutique tour operator with only a few employees

It should be also noted that the organized tourism value chain is not always in place across all instances. As the saying goes, exceptions confirm the rule but given the rather structured nature of the European market, exceptions with regard to the usual functioning of the value chain tend to be less frequent. These exceptions include cases in which a hotel makes a direct deal with a tour operator in Europe, without going through an incoming agency; or a consumer might book a tour operator package through that company's website instead of visiting a travel agency. All imaginable combinations exist but overall, the tourism chain has maintained its basic way of functioning over many years, indicating that each instance in the tourism value chain fulfills an important role in organizing tourism from Europe to South America.

10.4.5 Legal Dispositions

Another reason the value chain is strongly in place with regard to European outbound tourism directed to Latin America is the legal framework that governs the activity. European travelers enjoy a high level of consumer protection and when booking with fully insured European companies, they have most eventualities covered. That is one key reason why consumers stick with the traditional value chain, considering also the high cost of a trip to Latin America. Correspondingly, European tour operators want to ensure that everything goes well and will be interested in knowing about insurance policies and other steps a Latin America tourism provider has taken to ensure that everything runs smooth. By complying with the required safety standards, maintaining consistent procedures and proving to be a reliable partner, companies in Peru and Ecuador will consolidate a trustful commercial relationship with a European trade partner.

The EU Travel Directive is not directly applicable in non-EU countries like Peru or Ecuador but provides a good idea on the framework European tour operator companies work in.

- The EU Travel Directive is available online at:
http://ec.europa.eu/consumers/consumer_rights/travel/package/index_en.htm
- In addition, a factsheet is available at:
http://ec.europa.eu/consumers/consumer_rights/travel/documents/factsheet_new-package-travel_en.pdf

Apart from EU legislation, European countries may have their own particularities in protecting consumer rights. A good example is the so-called "Frankfurter Tabelle" (Frankfurt Table) in Germany which establishes percentages

for price reductions that German tour operators must concede when some aspect of the travel arrangement was not fulfilled as announced (e.g. the pool was lacking water).

10.4.6 Tourism Fairs

Fairs in Europe can be very expensive to participate in. For a Latin American tourism provider, it implies paying a long-distance flight, hotel, fair participation, promotional material in the source market language, and the time for preparing, taking part in and following up after the fair, all adding up to the substantial cost of a couple of thousands US dollars per trip. Some companies manage to assume the fair costs but do not properly prepare nor adequately follow up, thus not making good use of their substantial investment.

If a company decides to participate in a fair, it is important to understand that the fair participation as such is only the “visible tip of the iceberg” – the key for a successful fair participation is based on good preparation and follow up, reflected in the saying “after the fair is before the (next) fair”.

Because of the many implications of a fair participation, two scenarios will be considered: participating indirectly in cooperation with third parties and going personally.

10.4.6.1 Options for Establishing a Presence in International Fairs Without Directly Participating

Partnering with incoming agencies

Many providers partner with incoming agencies that regularly participate in international fairs in Europe, like ITB in Berlin, World Travel Market in London or Fitur in Madrid. That implies that they are mentioned in the sales manual of that incoming agency and that the agency recommends the services of that particular provider for the corresponding target group. It also means that provider and incoming agency have agreed on a price and commission that allows the incoming agency to promote the property at an adequate price in line with market requirements, while also ensuring a margin for both the incoming agency and the provider. This is a very common mechanism. Therefore, local tourism providers should seek to maintain good business relationships with a variety of incoming agencies in their country and proactively keep them updated about their rates, conditions and product innovations.

Through membership in trade associations

Trade associations, for example national chambers of tourism, hotel chambers, tour operator associations as well as ecotourism and adventure associations, frequently participate in international fairs and hand out members' directories and promotional materials such as information folders, brochures, DVDs and similar. Not only can a membership in a trade association leverage an individual company's marketing efforts, it also allows to articulate interests with other complementary or similar providers within the range of services offered. However, do make sure that your company is positioned with some unique elements in order to be duly perceived by the market, for example:

- “Specialized in birdwatching in Northern Peru”
- “Only operator to do trekking on the alternative trail from the scenic south side of the volcano”
- “Best wellness offer in the Amazon area, enhancing your nature experience with relaxing comfort”

- “Unique multi-destination packages combining Peru with Ecuador”

By participating through Destination Management Organizations (DMOs)

Another way of participating in an international fair, without making the investment of going personally, is through a DMO, such as the Fundación de Turismo de Cuenca that has participated in the ITB Berlin tourism fair in a number of occasions. Companies can usually send their promotional materials for a reasonable fee in order to establish a basic presence in an international fair. Once the fair has passed, the co-participating company should make sure that the DMO reports back, informing about relevant inquiries received and leads with commercial potential obtained.

By participating in marketing networks

There are different companies providing marketing services, often for similar services that are not directly competing (for example, boutique hotels that are similar but from different parts of the country). This can be a cost-efficient option. One example of such a company in the context of Ecuador is Innova (www.innovatuhotel.com), in which the focus is on digital marketing; another is Exclusive Hotels & Haciendas of Ecuador (www.exclusivehotelshaciendasecuador.com) focusing on uniting upscale haciendas and boutique hotels; although there may be other marketing service providers focused on different areas of promotion such as fair participations. In Peru, similarly Hoteles Link Perú (<https://www.facebook.com/hoteleslinkperu.hlp>) is an association of hotels that cooperate to unify quality standards and pursue common business interests. Check for currently available options in your national tourism industry as these may evolve over time; each particular case may have a unique approach. Noteworthy examples from another Latin American destination, Costa Rica, include Enchanting Hotels (www.enchanting-hotels.cr) as well as Small and Distinctive Hotels (www.distinctivehotels.com).

By hiring marketing representatives in the source market

Many inbound tour operators in South America hire a representation company that will support them in approaching tour operators in the source market. One example of such a company representing Latin American tour operators in the German market is Transcielos (www.trans-cielos.com). Other examples in the United Kingdom are Americas (www.americas.co.uk), as well as Senderos (www.senderos.co.uk), a company that also represents hotels. These companies know the needs of the tour operators in their market and facilitate support from the destination side on behalf of the incoming agency or hotel. They can also have a presence in different tourism fairs, depending on the requirements of their clientele and the willingness to pay for such services.

Note that whenever there is a collective promotion of whatever kind, potential exists for commercial rivalries to arise. As a co-participant in marketing efforts, make sure that some sort of ethics code is in place before the actual fair takes place, in order to minimize potential for conflict. Also, ensure that the representative participating in the event is truly in a position to represent all involved companies in a balanced and neutral manner.



Image 13: Peru gastronomic tasting at tourism fair

Source: Hendrik Wintjen, 2016

Experiential travel is best marketed by giving a taste of the experience that awaits in the destination. A case in point is the “Fresh on offer today - This is what Peru tastes like” example above, attracting a curious crowd by preparing Ceviche “live” with fresh ingredients and offering a flair of Peruvian gastronomy during a tourism fair. By showing how the food is prepared, illustrating how it relates to the country’s traditions and culture and finally sharing culinary delicacies, the destination brand is strengthened and potential customers are engaged in an experiential way.

10.4.6.2 If You Decide to Participate Yourself, as a Local Provider

Before the fair

- Before the fair make sure you do a basic reality check in order to determine whether you are ready for the European market.
 - Have you received European visitors and complied with their requirements in terms of service, quality and national preferences in the past? Are you confident you have a competitive quality product to offer in the international market place?

- Are you prepared to handle the language of the source market you are interested in? In your brochures, in your correspondence with business partners, with regard to your staff and tour guides, etc., will the language aspect work out?
- Is your company fully established, registered with national authorities, and properly insured?
- Is your company affiliated to relevant trade associations and plays an active role in them?
- Does your pricing and commission structure reflect what European trade partners expect? Do you have your rates published with one to two years of anticipation and can you keep the announced rates during the entire period?
- Do you have appealing, high quality image and video material of your property and product?
- Will you be able to uphold your commitment to work with a particular source market beyond a first attempt? Introducing yourself into a source market may require a consistent approach of a number of years, especially if your engagement is its beginning stage, or when there are no previous references or commercial contacts. An isolated fair participation usually does not make a lot of sense. Plan to engage in a source market for a number of years. If you are not sure, you may want to opt for either ITB in Berlin or WTM in London, given that these are major international events that transcend their host countries and are relevant for buyers in other European countries, too.

If you cannot answer these questions satisfactorily, your company may not yet be in a good position to participate in an international tourism fair.

Once you are confident you can participate, the following steps should be considered:

- Identify European tour operators that you would like to meet during the fair, for example with the help of databases included in this study. Carefully study the web pages of potential partners to get a solid sense of what they may require and what the target group of each tour operator is.
- Edit a brief, concise and compelling presentation of your company or product. Focus on what differentiates you from the competition and makes you unique. Link company information to destination information as much as possible. For example: "If you decide to visit Chimborazo volcano, we are your best option because we offer the biggest variety of adventure tourism options in the area". A European tour operator will likely first consider Chimborazo as an option, and in a second step analyze accommodation and tour options in the Chimborazo area. The presentation letter or e-mail should be sent out 1-2 months before the actual fair, together with a meeting request. Anticipation is very important because product managers tend to have very tight agendas during international fairs. Plan roughly 30 minutes per meeting and always maintain a focus on the essentials.

During the fair

- Ensure that scheduled meeting can begin punctually and make sure you have all company available in digital form (CD, USB, download link) as well as in paper form (note however, less is more!). This includes company and product fact sheets, descriptions, multimedia (images and video), booking and cancellation policies and rate sheets. Information should include mention of

insurance policies, memberships in national and international trade associations, mentions of awards and certifications, and sustainability policies. Published articles about your company or product can also be very helpful and create credibility.

- Take careful note of your contact's exact requirements and seek to fulfill these once you return to your home country.
- Make sure you use the side program and social activities to network with industry partners from the source market. Make use of every chance to personally meet relevant potential partners. The time available at a major trade event is extremely precious – make good use of it.

After the fair

- Send out a thank-you note, expressing your appreciation for the interest and reminding your commercial contact about your products and services. Provide any additional information that was agreed upon during the meeting, swiftly and comprehensively addressing your contact's needs in a concise manner.
- After some time, bring yourself into memory with another email, reminding your potential business partner about what differentiates you, any product innovations, your services and prices, and your continued availability to assist in any way required.
- Consider the possibility of visiting your commercial contact personally - after the fair or before the next one, in the office or in a location around the fairgrounds, or wherever it may be convenient for your potential partner. Often short formal meetings at the fair itself serve more than anything as "door-openers" and the real business gets done during meetings outside the fair, when sufficient time is available to discuss all the details of an emerging business relationship. A business trip to Europe, considering its high cost, should not be limited to a mere fair participation but be used in the broadest sense to nurture business contacts. The fact that you visit a tour operator's office is in itself a sign of your interest and professional projection.

10.4.6.3 Exhibitor Guides

There are many aspects to consider when participating in an international fair. To get an idea of all the details that are involved, check if the particular fair that you are interested in has an exhibitor guide. ITB Berlin, World Travel Market London and Fitur Madrid provide good examples of exhibitor guides and given that they are leading events in the international tourism industry, provide an excellent overview of all the aspects that typically need to be considered.

- Exhibitor Guide Fitur Madrid

English

www.ifema.es/PresentacionInet/groups/public/documents/formulario/f_102353.pdf

Spanish

www.ifema.es/fitur_01/Expositores/Formulariosydocumentacion/index.htm

www.ifema.es/PresentacionInet/groups/public/documents/formulario/if_102354.pdf

- Exhibitor Guide ITB Berlin

English

www.itb-berlin.de/en/Exhibitors/

www.itb-berlin.de/media/itb/itb_dl_en/itb_exhibitors/ITB_Exhibitor_Guide.pdf

Spanish

www.itb-berlin.de/media/itb/itb_dl_all/itb_aussteller_all/ITB_Manual_del_expositor.pdf

- Exhibitor Guide World Travel Market London

English

<http://london.wtm.com/how-to-guide>

http://london.wtm.com/RXUK/RXUK_WTMLondon/2015/documents/WTM-visitor-guide.pdf

10.4.7 Roadshows

Roadshows are an excellent way of promoting a destination, and linked to that the services within a destination, in European market.

The following possibilities for setting up a roadshow exist (combinations among the mentioned options are also possible):

- **Organized by the tourism ministry**

This is the most common option because of the cost and level of coordination that a roadshow involves. The National Tourism Organization (of Ecuador or Peru, in this case) sets up a roadshow, plans dates and organizes venues and invitations through qualified partners in the source market, such as a destination representation company or the embassy.

- **Organized by a trade organization**

Some Latin American tourism associations also organize roadshows in Europe, gathering their members and often seeking the cooperation of partners like the National Tourism Organization, an airline, fair organizers or major tour operators in the source market. This underlines that a roadshow really has to be seen as a destination marketing effort that has to be organized synergistically with participation from key players. As incoming agencies tend to be the most interested participants in roadshows, they usually are affiliated to the national tour operator association, which in the case of Peru is APOTUR (www.apoturperu.org) and OPTUR (www.optur.org) in the case of Ecuador. These inbound tour operator organizations may play a role in co-organizing a roadshow, or simply certain individual members belonging to the association that unite in a working committee – the exact constellation is often defined in accordance with the geographic source market to be addressed, since not all incoming agencies have the same interest in a given source market or type of activity.

- **Organized by promotional associations in the source market**

ARGE Lateinamerika (“Working Group Latin America”) (www.lateinamerika.org), in the context of the German-speaking market and LATA – Latin America Travel Association (www.lata.org), in the context of the British market, are chief examples of trade associations that organize roadshows for their members. Usually Latin American destinations and companies both from Latin America and Europe participate,

which assures a good assistance from relevant buyer circles. Participation either requires membership or being represented indirectly through the national tourism organization or a business partner, such as an incoming agency.

- **Airlines**

Sometimes airlines, always interested in filling their seats, will cooperate with different players from a destination. For example, in 2012 Latin American airlines LAN and TAM, now jointly forming the LATAM group, realized a roadshow in eight cities in the German markets involving partners from Peru and Ecuador.

www.airportzentrale.de/lan-und-tam-laden-ein-zur-sudamerika-roadshow-2012-in-acht-deutschen-stadten/20348/ (in German language)

- **Linked to a fair participation**

Another possibility is to organize a roadshow linked to a tourism fair, a few days before or after the actual event. Some organizers even prefer to organize as a side activity of the fair. In any case, the obvious advantages are that many relevant players are gathered already in a central location and that the combination “fair plus roadshow” is more cost effective than isolated activities.

- **Tour operators**

Major European tour operators sometimes organize their own roadshows, usually directed towards the top sellers among their travel agents. The tour operator does all the necessary preparations and invites companies from the destination, both the partnering incoming agency and related providers, to talk about their product. Such a roadshow usually takes place in major cities of the host country. It is a winning formula because all commercial interests are fully aligned. However, it does not represent all forces in the destination, only those having a commercial relationship with a given tour operator in Europe.

10.5 Online Marketing

10.5.1 Website

The website is the centerpiece of a company's online strategy. Therefore, it should receive careful planning based on the following principles:

- **Domain name:** Choose one that immediately reveals the nature of your business, ideally including an element that shows your company's differentiation (e.g. www.birdingadventures-ecuador.com).
- **Clear navigation:** Menu options should be intuitive and easy, avoiding too many levels. Focus on the essentials and allow for a clean interface.
- **Content:** Even with all the bells and whistles that are possible nowadays, the most important aspect of a website is still quality content. Ensure that there is relevant content throughout your website, providing accurate information that at the same time is emotionally appealing.

- Maps: A map, either a static map or an embedded zoomable Google map, should help to locate your product and include how-to-get-there information, considering all options: bus, car, plane and so on. It is also a good idea to provide information about the time required to get to a property.
- Interactive facilities: The website should facilitate customer engagement and interaction with your target groups. Include a comment section and online feedback forms. In addition, you can use social media to foster interaction with your target groups, placing the corresponding buttons throughout your website.
- Booking facilities: The better and more professional your online booking facilities, the higher the chance that you will capture a direct booking. Advanced facilities include immediate confirmation of availability and secure online payment processing. If you are limited to handling requests and reservations by e-mail, make sure emails are always answered within 24 hours or faster.
- Languages: Include relevant languages regarding the European markets that you are targeting. Apart from the usual Spanish and English versions, remember that German and French will help you to address sizable populations in a variety of countries. On the other hand, if you have already close bonds with markets like Italy or the Netherlands, do make sure to implement the corresponding language.
- Blog: Include a blog that allows you to communicate news and topics related to your business. Here you can cover the experiences of guests, demonstrate what the destination has to offer and show how you support the nearby community. A blog also helps to provide a “human touch” to your website because blog post authors usually have some degree of subjectivity in their coverage.

10.5.2 Ensuring You are Found on the Web

SEO – Search Engine Optimization: Your website needs to be found on the web so make sure you discuss search engine optimization techniques with your website provider.

There are many details to consider, among these:

- Choose key words in tune with your target group’s requirements and motivations, taking into account your competitive environment.
- The site structure should be easy and intuitive.
- Optimize your pages with regard to URL structure, headlines, metatags, image attributes, body content and internal links.
- Ensure your website is mobile ready as mobile use is on the increase.
- Quality content is key. Provide relevant content and link it to your social media channels to show search engines that people seek your content from outside sources

Google Analytics is a good example of an effective tool for tracking and monitoring website traffic; other similar options exist also (www.google.com/analytics).

The Search Engine Journal has a free SEO Starter Kit for download (www.searchenginejournal.com/seo-guide/)

SEM – Search Engine Marketing: This strategy refers to paid online marketing. Key aspects to consider include:

- Google Adwords: A pay-per-click service that presents ads of your company / website in pertinent search queries together with regular search results. Another similar option is Bing Ads.
- Facebook ads: Paid ads that appear in the Facebook ticker or side column, with a number of possible modalities such as promoted and page posts, sponsored stories targeting friends, or premium ads.
- Landing page: Define the optimum landing page in accordance with keywords used.
- Benchmark: Search ranking are always in flux so you will have to monitor how you appear using certain keywords, as well as your competition, and make adjustments as you go.
- Call to action: Once potential customers visit your page, they should be directed to specific actions such as making an inquiry or reservation.

10.5.3 Response Times in an Internet-Driven Service Industry

With all the technological advances available, it is important not to overlook the human factor in your dealings with the European market. If customers cannot make an online booking with instant confirmation, most customers nowadays expect a response within 24 hours or faster to their e-mails. If a customer request is received, either to obtain information or to make a reservation, it should be quickly responded. If not all information can be provided, for example when a complex itinerary is being requested, the customer should at least receive an interim message that the request is being processed. The quicker a company's response, the higher is the propensity of the consumer to realize a booking. The knowledge of languages obviously paves the way for smooth interaction, a request by a French that is responded to in French has a higher possibility of being converted into an actual reservation than when being responded to in another language. The response time of your company will always be seen as an indicator of reliability and trustworthiness.

10.5.4 Social Media Marketing

Social media marketing comprises different channels such as Facebook, Twitter and Instagram. While each channel has its own characteristics and advantages, using a combination of social media channels as complement to your website, can be a very powerful and cost-effective tool.

A key principle in successful social media marketing is consistency. Internet users note quickly whether a company updates social media accounts regularly or irregularly, and will always prefer those that provide a consistent flow of information with constant fresh content. It is much better to do a few posts or updates with regularity, than to have a frenzy of online activity on a given day and then total silence during the following week.

With all social media activity, it is equally important to monitor responses of customers, in order to understand how they perceive a product, especially when the company image is at stake, for example during a crisis situation. There has to be a proactive management of social media content and online interactions. Postings should always be done in the spirit of seeking to establish a dialogue with existing or potential customers. If a company received a negative comment on Facebook, it is important to reply in a swift manner demonstrating that the company cares and has a genuine interest to resolve whatever situation, or at least to take due note of the customer's concern.

10.5.4.1 Social Media Dashboards

To facilitate social media marketing, several online tools exist which can help to schedule posts, see click rates, monitor followers, and so on. Any company with a comprehensive social media marketing strategy should consider using such a tool.

Some of the better-known social media dashboards, among many others, are:

- **Hootsuite:** www.hootsuite.com
- **Sendible:** www.sendible.com
- **Buffer:** www.buffer.com
- **Sprout Social:** www.sproutsocial.com
- **Social Pilot:** www.socialpilot.co

A website should include the logos of the social media platforms that a company uses. Everything should seamlessly integrate from the visitor's perspective. Any reputable website provider should be able to advise you on what is possible.

10.5.4.2 Hashtags

Hashtags can be used across several social media platforms and are designed to categorize content by means of the # sign, to make it easy to find content. But contrary to common practice, hashtags should be used selectively, focusing on relevance and pertinence rather than quantity. Both too general hashtags (like #LatinAmerica) as well as too specific hashtags (like #friendsofbluemorphobutterfliesinsouthernperu) should be avoided; although this always has to be considered in the individual context. Often the secret lies in finding a combination of more general hashtags and more specific ones, those that are clearly related to your market niche. Try out what works best in your specific context since social media platforms like Instagram represent a dynamic, ever-evolving environment.

10.5.4.3 Facebook

Facebook is an extremely useful and valuable social media tool because it is universal, allows to work with text, images, and videos, and offers excellent possibilities to interact with your target group through comments and sharing. It is ideal for communicating up-to-date information while also sharing in a longer-term perspective, such as images and infographics through photo albums.

Text, videos, and images should be used in an integrated way as compelling storytelling tools. For example, instead of posting an isolated picture titled "Tourist from Europe at our Hacienda", you could do a series of posts highlighting the experiences of "Mareike, the Dutch girl, at our hacienda". In one post, she is shown riding on a horse, in another Mareike samples the national cuisine and in yet another she does yoga in the wellness spa pertaining to the hotel. Images and videos should be complemented by texts describing her adventures and feelings, how she falls in love with the country, how she shares experiences with the locals and how she makes up her mind to come back next year for a month-long Spanish study course. In any case, always ensure there is "You Appeal" – emotionally engage the visitor of your Facebook page. "The Dutch girl" in this example really could be any tourist, or simply the potential customer reading a post on your Facebook account, getting ready to visit your establishment soon.

You can also use input from other social media channels, such as posting a tweet in your Facebook news stream, or the link to a blog post.

Do make sure that you observe the comments and try to establish a dialogue with the visitors to your company Facebook page. The page should always feel “alive” and represent a means of constant interaction with the target group.

10.5.4.4 Twitter

Even more than any of the other social media channels, Twitter is about breaking news and up-to-date information tidbits. It is first and foremost the “real time”, “here and now”, “as it happens” social media channel. The first assessment is whether a company wants to engage in this arena in the first place. Not every eco-lodge in the Amazon rainforest has “hot news” going on every day. As with any other media channel, Twitter requires constant follow up and tweeting, something around 3-5 tweets per day. Nothing is more unappealing than a Twitter account with the last tweet dating back a few months ago. Potential customers will notice and draw their conclusions.

Once a Twitter account is established, a few key principles apply, among these continuity (preferably daily tweets, in this case), pertinence and the wise use of hashtags. In addition, post information about your company and/or product but also related information, for example the link to an article in a travel magazine that covers your destination, or the link of an external blog post covering a visit to your community project. Think in a destination perspective, promote the destination and your company as a prime option to be considered within the destination.

Twitter is a good medium to share last-minute offers and discounts. If a lodge decides to offer an extra night free for every three nights booked during low season, or offer some extra service like a free horseback riding tour, Twitter is a good channel to announce this kind of “hot deal”.

Twitter is also a good medium for playful information. Make sure you add some spice to your postings, for example by including subjective perspectives or tweets like “Why that French guy had the heck of a time on our rafting tour” or “Check out this Andean bear sticking his nose in a hotel window” together with a funny picture. There should always be a sensation of “something is going on” giving flavor to your Twitter account.

10.5.4.5 Instagram

The emphasis with Instagram is on visual content and travel is a product that works well with visual content. A company should definitely look at Instagram as part of its social media strategy, considering the following factors:

- Ensure that the photos you display on your Instagram account are very appealing and of high quality.
- Adding video greatly enhances your Instagram online presence.
- Instead of only using company images, invite guests, bloggers, friends, and partners to share their visual content via your Instagram account.
- Likewise, you can cross-promote partners if they have complementary products to your own, like a similar hotel in another part of the country, or a recommendable restaurant around the corner.

- Make use of hashtags like #LoveAmazonRainforest that are intuitive and allow your pictures and videos to be found easily within your market segment or region.

10.5.4.6 Pinterest

Pinterest's capability to create boards that inspire travelers represents an excellent tool to stimulate the exploration of new travel possibilities in a very visual and captivating way. While it has this visual aspect in common with Instagram, the emphasis with Pinterest is more on the curation of content, rather than just displaying your own.

- Pin anything that helps travelers to get inspired: beautiful pictures of the destination, itinerary suggestions, travel quotes that relate to your product, images of hotel facilities, local people, and so on. A board should reflect all the facets of a travel product and go beyond your immediate offering. Try to avoid similar images.
- Ensure that there is an incentive to take action: a link to a website where people can inquire or make a reservation, for example.
- Pinterest users tend to save pins they like, so make sure that the information you share includes items of both short-term and long-term relevance. In this regard, Pinterest is very different from short-lived tweets on a Twitter channel and better suited to transcend the day.

10.5.4.7 YouTube

Tourism is an activity based on experiences. It is always a challenge to sell experiences because, by nature, they are not tangible, and when being sold, there is only the promise of a future experience. That is why YouTube can be such a valuable tool that, more than any other medium, allows tourists to anticipate the kind of experience that is waiting for them in the destination. As an example, an adventure tour operator might include a few videos about activities on the YouTube channel, such as a rafting video or showing the climbing of a volcano. In the area of cultural travel, a video can give a first glimpse of the intercultural experience awaiting tourists, showing for example interactions with a community in the Andes. In any case, videos should be well edited and short, capturing the essence of the experience while also transmitting authenticity, e.g. by including the voices of locals.

YouTube is a universal medium that allows for all kinds of interesting possibilities:

- Promotional videos: "Cruising the Amazon river"
- Educational videos: "How to travel responsibly on the Inca Trail"
- Webinars: "How to promote the Ecuadorian Amazon among your clients"
- Testimonials: "Two weeks of home-stay spent with a Peruvian family in Cajamarca"
- Voices from locals: "Women from the weaving cooperative in Cusco share their traditions"
- Eyewitness footage: "Eruption of the mighty Cotopaxi volcano in 2015"
- Call to action: "Support the community project near the nature reserve"

As a rule of thumb, videos should be short, in the range of 2 to 5 minutes, allowing a quick but insightful glimpse of what to expect in the destination.

10.5.4.8 Trip Advisor

Although Trip Advisor is not a social media platform per se, it shares with social media the all-important characteristic of user generated content (UGC) which is the base for the trust so many social media platforms enjoy. Of course, there are also other platforms with user reviews but Trip Advisor stands out as one of the most relevant. Apart from the information that a tourism provider itself puts on Trip Advisor, it is the reviews that strongly influence the decision-making process of the user. Here are some key recommendations for your company's presence on Trip Advisor:

- Take the review seriously. Reviews, including negative ones, help you to understand how customers see your product and it is always better to swiftly address the underlying issues than to discuss them. Sometimes there are factors that escape your circle of control. Tourists might complain about potholes in the road leading to the hotel, or about too little opportunities to see animals in an adjoining national park. Make sure you address these concerns by providing accurate descriptions, thus creating correct expectations. You can say for example "during broad daylight there are less chances to observe animals but the extremely rich and diverse flora will more than compensate for it, especially when explained by our knowledgeable tour guide Mauricio" or "Prepare for an adventurous ride as you journey into the heart of the rainforest. Our own hotel jeep shuttle will safely navigate local roads to our remote property where all the creature comforts await to soothe your stay and bring you in tune with the splendor of nature all around you". Bear in mind that it is always a question of proper framing and wording.
- Share your reviews in real-time on your website. If you are in confident position that will get mostly positive reviews, you can employ a widget to embed your Trip Advisor reviews on your website. The very fact that you have this confidence is also a strong signal for your potential customers.
- Similarly, and for the same reasons, consider integrating the Trip Advisor app in your company Facebook account.
- With increasing use of mobile devices, you can opt for the Trip Advisor Mobile Upgrade and notify potential customers about special offers.

10.5.5 Public Relations

For a Latin American company to do Public Relations (PR) in Europe is very expensive. Only very few companies will be able to directly hire a PR agency in Europe. Yet, at all times a company is engaging in the Public Relations business, whether it may realize it or not. Every European client that has been attended turns either into an "evangelist or critic" of your company. While many aspects of Public Relations aiming at the European market may not be within the reach of a particular company, a few steps can be taken, frequently involving the coordination with national tourism authorities.

- Become aware of the PR activities that the tourism ministry in your country realizes and seek opportunities for inserting your company into these.
- Try to be part of a press trip and provide a memorable service to a group of journalists.
- Demonstrate the uniqueness of your product and try to get a mention in a press release.
- Make sure your information is available in information centers, such as the offices that PromPeru maintains inside and outside the country, as well as embassies and similar. Either through brochures, presentation cards or simply by being correctly mentioned in directories and listings. The webpage of

the commercial representation office of Peru in Madrid, Spain exemplifies the kind of support that can be provided to the tourism sector: www.oficinacomercialperu.es/apoyo_industria_turistica

- When participating in fairs, ask organizers how they can support your PR activities. Many have a press center where you may be able to share your information or you may play a role in the press conference organized by the national tourism entity. Participating actively in discussion forums and side activities of the fair can give you added exposure. Check about possibilities months ahead of the fair. An example of such a PR guide can be found on the website of the ITB Berlin tourism fair at: www.itb-berlin.de/en/Exhibitors/SponsoringPromotion/PR/

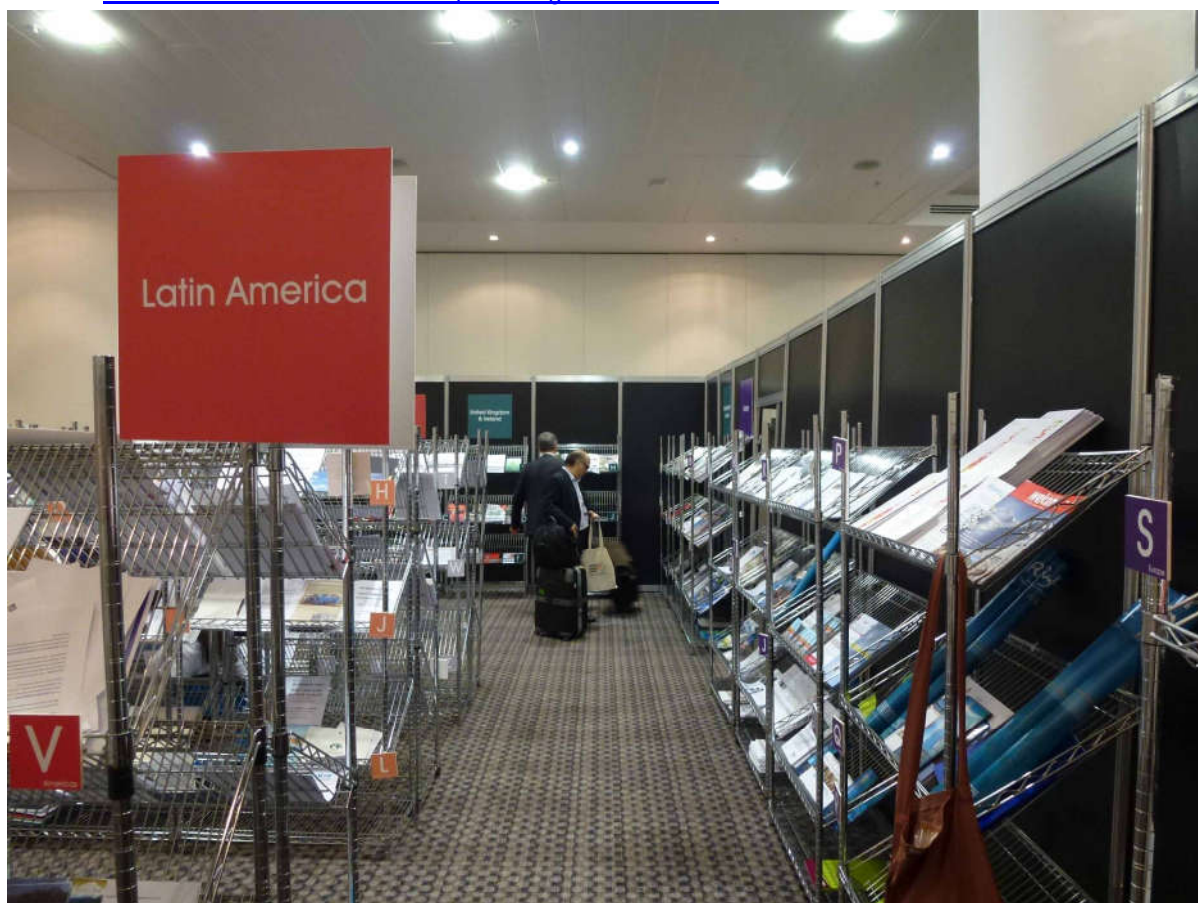


Image 14: Press center at the World Travel Market tourism fair, London, United Kingdom

Source: Hendrik Wintjen

The press center at World Travel Market in London has a special section for Latin America. Here, destinations, tourism organizations and companies provide mainly British media and journalists with press folders, typically containing press releases, fact sheets, brochures, multimedia DVDs with videos, images and texts, directories, and event announcements. Making wise use of this public relations channel can enhance any fair participation.

- Keep in touch with journalists that you meet. Not by flooding them with newsletters but by informing them very selectively and in a highly personalized manner about relevant updates about your company (e.g. announcing that you are the first company in the area to offer a canopy tour).
- Cooperate with events as a co-sponsor, exhibitor, speaker, or organizer of some aspect of the event. You can provide a free room and tour for a raffle, organize a talk about ecotourism and biodiversity,

make a presentation about healing plants growing in your area or simply exhibit your product in a fair that is also visited by international tourists (think of local events like markets, flower festivals, etc.).

- The most accessible way to do PR for an individual company is via your online presence – your homepage and social media channels. Apart from your marketing messages in the proper sense, these can be used to communicate anything that supports your company's image, like social engagement in your community or participation in some event. The basic but vital difference to bear in mind always is that PR information must be focused on objective facts while marketing messages can have a more emotional and subjective tone. Please refer to the social media section for further recommendations.
- You may consider activating a section with press releases on your website, covering topics related to your company. Occasionally, these may receive the attention of the media and journalists, especially when they cover truly newsworthy topics of a broader interest. Do make sure that these press releases are correctly edited by writers with experience in public relations and the formulation of press releases, or hire a PR agency to elaborate them, as press releases differ from promotional content in a number of ways. With regard to the European market, press releases in English language would be the most obvious choice if you are not specialized in a particular source market.

10.5.6 Dealing with Journalists

- National tourism organizations like PromPeru in Peru and Mintur in Ecuador work with PR and marketing agencies in different European source markets. Tourism providers should gain an understanding of the yearly marketing plan, as well as the national marketing and PR strategy, and check for opportunities to be present in activities, for example by cooperating with rooms or excursions for a press trip.
- When journalists approach a tourism company, either through national tourism authorities or independently, they should be attended according to their needs and not be confused as tourists. They may have very specific requirements concerning interview partners, photo and filming opportunities, schedules, logistical support and so on. Listen carefully to the specific requirements and follow up accordingly.
- It is always a good idea to exchange contact data and maintain occasional contact with a journalist – there may be a future opportunity to cooperate with a press project and obtain free coverage in European media. Make sure that interactions are strictly limited to the exchange of truly newsworthy information. Many journalists suffer from severe information overload and react to indiscriminate newsletters immediately - by classifying them as spam, thus ending the "relationship". You might have more chances directing your email to the centralized editorial staff address of the desired travel medium but make no mistake about it – yours will be one among hundreds or thousands of emails received every day. Clearly, quality is more important than quantity, and communication should focus on sustaining relationships, not spamming contact data indiscriminately.
- At the same time, the credentials of the journalists should be considered. Which media does the journalist regularly write for, what are significant publications in the past? In case of doubt, it is best to check with national tourism authorities which in turn can check with the PR agency in the source market. Not every travel writer reaches a significant audience, or one relevant for a particular type of product.

10.5.7 Dealing with Bloggers

- Bloggers are a very common phenomenon nowadays and the same basic principles apply in dealing with them as with journalists, especially verifying the audience of the blog beforehand. Check the reach of the blog - any reputable blogger usually shares his media data before even being asked about it. As with journalists, do not confuse bloggers with customers – they have their own set of needs and their main concern may not be to check off the usual bucket list of sights but to identify authentic storytelling opportunities that are suitable to engage their readers. Cooperate with each blogger's unique requirements, which typically include facilitating frequent access to internet during explorations and allowing for flexibility in the itinerary, as bloggers appreciate spontaneity.
- A good example of a media kit is that of Uncornered Market, a well-known travel blog run by blogger couple Dan and Audrey:
http://cdn.uncorneredmarket.com/wp-content/uploads/2013/10/UCM_MediaKit_20133.pdf
- An overview of travel blogs focusing specifically on Latin America can be found at:
www.neverendingvoyage.com/the-best-latin-america-travel-blogs/

One way to increase exposure is to have a blogger write a guest post on your company blog, or vice versa, to publish your guest post on the blog of some prominent travel blogger. Talk to bloggers that you meet during fairs and elsewhere, to explore the possibilities in each case.

10.5.8 Online Travel Portals

While leisure tourism from Europe to Latin America is strongly characterized by longer itineraries frequently booked via tour operators, online travel portals also play an important role in the distribution of hotel rooms. A typical pattern for an independent traveler might be to book the first two or three nights in the capital upon arrival and then move on making reservations locally on the go. To get listed on sites like Expedia, Hotels.com, Ebookers, Booking, Hotwire or Trivago, a hotel can either contact these services or the service itself looks for hotels to partner with, implying that a hotel may be contacted. The typical commission to be paid for this intermediation service oscillates between 15% and 25%, depending on a variety of factors. An example of a sign-up page is <https://join.expediapartnercentral.com/home/index> by market leader Expedia which allows to sign up for a variety of brands since Expedia owns many of them.

As with social media, the market of online travel portals is an organic and evolving phenomenon and your company should always closely observe how the booking channel 'online travel portal' fits in with the other booking channels, what the competition looks like and what kind of results typical accommodation searches generate. It is important to try out and benchmark pricing strategies and booking channel combinations, always maintaining a coherent rate structure with regard to the European market, as explained in the section about working with the trade.

11 Overall Conclusion

As has become evident throughout this study, there is a broad range of possibilities for engaging in the European market – either by focusing on certain source market countries, specialized target groups, selected marketing channels or specific promotional activities. Naturally, each company needs to experiment a bit with all the possibilities to find a balance of what works in the long run – as there is no silver bullet or 100% sure-fire formula that will resolve once and for all the issue of market access. Such experimenting, however, can be expensive and should always be preceded by careful market investigation to determine the most promising course of action – this will always include a thorough self-analysis, benchmarking of the competition, a closer look at bottlenecks on the destination level, an understanding of the fundamental market realities in Europe and a constant observation of changes in the marketplace.

As with any business development, it is always wise to go in small but practical steps. For example, if a company has participated in World Travel Market for three years, it should not be hard at all to also attend ITB for a first time. If there is already an on-going relationship with the French market, and there are team members in the company who speak French, then it should not be hard to engage in the Belgian market as well. If a company is doing successful search engine optimization (SEO) with English keywords, implementing a German language section in the homepage and promoting its contents with SEO and German key words seems a natural next step. If a company already has four tour operator contacts in the United Kingdom, the fifth will come with relative ease.

Another often overlooked but cost-effective approach is to focus on product development rather than marketing, the deeper truth being that all product development is already part of the marketing process. What else could be the purpose of product development other than to satisfy the needs of a market? If the typical European client stays 3 days and 2 nights in an eco-lodge, it might not be so hard to extend the average stay to 4 days and 3 nights by offering added value through new and diversified side activities. Often, the path of product improvement and diversification with total customer satisfaction at its heart is more effective and considerably cheaper than spending marketing resources in Europe. Some products and services are so in tune with the requirements of the European markets that actually they need to engage very little in marketing – clients come and return because they love the product and recommend it. That is why this study emphasizes the importance of monitoring customer motivation and satisfaction, as well as alignment with the value chain. If a product is authentic, of high quality, with a reasonable price-quality relationship and has some unique aspect about it that European customers truly appreciate, usually incoming agencies will take notice and want to promote it.

By setting long-term goals, for periods like five years, a company can use this kind of framework to annually review its marketing budget and mix, always incorporating the latest market investigation available. It is a never-ending process of adjusting to constantly evolving market realities, testing product innovations and marketing activities. Occasional setbacks are the rule rather than the exception in such a process and should not be taken as discouragement but as a sign to continue experimenting and gradually diversifying. As a company evolves, it creates a history of valuable commercial references that come in very handy when dealing with new potential clients. By demonstrating that similar needs or accounts already have been attended in the past, a European tour

operator will be much more willing to try out a new hotel or incoming agency. As in any business, trade relationships with the European market are sustained by trust – trust that may be hard to earn initially but that creates a lot of momentum once a company is seriously engaged in the European market. That is why working with the European market requires a long-term perspective and some patience and investment in the initial phase. In return, the rewards of working with the European market can be very satisfying and economically gratifying in the long run.

Top 10 Recommendations

The following top 10 recommendations condense key insights from this market study and can be helpful in ensuring that vital aspects facilitating market access are considered in an integral manner.

1	<p>Align with the tourism value chain</p> <p>Much of the tourism business from Europe to Latin America takes place within the traditional value chain: consumer → travel agency → outbound tour operator → airline → inbound tour operator → hotel / tourism provider. By understanding the importance of each element and aligning your internal policies and marketing strategy with the value chain, you can successfully be a part of it and enhance your market exposure. In addition, strive for a presence in international online travel portals. The more your product or service can be seen in international marketing and distribution channels (e.g. catalogues of tour operators, booking engines, guide books etc.), the more favorable and trustful the perception about your company and product will be and the easier it will be to further extend your presence in the European market.</p>
2	<p>Maximize the possibilities of the web and social media</p> <p>A professional web presence complemented by social media activities can significantly enhance your market access but needs to be done in a consistent and coherent manner. Start with the social media channels that you are most comfortable with, typically Facebook, and expand your social media presence ensuring that you can update all channels continuously. Create cross-channel synergies, for example by posting YouTube videos on Instagram or by sharing blog posts on Facebook. Make your social media presence highly interactive – it will help you to better understand your potential customers and to keep them interested and engaged. Make sure you take proper care of Search Engine Optimization (SEO) and Search Engine Marketing (SEM) and continuously strive to improve your “from-looking-to-booking” ratio by carefully tracking user activity.</p>
3	<p>Closely monitor customer motivation and satisfaction</p> <p>Don't make any assumptions about what your European guests should like or not like about your company, service or destination. Carefully and consistently track customer motivation and satisfaction, through the feedback obtained via your staff or guides, short questionnaires, online surveys, a guestbook, comments on your social media pages and by directly interacting with your clients. Then systematize this information by product or service rendered, target group, nationality and so on. Become very inquisitive about what your clients look for and how they evaluate their experience with your company. Act upon the feedback you get and continuously improve your service to best serve the needs of your clientele. This way you also have the opportunity to gain an awareness of upcoming trends that allow you to continuously adapt and innovate your product.</p>

4	<p>Never cease to investigate your market and network with prospects</p> <p>Inquire with the National Tourism Organizations and trade associations about the available market intelligence regarding European source markets. Continuously monitor the available statistics and market behaviors and evaluate these with regard to your company's strategy. Take part in educational activities about European markets and marketing activities. When taking part in international events, visit the side programs informing about market tendencies, review commercial publications, such as tour operator catalogues (especially those that already mention your product or those published by potential buyers) and network with stakeholders relevant to your activity. Establish an internal customer relation management system (CRM) that allows you to keep track of your (potential) commercial contacts, sending reminders with product and rate updates from time to time, tailored according to the needs of each target group.</p>
5	<p>Engage in cooperative marketing</p> <p>Apart from your web and social media presence, options for isolated actions in the European market are limited and expensive. Seek out cooperative marketing opportunities by participating or co-exhibiting in national and international fairs, roadshows, promotional events, networks with promotional platforms in Europe and cooperate with trade associations and the national tourism organization with regard to familiarization and press trips. Form networks with like-minded companies that you are not in direct competition with (e.g. network of small luxury boutique hotels, rural haciendas or network of sustainable eco-lodges). Synergize as much as possible to get the most value for your marketing budget.</p>
6	<p>Affiliate with, and actively support, trade associations</p> <p>Actively engage in pertinent trade associations. Work together with colleagues to create a facilitating environment for tourism to your country, or destination on the sub-national level. Observe which structural elements limit market access – aspects like infrastructure, road and air connectivity, lack of planning, regulatory framework, tourist safety, waste management or destination image may play a role. Identify the main bottlenecks and work on possible solutions together with sub-national and national stakeholders and tourism authorities. While pursuing your entrepreneurial agenda individually, always act in a parallel way as a steward of the destination that you are operating in – in the long run, your entrepreneurial success depends on it! Systematically cooperate on defining common agendas and making constructive proposals to tourism authorities, government entities, funding institutions and so on.</p>
7	<p>Instead of focusing on abstract data and contact lists, nurture a rich web of personal relationships</p> <p>Gradually establish direct contact with players from the European market, by participating in international fairs or promotional events. Carefully listen to their requirements and address their requests and concerns. If the European market feels abstract to you, then intensify your interaction with Europeans – you can start with the few direct clients you already may have and investigate how they found out about your product or service; noticing differences among the different nationalities, their preferences and ways of seeing the destination. Tourism is an eminently relationship-focused, hands-on industry – do not expect to expand your business significantly solely by sending out newsletters to databases or putting up a nice website. If you travel to Europe in order to participate in a tourism fair, request meetings beyond the regular fair activities with your potential commercial contacts. Seek to understand the mindset of product managers working in European tour operator companies. You can ask also commercial partners in your country to introduce you to European business partners, for example through a befriended incoming agency that you regularly work with; or through a hotel situated in another part of the country that has more commercial contacts than you and that you regularly cooperate with by referring clients to each other. In addition, as an incoming agency, you can establish cross-border alliances for mutual benefit, for example by offering mixed Peru-Ecuador itineraries, or packages of Andean countries, exchanging valuable commercial contacts among partners and recommending each other's services.</p>

8	<p>Define your Unique Selling Proposition (USP) and target group</p> <p>A clear positioning will significantly support your marketing efforts. Invest some time in determining what makes your company, product or service unique, in line with real demand in the marketplace; and ensure that through your branding, website and communication that unique offer is consistently transmitted. Continuously benchmark the competition – familiarize yourself with what your competitors offer and the prices they charge. Understand how tourists move around in the country and how they combine what you have to offer with other services in the destination. By looking at your company from a broader destination and market perspective, you can develop an easily distinguishable profile. Overall communication should focus on the uniqueness your visitors will come to appreciate, in tune with target groups that value what you have to offer. Ideally, a clear positioning allows you to transmit in just a few words what your service is all about and will allow potential clients to immediately identify themselves with it. Once established, ensure that all your client interactions, organizational culture and operations support that brand consistently.</p>
9	<p>Cultivate a culture of quality and an eye for detail in your company</p> <p>There are many requirements working with the European market which include quality, safety, handling of languages, compliance with local laws and regulations, compliance with European laws, sustainability and intercultural aspects. In addition, management and staff need an eye for details, being in tune with what European consumers want. Although often downplayed in importance, intercultural factors play a big role that can often be crucial in making or breaking business relationships. Cultivate a culture of high cultural awareness, realize trainings for your staff, create opportunities for direct interaction with Europeans, for example by hosting interns or bloggers. Develop an eye for details and become aware of the subtle nuances that distinguish each nationality and take these into account when designing your service.</p>
10	<p>Plan ahead in a long-term vision</p> <p>Working with the European market requires a long term vision and careful planning, as well as consistent policies regarding rates, commissions, management of allotments, maintaining multilingual staff, positioning of your company in the marketplace and the participation in (often costly) promotional events; among other factors. Establish a strategy for the next year, as well as the upcoming two years and five years – defining which market segments to operate in, which target groups to address, which geographic markets to focus on. Focus on a few vital priorities based on your current strengths and stick to them – because of the complexity of the European market, you will not be able to focus on all markets at once.</p>

Appendix

I References

Peru

APTAE (1999), *Code of Professional Ethics*, available:
http://www.aptae.pe/archivos_up/0025-codigo-de-etica-aptae.pdf
[Accessed 28 October 2017]

Mincetur (2013), *Hotel Gaps in 7 Cities of Peru*, available:
<https://www.scribd.com/document/336819972/Resul-Estudio-BrechasHoteleras-Peru-pdf>
[Accessed 28 November 2016]

Mincetur (2016), *Mincetur Presents 36 Enterprises in IV Commercialization Wheel of Community-Based Tourism*, available:
<http://www.mincetur.gob.pe/mincetur-presentara-36-emprendimientos-en-iv-jornada-de-comercializacion-de-turismo-rural-comunitario/>
[Accessed 18 March 2017]

PromPeru (2014), *Profile of the International Visitor*, available:
<http://media.peru.info/IMPP/2014/Perfil-Turista-Extranjero/Perfil-del-Turista-Extranjero-2014.pdf>
[Accessed 17 November 2016]

WEF (2015), *Travel & Tourism Competitiveness Report 2015 – Peru*, available:
<http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/economies/#economy=PER>
[Accessed 20 December 2016]

Ecuador

Embassy of Ecuador in Germany (2015), *Ambassador Jurado inaugurates Roadshow Ecuador Love Life in Berlin*, available:
<http://alemania.embajada.gob.ec/botschafter-jurado-eroffnet-die-roadshow-ecuador-love-life-in-berlin/>
[Accessed 09 March 2017]

MINTUR (2015), *Workshop to Foster The Development of the Route Origins of Chocolate*, available:
<http://www.turismo.gob.ec/workshop-para-impulsar-el-desarrollo-de-la-ruta-del-origen-del-chocolate/>
[Accessed 20 December 2016]

MINTUR (2017), *Main Indicators of Tourism 2016 – 2017*, available:
<http://servicios.turismo.gob.ec/index.php/boletin-coyuntural-de-alojamiento/18-turismo-en-cifras/analisis-economico/boletin-mensual/95>
[Accessed 25 March 2017]

WEF (2015), *Travel & Tourism Competitiveness Report 2015 – Ecuador*, available:
<http://reports.weforum.org/travel-and-tourism-competitiveness-report-2015/economies/#economy=ECU>
[Accessed 20 December 2016]

Europe

Center for Economic and Policy Research / OECD (2013), *No Vacation Nation Revisited*, available:
<http://cepr.net/documents/publications/no-vacation-update-2013-05.pdf>
[Accessed 20 October 2016]

ECTAA (2016), *Full Members of ECTAA*, available:
http://www.ectaa.org/en/detail_31.aspx
[Accessed 28 January 2017]

European Commission (2016), *Flash Eurobarometer 432: Preferences of Europeans towards Tourism – Survey*, available:
<http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/Survey/getSurveyDetail/instruments/FLASH/surveyKy/2065>
[Accessed 11 November 2016]

European Commission / Eurostat (2016), *Unemployment rates, seasonally adjusted, October 2016*, available:
http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment_rates,_seasonally_adjusted,_October_2016.png
[Accessed 06 December 2016]

EU (2015), *EU Package Travel Directive*, available:
http://ec.europa.eu/consumers/consumer_rights/travel/package/index_en.htm
[Accessed 28 November 2016]

EU (2015), *Factsheet EU Package for Protecting Holidays*, available:
http://ec.europa.eu/consumers/consumer_rights/travel/documents/factsheet_new-package-travel_en.pdf
[Accessed 28 November 2016]

EU – European Data Portal (2016), *Flash Eurobarometer 432: Preferences of Europeans towards Tourism - Dataset*, available:
https://www.europeandataportal.eu/data/en/dataset/s2065_432_eng
[Accessed 21 November 2016]

GNTB (2016) – *Market research of the GNTB*, available:
<http://www.germany.travel/de/parallel-navigation/ueber-uns/marktforschung/marktforschung.html>
[Accessed 10 March 2017]

World Bank (2015), *GDP per capita*, available:
<http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>
[Accessed 18 December 2016]

Germany

ADAC (2016), *Trend Research: 2016 Travel Market*, available:
https://media.adac.de/fileadmin/user_upload/Studien/Downloads/ADAC_Reisemonitor_2016_EN.pdf
[Accessed 09 November 2016]

DRV (2016), *The German Travel Market 2015 – Data and Facts (Updated Edition June 2016)*, available:
https://www.drv.de/securedl/0/0/1470218084/01b76da1ad2c9081477d933ba2fcb85a3318e940/fileadmin/user_upload/Fachbereiche/Statistik_und_Marktforschung/Fakten_und_Zahlen/16-07-06_Zahlen_und_Fakten_2016_-_aktualisiert_und_deutsch.pdf

[Accessed 09 November 2016]

Forum Anders Reisen (2016), *Our Philosophy: Travel differently – Accept Responsibility*, available:

<https://forumandersreisen.de/ueber-uns/philosophie/>

[Accessed 16 October 2016]

FUR ReiseAnalyse (2016), *ReiseAnalyse 2016 – First Results*, available:

http://www.fur.de/fileadmin/user_upload/RA_2016/RA2016_First_results_EN.pdf

[Accessed 21 November 2016]

ITB Berlin (2015), *Strong growth for luxury travel*, available:

http://www.itb-berlin.de/de/Presse/Pressemitteilungen/Pd4mlContentPress_10245.jsp

[Accessed 23 October 2016]

Wehmeier + Heinrich (2016), *The German Tourism Market*, available:

http://destination.wuh.de/german_tourist_market.html

[Accessed 12 November 2016]

Austria

Nachhaltig Reisen Austria (2016), *Was macht Reisen nachhaltig*, available:

<http://www.lebensart-reisen.at/was-macht-reisen-nachhaltig>

[Accessed 29 October 2016]

ÖRV (2016), *Social Engagement*, available:

<http://www.oerv.at/de/index.php?page=soziales>

[Accessed 12 November 2016]

ÖRV / Best Sabel University of Applied Sciences (2014), *Does sustainability at the travel counter make sense*, available:

http://www.oerv.at/de/uploads/pdf/CSR/ÖRV%20Nachhaltigkeitsumfrage_Ergebnisstudie%20BEST%20Sabel%20Hochschule_2014.pdf

[Accessed 12 March 2017]

Statistics Austria (2015), *Travel Habits*, available:

http://www.statistik.at/web_en/statistics/Economy/tourism/travel_habits/index.html

[Accessed 14 November 2016]

Switzerland

Arbeitskreis Tourismus & Entwicklung (2016), *Fair Trade – Also in Tourism!*, available:

<http://www.akte.ch/en/fair-trade-on-holiday/>

[Accessed 17 October 2016]

Fair Unterwegs (2016), *Background - Sustainable Initiatives*, available:

<http://www.fairunterwegs.org/hintergrund/nachhaltige-initiativen/>

[Accessed 14 October 2016]

GNTB (2017), *Market Information Switzerland*, available:

https://www.germany.travel/media/pdf/marktinformationen__lang_/regionalmanagement_suedwesteuropa/Schweiz.pdf

[Accessed 23 February 2017]

SRV – Best Sabel University of Applied Sciences (2014), *Results for Switzerland: Does sustainability at the travel counter make sense?*, available:

http://www.srv.ch/fileadmin/ablage/dokumente/umwelt_und_soiziales/seiten1_49_studie.pdf

[Accessed 23 March 2017]

SRV (2016), *Annual Report 2015 / 2016*, available:

<http://www.srv.ch/de/infothek/geschaeftsbericht-1516/>

[Accessed 16 December 2016]

University of St. Gallen (2012), *Travel Market Switzerland 2012*, available:

<https://www.alexandria.unisg.ch/225464/1/Travel%20MarketSwitzerland%202012%20Basic%20Presentation.pdf>

[Accessed 23 February 2017]

Netherlands

ANVR (2015), *Travel Tomorrow – Envision the Future of Travel*, available:

https://www.anvr.nl/publicatie/TravelTomorrow_Report-2943.pdf

[Accessed 26 November 2016]

ANVR (2016), *ANVR - Sustainable Tourism*, available:

<https://www.anvr.nl/English/sustainable-tourism.aspx>

[Accessed 07 December 2016]

CBI (2016), *Attracting Tourists from Europe*, available:

<https://www.cbi.eu/market-information/tourism/>

[Accessed 27 November 2016]

European Commission (2016), *Flash Eurobarometer 432 – Preferences of Europeans towards Tourism – Netherlands*, available:

<https://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/71208>

[Accessed 04 December 2016]

M.C.A. van Beugen – Tilburg University (2005), *Sustainability of Dutch Tour Operators*, available:

<http://www.telos.nl/telos/medewerkers/mzoeteman/handlerdownloadfiles.ashx?idnv=699430>

[Accessed 04 February 2017]

Motivaction (2016), *The Mentality Model*, available:

<https://www.motivaction.nl/en/mentality/mentality>

[Accessed 27 November 2016]

South African Tourism (2010), *Marketing South Africa in the Netherlands*, available

http://welcome.southafrica.net/uploads/files/Netherlands_Booklet_Final.pdf

[Accessed 29 November 2016]

Vakantiebeurs (2016), *The World United at Vakantiebeurs 2016*, available:

<http://www.vakantiebeurs.nl/en/Exposant/Terugblik-vorige-editie/Slotbericht.aspx>

[Accessed 27 November 2016]

Belgium

ABTO (2016), *Objectives of the Association*, available:

<http://www.abto.be/objet-de-lassociation.htm>

[Accessed 23 November 2016]

EARTH (2016), *Members of the EARTH Network*, available:

<https://earth-net.eu/thenetwork/members/>

[Accessed 16 November 2016]

TUI (2017), *TUI Global Survey - Sustainable Tourism*, available:

<https://www.tuigroup.com/en-en/media/press-releases/2017/2017-03-07-tui-survey-sustainable-tourism>

[Accessed 17 March 2017]

UNWTO (2001), *Special Report: Outbound Tourism of Belgium Market Profile*, Madrid

VisitBrain (2014), *Market and Trade Profile – Belgium*, available:

https://www.visitbritain.org/sites/default/files/vb-corporate/markets/belgium_mp_dec14_0.pdf

[Accessed 29 November 2016]

United Kingdom

ABTA (2015), *Travel Trends 2016 – Report*, available:

https://abta.com/assets/uploads/general/ABTA_Travel_Trends_2016_210116.pdf

[Accessed 11 December 2016]

AITO (2016), *Member's Projects – Members Practising Sustainable Tourism*, available:

<https://www.aito.com/sustainable-tourism/members-projects/1>

[Accessed 21 December 2016]

BMC (2004), *UK tour operators with policies on porter working conditions*, available:

www.thebmc.co.uk/uk-tour-operators-with-policies-on-porter-working-conditions

[Accessed 21 December 2016]

Tourism Concern (2016), *Ethical Tour Operators*, available:

<https://www.tourismconcern.org.uk/ethical-tour-operators-group/>

[Accessed 18 December 2016]

VisitBritain (2015), *Preferences of Europeans towards Tourism*, available:

https://www.visitbritain.org/sites/default/files/vb-corporate/markets/2015-3%20Preferences%20of%20Europeans%20towards%20tourism_3.pdf

[Accessed 11 December 2016]

WTM (2016), *World Travel Market 2016 Industry Report*, available:

http://london.wtm.com/RXUK/RXUK_WTMLondon/2016/PDFs/WTM_INDUSTY_REPORT_2016_FINAL%20PRIN_OPTIMISED.pdf

[Accessed 22 December 2016]

France

European Commission (2016), *Flash Eurobarometer 432 – Preferences of Europeans towards Tourism – France*, available:

<http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/71195>
[Accessed 02 December 2016]

SNAV (2016), *Studies and Publications (2016)*, available:

<http://www.snav.org/Snav/public?controller=fr.amadeuspro.fo.StandardContent§ionID=HomePublic%23Etudes-et-publications&cp=1>

[Accessed 19 December 2016]

TourMag (2013), *Responsible Tourism: The main actors present their common requests to the press*, available:

http://www.tourmag.com/Tourisme-Responsable-les-principaux-acteurs-adressent-des-voeux-communs-a-la-presse_a56704.html

[Accessed 15 March 2017]

UNWTO (2002), *Special Report: The French Ecotourism Market*, Madrid

VisitBritain (2015), *Market and Trade profile – France*, available

https://www.visitbritain.org/sites/default/files/vb-corporate/markets/france_mp_mar15_0_1.pdf
[Accessed 17 March 2017]

Voyageons Autrement (2016), *Sustainable Tourism*, available:

<http://www.voyageons-autrement.com/index/tourisme-durable/>
[Accessed 08 November 2016]

Spain

Commercial Office of Peru in Spain (2016), *Support to the Tourism Industry*, available:

http://www.oficinacomercialperu.es/apoyo_industria_turistica
[Accessed 02 February 2017]

European Commission (2016), *Flash Eurobarometer 432 – Preferences of Europeans towards Tourism – Spain*, available:

<http://ec.europa.eu/COMMFrontOffice/publicopinion/index.cfm/ResultDoc/download/DocumentKy/71193>
[Accessed 02 December 2016]

Institute of Tourism Studies – TourSpain (2016), *Statistics of the Tourism Demand*, available:

<http://estadisticas.tourspain.es/es-ES/turismobase/Paginas/default.aspx>
[Accessed 02 February 2017]

Tourism Review (2015), *Spain: Study shows increased in sustainable destinations*, available:

<http://www.tourism-review.com/spain-tourists-are-attracted-more-to-sustainable-destinations-news4440>
[Accessed 03 January 2017]

TourSpain (2014), *Spain in Europe – The Tourism Behavior of the Residents of the European Union*, available:

<http://estadisticas.tourspain.es/es-ES/estadisticas/analisis-turistico/espanaeneuropa/anuales/España%20en%20Europa%202014.pdf>
[Accessed 14 December 2016]

UNWTO (2001), *Special Report: Outbound Tourism of Spanish Market Profile*, Madrid

UNWTO (2002), *Special Report: The Spanish Ecotourism Market*, Madrid

Italy

AITR (2016), *Responsible Tourism – What is Responsible Tourism*, available:
<http://www.aitr.org/turismo-responsabile/cose-il-turismo-responsabile/>
[Accessed 02 November 2016]

Europe Assistance (2013), *Barometer: Europeans' holiday plans and concerns – 2013 edition*, available:
https://partner.europ-assistance.de/medias/pdf_intern/130530_EuropAssistance_Urлаubsbarometer2013.pdf
[Accessed 17 October 2016]

FIAVET (2016), *What is FIAVET – Our System*, available:
http://www.fiavet.it/page.php?id_sottoarea=1
[Accessed 11 November 2016]

GNTB (2017), *Market Information – Italy*, available:
[http://www.germany.travel/media/pdf/marktinformationen__lang_/regionalmanagement_suedwesteuropa/Italien.p
df](http://www.germany.travel/media/pdf/marktinformationen__lang_/regionalmanagement_suedwesteuropa/Italien.pdf)
[Accessed 02 February 2017]

Slow Food Italia (2016), *About Us – What is Slow Food*, available:
<http://www.slowfood.it/chi-siamo/che-cose-slow-food/>
[Accessed 09 December 2016]

Tourism Australia (2014), *Italy Market Profile*, available:
http://www.tourism.australia.com/documents/Markets/MarketProfile_Italy_May14.pdf
[Accessed 07 December 2016]

UNWTO (2002), *Special Report: The Italian Ecotourism Market*, Madrid

General

ATTA (2010), *Adventure Tourism Market Report*, available:
http://cdn.adventuretravel.biz/wp-content/uploads/2010/09/adventure_travel_market082610.pdf
[Accessed 11 November 2016]

ATTA (2015), *Adventure Tourism Development Index*, available:
http://www.adventureindex.travel/docs/atdi_2015.pdf
[Accessed 03 February 2017]

Caribbean Tourism Organisation, *Caribbean Niche Markets – Diving*, available:
<http://www.onecaribbean.org/content/files/DivingCaribbeanNicheMarkets.pdf>
[Accessed 22 December 2016]

CREST – SNV (2009), *The Market for Responsible Tourism Products*, available:
[http://www.responsibletravel.org/resources/documents/reports/The%20Market%20for%20Responsible%20Touris
m%20Products.pdf](http://www.responsibletravel.org/resources/documents/reports/The%20Market%20for%20Responsible%20Tourism%20Products.pdf)

[Accessed 04 December 2016]

Move It – EMAS (2012), *What is a cluster*, available:

<http://www.move-it.eu/what-is-a-cluster>

[Accessed 23 February 2017]

Responsible Tourism Partnership (2002), *Cape Town Declaration on Responsible Tourism*, available:

<http://responsibletourismpartnership.org/cape-town-declaration-on-responsible-tourism/>

[Accessed 22 March 2017]

UNWTO (2014), *Global Report on Shopping Tourism – Definition of Destination Management Organization*, available

http://cf.cdn.unwto.org/sites/all/files/pdf/am9-shopping-report_v2.pdf

[Accessed 22 March 2017]

UNWTO (2015), *Global Report on Public-Private Partnerships: Tourism Development*, available

http://cf.cdn.unwto.org/sites/all/files/pdf/global_report_public_private_partnerships_v8.pdf

[Accessed 14 March 2017]

UNWTO (2005), *Definition of Sustainable Tourism*, available:

<http://sdt.unwto.org/content/about-us-5>

[Accessed 23 March 2017]

II Databases

1. Germany
2. Austria
3. Switzerland
4. The Netherlands
5. Belgium
6. France
7. Spain
8. Italy
9. United Kingdom

III Incoming Agencies in Peru and Ecuador

Incoming Agencies in Peru

The following non-exhaustive list of incoming agencies engaged in the European market is based on a review of online exhibitor directories of major fairs (ITB, World Travel Market and Fitur) and other suggestions received during the market research.

Another (non-exhaustive) source of information about incoming agencies is the member directory of APOTUR, the Peruvian Association of Incoming Tour Operators <http://apoturperu.org/socios/>.

Other possible sources of information include

APTAE <http://www.aptae.pe/es/asociados/lista-de-asociados>,

APAVIT <http://www.apavitperu.org/index.php/relac-asociados>

ASOTUR http://www.asotur-peru.com/index.php?option=com_content&view=article&id=19&Itemid=106.

Operator	Location	Web	About Us / CSR
Explorandes	Lima	www.explorandes.com	Social commitment: http://explorandes.com/en/social-commitment/
Viajes Pacífico	Lima	http://www.viajespacifico.com.pe	Who we are: http://www.viajespacifico.com.pe/en/section/Who-we-are/5
Condor Travel	Lima	https://www.condortravel.com	CSR projects: http://www.condorwings.org/en/projects/
Gaston Sacaze	Lima	http://www.gaston-sacaze.com/gaston-sacaze-au-perou/	Francophone agency
Responsible Travel	Cusco	http://www.responsibletravelperu.com	Local impacts: http://www.responsibletravelperu.com/en/pages/our-local-impacts
Inkaland	Lima	http://www.inkalandtours.com	Social Commitment: http://www.inkalandtours.com/sozialprojekt.html
PTS Peru	Lima	http://ptsperu.com/en/	
Peru Passion Tours	Peru Passion Tours	www.perupassiontours.com	Who we are: http://perupassiontours.com/portal/who-we-are/
Il Tucano	http://www.iltucanoperu.com	http://www.iltucanoperu.com	About Us: http://www.iltucanoperu.com/about_us.html
Coltur Peru	Lima	http://www.colturperu.com	About Us: http://www.colturperu.com/en/about-us
Peru HCT - Huaraz Chavin Tours	Lima	http://www.chavintours.com.pe	About Us: http://www.chavintours.com.pe/english/01.html

Operator	Location	Web	About Us / CSR
Journey Experience	Cusco	https://www.joextravel.com	About Us: https://www.joextravel.com/nosotros/
ITEP Eco Travel	Cusco	http://www.iteptravel.com	Social Responsibility: http://www.iteptravel.com/social-responsability/
Lima Tours	Lima	http://www.limatours.com.pe	CSR commitment: http://web.limatours.com.pe/lima_tours_foundation.php
Inkanatura Travel	Lima	http://www.inkanatura.com	About Us - Conservation: http://www.inkanatura.com/about
Travel Group Peru	Lima	http://www.travelgroup.com.pe	
Domiruth Travel	Lima	http://www.dmiruth.com/perutravel/	Agrotourism http://www.dmiruth.com/perutravel/agroturism/
Solmartour	Lima	http://www.solmar.com.pe	Social Responsibility: http://www.solmar.com.pe/en/pages/social-responsability
Valencia Travel Cusco	Cusco	http://www.valenciatravelcusco.com	Social responsibility: http://www.valenciatravelcusco.com/social-responsibility.php
CTM Tours	Lima	http://incoming.ctmtoursperu.com	Peru sales manual: http://ctmtoursperu.com/catalogos/p/manual-ctmtoursperu/
Kichwa Perú	Lima	http://www.kichwaperu.com.pe	About US http://www.kichwaperu.com.pe/en/about-us.html Part of Alago Group: http://www.alagogroup.com
Viracocha Turismo Internacional	Lima	http://www.viracocha.com.pe	
Tika Tours	Lima	http://tikatours.pe	
Mundo America	Lima	http://www.mundo-america.com/esp/contactenos.php?pid=1	
Tierra de los Andes	Lima / Cusco	http://www.terandes.com	About Us: http://www.terandes.com/qui-sommes-nous-pm-3.html
Tour Express	Lima	http://www.tourexpress.pe	
Peruvian Travel Services		http://www.peruviantravelservice.com	
Apu Raymi Tours	Cusco	http://www.apuraymitours.com	
Peru Quality Tours	Arequipa	http://www.peruqualitytours.com	

Operator	Location	Web	About Us / CSR
Arawi Perú Expediciones	Lima	http://arawiperu.com	Responsible Travel: http://arawiperu.com/home/responsible-travel/ http://arawiperu.com/home/community-based-tourism/
Culturandes	Lima	https://culturandesperu.com	About Us: https://culturandesperu.com/staff/
Pure Peru	Lima	http://www.pure-peru.com	About Us: http://www.pure-peru.com/about-us-2/
Otto's Tours	Cusco	http://www.ottostours.com	Company philosophy: http://www.ottostours.com/philosophy.php
Setours	Lima	https://www.setours.com	Responsible Tourism: https://www.setours.com/about/responsible/
Machu Picchu Travel	Lima	http://mpt-peru.pe /	
Silvana Tours	Lima	http://www.silvanatours.com.pe/en-index.php	About Us: http://www.silvanatours.com.pe/en-aboutus.php
Q'Inti	Lima	http://www.q-inti.com	About Us: http://www.q-inti.com/la-empresa.html
Latin America Journeys	Lima	www.fiestatoursperu.com http://www.latinamericanjourneys.com	About Us: http://www.fiestatoursperu.com/aboutus/
Via Natura Peru	Cusco	http://www.vianatura.com	About Us: http://www.vianatura.com/about-us/
Peru Responsabile.it	Lima	http://www.peruresponsabile.it	Responsible Tourism: http://www.peruresponsabile.it/turismo-responsabile.html
Pure Quest Adventures	Lima	http://www.purequest.com	Company values: http://www.purequest.com/our-values/ http://www.purequest.com/destinations/peru/
South American Tours	Lima	http://www.southamericantours.de/en/sat-peru	About Us: http://www.southamericantours.de/en/SAT-Your-DMC-in-South-America Note: Business to Business only

Incoming Agencies in Ecuador

The following non-exhaustive list of incoming agencies engaged in the European market is based on a review of online exhibitor directories of major fairs (ITB, World Travel Market and Fitur) and other suggestions received during the market research.

Another (non-exhaustive) source of information about incoming agencies is the member directory of OPTUR, the National Association of Incoming Tour Operators of Ecuador

<http://www.optur.org/operadores-turismo-ecuador.html>

Operator	Location	Web	About Us / CSR
Klein Tours	Quito	https://www.gogalapagos.com	Conservation & Responsibility: https://www.gogalapagos.com/galapagos-islands-conservation https://www.gogalapagos.com/social-environmental-responsibility
Metropolitan Touring	Quito	http://www.metropolitan-touring.com https://www.santacruzgalapagoscruise.com	Social Responsibility: https://www.santacruzgalapagoscruise.com/santa-cruz-galapagos/social-responsibility/
Surtrek	Quito	https://www.surtrek.com https://www.surtrek-adventures.com	About Us: https://www.surtrek-adventures.com/about-us.html Certified by Rainforest Alliance and TourCert
Pure! Ecuador	Quito	http://www.pure-ecuador.com	About Us: http://www.pure-ecuador.com/about-us-2/ TourCert certification: http://www.adventuretravelnews.com/tourcert-international-certification-for-pure-ecuador
Explorandes	Quito	http://explorandes-ecuador.com	Community service: http://explorandes-ecuador.com/who-we-are/community-service/
Terra Diversa	Cuenca	http://www.terradiversa.com	
Tierra de Fuego	Quito	https://www.ecuadorterradefuego.com	About Us: https://www.ecuadorterradefuego.com/galapagos-islands-about-us
Latin Trails	Quito	http://latintrails.com	Sustainable Tourism: http://latintrails.com/sustainable-tourism/
South American Tours Ecuador	Quito	http://www.southamericantours.de/en/sat-ecuador	About us: http://www.southamericantours.de/en/SAT-Your-DMC-in-South-America
Ecoandes / Unigalapagos	Quito	http://www.ecoandestravel.com http://www.unigalapagos.com	About Us: http://www.ecoandestravel.com/en/about-us.html
Ecuadorian Tours	Quito / Guayaquil	http://www.ecuadoriantours.com/index.php/en/	About Us: http://www.ecuadoriantours.com/index.php/en/aboutus-en#about-us
Transvuelos	Guayaquil	http://www.transvuelos.com	About us: http://www.transvuelos.com/nosotros

Operator	Location	Web	About Us / CSR
Creter Tours	Quito	http://www.cretertours.com.ec	About Us: http://www.cretertours.com.ec/about-creter-tours
Gaston-Sacaze	Quito	http://www.gaston-sacaze.com/destination-equateur/	Ethic principles: http://www.gaston-sacaze.com/notre-charte-ethique/ http://www.gaston-sacaze.com/gaston-sacaze-en-equateur/
Universal de Viajes	Quito	http://universaldeviajes.com	About Us: http://universaldeviajes.com/empresa.html
Unique Ecuador - Ecoventura	Guayaquil/ Quito	http://www.ecuadorunique.com http://www.ecoventura.com	About Us: http://www.ecuadorunique.com/whoweare.html
Zenith Travel	Quito	http://www.zenithecuador.com	Why choose us: http://www.zenithecuador.com/en/about-zenith-travel/why-choose-zenith-travel
Quimbaya Tours	Quito	http://www.quimbaya-tours.com/en/home/	About Us: http://www.quimbaya-tours.com/en/meet-the-team/
Geo Reisen	Quito	http://www.georeisen-ecuador.com	Sustainable tourism: http://www.georeisen-ecuador.com/sustainable-policy/
Responsible Travel	Quito	http://www.responsibletravel.ec	
Tip Top Travel	Quito	http://lcc-tiptoptravel.com	CSR: http://lcc-tiptoptravel.com/leisure/en/lcc-cares
Amazanga Expeditions	Quito	http://www.amazangaexpeditions.com	About Us: http://www.amazangaexpeditions.com/nosotros/
Andean Travel Company	Quito	http://www.andeantc.com	Mission and Vision / Social Commitment: http://www.andeantc.com/about-us/mission-vision/
Latventure	Quito	http://latventure.com	Sustainable tourism: http://latventure.com/en/sustainable-tourism/ http://latventure.com/de/nachhaltiger-tourismus/
Via Natura	Quito / Guayaquil	http://www.vianatura.com	About Us: http://www.vianatura.com/about-us/
Galexur	Quito	http://galexur.com	Social Responsibility: http://galexur.com/responsabilidad-social/
Positiv Turismo	Quito	http://positivturismo.com/en/	About Us: http://positivturismo.com/en/about-us/