

## 5.8. Evaluate and target group and international markets

This Strategic Action strengthens Montana's tourism marketing efforts.

### Recommended Tactics

#### **MTOT**

- » Continue to promote Montana as a destination to domestic and international tour operators.
- » Develop ways to accurately gauge the contributions of the domestic and international tour operators to tourism in Montana.
- » Evaluate promotional efforts targeting domestic tour operators. Establish valid measurements of success and evaluate costs and benefits.
- » Obtain research-based insights into the evolving characteristics, composition, and importance of "group travel" segments in Montana (see Strategic Action 5.3.).
- » Continue to promote Montana as a destination to international visitors, independently and through multi-state partnerships.

#### **Regions, CVBs, Communities, Tribes**

- » Develop valid, research-based ways to accurately gauge the volume of Regional/local visitors attributable to domestic and international tour operators.
- » Collaborate with MTOT to carry out promotion to tour operators, where justified by research and analysis.
- » Target select group markets, assessing the relative importance and potential of traditional group markets (e.g. packaged group travel, meetings, incentive travel) as well as emerging non-packaged group travel (e.g., man-cations, girlfriend getaways).
- » Evaluate the relative effectiveness and return on promotion to targeted group market segments.
- » Work with Rocky Mountain International and MTOT on marketing and promotion to attract overseas group travelers and/or FIT (Foreign Independent Travelers), where justified by research and analysis.
- » Evaluate the relative effectiveness and return on promotion to targeted overseas markets.

#### **Businesses & Organizations**

- » Target select group markets, assessing the relative importance and potential of traditional group markets (e.g. packaged group travel, meetings/conventions) as well as emerging non-packaged group travel (e.g., man-cations, girlfriend getaways).
- » Evaluate the relative effectiveness and return on promotion to targeted group markets.

- » Carry out marketing and promotion to attract overseas group travelers and/or FIT (Foreign Independent Travelers), where justified by research and analysis.
- » Evaluate the relative effectiveness and return on promotion to targeted overseas markets.

### Indicators of Success

- » Relative ROI based on increased visitation/expenditures is calculated for all promotional activities, when appropriate and possible, and used to prioritize resource allocations to each.
- » Domestic and international tour operators offer more Montana product/overnights (preferably over a five-year moving average), showing a strong ROI on promotional activities.
- » Visitation and related expenditures increase in targeted segments of the group market. Increases can be linked to promotional activities, with a strong ROI for promotional expenditures.
- » Overseas marketing and promotion – directly and under the “Real America” banner – has demonstrable effects upon visitation from those markets.

### Background & Rationale

As a “small” state with a limited budget for tourism promotion, it is particularly important for Montana to allocate its budget optimally, so as to maximize its impact on visitor expenditures. Promotional activities must be linked as directly as possible to increased revenue (private and tax) to make and justify budget allocations among the activities.

While tour operators are an important segment of the tourism market, reaching them through conventions can be a costly endeavor, making it particularly important to measure ROI. Because tour operators need time to produce new Montana products, the results of promotional activities lag somewhat and would be best measured by a multi-year moving average.

Other group travel segments should be pursued only if there is a strong business case to do so. For some communities, the “small meeting” segment of meetings and conventions travel may offer potential to generate nonresident travel, for example.

Co-branding with surrounding states to carry out overseas marketing is a strong approach, given the similarity of tourism products in the region. However, as electronic media make both overseas and domestic branding accessible to potential visitors overseas, it may become necessary to evaluate the alignment of the two branding messages. While measuring the volume of overseas visitors is very challenging, a number of stakeholders offer anecdotal evidence of this segment’s importance. The segment may warrant efforts to establish valid measures of ROI.