Destination Organizations Drive Economic Recovery

For communities hit hard by the Covid pandemic, investing in the local destination organization ensures a faster and more robust economic recovery.

Destination promotion is crucial to bringing back the travel and tourism industry—a key driver of local economies. When destinations increase marketing, they outperform their peers. On average, a community gains 1.1% in room revenue growth per year after it creates a tourism improvement district (TID) to increase destination promotion.

Travel is a key driver of economic growth. In the ten years before 2020, employment in visitor-related industries expanded faster than the broader economy in 85 out of the 100 largest cities in the country.

The tourism sector was disproportionately affected by shutdowns over the past year. More than 30% of all job losses since February 2020 were in the leisure and hospitality sector. The faster we can bring back those jobs, the sooner we can get Americans back to work.

Investing in destination promotion is the surest way to restoring hospitality jobs. Leisure and hospitality accounted for 11% of jobs in America before the pandemic. Getting these people back to work is essential for economic recovery.

Share of total US employment loss by industry
% of all US jobs lost from Feb. 2020-Jul. 2021

Leisure & Hospitality  ➡️
Health Services
Government
Professional & Business Services
Manufacturing
Retail Trade
Other Services
Construction
Educational Services
Wholesale Trade
Information
Real Estate, Rental & Leasing
Mining & Logging
Transportation & Warehousing
Finance & Insurance

Source: BLS
The benefits of destination promotion are not limited to the tourism sector. Destination organizations drive broader economic development in their communities. Destination promotion is a catalyst for economic development:

- Visitors support flights that increase air access to markets and induce local investment
- The attractions and amenities supported by visitors also make cities more attractive to investors, executives, and site locators
- Destination marketing raises the profile of a city through branding and positive experiences, increasing exposure and future investments
- Hosting conventions and trade shows attracts potential investors to a city and facilitates the development of economic clusters

Now is the time to invest in destination promotion. Travelers are ready to hit the road—and start spending money again. Website traffic to destination websites have recovered beyond 2019 levels. Communities must invest in their destination organizations to compete for their share of visitor spending.

**Website Traffic**
Organic Search Sessions to destination organization websites, 7-day moving average

Source: Simpleview & Tempest (300+ U.S. organizations)