

5.1. Strengthen strategic guidance, communication and coordination of the Montana tourism industry

This Strategic Action strengthens Montana's tourism product and marketing efforts and builds respect for the tourism industry in Montana.

Recommended Tactics

TAC, MTOT

- » Work together to select the most pressing priorities from the Strategic Plan for Montana's tourism industry, giving consideration to the priorities of individual Regions and CVBs. Adjust the industry-wide priorities over time.
- » Communicate priorities and the rationale behind them clearly and consistently to all stakeholders.
- » Continue efforts to make communication with and reporting by Regions and CVBs easier, efficient, and effective.

MTOT

- » Actively manage the strategic plan as a "living document" to maintain its relevance:
 - establish a formal process by which the strategic plan may be amended;
 - review and moderate feedback from stakeholders;
 - incorporate additional strategic actions and recommended tactics, as needed;
 - alter strategic actions or recommended tactics as needed to improve their efficacy; and
 - eliminate strategic actions or recommended tactics that are found to be ineffective or counterproductive.
- » Give businesses and organizations a clear and convincing business case for being actively engaged with MTOT, Regions, CVBs, and the Strategic Plan.
- » Continue seeking out ways to strengthen two-way communication with all stakeholders and make it easy for even small stakeholders to remain engaged
- » Develop a "community relations" plan to assess, guide, and improve the effectiveness of communications with all stakeholders. Include specific strategic objectives to guide communication with businesses and organizations, such as:
 - helping them understand how the Montana Brand directly applies to their operations;
 - ensuring that they see the MTOT, Regions, and CVBs marketing campaigns that are inspiring their potential customers;
 - giving them key insights from data and analytics, and showing how these insights can help their businesses and organizations; and

- building broad awareness of technical and financial resources available to businesses and organizations and noting how to make use of the resources (such as the strategic plan, knowledge and learning tools, research, cooperative marketing opportunities, grant opportunities, and sustainable business training/certification).
- » Establish mechanisms for peer collaboration amongst businesses and organizations – help them work together on their own initiative by providing them with some simple tools. For example, consider establishing online discussion boards (e.g., Yahoo Groups) where stakeholders can collaborate on specific shared concerns, objectives, or initiatives. Reach out to encourage participation by a broad spectrum of tourism partners. If discussion boards are to be used, adopt protocols to be used by all boards; for example, limiting the scope of discussion, setting procedures for designating moderators, setting out the requirements for public access.
- » Identify specific opportunities for cooperative efforts with Tourism Partners, open the conversation with the partner(s), and make the broader tourism community aware of the partnership. (For example, to implement Strategic Action 1.4.)

Regions, CVBs

- » Develop a “community relations” plan to assess, guide, and improve the effectiveness of communications with all stakeholders in the Region/community.
- » Communicate organizational strategies broadly and clearly to all stakeholders in the Region/community.
- » Work cooperatively and communicate freely with other Regions/CVBs regarding implementation of the strategic plan and other actions requiring a coordinated effort.
- » Recommend modifications to the strategic plan to MTOT, as needed and with sound rationale. Recommend incorporation of additional actions or tactics developed by or within the Region/community that have proven successful.

Communities, Tribes, Businesses & Organizations

- » Understand the visitor experience promised by the Montana Brand, and how this promise is inspiring visitors through the marketing and promotion of MTOT, Regions, and CVBs. (Then consider how your tourism product could fulfill the visitors’ expectations so you can convert the visitors into your customers.)
- » Commit to staying aware of what MTOT and your Tourism Region/CVB are doing, using the communication tool(s) that fit you best. (Then consider how you could leverage their efforts to get the greatest benefit for your business or organization.)
- » Take advantage of training and learning opportunities offered by MTOT, Regions, and CVBs.
- » Use the research conducted by ITRR and that contracted by MTOT, Regions, and CVBs to strengthen your business or organization.

- » Provide feedback to MTOT, Regions, and any other relevant industry members regarding effective or ineffective strategic actions. Share success stories as well as any additional information and resources that you discover.
- » Seek opportunities to collaborate with your fellow tourism businesses and organizations – share ideas and experiences, discuss challenges you share, and brainstorm solutions.

Indicators of Success

- » MTOT, Regions, and CVBs have “community relations plans” in place to strengthen communications with stakeholders.
- » Communications from MTOT, Regions and CVBs to businesses and organizations are effective and valued by businesses and organizations, as demonstrated by broad stakeholder engagement and implementation of ideas (shared through the described communication and feedback mechanisms).
- » MTOT, Regions and CVBs are aware of and attuned to the needs and concerns of industry members. Marketing and promotion efforts by DMOs are overtly connected to sales and delivery of the brand promise by frontline businesses and organizations.
- » The strategic plan is amended to incorporate new, innovative, and effective strategic actions, as well as emerging best practices and knowledge for DMOs and industry members, while unnecessary or ineffective elements of the Strategic Plan are deleted.
- » Feedback and success stories are contributed by a variety of stakeholders.

Background & Rationale

One of the key challenges of marketing a destination is that the “product” being sold is actually a *collection* of products and services (with fragmented ownership and many stakeholders) as well as a range of public goods (e.g., landscape, scenery, atmosphere) that *together* provide the visitor experience. Communication and coordination are essential for success and a vast body of research exists regarding the importance of these and the challenge they pose.

Destination marketing organizations (DMOs) play a central role in facilitating collaboration and building a cohesive tourism product by providing leadership, involving stakeholders in a meaningful way, and communicating effectively.

Current technologies (e.g. social media) allow the visitor experience to impact directly and immediately upon the success of branding and marketing. The marketing role of the DMO must therefore be closely integrated and aligned with the delivery role of other stakeholders. *The brand established by DMOs must resonate with stakeholders and it must be realistically deliverable by the stakeholders.* Businesses and organizations, in turn, must pay attention and respond to market feedback offered by the DMOs. While destination marketing organizations cannot control the marketing activities of individual players within the tourism industry, they can lead and coordinate them. DMOs can bring stakeholders together to cooperate rather than compete, and to pool resources to support an integrated marketing mix and delivery system. As alignment grows, DMOs are becoming prominent “destination developers”, acting as catalysts for tourism development and supporting industry members’ efforts to improve their competitiveness.

One factor that increases the difficulty of coordination by DMOs is the fact that the majority of tourism industry members are small businesses or organizations with limited time, resources, and capacity. After handling the immediate demands of operating their business or organization, there is little time left to attend to big picture tourism strategies. In order to win the active support and participation of front line stakeholders, it is valuable for the Regions and CVBs to offer them a strong business case for engagement in DMO efforts and provide guidance that has immediate and direct applicability to the operation or success of the front line business or organization.

Today there are many means of communication – intranet, online communities, email, RSS feeds, and snail mail, to name but a few. MTOT, Regions, CVBs and the TAC should collaborate to identify the most effective means of reaching stakeholders as part of the electronic media strategy (see Strategic Action 4.2).

5.2. Improve skills, knowledge and professionalism of tourism stakeholders

This Strategic Action strengthens Montana's tourism product and marketing efforts.

Recommended Tactics

MTOT, TAC, Regions, CVBs

- » Develop a cohesive industry training and knowledge plan.
 - Conduct needs assessments to identify the knowledge and skills most needed by industry members to succeed as individual businesses and organizations and collectively as an industry.
 - Conduct needs assessments to identify the knowledge and skills needed by Montana DMOs and their Boards to succeed as organizations and to foster the success of their destinations.
 - Evaluate the relative effectiveness and cost-effectiveness of live training; independent training tools such as training videos or interactive online tools; and download-able documents.
 - Maximize the potential of existing industry gatherings – such as the Governor's Conference, TAC meetings, Regions & CVB meetings, Board meetings, and Superhost Training Seminars – and regular communication within the industry for training and knowledge-building. Use gatherings to inform needs assessments, provide training, and raise awareness of knowledge resources that are available.
 - Identify and develop partnerships with entities that can provide valuable training.
 - Establish follow up mechanisms after training or use of knowledge tools to gauge whether the skills or knowledge are being applied to business/organizational operations. Adjust the training plan as needed to improve uptake and application of resources.
- » Create an easily accessible Resource Library for tourism stakeholders.
 - Include how-to guides, self-evaluation guides, reports, templates, online training tools, and other resources that are relevant, digestible, and applicable to meet the identified needs of stakeholders.
 - Make use of existing, publicly available resources to the greatest degree possible (using links and abiding by fair use protocols).
 - Encourage contributions by stakeholders of useful resources they have found, and acknowledge these contributions.
 - Index ITRR materials to ensure that stakeholders can easily locate the specific information they need or want.
- » Explore opportunities for peer-to-peer learning.

- Develop a template for success stories to ensure that they will offer insights, lessons learned, and best practices for readers. Strongly encourage and acknowledge contributions of success stories.
 - Consider establishing online discussion boards (e.g., Yahoo Groups) where stakeholders can collaborate on specific shared concerns, objectives, or initiatives. If discussion boards are to be used, adopt protocols to be used by all boards; for example, limiting the scope of discussion, setting procedures for designating moderators, and setting out the requirements for public access.
- » Evaluate the target audiences, subject matter, and effectiveness of the Superhost training programs. Expand, revise, and update the programs based on current research and best practices from the tourism and adult learning fields, and on needs assessments that have been carried out.

Regions, CVBs, Communities, Tribes

- » Make full use of information and training tools to strengthen organizational capacity, organizational success, and sector success.
- » Submit success stories from the Region or community for inclusion in the Resource Library.
- » Facilitate training and learning (“capacity building”) by businesses and organizations in the Region/ community.

Businesses & Organizations

- » Make full use of information and training tools to strengthen organizational success and sector success.
- » Share proven successful ideas and activities and success stories by submitting them for inclusion in the Resource Library.

Indicators of Success

- » Needs assessments and an evaluation of training methods have been used to develop a cohesive industry training plan.
- » A well-curated collection of existing learning resources is readily available to stakeholders in a Resource Library. Materials are well-indexed, allowing stakeholders to easily find what is most useful to them. Training and information resources are available for Regions and CVBs to strengthen marketing skills and expertise in DMO best practices. Training and information resources are available for all stakeholders to improve functional knowledge and adoption of tourism industry best practices.
- » Stakeholder gatherings and regular communications are used effectively to implement the training plan.
- » Feedback from stakeholders indicates that training is being applied in their daily operations and has improved their operations.

- » Learning and knowledge resources are frequently accessed by stakeholders. Feedback from stakeholders indicates that these resources have significant value for their operations and are easy to access and use.
- » Success stories and other learning resources are submitted by stakeholders and collected by MTOT to expand and improve the Resource Library and the Strategic Plan.
- » Current research and best practices from the fields of tourism and adult learning have been used to assess the Superhost training programs and make any necessary changes.

Background & Rationale

A good visitor experience depends upon good delivery by businesses and stakeholders, many of which are small businesses with few resources and limited capacity. As a result, training of these front line stakeholders is often identified as a critical success factor for destinations (Blackman, Foster, Hyvonen, Jewell, Kuiboer, & Moscardo, 2004).

DMOs, too, have limited resources and capacity but need to keep abreast of best practices in the industry. The training and information needs have become more acute in recent years as emerging technologies – the internet, mobile devices, and Web 2.0 – revolutionize the field of destination marketing (Hernandez, 2013). During strategic plan community input sessions, stakeholders expressed a need and a desire for knowledge in several key areas, including:

- » visitor expectations and how to meet them;
- » the utility and application of the Montana Brand for their business or organization;
- » the utility of the strategic plan for their business or organization;
- » how travelers use electronic media (especially mobile) and how stakeholders can make use of it effectively and with a low burden;
- » improving customer service by frontline staff; and
- » how to implement desired projects such as improving curb appeal.

Research confirms that small businesses face many obstacles to training – including time constraints due to day-to-day operational demands of the business; inflexibility of hours or location of training; and costs (of training and time lost). In addition, many attach a *low* value to training (particularly for staff) because direct benefits are difficult to identify.

Small business owners, in particular, are most likely to seek learning materials when trying to address a specific problem. Learning opportunities are most highly valued by small business operators when they (i) are directly relevant and immediately applicable to concrete business activities, (ii) offer new or updated information, and (iii) are highly informative. Small business learning is based upon the practical need to learn and adapt in the context of the business environment. As a result, “the business constantly needs to know what it needs to learn *how* it might learn it and *who* from.” Similarly, research in the field of adult education finds that adults learn best when training has immediate applicability.

Research highlights the importance of conducting a needs assessment to identify concrete and immediate skills and knowledge that should be offered to stakeholders. Training resources, themselves, can be used to help establish needs. Training units can be developed to walk industry members through a self-evaluation of their own operation, for example self-evaluation of their product or service quality or of visitor satisfaction. The self-evaluations can then be used in aggregate to shape the choice of training materials to be made available and can help individual stakeholders in selecting materials and allocating their time to learning.

The mode of training is also important but studies have found conflicting preferences – interactive versus non-interactive; in-house independent learning versus off-site events; electronic versus print – suggesting that the specific preferences of *Montana* stakeholders must be discovered. Based upon comments made in community sessions, the initial indication is that independent learning tools are preferred due to the time constraints and the inflexibility of work hours faced by many small business operators.

Because electronic resources (interactive or not) will be an important cost-effective means of providing training and disseminating knowledge, this strategic action should be considered in the development and maintenance of an electronic media strategy (Strategic Action 4.2.).

Research has consistently found that gaining knowledge from *peers* is highly valued and more effective than learning from other sources, suggesting that informal exchanges of experiences as well as the dissemination of “success stories” may be a useful and cost-effective part of the training resources.

5.3. Expand distribution and use of key insights from research and analysis

This Strategic Action strengthens Montana's tourism product and marketing efforts.

Recommended Tactics

TAC, ITRR, MTOT

- » Set a research agenda – incorporating academic research (ITRR), market research, and analytics – to identify and prioritize key research questions. Emphasize research questions that can directly:
 - inform and improve marketing decisions;
 - inform resource allocations;
 - identify important and targetable market segments (using data-driven segments as well as demographic or psychographic segments);
 - improve knowledge of travel motivations;
 - understand the travel patterns and expenditures of specific segments;
 - identify ways to improve visitor experiences;
 - identify ways to extend the length of trips or the level of visitor expenditures; or
 - measure tourism's economic impact for Montana.
- » Use research and analysis to the fullest extent to ensure informed decisions regarding all activities.
- » Improve stakeholder use of ITRR and other research by emphasizing distribution of insights from research – succinct notes on a specific finding that tie the finding to its practical application in the operations of stakeholders. For example, ITRR's 2011 Tourism Outlook reported on “top Montana attributes important to nonresident visitors”. An insight could note that the top 5 are clean air, clean waterways, watchable wildlife, scenic vistas, and open space, and suggest that stakeholders check their websites to see if these attributes are reflected in images used. The report also indicated that access to public lands and access to waterways were ranked as “very important” by visitors. This could lead to a recommendation that stakeholders add nearby access points in their print and online visitor information and make sure their frontline staff knows about local access points.
- » Improve stakeholder awareness of ITRR research. For example, include research insights (with a link to the full report) in each MTOT newsletter.
- » Make it easy for stakeholders to find ITRR research to meet specific, immediate information needs. For example, include links to ITRR research within the Resource Library organized by practical topics or questions that tourism stakeholders might be seeking to address; enhance the search capabilities on the ITRR website; or adopt a common set of categories and terms used by MTOT, ITRR, and the TAC to tag and organize information for stakeholders.
- » Continue and enhance collection of non-resident data by ITRR, ensuring that survey questions continue to provide valid data to meet the identified research needs of the tourism community.

- » Make use of research conducted by or for other destinations.
- » Utilize literature reviews of (non-ITRR) academic research as a cost-effective means to answer more general questions regarding best practices and tourism trends (for example, trends in sources of visitor information, traveler use of mobile devices or electronic word-of-mouth, factors in visitor satisfaction, geotraveler trends).
- » Utilize the most current electronic tools, such as web analytics and online review and feedback mechanisms, to gain insights into visitors and the market.

Regions, CVBs, Communities, Tribes

- » Suggest items for the state-wide research agenda.
- » Use key insights from academic and marketing research to guide strategic and marketing planning.
- » Explore cost effective means for local/regional data collection at existing points of contact, for example: surveys conducted by event, attraction, or amenity operators; or aggregation of lodging data.
- » Utilize electronic tools, such as web analytics and online review and feedback mechanisms, to gain insights into visitors and the market.
- » Disseminate key insights from academic and marketing research to local stakeholders.

Businesses & Organizations

- » Actively seek to apply the research and analysis to improve day-to-day operations.
- » Gather and use insights from electronic tools such as web analytics, analysis of data from ratings and review sites (e.g. TripAdvisor, Yelp); online reviews and feedback; and interaction through social media.
- » Help spread awareness of research insights from MTOT, ITRR, the TAC, Regions, and CVBs to colleagues.

Indicators of Success

- » A research agenda is adopted with direct ties to the business decisions and activities of stakeholders.
- » Key insights are disseminated and improve use of research and analysis by stakeholders.
- » Valid research and analysis plays a significant and overt role in guiding the strategic and marketing plans and decisions of stakeholders.
- » Research and analysis are available in the Resource Library, in a form that is easily accessed and digested by stakeholders.
- » Opportunities to collect additional valid data for marginal additional cost or effort are identified and implemented.

Background & Rationale

The value in research and analysis lies in its ability to improve the success of the industry as a whole and its stakeholders individually. Research – and allocation of resources to it – therefore must be driven by the needs of the industry and the potential to improve success.

Research “wish lists” can easily grow to be quite large and conducting primary research is often the first or only approach considered. To effectively use limited research resources, that wish list must be filtered down by asking “if we had this piece of information, how would it shape our decisions and activities?” Research questions that offer good strategic value should then be prioritized, with priority given to those that have the greatest potential for improving outcomes – improved economics, better visitor experiences, more effectiveness in operations or marketing, etc. The answers to priority research questions should be obtained in the most cost effective way.

A large body of research exists that is valid and offers insights that can be applied to Montana’s tourism sector. Literature reviews can draw upon this body of knowledge and be analyzed for implications for Montana, providing insights at far lower cost than conducting original survey research in Montana. Montana has compiled non-resident data for a number of years, and can extract additional insights from this valuable data set. Data segmentation offers great potential for understanding of the travel patterns of visitors, which is more useful in many regards than analysis of the aggregated data. By disaggregating data to examine the travel patterns of specific groups, both product and marketing could be better targeted. Disaggregation could be done not only by demographic segments, but also by segments identified by their travel motivations or by similar travel patterns. For example, Nickerson and Moisey (1999) reanalyzed existing non-resident data using cluster analysis to identify five distinct groups on the basis of what most attracted them to Montana. The study offered useful insights into the characteristics of the groups and suggested marketing strategies for each. Additional data-driven segmentation of this kind (versus traditional segmentation by demographic traits or origin) could offer unique insights.

Other emerging sources of data that might meet the needs of individual stakeholders include data mining from ratings and review sites (e.g., compiling ratings data; content analysis to determine the most common positive and negative comments.)

Resources

Other DMOs whose research can be tapped for insights relevant to Montana include:

- Alberta (good source of tourism research *not* specific to Alberta and highly applicable to Montana) <http://www.tpr.alberta.ca/tourism/research/>;
- California (esp. for rural tourism) <http://industry.visitcalifornia.com/Research/Travel-Market-Research/>;
- Saskatchewan (esp. for Canadian and US travel trends) [http://www.industrymatters.com/Marketing-and-Research](http://www.industrymatters.com/Marketing-and-Research;);
- Oregon (esp. for national reports on outdoor recreation and adventure travel) <http://industry.traveloregon.com/research/archive/>;
- Idaho (many reports on topics of interest to Montana tourism) <http://commerce.idaho.gov/tourism-grants-and-resources/Research/>;

- Wyoming (to benchmark against a neighbor state's practices) <http://www.wyomingofficeoftourism.gov/industry/pages/Research/research.html>;
- South Dakota (to benchmark against a neighbor state's practices and for a limited amount of "other research" posted online) <http://www.sdvisit.com/tools/research/>;
- North Dakota (limited benchmarking and limited research on Canadian travel to the U.S.) <http://www.ndtourism.com/industry/>;
- Colorado (to benchmark cost reduction efforts and cost-effective approaches; to glean insights from contracted studies) <http://www.colorado.com/research>.

5.4. Make Montana tourism seamless and border-less

This Strategic Action strengthens Montana's tourism product and marketing efforts.

Recommended Tactics

MTOT, Regions, CVBs

- » Encourage and facilitate cooperation across Regions. Identify areas that are not currently seamless, suggest solutions, and identify opportunities for cooperative efforts by Regions, CVBs, and stakeholders.
- » Review electronic visitor information to ensure that it can be used seamlessly by visitors, paying particular attention to primary travel corridors.
- » Seek out cooperative efforts to produce seamless visitor experiences and visitor information.

Businesses & Organizations

- » Inform Regions and CVBs of cooperative efforts that industry members across regional and community boundaries are undertaking and seek their support.

Indicators of Success

- » Assessment of tourism information from the visitors' perspective confirms that visitors are able to obtain information and plan trips seamlessly throughout the state.
- » Towns and industry members in different Regions report that they can work cooperatively to promote multi-destination trips without administrative barriers.
- » Examples of successful cross-Region cooperative efforts are submitted for inclusion in the Resource Library and the strategic plan.

Background & Rationale

Tourism stakeholders expressed frustration during community input sessions regarding their ability to work together across the administrative boundaries of Montana's Tourism Regions. Encouraging industry members to approach Regions with concrete proposals for cross-Region cooperative activities may help allay these frustrations. Regions, CVBs, the TAC, and/or MTOT may wish to establish a process for industry members to approach Regions and CVBs with multi-region proposals or requests for support. Successful examples of such projects should be included in the online Resource Library and the strategic plan to serve as inspiration or as templates.

Because visitors generally take multi-destination trips within Montana, it is important that they be able to plan those trips seamlessly across Regions. Region and CVB websites should be evaluated from the visitors' perspective to identify obstacles to multi-region trip planning, and resolving those failures should be a priority. MTOT and all region websites should look and feel cohesive, and must offer itinerary planning functionality.

5.5. Manage and leverage electronic word-of-mouth

This Strategic Action strengthens Montana’s tourism marketing efforts.

Recommended Tactics

MTOT, Regions, CVBs, Communities, Tribes

- » Encourage all stakeholders to make use of electronic word-of-mouth, provide the business case for doing so, and provide guidance on how to do so effectively.
- » Incorporate electronic word-of-mouth tools (e.g., reviews, travel blogs) into electronic visitor information tools, allowing visitors to share their “breathtaking experiences”.
- » Link to exceptional online communities, threads, and blogs that contain positive reviews or word of mouth regarding your community, its tourism assets, and/or nearby tourism assets.

Businesses & Organizations

- » Monitor electronic word-of-mouth for your product or service.
- » Address problems identified by reviewers and respond to negative reviews with professionalism and good customer service.
- » Link to review sites (e.g., TripAdvisor, Yelp) on your websites, allowing visitors to access your reviews easily.
- » Encourage satisfied customers to post reviews.

Indicators of Success

- » MTOT, Regions, and CVBs websites link to ratings and review sites.
- » A majority of Montana’s tourism industry members incorporate reviews into their websites.
- » A majority of Montana’s tourism industry members monitor their online reputation.
- » Industry members use online reviews to identify problems, take actions to fix legitimate problems, and manage their online reputation by responding effectively to reviews.

Background & Rationale

Research has shown beyond a doubt that word-of-mouth recommendations have the single strongest effect on traveler decisions. Social media, social networking sites, and consumer generated content (collectively, “Web 2.0”) have significantly extended the reach of word-of-mouth by making it available to a much wider audience.

Electronic word-of-mouth can significantly impact the decisions of travelers. In a recent World Travel Market study, a full 58% of travelers changed at least one aspect of a planned trip after consulting Web 2.0 sites, including 35% who changed their choice of hotel. Customer reviews have become an integral part of how people make purchasing decisions. 76% of people use online reviews to shape their decisions; 69% share online reviews with friends, family, or colleagues; and 63% are more likely to purchase from a site that offers reviews or ratings.

Electronic word-of-mouth can be a valuable business resource for tourism stakeholders in a number of ways. It is a valuable source of information for tourism industry members allowing them to better understand the likes, dislikes, and expectations of customers. Tourism providers can respond to negative word-of-mouth in a way that blunts its impact significantly. And businesses and organizations can tap electronic word-of-mouth as a powerful marketing tool by ensuring that potential customers are aware of positive reviews. Tourism promotion agencies have noted the importance of managing online reputation for their industry members and have developed useful guides to simplify the process and overcome the apprehension of small operators. One of the best examples is the Australia Tourism Data Warehouse, which has published tutorials on “Online Reputation Management” and on “TripAdvisor for Tourism”. Within the bounds of fair use, Montana tourism stakeholders can be referred to these existing sources as a cost-effective way to help them adopt best practices.

Resources

Australia Tourism Data Warehouse “Tourism e-kit” tutorials at <http://www.atdw.com.au/tourismekit.aspx>.

5.6. Make Montana tourism a leader in online community marketing and customer advocacy

This Strategic Action strengthens Montana’s tourism marketing efforts.

Recommended Tactics

MTOT, TAC, Regions, CVBs, Communities, Tribes

- » Support businesses and organizations in developing electronic community marketing.
- » Collaborate with stakeholders to identify the “go-to” online communities for each activity/interest that offers a niche market for Montana.
- » Provide learning resources to guide stakeholders in effective electronic community marketing.
- » Include links in visitor information to blogs, community threads, etc., where community members share their enthusiasm for Montana as a setting for participating in niche activities or interests. Help these “customer advocates” speak to their peers – past and potential visitors to Montana.

Businesses & Organizations

- » Participate in the top online community(ies) related to key niche markets for your business or organization, serve as a source of accurate information, local insight, and enthusiasm for Montana as a setting for the activity/interest.
- » Link to exceptional communities, threads, and blogs that could be linked on tourism promotion sites. Make MTOT and Regions aware of these resources.

Indicators of Success

- » Montana tourism industry members are actively involved in online communities where they act as a resource for those interested in undertaking an activity or interest in Montana and promote Montana as a destination by sharing their specific knowledge and related enthusiasm. Niche markets grow in the long term through the resulting “community marketing”.
- » Trusted independent “customer advocates” (or “influencers”) provide valuable word-of-mouth promotion for Montana and contribute to the growth of niche markets.

Background & Rationale

As user generated content and social media make electronic word-of-mouth a growing force in consumer decisions, a modern form of “community marketing” is emerging.

“Community marketing” is focused on being part of the community and meeting the needs of the community – for example, a local hardware store builds a base of loyal customers by being a trusted source of knowledge. Community marketing is re-emerging within *online* communities that tie people together around a shared interest, activity, or goal.

Montana tourism is well placed to develop effective online community marketing because many tourism industry members are personally passionate about the activities or interests that draw their niche market

customers (e.g., fishing, hiking, biking, photography). Note that while each niche activity may have a small following, they can contribute significantly to overall tourism numbers. Wyoming's Office of Tourism found that niche activities *motivated* the choice of Wyoming for 47% of the state's 2012 visitors (compared to 46% of visitors motivated by visiting a national park) (<http://www.wyomingofficeoftourism.gov/industry/pdf/homepage/2012VisitorProfileStudy.pdf>, slide 16).

By participating actively in online communities serving these interests, industry members can establish themselves as a trusted source of expert or local information *and* share their enthusiasm for pursuing these activities/interests in the *superb* setting of Montana. This promotes Montana as a destination and also builds a pool of loyal customers for the stakeholder's business (e.g., lodging, guide services). This provides targeted marketing in the social media realm (targeting an online community, like avid fishermen, the way one would target a physical community like Minneapolis). The business benefits emerge over the *long-term* but are important.

Closely related to the concept of online community marketing is the Web 2.0 phenomenon of "influencers" or "customer advocates" – those who influence others through their electronic word-of-mouth recommendations. Again, Montana has a wealth of potential influencers. For any niche activity or interest that brings in non-resident visitors, there are Montanans (or admirers of Montana) who are blogging or posting on community forums with honest and passionate tales of the experiences that the state has to offer. By linking to these word-of-mouth praises, Montana allows them to provide sincere advocacy for the state as a great destination.

Resources

For an understanding of "online community marketing" see the 2012 article by Bill Lee on the Harvard Business Review Blog Network at http://blogs.hbr.org/cs/2012/08/marketing_is_dead.html.

The Australian Tourism Data Warehouse "online tourism communities" tutorial provides basic information on joining and engaging in online communities at http://www.atdw.com.au/media/1523/Tutorial_42_-_Online_Tourism_Communities.pdf.

5.7. Continue to carry out consumer marketing and media relations to attract non-resident visitors

This Strategic Action strengthens Montana's tourism marketing efforts.

Recommended Tactics

MTOT

- » Continue targeted marketing to domestic non-resident markets using traditional and electronic media. Continue to base marketing decisions upon research and evaluate effectiveness of marketing campaigns.
- » Continue to develop effective cooperative marketing opportunities for industry members. Ensure that industry members are well informed regarding the marketing campaigns and the research that guides them.
- » Continue to carry out well-targeted media relations to solicit media coverage for Montana as a leisure travel destination.
- » Assist Regions, CVBs, communities, and tribes to successfully pitch stories and conduct media relations.
- » Widely disseminate resulting media coverage to stakeholders.

Regions, CVBs, Communities, Tribes

- » Participate in cooperative marketing campaigns that offer appropriate target markets and good value. Collaborate with MTOT to evaluate the effectiveness of campaigns.
- » Continue targeted marketing to domestic non-resident markets using traditional and electronic media. Continue to base marketing decisions upon research and evaluate effectiveness of marketing campaigns.
- » Continue to carry out well-targeted media relations to solicit media coverage for Montana as a leisure travel destination. Identify potential stories and pitch them to appropriate media sources, focusing on out-of-state media.
- » Collaborate with and support MTOT to successfully conduct media relations.
- » Widely disseminate resulting media coverage to stakeholders.

Businesses & Organizations

- » Identify potential stories and pitch them to appropriate media sources, focusing on out-of-state media.
- » Collaborate with and support MTOT, Regions, and CVBs to successfully conduct media relations.

Indicators of Success

- » Well targeted marketing brings high conversion rates and a stronger return on investment (ROI) for marketing expenditures.
- » Regions and CVBs deem the cooperative marketing opportunities to be valuable and use them as an important part of their marketing plans.
- » Awareness and top-of-mind awareness are improved by media exposure generated by media relations.
- » Regions, CVBs, communities, tribes, businesses and organizations successfully pitch more stories to out-of-state publications.

Background & Rationale

MTOT's geographically targeted consumer marketing has proven very successful and produced an improved ROI, based on conversion studies.

Cooperative marketing opportunities offered by MTOT have provided a significant ROI for participating stakeholders, particularly in online marketing campaigns. Participation promises to extend the budget of stakeholders, allowing them to leverage considerably off the MTOT marketing expenditures.

Well targeted media relations can result in low-cost, high-impact exposure for Montana. By helping Regions to pitch stories successfully, the skills of MTOT's media professionals are leveraged to generate even more exposure for the state.

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.

5.9. Continue to promote Montana as a competitive, creative, and viable filming location

This Strategic Action strengthens Montana's tourism marketing efforts.

Recommended Tactics

MTOT

- » Continue to promote and administer the Montana film incentive programs (currently Big Sky on the Big Screen Act and the Montana Big Sky Film Grant).
- » Continue to apply the incentive programs in a targeted and cost-effective way.
- » Support legislative extension of the Big Sky on the Big Screen Act, recommending any modifications to improve competitiveness of Montana or cost-effectiveness of the incentive programs.

Regions, CVBs, Communities, Tribes, Businesses & Organizations

- » Continue to collaborate with MTOT and support efforts to attract filming to your area.

Indicators of Success

- » Film promotion and incentives have been allocated strategically to projects that offer a significant degree of positive exposure for Montana. Projects receiving support show a net positive economic impact in the state.

Background & Rationale

MTOT's film promotion office has successfully used targeted support rather than joining a "race to the bottom" by trying to compete with subsidies from large-budget states. Continuing to quantify the exposure generated through these activities and consistently pursuing cost-effectiveness in these programs will help maintain legislative support for their continuation.

5.10. Carry out public and media relations to build respect for the tourism industry

This Strategic Action builds respect for the tourism industry in Montana.

Recommended Tactics

ITRR

- » Provide valid and objective research and analysis regarding the economic impacts of Montana tourism.
- » Ensure that valid and objective data is widely available regarding the tourism industry's role in Montana's economy.

TAC, MTOT, Regions, CVBs

- » Disseminate accurate information regarding the economic and social benefits of tourism in the state/region/community.
- » Solicit media coverage regarding the benefits of tourism in the state/region/community.
- » Solicit media coverage of Montana tourism success stories.
- » Provide tourism stakeholders and tourism partners with data, research, analysis, and other communications regarding successes and benefits of tourism to share with elected officials, community members, and other interested parties.
- » Provide elected officials with data, research, analysis, and press releases regarding success stories and economic benefits of tourism.

Businesses & Organizations

- » Share data and information regarding tourism's successes and benefits with elected officials and community members.
- » Encourage local media to cover tourism stories.
- » Let the community know when the business or organization uses local or Montana products (see Strategic Action 2.5.).

Indicators of Success

- » Local press coverage of tourism successes, the benefits of tourism, and tourism stories is more extensive and more prominent.
- » Neither the lodging tax nor its partial allocation to tourism promotion is threatened in the state legislature.
- » City and county elected officials voice support for tourism as part of a sustainable local economic base.

Background & Rationale

“Respect” for the tourism industry is one of three key pillars identified by the Tourism Advisory Council to be strengthened through the strategic plan.

By raising awareness of the economic importance of tourism among elected officials, the business community, and the general public, the industry can win a broad base of public support, which in turn will help preserve and enhance the lodging tax and the tourism industry.

Gathering and publicizing valid data will provide quantitative support for tourism’s economic and social contributions. Gathering and publicizing success stories provides quantitative and qualitative evidence of tourism’s positive attributes, such as the innovation and entrepreneurialism of the industry, the amenities it brings for Montana residents, the community spirit and pride it can foster, and the economic successes it achieves.

Sharing information regarding the economic value of tourism also helps land management agencies evaluate the balanced use of public lands.

Raising awareness of economic importance among the industry’s own stakeholders enables them to become more effective advocates for tourism – individually and collectively – at the state and local levels.

Working on a consistent basis to track tourism’s successes and build a strong base of respect can strengthen Montana tourism stakeholders’ position when defending the industry and the lodging tax during legislative sessions and with the executive branch.

5.11. Continue to provide financial and technical support for tourism projects

This Strategic Action strengthens Montana's tourism product development.

Recommended Tactics

MTOT

- » Broaden awareness of technical and financial programs supporting tourism in Montana, in particular: the Tourism Infrastructure Investment Program (TIIP grants); the Special Event Grant Program (SEGP); and the Tourism E-Marketing Technology Grant.
- » Ensure that grant programs support efforts that (i) are consistent with the Montana Brand and (ii) contribute to the industry strategy. Evaluate the effectiveness of grants.
- » Monitor the needs of the industry and the value of grant programs to identify necessary changes or additions.
- » Maintain an updated list of tourism-related technical and financial assistance programs provided by various public and private sources.

Indicators of Success

- » Grant awards have demonstrable benefits: increasing visitation and visitor expenditures, improving delivery of the brand, or strengthening Montana's tourism offering in valuable ways.
- » Grant programs are evaluated and found to contribute strongly to strategic goals.
- » Stakeholders have access to updated information about other tourism-related technical and financial assistance programs provided by various public and private sources.

Background & Rationale

MTOT currently offers three grant programs designed to provide financial support to the tourism sector. The Tourism Infrastructure Investment Program (TIIP) provides grant funding for tourism-related facilities and for the preservation of Montana's cultural and historical assets. The Special Event Grant Program is designed to help promote "hallmark events" that diversify and enhance Montana's tourism product. The Tourism E-Marketing Technology Grant helps businesses improve their competitive e-marketing position. As with all lodging tax expenditures, the funds allocated to these grant programs must be evaluated for effectiveness. Success can be measured in increased visitor expenditures, substantive improvement in Montana's tourism product, business success, or creation or preservation of important tourism assets. Outcomes can be difficult to evaluate accurately. Using comparison groups can improve the validity of evaluations where external factors play a role. For example, to evaluate an SEGP grant in terms of increased visitation, in addition to looking at attendance versus previous years, it is useful to look at attendance numbers for comparable events to separate the effects of the grant from the effects of weather or changes in the economy.

Resources

A good reference work on evaluating economic development activities is Bartik and Bingham (Bartik & Bingham, 1995), available at http://research.upjohn.org/up_workingpapers/29/.