



A NEW VISION FOR ACHIEVING COMMUNITY SUCCESS, GROWTH AND SUSTAINABILITY

Have you ever wondered what it would be like to start over? Knowing what you know now, a once-in-a-lifetime opportunity to get it right?

In the weeks and months after the fallout from a global pandemic created an existential crisis in the Travel and Hospitality sector of the economy, we heard the word “pivot.” We heard it a lot.

The pivot came quickly for most Destination Marketing and Management Organizations (“DMOs,” also known as Convention & Visitor Bureaus, or “CVBs”) as they rapidly abandoned their traditional outward-facing sales and marketing efforts in those first few days. Lightning-fast, these agencies turned inward, racing to aid their local business community, turning their considerable expertise in marketing to communicating real-time information to local residents.

By virtue of their skill in Social Media and their close relationships with restaurateurs, retailers, nightspots and event planners, DMOs were able to help restaurants survive by promoting hours of operation and take-out and delivery options (all with a reminder to residents to help their favorite restaurants survive and keep people employed). Some helped retailers set up online stores to sell local products. Others helped local musicians stage online concerts and fundraisers. And, many helped their local businesses traverse the red tape involved in applying for State and Federal relief funds.

However, after that initial pivot...what next? Simon Sinek (author of *Start With Why and Leaders Eat Last*) recently suggested that those businesses that attempt to return to how it was will not thrive in the ways that those that see the coming year as a “start-up” year will. Indeed, nothing will ever be the same again...so why would anyone believe old systems will work going forward?

So, in this tumultuous era when everything is being questioned, we have the rare opportunity to re-examine how and why DMOs were founded, how they have evolved and what changes need to be actualized to realize the full potential of community development agencies going forward.

Indeed, for DMOs to truly have a meaningful and sustainable impact upon their communities, this conversation will not (and cannot) be limited to DMOs. Every organization that is dedicated to building a sustainable, competitively successful community will have a role in envisioning this new future. And, every community leader will need to play their part in the transformative process we will outline on the following pages.

Our communities, neighborhoods and residents deserve no less.

Shall we begin?

Bill Geist
Chief Instigator / DMOPROZ
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“It takes a moment like this...to open the door of our mind to change.”



THE OPPORTUNITY

“Back to normal” is an impossible goal. And, it has nothing to do with the pandemic, recession or the protests demanding social justice across this land.

Indeed, even in days when everything seemed calm, the “normal” changed every day, if not every hour. In the blink of an eye, educated and aware individuals began overnighing in strangers’ homes and jumping into strangers’ cars. As a society, we willingly surrendered personal data to take advantage of new Social Media platforms or use DMOs websites. And, during “lockdown” we discovered that Zooming from home could be an effective way of getting stuff done.

It takes a moment like this, right here and right now, where we are questioning everything, from prevention to policing, to open the door of our minds to change. COVID-19 has provided us with a collaborative opportunity to press the “reset” button and imagine how community building would be designed if we were starting from scratch. But first, let’s examine how we got here.



OUR HISTORY

In the beginning, there were Chambers of Commerce. Dating back to 1599, the first Chamber was formed in Marseille, France...centuries before American Chambers (or the United States, for that matter) were even imagined. But, the purpose was the same; to form a network of businesses to enhance the climate for commerce, trade with one another and advocate for their mutual interests. In North America, the first Chamber was established in Halifax in 1750.

Over time, Chambers of Commerce began to recognize the opportunity to encourage people from other parts of the country (and, in some cases, the world) to visit their communities, infusing new money into their economies. Many established “Tourism Committees” to develop strategies to attract consumers to vacation or spend a long weekend in their town.

For many communities, the establishment of hotel occupancy taxes as a means to fund these efforts to attract visitors resulted in the “Tourism Committee” having access to a significant revenue stream. And invariably, the majority of these Committees petitioned for independence from their parent Chamber. At the same time, as Economic Development began to become an important goal for communities, these former Chamber Committees began to work toward their independence, as well.

Today, in the majority of communities, there exists a Chamber of Commerce, an Economic Development Organization (EDO) and a Destination Marketing Organization (sometimes referred to as a CVB or Tourism Office)...along with, in some cases, a Downtown Development agency, an Arts Council, Neighborhood groups and other organizations, all dedicated to community growth and success.

It is, to be sure, an organic way of addressing niche needs. But, it does not take into consideration the bigger picture; that all of these initiatives are intertwined and must be collaboratively addressed if a community is to truly succeed. That is what this moment in history allows us to reconsider.



THE EVOLUTION OF DESTINATION MARKETING

When DMOs were initially created, they were singularly focused on securing convention and meeting business for their community. Indeed, the first DMO was created in 1896 to lure conventions to town in order to showcase Detroit to attendees as a potential locale for entrepreneurial investment (the goal was not “heads in beds” in this initial iteration). These first organizations were called “Convention Bureaus” and eventually expanded their monicker to include “and Visitors” (thus, CVBs). For many communities, however, it wasn’t until the ‘70s and ‘80s that marketing to leisure travelers began to be embraced.

And, that evolution hasn’t stopped. In the ‘90s, DMOs began to become public advocates for destination development projects such as Convention Centers and Tournament-grade Sports Complexes. Many launched Sports Commissions to attract tournaments to their parks, complexes and indoor facilities. As the first two decades of the new Millennium progressed, some DMOs moved into managing facilities and helping to curate Arts, Culture and Heritage offerings. Over the past decade, we’ve seen DMOs devote significant resources into the creation of experiences that appeal to both visitors and residents. This is why, a few years ago, some proffered the idea that the “M” in DMO should stand for Management.

When travel ground to a halt in March, DMOs were the agencies that pivoted, virtually over-night, to provide assistance to their business communities by marketing locally and assisting their partners in an effort to keep their doors open and people employed.

What we’ve been witnessing in this year of the pandemic is a rapid evolution to a new reality for these agencies. They have become **Destination Leadership Organizations**. But, to avoid confusing the issue, we’ll continue to refer to them as DMOs in this treatise.

LOOKING FORWARD

A number of years ago, the Marketing Director from a major-market Chamber of Commerce crystallized the role of the “Big 3” in a conversation we had. He said, “DMOs exist to attract visitors. EDOs exist to attract business start-ups, investment and corporate relocations. Chambers exist to make our members insanely successful.”

There is a significant truth in his delineation of duties between three agencies that often jockey for position and funding. And, this opens the door to another concept that was advanced a decade ago by Ed Morrison, currently the Director of the Agile Strategy Lab at the University of North Alabama. During the last recession, he proffered the following suggestion:

“There are three kinds of money: Good, Bad and Neutral. Good Money comes from outside our community...and it’s now ours. Bad Money is the money we spend in other communities...it’s no longer ours. And, Neutral Money is the money we spend within our community.”

Our communities need to figure out how to increase Good Money, decrease Bad Money and speed the velocity of Neutral Money.”



Destination Marketing Organizations speak to everyone.



There is power in Ed's words. Attracting outside revenue into a community's economy is critical to its success as, without attracting new money, an economy eats itself. DMOs have always been dedicated to the acquisition of New Money; it's what they do. But reducing Bad Money and speeding the velocity of Neutral Money? Who's job is that? And, how is it even done?

Let's start with Bad Money, which happens when a community's resident elects to spend their discretionary income on a weekend getaway somewhere else. Beyond the simple joy of discovering a new destination, this often happens when a resident believes there is nothing fun to do this weekend in their town. So, they search for entertainment and recreation somewhere else...and thus, remove revenue from their community.

So how does a community prevent the loss of Bad Money? More events. More festivals. More nightlife. More Arts & Culture. More sporting events...anything that would trigger a FOMO ("fear of missing out") reaction in its citizens that would keep them (and their money) home.

And, Neutral Money? That's encouraging people to purchase goods and services from their neighbors and fellow community members. It is motivating residents from the suburbs or rural communities to come downtown (and vice versa). It's stimulating someone from the city to head into the rural parts of the county to experience an eclectic diner or an outdoor performance under the stars...and getting all area residents to experience the arts, culture, entertainment and culinary aspects of the community. For DMOs, this has never been part of their mandate. Indeed, in some destinations, State law prohibits DMOs from marketing within 50 miles of the community. A decade ago, Ed Morrison was way ahead of the recent trend to market locally to mitigate recessions.

If we can agree that every community needs to increase Good Money, decrease Bad Money and speed the velocity of Neutral Money, it is time to design a new model that does all three.

THE JOB AT HAND

Our communities need a number of things...and, as Quint Studer opined in *Building a Vibrant Community*, we can no longer rely on government to take the lead (much as they believe they should). *"They simply don't have the capacity to revitalize towns, cities and communities, and that was never intended to be their role. It's difficult for officials to drive things long-term. Because they rotate in and out with four year election cycles, it is difficult to depend on them to maintain continuity. Often, big vision projects take more than one or two election cycles to complete. They require long-term dedication and tenacity in order to execute these projects so they closely resemble the original vision."*

That means our future increasingly will be in the hands of the private sector. Government will rarely be in a position to lead...but, we will absolutely need them to support our efforts.

It will fall to Destination Marketing Organizations to tell the story...because, of all of the agencies dedicated to community growth and vibrancy, DMOs are the organizations with the broadest mandate and reach. Chambers of Commerce speak to and support their members. Economic Development Organizations speak to business leaders and site inspectors. Sports Commissions speak to rights holders and recreation facility managers. Downtown and Main Street organizations speak to their members and those that love downtowns. Arts agencies speak to those who love arts and culture.

Destination Marketing Organizations speak to everyone.

This truth is the basis for a new way of viewing the job at hand. To be successful, a community's brand and messaging must be cohesive. On the surface, merging these organizations into one mega-agency would suggest an ability to provide continuity of message and a reduction of overhead and administrative costs. But, history has shown that when DMOs exist as a division of Chambers of Commerce or Economic Development agencies, community marketing is often executed through the lens of the parent organization (which rarely is marketing-centric).

In addition, the revenues that are ostensibly being dedicated to destination marketing often find their way into supporting the parent organization's programming or overhead. Thus, expecting an organization with a primary skill set that isn't marketing to set the tone for developing a universal brand and message for a community is counterintuitive. Yet, because community leaders typically understand Chambers and Economic Development better than they do DMOs, this has been the prevailing model when community development organizations merge.

We propose a radically different approach.



THE NEW SOLUTION

In 2015, Longwoods International, one of North America's most trusted travel research firms, set out to study the effect of tourism advertising on people's perception of a destination for non-tourism interests and pursuits. What they discovered, after surveying over 18,000 consumers, was that, after being shown a 30 second tourism video, people were 10 to 15% more likely to view a community in a positive light in terms of living there, choosing to attend a local college or starting a business in that Destination.

It's why we coined the phrase **"Tourism is the First Date for Economic Development"** the following year. Destination Marketing Organizations help plow the road for Economic Development agencies, for local corporations looking to recruit top talent and for Colleges and Universities to draw potential students to campus for a tour. A DMO's brand message encourages visitation that, if successful, should benefit commercial and residential realtors when those visitors decide they'd like to become more than just occasional visitors.

For Economic Development efforts to bear fruit, business owners, entrepreneurs and site selectors must be inspired to add your community to their list for consideration. Thus, doesn't it make sense that it's the marketing that always comes first; to make a cold call warm? After all, the case studies of companies investing in a community without an exploratory visit is, without much doubt, a fairly short list. Especially in these days in which a critical corporate assessment of Quality of Life and Place is such a significant driver of business location, a visit to a community is often significantly more important than the building or the land.

For Chambers of Commerce, Downtown and Main Street agencies, being closely affiliated with a DMO is a solid benefit for their members, as the DMO can often be in the position of enhancing member visibility through their multiple online and traditional marketing channels. In addition, DMOs are typically more adept at developing itineraries and connecting experiences than a Chamber or Downtown Association is able to do. These organizations are at their best when they are focused on Member needs outside of marketing, such as downtown activation and events, professional development programs, political advocacy and business support.

And, for all community development agencies that continually fight for funding and recognition, wouldn't it make sense to partner with an umbrella organization that can help reduce overhead and increase visibility? Wouldn't such an organization that represents several community development interests be better positioned to build budgetary resources from both the public and private sectors? We've seen several instances across the country where a single "joint ask" results in a larger investment than the sum of several requests.

The only thing that prevents such a scenario from becoming the preferred organizational structure of the future is professional ego. It would be a shame to squander this moment in time because someone doesn't want their resume to reflect that they were once a CEO and are now a VP. As made famous in *Star Trek: The Wrath of Khan*, "the needs of the many outweigh the needs of the few...or the one." Pardon the continuation of the Trek reference, but we must, as Jean-Luc Picard said, "Make it So" for our communities to be able to effectively compete in the global marketplace for talent, investment and non-resident tax revenue.



HOW TO GET THERE

If you've made it this far through this treatise, you probably agree that marketing must come first. In most cases, the Destination Marketing Organization is the specialist in this field. But, suggesting that the DMO become the lead organization will likely be met with instant opposition from other agencies that believe this, in some way, diminishes their stature in the community.

So, how do we collaboratively achieve a new reality that makes such perfect sense? While it will be different in each and every community, we offer the following thought starters:

ONE: *The Convening of a Collaborative Conversation*

The process begins with a few exploratory conversations with key community leaders to test the willingness of these individuals to consider a bold re-imagining of community development. These discreet discussions could be CEO to CEO, Board Chair to Board Chair or a combination of both. In select cases, gauging interest from the Mayor or County Executive may be appropriate...or those discussions might be better placed once there is some community momentum.

These initial conversations must be built upon the promise that no one in current leadership roles loses a job, compensation or position in the development of a better mousetrap. This understanding will be crucial to honest and visionary conversations on behalf of the community. The future of the community needs the professionals that head their development agencies. The community needs the Board members that provide the leadership and community connectivity. For this to work, everyone needs to be safe.



If there is enough interest, the primary community development agencies (Chamber of Commerce, Economic Development agency, Destination Marketing Organization, Sports Commissions and others, as appropriate) should come together for a comprehensive conversation to examine the opportunities for collaboration. And, in this moment in time, discuss ways to develop a Joint Recovery Plan...or identify ways the collective could be even more effective in speeding the velocity of Neutral Money throughout the community.

The DMO has likely been hyper-engaged in this strategy since the pandemic reared its ugly head...but, imagine the impact if all the partners addressed this opportunity collaboratively.

TWO: *Asking Why*

During this meeting, participants must ask the question "why." Why do each of the organizations at the table exist? What is the primary goal they all exist to fulfill? What does every organization have in common with every other organization at the table? How can that synergy be more effectively marshaled on behalf of our stakeholders? And, they must keep asking "why" until they have broken the answer down as far as it can be broken.

THREE: *Identifying the "One Thing"*

Let's take Economic Development as an example. Why is Economic Development important? Some of the answers will likely be "create more jobs," "enhance the economy" and "increase the community's tax base." But, ask "why" again. Why is the creation of jobs important? Why do we want to enhance the economy?

If you ask "why" enough times, you'll likely find the core purpose of every community development organization: **To improve the Quality of Life for residents.** At the end of the day, the primary customer for each organization around the table is its residents. That is "The One Thing."

FOUR: *Agreeing on "The How"*

Now that you have identified "The One Thing" that all community development agencies agree upon, how would you go about achieving that goal? Assume that your collective organizations were not already ensconced in the fabric of the community. How would you design the perfect mousetrap to do all the things that are necessary to enhance Quality of Life and Place?

We believe that Job #1 is awareness and appreciation of the community...because no one invests in a community if they aren't aware of its existence, haven't been hearing good things about it and don't have first hand, on-the-ground experience there.



Destination Marketing thought leader Maura Gast famously uttered these words a decade ago, as she concluded her year as Chair of the DMO sector's trade association, today known as Destinations International:

If you build a place where people want to visit, you will have built a place where people want to live.

If you build a place where people want to live, you will have built a place where people have to work.

If you build a place where people want to work, you will have built a place where business wants to be.

And, if you have built a place where business wants to be, you will have built a place where people want to visit.

It all starts with a Visit...and that Visit starts with the DMO.

If the collaborative partners agree, it's time to think outside the box in which we've all been operating.

A NEW IDEA

Today, we have the rare opportunity to embrace the concept of creating a new organization; one that can serve as every community's umbrella marketing agency to ensure continuity in all brand messaging, cross-agency collaboration and a substantial reduction in duplicative administrative expenses. A new umbrella organization that can work collaboratively with local and State government to ensure equitable public sector investment into community-wide initiatives that drive increased revenues to every agency's bottom line. A new umbrella organization that streamlines it all.

As we noted earlier, every community development organization speaks to a defined portion of the whole, while DMOs speak to everyone. Thus, this umbrella agency's CEO and Board must come from a marketing discipline. Whether it is the DMO CEO that leads this initiative is not important. The point person of this new agency must view the world through the lens of a marketer...and have a demonstrated background in influencing community leaders and public policy to build a Sense of Place.

Next, we identify the various partner organizations that will come together within the umbrella to collaborate. Unquestionably, the DMO is central to such a concept. Economic Development is clearly an important partner in this endeavor, as they are the most aligned to the goals of Destination Marketing, But, we also envision Chambers of Commerce, Downtown Associations, Sports Commissions (if they exist outside their community's DMO) Main Street agencies, Arts Councils, Venue Management, Events and Festivals and Neighborhood Organizations being part of the umbrella. Each of these agencies speak to an important subset of the whole and can benefit from an overarching brand identity that ties them inexorably to the community they serve.

The development of an umbrella organization means that existing CEOs and Executive Directors continue in place in their respective organizations. No one loses position, compensation or their Board of Directors. Indeed, most in the community will never know that a change has occurred, nor would they have the need to know. But, every organization has the opportunity to strengthen its efficiency, messaging and impact upon the community by being able to place a more singular focus on the things at which it excels. Administration, brand and continuity of messaging is handled by the umbrella organization.



Naturally, a visit could be a result of an invitation of a friend or family member to come for the weekend. But, more often than not, that visit was inspired through a story the individual saw in a magazine, on Social Media or online. Or, they experienced the community when accompanying their daughter to a soccer tournament...or attending a convention. That means they were likely inspired by the work of a Destination Marketing Organization.



As the marketing pros at Miles Partnership were recently assisting both the San Francisco Tourism Association and the Chattanooga Tourism Company with developing overarching brand positions for those communities, they asked a pivotal question: Do you want to be a Branded House...or a House of Brands. The graphic below visually exemplifies the concept:



While many of Procter & Gamble’s subsidiary companies are unquestionably successful, most consumers are unaware that Crest, Folgers and Tide are part of the P&G family. No one mistakes a FedEx product or service. No one. That’s the point of centralizing a community’s marketing message.

One needs to look no further than the sensationally successful Pure Michigan campaign to see that such synergistic approaches already exist among us. When the State’s Economic Development Office adopted the Pure Michigan brand for its work, awareness alignment ensued. Indeed, the then-EDO Director famously quipped that when Pure Michigan Tourism ads ran across the country, inquiries to his office spiked.

When Gary Sherwin began to build this model in Newport Beach CA, he explained the concept in way that crystalized it for many; he used Disney as his example. The entertainment giant operates with five primary divisions, Studio Entertainment (movies), Media Networks (broadcast, cable and radio), Parks, Experience & Products (Parks and Cruise

Lines), Direct-to-Consumer (Disney+ and Hulu) and its Consumer Products Division (toys, games and figures). But, by operating under the umbrella of the Disney Corporation, every touch-point with the company’s hundreds of products screams “Disney.” In this way the brand is reinforced at every turn.

Shouldn’t our community’s brand be as uniformly solid as Disney’s? And, that is just what Newport Beach & Company set out to do.

Today, everything that emanates from Newport Beach & Company looks like it comes from a singular, brand-focused company...because it does. Regardless of whether the message is from Enterprise Newport Beach (their Economic Development agency), Celebrate Newport Beach (their Chamber and Events agency) or the DMO, there is no doubt in anyone’s mind of the symmetry within the community.

In this model, each partner agency contracts with the umbrella organization to design marketing materials, public relations, websites and social media communiques. Each agency retains its Board, senior staff and strategic mission and tactical program of work. Management of each agency will meet collectively once a week to ideate synergistic, cross-promotional opportunities. And, each agency is free to pursue their target markets without having to deal with administrative issues and the development of creative and messaging...which is provided by the umbrella agency.

There is also a strong financial incentive for this kind of approach. Take an agency that may have a \$250K budget. If they act alone in a silo, they will spend their 250K budget and they are done. By working with Newport Beach & Company, they are able to leverage their budget with other marketing initiatives that are already in play. With an Umbrella approach, the \$250K agency gets more than \$400K in actual marketing value, earning considerably more than just their single investment.

In a perfect world, all the partner agencies should office in the same building or campus to encourage camaraderie and inter-agency relationships. Existing leases should not be an excuse to forgo this bold new structure in community development. Gather the agencies that will be part of this new marketing and development consortium and plot a time line of when present leases expire and how a unified office structure could come to pass to create true synergies and cost-savings.



CLOSING THOUGHTS

What we are proposing to become the next iteration of community development will likely be initially embraced as making a whole lot of practical and strategic sense by some. But, we also expect the concept to elicit a fair amount of pushback from those that fear a loss of position and/or influence...or from those that simply don't want to work together to achieve a common good.

If the leadership in your community is hesitant to embrace this new path, it is up to those that see the power of a "marketing-first" approach to community development to identify an alternative track forward.

Consider exploring the opportunity before you by co-locating the key organizations into a single physical space to encourage collaboration (many say this co-location of three major players was key to Madison WI's ultimate realization of its lakefront Convention Center in the 1990s). The primary community development agencies in Colorado Springs also did this to both solidify working relationships and provide meeting space and other administrative services to local non-profits. In the end, the propinquity of people with common goals can pay significant dividends.

Suggest that the DMO handle marketing services for Economic Development and other affiliated agencies to demonstrate the power of a shared brand. Identify other ways for the DMO to provide value to other organizations' efforts to show how a collaboration pays off for all. That is how the successful Topeka Partnership model began; the Chamber reached out to the DMO to handle its marketing. And, it was the South Shore IN CVA that provided the marketing muscle for a distinctly "non-tourism" community development initiative that sought to lure new residents to Northwest Indiana.

Bring the players in your community together to discuss and develop Joint Recovery Plans. Work together to create videos and messaging that all community development agencies can use. Once other agencies see what their DMO can do for them, their support for a new way of promoting the community should collectively grow.

As we all struggle to cope with diminished resources and significantly increasing expectations, this is the opportunity of a lifetime to consider a new and radically different path forward.

*Tourism is the First Date for Economic Development.
Tourism and Love of Community
will Lead us to Economic Recovery.*

- Rick Antonson

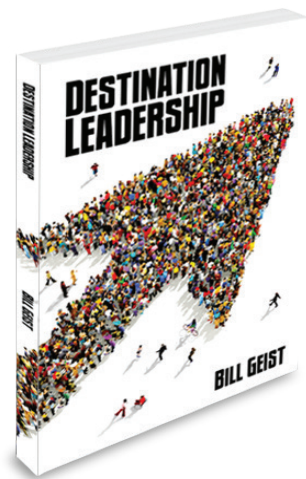
While this will likely take on various permutations from community to community, the basic tenet will be constant. It all starts with a visit...and the visit is inspired by marketing. Everything follows from that.

In these tumultuous times, we're here to help you ideate your future and facilitate these discussions.

If you'd like to explore these concepts with us, schedule a no-cost, virtual conversation by calling DMOProz at 608-999-0325 or reaching out via e-mail to info@DMOProz.com.

MORE ON DESTINATION MARKETING & MANAGEMENT

For a deeper dive into the promotion of communities, *Destination Leadership* is the leading book on the topic. Author Bill Geist explains how and why DMOs are designed and offers actionable recommendations on ways that community leaders and Boards can support these initiatives to enhance Quality of Life and Place.



You can find it on Amazon for \$29.95 (don't pay more), or contact DMOProz directly at info@DMOProz.com.

