

Tourism for the 21st Century



1

The Internet has changed everything

2

We are drowning in advertising overload

Everything is changing

- We are in the biggest shift in North American history
- Can it get any worse?
 - SARS
 - Terrorism
 - Swine flu
 - \$4+ per gallon fuel prices
 - The economy downturn
 - Airline fees and overall TSA aggravation
 - The sequester...
- Travelers think less of the airline industry than they do of riding a bus or other forms of transportation
- Two major ingredients leading to this shift

The internet has changed everything

- 90% of all Americans now have immediate access to the internet
- 94% use the internet to decide where to travel, where to live, where to work, where to establish a business
- 70% are frustrated with their travel planning via the web
- If you want new businesses, residents or visitors, it starts in front of a computer screen

We are drowning in advertising overload

- We are exposed to 5,000 marketing messages a day
- Twice as many as 20 years ago
- This has created a situation where 97% of all community-based travel marketing is ineffective



Why? Because the kind filters anything that doesn't specifically appeal to us

- Because everyone is saying the same things, we just tune it out
- The big question – what do you have that the people you are hoping to attract can't get or do closer to home?
- The world is at our fingertips in seconds – so what sets you apart from everyone else?
 - Why should they invest in your community
 - Why should anyone move there?
 - Why should people visit you?
 - Why should they buy from you over anyone else?
- Whatever makes you different or clearly better (by third party endorsement) – you must hang your hat on that



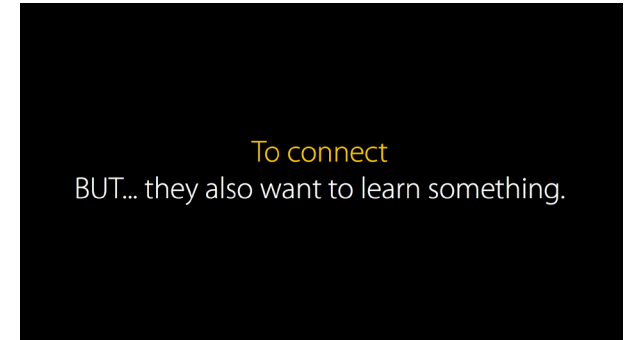
The challenge: competition has never been more fierce

- Communities and businesses have been forced to specialize
- Yet most are stuck in the mire of the "group hug mentality"
- For communities it's the membership mentality
- In this age of differentiation we must, outwit, outplay and outlast
- It is a brand new game
- How do you stand out from the crowd? How can everyone have something for everyone?
- Don't panic. The answers and solutions coming up



13 things to do to maximize tourism revenues

- Three categories – demographics, product development, marketing



Demographics

- Baby boom generation – 1946-1964
 - Account for 80% of travel spending
 - 350,000 people turning 50 every month
 - Control 70% of all North American's wealth
 - Mindset: individuality, emphasis on youth, self-absorption
 - They will pay more for quality – but still want a good deal. They are savvy travelers
 - TripAdvisor is at the top of their list
 - The top 15% of lodging facilities, in terms of quality, command 85% of the leisure travel business with this group
- Seasons: Shoulder seasons #1: April, May, September, October – stretch your seasons!
 - Money: This is the inheritance boom – they will inherit \$8.5 trillion
 - Spending: this is the “me generation” – travel is at the top of their list
 - Boomer’s “Mantra” – “We may be aging, but we are NOT growing old!”
- What do these folks want when they travel?
 - To connect, and also to learn something
 - Culinary tourism: visiting chefs, restaurants, education
 - Culinary travel as a focus for 20% of leisure travelers
 - They are more fluent
 - Better educated
 - Take part in more activities than the average traveler
 - Art: artists in action, learning new hobbies, education
 - People are 4 times more likely to buy art when they meet the artists
 - Ethnic events: learning and experiencing other cultures
 - Home and garden: education, training, garden tours
 - Public markets, farmers markets – not just for locals, also draw visitors



Grandparents are making time with their grandkids a top priority

- Including local sporting events, music recitals, etc. – localism
- But grandparents prefer local lodging instead of staying with the kids and grandkids
- This is the age of reconnecting – with each other, with kids and grandkids
 - Connecting with roots
 - With the environment
 - With our communities
- Voluntourism – giving back
- The days of “herding” are over – unless it is fun and unusual
- They want truly unique experiences – places and activities



Quick facts

- The boomers make up nearly 40% of the total population
- The days of the 21-30 day tours are over. Try 7 to 10 days
- Instead of Sunday through Friday – Thursday evening, return on Monday
- Tours: offer ample flex time
- Boomers hate being called “boomers”. Aspen ski program “Bumps for Boomers,” changed to “Ski for Life” and logo gear sales went through the roof
- Invoking the word “Boomer” in marketing is OK: “Boomers do more in Denver”
- Multi-generational travel is HUGE – and growing
- Never stereotype boomers
- Get away from it all: Not so fast. Even “glamping” and safaris include wi-fi



The Echo-Boomers or Millenials

- 1977-1994
- Experiences embraced by echo boomers
 - Culinary tourism: visiting chefs, restaurants, education
 - Art: artists in action, learning new hobbies, education
 - Ethnic events: European, Scandinavian, Cajun, Indian
 - Environment: kayaking, climbing, canoeing, extreme recreation
 - Public markets – farmer markets – add entertainment



Another trend: today's parents spend more time with their children than their parents did in 1965. Fathers – twice as much time



Women rule the world

- Women account for 80% of all spending
- What to do – think benches
- Take note: women make 70% of the travel decisions, where to go and where to stay
- 50+ the healthiest, wealthiest, most active in history
- 80% use the internet before buying
- 70% of new business started by women
- 92% pass on info to other women
- Moms represent a \$2.4 trillion market
- Control 60% of all personal wealth
- More women are online than men



What to do with all of this?

- Boomers can make your shoulder season travel
- Boomers want the unusual
- Both generations love voluntourism – giving back
- Multigenerational travel is kicking into high gear
- Boomers go where the millennials go
- Travelers want to learn something (both groups)
- Focus on women
- With women, safety is rule one



Product Development



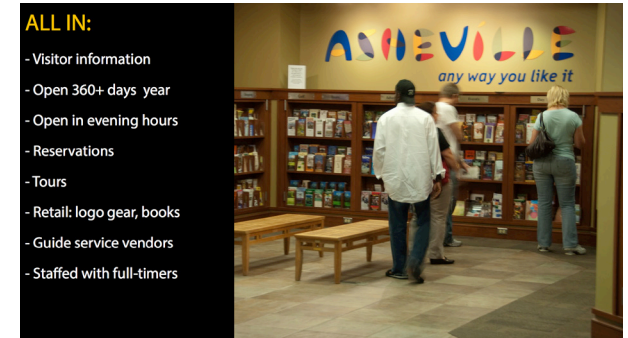
Destination Marketing Organizations must champion the cause for product development

- The days of the traditional DMO are over



A case history – Michelle Lintz, CVB Director Rapid City, South Dakota

- The primary lures – Mt. Rushmore, Sturgis, Deadwood, Fort Custer State Park, Badlands National Park, Crazy Horse Memorial
- The challenge: Rapid City was the “hole in the donut”. People stayed there, but left for other attractions
- Shifting gears: While a DMO, advocating and providing leadership for product development
- Quote: “Your success is only as good as the product you promote”
- Downtown Rapid City turned their downtown into a major attraction with a plaza
- Now Downtown Rapid City is as big a draw as Mount Rushmore



A case history – Jefferson, Texas

- Population 2,500
- Brand: antique capital of Texas
- 125 antique dealers
- Now the B&B Capital of Texas

Visitor Information Centers: be all in or all out

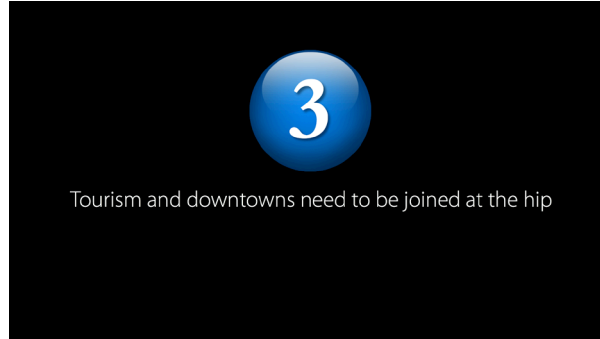
All in –

- Visitor information
- Open 360+ days per year
- Open in evening hours
- Offer reservations – hotels, tours, activities
- Tours
- Retail: logo gear, books
- Guide service vendors
- Staffed with full-timers
- With the advent of technology, if you don't offer anything more than what I can get online, then spend your money on online content instead



Gazebo or other non-staffed visitor information centers are an “out” option

- Brochures, maps, etc.
- 24-hours per day
- QR codes



Tourism and downtowns need to be joined at the hip

- Community first, visitors will follow
- The heart and soul of every community, besides its people, is its downtown
- If locals won't hang out in your downtown, neither will visitors
- The number one complimentary activity of visitors: shopping, dining and entertainment in a pedestrian-friendly, intimate setting
- That is where 80% of all visitor non-lodging spending takes place
- Think Downtown Disney
- 70% of all consumer retail spending takes place after 6:00 pm – are you open?



Farmers market in Sparks, Nevada

- Originally open in the afternoon – drew about 500 people
- Extended hours until 7:00pm – went to about 1,000 people
- Changed hours to 11am-10pm – added music, entertainment – attracts 10,000 people
- Curb appeal can account for up to 70% of first-time sales at restaurants, golf courses, wineries, retail shops and lodging facilities



The 7-8-7 rule

- 70% of first time sales can come from curb appeal
- 80% of all spending is by women
- 70% of retail spending takes place after 6:00pm

Marketing

- Make the web your number one marketing priority
 - But remember – it must be good enough to close the sale
 - 88% of Destination Marketing Organizations still spend more on printed materials than on the web
 - Most have it backwards
 - Your marketing dollars at work:
 - 45%: Internet/website/social media/apps/peer reviews
 - 20%: public relations, media-brand building
 - 20%: advertising – to drive people to your website
 - 10%: collateral materials
 - 5%: outdoor, trade shows, other marketing avenues
 - Bottom line: spend your money on the content, not the delivery system
 - Think WordPress
 - Sample themes built for tourism organizations
 - Content is what closes the sale

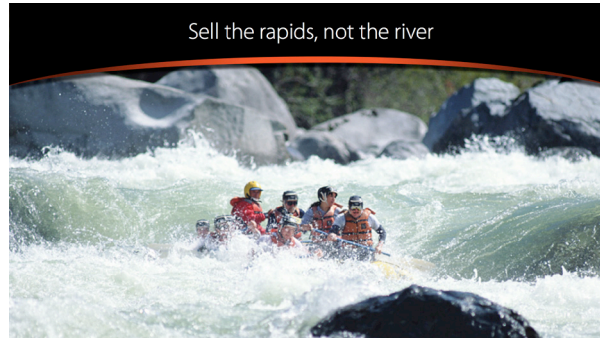
Promote experiences, not cities, towns and counties

- Make sure they are different!
- 86% of travelers won't go past the second page of internet search results
- Do whatever it takes to get on the first page of search results
- Always promote experiences over geography
- Interactivity, not passive things to look at
- Location is always second to the activity
- Visitors don't care about regions, counties, districts, cities or towns
- Sell the rapids, not the river
- Always sell the experience
- That means, always show people
- Experience in the foreground, location behind
- Have you ever gone anywhere because it was a county?



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Invest in professional photography

- Show people, not places
- Evoke emotion. "Wow! I want to do that!"
- Make sure it's different or better than what the customer can do closer to home
- Forget boundaries. No one cares about you
- These are not primary lures
 - Your location. Cities. Counties. Regions
 - Historic downtowns. Architecture
 - Scenic vistas
- These are all part of the ambiance. Success revolves around activities
- Nothing sells like video. Make sure it's different, or clearly better



Tips for ads

- One signature photo or graphic. One
- The header: Differentiation, "what?"
- The sub head
- The body text: the sale
- The logo/location: "And by the way..."
- Website address: "log in now"
- Tag-line: exclamation point
- Don't put the name of your city at the top of your ad – lead with the experience



Narrow your focus

Narrow your focus

- You MUST jettison the generic
- Look at your taglines and logos
- Look at your brochures and website
- Read your introductory text
- If it can fit anyone, toss it and start over!
- The rule: don't be all things to all people
- Promote your primary lure
- Find your niche and promote it like crazy
- The narrower your focus, the stronger your success will be



Case history: Stew Leonards in Connecticut

- Family owned grocery store
- Wal Mart came to town
- They narrowed their focus to farm fresh produce and dairy
- Added a world class bakery
- Made it experiential with a farmyard zoo, displays that "moo". Free ice cream if you spend \$100 or more
- "Profit is the applause of happy customers"
- The brand: farm fresh produce and baked goods
- Result: Highest per square foot retail sales of any grocery store on earth
- Stew Leonards now has five stores

Words and phrases to avoid

- Explore
- Discover
- Outdoor recreation
- Unlike anywhere else
- So much to see and do
- The four season destination
- Where the seasons come to life



- Historic downtown
- Center of it all
- Best kept secret
- We have it all
- Experience...
- Visit (name of town)
- Beauty and heritage
- Naturally fun
- Gateway
- Close to it all
- Right around the corner
- Your playground
- So much history
- Purely natural
- The place for all ages
- ... and so much more
- Home away from home
- A slice of heaven
- It's all right here
- Recreation unlimited
- The perfect getaway
- The place for families
- Start your vacation here
- Recreational paradise
- Take a look!

You must separate your primary lure
(that one thing that sets you apart)
from your diversionary or “complementary” activities



NARROW YOUR FOCUS:

Don't just market what you have.

Market what will close the sale.

The days of marketing lists are over.

You must separate your primary lure (that one thing that sets you apart) from your diversionary or “complementary” activities

- **Lure:** what sets you apart from everyone else
- **Diversions:** things I can do closer to home, but will do while I'm in your community. These are complementary activities to the primary lure
- **Amenities:** Parking, restrooms, visitor information, lodging, dining, fuel, medical and other services
- **Ambiance:** historic downtowns, landscaping, street trees, scenic vistas
- **Icon:** the photo opportunity
- **Rule:** always promote the primary lure – your anchor tenant
- **Remember:** primary lures cannot succeed without complementary activities

Complementary activities include:

- Shopping and dining
- Entertainment
- Historic sites
- Local history museums
- Hiking
- Walking tours
- Things we can do closer to home, but will do while in the area
- The average visitor is active 14 hours a day, but only spend 4-6 hours with the primary activity; 8-10 hours with the complementary activities

Narrow your focus: don't just market what you have – market what will close the sale

- The days of marketing lists are over
- You MUST jettison the generic
- Example: the Oregon Coast
 - Each community has its own identity – points of differentiation
 - Astoria: history
 - Seaside: the family beach destination
 - Cannon Beach: the upscale arts and romantic escape
 - Tillamook: the cheese factory
 - Florence: the Oregon dunes
 - Newport: Oregon's deep sea fishing village
 - Bandon: the golf destination
- The challenge: getting everyone on the same page, pulling in the same direction

7

Get noticed

8

Provide specifics - not generalities



Get noticed

- Groupon, Living Social, Amazon Local, Google Offers, etc. – opportunities to get noticed
- New audience

Provide specifics, not generalities

- This is why people use the internet
- For example, if you are a fishing destination, you need to provide:
 - What will I catch?
 - Where do I get a fishing license?
 - How much is it?
 - What are the limits?
 - When are the fishing seasons?
 - What time of day is best?
 - What kind of bait should I use?
 - Is there a bait and tackle shop in town?
 - Fishing guide services?
 - How do I get to specific fishing spots?
 - Is there a place to park?
 - Anything else I should know?

Develop specific itineraries

- Think like a travel writer!
- Itineraries should provide specifics, including times, activities, restaurants and even a dish to order there
- Can differentiate itineraries based on demographics
- This is the age of specialty publishing – they are looking for content for their readers!
 - Send your itineraries to specialty publications that target their readers
- Develop a “hidden gems” book

9

Get involved in the conversation

Get involved in the conversation – the rule of social media

1

Watch what people are saying about you

Watch what people are saying about you

- Subscribe to Google alerts for free
- Check Wikipedia – update
- Flickr, Instagram, etc. – populate with photos
- Twitter and Facebook – hold the conversation

2

Populate peer review sites

Populate the peer review sites

- Cost: none
- 86% of consumers trust peer reviews. Less than 35% trust ads
- TripAdvisor
- Be a part of this conversation
- You have the opportunity to respond to poor reviews – but don't be defensive
- You can pass out cards from TripAdvisor, inviting people to share their review
- However, if you put in fake reviews, you will be banned
- Populate Google Earth with photographs
- Nothing is more important in the travel industry than watching the peer reviews

3

Make YouTube a priority

Make YouTube a priority

- One million seconds = 12 days; One billion seconds = 32 years; One trillion seconds = 31,688 years
- The world watched 1.46 trillion YouTube videos in 2012 – and it's growing
- In the US, work with Brand USA and Discover America to post videos
- Make them specific, not generic!

10

Grab my attention!

Grab my attention

- If you want your marketing to be effective, you **MUST** stand out from the crowd and grab their attention
- “On the average, five times as many people read the headline as read the body copy. When you have written your headline, you have spent eighty cents of your marketing dollar.” David Ogilvy
- Evoke emotion
- Slide 223
- Make a statement
- Hit me in an emotional spot
- With headlines and photographs
- Sell the experience
- Evoking emotions creates top of mind awareness and a call to action

11

This is the age of pricing transparency.
PERIOD.

This is the age of pricing transparency. **Period.**

- People want the pricing available up front
- All services, lodging, etc. need to have pricing transparent
- Add ons, deals, etc. need to be clear and up front otherwise you will lose the sale

12

You are in the age of personalized travel

13

Create marketing partnerships



You are in the age of personalized travel

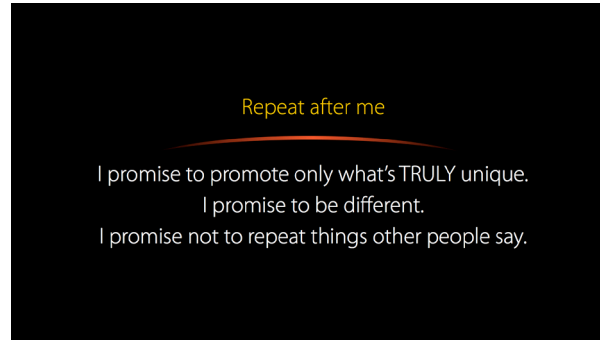
- People want and expect personalized options tailored to their preferences

Create marketing partnerships

- Market to the Four Times Rule: people will travel if you have activities that will cater to me and keep me busy four times longer than it took me to get there
- “The shortest distance between two points is a good time”
- If your market has to drive one hour to reach you, there needs to be at least four hours of activities to keep them busy
 - The more you have to offer collectively the further people will come and the longer they will stay
 - The moral of the story – you are far more effective as one loud voice than a number of small individual voices.

Example: Thurston County, Washington

- An hour drive from Seattle market
- There were several small museums, none of which on their own fit the Four Times Rule
- They came together and created a marketing piece that promoted all of them together – each paid for their own panel
- The outcome: Attendance tripled while cutting the collective marketing budgets by two-thirds



Here's why tourism is the greatest industry on earth

- Tourism is the 2nd, 3rd or 4th largest industry in every state (in Hawaii it is #1)
- Tourism is the front door to your non-tourism economic development
- Tourism is the purest form of economic development
- Tourism isn't about visitors – this is about cash – outside money coming in
- Tourism is the largest engine in the country for new business start ups
- Tourism is largely recession proof – people have an innate desire to travel no matter what the economy is doing
- US Travel is working very hard for you – the Power of Travel Coalition
- Be a part of the program

Mantra

- This should be your mantra: I promise to promote only what's TRULY unique. I promise to be different. I promise not to repeat things other people say.
- In the end, you must deliver on the promise