How to Tap Into Your Tourism Potential

Robb Miller

Buxton

#ICMA2018
Which Scenario Describes Your Community?

1. Tourism Has Potential
   How do I develop tourism into a revenue generator?

2. Tourism Drives Economy
   How do I optimize my existing tourism efforts?
Today’s Speaker

Robb Miller
Vice President of Sales
Getting Started
Laying the Foundation for Success
Align Your Resources

Work Together

Common Goal & Vision
What Type of Tourism Makes Sense?

- Family Tourism
- Heritage Tourism
- Cultural Tourism
- Agrotourism
- Ecotourism
- Sports Tourism
Use Your Location to Your Advantage
Identify Your Unique Differentiators

1. Water Features
2. Museums
3. Historical Landmarks
4. Amusement Parks
5. National Monuments
6. Regional Interests
7. Seasonality
Understand Who You Are Trying to Reach
Understand Who You Are Trying to Reach

**Steve SMITH**
- Gender: Male
- Age: 34
- Income: $150k
- Address: 10 Main St. Caucasian
- Phychoographics: Works Out 2x/week, Shops at Whole Foods, Interested in Travel

**Jim JOHNSON**
- Gender: Male
- Age: 34
- Income: $150k
- Address: 12 Main St. Caucasian
- Phychoographics: Eats Fast Food 3x/Week, Shops at Walmart, Sedentary Lifestyle
GENDER     AGE     INCOME
Male       34       $150k

ADDRESS
10 Main St.

ETHNICITY
Caucasian

Steve SMITH

WORKS OUT 2x/week, Shops at Whole Foods, Interested in Travel

Understand Who You Are Trying to Reach
Understand Who You Are Trying to Reach

Steve SMITH
Male 34 $150k
ADDRESS 10 Main St. Caucasian

PHYCHOGRAPHICS
Works Out 2x/week, Shops at Whole Foods, Interested in Travel
Example: Savannah vs. Santa Fe
Example: Savannah vs. Santa Fe
Demographics

- Head of Household Age Is 55+
- Have Undergraduate or Graduate Degree
- Low Ethnic/Racial Diversity
- High Income Levels
Example: Savannah vs. Santa Fe
Psychographics

- Interest in Eating Natural Foods
- Reducing Fat and Weight Loss
- Listen to Christian Music
- Listen to Classical Music
- Likely to Spend $ on Food/Drink
- Likely to Spend $ on Shoes/Apparel
- Active Mobile Device Users
Concentrate Marketing Efforts in the Right Areas
Concentrate Marketing Efforts in the Right Areas: Savannah, GA

- Atlanta, GA
- Orlando-Daytona Beach, FL
- Jacksonville, FL
- Tampa-St. Petersburg, FL
- Charlotte, NC
Concentrate Marketing Efforts in the Right Areas: Santa Fe, NM

- Dallas-Fort Worth, TX
- Denver, CO
- Phoenix, AZ
- Austin, TX
- Los Angeles, CA
Using Analytics
How to Overcome Tourism Challenges
Challenge #1: Maximizing Tourism Marketing Budget
Challenge #1: Maximizing Tourism Marketing Budget

Marketing Model Composition:

1. Model variables are the characteristics that have been found to statistically differentiate people who visit the community from those who do not.

2. Every household (HH) in America is scored on each of these criteria in order to generate a HH score.

3. Household scores quantify the propensity that a household would respond to a marketing effort.

4. The scores also allow us to target only the top scoring households, which maximizes marketing ROI.
Challenge #1: Maximizing Tourism Marketing Budget

Sample Lift & Gains From Marketing Model

In this sample, the model achieves significant lift, identifying 68.6% of actual visitors within the top scoring 30% (3 deciles) of sample set households. A prospect scored in the top 3 deciles is 1.2 – 3.5 times more likely to visit than a randomly selected household.

<table>
<thead>
<tr>
<th>DECILE</th>
<th>CUM % VISITORS</th>
<th>CUM LIFT (TRAIN)</th>
<th>CUM LIFT (VALIDATE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>35.3%</td>
<td>3.53</td>
<td>3.53</td>
</tr>
<tr>
<td>2</td>
<td>56.3%</td>
<td>2.10</td>
<td>2.14</td>
</tr>
<tr>
<td>3</td>
<td>68.6%</td>
<td>1.24</td>
<td>1.19</td>
</tr>
<tr>
<td>4</td>
<td>77.2%</td>
<td>0.86</td>
<td>0.88</td>
</tr>
<tr>
<td>5</td>
<td>84.1%</td>
<td>0.68</td>
<td>0.70</td>
</tr>
<tr>
<td>6</td>
<td>89.4%</td>
<td>0.53</td>
<td>0.51</td>
</tr>
<tr>
<td>7</td>
<td>93.4%</td>
<td>0.40</td>
<td>0.39</td>
</tr>
<tr>
<td>8</td>
<td>96.7%</td>
<td>0.33</td>
<td>0.31</td>
</tr>
<tr>
<td>9</td>
<td>98.8%</td>
<td>0.21</td>
<td>0.23</td>
</tr>
<tr>
<td>10</td>
<td>100%</td>
<td>0.12</td>
<td>0.12</td>
</tr>
</tbody>
</table>
Challenge #1: Maximizing Tourism Marketing Budget

Example: Southern California Tourism Campaign

- Affluent community in Southern California

- Used analytics to conduct targeted email campaign to best prospective tourist households

- Industry click-through rates on travel offers is 2.38%. City achieved click-through rates of 13.69% and 19.92% on two separate deployments
Challenge #2: Driving Visitor Traffic in Off-peak Seasons

Identify who visitors are in off-peak season and where they come from; market to more people like that.
Challenge #2: Driving Visitor Traffic in Off-peak Seasons

Use GPS Data to Analyze Visitors

- 12-month time frame
- 69,000 unique devices
- 1.7 billion pings
- Business rules for differentiating visitors from residents and workers
Challenge #2: Driving Visitor Traffic in Off-peak Seasons

Example: Outer Banks Insights

The Outer Banks’ visitor profile did not change significantly by season, but the visitor origins do change significantly by season.
### Challenge #2: Driving Visitor Traffic in Off-peak Seasons

Visitor Originations Shift Significantly by Season

<table>
<thead>
<tr>
<th>NAME</th>
<th>OVERALL</th>
<th>PEAK SEASON PCT</th>
<th>OFF PEAK - FALL SEASON PCT</th>
<th>OFF PEAK - SPRING SEASON PCT</th>
<th>OFF PEAK - WINTER SEASON PCT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virginia Beach-Norfolk-Newport News, VA-NC Metro</td>
<td>15.9%</td>
<td>12.6%</td>
<td>16.4%</td>
<td>18.9%</td>
<td>27.5%</td>
</tr>
<tr>
<td>Washington-Arlington-Alexandria, DC-VA-MD-WV Metro</td>
<td>9.2%</td>
<td>10.1%</td>
<td>8.1%</td>
<td>8.0%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Raleigh, NC Metro</td>
<td>7.6%</td>
<td>6.3%</td>
<td>9.7%</td>
<td>8.7%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Richmond, VA Metro</td>
<td>7.3%</td>
<td>6.9%</td>
<td>7.2%</td>
<td>8.0%</td>
<td>8.3%</td>
</tr>
<tr>
<td>OUTSIDE OF CBSA</td>
<td>4.5%</td>
<td>4.3%</td>
<td>4.7%</td>
<td>4.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro</td>
<td>2.5%</td>
<td>3.1%</td>
<td>2.3%</td>
<td>1.8%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Elizabeth City, NC Micro</td>
<td>2.5%</td>
<td>1.7%</td>
<td>3.2%</td>
<td>3.6%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Charlotte-Concord-Gastonia, NC-SC Metro</td>
<td>2.4%</td>
<td>2.2%</td>
<td>2.3%</td>
<td>2.9%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Baltimore-Columbia-Towson, MD Metro</td>
<td>2.3%</td>
<td>2.7%</td>
<td>2.1%</td>
<td>1.7%</td>
<td>1.5%</td>
</tr>
<tr>
<td>New York-Newark-Jersey City, NY-NJ-PA Metro</td>
<td>2.3%</td>
<td>2.7%</td>
<td>1.6%</td>
<td>2.0%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Pittsburgh, PA Metro</td>
<td>1.7%</td>
<td>1.2%</td>
<td>2.5%</td>
<td>1.3%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Durham-Chapel Hill, NC Metro</td>
<td>1.6%</td>
<td>1.2%</td>
<td>2.0%</td>
<td>2.1%</td>
<td>1.7%</td>
</tr>
<tr>
<td>Columbus, OH Metro</td>
<td>1.3%</td>
<td>1.8%</td>
<td>0.7%</td>
<td>0.7%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Rocky Mount, NC Metro</td>
<td>1.2%</td>
<td>0.9%</td>
<td>1.4%</td>
<td>1.6%</td>
<td>0.9%</td>
</tr>
<tr>
<td>Greensboro-High Point, NC Metro</td>
<td>1.1%</td>
<td>0.9%</td>
<td>1.1%</td>
<td>1.3%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Greenville, NC Metro</td>
<td>1.0%</td>
<td>0.8%</td>
<td>1.1%</td>
<td>1.3%</td>
<td>1.7%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>64.3%</td>
<td>60.8%</td>
<td>65.5%</td>
<td>67.4%</td>
<td>76.3%</td>
</tr>
</tbody>
</table>
Challenge #3: Convincing Visitors to Stay Longer

Make Smarter Recommendations

Study where tourists go when they visit, identify the most common combinations of destinations, and identify the types of consumers most likely to visit each grouping so you can suggest additional attractions visitors might like.
Challenge #3: Convincing Visitors to Stay Longer

Example: Midwest Metro

- Wanted to convince visitors to extend trip by one day
- Pulled GPS data for 15 key tourist destinations within the community
- Identified the combination of attractions that visitors frequented
- Grouped the 15 destination profiles into 3-4 types of attractions (e.g. family friendly, history focused, and activity based)
- The analysis provided insights into which locations to advertise together on marketing materials
Challenge #4: Creating Events That Attract Visitors

Use Events to Your Advantage

Many communities use events as a way to attract visitors. This can be a particularly good approach for communities that are within daytrip distance from major metro areas. But what types of events are most likely to resonate with your potential visitors?
Challenge #4: Creating Events That Attract Visitors

Example: Southern Suburb

• Wanted to host music events to attract day trippers from a nearby city, but what type of event would work best?
• Looked at the consumer propensities associated with their visitor profile to identify the genre of music that held the most appeal. Used that to guide event planning decisions.
How to Tap Into Your Tourism Potential

1. Know Who You Are as a Community
Understand the reality of who you are and the types of people who visit your community.

2. Utilize the Data and Analytics Available to You
Data and analytics can play a helpful role in the tourism planning and marketing execution process.
Question & Answer

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