

DESTINATION NEXT

Beloit, WI

November 29, 2017



About Destination NEXT

Vision:

Provide destination organizations with a powerful assessment tool and practical actions and strategies for sustainable success in a dramatically changing world

Sponsor:

Funded by a grant from the Destinations International Foundation

Three Phases:

1. 2014 Futures Study on Key Trends & Opportunities
2. Scenario Model & NEXTPractices
3. 2017 Futures Study Update



Agenda

- 1) Present DestinationNEXT findings and scenario model
- 2) Breakout discussions regarding key strategic questions

FUTURES STUDY

Top Trends



**Smart
Technology**



Social Media

Engagement

Consider that every minute of the day:

- **3.5 million search queries** made on Google (60% on mobile devices)
- **4.1 million videos** viewed on YouTube (consumers prefer video 4:1 over print to learn about product)
- **46,200 images posted** on Instagram (48% of users use platform to help choose vacation destinations)
- **2,853 new mobile phones** activated in the U.S. alone



TripAdvisor

- Founded in 2000
- Largest travel site in the world
- 62% of hotel guests around world visit site before making a booking



Hotels

Vacation Rentals

Restaurants

Things to do

Flights



JOIN



Travelers' Choice: Top hotels

See all

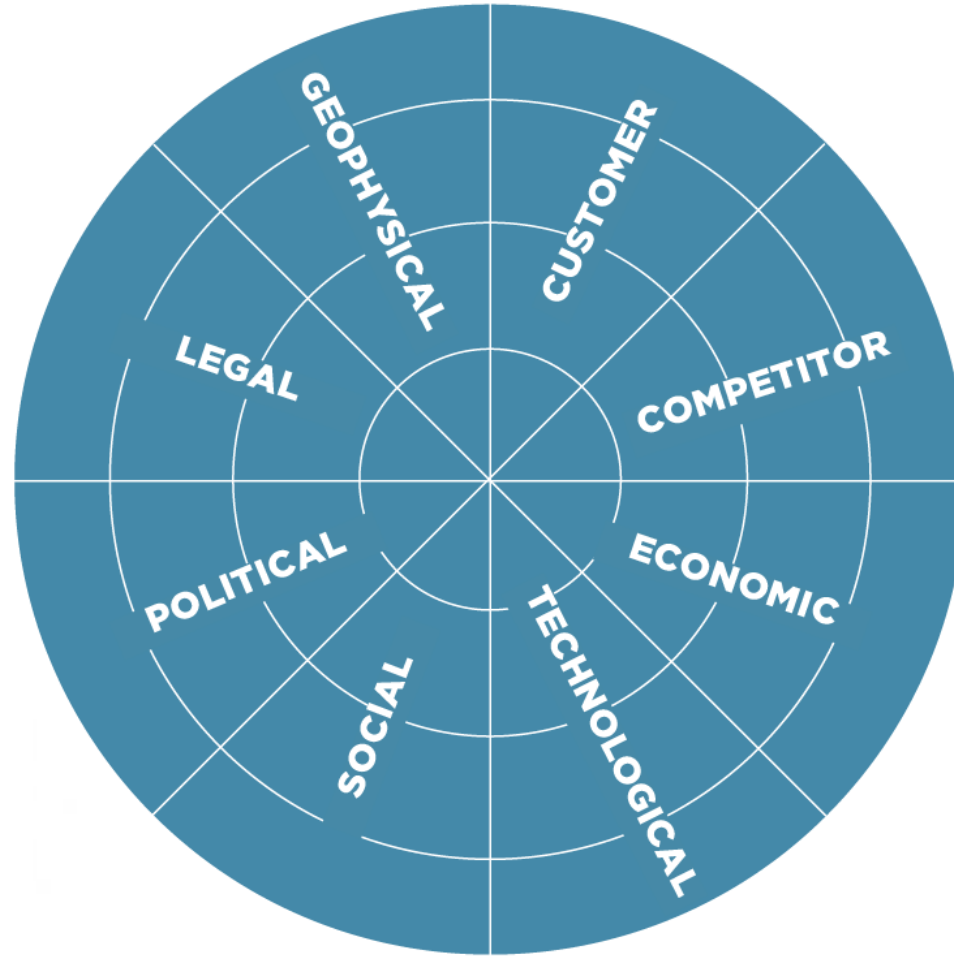


Advisory Panels



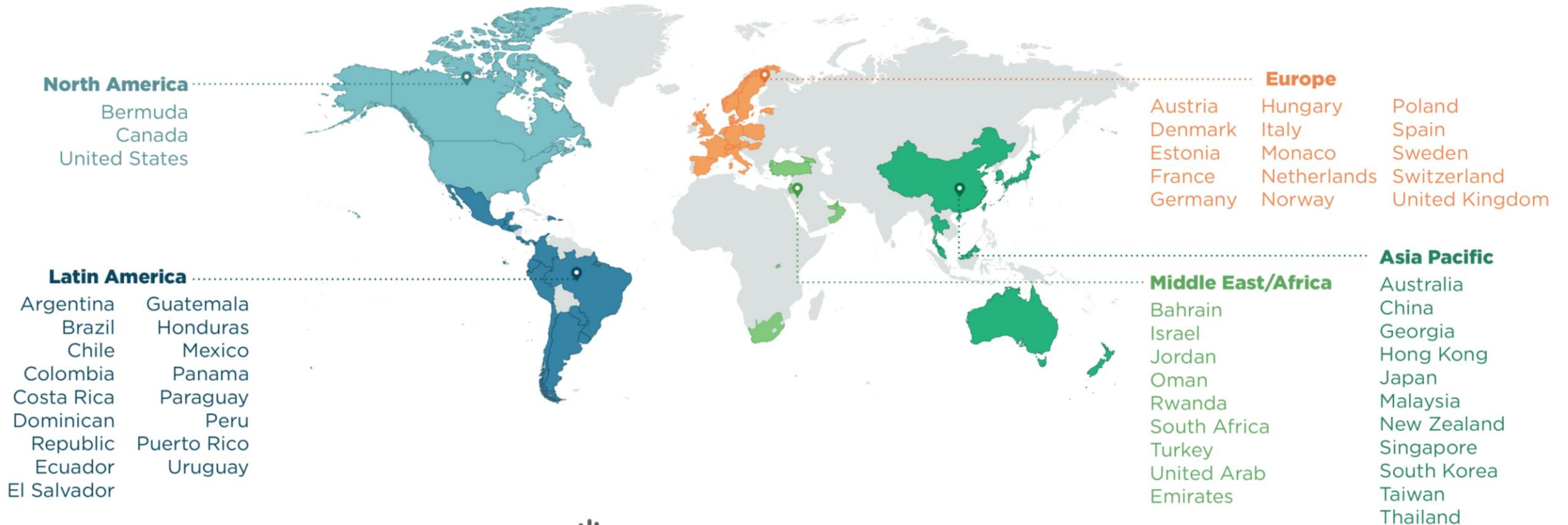
Strategic Radar Map

75
Trends



55
Strategies

We Listened to You

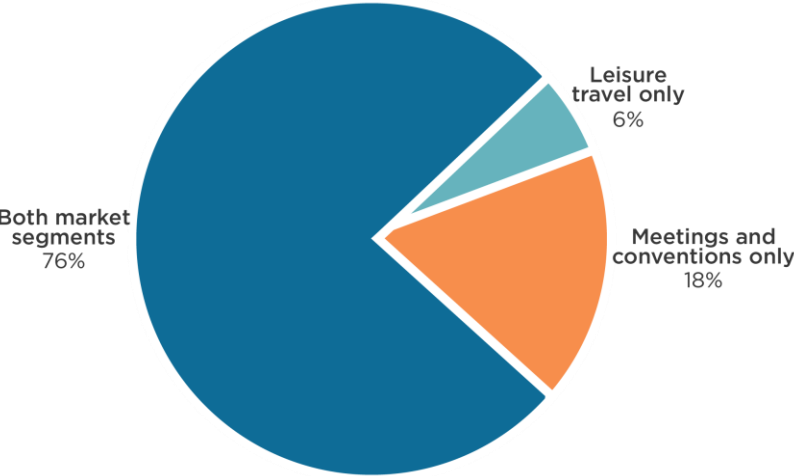


 **433 participants**

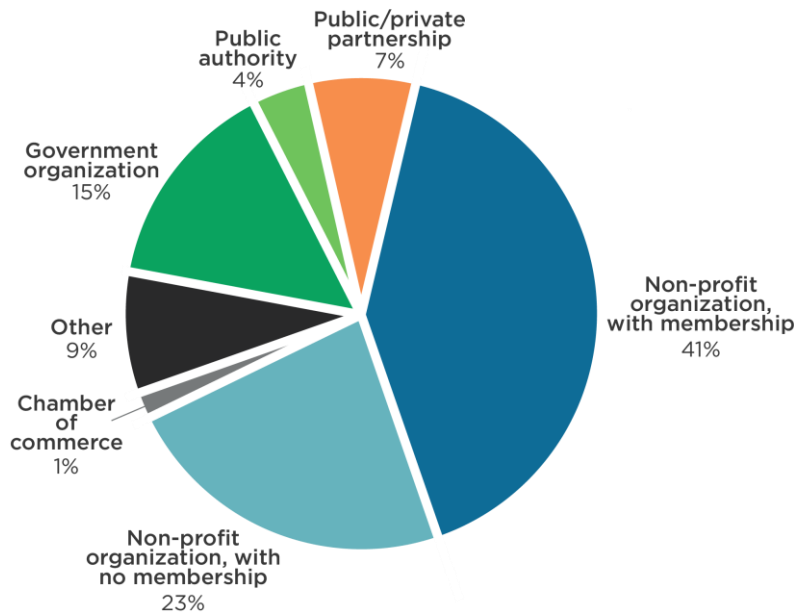
 **52 countries**

Diverse Organizations

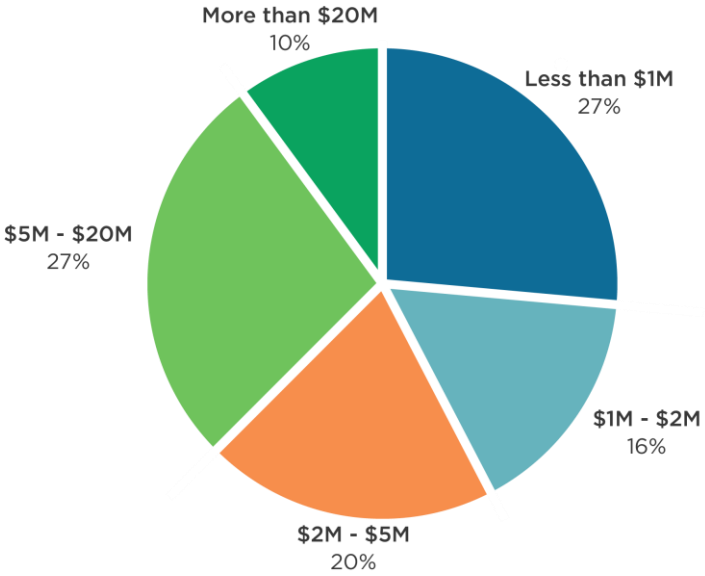
Mandate



Business Model



Budget Size



KEY TRENDS

Top 25 Trends & Strategies

12

New Trends

10

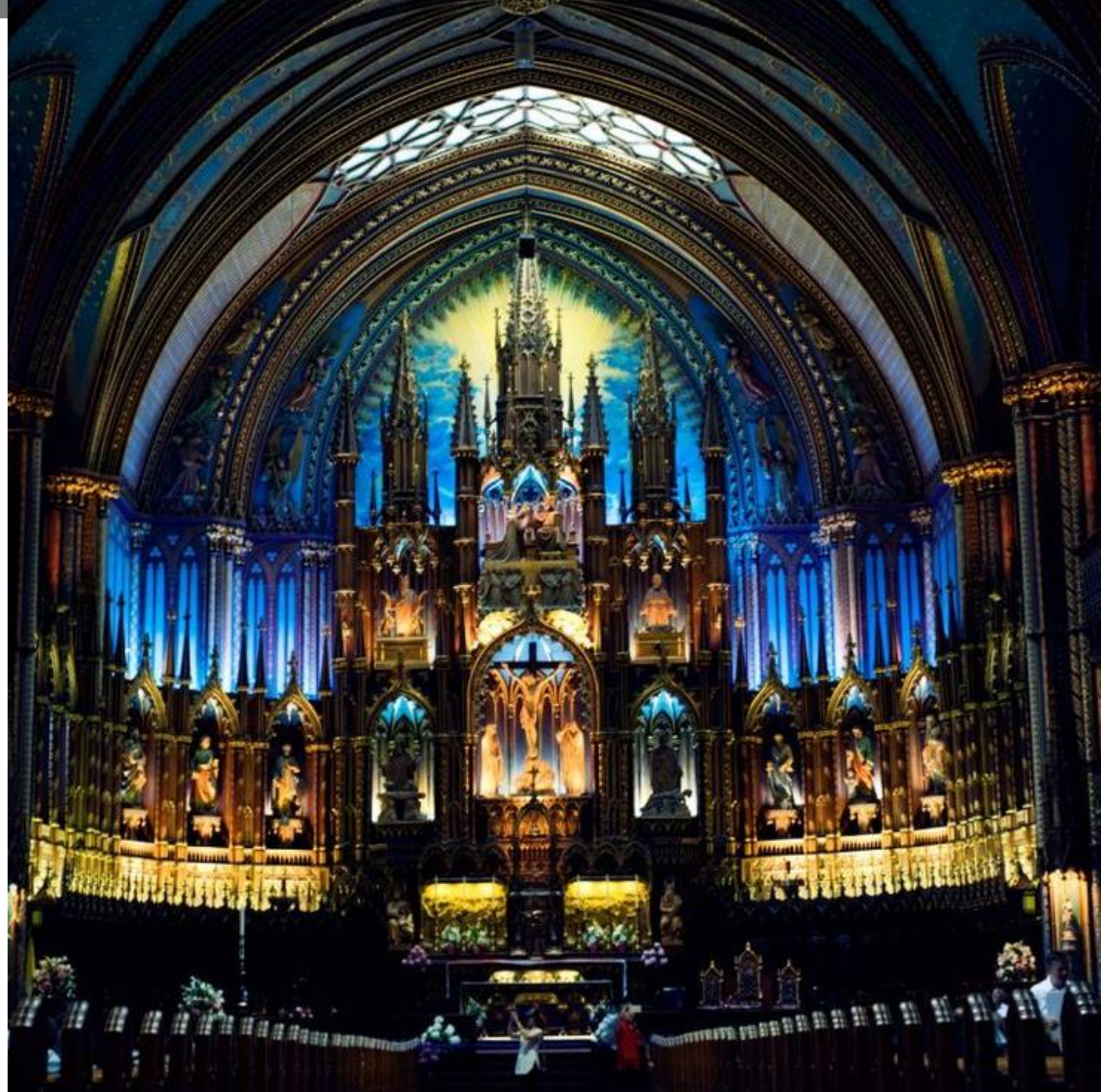
New Strategies

A night scene of a fire festival. In the foreground, a large, bright fire burns on a float that is partially submerged in water. The fire is reflected in the water's surface. In the background, other floats with fires are visible, and a crowd of people can be seen on the left side of the image. The overall atmosphere is dark and festive.

Personalized, unique & authentic experiences

Notre Dame Aura

- New attraction in 2017 as part of Montreal's 375 year birthday celebration
- Light show in Notre-Dame Basilica



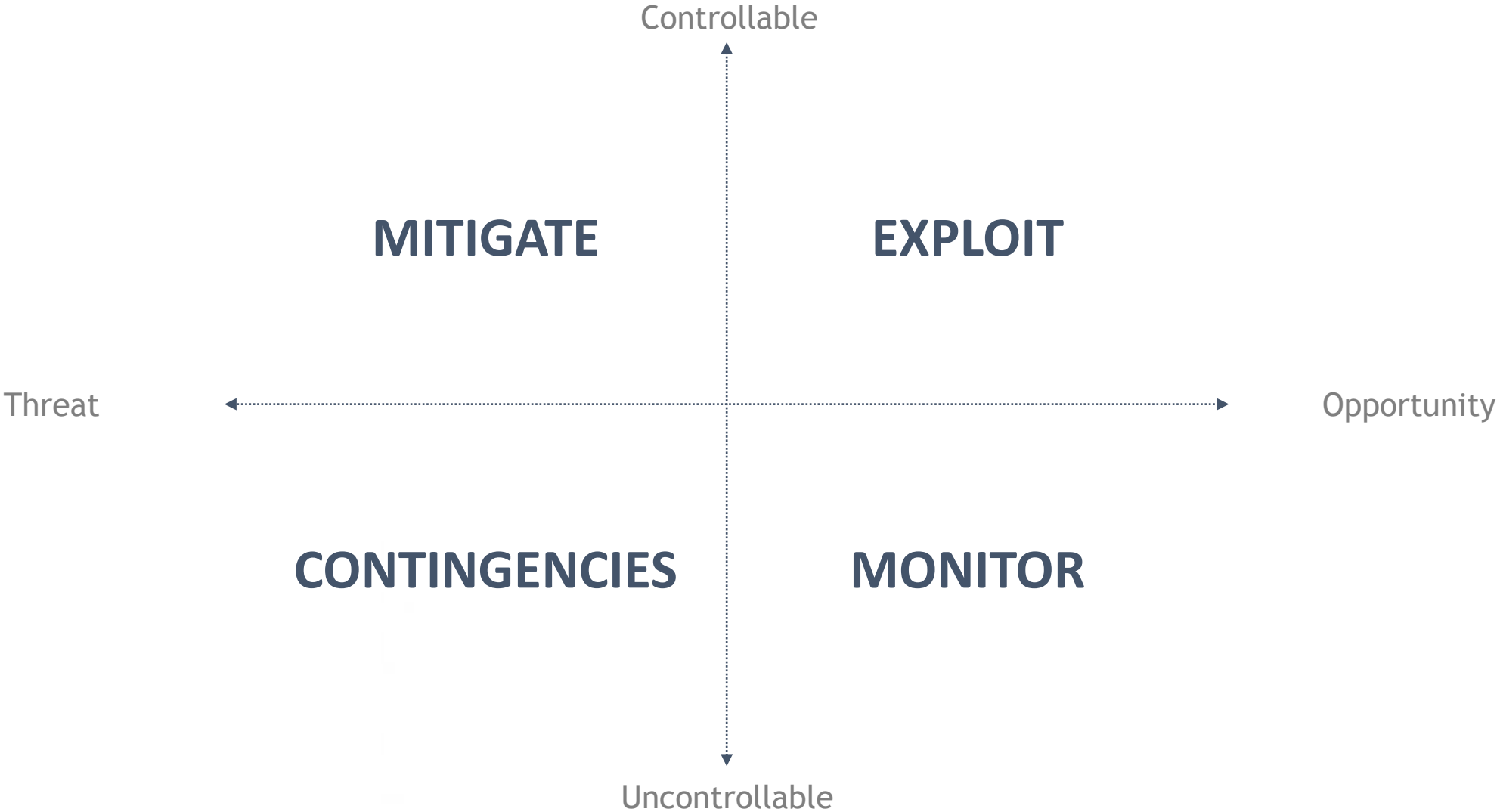
A black and white photograph of a man in a suit kneeling on a patterned rug. He is holding a long-handled tool, possibly a floor buffer or polisher. To his right are several boxes of Kirby floor polish. The Kirby logo is visible on the boxes. The text "Less sales, more strategic partnerships" is overlaid in white on the image.

Less sales, more strategic partnerships



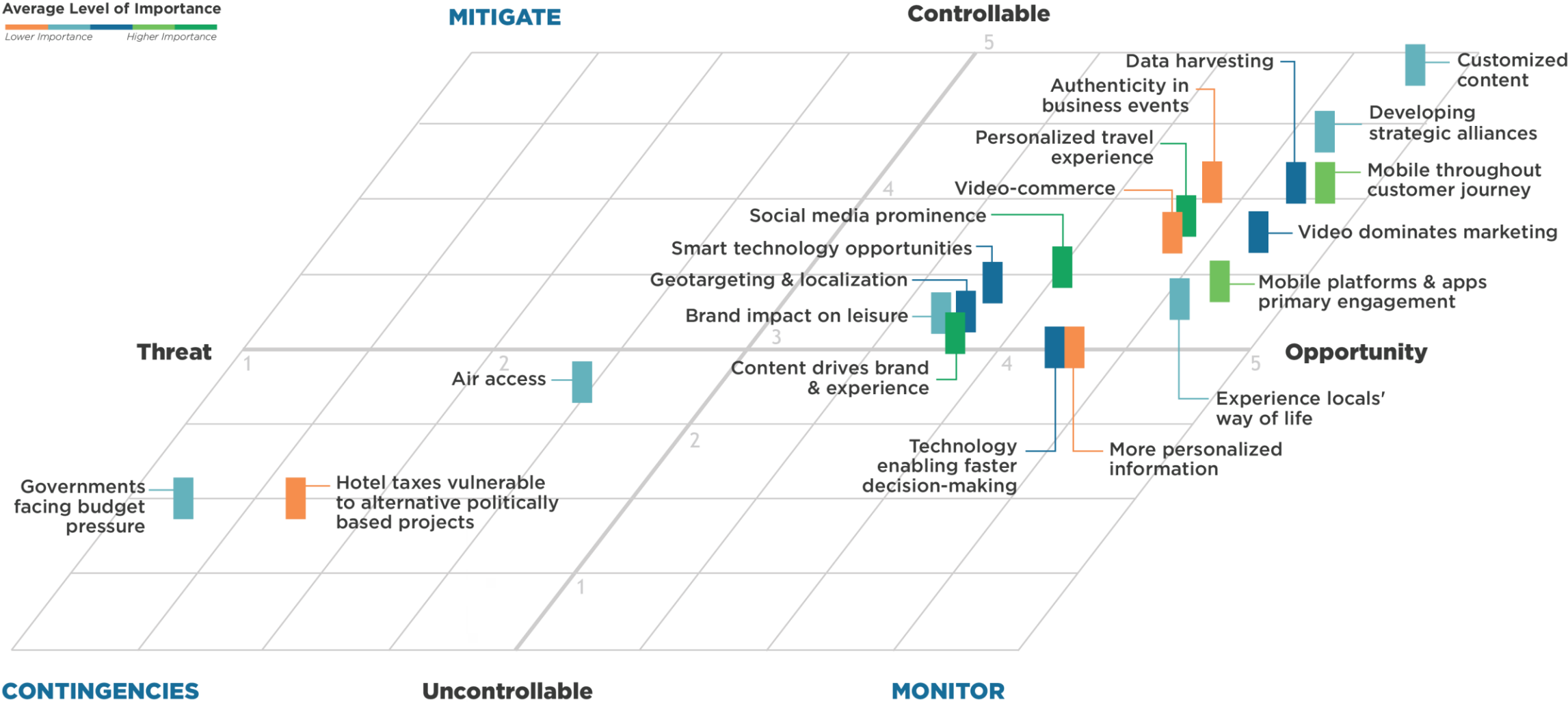
Sustainable tourism

Future Map



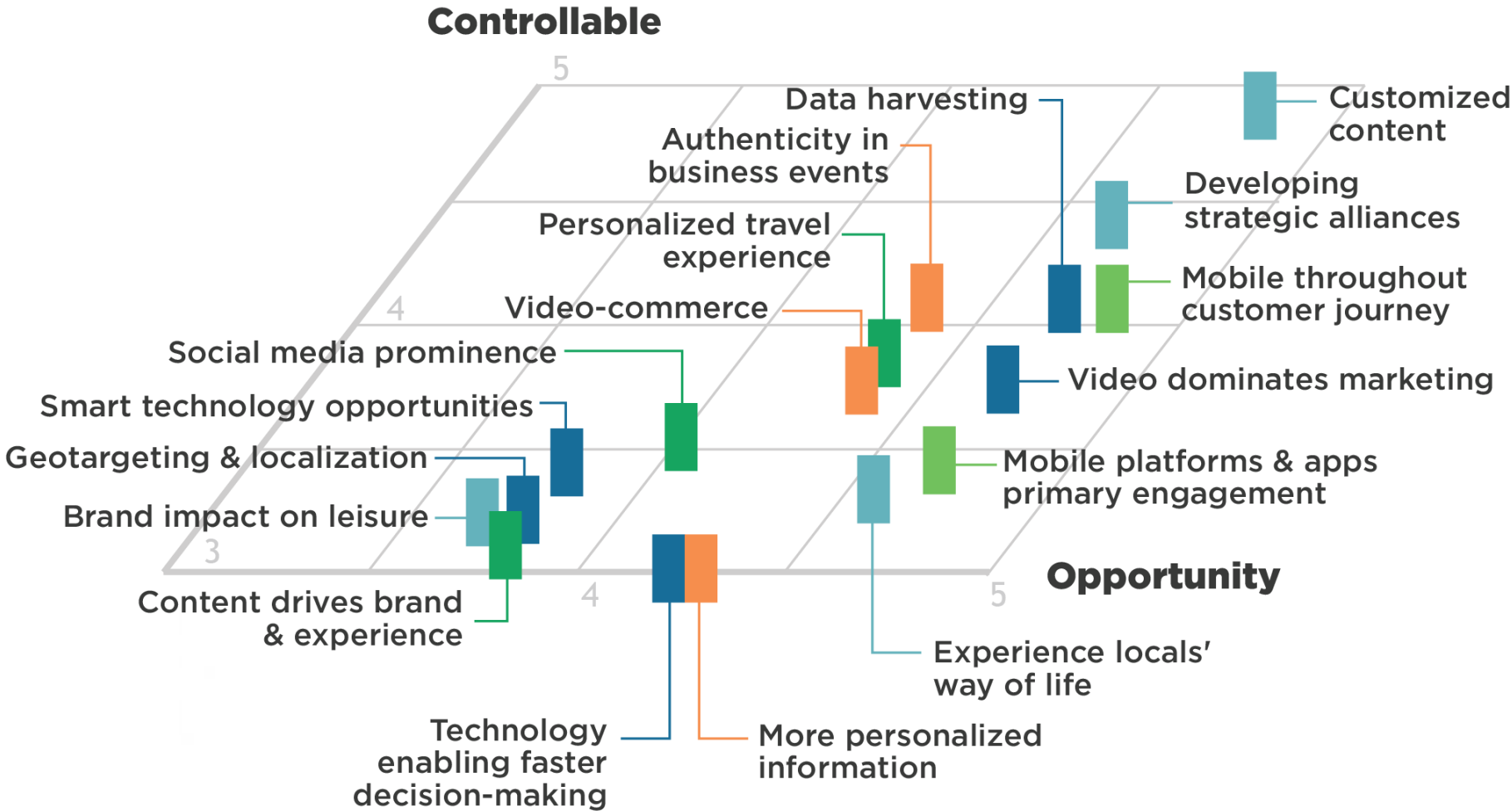
Future Map – Top 25 Trends

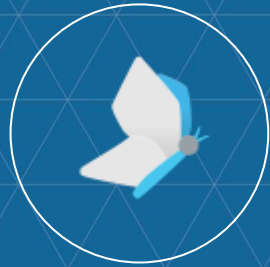
Average Level of Importance
Lower Importance Higher Importance



Future Map – Top 25 Trends

Average Level of Importance
 Lower Importance Higher Importance





Transformational Opportunities



#1: Broadcast to Engagement

Interacting with & leveraging the new marketplace



#2: Brand Building

Building & protecting the destination brand



#3: Collaboration & Partnerships

Evolving the DMO business model

Atlas Obscura

- Over 700 of curious & strangest places
- Atlas published in 2016
- Nearly 1 million followers



Wayblazer

- Established in 2014 by Terry Jones, founder of Travelocity and Kayak.com
- Powered by IBM Watson Analytics
- Queries in common language



The most powerful travel recommendation engine.

Artificial intelligence tools built for brands and agencies, inspired by travelers.

LEARN MORE

Waldorf Astoria Orlando

Details

JL

July 2014

Just back at the 24,000 square foot spa, which offers holistic treatments like Reflexology, or play a round at the Fazio Junior Championship golf course... [Full Review](#)

JD

July 2014

is a team known for quality family-oriented resorts, the Waldorf stands out as one of the only true luxury hotels in Orlando... [Full Review](#)

3 More Reviews

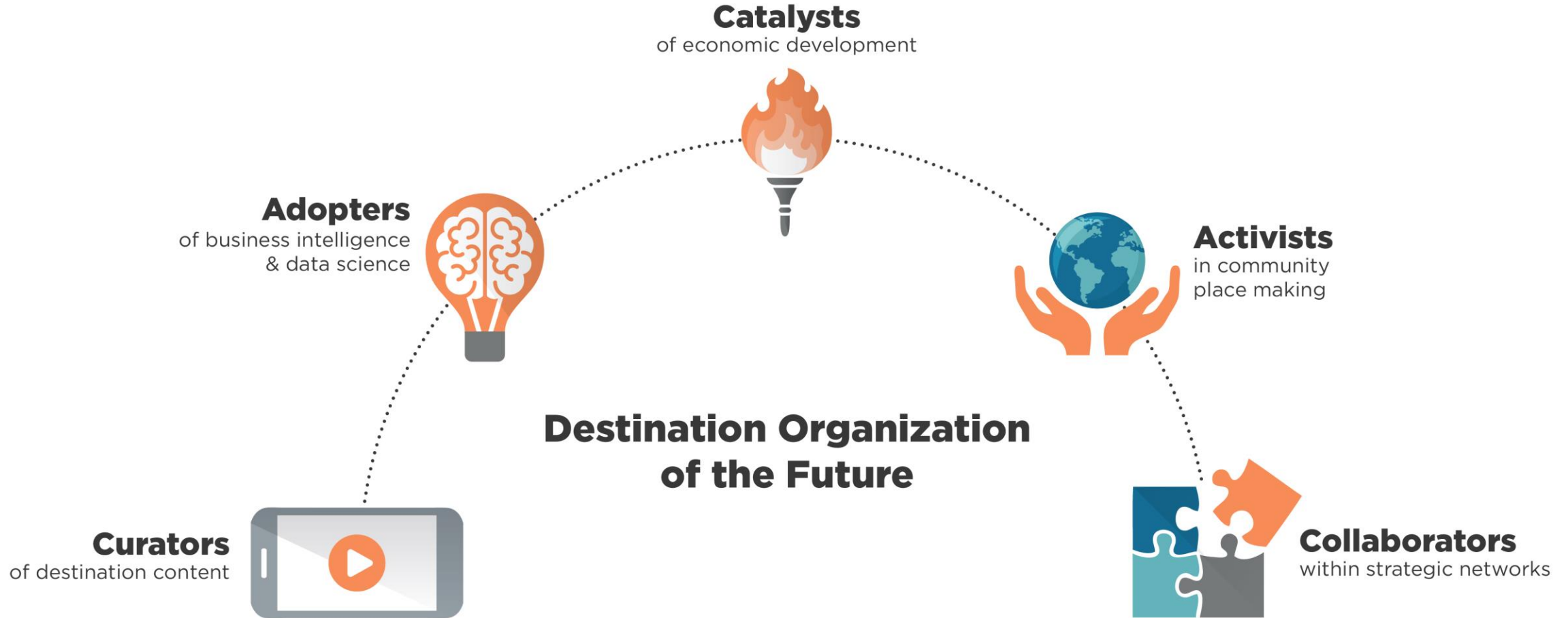
Hot Deals | Post | Log In

Destination Organization of the Future

New Destination Organization Start-up

Rank	Role
1	Brand marketing
2	Destination and product development
3	Meeting and convention sales
4	Broader economic development
5	Destination information resource
6	Industry advocate and association leader
7	Leisure sales (group tour and independent)
8	Visitor experience servicing
9	Major event partner/developer
10	Convention services
11	Venue management and operations

Re-engineering the Destination Organization



CURATORS

of destination content

Curators

1. Invest more effort and resources into video content to market the destination.
2. Focus significant attention to content creation and dissemination strategies.
4. Develop ways to connect with customers through all stages of their experience, from awareness to interest to booking to visiting to post-visit.
9. Place greater emphasis on engaging with their customers in two-way conversations.
20. Participate more in building platforms to improve visitor experience.

ADOPTERS

of business intelligence
& data science

Adopters

8. Agree to uniform methodology with other destination organizations to measure economic impact.
11. Develop new strategies to refocus on the millennial market.
15. Adopt operating standards and consistent measures of performance with other destination organizations.
16. Agree to a uniform methodology with other destination organizations to measure economic impact.
17. Put a greater emphasis on market segmentation.
19. Invest more effort in scanning the market for business intelligence.

CATALYSTS

of economic development

Catalysts

5. Play more of a central role in advocacy in my destination.
10. Be more involved in broader economic development projects and initiatives.
13. The economic impact of tourism (and conventions) will be better understood in my destination.
23. Take a more active role in political and legislative issues impacting events.



ACTIVISTS

in community place making

Activists

- 3.** Focus on developing authentic experiences for the customer.
- 6.** Enhance our engagement with the local community to manage future tourism considerations.
- 7.** Develop strategies to protect what we have while attracting events and visitation to our community.
- 12.** Connect visitor experience with the quality of life of residents in my community.
- 18.** Take on a greater role as cultural champion of my destination.
- 22.** Pay close attention to safety and security as a strategic consideration in our future planning.

COLLABORATORS

within strategic networks

Collaborators

- 3.** Form more strategic alliances outside the industry.
- 21.** Engage more closely with non-traditional stakeholders in my destination.
- 25.** Place a greater emphasis on connecting business event customers with intellectual capabilities and knowledge networks in my destination.

SCENARIO MODEL

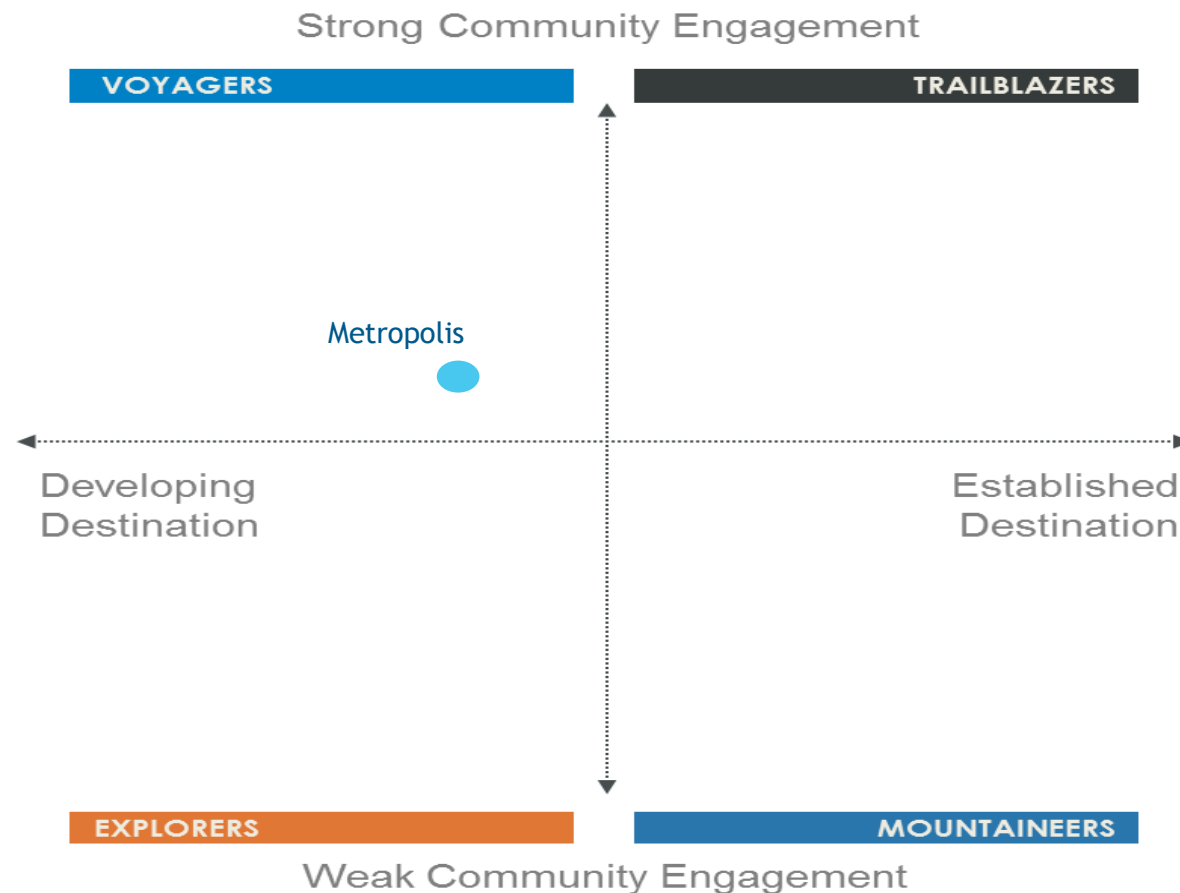
Scenario Model



Purpose of Diagnostic Tool

Scenario model intended to be strategic diagnostic tool, not a benchmarking index to rank DMOs, CVBs or destinations

Objective self-assessment to help identify priorities and strategies for the future



Destination Strength Variables



**Destination
Performance**



Brand



Accommodation



**Attractions and
Entertainment**



**Conventions & Meeting
Facilities**



Air Access



Events



**Sporting and
Recreation Facilities**



**Communication &
Internet Infrastructure**



Mobility and Access

Community Support & Engagement Variables



**Effective DMO
Governance Model**



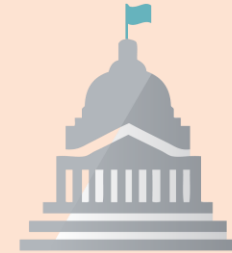
**Membership Strength
& Support**



Industry Support



**Local Community
Support**



**Policy and
Regulatory Environment**



Workforce



Hospitality Culture



Regional Cooperation



**Funding Support &
Certainty**



Economic Development

Destination Assessments



325

destinations from
18 countries



132

detailed
assessments
completed in 10
countries



50

underway or
planned,
including 4 other
countries



65

in discussions,
including
14 other countries

USA, Canada,
Mexico, Switzerland,
Colombia, Korea
Guatemala, Taiwan,
Denmark
Australia

Dominican Republic, El
Salvador, Brazil, Ecuador

Peru, Argentina, Dubai,
Germany, Honduras, Chile,
New Zealand, United
Kingdom, Thailand,
Micronesia,
Philippines, Russia, Ghana,
Nigeria

Destinations Completed – U.S.



Destinations Completed – International



Regional Assessments



DESTINATION NEXT

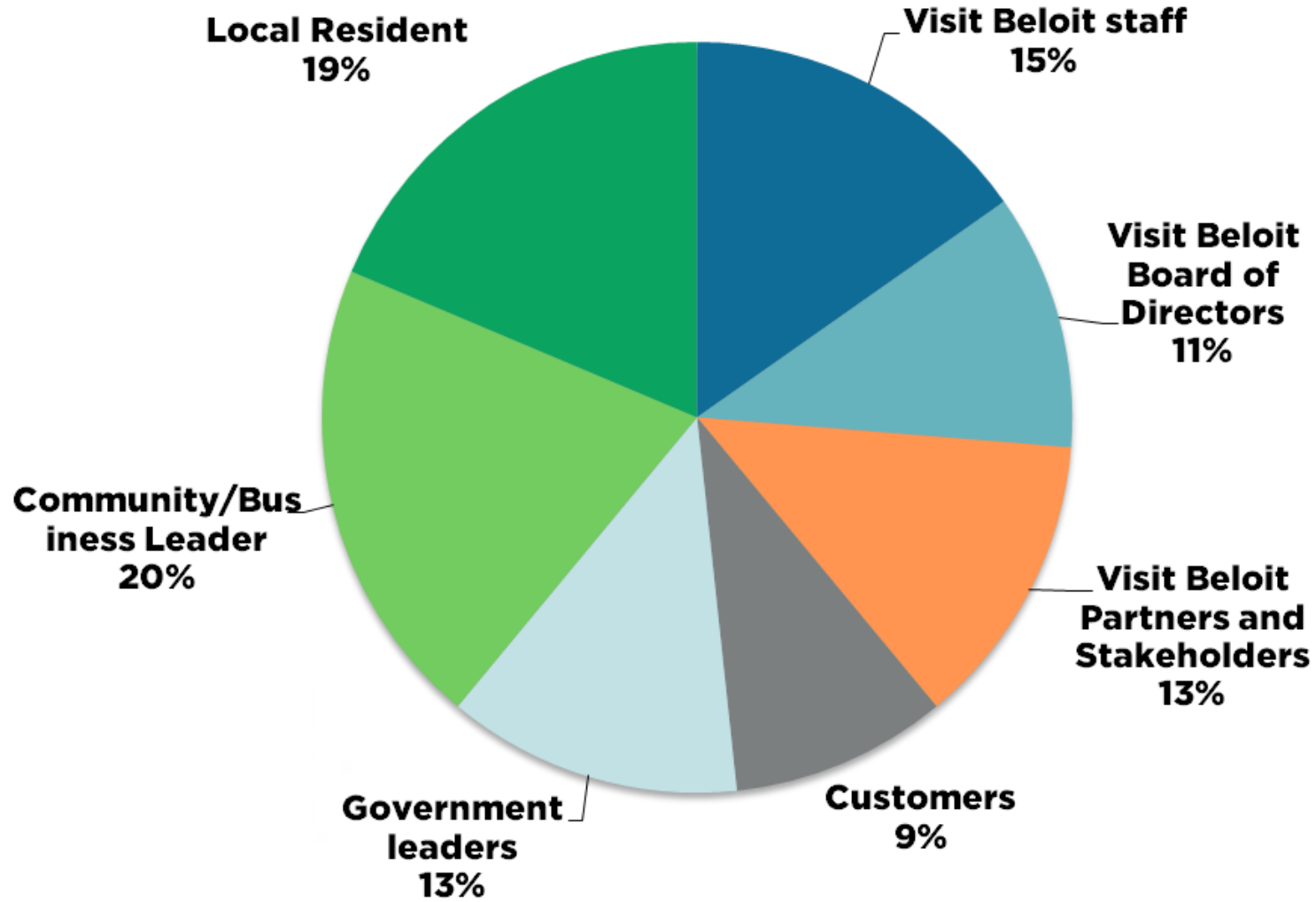
Multi-User Online Diagnostic
Tool Results:

Beloit

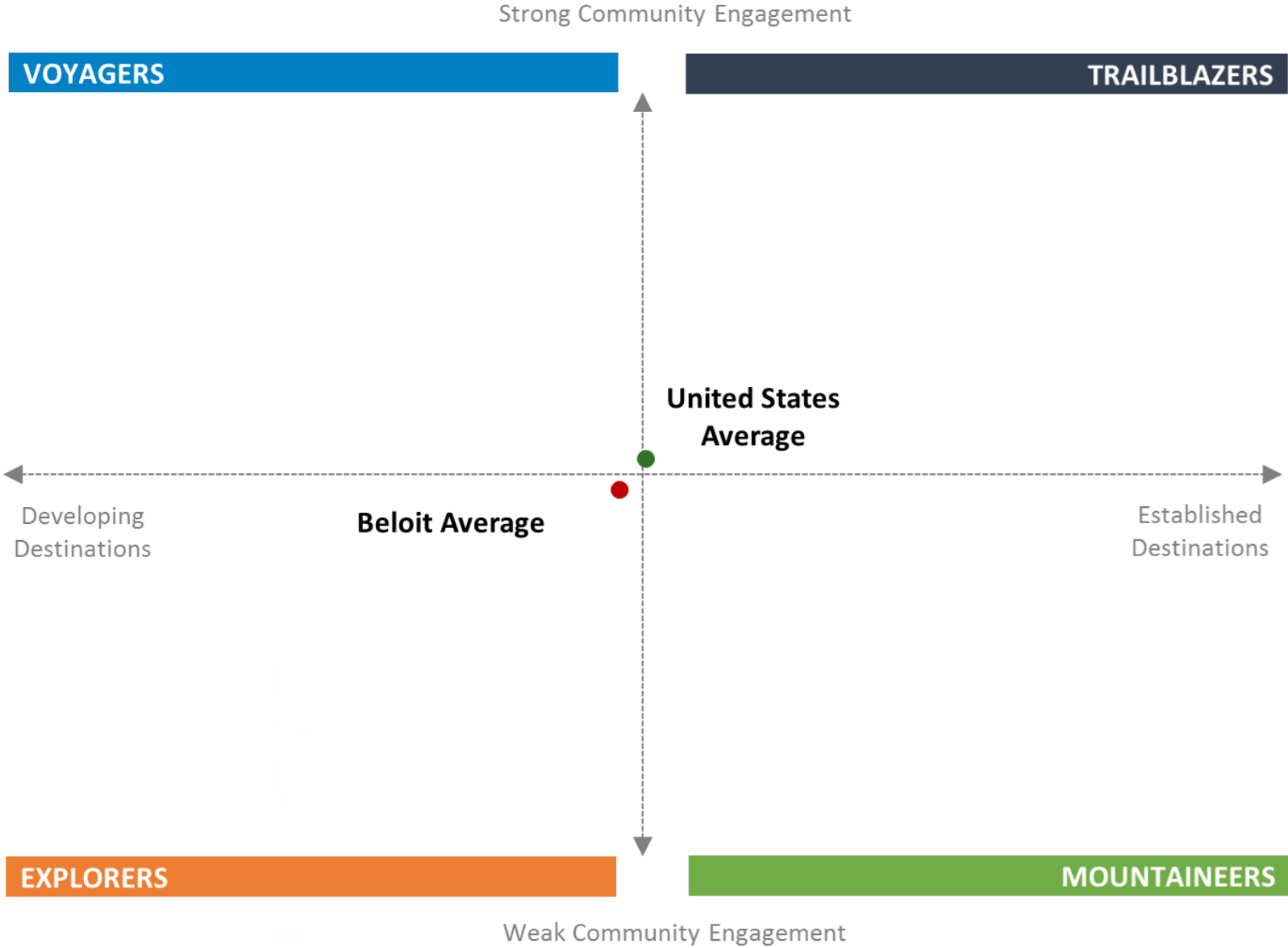
November 29, 2017



118 Responses



Beloit Overall Assessment - Industry



Explorers

These DMO's and destinations desire an inspired tourism vision and activated community to make it happen.

Key Strategic Challenges

Above all else:

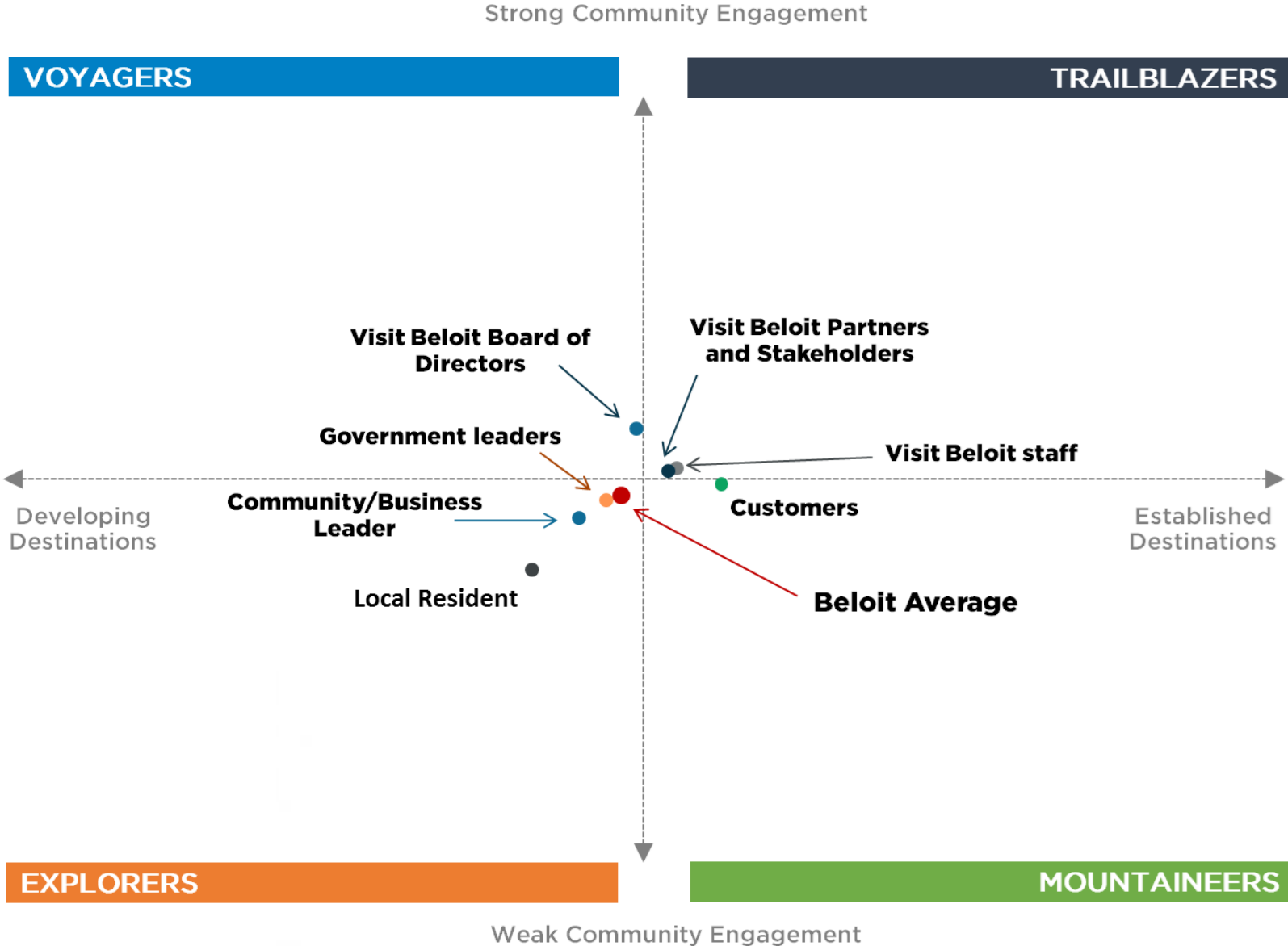
- Rallying the community to work together towards a realistic vision and strategy
- Building community recognition and acceptance that transformational change is needed
- Implementing the strategy with limited resources

Developing Destination



Weak Community Engagement





Beloit Overall Assessment – Stakeholders



Destination Strength Rankings – Beloit



"View of the Old Ironworks" by Robin Zebrowski is licensed under CC BY 2.0

	Relative Importance	Perceived Performance
 Attractions & Entertainment	1 st	4 th
 Accommodation	2 nd	7 th
 Communication & Internet Infrastructure	3 rd	3 rd
 Mobility & Access	4 th	5 th

Destination Strength – Report Card

Variable	Relative Importance (0-100%)			Perceived Performance (1-5 scale)		
	Industry Average	Beloit Average	Standard Deviation	Industry Average	Beloit Average	Standard Deviation
Attractions & Entertainment	10.8%	12.0%	2%	3.65	3.43	0.67
Accommodation	10.5%	11.9%	2%	3.54	3.23	0.73
Communication & Internet Infrastructure	10.1%	11.4%	3%	3.39	3.51	0.75
Mobility & Access	10.1%	11.3%	2%	3.12	3.38	0.69
Destination Performance	10.0%	10.9%	2%	3.88	3.81	0.69
Events	9.7%	10.8%	2%	3.63	3.68	0.54
Brand	10.5%	10.8%	3%	3.49	3.32	0.74
Convention & Meeting Facilities	9.7%	10.5%	3%	3.11	2.98	0.74
Sports & Recreation Facilities	9.4%	10.5%	2%	3.29	2.77	0.77

DESTINATION STRENGTH - Beloit	3.36
INDUSTRY AVERAGE DESTINATION STRENGTH	3.43

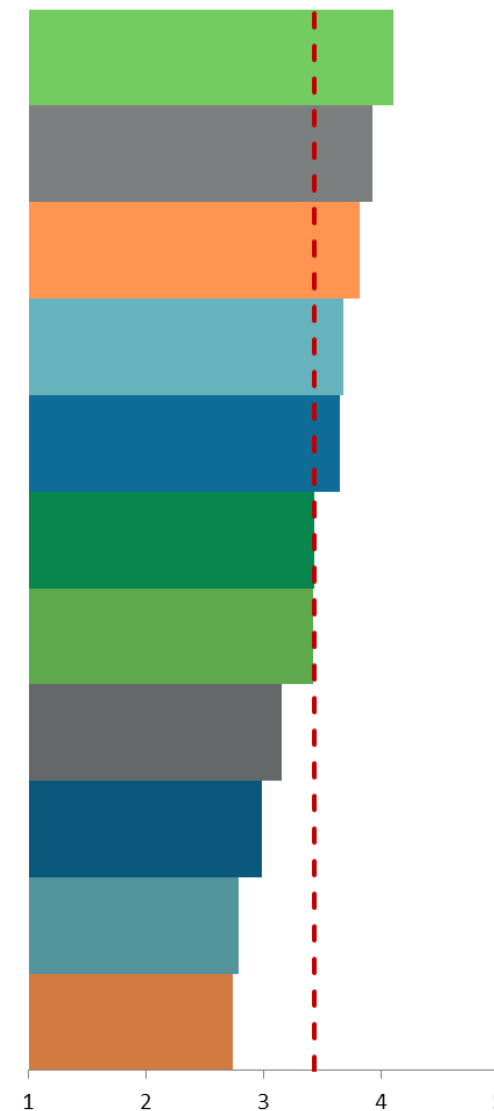
RESULTING SCENARIO **EXPLORERS**

Note

Green shading signifies that the destination **outperformed** the industry average by greater than 0.2.
Yellow shading signifies that the destination **underperformed** the industry average by greater than 0.2 but less than 0.4.
Red shading signifies that the destination **underperformed** the industry average by greater than 0.4.

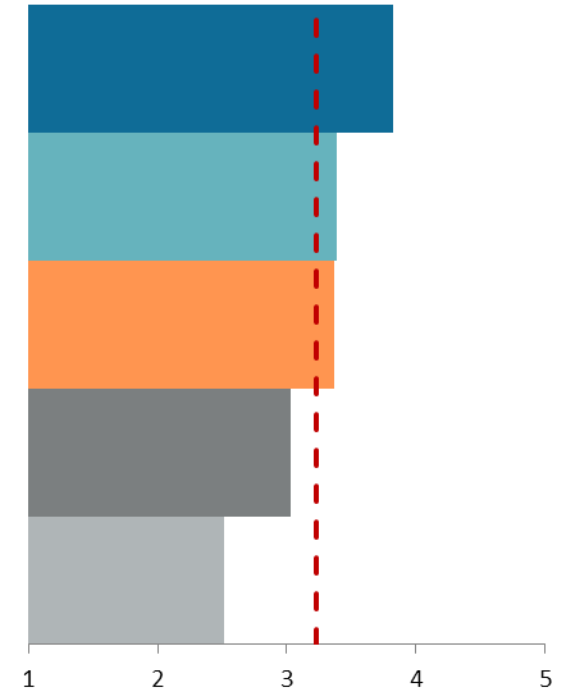
Attractions & Entertainment

- Wide diversity of parks and bike trails
- The riverfront, supports the city's brand and encourages visitors to stay longer
- Unique and high-quality dining options
- Authentic and unique attractions and entertainment opportunities
- High-quality and wide-ranging arts and cultural attractions
- The Beloit Snappers, supports the city's brand and encourages visitors to stay longer
- Downtown offers diverse/high-quality shopping opportunities
- Unique and vibrant neighborhoods
- Outside of downtown offers diverse/high-quality shopping opportunities
- The Angel Museum, supports the city's brand and encourages visitors to stay longer
- Large, famous attractions that cause people to stay



Accommodation

- Diversity of accommodation price options
- Beloit has the necessary accommodations to be successful today
- Location of accommodations options meets visitor needs
- Adequate accommodations capacity
- Beloit has the necessary accommodations to be successful for the next 25 years



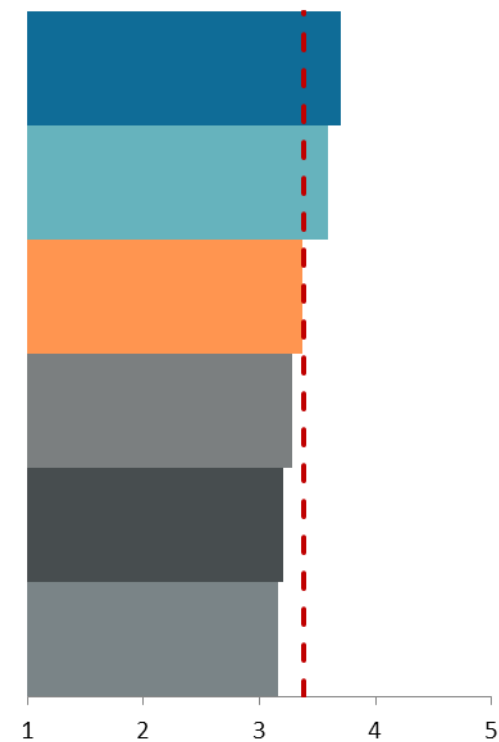
Communication & Internet Infrastructure

- Tourism industry leverages social media to support the brand and market the city
- Mobile coverage at Beloit's attractions
- Wi-Fi in outdoor/public areas with high visitor traffic



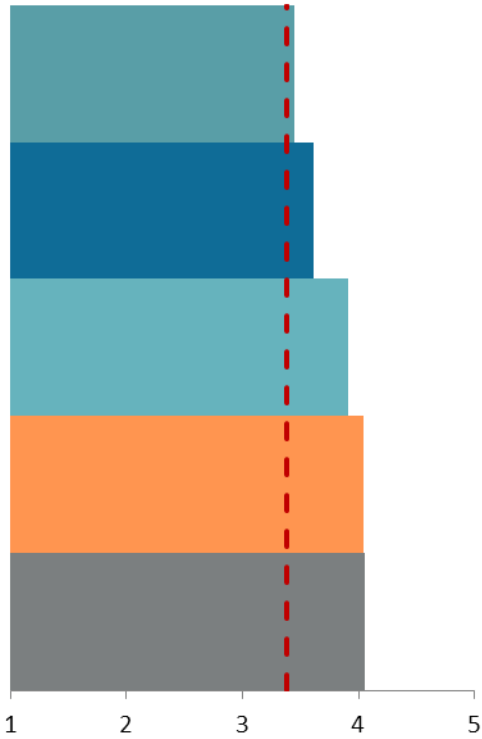
Mobility & Access

- Good quality roads that can easily handle traffic
- Great directional signage and wayfinding
- Bicycle-friendly city with easy, well-marked bike routes
- Good access and services for those with disabilities
- Known as a walkable area
- Adequate public transportation to get around the area



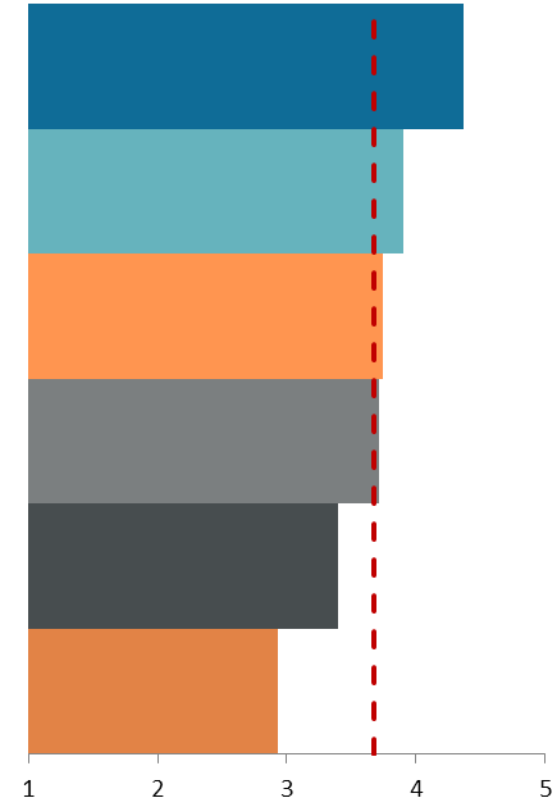
Destination Performance

- Successfully converting leads for meetings and conventions
- Communicating the performance/economic impact of our tourism industry
- Adequately measures and tracks the performance of our tourism industry
- Hotels are performing well (e.g. Occupancy, Revenue Generated)
- Positive growth in overnight visitation



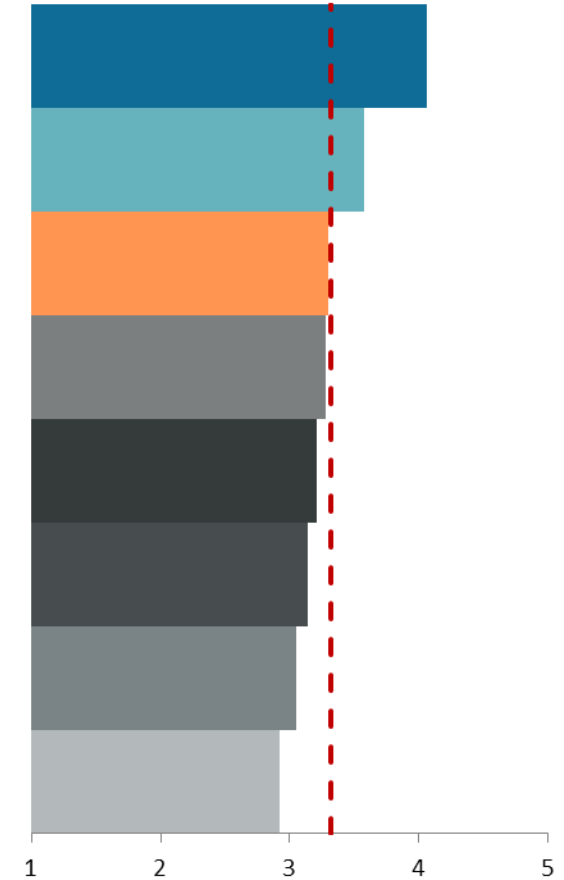
Events

- A potential convention center that hosts numerous public and lifestyle shows would be an asset to the city
- Abundance of parks and outdoor spaces for handling special events
- Local government are supportive in attracting events
- Citizens are supportive of hosting major national or international events
- Offers a year-long series of major events that drive economic impact
- Diverse facilities/venues with capacity and availability



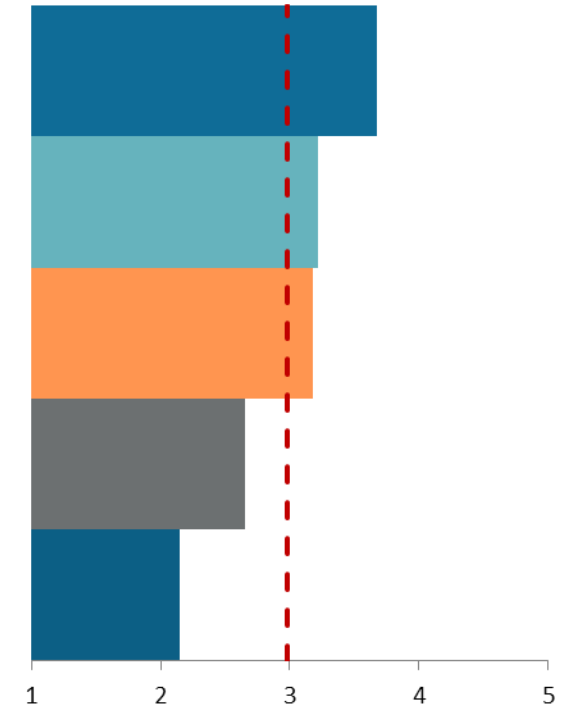
Brand

- Main icon image is the beauty of activities along the Rock River
- Destination appeals to wide range of visitors
- Known for having a lot of things to see and do
- Known as being healthy and an outdoor, active region
- Established brand that is simple, memorable, and market-tested
- Known as a high-tech, innovative region
- Known as an environmentally conscious and sustainable destination
- Known for being safe, clean, and secure for visitors



Convention & Meeting Facilities

- Abundance of professional and experienced convention services suppliers
- Good, unique off-site venues for special events
- Beloit's hotels/meeting venues take full advantage of the views that are available here
- Necessary facilities to compete today
- Necessary facilities to compete for the next 10 years



Sports & Recreation Facilities

- Professional/amateur leadership are engaged/helpful in pursuing sports events
- Sports fields to host major amateur and collegiate sporting events
- Destination has the venues to host major sporting events



Community Support & Engagement – Beloit



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Economic Development

1st

1st



Industry Support

2nd

5th



Local Community Support

3rd

6th



Effective Advocacy Support

4th

3rd

Relative Importance

Perceived Performance

Community Support & Engagement – Report Card

Variable	Relative Importance (0-100%)			Perceived Performance (1-5 scale)		
	Industry Average	Beloit Average	Standard Deviation	Industry Average	Beloit Average	Standard Deviation
Economic Development	10.2%	11.7%	2%	3.95	3.88	0.63
Industry Support	9.9%	11.6%	2%	3.81	3.66	0.82
Local Community Support	10.2%	11.4%	2%	3.56	3.54	0.76
Effective Advocacy Program	10.2%	11.2%	2%	3.63	3.76	0.69
Hospitality Culture	10.2%	11.2%	2%	3.71	3.31	0.85
Workforce	10.1%	11.0%	2%	3.31	3.01	0.87
Funding Support & Certainty	9.9%	10.7%	3%	3.36	3.43	0.77
Regional Cooperation	10.0%	10.7%	2%	3.76	3.68	0.83
Effective DMO Governance Model	9.6%	10.5%	2%	3.80	3.84	0.81

COMMUNITY SUPPORT & ENGAGEMENT - Beloit	3.58
INDUSTRY AVERAGE COMMUNITY SUPPORT & ENGAGEMENT	3.66

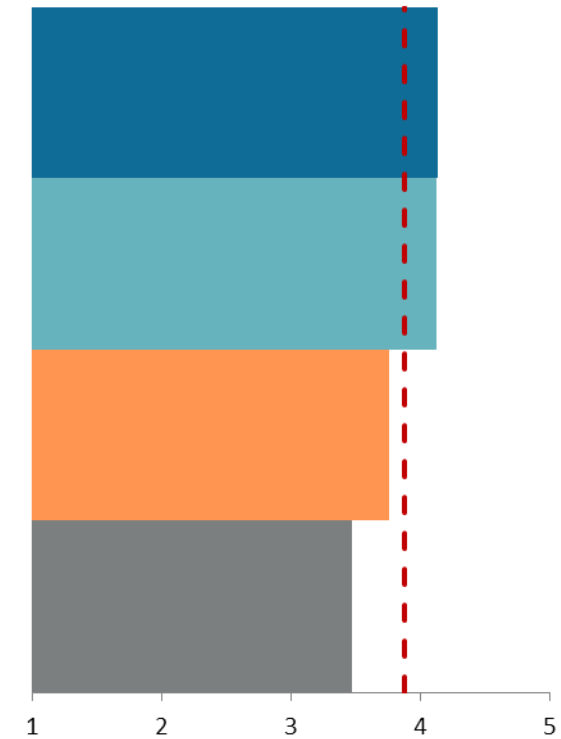
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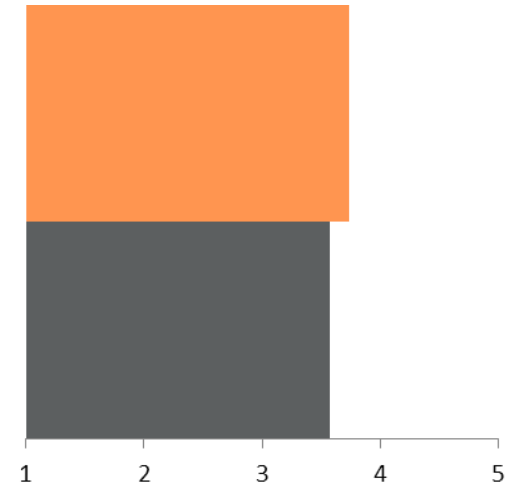
Economic Development

- Visit Beloit has a good working relationship with local chambers
- Tourism industry is vital in our community's economic strategies
- Tourism and the meetings industry are identified as key economic drivers
- There is a tourism master plan for the Beloit



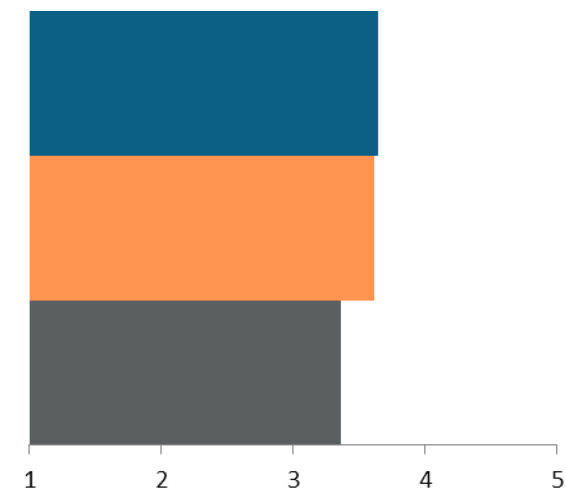
Industry Support

- Industry leaders are supportive of the Visit Beloit
- Visit Beloit is seen as a leader in the regional tourism industry



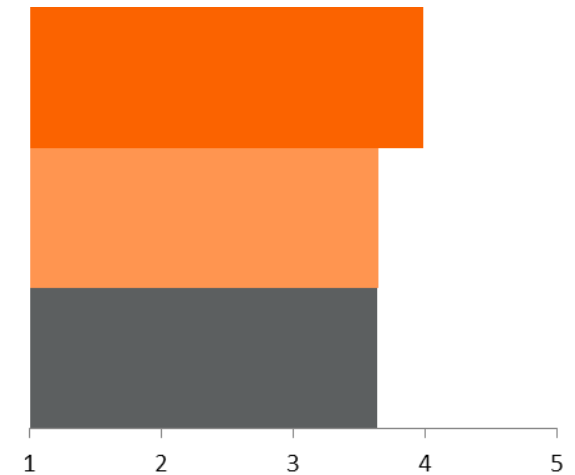
Local Community Support

- Tourism industry gets positive media coverage locally
- Visit Beloit has great corporate support
- Locals have a general understanding/positive perception of tourism



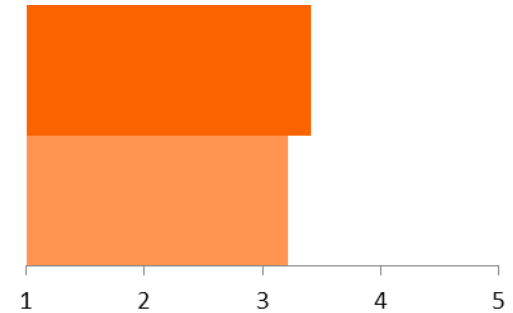
Effective Advocacy Program

- City government is supportive of Visit Beloit programs and the tourism industry
- Advocacy program is successful in educating government
- City government relies on Visit Beloit for input on destination management



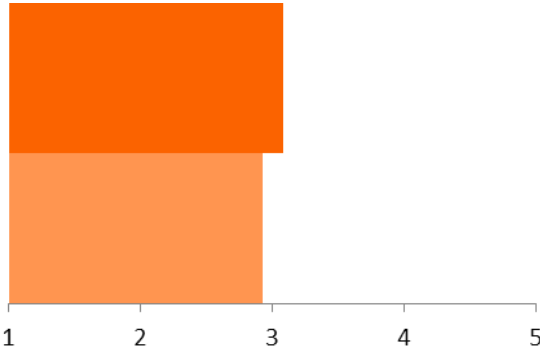
Hospitality Culture

- Hospitality culture that welcomes visitors and improves their experience
- Reputation for offering high-quality customer service



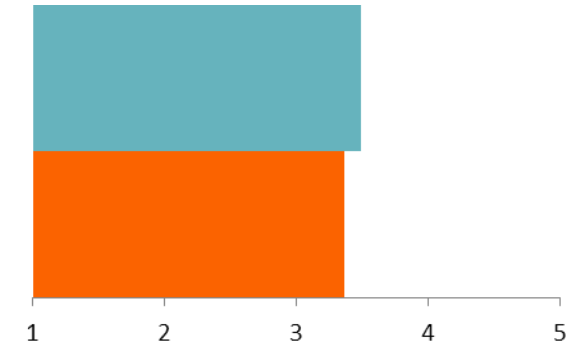
Workforce

- Hospitality industry is able to attract and retain a high-quality workforce
- Workforce is stable and has a positive labor relations environment



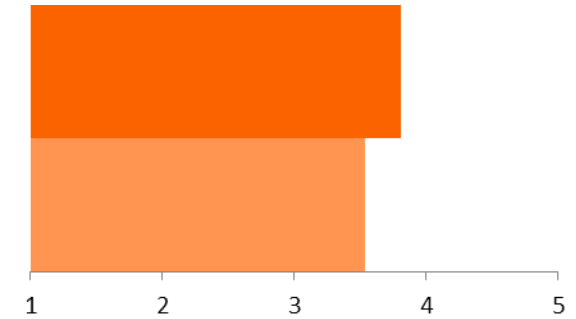
Funding Support & Certainty

- Sustainable and stable revenue sources for the future
- Sufficient revenue sources to fund their strategies and initiatives



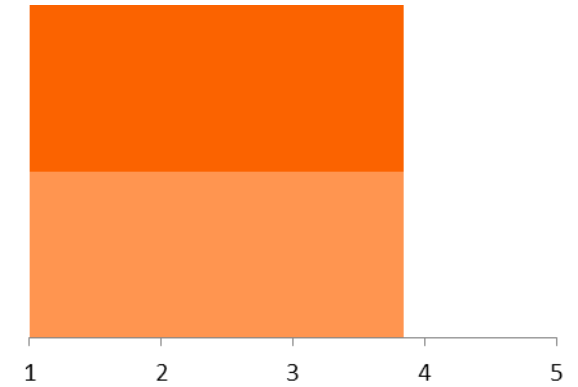
Regional Cooperation

- Marketing efforts have broad economic benefits across the region
- There is broad collaboration and coordination among tourism partners



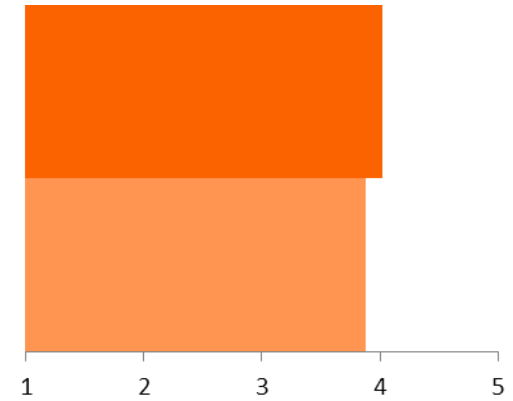
Effective DMO Governance Model

- Local leaders are engaged in Visit Beloit's governance
- Visit Beloit has an effective governance structure



Membership Strength & Support

- Businesses benefit from being a partner
- Visit Beloit's partners are active, engaged and supportive



Key Takeaways

- Currently in the Explorers quadrant with overall scores below average destination strength and slightly below average community support & engagement



Destination Opportunities

- Necessary facilities to compete for the next 10 years
- Venues to host major sporting events
- Necessary accommodations to be successful for the next 25 years
- Necessary facilities to compete today
- Large, famous attractions that cause people to stay
- Sports fields to host major amateur and collegiate sporting events
- Known for being safe, clean, and secure for visitors
- Diverse facilities/venues with capacity and availability



Community Support & Engagement Opportunities

- Stable Workforce
- Industry needs to attract and retain a high-quality workforce
- High-quality customer service
- General understanding/positive perception of tourism from locals
- Sufficient revenue sources to fund strategies and initiatives

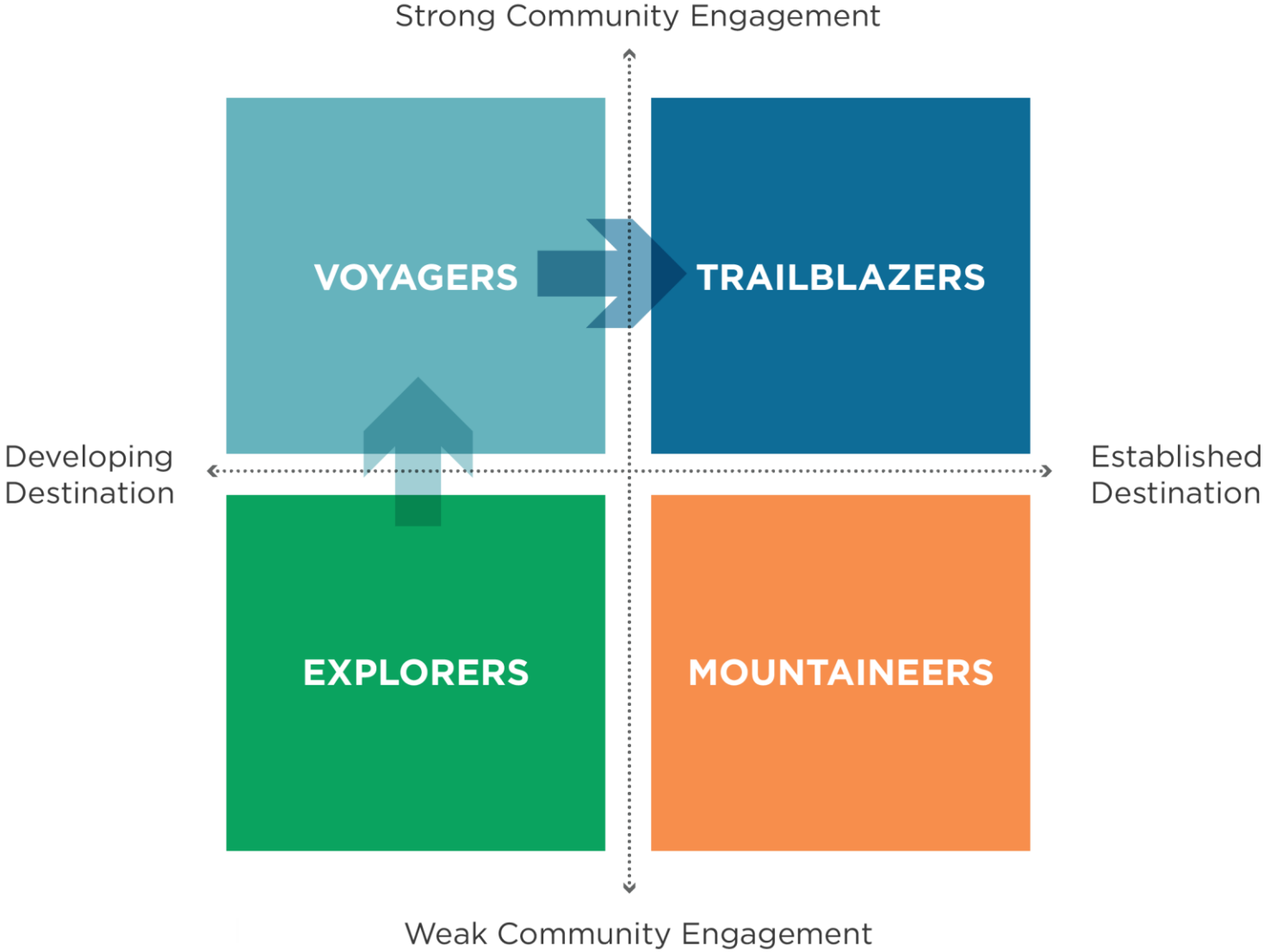
Break

DMO Strategy & NEXTPractices

Great Destinations



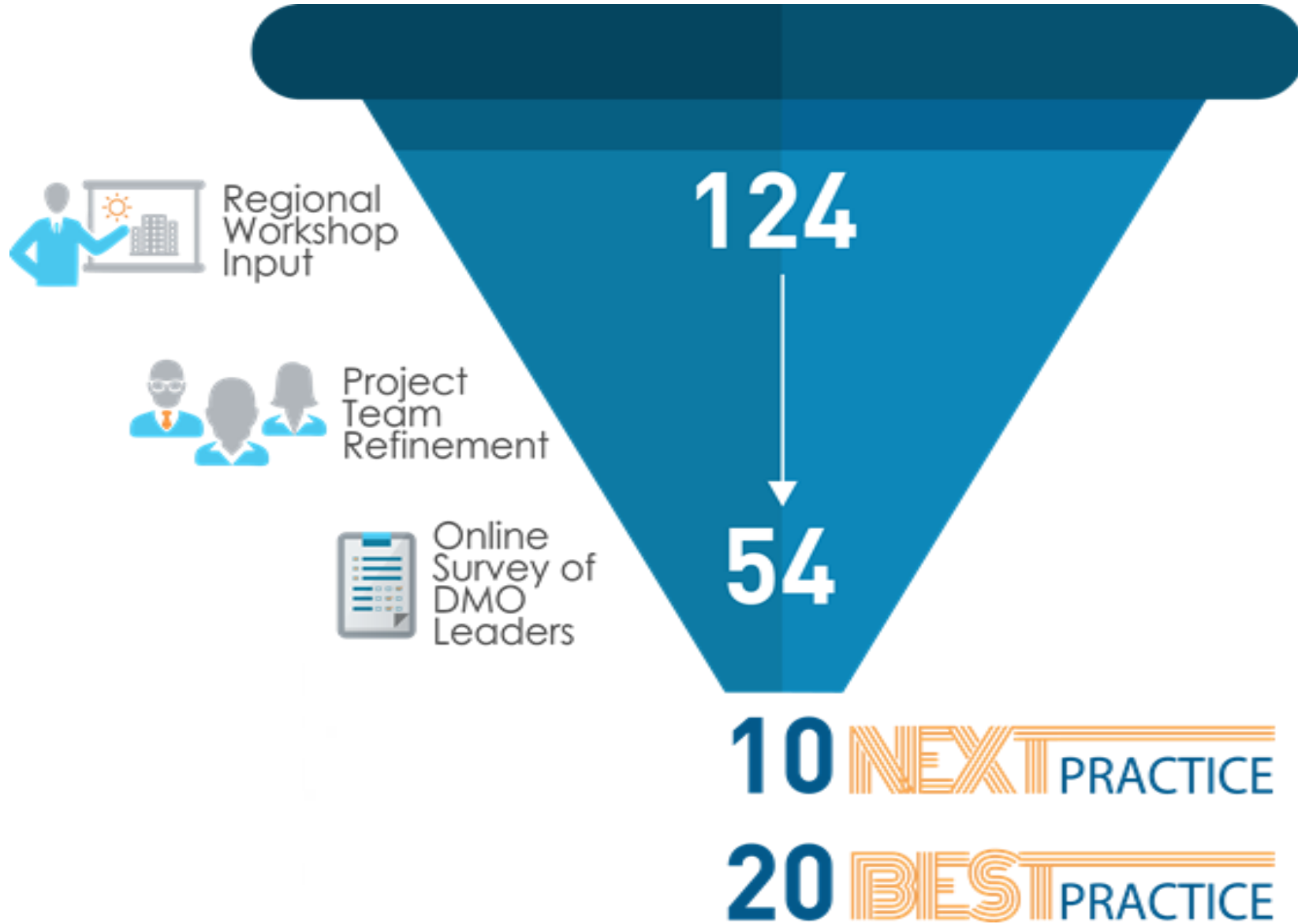
Becoming a Trailblazer



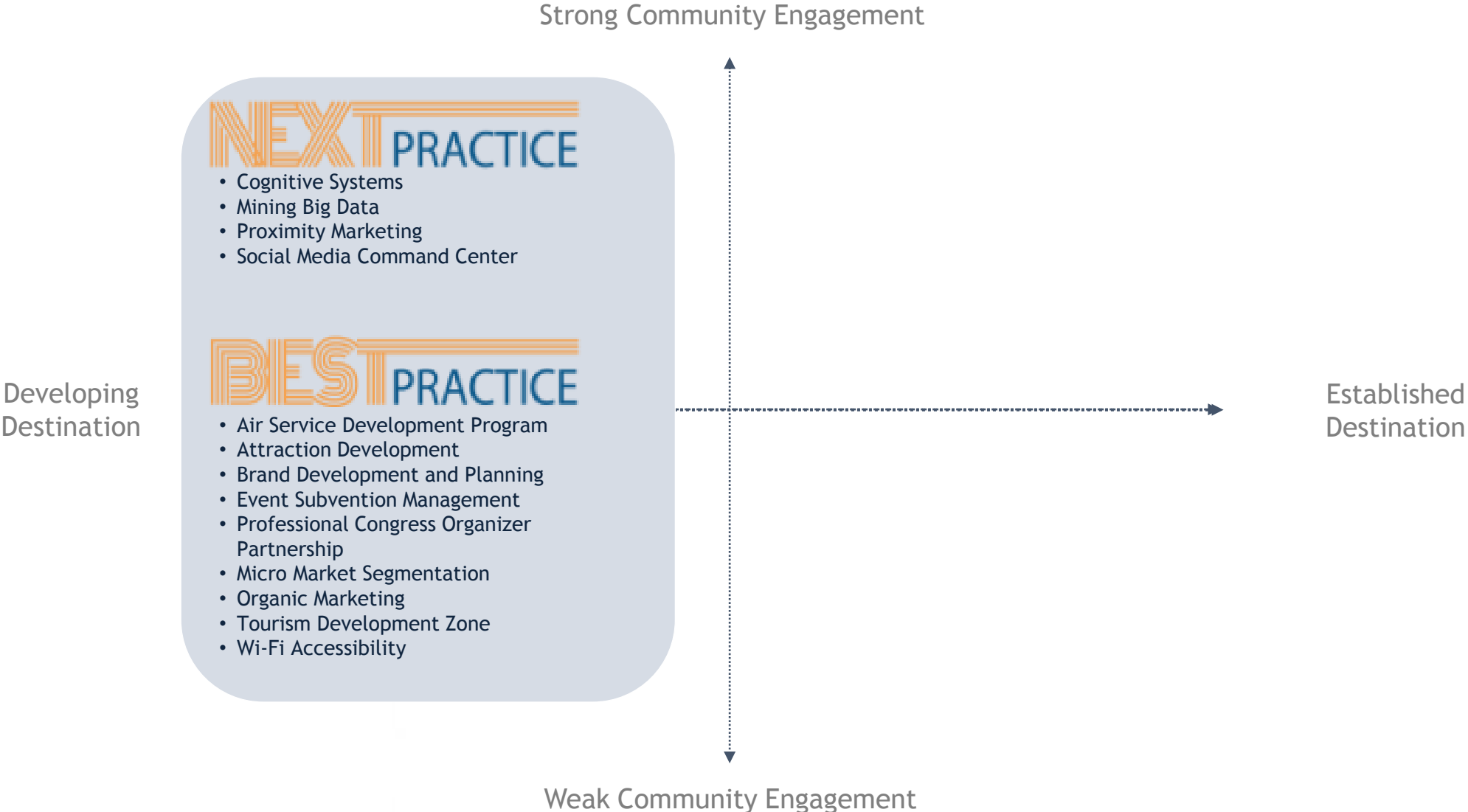
Practices



Evaluation



Destination Strength



Providence WaterFire

- Created in 1996 by artist along three rivers in Providence, RI
- 16 lightings in 2017
- Almost 1 million visitors



Community Support & Engagement

Strong Community Engagement

Developing
Destination

Established
Destination



Weak Community Engagement

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

Identify Need

Determine funding requirements of destination to compete



Consider Options

Explore range of options in generating funding



Determine Path Forward with Hotel Sector

Build business case, governance and legal requirements



Garner Support

Work with hotel sector to gain commitments of support



Enact Solution

Ensure ongoing transparency and oversight of funding

Impact on Community Support & Engagement / Destination Strength

CS&E



Both Drivers

Strong Community Engagement

Developing
Destination

Established
Destination

Weak Community Engagement

NEXT PRACTICE

- DMO Association Development
- Shared Economy Collaboration
- Tourism Infrastructure Crowdfunding

BEST PRACTICE

- Destination Brand Unification
- DMO Generated Events
- Formalized Economic Development
- Non-Industry Destination Advocates
- Tourism Master Planning

Tourism Master Plan

- Focus on infrastructure, facilities, services, attractions & events which need to be developed to improve overall visitor offering & experience
- Time frame of 10 years and beyond
- Coordinated with and integrated into other planning initiatives underway



Breakout Groups

Key Questions

- 1) What are the **three most significant issues** facing San Antonio during the next three years?
- 2) What is the **single most important action** which should be taken by Visit San Antonio in the next year?

Key Issues

Group 1	2
Inclusion of all events, restaurants and attractions in DMMO efforts	Workforce educated, motivated and increased size
Lack of Tourism Master Plan for City of Beloit	More facilities/sports, meetings and conventions
Lack of Positive Public Relations effort to Local Residential Fabric	Increase attractions

Actions

Group 1	2
<p>Strengthen and engage community through residential survey and like-minded groups who will engage.</p> <p>Distributing the work of the future Tourism Master Plan to both groups.</p>	<p>A survey of local residents and labor force to identify their perceptions of needs to leverage the data and create attractions and amenities for locals and to attract visitors.</p>