

## The Bahamas Ministry of Tourism Checks in With Targeted Marketing

*The country's tourism bureau shifts from mass marketing to tailored campaigns to help drive tourists to the area.*

Monday, December 27, 2004

by Coreen Bailor



The Bahamas is a popular vacation spot, perhaps as well known for its beautiful beaches as for its mass advertising blitzes. Now the Bahamas Ministry of Tourism is on a journey of its own, looking for a solution to collect visitor demographics and then design targeted marketing campaigns to reel in more vacationers.

The region's traditional advertising efforts rely on travel agents and tour operators to recommend the Bahamas as a destination, reinforced by television and consumer magazine ads. Those standard advertising initiatives needed to be retooled. "Most people continue to believe that the best way to go after business is to have massive advertising campaigns, and hope that the most appropriate people decide to come and visit your destination, [but] that is an extraordinarily wasteful way of going after business," says Vincent Vanderpool-Wallace, director general of the Bahamas Ministry of Tourism.

Looking for a reporting tool that would allow the Bahamas to more effectively use its advertising dollars, the Bahamas Ministry of Tourism called on Indusa Global to help select and implement a solution. Jo Ram, COO of Indusa, says Indusa implemented Actuate's Enterprise Reporting Application Platform to provide reports and cubes, or drill-down tools, to all users. "We wanted something that they were very familiar with and the Actuate analytics piece has a very Excel-type look and feel," she says.

The starting point for the new solution was a revision of the Bahamas Immigration Card, a tool used to capture visitor data. Indusa processes these cards and builds a data warehouse, including information on who the visitors are, what they like to do, and why they came to the Bahamas. Indusa then uses Actuate to generate reports and analysis to the Bahamas government and hoteliers. "We had an opportunity...to become much smarter about who our visitors are," Vanderpool-Wallace says. "Therefore we can go...after those people in those marketplaces that seem to be the most likely prospects for us." The Bahamas Ministry of Tourism is maximizing its marketing effectiveness by tailoring its efforts. According to Vanderpool-Wallace, hotel operators on one island significantly reworked their traditional advertising plans once they found that their best customers were a narrow segment of the population.

"When [the hoteliers] begin to discover that something like...60 percent of all their business comes from five market areas in Florida, suddenly they begin to revise how they spend their time and what they are doing with their money."

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The reporting and data-collection capabilities also allow the Bahamas Ministry of Tourism to explore cross-sell opportunities. "They are now...[coming up] with email marketing campaigns, which are very specific to exactly what the visitor put on their arrival card," Ram says. "We may know they came in for their honeymoon, and possibly be able to email them eight or nine months later to invite them back to the Bahamas for their first-year anniversary."

The marketing overhaul represents a shift, not a reduction, in how money is spent. "As a direct result of the information we are getting, we are using our marketing budget according to what we think is going to have the best affect," Vanderpool-Wallace says. Data collected from the tracking cards makes it easier to tie visitor complaints and concerns to specific attractions and vendors, which is helping the [tourist] bureau refine its training programs. "We now take some of the money that we used to spend in advertising and use it to fix problems on the island, because that makes a great deal more sense--people leaving the country with a positive opinion, as opposed to just continuing to use the money for promotion."

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## **Bahamas Pushes Tourism Analytics**

*With tourists as its lifeblood, the government of the Bahamas this month hooks all its major hotels and tourist boards into a centralized BI system for tracking visitors.*

**January 04, 2005**

**By Scott Eden**

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Business intelligence in the Bahamas begins, essentially, on an airliner's descent into Nassau. Passengers fill out their immigration cards, take their vacations, and a few weeks or months later they might receive a thank you note from the Minister of Tourism, along with a piece of targeted marketing, depending on the "trip purpose" they denote on an immigration card. A honeymooning couple, for example, might receive something that suggests the Bahamas as the perfect place to celebrate a future wedding anniversary. A diving enthusiast might receive information on the island chain's coral reefs. A golfer might get a brochure detailing new courses.

This kind of targeted marketing became a priority for the Bahamas when its new Minister of Tourism, Obei Wilchombe, took office a few years ago, with a mandate to upgrade the island's technological resources and improve the country's customer relationship management (CRM) efforts.

Three years later, the government of the Bahamas is among the most advanced in the world when it comes to using BI in its tourism trade. With the help of Indusa, a small consulting firm run by a brother-sister team from India who have since relocated to Jamaica, the Bahamas will complete a big BI rollout this month, when all the major hotels and tourist boards in the country will be hooked up to a centralized BI system.

The new technology, says Jo Ram, chief of operations at Indusa, and the sister half of the team, has allowed the Bahamas to "save money. They've been able to reallocate their budget. So instead of spending money on blanket ad campaigns, now they can target them to actual visitor groups." Indusa received a contract to work with the Bahamas in 2001. To begin with, the government wanted a clearer look at who was entering the country and why, both for its billion-dollar tourism industry as well as, post 9/11, its national security. About 5.2 million people visit the Bahamas each year, making it the biggest destination in the Caribbean, as well as the most complicated when it comes to analyzing data.

The first order of business for Indusa was to re-design the nation's immigration cards, making the information-capture process a less sloppy affair. Instead of writing in their country of origin, tourists now circle one on a list. So instead of "England" and "U.K." and "Britain" scrawled illegibly in boxes, cards now bear circled, standard country names. Indusa is responsible for data entry. The company also set up a number of other data sources, including flight information and census figures, to give the Bahamas a better idea of tourist trends -- the most heavily trafficked airline routes, for instance, or a general idea of the income level of individual tourists, deduced from census figures. Indusa also is responsible for maintaining the Bahamas' databases -- IBM DB2 and Microsoft SQL Server -- and for providing the analysis. The company came up with more than 3,000 business rules, says James Ram, Indusa's chief executive.

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To analyze the data and deliver the salient numbers to government officials, Indusa had been using analytics software from Cognos, without a reporting tool. The company simply released pre-built OLAP cubes to its power users within the tourism ministry. The results were such a success, though, that the Bahamas decided to roll out BI apps to a wider audience -- the country's hoteliers and regional tourist boards -- so that they, too, could fine-tune their marketing. Previously the hotels and boards had been coming to Indusa to get their information. With the new deployment, they would be able to go into the system and do it themselves.

When the Bahamas decided to go ahead with the plan to include the hotel industry, however, it ran into a problem. The Cognos cubes worked for the relatively small number of users in the government ministries, but the same system would have been ungainly for the myriad end-users at the hotels, many of whom were not as tech-savvy as the ministry's power users.

After shopping around, and looking at reporting applications from Cognos, Microstrategy and Business Objects, Indusa finally settled on a tool from Actuate. Indusa won't say how much it spent for the Actuate apps. ("What we can say is: the Bahamas is spending nothing more from its budget than it did before," says James Ram.) But Indusa was able to obtain from Actuate a broad server license with an unlimited number of users, whereas the purchase of some other reporting apps would have required a per-seat user license. With the Bahamas on the verge of a huge deployment to a much wider audience, Actuate, therefore, was the less expensive choice.

But perhaps more importantly, Indusa says, Actuate gave them more flexibility. "Their reports have the look and feel of Excel," says Jo Ram. "So end users at the hotels can get the reports they want without extensive training." Also, the technology behind Actuate allows for the building of highly focused OLAP cubes. With Cognos, says Jo, "one of our main cubes had the ability to drill down, by day, into eight years' worth of data," including ZIP codes and flight numbers for individual visitors. "All of that sounds good," she continues, "but depending on what report you were pulling, that's just a massive amount of data hitting you." Actuate's smaller, more targeted cubes can be built in a matter of seconds, she says.

Key metrics in the reports now include the ever-important trip purpose; mode of arrival, which provides insight into visitor-spending levels; and visitor volume based on DMA, or designated market area -- the places around the world with the highest density of Bahamas travelers.

The system's success has been determined based on actionable information gleaned from the hard numbers. For example, the Bahamas had for a long time assumed that most private flights into the country carried people from Florida. Therefore, it had blanketed the state with advertisements for charter airlines. After a look at the new data, however, the ministry learned that visitors who arrive in the Bahamas on charters mostly come from Europe. They fly to the U.S. commercially, then charter flights once in Florida. The Bahamas soon changed its marketing strategy.

In another instance, a hotel learned that many of its visitors were arriving from New York. But only one flight a day flew direct to the Bahamas from the New York area. Most New Yorkers, then, had to connect in Atlanta. The Bahamas took this information to the airlines. Delta and Jet Blue started direct service from New York to Nassau in December.

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Computer World, an IDG Company, for Tourism Analytics:



## Users Demand Access to BI

*In response, vendors update reporting, OLAP software.*

**JANUARY 31, 2005**

**News Story by Heather Havenstein**

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Some companies looking to deliver business intelligence software to growing numbers of end users are re-evaluating their mix of analysis and reporting tools in an effort to improve scalability and performance.

And vendors are responding to those concerns by updating reporting tools with stronger and more flexible data analysis capabilities and by boosting the performance of online analytical processing tools.

Not waiting for improved OLAP systems, the Ministry of Tourism in the Bahamas is in the first phase of a project scheduled to be completed later this year in which it will roll out Actuate Corp.'s enterprise reporting tool set to more than 400 users at hotels and regional tourist boards to boost its marketing efforts.

Previously, the ministry used an OLAP tool from Cognos Inc. without its reporting tool. The Cognos tool worked for the 25 users within the ministry itself but wouldn't have sufficed for the expanded project, said Jo Ram, chief operating officer at Actuate reseller Indusa Global in Montego Bay, Jamaica.

Users of tools from South San Francisco, Calif.-based Actuate will be able to view reports and drill down into them to get more information and do more of their own analysis, said Vincent Vanderpool-Wallace, the tourism ministry's director general.

Actuate allows companies to scale to large numbers of users because of its "bursting" technology. It controls user access to individual pages of a report based on preset parameters on what a user can see instead of creating a report for each user, said Kevin McDearis, vice president of data and delivery at CheckFree Corp., an electronic bill payment and banking services firm in Norcross, Ga. That feature is a key reason why CheckFree stuck with Actuate following a recent re-evaluation of its needs, McDearis said.

Scalability is also an issue for enterprises using homegrown reporting mechanisms. Basic American Foods Inc. in Walnut Creek, Calif., struggled with data integration and integrity issues while using Microsoft Excel spreadsheets for more than 100 users at multiple plant sites to maintain budget data, said Sally Smedal, Basic American's treasurer and controller. "As we have grown, certainly that product is not scalable," she said. By using reporting tools from Hyperion Solutions Corp. and doing away with spreadsheets, the company last year reduced budget preparation time by more than half while improving data integrity, Smedal said.

Traditional reporting vendors like Actuate, Information Builders Inc. and Business Objects SA, with its acquired Crystal Decisions tool, are "basking in the scalability wars" as user companies look to bring BI to the masses, said Wayne Eckerson, director of research at The Data Warehousing Institute in Seattle.

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## CASE STUDIES

DM Review Case Study:



### Industry Implementations

Published in DM Direct in January 2005.

by DMReview.com Web Editorial Staff

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#### **Actuate and Indusa Global Collaborate on a Tourism Reporting Solution for Government of The Bahamas**

Actuate Corporation and Indusa Global announced a solution for the Government of The Bahamas that will report on and analyze visitor trends, greatly simplifying the task of generating and distributing thousands of enterprise-wide reports to various government ministries and hoteliers. The solution has been developed and managed by Indusa and utilizes Actuate's Enterprise Reporting Application Platform.

Timely reporting and analysis are key for successful capacity planning and marketing effectiveness within the tourism industry. The Government of The Bahamas and Indusa selected Actuate's Enterprise Reporting Application Platform as the front end of their solution in order to help better target potential visitors and implement cost-effective tourism promotion campaigns. The Enterprise Reporting Application will track visitor statistics in order to enable the Ministry of Tourism to develop targeted marketing campaigns based on visitor demographics, income levels, purpose of visit, mode of arrival, and visitor preferences. By developing a focused marketing approach, The Bahamas Ministry of Tourism will be able to reduce overall advertising budgets and maximize the effectiveness of marketing programs.

"Technology is transforming the tourism industry and the Ministry of Tourism intends to be in the forefront of that transformation," said the Hon. Obie Wilchcombe, minister of Tourism of The Bahamas. "We can now improve our productivity because we have accurate information readily available to make intelligent business decisions. One benefit of this information is that we are able to implement better structured programs that bring about the convergence of innovative thinking, people, and technology."

"The key to success in tourism promotion is the identification of the best prospects for tourism products, and thereafter delivering the highest concentration of our marketing messages to those prospects," said Vincent Vanderpool-Wallace, Director General, Ministry of Tourism of The Bahamas. "With Actuate and Indusa, we have found a way to ensure that effective marketing messages are delivered to those in the appropriate income bracket who are inclined to avail themselves of the unique tourism experiences available in The Bahamas."

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## Actuate Enterprise Reporting Application Platform

Product Review published in DM Review Magazine May 2005 Issue



By Gary Young

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**Review of:** Enterprise Reporting from Actuate Corporation

**REVIEWER:** Gary Young, director of research and statistics for Bahamas Ministry of Tourism.

**BACKGROUND:** The Ministry of Tourism of the Government of The Bahamas is a government agency dedicated to the growth and improvement of the tourism industry.

**PLATFORMS:** Microsoft Windows Server 2003 (with Actuate iServer), Microsoft SQL Server (database platform).

**PROBLEM SOLVED:** The Bahamas' approach to tourism development had been focused on blanket advertising campaigns to a broad customer base. Indusa Global's task was to assist the Ministry in transforming the island's customer relationship management process. By analyzing data gleaned from immigration cards, the Ministry was able to move from blanket advertising campaigns to targeted ones and beyond to identification of appropriate product action based on a better understanding of visitor profiles, needs and satisfaction. The result was such a success that the decision was made to roll out the information to hoteliers so that these stakeholders could also create targeted marketing campaigns and more satisfying experiences through a superior insight into their customer base. The Actuate Enterprise Reporting Application Platform was an excellent fit for serving business users including analysts, top-level management and the power users.

**PRODUCT FUNCTIONALITY:** Indusa Global selected Actuate's Enterprise Reporting Application Platform as the front end of The Bahamas Tourism reporting solution. This solution tracks and analyzes visitor statistics in order to assist The Bahamas tourism industry in creating a focused marketing approach to advertising. The Bahamas Ministry of Tourism has been able to reduce overall advertising budgets and maximize the effectiveness of marketing campaigns. This application is the first of its kind for the tourism industry. The reports, cubes and dashboards are presented in a customized, highly readable and eye catching drill-down format with bottom line statistics to engage top executives. Users are able to download data into Excel spreadsheets for in-depth analysis and can perform searches and queries on the reports. Actionable information derived from the system was instrumental in improving current practices. For instance, The Bahamas had assumed that most private fliers originated from Florida, making it important for charter flight advertisements. After looking at the reports provided by Indusa, the Ministry realized that much of this market originated in Europe. These European visitors fly to the U.S. commercially and then charter flights in Florida, making Europe the optimal place for targeted advertisements.

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