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### CASE STUDY

Merlin Entertainments Group,  
New South Wales and Victoria

Engaging with Indonesia & Asia

Hotham, Victoria

Merlin Entertainments Group currently has thirteen attractions in Australia and New Zealand including the Hotham and Falls Creek Alpine Resorts in Victoria, WILD LIFE Sydney Zoo, Madame Tussauds and SEA LIFE Sydney Aquarium. According to Shannon Bailey, Head of Trade Sales, China is the current number one Asian market, representing 45 per cent of business and is a major focus due to strong growth performance and potential. Shannon also notes that Indonesia has become a key target market for Merlin in the last 3-4 years.

‘Previously, I would visit Jakarta once a year on sales calls, but this has now increased to 2-3 times a year. We also participate in the Indonesia Sales Mission to Bali, organised by Tourism Australia every second year’ says Shannon.

‘Our attractions have recently seen a significant increase in the number of visitors from Indonesia, especially since the opening of Madame Tussauds in Sydney.’

Merlin currently works with retail agents including Golden Rama, Smiling Tour, Dwidaya Tour and Wita Tour and there has also been steady growth in incentive business from the Indonesian market.

One of Australia’s advantages when it comes to the Indonesian market is that air access and capacity is not challenging as we are a nearby destination with frequent flights.

For tourism operators who are thinking about engaging with the Indonesian market, Shannon recommends getting in touch with an Inbound Tour Operator (ITO) and doing sales calls with them in Jakarta as a starting point to get your foot in the door.

She also says, ‘It is important to understand the market, and to firstly make sure that there is an opportunity for your product’.

‘It has taken Merlin Entertainments about three years to build a good relationship, and we have also hosted dinners in Jakarta for all our key agents which has helped to promote a positive person-to-person connection.’

Regarding product delivery, Merlin has made efforts including translating signage for all of their key Asian markets. For group lines, the company aims to reduce their waiting times and ensure the correct staff members, with appropriate language skills, are on shift to serve them. Merlin also provides multilingual touch panels at their attractions, as well as multi-lingual collateral.

### OTHER ASIAN MARKETS

In 2012, Merlin Entertainments Group opened an office in China and recruited a Business Development Manager based in Shanghai for Madame Tussauds. Part of their role is to secure itinerary inclusions – so Merlin products are included pre-departure as this is when most of the planning takes place for the Chinese group market. Having an office in Shanghai allows the agents easy access to their Business Development Manager and ensures Merlin Entertainments Group of attractions remains top of mind and strong partnerships are formed.

Maintaining strong relationships is crucial in all Asian markets, and Shannon and members of her team make regular sales visits to each market. For China, Merlin deals with the main ITOs and wholesalers based in Australia and in-market, but they



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also keep a strong relationship with the local Chinese guides. These Guides sell optional tours to their groups post arrival, and Shannon explains the bulk of their Chinese business comes from here. Merlin has also experienced an increase in their product inclusion with ITOs.

Due to increased sales calls to ITOs, agents and wholesalers, Shannon has seen stronger relationships develop between Merlin and the Chinese market. The company is also partnering with China Union Pay, and developing promotional strategies with companies such as the airlines China Southern and China Eastern. Now that there is a solid relationship between Merlin and agents in the Tier 1 cities, they are now focusing on building relationships in Tier 2 cities. This is also the case for Indonesia, where Tier 1 city relationships have been established so the next step is to look at the growing Tier 2 markets.

For the Chinese market there is a tour guide express lane and some of the attractions may be altered depending on different times of the year. For example, during Chinese New Year when there are more Chinese tourists, signage in Chinese is increased. Also, Madame Tussauds may change its figure range and the number of Australian domestic celebrities may be decreased to include celebrities who are most relevant and include some Asian celebrities. This is also the case for the Indonesian market during the period called Lebaran in August-September when visitation is significantly higher.

Korea is Merlin's second biggest trade market, although it has shown a decline recently in terms of airport arrivals into Australia, Merlin has achieved slight growth by gaining market share from key competitors. Shannon describes Korea and China as rate sensitive markets due to the majority of their visitors coming through group tours; however, there has been an increase in FIT travellers. India is another market that Merlin is working with, and again, this market is generally quite price sensitive.

Merlin has also translated its websites for some attractions into simplified Chinese, Japanese, and Korean. In addition, the company uses social media to engage its Asian markets, including the use of Weibo for the Chinese market. Of those who are online and use social media in Indonesia, there is a high usage of Facebook and Twitter and the company utilises these platforms for the Indonesian market which is becoming more technologically savvy.

'As customers are increasingly doing their research, there is a stronger need to ensure that we are tapping into the FIT market through online means and social media,' Shannon said.

You also need to be aware of the holiday periods in the country you are dealing with, and in addition you need to be on top of

what is going on in their market. Sending an email message or giving them a call can go a long way. There are different holidays each year and some of these may change depending on the calendar. Chinese New Year, for instance, falls on the first day of the Lunar calendar. For a market such as India with great cultural diversity, there are many different religious holidays throughout the year. If you are unsure about when agents will be on holiday or when to expect an increase in client visitation to Australia, ask your agents who should be able to give you a better idea.

Another one of Shannon's tips is to think outside the square when developing your strategies.

'You may feel that there is competition between nearby attractions but there may actually be an opportunity to work together'.

For instance, Madame Tussauds has developed a relationship with the Hard Rock Café which is working well. Shannon believes that participating in Tourism Australia's Australian Tourism Exchange (ATE) event is also useful for new starters, as you will have the opportunity to meet with many agents at once. Although, like building any relationship, you need to follow up and keep in touch.

## Shannon's top tips

- Understand the market and make sure that there is an opportunity for your product
- Having an office in your target country allows agents easy access to your staff and assists
- you in forming strong partnerships through remaining top of mind
- Ensure that you keep in touch with agents to maintain the relationship, and be mindful that volume will not come from just one visit
- Look at ways to reach the market, such as engaging through social media
- Find ways to give your product a competitive edge, such as including a free gift
- Translating signage at your business can go a long way in making visitors feel welcome
- Be aware of the holiday periods in your target country, especially when planning a visit
- Think outside the square and try to work together with nearby attractions
- Participate in events through Tourism Australia such as ATE, where you can meet with many agents at once