OVERVIEW

DMOs and the destinations they represent benefit from the exchange of relevant and timely sharing of issues, ideas, and lessons learned, problems and their solutions, for areas of mutual interest. Best practices and innovation are enabled through communities of practice, fostering the growth of intellectual capital and fully considered decision-making that drives destination performance.

Communities of practice can help strengthen DMOs to build their own knowledge resources in order to enhance destination strength and community support and engagement. They can also help establish organization and industry standards.

This Handbook is the beginning of a DMO community of practice intended to improve destination strength and community support and engagement by:

- Providing a forum for DMAI members and other stakeholders to help each other solve everyday DMO and destination problems;
- Collecting and sharing practices from around the world, including the rationale, approach and outcomes from that practice;
- Ensuring practices are current, while anticipating what may come or is on the horizon;
- Providing a platform where DMOs from all regions, of all sizes and mandates, will find value;
- Encouraging perspectives on practices that are outside the traditional DMO community, such as academia, non-tourism corporate interests, and public officials.

IDENTIFYING & SHARING PRACTICES

As a step toward building a set of practices, desk research, one-on-one consultations and feedback from Regional Workshop participants identified 54 practices. These practices were described in a statement format and sent to the 185 DMO leaders who attended the Regional Workshops to gather their views on their importance relative to the two key drivers for destinations:

- **Community Support and Engagement** – How much will this practice positively impact the level of interest, assistance and engagement your DMO/CVB receives from the local community and stakeholders?
- **Destination Strength** – How much will this practice positively impact your destination’s ability to generate visitation through product offerings and brand experiences?

A community of practice needs to have relevance for many types of DMOs; therefore, not all practices will be relevant for every DMO. They represent a cross-section of practices that will have varying degrees of relevancy for DMOs depending on their size, geographic location and marketplace mandate (meetings-focused vs. leisure destinations).

PRACTICES MOVING FORWARD

A robust set of DMO practices will require a commitment from a large community across the globe to share updated practices on an ongoing basis. This platform needs to be properly structured, governed and monitored to enable an interesting place for DMOs to learn from other DMOs, stakeholders and experts. A consideration for the future is creating a peer review whereby DMOs are able to determine which practices receive the most interest and, importantly, which are adopted in other destinations.
HIERARCHY OF PRACTICES

DMO practices are defined as processes, ideas and structure that positively impact the way a DMO or destination operates and behaves. Some practices are well established, others are ground-breaking. Some are basic, others are complex and require significant resources. Some practices enhance internal capability, some create customer and stakeholder value, while others do both. Their relevance to a specific DMO will depend on the destination’s overall strategy and the position of tourism in the community.

A strategic framework has been developed to determine whether they are core, BEST or NEXT. Successful organizations ensure that core practices are in place, while striving to develop BEST practices and ultimately pursue NEXT practices.

Building a DMO community of practice should also look at those business capabilities or value creation opportunities that are not currently being leveraged or maximized. These NEXTPractices can range from something as seemingly straightforward as influencing future generations of talent through driving dynamic university curriculum development, to ground-breaking intelligent discovery technologies and complex data systems to dramatically improve marketing effectiveness.

The project team analyzed the 54 practices to determine which are NEXTPractices using the following criteria:

- Having a forward-thinking perspective that works toward building new capabilities;
- Creating real change in the way the DMO or destination does business;
- Aligning to the three DestinationNEXT transformational opportunities;
- Enhancing community support and engagement and/or destination strength;
- Expecting to generates results that are better than other practices.
**PRACTICES IN THE SCENARIO MODEL**

Depending on where a DMO currently sits in the scenario model – as a Trailblazer; Voyager; Mountaineer; or, Explorer – will influence which practices they should consider putting into action. For example, a DMO in the Voyager quadrant should look at deploying practices that improve destination strength, whereas a DMO in the Mountaineer quadrant should consider utilizing practices to increase community support and engagement.

At the same time, the scenario quadrant in which a DMO has been assessed does not exclude them from adopting any of the practices identified. The practices that are most applicable to a DMO will be a reflection of their unique situation, including which of the 20 variables related to destination strength and community support and engagement require the most attention.

**NEXT AND BEST PRACTICES IMPACT ON KEY DRIVERS**

The 30 practices (20 Best and 10 NEXT Practices) were evaluated based on their impact on the two key drivers of the scenario model. The majority of practices either predominantly impact destination strength or community support and engagement.

However, it was interesting to note that some practices had a fairly strong impact on both of these drivers. The following diagrams illustrate which practices have the most impact on each of the drivers, or both.
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GREATEST IMPACT ON COMMUNITY SUPPORT & ENGAGEMENT
CSR and Sustainability

Why is it on the Watch List?

Many leading cities understand that their competitiveness is directly linked to their capacity to bring social, economic and environmental well-being. The DMO has a key role to support community goals and values, while creating competitive difference and generating new business.

Overview

Most tourism stakeholders (governments, NGOs/non-governmental organizations, industry and academic institutions, businesses, communities and visitors) acknowledge that without sustainability (social, environmental and economic), the benefits of the industry will not flow out to all stakeholders, nor will the natural and man-made resources upon which our prosperity is based continue to exist into the future. Although the global dialogue about Corporate Social Responsibility (CSR) and sustainability in tourism have been plentiful, surprisingly only a few DMOs have established strategies to address it.

That said, some destinations have recognized the necessity and the advantages of implementing CSR, environmental and social sustainable initiatives. As well, global tourism brands, such as IHG, Fairmont, MCI Group, and Tui, have acted to help move the industry forward with sustainability.

Leading DMOs in this space have invested in multi-year strategic CSR and sustainability plans that include city and national stakeholder alignment, training and certification for the city and industry, policies, incentives and actionable scientific goals.

The most successful programs work when various stakeholders integrate environmental goals with true commitment to improving the community and society.

Relevance to Transformational Opportunities

**The New Marketplace** *(Broadcast to Engagement)*: Creates opportunities to have proactive conversations with visitors, travel influencers, government, and the local community about how tourism and events can impact and encourage sustainability in the destination.

**Destination Branding** *(Destination Managers)*: Pursuing CSR and sustainability city and regional goals places the DMO in the position of developing meaningful initiatives that contribute to the overall future well-being of the destination and community members. Protecting the quality of the destination will ultimately enhance the visitor experience.

**The DMO Business Model** *(Collaboration and Partnerships)*: Engaging in long term strategic CSR and sustainability plans will help position the DMO as a leader in economic, environmental and social development.

Published: July 15, 2015
CSR and Sustainability

Case Study: Leading Sustainable Meeting Destination, Copenhagen, Denmark

Overview
Sustainability has been high on the City of Copenhagen’s agenda for years. In 2014, Copenhagen was the European Green Capital. The aim of the City of Copenhagen is to become the world’s first CO2 neutral capital by 2025.

The challenge is to continue developing innovative sustainable initiatives and best practices while staying in front of the sustainable meeting agenda.

Approach
Copenhagen hosted the UN Global Climate Change Conference (COP15) in 2009 which escalated the sustainable practices in the city’s meetings industry. During and after this event, the majority of Copenhagen’s hotels became eco-certified with the Green Key (or similar) and an increased focus on sustainable practices in meeting management developed.

The Copenhagen Sustainable Meetings Protocol - about sharing best practices from COP15 and leadership strategies - was a concrete outcome of hosting COP15. This created an opportunity for stakeholders to further develop and engage in sustainable practices, an agenda pushed by Wonderful Copenhagen both nationally and internationally.

To continue with the momentum, Copenhagen has also launched the following initiatives:

- Copenhagen Sustainable Events Protocol (white paper on eco-certifying COP15 2009)
- Danish Sustainable Events Initiative (white paper on eco-certifying Danish EU Presidency 2012)
- Sustainable Events Denmark (webpage for knowledge sharing on sustainability based on learnings)
- Scandinavian Destination Sustainability Index – (a collaboration between Scandinavian countries, Scandinavian ICCA Chapter and the MCI Group about commitment, knowledge sharing and benchmarking)
- #BeeSustain (an open-source initiative asking meeting professionals to share sustainable actions and best practises).

Outcomes
The above initiatives have resulted in Copenhagen being seen as a leader in sustainability, receiving international publicity and speaking time in the industry:

- Copenhagen is known as the Capital of Sustainable Meetings
- 71% of the hotel rooms in Copenhagen today are eco-certified
- There has been an increase in sustainable meetings in general both locally and globally
- #BeeSustain has generated a global buzz around sustainability and has generated a tweetreach of more than 9.5 million since the launch in May 2014.
Case Study: Sarawak CSR Initiative, Sarawak, Malaysia

Overview

Sarawak, Malaysia, was working to implement a Corporate Social Responsibility (CSR) program to help provide benefits to the community while also proving authentic experiences for visitors and meeting delegates. The challenge was gaining the support of local communities and government entities and helping them understand the benefits of such programs within tourism.

Approach

The Sarawak Convention Bureau set up an industry development unit responsible for product development, industry education, site inspections, outreach and scholarships. This unit oversees the development and execution of CSR programs for events occurring in Sarawak.

The interests of the clients are captured at the early bid stage by the business development team, followed up by the industry development team if and when the event has been secured. Increasingly, the DMO is finding that clients want to participate in tailored programs, adaptable to their interests, rather than off-the-shelf solutions. For example, many corporate visitors are wanting to assist local community groups relative to their industry, such as a dentistry conference setting up a mobile dental care units in remote village locations.

The Sarawak Convention Bureau helps facilitate the dialogue between clients and CSR providers, which may include government departments, rehab centers or village leaders. Logistical support is provided by Professional Congress Organizers or Destination Management Companies.

Outcomes

An estimated 80% of all corporate and association meetings supported by the Sarawak Convention Bureau have engaged some form of CSR programs.

Sarawak has experienced significant growth in its international and regional meetings business. In 2014, the Bureau achieved an 86% bid success rate secured 60 bid wins for the period 2015 to 2017.

Sarawak’s CSR programs also play an integral role in the brand positioning and promotion of Sarawak as a meetings destination.

Future development of CSR programs will look at how to more effectively measure the impact of CSR activities, both short and long term. This will help strengthen community and government engagement.
# DMO Network Model

## Why is it on the Watch List?

DMOs and the industry often have a narrow view of the business they are in. At the same time, for a DMO to broaden its scope and interests is challenging from a resourcing and focusing standpoint. An integrated network model is an organic model rather than a “command and control” model that can enable a DMO to design an operating structure that will achieve both outcomes – expanding impact without significant costs.

## Overview

A DMO’s value is much greater than generating hotel room nights and DMOs are now starting to consider themselves part of a strategic network driving the development of the destination. Beyond securing hotel revenue for the destination, a DMO helps to build the destination’s brand, support tourism facilities, drive information and knowledge sharing, and create economic development for the local community. Ultimately, tourism is now a shared responsibility within a complex layering of networked businesses and community groups. The network model is a strategy being used to leverage the opportunities within this complex industry.

Within the network model, networks are created within value areas of the tourism industry such as conventions, events, cruise tourism and city initiatives, and are comprised of interested parties that have a particular stake in its outcome. In order to operate effectively in this network environment, the DMO needs to map out their value within the broader system, and organize their effort alongside “networks” of the destination. DMOs participate in their relevant networks by governing and/or financing the network strategies. When a project is implemented within one of the networks, the DMO can be hired by the network as the professional services provider to fulfill a specific project. Networks are project based and only exist if meaningful and relevant projects are articulated.

The network model calls for a DMO to balance between giving sovereignty to the network boards and keeping common standards including brand unity and consistent strategies. If decentralization is pushed too far, direction disperses. If too centralized, partners lose a sense of ownership.

## Relevance to Transformational Opportunities

### The New Marketplace *(Broadcast to Engagement)*: Effective networks operate on the basis of clearly defined value chains, where all the players within a system, including the DMO, have specific roles that depends on the contribution of each player. Networks require extensive engagement to work.

### Destination Branding *(Destination Managers)*: Many participants in networks are from outside the industry, including political entities, community groups, and corporations that typically have little or no involvement in the industry.

### The DMO Business Model *(Collaboration and Partnerships)*: A network is essentially a structured execution of collaborative thinking. Although the DMO helps in supporting the effort, the premise is to pass control of resourcing, strategic planning and governing to like-minded partners in the network organization.
Case Study: Copenhagen Network Model

Overview

Over 20 years ago, Wonderful Copenhagen (the DMO) began to implement a massive restructuring of its business to place the organization in a more relevant position within the community. The reasoning was driven by a desire to have a broader reach into non-traditional public- and private-sector stakeholders, which would encourage greater engagement, including financial commitment.

Approach

Wonderful Copenhagen (WoCo) created the "network model" as a strategic response to enable their DMO to participate in multiple projects while passing the authority of overall accountability (including funding) to a network of businesses and other stakeholders. The DMO’s role is one of a service provider hired back by the network to implement strategies.

WoCo operates multiple networks which are task/project related entities. Each of the networks has its own governance. No project considered by a network is developed unless they are part of a broader strategy to develop tourism in Copenhagen. At the same time, no project is developed unless there are investors in the network.

WoCo serves as the management company for each network, providing a consistent standard of professional services across the series of networks. Examples of networks over the years have included: conventions, leisure, food, ambassadors, air route development, bicycling and green transport, cruise, brand, fashion and culture.

Outcomes

Over the last 20 years, tourism turnover has nearly tripled, and Copenhagen has become a highly visible global destination. Wonderful Copenhagen has moved from an organization with 10 employees to more than 100, which has significantly expanded access to its resources.

Wonderful Copenhagen is one of the most desirable places to work for talented people with an interest in destination development. It is one of the top DMOs in Europe with regards to mobilizing additional investments in its projects.
Industry Driven University Curriculum

Why is it on the Watch List?

Much attention is currently on the advancement of technology and its impact on DMOs. However, without due consideration to the skills and talents of the future workforce, even the best technologies will not be fully leveraged.

Overview

The primary output of higher-level tourism education is a forward-thinking talented workforce that closely matches the future of the tourism industry. Universities that work closely with dedicated industry members in the development of programming and curriculum will more likely have enhanced learning outcomes and program success.

Building long-lasting careers with talented professionals that advance the industry, while enabling more competitive destinations, is of significant benefit to DMOs and the tourism industry. DMOs as aggregators of the industry can help pull together the education requirements of the business community to ensure that academia and institutions are teaching and researching the right material.

DMOs that are interested in influencing tourism curriculum need to consider building long-term strategic alliances with local institutions.

A side benefit of such a partnership is that universities and colleges help contribute to business, such as being a primary sources of contacts and influence for convention business, as well as helping to develop knowledge through research.

Relevance to Transformational Opportunities

**The New Marketplace** (*Broadcast to Engagement*): Tourism curriculum should include vital training such as marketing courses that are focused on an understanding of the new marketplace and engaging with visitors, including training on big data, travel apps and digital marketing.

**Destination Branding** (*Destination Managers*): Working closely with colleges and universities would help the DMO be more relevant outside its normal sphere of influence. These institutions wield a fair degree of power with key public and private stakeholders, and being a partner with them will help portray the DMO as a industry leader outside of the tourism community.

**The DMO Business Model** (*Collaboration and Partnerships*): Creating a multi-layered agreement with a university, from curriculum development to preferred hiring to advanced research, will help the DMO and the industry create greater access to resources such as talent and knowledge.

Published: July 15, 2015
Industry Driven University Curriculum

Case Study: Capilano University Collaborating with Industry, Canada

Overview

Capilano University in North Vancouver, Canada, was looking to have a more assertive approach to working with the local industry by developing and enhancing its tourism management program through a series of joint initiatives, including an advisory committee.

At the same time, industry recognized it could only go as far as the talent and workforce within the industry would allow. Taking a leadership role in building alliances with higher level education is intended to help students develop relevant tourism business acumen and build a forward-thinking destination.

Approach

Capilano University approached influential members of the tourism industry to participate in an advisory committee. The committee has the following objectives:

- Gain insight to industry needs and emerging issues to enhance content of our curriculum
- Gain feedback on specific course and program content and activities to enhance relevance and quality of programs
- Gain guidance on how to assist students and alumni succeed in their chosen field of work
- Assist with external assessments of student program learning outcomes so they were consistent with respective program assessment plans
- Establish a reporting process that enhances the university’s accountability and commitment to industry needs and standards

Once the committee was established, a series of other actions were put in place, including regularly scheduled industry seminars at the university to discuss industry hiring trends.

Outcomes

Capilano University has seen a significant increase enrollment in its tourism management program, and improvement in the hiring of its graduates in the industry. Further advisory groups have also been created to assist in the development of specific areas of interest, such as a newly formed hotel management concentration.
# Building a Sense of Place

## Overview

Building a sense of place relates to local residents, urban planners, DMOs, community leaders and the business community coming together to rejuvenate public spaces into vibrant, natural places for people to gather. A key idea is that people gravitate to places that offer networks, amenities and resources for a thriving lifestyle. Hence, along with enhancing spaces such as squares, plazas, parks, streets and waterfronts, building a sense of place also involves redeveloping buildings to attract residential and commercial uses.

Building a sense of place enables neighborhoods and communities to define, express and differentiate themselves. For example, local artists may collaborate in painting a mural or contributing to an outdoor art gallery. Local restaurants, bars and shops may also help in illuminating the vibrancy and character of the community.

Building a sense of place also plays an important role in a destination’s brand. Rejuvenating spaces can help to enhance the safety, security and prosperity in a community and/or neighborhood. It will also enable visitors to engage in unique, authentic experiences. Over time, as these experiences are shared, this sense of place helps to define what a community is known for around the globe.

## Pros

- Involves the local community in defining the sense of place
- Rejuvenates areas of a community that previously were under-utilized or detracted people from gathering
- Enhances the brand of a destination
- Enables tourists to interact and engage with the local community

## Challenges

- This is a long-term project where the benefits may not be fully realized for years
- Generating consensus across the community can take time

## Approach

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### Impact on Community Support & Engagement / Destination Strength

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Published: July 15, 2015
Building a Sense of Place

Case Study: Grand Rapids, MI, USA

Overview

Buildings in Grand Rapids’ downtown core have undergone a renewal over the last few decades. New public spaces, hotels, a convention center and other attractions had all been built. While the infrastructure was in place, Grand Rapids wasn’t animated in a way that local residents and tourists alike were drawn to. A sense of place was needed.

Approach

Local community leaders point to the launch of the ArtPrize in 2009 as the impetus that begun to build the sense of place in Grand Rapids. In April of that year, local business leader Rick DeVos announced that he would give away the world’s largest art prize based solely on a public vote. Any artist in the world could compete, anyone with property in the downtown core could turn their space into a venue, and any visitor could vote on their favorite artwork. On opening day, 159 venue owners opened their spaces to display the entries of 1,262 artists from 41 states and 14 countries. The event was a tremendous success, not only in drawing local residents and tourists to the area, but also in demonstrating to other community organization and leaders that new ideas could be successful.

Since that event, the public and private sector have come together to launch a number of projects that have helped to build a greater sense of place in Grand Rapids and The DMO leveraged the ArtPrize to implement coinciding projects. Renaming themselves Experience Grand Rapids, they deployed a brand pillar focused content marketing strategy focused on food, craft beer and art and culture, and expanded its partnership with the Pure Michigan campaign to build destination awareness to a national audience. Experience Grand Rapids initiated Restaurant Week, became instrumental in facilitating new partnerships including implementing microbrewers into restaurant menus .

Outcomes

- As of 2014, Grand Rapids ranked 26th for small destinations (71st overall) in the US Tourism Quality Performance Report, a report that measures tourism's supply side and experiences for 121 cities across the United States.
- Grand Rapids won the Beer City USA title in 2012 and 2013 (the poll was retired after this)
- USA Today named Grand Rapids America’s Best Beer Town in 2014
- 54% increase in the number of residents under the age of 35 with college degrees
- Foundations and local businesses are actively engaged and funding art projects and community building efforts
- Lonely Planet named Grand Rapids and Michigan’s Gold Coast the #1 Place to Visit in 2014
- Groupon named Grand Rapids the Best Destination to Visit in 2015

Approved by: Experience Grand Rapids
Published: July 15, 2015
Community Stakeholder DMO Board Members

Overview
As we continue emphasizing the social, educational and economic benefits manifesting from the successful development of tourism in a destination, it is arguable that the traditional destination decision-making processes need to evolve beyond tourism industry stakeholders.

In an effort to expand the scope of their leadership perspectives, DMOs are now including leaders from different fields and industries into governance structures. Candidates are being considered as a result of their alignment with key tourism business markets, target industries and/or key community stakeholders. The DMO can draw upon this industry expertise and marketplace engagement to drive performance within these industries. This expansion of leadership perspective is intended to introduce non-traditional thinking as the tourism industry continues to expand globally into new social, business and marketplace segments.

Pros
- Adds diverse perspectives and valuable relationship capital to the DMO Board to enhance engagement and business performance
- Proactive approach to addressing the goals and objectives of all community stakeholders
- Focused approach to analyze current strategy to engage new markets and enhance current markets

Challenges
- Requires the introduction of a new governance process and leadership development process
- Traditional tourism stakeholders could resist the inclusion of new perspectives

Approach

Define Process
Define recruitment, selection and incentive processes to invite and accept Non-Traditional Stakeholders at the BOD

Market Assessment
Identify key players in vertical markets

Strategy
Analyze the candidates through a very detailed and comprehensive selection process

Business Case
Present a detailed analysis to the Board recruitment committee.
Community Stakeholder DMO Board Members

Case Study: Great Lakes Bay Regional Board Members, USA

Overview
In 2009, the destination marketing organizations of three individual Pure Michigan counties — Saginaw, Bay, and Midland — faced both the opportunities and challenges of creating a single, regional DMO, Go Great Lakes Bay. Hand-in-hand with this regionalization effort was the goal to secure a solid, influential voice for tourism in establishing regional, state, and national economic development and quality of life priorities relevant to tourism.

Approach
By challenging the structure of traditional DMO governance, Go Great Lakes Bay established a groundbreaking new DMO model designed to involve and engage community stakeholders from a variety of sectors. To arrive at this new governance model, Go Great Lakes Bay asked the following questions of the organization:

- What differentiates our organization from other like organizations or government entities?
- Who do we need to educate regarding the power of tourism?
- Which organizations do we need our tourism efforts to complement?

Asking and answering these important questions allowed Go Great Lakes Bay to identify which elected officials and representatives from outside organizations should serve as a core component of the DMO governance board.

Outcomes
The result was an unconventional Board structure, designed to include voting seats for local elected officials, as well as non-voting ex-officio seats for the CEOs of related outside organizations, including local chambers of commerce and economic development corporations.

By embracing partnership with local organizations and elected officials, Go Great Lakes Bay expanded its leadership position and encouraged unconventional ideas and approaches by involving fresh, outside perspectives. It also solidified community relationships, enhanced transparency, and opened up new lines of communication and collaboration between local and regional organizations and elected officials.

This effort has positioned Go Great Lakes Bay alongside county chambers of commerce, economic development corporations, county elected officials, and the region’s corporate alliance organization at the table for important conversations regarding regional development, with a voice at the regional, state, and national level regarding legislative issues important to tourism. Two key projects that resulted from this change in structure include:

- The 310 and 400 Johnson Street project with the City of Saginaw where the DMO invested $1.2 million to improve the quality of life and increase tourism in a poverty-stricken area of the City of Saginaw. The investment worked.
- In Midland County, the DMO invested $500,000 toward to the purchase and development of an aged property on the City of Midland’s Main Street that would have otherwise been torn down, resulting in a five-story, nearly 84,000 square foot mixed-use development.
Hotel Generated Funding

Overview
DMO funding is always top-of-mind for destinations. No matter the region of the world, the topic of funding resonates in most industry and government discussions. The reason is obvious – with more than 10,000 destinations around the globe trying to get the attention of the travel influencer and traveler, DMOs require the resources to get noticed in an incredibly crowded marketplace.

The hotel sector has the greatest capacity to generate revenues for destination marketing. Fees collected from hotel guests are a common practice within that sector. Using those revenues for destination marketing can be a great boon to the local areas where the fee is collected. The proceeds allow regions to adequately resource sales, marketing and management efforts through their local DMO.

Destinations are interested in funding mechanisms that are solely dedicated to destination marketing, developing tourism markets and expanding tourism programs. In some cases, such funds can be used to fund capital projects. Most importantly, the fees collected need to provide a predictable funding source for DMOs, and are under the control of the tourism industry to invest in strategic initiatives with the greatest business potential.

Hotel generated funding should have the following attributes to be successful:

• Supported: Hotels have given a clear mandate to approve collection of these funds.
• Dedicated: Funds collected have a clear purpose to support destination marketing.
• Accountable: Industry is accountable for the investment and performance of activities supported by the funds.
• Transparent: Openness to the public– and private-sector on how the funds are spent.
• Sustainable: Funding remains in place for the long-term based on proven performance.

Pros
• Generates the funding required to adequately support marketing efforts in a destination
• Under the control of industry to invest in strategic business opportunities
• Provides the confidence and ability to plan multi-year marketing and development strategies

Challenges
• Unless properly constituted and governed, funding program can be scrutinized
• Program requires extensive managing of relations with hotel community
• Unless legislated and/or tightly contracted, some hotels may not adhere to funding program

Approach

1. Identify Need
   Determine funding requirements of destination to compete

2. Consider Options
   Explore range of options in generating funding

3. Determine Path Forward with Hotel Sector
   Build business case, governance and legal requirements

4. Garner Support
   Work with hotel sector to gain commitments of support

5. Enact Solution
   Ensure ongoing transparency and oversight of funding

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Hotel Generated Funding

Case Study: Tourism Improvement Districts, USA

Overview
Tourism Improvement Districts (TIDs) are a specialized type of business improvement district that assesses hotels and provides funds for destination marketing and tourism promotion. They are funded through specific benefit assessments and not through general taxes. TIDs have fundamentally changed the financial structure of many DMOs across the US.

The first TID was established in West Hollywood, California in 1989. Since then, over 80 other California destinations have formed TIDs, with other states now following. The total number of US-based TIDs exceeds 140.

Approach
TIDs are funded through an assessment on lodging stays, the amount determined by the business owners forming the District. There are several differences between TID assessments and hotel or other taxes:

- Funds can only be spent on programs that benefit the payers (e.g., hotels)
- Funds raised cannot be diverted to other government programs
- Assessments are approved by the hotels (not government)
- Unlike taxes which are perpetual, assessments typically have a defined term, which must be renewed by the payers.

TIDs offer the advantage of a stable funding source which is controlled by those paying the assessment.

Outcomes
A few examples are provided below.

<table>
<thead>
<tr>
<th>San Diego, California</th>
<th>Billings, Montana</th>
<th>Napa Valley, California</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Originally established in 2007</td>
<td>• Montana’s law required a weighted petition signed by 60% of the hotels</td>
<td>• Established in 2010</td>
</tr>
<tr>
<td>• Renewed and expanded by hoteliers in 2012 for a 40-year term</td>
<td>• Established in 2007</td>
<td>• Over 200 hotels participating</td>
</tr>
<tr>
<td></td>
<td>• Generated over $25 million during first 5 years which provided marketing funds to San Diego Convention &amp; Visitors Bureau, Film Commission, Sports Commission, and other organizations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• .75 per room per night assessment went into effect in 2007, generating an additional $400,000 in marketing dollars</td>
<td>• Generates over $2 million per year in funding, used for marketing and specific tourism-related projects</td>
</tr>
<tr>
<td></td>
<td>• Renewed assessment provides 2% from large hotels and .55% from small hotels, generating over $30 million per year</td>
<td></td>
</tr>
</tbody>
</table>
Hotel Generated Funding

Case Study: Destination Marketing Funding Programs, Canada

Overview

More than 20 destinations across Canada have implemented voluntary destination marketing funding programs to generate the necessary revenues to compete. These funding programs are not a government tax or levy. Although the use of funds generated by hotels for destination marketing is common, particularly in North America in the form of a legislated tax, a voluntary program is only more recent.

Approach

Following the SARS crisis in 2003, Toronto initiated Canada’s first voluntary hotel funding program. The construct of the program is based on the hotel community taking a leadership position to fund global destination marketing initiatives to generate meeting, convention and leisure travel.

The funding program is not legislated. The government is not directly involved. The hotels that are part of the program have contracts with the hotel association in their community to pay into a funding program.

Various cities in Alberta, British Columbia, Ontario and Saskatchewan have destination marketing programs that generate funding for the DMO. The mechanics and arrangements will vary from place to place, but the basic elements are the same:

- Voluntary – only hotels that agree are part of the program
- Contractual – hotels that collect the fee have a contract that manages their participation, usually with the hotel association
- Non-legislated – the DMF is not a tax, so government is not involved
- Industry controlled – hotels work with the DMO to plan and implement marketing investments
- Consumer or business pay – hotels commonly charge the hotel guest a fee that is used as the source of funds. However, in some cases hotels pay into a fund directly as an operating cost of doing business.

Outcomes

Destination marketing funding programs have gained significant traction after being introduced in Toronto in 2003. Since that time, more than 20 cities have followed suit to build incremental marketing resources for their destination. At first destination marketing funding programs were seen as the only real option to generate funding in jurisdictions without dedicated legislated hotel taxes. However, they are now seen in areas that also have dedicated hotel taxes because they enhance revenues without going through governments who are reluctant to increase tax rates.
Local Transportation Advocacy

Overview

Local transportation has a pronounced impact on tourism, specifically visitors and industry employees. Unfortunately the needs of tourism are often overlooked, as transportation policy is traditionally driven by the needs of local residents. On behalf of the industry, DMOs are now taking a leadership role in helping to advance significant local transportation initiatives by utilizing their position as the primary voice for tourism.

Through customer research, and by engaging its tourism industry partners, the DMO is able to present the perspective of meeting planners, tour operators, visitors and industry employees to transportation decision makers. The presentation and integration of their perspectives into transportation development can significantly enhance a destination’s strength in the marketplace.

Effective research, timely communication and the adoption of a clear tourism position on local transit issues are a few strategies that DMOs are implementing to help mitigate this challenge and better position themselves as a significant stakeholder in key transportation initiatives.

By being an active participant in transportation discussions with stakeholders across the community, the DMO will elevate its role as a community-based organization and further enhance community support for tourism.

Pros

- Needs of tourism marketplace stakeholders and industry employees considered in local transportation planning initiatives
- The DMO’s relevancy with politicians and community opinion-influencers is enhanced
- Enhanced connections with other stakeholders (e.g., trade unions, environmental groups, manufacturing companies, Chambers) are created, which could lead to business opportunities

Challenges

- Local issues can be controversial so the DMO needs to be prepared to be challenged
- These type of efforts demand a fair amount of dedicated attention, so the DMO needs to consider its resource effort.

Approach

1. Assess
   - Determine role, if any, of the DMO

2. Research
   - Research needs of industry and visitors

3. Develop Leadership Committee
   - Participate and lead efforts

4. Monitor
   - Survey industry businesses on transit issues

5. Communicate
   - E-News, workshops, board reporting

Impact on Community Support & Engagement / Destination Strength

CS&E

DS
Local Transportation Advocacy

Case Study: Tourism Vancouver, Canada

Overview

Over the past ten years, Vancouver has been faced with a number of significant local transportation issues. Two of these issues included gathering community support for the construction of a rapid transit line, and encouraging local taxpayers in the Metro Vancouver area to support a tax increase to fund major transit infrastructure developments.

The tourism industry had not previously been included in these discussions and now wanted to have a voice in both matters. Tourism Vancouver took the initiative needed to insert itself into the discussion.

Approach

Tourism Vancouver took a strong stance in supporting the major development of the rapid transit line from the airport to downtown prior to 2010 Winter Olympics. The strategy was to insert the organization and the industry into the discussion through communications, lobbying and industry education programs. The DMO was eventually adopted as a key player in the negotiations due to its strong position.

In 2014, when discussions were taking place to rally support for a referendum on increasing local taxes to pay for major transit projects, Tourism Vancouver again took a strong position in support. This time, the community embraced the organization from the onset. The key in these efforts was for the DMO to develop a position based on its core remit in tourism, play to its strength as a communicator, and ensure the board, management, staff and industry were engaged throughout the process.

Outcomes

These initiatives have helped Tourism Vancouver solidify its reputation within the Metro Vancouver community as a relevant organization on local matters that were traditionally considered to be outside of the tourism industry. Tourism Vancouver has since assisted in the advancement of a variety of community affairs that relate back to the industry.

Ultimately the rapid transit line was approved and has proven a major success with visitors.

The outcome of the transit referendum was announced in early July 2015, and the public voted no to increasing the tax. Although the results were disappointing, Tourism Vancouver’s involvement has helped push the cause of the unique needs of tourism into future local transit considerations.
# Non-Hotel Generated Funding

## Overview

Many DMOs have financial constraints and are consistently looking for ways to increase their revenue beyond government grants, membership dues and lodging taxes through innovative and diversified funding models. One example of such a funding model is a non-lodging tourism tax.

The non-lodging tourism tax is a tax levied on all industry sectors and/or businesses to support investment in a variety of destination projects such as enhanced community infrastructure, increased destination marketing and economic development initiatives. While the largest portion typically goes toward destination marketing, smaller portions will support local businesses through tax incentives, as well as capital improvement projects beneficial to both residents and tourists.

Implementation of a non-hotel tourism tax can be convoluted and requires a full scale lobbying initiative at all levels including state and local elected representatives, government bureaucrats, tourism industry and community leaders. All DMO executives and board members need to be fully immersed throughout the lifecycle of the project to ensure success. To secure implementation, the DMO typically embarks on a tourism awareness campaign around the social and economic value of tourism for the community.

## Pros

- Incremental tourism funding from non traditional sources, beyond lodging tax and grants
- Investment participation from the entire community value chain into tourism
- Community awareness of tourism’s social and economic benefits is significantly enhanced
- Incremental destination marketing and product development capital for the DMO

## Challenges

- Requires significant time, effort and resources to lobby and gain approval
- Takes effort to have community understand importance of destination marketing
- Some community members may not support the new tax
- Government officials may not be receptive to increasing taxes
- Compliance with DMO regulations and limitations on how to invest the funds

## Approach

<table>
<thead>
<tr>
<th>Step</th>
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</thead>
<tbody>
<tr>
<td>Analyze Funding Options</td>
</tr>
<tr>
<td>Assemble community task force</td>
</tr>
<tr>
<td>Develop Communication Plan</td>
</tr>
<tr>
<td>Deploy multi-tiered community engagement program</td>
</tr>
<tr>
<td>Develop Activation Plan</td>
</tr>
<tr>
<td>Present detailed investment plan and benefits to community</td>
</tr>
<tr>
<td>Engage Government(s)</td>
</tr>
<tr>
<td>PURSUE prescribed legislative development process</td>
</tr>
<tr>
<td>Engage Community</td>
</tr>
<tr>
<td>Implement &amp; report transparent results and respond to community feedback</td>
</tr>
</tbody>
</table>

## Impact on Community Support & Engagement / Destination Strength

CS&E: DS

Published: July 15, 2015
Non-Hotel Generated Funding

Case Study: Myrtle Beach Penny Tax, USA

Overview

Myrtle Beach is a coastal destination community in South Carolina popular with middle class vacationers. Visit Myrtle Beach (the DMO) had consistently delivered great success with tourism representing approximately 70% of Myrtle Beach’s economy.

In the 2008-09 economic recession, excessive lodging supply and diminishing visitors meant airlines were pulling out and tourist attractions were closing. Capacity growth was planned for Myrtle Beach with no supportive parallel planning for destination marketing. The DMO’s existing annual budget of $5M USD was not sufficient to support the growth and growing destination marketing needs of the community and most of the local businesses going through the recession were not in a position to provide additional investment support. Visit Myrtle Beach estimated that it required $25-35M USD in marketing and promotion funds to remain competitive.

Approach

Convincing the state legislature, city council and the local community to vote yes for a new sales tax to support tourism was a significant challenge given unprecedented low community support for tourism at the outset of the process, compounded with the difficulty of achieving this during an election year.

The major identified challenge was that the value of tourism to the community and the role of the DMO were not being properly articulated. The DMO began a significant community engagement initiative as well as a review of state and local laws. They embarked on an awareness campaign around the value of tourism for all community stakeholders including politicians, local residents, workforce as well as the media.

The DMO then developed a full-scale lobbying initiative, creating awareness at all levels of the government and community including state legislature, city elected officials, city managers, community leaders and businesses. The DMO also developed and communicated actionable strategies that would be delivered from investment of the proceeds of the contemplated sales tax. This included improvements relevant to the public including jobs, public infrastructure and social benefits.

Within six months, city government voted to approve the local 1% sales tax, popularly named the penny tax. This tax became the fuel for a Tourism Growth Initiative (TGI) with the funding directed into tourism promotional funding, tourism product development funding and residential property tax relief.

In most cases, this tax would have required a referendum. However, this was avoided in Myrtle Beach because of the urgency caused by the recession.

Outcomes

Myrtle Beach’s TGI has now been running for 6+ years, with the marketing budget funds increasing from $5M USD to $30M USD and the destination experiencing record visitations and tourism revenue.

Brand awareness has increased from 300%, annual visitors are up by 26%, lodging revenues have increased by 30%, airline passenger arrivals are up by 18% and referrals to member’s websites has increased 4x.
# Strategic Planning

## Overview

As leadership organizations, DMOs must make strategic planning a core stakeholder commitment and organizational competency. The competitive nature of the tourism industry is such that even when the destination is performing well, there are significant opportunities for strategic insights from current results and outcomes that create a departure point for strategic rethinking.

The ongoing evolution, and even disruption, of today’s global tourism industry mandates that DMOs and industry stakeholders embark on comprehensive ambitious efforts every 5-10 years to consider their destination’s path forward. Their goal is to coalesce the industry around a clear, unified and effective future strategic direction. Utilizing extensive engagement with local stakeholders and their marketplace clients helps them define the path forward through creativity and innovative approaches.

A foundational principle of these strategic efforts is that they be community-based, without the DMO owning or controlling the process. Rethinking a destination’s future means that everyone, including the DMO, needs to be open to all possibilities without pre-established agendas. By becoming a participant amongst many stakeholders, DMOs can have an opportunity to take a more objective role and contribute in meaningful ways to a shared vision and key strategies for the destination. Although the DMO may fund this initiative, it is important that an open and transparent process be in place to ensure that the entire community has an opportunity to engage in the crafting of the plan.

## Pros

- Proactive thinking of the future regardless of current success and/or challenges
- Established and agreed upon long-term goals and strategies amongst the DMO and stakeholders
- Open process, with the DMO as one of many participants, with shared responsibilities and joint accountabilities
- Comprehensive and visible stakeholder engagement resulting in enhanced buy-in, improved understanding and increased community support.

## Challenges

- DMO may need to manage the process without controlling it; otherwise, it could lead to unreasonable outcomes
- Time-consuming; sufficient resources needed
- Keeping the industry and stakeholders engaged and committed to outcomes can be a significant undertaking
- Not everyone is going to be fully supportive of the outcomes

## Approach

### Secure Resources
- Identify needs and determine required resources

### Develop Committees
- Develop multi-stakeholder committees with roles and responsibilities

### Community Engagement
- Conduct detailed interviews, workshops and surveys

### Define Vision and Strategies
- Determine a broadly supportive plan

### Negotiate Responsibilities
- Administer amongst DMO and stakeholders

## Impact on Community Support & Engagement / Destination Strength

![CS&E](image.png)

Published: July 15, 2015
Case Study: Rethink Vancouver, Canada

Overview
In 2010, Tourism Vancouver commenced a major strategic review with far reaching implications on future directions and outcomes in Vancouver’s drive to grow its conventions and tourism business. Rethink Vancouver was to establish a strategic framework for how destination marketing should be planned and delivered for the next decade. The central question was: “What did the Vancouver tourism industry want to accomplish together over the next 5 – 10 years?”

Approach
Rethink was accomplished by engaging a diverse range of stakeholders in a strategic conversation, evaluating their input and feedback, analyzing industry performance and forecasts, and considering best practices of other leading DMOs. The board of Tourism Vancouver sponsored the initiative, then took a step back to be one of many participants in the engagement.

Success was measured by the delivery of a strategic plan and organizational direction through a process that was designed to be professional, objective and worthwhile. Stakeholders and key customers were given the opportunity for extensive input and involvement throughout the project, including a multi-stakeholder advisory committee. The desired outcomes from this project were to explore the future of destination development and marketing, and also how Tourism Vancouver was structured and resourced to deliver the desired outcomes.

Outcomes
The objective of Rethink Vancouver to guide the development of the city’s tourism industry in a coordinated and forward-looking way. Recommendations for Tourism Vancouver’s internal structure included a proposal to consider an even flatter approach, as well as a network model. Case studies were offered to illustrate how other DMOs successfully implemented similar models.

Numerous actions resulted from Rethink Vancouver. On June 14, 2013, Vancouver’s first ever Tourism Master Plan was unveiled at the organization’s 110th annual general meeting. This master plan was a major outcome of Rethink Vancouver and was a joint effort by Tourism Vancouver, the City of Vancouver and the Vancouver Economic Commission.
GREATEST IMPACT ON DESTINATION STRENGTH
Cognitive Systems

Why is it on the Watch List?

Cognitive computing systems can transform the way travelers seek advice. Today, online travel planning involves dozens of searches and site visits. And that’s when a traveler knows their destination and dates. Travelers in the discovery phase face an even more daunting task — where to begin amid a wealth of travel content, when searching gives clues not advice. Cognitive searches will permit visitors to ask questions and receive personalized responses, similar to a concierge service.

For travel brands and service providers, cognitive systems will provide personalization and relevant content, improved conversion, and brand loyalty.

Overview

New powerful cognitive computing systems provide highly customized and personalized information for visitors. For the DMO and tourism industry, these systems are in the testing beta stage.

For example, WayBlazer, which is powered by IBM Watson, uses natural language processing to process and return information. Watson can process natural language rather than only computer code and tag. It can make sense of unstructured data, like words on an internet site. This means that it can process enormous amounts of comments in blogs and peer to peer websites.

From recommendations to content to offers, advice is tailored to a user based on a vast set of expert knowledge, combined with profile-based understanding. It is delivered in natural language and uses highly visual results. For the end-user, they receive a travel discovery experience that’s individualized for every user, every time — which gets better and more immersive with each interaction.

Relevance to Transformational Opportunities

The New Marketplace *(Broadcast to Engagement)*: This system will be transformative in terms of permitting DMOs to engage in a personalized discussion and interaction with visitors.

Destination Branding *(Destination Managers)*: Visitors will be able to gain valuable information as they search for and plan unique and authentic quality experiences, and DMOs will receive detailed intelligence to enhance the destination experience.

The DMO Business Model *(Collaboration and Partnerships)*: Cognitive computing systems will enable DMOs to work with its partners to more intelligently expand product offerings, marketing opportunities, and revenue.

Published: July 15, 2015
Case Study: WayBlazer, Austin, USA

Overview
In October 2014, the Austin Convention & Visitors Bureau entered into an agreement with WayBlazer.com to develop a beta microsite.

Approach
This hosted microsite gives visitors to the Austin CVB website a new way to navigate and explore what Austin has to offer as they consider and plan their trip to the live music capital of the world. Through natural language search, site visitors are able to discover activities, restaurants, hotels and unique Austin attractions that are perfect for the day, weekend or vacation they have in mind.

The beta site has been tested during the past several months. A new version will be released at the DMAI Annual Convention in Austin in July 2015.

Outcomes
The new website feature is expected to provide a more powerful tool for visitors, allowing them to get personalized information and insights not previously available on their existing platform.
**Mining Big Data**

**Why is it on the Watch List?**

If the internet transformed communications, then big data is likely to be the new development that transforms customer relationships. The use of big data will become a crucial way for DMOs and destinations to outperform their peers by leveraging data-driven strategies to innovate, compete, and capture value.

**Overview**

Big data relates to the exponential growth and availability of large volumes of structured and unstructured data and the necessary tools to leverage this data. It relates to the leveraging real time market intelligence through utilizing and analyzing aggregated data streams. It helps assess pathway to purchase, customer behavior, emerging markets and competitive intelligence. DMOs can use big data to test the strength of their brand within the market and/or against their competitors. All of this data can measure traction on communications and marketing in general or within specific segments including geographical markets, demographics or psychographics.

Big data is translated into user-friendly, real-time dashboards derived from marketing metrics so that the users can have up-to-the-minute flags on the success and progress of each campaign. Enabling more informed segmentation, marketing decisions and faster responses, assists in formulating, revising and strengthening brand messages. It allows for personalized messages with specific targets, and also allows the user to monitor their discovery and engagement with each individual prospect.

Big data is available, at some level, to all DMOs, regardless of budget. To help leverage so much industry data, DMOs are starting to use a variety of tools that help analyze data sets, with some DMOs interacting in comprehensive and transformative ways.

**Relevance to Transformational Opportunities**

**The New Marketplace (Broadcast to Engagement):** Big data tools enable DMOs to identify and engage with individual business prospects one-on-one in real-time, and to specific potential purchasers instead of broadcasting to a wider market.

**Destination Branding (Destination Managers):** Big data provides insights into specific customer’s desires and purchase habits, enabling greater insight into how a visitor interacts with a destination. The DMO can use this data to assist businesses in product development.

**The DMO Business Model (Collaboration and Partnerships):** Data is everywhere within the destination and the successful DMO will build partnerships to enhance the depth and breadth of the data it uses for analytical purposes.

### Impact on Community Support & Destination Strength

- **CS&E**
- **DS**
<table>
<thead>
<tr>
<th><strong>Case Studies: DMOs Using Big Data, USA</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>Opportunity/challenge</strong></td>
</tr>
<tr>
<td><strong>Aurora</strong></td>
</tr>
<tr>
<td>Aurora had a very limited advertising budget and wanted to maximize its results in generating more consumer travel.</td>
</tr>
<tr>
<td><strong>Approach</strong></td>
</tr>
<tr>
<td>Gathered and analyzed months of big data to leverage consumer behavior insights and to determine best ad delivery timing for ecommerce sales.</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>Aurora achieved 18 times the national benchmark average for campaign click-throughs. They were able to attribute their increase in ticket sales and visitation to the campaign.</td>
</tr>
<tr>
<td><strong>Opportunity/challenge</strong></td>
</tr>
<tr>
<td><strong>Colorado Springs</strong></td>
</tr>
<tr>
<td>Colorado Springs wanted to better understand buyer motivations and attract new visitors from established feeder markets. They wanted real-time campaign performance data and ongoing market intelligence.</td>
</tr>
<tr>
<td><strong>Approach</strong></td>
</tr>
<tr>
<td>Gathered and analyzed consumer data and multi-tested messaging and creative with new prospective visitors.</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>The DMO became the big data/market intelligence leader in the destination, guiding their partners in responding to real-time research findings. The DMO was also able to grow its co-op advertising participation.</td>
</tr>
<tr>
<td><strong>Opportunity/challenge</strong></td>
</tr>
<tr>
<td><strong>Pigeon Forge</strong></td>
</tr>
<tr>
<td>Pigeon Forge wanted to find the best next expansion markets outside a 500 mile radius.</td>
</tr>
<tr>
<td><strong>Approach</strong></td>
</tr>
<tr>
<td>Analyzed multiple data sets and identified new demographic segments. They gained insights on booking timeframes of prospective visitors to define top markets.</td>
</tr>
<tr>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>The DMO shifted their advertising strategies to gain more traction with valuable first time visitors. They believe that the strategy helped them to achieve their goal of $1 billion in annual visitor spending.</td>
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Proximity Marketing

Why is it on the Watch List?

DMOs and the tourism industry are always seeking innovative and effective ways to use limited marketing budgets to target customers and improve the visitor’s experience. As mobile becomes even more ubiquitous, proximity marketing can provide cost effective ways to reach visitors while at the destination.

Overview

Proximity marketing is an engagement and marketing tool that enhances connection with consumers, encourages loyalty and improves the customer experience with well-known brands outside of tourism. Although it has had a slow adoption process within the tourism industry, DMOs are now researching and experimenting with the use of proximity marketing to better connect with visitors.

Proximity marketing uses cellular technology to send marketing messages to mobile-device users who are in close vicinity of a product or service and, therefore, likely to take action. The data is deployed via mobile, Bluetooth, wireless networks, and most recently, beacons - small devices that can be placed anywhere to interact with nearby customers.

Lab42’s Techie Traveler’s Survey reported that 85% of international leisure travelers use their phone while abroad, creating vast opportunity for DMOs to enhance the visitor’s experience. Disney has excelled with MagicBand, a bracelet worn by guests that allows Disney to personalize their experience by setting up products and services according to their behaviors and purchase habits (e.g., a family’s favorite Disney character surprising them while waiting in line).

Proximity marketing is making it’s way into tourism as some organizations are testing the practice. Facebook has become involved, recently announcing that it in the process of beta testing beacons with numerous hospitality and

Relevance to Transformational Opportunities

The New Marketplace (*Broadcast to Engagement*): Proximity marketing has tremendous potential to enable DMOs to better interact with their customers, helping DMOs, operators and stakeholders to deepen their connection with consumers, encourage loyalty and improve the customer experience.

Destination Branding (*Destination Managers*): Proximity marketing provides an opportunity for DMOs to enhance the brand, create holistic, unique stories, and tailor experiences and products to its visitors. This practice will provide data on individual visitor patterns and interests, which will help a DMO to tailor to develop new products and experiences based on analysis of marketing activities.

The DMO Business Model (*Collaboration and Partnerships*): This is a practice then can be implemented throughout the community with numerous partners involved. Various players in the retail and commercial sector are already leveraging proximity marketing to drive sales, creating opportunities for DMOs to develop marketing alliances. Such partnerships can enhance the user experience for visitors, while also driving increased business with the local community.

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
# Proximity Marketing

## Samples: DMO Tourism Region, Casino, Corporate/Retail

### Overview

RT04, a tourism in southern Ontario, is exploring ways to enhance the user experience for visitors in their regions while also increasing sales.

### Approach

Currently analyzing proximity marketing, including targeting attendees at festivals and events to let them know of similar activities taking place in the near future.

Plan is to work with other stakeholders to find ways to fully leverage beacons to enhance visitor’s experience across the region.

### Outcomes

RT04 is still in the testing phase, but results so far are encouraging. Cost can be performance based, so risk and cost is reasonable to implement.

*Note: Other DMOs are experimenting with proximity marketing but chose to keep their information confidential.*

### Casinos

Casinos have leveraged proximity marketing to drive patrons to empty tables, bars, restaurants or to purchase certain services. Beacons have been placed at the entrances to engage customers as they enter (or exit) the casino and within each gaming room of a casino. This allows casino operators to engage with customers depending on their gaming and visitation behaviors.

A casino in Las Vegas is using proximity marketing to tailor messages to all customers types whether VIP members or first-time visitors. Reminders can be sent on the benefits of joining and instructions on where to sign up for VIP membership, or VIP customers could come in and be sent a welcome greeting while VIP hosts will be notified to meet their guest with their favorite drink.

### Macy’s

Beacon’s will be placed inside certain store departments and allow Macy’s to send personalized department-level deals, discounts, recommendations and rewards to customers who opt-in to receive the offers.

### Coca Cola, Procter & Gamble, Levi’s & Kraft

These companies have implemented a version of beacon technology, and have reported interactions with advertised products increased 19 times and in-store app usage was 16.5 times higher for users who received a beacon message.
Social Media Command Center

Why is it on the Watch List?

As social media continues to grow as a visitor’s most important channel for credible destination information and opportunities, more DMOs should be investigating the implementation of social media command centers. Command centers can greatly enhance the communication of market intel to bureau partners, enabling them to improve their messaging.

Overview

Social media command centers (SMCCs) are being regularly deployed by brands and events for real-time monitoring of social media trends to inform business decisions and enhance the social health of a brand as well as customer engagement. SMCCs are a communications initiative where a DMO can monitor and engage 24/7 in social conversations with visitors, customers and their community around their destination brand and experience.

SMCCs will produce value for a DMO in four ways:

- **Engagement with customers/community:** Monitor conversations about the destination experience
- **Inform content strategy development:** Understand visitor interests and share new content with them
- **Strategic communications support:** Manage destination issues and opportunities as they arise (including crisis communications management)
- **Customer and visitor services:** Listen to online conversations, interacting directly with people who need assistance or require specific information.

According to a 2013 TripAdvisor study, 85% of US travelers bring their smartphones on vacation and 61% of global travelers use social media while on vacation. As social media continues to grow, a social media command center will become a cornerstone DMO platform for activating, managing and measuring a destination’s engagement-based social capital as well as growing business performance and brand equity.

Relevance to Transformational Opportunities

**The New Marketplace** *(Broadcast to Engagement)*: Implementing a SMCC will help create visitor engagement that contribute, to an enhanced positive brand perception in a more credible manner than traditional media.

**Destination Branding** *(Destination Managers)*: SMCCs can be a substantial resource for the development of destination business and brand intelligence. Tools are available to analyze social media conversations, to identify opportunities to enhance the visitor experience (e.g., transit scheduling) and build customer relationships.

**The DMO Business Model** *(Collaboration and Partnerships)*: The successful implementation of a SMCC in a destination requires extensive collaboration with other community players. The DMO can lead the engagement strategy and content development, while the partners in the destination provide operational support and visitor response actions.

**Approach**

- Conduct Social Media Audit
  - Develop social media profile of customer preferences
- Determine Objectives, Key Success Measures and Partnerships
  - Align with business plan and customer needs
- Create Content and Stories
  - Create content calendar and engagement tone and voice
- Obtain Required Skills and Tools
  - Assemble required staff, partners, technologies and space
- Create SMCC Playbook
  - Develop reference guide for SMCC operations and engagement
- Promote the Service
  - Align marketing initiatives with marketing plan
- Analyze Data and Community Feedback
  - Analyze metrics and communicate results including visitor testimonials

Published: July 15, 2015
Social Media Command Center

Case Study: Visit Kansas City at Major Sporting Events, USA

Overview
Visit Kansas City (KC) was looking for an innovative approach to deliver outstanding visitor service and hospitality as well as to gain new KC visitor insight, while presenting the KC brand as leading-edge and socially engaging.

Approach
Visit KC successfully deployed SMCCs at two major high visibility/attendance sports events in Kansas City for the 2012 MLB and 2013 MLS 2013 All-Star games during high-traffic conversation periods.

Visit KC secured key community-based partners including H&R Block, Barkley, the City of Kansas City and the Social Media Club of Kansas City to support the development and operation of the SMCC. Visit KC provided the overall engagement and content development leadership, including the deployment of street teams of “Engagents” to create service visibility.

Outcomes
During the 2012 MLB All-Star Game, the KC SMCC processed over 72,000 conversations (with a 70% positive sentiment rate), including 2,000 personalized responses creating over 8 million destination impressions.

Visit KC’s success with their SMCC has provided them with key visitor insights and operational experience to support key events and ongoing visitor engagement to improve destination strength as well as enhance community support.
Air Service Development Program

Overview

Air access is a key issue for many destinations, especially when carriers are reducing flights and seat capacity. Air service development encompasses a variety of strategic activities designed to improve the quality of air access to and from a community or region. A destination strategy requires an air service development component designed to facilitate the growth of visitors arriving by air. By identifying the linkages between the regional economy, air travel demand, airline business models and airport infrastructure, opportunities for expanded air service can be successfully pursued. The establishment of new non-stop and connecting services, and the improvement of existing services, can open up new markets for both leisure and convention markets.

To justify new air services, destination stakeholders (DMOs, economic development sectors, airlines and airports) need to collaborate with a focus on route economics. This can be done by building compelling business cases supported by clear and defensible route forecasts and considering appropriate financial incentives that support the targeted airline strategy. Core air service development components include:

- Market and Current Service Analysis
- Route Forecasting & Airline Business Case Development
- Financial Incentive Evaluation & Negotiation
- Tourism & Stakeholder Engagement

Pros

- Collaborative use of limited resources to develop compelling business case to airlines
- Focus on increasing seat capacity to accommodate growth in visitors
- Proactive and unified approach to addressing the goals and objectives of all community stakeholders
- Coordinated approach to implementing strategy to engage new markets and enhance current markets

Challenges

- Requires a significant amount of resources and support
- Needs to include agreed upon measurable performance goals

Approach

Market Assessment
Required to quantify the true size of the existing air travel market on an origin/destination basis

Develop Airline Service Development Program
Deficiency analysis & opportunities assessment

Business Cases
Developing & presenting service analysis and risk mitigation to airlines

Airline Negotiations
Evaluate the need for and scope of appropriate incentives

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Air Service Development Program

Case Study: Small Community Air Service Development Program, USA

Overview
Charlottesville is a historic city in west-central Virginia, located adjacent to Shenandoah National Park. As the hometown of Thomas Jefferson, it hosts Monticello (Jefferson’s home) and the University of Virginia (founded by Jefferson). During the recent recession, air services declined at small communities as airline mergers and consolidations resulted in network integration. Charlottesville experienced this trend as well, and sought to establish improved services to mitigate the leakage of traffic by surface transportation to Washington Dulles and Richmond airports.

Approach
The U.S. Department of Transportation has a program for small communities that provides grants to airports as part of public/private partnerships for air service development: The Small Community Air Service Development Program ("SCASD"). To be successful, Charlottesville Albemarle Airport (CHO) needed a full review of American Eagle regional jet service to Chicago O’Hare, air service conference support, and the development of a strategic plan. The latter included a regional industry outlook study, traffic leakage analysis and data analysis. CHO was able to undertake this work and support its efforts by securing a SCASD grant.

Charlottesville was also able to retain service to New York LaGuardia (LGA) by developing and maintaining carrier relationships and managing air service issues with community stakeholders.

Outcomes
CHO has successfully attracted two new nonstop services by American Airlines: Chicago O’Hare (2011) and New York LaGuardia (2014). With its strategic marketing efforts, CHO is effectively competing with other airports in the region and capturing more travelers from its catchment area. The airport is highly valued by airlines for the strong operational and financial performance they experience on all current CHO routes.
Air Service Development Program

Case Study: Memphis International Airport, USA

Overview
Memphis International Airport (MEM) served for many years as a connecting hub for Northwest Airlines and, subsequently, Delta Air Lines. During the integration of the Northwest network into the Delta network and the continued growth of the Atlanta hub, connecting services at MEM were severely reduced. Delta services at MEM were eventually reduced to a level that made the hub operation unviable. This had a negative effect on the tourism sector in Memphis, which welcomes over 10 million visitors, who spend $3.1 billion per year.

As these events unfolded, the Memphis Shelby County Airport Authority (MSCAA) aggressively sought to increase competitive air services at MEM. As the hub declined, but air fares remained high, the community placed a high priority on the introduction of new services and carriers for the Memphis market.

Approach
With a large, strong and stable economy, an international airport with low-cost facilities immediately available, and fares and yields among the highest in the US, Memphis was ripe for stimulation by more low-cost carrier services.

MSCAA worked with air service development experts to accelerate the recovery of air services, including air service development strategy, market and service analysis, service performance analysis, competitive impact analysis and incentive program advisory services.

Outcomes
These efforts have resulted in the introduction of a variety of new and expanded services at MEM, including the entry of Southwest Airlines and Frontier Airlines, and the expansion of services by most of the incumbent carriers. As a result, service has improved significantly, with growing local air travel demand and lower air fares. These developments have also contributed to the accessibility of Memphis’ visitor attractions. The airport is riding the tailwinds of recent air service additions and will continue its relentless pursuit of frequent and affordable air service.
Attraction Development

Overview

In an effort to develop an overall destination brand and visitor experience, destination marketers in emerging destinations are expanding their role well beyond sales and marketing initiatives. Looking to proactively enhance the overall strength of a destination, DMOs are now making envisioning, activating and managing a comprehensive differentiated destination attraction experience as much a part of their mandate as sales and marketing.

While every destination situation is different, DMOs in emerging or second-tier destinations are making product development and management a key role in the community’s tourism development strategy. This could also include undertaking direct investment attraction and economic development activities on behalf of the city to secure the partners and investment to support the development and management of a destination attraction experience.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
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</thead>
<tbody>
<tr>
<td>DMO takes significant control of the overall destination experience through the attraction</td>
<td>High-risk to reputation if the product fails; the entire destination brand suffers</td>
</tr>
<tr>
<td>High level of community engagement in understanding the destination vision and support for bringing it to life</td>
<td>Requires significant commitment to engaging and educating stakeholders and politicians in order to support fundraising</td>
</tr>
<tr>
<td>DMO uses the attraction to support its role as destination brand manager</td>
<td>DMO needs to invest in diversified management skillsets and competencies beyond destination sales and marketing</td>
</tr>
<tr>
<td>DMO is able to attract additional experience, investment and brands consistent with the overall destination brand and vision</td>
<td>Product development requires committed investment and assumption of business and operational risks on the part of the DMO</td>
</tr>
</tbody>
</table>

Approach

- Engaging the Community
  - Educate the community and develop shared goals

- Identify Potential Attractions
  - Consider brand, USPs, resources and market potential

- Develop Fundraising Strategy
  - Include both capital investment and marketing funds

- Develop & Market Product
  - Consistently share message of the benefits of the product

- Manage Attraction
  - DMO to manage attraction including measuring and communicating metrics

Impact on Community Support & Engagement / Destination Strength

CS&E

DS
Attraction Development

Case Study: Grapevine Vintage Railroad, Dallas, USA

Overview
Grapevine is a small urban-rural community of 48,000 adjacent to DFW International Airport in the Dallas-Fort Worth Metroplex that has to regularly compete for tourism jobs and revenues with existing other well-established destinations in the metroplex (e.g., Dallas, Plano, Fort Worth). In an effort to create a unique and compelling destination experience, the Grapevine city leaders and DMO leaders developed an iconic destination attraction: the Grapevine Vintage Railroad.

Approach
The Grapevine CVB (the DMO) established an overall community destination vision that was anchored by its historical Texas heritage. This included an extensive community engagement process to mobilize the public and politicians with the understanding of the benefits that tourism could provide to the community. The public and political support resulted in the passing of dedicated tourism/economic development funding, through a room tax and sales tax allocation, to support destination development and marketing.

The DMO realized that in order to bring the destination vision to life in a competitive marketplace, key brand experiences needed to be acquired and managed. This was done through the establishment of a local foundation to raise the investment capital to purchase railroad assets – including rolling stock, supporting infrastructure and also track access. As a result of this new investment, the DMO had to expand its focus beyond traditional sales and marketing to include product development and management by operating and marketing the Grapevine Vintage Railroad.

Outcomes
The Grapevine Vintage Railroad became the anchor iconic attraction for the destination. Opened in 1993, the Grapevine Vintage Railroad now carries approximately 100,000 riders each year. The DMO has introduced a variety of diverse experiences as part of the railroad attraction including seasonal, food and wine, family and historical, to bring elements of its destination brand to life. The DMO also created a high visibility destination marketing platform to drive overall destination performance. The success of the railroad was a catalyst for attracting other attraction investors, including Merlin Entertainment, to further enrich the overall destination experience.

Total annual visits to Grapevine grew to almost 15 million in 2014, generating a total economic impact of $2.2 billion.

Approved by: Grapevine Convention and Visitors Bureau
Published: July 15, 2015
DESTINATION

NEXT
Attraction Development

Case Study: WaterFire Providence, USA

Overview
In 1994, an artist, Barnaby Evans, was commissioned to create First Fire to celebrate the Tenth Anniversary of First Night, a local New Year’s Eve event in Providence, Rhode Island. First Fire consisted of 11 braziers on steel tripods from Waterplace Basin to Steeple Street. In 1996, Evans created a Second Fire for the Convergence Art Festival and the International Sculpture Conference.

This unique attraction gained local and regional attention with strong support to continue and expand the project. In 1997, WaterFire expanded to 42 braziers operated through an entire season, with an estimated attendance of over 350,000 people.

Today, WaterFire includes over 100 sparkling bonfires, firetenders mystically moving about and setting the flames, and music. It can be seen and experienced along the three rivers of downtown Providence.

Approach
This attraction is produced by WaterFire Providence, an independent, non-profit arts organization whose mission is to “inspire Providence and its visitors by revitalizing the urban experience, fostering community engagement and creatively transforming the city by presenting WaterFire for all to enjoy."

The organization has about 15 staff and relies heavily on volunteers. On any given night, up to 160 volunteers support the event.

WaterFire is presented about a dozen times per year and there is no admission charge. Ten percent of their funding is received from public sources with the remainder coming from private and corporate sponsorships and donations.

Outcomes
2014 marked the 20th anniversary of the event which has transformed the downtown and solidified Providence’s reputation as one of the Northeast premiere arts and cultural hubs.

WaterFire has received national and international acclaim as a community arts event. The crowds have increased from thousands to millions of visitors per year. Over 10 million visitors have attended. Average attendance is 40,000 per night with hotels and restaurants garnering significant business during each lighting.

The WaterFire concept has been expanded to other cities including: Houston, Texas; Columbus, Ohio; Kansas City, Missouri; Singapore; Rome, Italy; and Sharon, Pennsylvania.
## Brand Development Planning

### Overview
As DMOs seize the transformational opportunity to evolve toward becoming destination managers, the introduction of a Destination Brand Management Plan (DBMP) to complement sales and marketing plan activities is a way to grow destination strength and community support for tourism and the overall brand.

The objective of the DBMP is to align all community stakeholders around the positive development of the destination brand in accordance with an established brand strategy. The DBMP assigns resources, operational initiatives, measures of success and accountability to deliver the objectives of the destination brand. It also ensures the brand is understood and is being supported by policy-makers, investors, destination marketers and relevant stakeholders. The DBMP also ensures that activities are relevant and performing as intended. The DBMP should establish the DMO as the leader and manager of the destination’s brand strategy in collaboration with other community stakeholders.

The starting point for a DBMP is a current brand assessment/audit (which may have emerged from other community-based initiatives). As a destination brand supports a wide spectrum of community stakeholders (and their diverse objectives), the DBMP and destination brand strategy should be collaboratively developed with full community transparency of activities and results. The DBMP should be published and be made available to all community stakeholders with a regular update on activities and results.

A DBMP should be positioned as a resource providing counsel on aligning community initiatives with the brand strategy as well as providing brand performance information. It should take care to avoid being seen as being in place to enforce community compliance.

### Approach

<table>
<thead>
<tr>
<th>Destination Brand Assessment</th>
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<tbody>
<tr>
<td>Understand how the destination appeals and performs to its key audiences and relative to its key competitors</td>
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<tr>
<th>Establish a Task Force</th>
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<tr>
<td>To give guidance to the DMO on implementation and management</td>
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<tr>
<th>Develop a Brand Vision</th>
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<tr>
<td>Engage the community to develop a story of how the brand should be perceived and evolve to meet community priorities</td>
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<tr>
<th>Create Destination Brand Resources</th>
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<tr>
<td>With information and ideas on how community stakeholders can support the activation of brand strategies</td>
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<tr>
<th>Communicate with Community</th>
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<tr>
<td>Share performance results and business intelligence throughout the community</td>
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</table>

### Pros
- Supports greater alignment of all stakeholders around the objectives and measures of success of the destination brand strategy
- Makes consideration of the destination brand a visible and measureable priority as it relates to destination development

### Challenges
- Requires the introduction of a new community engagement process that the DMO will need to manage
- Can be controversial as stakeholder perspectives on destination brand strategy and management will be diverse
- Measuring the impact of the DBMP will be somewhat subjective and open to challenge

### Impact on Community Support & Engagement / Destination Strength

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<th>CS&amp;E</th>
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Published: July 15, 2015
Brand Development Planning

Case Study: Palm Beach County Convention & Visitors Bureau, USA

Overview
The Palm Beach County Convention & Visitors Bureau was concerned that their destination did not have the media presence or awareness enjoyed by major competitors in Florida, the Caribbean and other emerging destinations. They wanted to ensure they were projecting the right message and image to maximize their marketplace impact.

Approach
A first-ever Tourism Summit was organized in the county to bring together various destinations, tourism and brand experts. Consensus emerged that a new brand strategy was required to improve destination performance. One-on-one meetings were held with individual community and industry leaders to garner their support for this initiative. The proposed project received enthusiastic support from the Convention & Visitors Bureau, the Tourism Development Council and the Board of County Commissioners.

A Brand Committee was established to guide and manage the project, which followed a disciplined five-step process (as outlined in the DMAI Global Destination BrandScience Handbook):

1. Brand Assessment – define the community’s essence and experiential commitment
2. BrandPromise – create a unique Promise and paradigm shift
3. Brand Blueprint – become distinctive in guests’ minds apart from other destinations
4. Brand Culturalization - think like a brand; live the destination’s promise
5. Brand Advantage – optimize economic opportunity; form alliances to enhance brand equity.

Outcomes
The findings were used to develop an emergency Tourism Stimulus marketing campaign following the financial market collapse in 2008/2009. The resulting promotion led to Palm Beach County benefitting from the fastest tourism recovery in Florida in 2010. Two years of consecutive months of positive hotel results also followed (Revenue per Available Room and Average Daily Rate).

The Palm Beach County Convention & Visitors Bureau received the prestigious Gold Adrian Award from the Hospitality Sales and Marketing Association International in recognition of these accomplishments.
Event Subvention Management

Overview
Providing financial subvention support to associations has become a regular practice for DMOs as associations are seeking greater subvention funds in order to achieve their desired financial outcomes. This support is often provided without a connection to the actual destination performance outcomes or legacy benefit of the group to the local community.

Because associations are risk-adverse and are under pressure to deliver increasingly better events with decreasing operating budgets, often with less sponsorship support than in the past, the association places downward pressure on venue rental prices and upward pressure on subvention offerings. This practice is about a paradigm shift that helps associations increase attendance and revenues, relieves negotiation pressures on the venue rentals and potentially, decreases subvention costs for the DMO.

DMOs can make subvention available based on a guarantee of the financial or attendance performance of the event instead of through a guaranteed subsidy. The DMO and association will collaborate on the development of a goal that is beneficial and realistic for both parties. They also collaborate on budget development, including the cost of the convention center and the revenues that are anticipated from delegate attendance. The DMO also partners with the association and actively participates in attendance promotion in order to drive revenues, improving financial performance and reducing the subvention requirement. If the event falls short of performance goals, the DMO will continue to provide a standard base level of financial subvention to help decrease the shortfall.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
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<tbody>
<tr>
<td>• Competitive advantage for bid proposals</td>
<td>• Potential risk to the DMO if the financial impact is greater than the standard subvention usually provided</td>
</tr>
<tr>
<td>• Reduces risk and enhances services provided to the association</td>
<td>• Requires dedicated resources and staff</td>
</tr>
<tr>
<td>• Increases convention attendance</td>
<td>• Requires marketing, social media and delegate boosting expertise</td>
</tr>
<tr>
<td>• Decreases subvention costs for the DMO</td>
<td>• DMO may incur additional costs for marketing and delegate boosting including hiring third parties, travel and materials</td>
</tr>
<tr>
<td>• Increases revenues for venue facilities</td>
<td>• Receiving accurate and transparent conference budgets can be a challenge</td>
</tr>
</tbody>
</table>

Approach
| Develop Program | DMO and convention center develop the program based on certain revenues, risks and budgets |
| Promote Program | Target key associations, meeting planners and conventions |
| Form Transparent Relationship | Agree on delegate counts, minimum guarantees and venue fees based on previous budgets and research |
| Implement Services | Provide marketing, promotional and delegate-boosting services with in-house resources or through a third party |
| Complete Reconciliation | Settlement on venue price and subvention is based on actual outcomes |

Impact on Community Support & Engagement / Destination Strength

CS&E

DS

Published: July 15, 2015
Event Subvention Management

Case Study: Minimum Revenue Guarantees, Glasgow, Scotland

Overview
Glasgow City Marketing Bureau, like many DMOs, was faced with an increasing number of bids that required them to reduce venue rental rates and increased forms of subvention to stay competitive. These demands were increasing over time and Glasgow was not in a position to rely on unlimited subvention funds or continuously reducing venue rental fees. Glasgow wanted to find a way to limit their subvention investments, while still meeting the needs of associations and creating a competitive advantage for itself.

Approach
The DMO engineered a new and innovative approach to leveraging their subvention offer to both increase sales and reduce costs.

The approach offers subvention as a guarantee of financial outcomes so that event owners have reduced financial risks. The guarantee comes in the form of a reduced venue price and/or other forms of subvention if the delegate numbers come in lower than budgeted. The DMO then designs and deploys a delegate boosting program designed to deliver higher delegate numbers than planned.

In the traditional subvention model, venue revenues are often capped. In the Glasgow model, both risks and rewards are shared. As delegate numbers and revenues rise above budget, the venue shares the reward through increased space rental revenues, often surpassing the rental income that would have been offered through a straight price guarantee. Other forms of subvention guarantees (e.g., food & beverage) can also be reduced based on performance.

For example, as event attendance performance increases beyond the agreed upon goal, venue rental price increases on a sliding scale. Alternatively, other forms of subvention could be reduced. Either way, the net effect is an improved financial outcome with less risk for the client.

The Glasgow City Marketing Bureau ensured that they had the capabilities to provide attendance marketing services to their clients. The DMO deployed an attendance marketing team for each relevant event and partnered with the client to share a targeted attendee databases for direct communication. The delegate-boosting team also used direct marketing and social media to promote attendance.

Outcomes
Glasgow’s convention bookings have increased, the venue is achieving higher space rental rates, the DMO is spending less on subvention, and conventions coming to Glasgow are achieving higher than expected attendance levels.
Micro Market Segmentation

Overview

As destinations around the world evolve through disruptive change, marketing fundamentals hold firm despite technology advances and marketing automation. Marketing fundamentals always have and always will start with the customer. Destinations can create a strong competitive advantage in leisure markets by profoundly understanding their customer segments and what inspires them to travel and seek the experiences in their destinations through the deployment of a psychographic segmentation strategy.

Incorporating segmentation models into a DMO marketing strategy leverages this competitive advantage for greater success. Psychographic segment markets are based on people’s personal beliefs, social values and view of the world. Psychographics go further than demographics, which defines segments based on age, income, gender, family status or education.

Successful delivery of a psychographic market segmentation approach by a DMO is foundational to the development of creative messages and media selection. Psychographic market segmentation helps better support product development and product enhancement, significantly contributing to the competitive advantage of a destination. Psychographic segmentation gives a distinct advantage to a destination while it precisely understands and targets visitors through marketing automation tools like big data and personalization.

Pros
- Enhanced destination marketing performance and ROI from targeted market segments
- A more focused alignment across destination partners
- More impactful communications, media selection and product development in identified market segments
- Unique and innovative competitive advantage

Challenges
- Prioritizing market segments leaves segments excluded in marketing efforts, causing concern for some operators
- Requires significant time, effort and resources to develop a rigorous segmentation and performance analytics model
- Psychographic analysis needs to be overlaid with demographic information, which adds some more complexity

Approach

Strategize
- Define purpose of conducting segmentation

Determine Segmentation Tool
- Psychographic, demographic, behavioural, attitudinal

Analyze Existing Customers
- Gather current customer data based on segmentation tool

Apply Segmentation Model in Real Time
- Use segmentation tool to engage customers

Design Messages/Generate Offers
- Tailor products and services to each segment

Provide Tool to Partners
- Adopt an open-source platform for partners to use tool

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Micro Market Segmentation

Case Study: Psychographic Market Segmentation, Destination Canada

Overview
In 2005, Destination Canada, formerly the Canadian Tourism Commission, embarked on a massive overhaul of its brand position in the international tourism industry. The previous five years had been challenging for Canada with a precipitous drop in the number of international travelers. Destination Canada had to change Canada’s brand to recapture the imagination of the travelers that helped build its tourism industry over the previous decades.

Approach
Destination Canada embarked on creating a brand based on a single key psychographic insight—the difference between the traveler and the tourist. Psychographic segmentation research lead to the development of Explorer Quotient (EQ) looked at the “travel values” of potential visitors to Canada and learned a very powerful idea—that “travelers” sought enlightenment through travel while “tourists” sought rest, recovery and novelty.

Canada had to associate itself with the travel value this segment held most dear: exploration. This powerful sentiment and subsequent brand helped create further insights into other segments based on segmented travel and social values.

EQ segmentation became a different way of looking at customers. Rather than looking at travelers by where they lived or their age and income like traditional segmentation models, EQ looked at traveler’s social values and the core reason why people travelled, dividing consumers across 10 core segments. Destination Canada chose to focus on three segments which were deemed to be of highest potential value to Canada’s tourism experiences and, importantly, segments that were the most likely to put travel ahead of other expenditures.

Outcomes
EQ has helped enhance Canada’s brand from #12 in the world according to FutureBrand in 2005 to #1 in 2010, holding that spot for the subsequent two years. For the past three years, Canada has been the most recommended destination in the world to visit based on a survey by the Reputation Institute. In 2014, Canada broke a decade old performance record, experiencing double digit growth in international visitation with growth more than double the international average in the 11 markets where it invests.
Organic Marketing (Engaging Operator Stories)

Overview

For many DMOs, a comprehensive digital marketing plan incorporating social media, mobile apps and enhanced/maximized user-generated content is being established as a top priority. However in smaller destinations, it often remains a struggle to get key destination demand generators digitally engaged, representing a missed opportunity for user-generated content and unique story telling to market the destination. Motivating destination demand generators (operators) to share their unique stories will enhance the overall destination brand (defined as the sum total of all shared stories and experiences about a destination), increase visitors and build the community engagement that is crucial for success. The digital integration described in this practice can be further applied to Destination Marketing Organizations (DMOs) with limited resources who’ve yet to engage in a truly effective digital marketing plan.

For operators in smaller destinations, implementing a comprehensive digital marketing campaign can be overwhelming due to resource and capacity challenges. There is significant value in DMOs harnessing their digital capabilities to lead key demand generators to increase peer to peer marketing, community engagement and media presence through an analysis of various digital marketing channels, including apps, social media, blogs, customized videos, and mobile platforms.

In addition to implementation, a community digital engagement strategy focuses on managing all digital content and measuring digital engagement. The goal of this practice is to help the community integrate traditional print media and advertising in an engaging digital space to amplify dialogue and create unified, holistic stories of the community and customers.

Pros

- Better engagement of the destination through story telling
- Enhanced collaboration of tourism partners
- Digital activity measured and tracked
- Increased opportunity to address visitor comments and concerns
- Improved consumer destination experience online and in-market

Challenges

- Operator must accept not being in full control of their brand; must be prepared to manage online content including negative reviews and feedback and enable positive shared stories
- May require additional and/or restructure of DMO resources
- Overcoming the initial learning curve for an operator developing the right content as well as how and when to share it
- Encouraging everyone to embrace the cultural change

Approach

Identify & Engage
Target demand generators based on specific criteria

Strategy Development
Lead the operator through the clean up, analysis and development stages

Measure
Develop dashboard to measure activity

Self Sufficiency
Ensure demand generator has resources in place for engaging, measuring, monitoring and responding to online content

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Organic Marketing (Engaging Operator Stories)

Case Study: Engaging Demand Generators, RTO4, Canada

Overview
The Regional Tourism Organization Four Inc. (RTO4) is the tourism organization representing four counties in Ontario, Canada. Recognizing the lack of digital engagement within their region, RTO4 implemented a plan to invest their in-house capabilities to help enhance the digital operations of key tourism demand-generators (operators).

The Cambridge Butterfly Conservatory (CBC) was identified and approached as a key demand generator by RTO4, because of its unique stories. The CBC had not yet optimized their digital marketing strategy due to resource constraints and a perceived overwhelming learning curve. The CBC’s limited presence on Twitter and Facebook was neglecting a significant opportunity for consumer engagement.

Approach
With CBC’s willingness to partner, CBC and RTO4 began a comprehensive digital marketing strategy development to enable engagement and enhance the user experience through online story telling.

RTO4 led CBC through 4 phases of development:
1. **Digital Hygiene** – A review and clean up of current processes to fix ecommerce issues that had previously been undetected; a review of social media platforms currently in use and their associated metrics.
2. **Story Telling** – A focus on unique stories that encourage optimal digital interactions with consumers. (e.g., #ButterflyPhotoSafari photo sharing contest).
3. **User Experience (UX) Design** – Improving the consumer path to purchase across all platforms (with close attention to mobile UX) to maximize sales.
4. **Analytics** – Monitoring and responding to online content, measuring key performance indicators and tracking referral sources for online sales performance in a timely manner using RTO4 supplied custom digital operations dashboards.

Outcomes
CBC is now fully utilizing four key social platforms: Facebook, Twitter, Instagram and Trip Advisor. Having recognized the value in these tools, CBC has restructured its staff internally to provide greater resources for managing its digital media. RTO4 is no longer directly involved in the ongoing social media activities and is in the process of transitioning out of the project. CBC has demonstrated itself to be a willing partner and plans to continue these activities post enabling engagement.

- **#1 TripAdvisor Rankings** – CBC moved from #5 to #1 in Cambridge for things to do
- **Doubled Facebook Likes** – from 2,500 – 5,200 with total spend under $700
- **Record Breaking Sales** – For CBC’s 2 major events in the year (Family Day and March Break), CBC received record breaking ticket sales as visitation increased in 2014, up 27.6% for March Break and 43% for Family Days.

*Although additional marketing campaigns contributed to this growth, significant value is being attributed to these improved social media behaviours.*
Organic Marketing (User Generated Content)

Overview

For DMOs, building destination awareness through media advertising has historically been seen as the most powerful form of igniting broad, marketplace demand. However, media advertising in critical mass quantities has become prohibitively expensive for most DMOs, with questionable effectiveness as consumer levels of distrust in paid advertising have reached record levels.

The role of peer-review and/or recommendations as a travel decision influencer through platforms like TripAdvisor has skyrocketed. Travelers have always placed their highest level of trust on recommendations from people they know and trust in their personal networks. According to LeadSift, 76% of visitors share content about their trip via social media upon return from their trip.

The opportunity for DMOs to mobilize evangelists to share stories and images about their destination experience within their network through the development of user-generated content is a compelling and effective way to generate superior and long-term destination marketing results.

Mobile technology and cloud-based social networks have turned every visitor into a travel writer and every meeting attendee into a photo journalist. With that, DMOs are now migrating from a market broadcast strategy to a consumer engagement strategy in order to more effectively build destination awareness that enhances demand.

One approach that not only creates immediate destination visibility as well as longer-term customer engagement is to facilitate the generation and sharing of user-generated content through organic marketing campaigns.

Pros

- Creates authentic destination marketing messages with a higher level of credibility than traditional paid media
- Budget can be scaled to any level
- Engages target customers with the evolution of the destination, building brand affinity in the process
- Allows for improved and extended distribution of messages/images to target market groups through the use of peer networks
- More simplified measurement of target market penetration and sentiment

Challenges

- Controlling the message is difficult as the message will be shaped over time by the network
- Campaign breadth and penetration will rely primarily on the enthusiasm of network participants as compared to paid media
- Depends on social-media savvy customer groups.
- Operator will no longer being in control of the brand; must be prepared to manage all online content including negative reviews and feedback
- May require additional and/or restructure of resources

Approach

- Identify Customer Segments and Key Messages
  - Use research to align segment with message
- Create Activation Platform and Call-to-Action Channel
  - Create tools to support key social networks (e.g., Facebook, Instagram)
- Inform Current and Prospective Customer Networks
  - Use combination of traditional, email and social media
- Actively Engage and Monitor Social Media Channels
  - Use paid internal or external resources
- Measure/Analyze/Report Results
  - Ensure high local and marketplace visibility

Impact on Community Support & Engagement / Destination Strength

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Published: July 15, 2015
Organic Marketing (User Generated Content)

Case Study: Orlando – the Never Ending Story, USA

Overview
As a way to make and/or keep Orlando a top-of-mind vacation destination option, Visit Orlando recently launched Orlando – the Never Ending Story. This is a multi-channel organic marketing campaign to encourage the destination’s millions of global visitors to capture and share their Orlando experiences across a wide variety of network platforms.

Approach
Visit Orlando’s campaign strategy is to facilitate the development and dissemination of user-generated visitor content to “tell their destination story” to more effectively target key visitor networks. The objective is to project credible messages that inspire visitors to consider Orlando for a vacation.

Launching as schools in the US and Canada begin summer vacation, Visit Orlando will use a multi-channel strategy to activate the campaign, starting with traditional media to create visitor awareness, and then social media with the #myorlandostory hashtag to create engagement. The campaign will also consist of a dedicated website to encourage visitors to Orlando to share their pictures and stories with friends and family during their visit and when they return. Advertising for the new campaign will focus on marketing efforts beginning in Brazil (Orlando’s leading overseas market), Colombia and the US. Later efforts will focus on Canada and the United Kingdom. Visit Orlando will also engage the thousands of VisitOrlando.com registered users to share their previous Orlando stories.

Outcomes
Outcomes are still unknown as the campaign launched on June 1st, 2015. Advertising for the campaign will not begin until August.

Visit Orlando expects millions of visitors to share their Orlando memories via social media and to create a permanent repository of genuine Orlando stories as told by real visitors on the Visit Orlando website.
Professional Congress Organizer Partnership

Overview

Increasingly, the pursuit of meeting and convention bids requires significant financial and staff resources. This is a particular challenge for smaller DMOs who have limited ability to pursue a large number of bids.

In order to respond to this challenge, DMOs are increasingly forming Professional Congress Organizer (PCO) partner programs. In the typical program, the PCO pays an annual fee to be a designated DMO business partner, giving them the opportunity to participate with the DMO on bids. While the DMO leads the bid process, the PCO plays a supporting role providing critical bid resources (e.g., event budgets and timelines) for inclusion in the bid process. DMOs rotate bids amongst their PCO partners so that participating PCOs get equal opportunities to be involved. Clients are informed that the PCO is supporting the bid, but that if the destination is chosen, the client will be able to still go through an RFP process and select any PCO that best suits their needs.

For PCO partner approaches undertaken by smaller DMOs, the DMO maintains their role as overall bid coordinator with their PCO partners taking on a much more active bid development role (e.g., researching bids, developing bid strategies and formulating bid documents and presentations).

Pros

- Smaller DMOs with limited resources can bid and win more conventions
- The program brings PCOs together and encourages “coopetition” in selling the destination
- The DMO builds a framework for capacity building and relationship building within the PCO community
- While in the coordination role, new DMOs develop their bidding expertise
- Enhances engagement within the association community

Challenges

- Often an association would rather receive a bid from a DMO than a PCO – so, it’s important to define roles and present the bid as coming from the destination, not the PCO
- PCOs need to be willing to work together cooperatively which can be a challenge
- If all PCOs don’t participate then the ones who don’t might work against the DMO
- The strongest and most successful PCOs might feel that the DMO is causing them to lose their competitive advantage

Approach

- Research
  - Establish a database of priority groups and/or conventions

- Develop Procedures
  - Develop the operating procedures and rules of engagement with the alliance

- Formalize Alliance
  - Develop the PCO alliance and determine roles and responsibilities

- Communicate Program
  - Share understanding, processes and objectives with community

- Develop Bids
  - Coordinate the bid processes and work with the PCOs to make sure that the bids are being developed effectively and on time

Impact on Community Support & Engagement / Destination Strength

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Published: July 15, 2015
Professional Congress Organizer Partnership

Case Study: Serbia Bid Alliance, Serbia

Overview
The Serbia Convention Bureau was created in 2007 as part of the Tourism Organization of Serbia. The DMO had two key challenges. The first was a relatively small budget that resulted in very small staff with limited time and experience at bidding for conventions. The second challenge was that it suffered a lack of trust from the industry, especially the local PCO community, due to its reality as a new entity. PCOs distrusted the DMO’s intentions, thinking that it would disrupt their client relationships and possibly favor their competitors. However, in order to be successful, the DMO needed the PCO community’s support and assistance with producing convention bids, a difficult objective when the PCO community was relatively unsupportive.

Approach
The DMO conducted a major research effort using international databases to prioritize the 150 most important and highest potential international conventions to bid for. It offered these leads to a group of leading PCOs on the condition that they had to agree to help create and participate in a Serbia Bid Alliance, a body that would manage the bidding process and involvement of PCOs and their contacts. The PCOs reviewed the list as a group and identified those with which they already had connections. The balance were apportioned out equally so that all the PCOs had a similarly sized list of bids in which they would participate.

The Serbia Bid Alliance analyzed and evaluated these leads and decided to invite 52 local thought leaders who were associated with the highest potential bids to join an Association Development Program and to attend the DMO’s first Association Day organized in May 2010. These local association leaders were informed about available governmental and industry support for the process of bidding, establishing a strong cooperation between the DMO, meeting industry, and association leaders.

Outcomes
Together, the DMO and PCOs have won over 50% of the original 52 identified top leads.

Between 2011 and 2014, they submitted 41 bids and won 27 of them. Five are still in bidding process.

This initiative has also grown to include an Ambassador Program, established in May 2014, which leverages the experiences of local thought leaders who have already hosted large and important international congresses, to either bid on additional conferences, or to encourage bidding by other associations.
Tourism Development Zone

Overview

The objective of a tourism cluster development model is to literally bring the destination vision to life by designating a prescribed geographic area within the destination as a “tourist zone” or “convention district”. A cluster development plan incorporates key elements needed for the envisioned tourism activity through infrastructure development and policy/zoning support in the designated area. Although such clusters have been around for decades, specialized tourism clusters continue to be developed across the globe in rural communities, resort destinations and also for specific activities such as conventions and sports tourism.

The goal of a tourism cluster is to identify, generate and maintain sustainable tourism development projects for regional economic growth, provide employment opportunities, generate foreign investment and create a better standard of living for the residents within the community.

Creating a cluster involves significant engagement and collaboration between various stakeholders including residents, government and investors. Along with the development of a cluster business plan, it is also important to collaboratively integrate an area’s unique history, culture, heritage, architecture, authentic experiences and unique selling points into the cluster’s envisioned experience. Incorporating these internal and external elements will determine the marketplace success and overall sustainability of the project.

Successfully designed and implemented, a tourism cluster development strategy can drive substantial community support for tourism as well as destination strength by introducing an authentic and compelling destination product experience.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
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</thead>
<tbody>
<tr>
<td>• Creates an authentic and compelling regional infrastructure development</td>
<td>• Local community development resistance</td>
</tr>
<tr>
<td>• Creates a comprehensively and collaboratively planned destination experience</td>
<td>• Environmental and community potential negative impact</td>
</tr>
<tr>
<td>• Creates job opportunities</td>
<td>• Impact on cultural heritage, lack of authenticity</td>
</tr>
<tr>
<td>• Improves standard of living for the population</td>
<td>• Communicating the benefits for the local community and businesses</td>
</tr>
</tbody>
</table>

Approach

1. Analyze Destination and Market
   - Look at geographic markets, air access, infrastructure, travel patterns and visitor needs

2. Conduct SWOT Analysis
   - Evaluate competing destinations, cost structure, distribution channels, airlines and accessibility and marketing opportunities

3. Develop Cluster Master Plan
   - Set actions, goals & objective for short, medium and long term vision

4. Introduce Incentives
   - Design a formula to keep the cluster in a balanced position

Impact on Community Support & Engagement / Destination Strength

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Tourism Development Zone

Case Study: Nayarit Development, Mexico

Overview
After strategically supporting the development of Mexican destinations such as Cancun, Los Cabos and Ixtapa, Fonatur, the Mexican tourism development agency, decided to utilize their experience in an area with easy access, infrastructure and natural assets to create a new Mexican resort destination. Litibu is an emerging tourism destination in the state of Nayarit, Mexico. Situated just 45 minutes north of Puerto Vallarta, between the luxury travel destinations of Punta Mita and Sayulita, Fonatur agreed to invest $50 million into the destination to support basic infrastructure including streets and highways.

Approach
Fonatur first conducted a feasibility analysis market assessment of the Litibu area including the current infrastructure, community and air access. This analysis confirmed that the area was easily accessible to primary source market airports in the Western US (LA, San Francisco, Phoenix) through the international airport of Vallarta, and that the land was suitable for the necessary infrastructure. Giving the green light for the development, Fonatur has divided Litibu into two sections with a 167 hectare plan to include seven hotel projects (2,200 rooms), 4,000 privately owned residences and vacation units, a business and commercial area, and a PGA certified golf course.

Fonatur has created a board for the project composed of businesses and local associations to meet the needs of the community, maximize investment and minimize the environmental impact in the area. Throughout the development process, a periodic assessment will take place to analyze social, cultural and economic impact throughout the various development phases. Fonatur has introduced a program of financial incentives to achieve its investment goal in terms of hotels and commercial development. The next steps of the development will be to analyze the necessary elements to improve the standard of schools, housing, transportation and medical needs.

Outcomes
So far the development has completed 2 hotels and 2 condominium complexes, creating 500 tourism jobs and an additional 1,500 jobs throughout the development.
## Wi-Fi Accessibility

### Overview

Providing “municipal internet” (accessible and often free Wi-Fi internet capabilities in key city center areas, venues and facilities) is a growing practice in the United States and Europe. However, there are still many countries and North American cities struggling with how to best implement Wi-Fi accessibility, or, if already implemented, how to best leverage this service.

City government, economic development leaders, the DMO, community groups, tourism operators, education institutions and businesses all benefit from municipal Wi-Fi. Meeting and event planners continue to identify the availability of free Wi-Fi with sufficient bandwidth as a major decision-influencer. However, as each community is different, there are various ways to go about the lobbying for and funding of municipal Wi-Fi. The DMO can play a significant collaborative role bringing together stakeholders and participating in the process:

1. Assess the objectives and desired outcomes of the various stakeholders
2. Communicate the relevant benefits to each party and the community in general to mitigate hesitations
3. Determine required infrastructure and service levels as well as effective funding models. Sample funding models including City/government funding, DMO underwriting of certain elements (e.g., free airport Wi-Fi) and corporate sponsorship.
4. Develop and launch an RFP.

### Pros

- Provides an added value to meeting delegates and visitors
- Provides added value to residents and businesses in coverage areas driving local connectivity
- Brand enhancement through destination appeal to visitors and residents driven by instant story telling

### Challenges

- Communicating positive benefits to stakeholders
- Maximizing security and accessibility
- Keeping up with increasing expectations
- Telcos and internet service providers (who provide internet services as part of their business) will likely object to the potential loss of revenue

### Approach

- **Bring Stakeholders Together**
  - Identify key leaders from public, private and community groups

- **Determine Needs**
  - Assess needs of all parties including corporate, institutions, public entities and community residents

- **Determine Service Provider & Funding Model**
  - Consider corporate sponsorship, city investment, DMO investment

- **Lobby**
  - Communicate benefits and minimize risks

- **Manage**
  - Once implemented, have a team in place to continually manage service and upgrade as required

### Impact on Community Support & Engagement / Destination Strength

![Impact on Community Support & Engagement / Destination Strength](image)

Published: July 15, 2015
# Wi-Fi Accessibility

## Case Study: Smart Cities and Hotels, Canada, Europe & USA

<table>
<thead>
<tr>
<th>Digital El Paso</th>
<th>Smart City, Montreal, Canada</th>
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<tbody>
<tr>
<td>The city, DMO, county, school district, community colleges and public entities embarked on a mission to have Digital El Paso become one of the first cities to offer free public Wi-Fi at the airport, in the city center and at various venues and facilities.</td>
<td>Montreal is an example of a destination that was already providing municipal internet, but has now unveiled plans to enhance that service, recognizing that their previous service was spotty at best. In May 2015, Montreal unveiled its “Smart City” action plan which is a three year plan to ensure that the city of Montreal will all have access to fast, good quality internet via high-speed fibre optic broadband networks.</td>
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<tr>
<td>In this example, the city manages the service and funds the service through their administrative budget. Major investment in capital infrastructure was not required, but the DMO did later make a significant upgrade to all of their infrastructure to continue supporting this value add. Destination El Paso offered to underwrite the service at the airport as the El Paso International Airport was concerned revenue loss from their paid service (this was not required in the end).</td>
<td>This initiative took months of consultations with members of the public, local experts and international research, and will be a $23 million investment.</td>
</tr>
<tr>
<td>El Paso Wi-Fi users and visitors are now able to log in once and enjoy free Wi-Fi service throughout the city. An added benefit is that Destination El Paso is now also in a position to win tech-heavy, social media conferences and bids, with the latest win being the Social Media Tourism Symposium.</td>
<td></td>
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<table>
<thead>
<tr>
<th>WiMate: Wi-Fi To Go</th>
<th>Grand Rapids, MI, USA</th>
</tr>
</thead>
<tbody>
<tr>
<td>A new concept to the hotel industry, guests can reserve a mini, portable router that allows up to 100 MB of high-speed internet anywhere they travel within the destination, without having to pay any data or roaming charges.</td>
<td>Grand Rapids has previously offered free public Wi-Fi in Rosa Parks Circle for particular events, but later approved free public Wi-Fi access year in this area year round.</td>
</tr>
<tr>
<td>The hotel group, Room Mate is offering this service complimentary to guests of their 19 hotels in Europe and the US. Being able to easily post on social media, share travel moments and access maps and tours is a great enhancement to the destination. Room Mate reports that the WiMate Total Wi-Fi program has positively impacted their reservations and has been a good revenue source for the group.</td>
<td>Using a different model, Grand Rapids Wi-Fi is provided and sponsored by iserv, an independent internet service provider, who had to first be approved by the city.</td>
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</table>
GREATEST IMPACT ON BOTH COMMUNITY STRENGTH & ENGAGEMENT AND DESTINATION STRENGTH
DMO Association Development

**Why is it on the Watch List?**
DMOs in the meetings and conventions business should leverage their existing association community, or grow that community by attracting and/or incubating more associations. Building a larger local association community offers increased repeat annual meetings as well as a potential for stronger global networks and more potential local leaders who can help bid for and host conventions.

**Overview**
One basic principle in business is to participate actively in the development of your own market. This practice is about helping to develop local and regional association communities. DMOs that do so have an expanded customer base for more locally organized meetings and more local contacts who are affiliated with and can help them to bid for national, regional and global conventions.

Destinations and DMOs typically support association meetings by pulling together all of the necessary support elements. Some DMOs are exploring their roles as active participants in the association community, rather than just seeing themselves as destination suppliers.

Associations are essentially communities with a common interest, and meetings are a fundamental way in which communities communicate, govern, educate and network. Associations are fundamental to the advancement of developed economies. They provide most of the continuing education for trades and professions, they seek to positively influence regulatory policy, and they promote trade and research networks. Associations are vital to the development of knowledge and creative economies.

When DMOs seek a role in developing association communities, they are helping to build an essential underpinning of economic development in their destinations while at the same time developing a larger customer base for meetings.

**Relevance to Transformational Opportunities**

**The New Marketplace (Broadcast to Engagement):** DMOs are becoming more active in building association communities, targeting specific conventions for which they have strong local counterparts. Some DMOs proactively establish local associations where they see that they do not have strong local counterparts.

**Destination Branding (Destination Managers):** The DMO can take a proactive role in building the strength of the local association community and thus the strength of the destination, effectively taking the role as a destination developer.

**The DMO Business Model (Collaboration and Partnerships):** The DMO partners with local government and economic development organizations to build the local association community and gain their support to bid for and host meetings. As well, the DMO can collaborate with global associations to help establish their presence within the community.

**Approach**

**Analyze Market**
Analyze industry sectors government is developing, which are strengths of DMO, which are lacking local associations

**Target**
Identify key leaders in those fields and work with them to form local associations

**Support**
Develop incentives and provide possible support services including office space, grants, intelligence, key contacts

**Connect**
Help the local leaders of the new associations to connect to regional and global affiliates

**Organize Global Network**
Help association executives to form local, national, regional and global networks

**Impact on Community Support & Engagement / Destination Strength**

*CS&E*
*DS*
DMO Association Development

Case Study: Developing the Dubai Association Center, United Emirates

Overview

The Dubai government was seeking to diversify its economy and to drive development of its knowledge and resources. Dubai Business Events knew that it could contribute to that process by attracting more international conventions as a strategy for enhancing the city’s global trade and intellectual engagement.

The DMO wanted to gain government support for development of a Dubai Association Center at Dubai’s World Trade Center as a means to enhance the destination’s success at attracting global meetings. The DMO felt that the presence of more regional association HQs would help Dubai to strengthen its global networks and conduct more successful bids, while also developing a local association community that would support capacity building in various trades and professions.

The key challenge was achieving the necessary legal framework. Dubai needed to pass enabling law to allow foreign associations to incorporate in Dubai. This was necessary so that they could operate there, establish bank accounts and acquire work visas for staff.

Now that the Association Center, a partnership between Dubai Business Events, Dubai World Trade Center and Dubai Chamber of Commerce, is in place, the challenge is largely promotional.

Approach

A partnership was created between Dubai Business Events, Dubai Chamber of Commerce and the Dubai World Trade Center, with each of the three organizations committing staff to the effort. An on-site team within the Association Center will need to be established to promote the center and provide the support services. MCI Group, an association management company, has been brought in as a strategic partner and will support the program with education programs and promotional events.

Dubai is attracting associations to establish offices at the Association Center by offering incentives and providing support services including information, intelligence, key contacts at ministries and education, networking and knowledge sharing programs. Key to the success of this effort was to get the government focused and committed and to make it a priority with senior policy makers.

Outcomes

Although in early stages of development, 13 associations have already established regional offices in Dubai.

Future measurements will include how many associations are licensed, how many are in the pipeline and how many are prospects. In addition, Dubai will look to find ways to measure the impact of the Association Center in relation to building the city’s knowledge economy.
DMO Association Development

Case Study: Establishing the African Society of Association Executives (AfSAE), South Africa

Overview
South Africa does relatively well at hosting international conventions, but having more regional associations would mean increased regional meetings as well as a bigger market potential for hosting global meetings.

Africa as a whole does not have a large, well developed association community. If it were to develop one, there would be more national and regional meetings. In addition, there would be additional African chapters that could serve as host organizations for global meetings. Finally, it would help build the African professional community which would mean potential local hosts for future convention bids.

Approach
The South African National Convention Bureau (SANCB) realized that growing Africa’s association community was an important priority for two reasons. First, since associations are so important for professional and trade development, it would be good for Africa’s economy as a whole. Second, if there was a stronger and more professional association management community, Africa would develop stronger global association networks and more African association leaders would be motivated to help bid for and host regional and global meetings.

SANCB decided to spearhead the establishment of the African Society of Association Executives as a way to encourage the further development of Africa’s association community. It used Meetings Africa as a launch pad, since a number of leading African association executives were hosted buyers there.

Outcomes
In February 2015 SANCB convened a meeting of 14 key association leaders from nine African nations to discuss the formation of the African Society of Association Executives (AfSAE). The group elected a chair and a board and agreed to work together to form the society. As the society is new, actual results are yet to be proven. SANCB already experienced new and more meaningful relationships with association leaders from throughout Africa. By headquartering the AfSAE in Johannesburg, SANCB is building its unique long-term entrée into the pan-African association community.
Shared Economy Collaboration

Why is it on the Watch List?

Collaborative consumption and disruptive innovation services are here to stay. Driven by changing demographics, especially from millennials, and the advance of inexpensive and available Wi-Fi, cloud computing, geo-location technology and crowd-sourcing, these services are becoming core to the visitor experience.

Overview

The notion of ownership is changing. Consumers, particularly younger people, are more interested in experiences than possessions. This has led to the explosion of the sharing economy, a catchall term for new business models that allow regular people to share property, possessions, skills and knowledge. The tourism industry is fertile ground for rampant growth.

Increasingly, travelers are using sharing economy travel services such as Uber, Lyft and Airbnb to experience destinations. As a result, these enterprises are becoming more crucial in the overall destination marketing and experience ecosystem. However, their disruptive business models make them controversial with traditional DMO partners.

Given the significant impact that the sharing economy is having on a destination’s tourism economy, the DMO is being sought out to develop a WIN-WIN solution for the community and for the traveler. While each destination situation is different, key components of a DMOs sharing economy relationship could include:

- **Community**: Commitment to prescribed regulatory compliance (e.g., taxes, inspection and insurance):Incremental local tourism spending, employment and community tourism engagement.
- **Traveler**: Increased diversity and local authenticity of accommodation options: Assurances for a safe and comfortable destination experience in sharing economy options.
- **DMO**: Commitment as a marketing partner contributing to the destination marketing activities of the DMO through payment of required fees/taxes or prescribed partnership investment.

Relevance to Transformational Opportunities

**The New Marketplace** (*Broadcast to Engagement*): DMOs finding ways to connect in this space can open up an effective engagement tool with these visitors, as well as with local hosts and other service providers.

**Destination Branding** (*Destination Managers*): Facilitating a partnership approach with companies that provide such services provides the DMO with an ability to influence how it is delivered in the destination. As well, services that expand a visitor’s options on how to get around, where to stay, what to eat and what to do, provide the DMO with the opportunity to leverage additional capacity.

**The DMO Business Model** (*Collaboration and Partnerships*): Public policy regarding these services, such as regulations and taxation, requires a network of interested parties to work to reasonable and workable solutions.

Published: July 15, 2015
Shared Economy Collaboration

Case Study: Portland, Oregon - Working with AirBnB and Uber, USA

Overview
Viewing Portland as a “sharing economy” type of place, Portland saw shared services as complementary to the destination’s brand and therefore wanted to find ways to embrace the new opportunities. There was also a general consensus that consumer demand was changing and that embracing the sharing economy was part of keeping up with the market.

AirBnB – After engaging with the local hotels and assessing market demand, Travel Portland (the DMO) agreed to support AirBnB. It was an added benefit that AirBnB agreed to pay local lodging taxes which was not something they had done in other markets.

Uber – The industry view was that Portland had a lack of adequate taxis and therefore the hospitality community was strongly in favor of Uber providing increased service to guests. Seen as a positive addition, Uber was accepted into the community and regulations were put in place to ensure that the organization operated legally and to ensure consumer needs were met.

Approach
Travel Portland regularly works closely with city agencies on issues affecting the visitor industry. The DMO has a Community Action Committee that vets approaches and provides recommendations to the board on engagement on local issues. These issues typically fall into the areas of development, transportation and livability. The committee and board supported the DMO to actively monitor the impact to the visitor experience when AirBnB and Uber decided to advance onto the market.

The city engaged with AirBnB at the corporate level and sought a partnership where the city would welcome AirBnB under the condition that AirBnB agreed to pay the local rooms tax on all rooms sold in Portland. Portland also passed a law requiring AirBnB hosts to register with the city, pay an operating fee and to be subject to inspections.

In relation to Uber, the DMO focused its role more directly on working with the city to adopt an update to city regulations to allow for more market competition. The city agreed to allow a pilot program and established an innovation taskforce to review regulations. Uber is paying a permit fee and also fees in relation to the ride-sharing in Portland, while the city has taken the cap off of taxi permits during the pilot phase.

Outcomes
The city is now working with both AirBnB and Uber to develop evaluative metrics such as wait times, customer satisfaction, neighborhood complaints, etc.

The DMO and AirBnB are exploring how to further develop their partnership to meet visitor demand especially during peak season and citywide sell out events. In the meantime, AirBnB opened an office in Portland and its host community is adding to growth in local room tax collections. The DMO is working through AirBnB to communicate with the local host community, and they see potential future opportunities to work together on neighborhood campaigns and additional marketing initiatives.

Enforcing all of the AirBnB conditions has been challenging for the city.

Anecdotal evidence is that both meeting planners and travelers think that Uber is enhancing and improving the destination’s ground transportation services.
Tourism Infrastructure Crowdfunding

Why is it on the Watch List?
Crowdfunding is a disruptive funding strategy that should be considered by destinations as an alternative to traditional means of raising capital for major industry infrastructure projects. It involves a platform, an identified need of funding, and a community of people willing to collectively contribute these funds in exchange for rewards and recognition. The DMO can insert itself in a central role in this practice.

Overview
DMOs are often challenged to find the resources to increase capital infrastructure for important projects and facilities. Crowdfunding initiatives are an option to not only raise investment funds, but also to evoke the public spirit of citizens and awake their interest to participate in the construction of a new convention center, for example.
Crowdfunding is the practice of funding a project or venture by raising monetary contributions from a large number of people. Although a very popular funding model in numerous industries outside of tourism, it is a rather new practice being used within the industry. Crowdfunding is a program that engages the community in a city-wide infrastructure project such as a convention center, venue or attraction to help the city compete in business and events arena.

Success of a crowdfunding campaign will be dependent on developing a comprehensive strategy that engages and excites the community, accurately portraits the overall benefits of the final project to the entire community, and continually provides transparent communication throughout the project cycle.

Relevance to Transformational Opportunities
The New Marketplace (Broadcast to Engagement): This practice engages individuals and entities within and outside of the tourism industry, providing them with ownership and pride of a large city project. Community members will better connect with the industry and provide opportunities to grow future local engagement.

Destination Branding (Destination Managers): A DMO takes the leadership or, at minimum, helps to support raising capital for an infrastructure project, lacing them in a crucial destination management role. The DMO needs to decide how and where to be involved in crowdfunding but it is does alter the more traditional mandate of most bureaus.

The DMO Business Model (Collaboration and Partnerships): Crowdfunding involves numerous stakeholders including chambers of commerce, private entities and local residents. All stakeholders and investors work together to help promote the city and build awareness of the new convention center and tourism opportunities.
Tourism Infrastructure Crowdfunding

Case Study: Pereira ‘First Brick’ Initiative, Colombia

Overview
In Pereira, Colombia, plans had been approved to build the Expofuturo -Pereira Convention Center, but the Chamber of Commerce of Pereira needed to find funding. Recognizing that the project represented great benefits for the entire region, Pereira and the Chamber began to devise different ways to motivate people and organizations of the city to get involved. Thus, they decided to make the convention center a project of the community, engaging them to participate and give a great gift to Pereira. From this came ‘The First Brick – Public Spirit Campaign’.

The First Brick was a crowdfunding initiative aimed to evoke the public spirit of citizens and awake their interest to participate in the construction of the convention center. This was a program that engaged the community in an infrastructure project to compete in the business events arena, while also contributing to their regional economy.

Approach
More than 2,000 bricks were delivered to public, social and opinion leaders. Those bricks contained compelling information telling people how the city of Pereira was built mainly based on the public spirit of its citizens. While educating the community on the importance of a convention center, the community was invited to get involved in the construction of the convention center itself.

As people learned about the convention center, they began to fall in love with it. Everyday more people and more enterprises wanted to get involved, so they started donating financial resources for the building. To reach more people, especially people from Pereira who lived in other cities of the world, a digital marketing strategy was developed, where people built a digital wall by leaving a message for the city and making online donations.

As the future belongs to youth, The First Brick initiative went to all the schools of the city, telling the children how the city was built, teaching them what exactly a convention center was, and inviting them to become part of it.

Outcomes
In just one year, more than 6,500 people and firms become part of the building of the center, raising over $15 million USD and obtaining international recognition for the strategy.

Beyond the financial investment, the effect on the community was overwhelming, demonstrating that people want to become part of its city’s main projects and that destinations can progress much further when the entire community is engaged.
Destination Brand Unification

Overview
In many communities around the world, the development of a brand and its promise is often completed by the local official marketing organization, primarily DMOs. Additional brands are simultaneously being developed by the public sector at a local, regional or national level, often by economic development, commerce, or the tourism secretariat, with little or no input from the DMO. Although separate brands are being developed, each of these brands are working toward a similar goal of developing a brand that is representative of the community, with a supportive promise that guarantees unique experiences when visiting.

Because of the common goal, there are now DMOs who are taking on the task of developing, implementing and establishing a unified destination/community brand program with the support of all community stakeholders. Rather than creating a new and separate brand, the DMO is leading a brand development process, seeking input and approval from the government, resulting in one unified brand for the destination and community.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
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<tbody>
<tr>
<td>• Unified marketing guarantees brand promise is kept and works toward one common goal of the community</td>
<td>• It can be challenging for the DMO to build a business case for this practice</td>
</tr>
<tr>
<td>• Maximizes marketing and promotional resources by eliminating redundancies</td>
<td>• DMOs may not have the financial and/or staff resources in place</td>
</tr>
<tr>
<td>• Proactively addresses the goals and objectives of all community and industry stakeholders</td>
<td>• Ineffective if all stakeholders within the community do not have common goals and objectives</td>
</tr>
<tr>
<td>• Builds credibility and relationships with the community and industry for the DMO</td>
<td>• Initiative can distract from DMO’s core operations</td>
</tr>
</tbody>
</table>

Approach
- Engage Key Stakeholders
  Meet with government to define brand objectives and approach
- Determine Partnerships
  Create internal steps and steps for each community organization
- Collaborate with City Hall
  Define contractual arrangement
- Engage Community
  Meet with key stakeholders to identify goals and initiatives
- Implement & Evaluate
  Monitor and communicate results

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Destination Brand Unification

Case Study: Newport Beach & Company Unification, USA

Overview
Newport Beach was a DMO with a solid reputation, a clearly defined brand and a thriving business until they were hit by the recession and economic challenges. Their community stakeholders were demanding greater economic development and their situation was further complicated by business sectors working independently, a lack of resources, and the dire need for additional marketing funds.

To breakdown silos and increase the effectiveness of the various promotional and business development efforts for Newport Beach, the Mayor asked the DMO to lead the promotional efforts of all these organizations. The DMO needed to re-structure its organization to ensure they were able to deliver these new services and manage expectations of all stakeholders.

Approach
The DMO, Mayor and the City Manager developed prescribed roles and responsibilities where the DMO was responsible for brand strategy, marketing and selling, while the city government was responsible for product development.

The city and DMO then conducted an internal and external analysis to develop a plan that would transform the DMO to meet their new obligations, consisting primarily of additional marketing responsibilities. Champions were identified to support the implementation process for each stakeholder group: board, community, and government. A new organization, Newport Beach and Company, was created to handle the single, cohesive Newport Beach brand in a holistic and integrated fashion.

Newport Beach embarked on a year-long process of engaging with businesses, media, social leaders, governments and economic development investors to ensure that an integrated approach would be deployed to support the needs of the individual organizations and their stakeholders.

Outcomes
This well mapped out plan and integrated effort led to the development of an overall destination strategy and tactical implementation plan based on brand marketing and a clustered approach to selling the Newport Beach Community.

The DMO is now responsible for leading the charge on a fully-integrated business and destination marketing approach for Newport Beach. With an expanded marketing team, all various key stakeholder groups are being serviced with the DMO as the leader of a shared destination brand and promise. All committees are realizing superior results with validated metrics including increased cluster approach to selling that have generated increased revenues and also established incremental ancilliary private revenue streams for each business unit with less dependence on government funding.
# DMO Generated Events

## Overview

Most destinations have need periods on their events calendars. Many destinations are also comfortable providing event incentives in the form of subvention funds to event organizers many who may not return to the destination for many years, if ever – to secure events. Communities are now considering the investment of DMO resources to help grow existing annual events or to support the creation of new events in need periods to better utilize their subvention investment resources to generate incremental business.

At the outset, a DMO needs to do a thorough analysis, in collaboration with its stakeholders, to identify target need periods. At the same time it should also work with community stakeholders and event owners to determine the type of events that will provide the best benefit to the destination, including support for its brand. For example, events that complement key community interests or existing economic strengths will likely be easier to produce and more successful. Careful vetting of the proposed event in terms of its potential to perform to pre-determined performance goals is critical.

A key decision parameter for the DMO will be the type of investment to be made: e.g., direct subsidy, repayable loan or performance-based joint venture. The event’s ability to meet established destination objectives for attendance and financial performance must also be carefully considered. Some larger destinations may even consider this practice as an ongoing investment justified by the incremental visitor business delivered and destination brand equity created.

## Pros

- Increased revenues for the community and tourism stakeholders during a need period
- Potential new revenue stream for the DMO
- Effective capacity utilization
- Increased destination awareness and brand equity
- Development of new expertise for the DMO including event marketing and production
- Creates community engagement and business relationships with stakeholders outside of the tourism industry

## Challenges

- Risk of financial loss, especially in first year or two of the event
- Success of the event, and relevant benefits, may not be visible for 1-3 years
- Perception that the DMO is not focusing enough on their “core” activities of sales and marketing
- Perceptions by show producers that the DMO is getting into their business
- Additional resources will be required to support event services

## Approach

### Identify Destination “Need Periods”

Determine target dates where there is excess capacity

### Develop Partnerships

Identify key event partners

### Develop Business Plan

Determine financial structure and funding resources, target events, marketing plans and committees

### Implement Event Services

Determine best services model (in-house or outsource) to negotiate, market, produce, manage & implement event

### Manage Financial Aspects

Communicate financial, visitor, economic development and community results

## Impact on Community Support & Engagement / Destination Strength

![CS&E](image)

Published: July 15, 2015
DMO Generated Events

Case Study: Business Event Generations, Greater Houston Convention & Visitors Bureau, USA

Overview
The Greater Houston Convention & Visitors Bureau (GHCVB, the DMO) was making substantial annual subvention fund investments to one-off, non-returning groups. In order to generate greater returns on their subvention fund investments, the DMO extended their subvention strategy to include investments in developing events that would occur annually in Houston during key need periods.

Because the DMO was initially nervous to immediately start producing events from scratch on their own, the model began with the provision of repayable loans to event producers. Over time, the strategy gradually evolved to include joint ventures with event producers.

Approach
GHCVB created an event investment fund from its equity and subvention funds. Their goal wasn’t to make money but to utilize excess capacity to generate additional tourism income during historical low occupancy periods when event facilities and hotels were not full. The GHCVB formed an Entrepreneurial Committee made up of recognized local entrepreneurs who helped vet business plans and provide their counsel on available opportunities. The committee members included successful business people who understood the industry, but were not necessarily members of the DMO or within the meeting/event supplier community. The DMO also hired a trade show consultant to advise the staff and committee on key elements including which events to develop and how to market and produce the events.

An important point to note is that the GHCVB chose to keep their event incubation effort separate from its sales function so as to not distract from those efforts.

Outcomes
The DMO has secured a number of visitor-generating, repeat events, without having to participate in a high-cost competition to secure the events. Through this initiative, the DMO has financially broken even having avoided the cost of subvention funds and bid expenses while generating incremental annual income for the community through new events:

* Comicpalooza – DMO owns 20%, started at 4,000 attendance, last year was 40,000. Global Congress for Safety in Travel – DMO is an investor in this event.
* Texas Black Expo – DMO has moved from a grant provider to an investor Medical World Americas – DMO owns 50% of this event in a joint venture SW Texas
* Total Energy USA – Has an advisory committee that connects DMO to top energy company representatives. Space Com – The first year of this event is coming up in October 2015.
DMO Generated Events

Case Study: Coachella Valley Music & Arts Festival, Palm Springs, USA

Overview
The Coachella Festival is an annual music and arts festival held at the 78-acre Empire Polo Club in Indio, California. Several stages are set up around the grounds with continuous live music, featuring many genres. Established artists are showcased as well as emerging artists and reunited groups.

In addition to live music, Coachella also includes a showcase for visual arts, including installation art and sculpture. A budget is provided for artists to come develop commissioned pieces. Artists are given access to the grounds 10 days prior to the event to build and assemble their pieces.

Approach
Coachella was started by Paul Tollett in 1999 and organized by Goldenvoice, a subsidiary of AEG Live. It began as a single-day event and has gradually grown to a much larger event held on to consecutive three-day weekends in April with each weekend having an identical line-up.

As the host city, Indio provides police and fire protection, private medical services and city staff services for the event.

Outcomes
Coachella is one of the most successful music festivals in the US. In 2014, aggregate attendance totaled 579,000 over six days with a record-breaking gross revenue of $78.3 million.

A 2012 economic impact study revealed that the Coachella Festival generated over $254 million to the Palm Springs desert region, of which Indio received $89 million in consumer spending and $1.4 million in tax revenues.

This successful event has served as a model for other American destination music and arts events.
Formalized Economic Development Partnerships

Overview

Traditionally DMOs have measured their success through their role in the delivery of direct incremental travel/hospitality-related spending, such as lodging revenues, to a community that translates into destination economic benefits (e.g., employment, sales tax revenues).

DMOs are increasingly being sought out by other community leadership organizations such as the office of economic development, real estate developers etc., to provide financial support and marketing expertise to help attract economic development investment, workforce talent and deliver overall destination brand marketing support. When acted on effectively, this creates an opportunity for the DMO to not only build community support for tourism beyond traditional stakeholders, but also to position the tourism industry and the DMO as community leaders.

DMOs are developing partnerships with economic development counterparts in three areas:

1. Leveraging DMO Financial Resources and Marketing Expertise: DMOs have access to destination-specific resources and expertise to help present the destination in a brand consistent manner.

2. Targeting Specific Mutually-Beneficial Economic Development Opportunities: Often DMOs and Economic Development Organizations (EDOs) partner on specific opportunities such as a corporate relocation or community development (e.g., stadium redevelopments). DMOs can work with their stakeholders to provide financial support/cost relief to enrich community offers.

3. Leveraging EDO Relationships as a conduit to business and government leaders for new opportunities (e.g., securing business events).

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uses DMO expertise to deliver new assets and experiences to improve the destination experience for visitor and resident alike</td>
<td>Could require investment in non-tourism activities that only produce longer-term results.</td>
</tr>
<tr>
<td>Expands and diversifies DMO business network creating new relationship capital and opportunities for new meetings and events business</td>
<td>Requires dedicated DMO leadership to develop partner relationship and manage/direct desired outcomes.</td>
</tr>
<tr>
<td>Raises and expands local profile of DMO and its contribution to the community.</td>
<td>Could be seen as fragmenting DMO efforts away from driving traditional tourism/hospitality transactions and benefits.</td>
</tr>
</tbody>
</table>

Approach

1. Identify Key Economic Development Stakeholders
   - Work with DMO Board and community leaders

2. Define/Establish Joint Objectives
   - Collaboratively define opportunities, approaches and success measures

3. Create Partnership Agreement
   - Assign key staff and partner resources

4. Execute and Implement Plan
   - Engage community and marketplace to define opportunities

5. Report Results
   - Ensure high local and marketplace visibility

Impact on Community Support & Engagement / Destination Strength

CS&E

DS
Formalized Economic Development Partnerships

Case Study: Global Talent Hub, Sydney, Australia

Overview
The key challenge is finding real synergy with economic development organizations. How can a DMO’s goals of attracting conventions align with an economic development organization’s objectives? If the trade and investment people are to invest with the DMO in attracting conventions, they need to obtain a clear and compelling measurable outcome advancing their goals.

The Sydney DMO wanted to partner with economic development organizations in ways that would be synergistic to its international convention attraction efforts.

Approach
The Committee for Sydney, which is an organization of major corporate leaders who formulate recommended policy initiatives for government, had developed a program called “Global Talent Hub” which was designed to attract highly skilled international talent to Sydney as part of developing its knowledge and creative economy. The DMO wanted to work with the committee, as well as the state’s Trade & Investment Department, to use international conventions as part of the Global Talent Hub Strategy. They worked together to evaluate how bringing in conventions would tie into efforts to attract global talent to Sydney and formed a strategy and value proposition around that.

Not only would they target conventions whose attendees were the type of talent being sought, but they would also agree to work with the associations to identify key delegates that might influence foreign direct investment opportunities (FDI). Sydney CVB targeted conventions that could bring new global talent to the city. It formed relationships with them by inviting their key association leaders to education and professional development sessions.

Sydney also looks for opportunities to have the targeted associations set up regional headquarters in Sydney and always offers speaker content portraying Sydney’s attractiveness as a place to relocate for career and lifestyle choices.

Outcomes
Sydney surveys delegates six months after the conference to gauge their intentions and 12 months after to determine numbers of people relocating. The research includes the incentives that were in place to get them to relocate and the types of professionals relocating.

Associations have established regional headquarters in Sydney, which in turn stimulates more meetings there.

Sydney is also tracking the number of bid wins and related impacts (delegates, room nights, spending, economic impact) from conventions targeted through the program.
# Formalized Economic Development Partnerships

## Case Study: Irving Convention and Visitors Bureau & Monterey County Convention and Visitors Bureau, USA

### Overview
As a result of intense competition and scarce financial resources, DMOs are increasingly being sought out by community Economic Development Organizations (EDOs) to provide marketing expertise and overall destination brand marketing support. Irving CVB (Texas) and Monterey County (California) CVB have led the development of powerful partnerships in their communities that have produced results for their respective stakeholders.

<table>
<thead>
<tr>
<th>Irving, Texas</th>
<th>Monterey, California</th>
</tr>
</thead>
<tbody>
<tr>
<td>By creating a partnership with the local EDO through reciprocal Board positions, the DMO has become widely valued with business and government community stakeholders.</td>
<td>The MCCVB’s partnership strategy has positioned the DMO as the county’s brand strategy manager and integrator, directing other county agencies to integrate any/all tourism-related efforts with the DMO and establishing value creation in some key areas:</td>
</tr>
<tr>
<td>The DMO is now a high-impact partner in two key opportunities:</td>
<td>1. <strong>Brand Development</strong>: The MCCVB has been positioned as the county’s “go-to” brand strategy leaders which has included leading the design of the county’s entry at the State fair.</td>
</tr>
<tr>
<td>1. <strong>Business Relocation</strong>: Using the DMO’s expertise to position attractive bid packages with incentives provided by the tourism industry, to attract businesses to locate in Irving and then leverage that relocation to secure additional meeting and event business for the destination.</td>
<td>2. <strong>Event Attraction</strong>: The MCCVB partnership with government and economic development stakeholders has helped build significant business and policy development capital which has led to the securing of events that provide economic development and tourism benefits to the county such as the Forbes Ag-Tech event.</td>
</tr>
<tr>
<td>2. <strong>Investment Development and Attraction</strong>: Irving DMO has led the discussion for value-oriented development that supports traditional economic development recruitment priorities. Visitor demographic data and meeting planner survey data has been utilized for private developers to provide additional market support for projects.</td>
<td></td>
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</table>

### Outcomes
In both cases, the partnerships with economic development stakeholders has led to increased community and government support for tourism and the DMO as a community leadership organization. This support has helped the DMOs secure additional meetings and event business as well as the necessary support for tourism/meeting industry infrastructure investment (e.g., convention center).
Non-Industry Destination Advocates

Overview

As community engagement and economic development become increasingly more important within tourism, DMOs are now engaging with entities that would traditionally not participate with DMO initiatives or even within the tourism industry. Non-tourism-focused private corporations, manufacturers, various community groups and political entities all have the potential to contribute to the strategic role of tourism in developing their destination, and DMOs are now starting to leverage these outside opportunities. For example, defining the brand of a destination touches on many different aspects of the community. However, too often DMOs develop brands in isolation, or with a narrow group of stakeholders.

DMOs are now implementing effective stakeholder engagement practices beyond their own industry to build strategies that support the common goals of the entire community including government, businesses and residents alike. DMO engagement practices now include surveying local residents and businesses on a range of topics related to tourism, seeking input and support from residents and businesses when assessing community-wide bid opportunities, and when considering investment in potential tourism assets that could help enhance community neighbourhoods. Residents and non-tourism entities are willing participants in such initiatives when they are relevant to the future of their community.

Today, enhanced community support, events, infrastructure and even funding for the DMO are all results of a DMO implementing and effective community engagement strategy.

Pros

- Politicians, corporations, universities, and residents are all engaged in the industry and aware of its social and economic contributions
- Events that occur in the city have the support of those outside the industry
- The DMO is able to access support from a broad cross-section of stakeholders instead of relying on a narrow cross-section with limited resources

Challenges

- Needing to convince traditional tourism stakeholders (e.g., hotels, operators) that the engagement/outreach will generate business and create long-term destination strength

Approach

- Develop Committees
  - Develop multi-stakeholder committees with roles and responsibilities

- Define Vision and Strategy
  - Build in community values

- Analyze Current Market
  - Understand areas to focus

- Develop Brand
  - Facilitate destination story-telling

- Organize
  - Set DMO structure, purpose and key strategies

Impact on Community Support & Engagement / Destination Strength

Published: July 15, 2015
Non-Industry Destination Advocates

Case Study: Community Advocates, Göteborg & Co., Sweden

Overview

Göteborg, Sweden, needed to determine is destination direction from the perspective of attracting international tourism and event business. Various agencies were involved in promoting the city, but with limited results. The challenge was to develop a common vision and approach that would have broad support from all stakeholders across the community.

Approach

Building on a long-standing tradition as a trading port city, a cross-section of community, government and business leaders were asked to participate in a process to determine the direction of how the city should develop itself to attract greater international tourism and business event visitation. Discussions did not so much involve defining tourism business opportunities, but focused more on the way “the story of Göteborg” could best be told on the world stage. This widely supported view of the destination became the groundwork for what was to become Göteborg & Co, the DMO.

This foundation of broad community engagement carries forward into activities today. Community residents are regularly surveyed to determine their views of which events should be pursued by the DMO. Major corporations, such as Volvo, which is headquartered in Göteborg, regularly participate in DMO initiatives to support tourism.

Outcomes

Göteborg & Co has broad community support for its efforts in building business for the destination. This includes the opinions of local residents that are taken into serious consideration, participation by 25 of the biggest companies and universities in the region, and the active advocacy of local politicians for the industry’s benefit.
Tourism Master Planning

Overview

Many DMO's currently complete Strategic Plans and annual Marketing/Business Plans. In today's highly competitive and transparent marketplace, there is pressure on destinations to optimize attractions and visitor experiences.

A Tourism Master Plan is a long range blueprint for how the tourism experience can contribute to the social and economic “quality of place” for the destination community. The plan sets forth the vision for what the destination aspires to become, and outlines a roadmap for how it will get there. The process of developing the plan involves significant consultations with the community and its customers to envision, activate and manage a plan for sustainable, shared business success.

Master plans, required for many years at airports, require a clear and transparent process which includes two critical elements:

- An assessment of the destination and opportunities for the region
- Comprehensive and diverse consultation with tourism industry and community stakeholders.

The length and cost of this project is largely affected by the amount of consultation and analysis incorporated into the process.

The final master plan should include a vision, targets, goals, strategic initiatives, and a implementation plan.

<table>
<thead>
<tr>
<th>Pros</th>
<th>Challenges</th>
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</thead>
<tbody>
<tr>
<td>• Can generate a significant amount of community support and understanding of the industry</td>
<td>• May require a significant amount of resources to develop (staff and cost)</td>
</tr>
<tr>
<td>• Can establish a vision and action-oriented plan which will improve the destination, critical to the long-term success of any tourism market</td>
<td>• Can create further divisions in a community if the process is not carefully planned out and executed</td>
</tr>
<tr>
<td>• Aligns the tourism industry with other critical urban planning and community initiatives</td>
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</table>

Approach

- Conduct Market Assessment
  - Analyze industry trends, asset mapping and competitive assessment
- Hold Consultations
  - Including one-on-one interviews, focus groups and workshops/open house
- Set Visioning & Goal Setting
  - Include strategic analysis, vision, targets and goals
- Create Implementation Plan
  - Strategic initiatives, resources and timelines

Impact on Community Support & Engagement / Destination Strength
Tourism Master Planning

Case Study: Indianapolis Master Plan, USA

Overview

With over 26 million visitors each year, Indianapolis is an established destination. Although Indy’s growth in overnight visitors during the past five years has outperformed the US average, it has performed better in the meetings and conventions markets than the leisure market.

Several urban planning and economic development strategies were underway with limited involvement by the tourism industry. Visit Indy (the DMO) and its subsidiary, Tourism Tomorrow, Inc., embarked on one of the first major tourism master planning initiatives in the US in the summer of 2014 to provide some of this critical input.

Three objectives were established:

- Focus on infrastructure, facilities, services, attractions & events which need to be developed to improve overall visitor offering & experience
- Use time frame of 10 years and beyond
- Coordinate with and integrate into other economic development and community planning initiatives already underway across the Indy Region

Approach

A steering committee of community and industry leaders was established to manage and guide an extensive process of analysis as well as community engagement and consultation. Over 660 individuals participated in face-to-face meetings. Public sentiment surveys and focus groups have gathered input from over 1,700 members of the general public.

All of the findings were presented to a visioning workshop in May 2015 with discussion on all critical elements of the plan: vision, targets, goals and strategic initiatives.

The Master Plan will be ratified at a board meeting in September.

Outcomes

While not yet completed, several hoped-for benefits of this initiative include:

- Improved relationships with other community and business groups
- Critical integration and input into urban planning initiatives
- Stronger collaboration and cooperation among DMO’s in the region
- Improved awareness and public support for the important role of this industry.