



Learn What Surrounding Communities Are Doing to Attract and Serve Visitors

Competition in the World of DMMOs is Emerging

In the world of non-profits where everyone was friends, it was challenging to consider the DMMO from the next county over as competition. As the entire business climate of the US has changed, that is changing as well. DMMOs are learning the value of competitive strategies and asking the question: what makes visitors chose the next County over, or another region, or another attraction or resort, instead of our offering? Why would they go to a location further away, instead of enjoying what we have on offer? How have their visitor numbers increased, while ours have stayed the same? What other results are out of whack in comparison to the locations surrounding us, and how, can, or should, our actions be evaluated, and re-aligned to achieve the same success?

The key to answering these questions and more, is to really understand first, that there is a competitive set of destinations for every community. This factor is coupled with the fact that competition between destinations in the United States has crept up to a new high over the past 40 years, as more counties, municipalities, cities and other locations have discovered that visitors can deliver positive economic development. Conducting a competitive assessment of the locations and benchmarking the information against the DMMOs own results, is a tool that can be used to ensure greater success.

Plus competition comes from many places. Cities are a common destination, with 2-4 day City Breaks a common product in the travel industry. But an event can also be a destination. Large attractions, such as Hershey Park or the Grand Canyon also serve as destinations, with their own brands and carefully planned and choreographed experiences waiting for visitors. Large resort hotels and even

today's massive retail complexes with entertainment and restaurants, and marketing budgets bigger than some counties, also qualify destinations seeking to attract visitors from taking trips elsewhere.

Effectively dealing with competition requires knowledge of the competitive set, the key success factors of a DMMO, and the use of proactive strategy to determine the future of tourism. When evaluating the results of a competitive set begin the research with information that is publicly available: websites, visitors guides, annual reports, marketing plans, and other materials that DMMOs publish, now most often online.

The key to competitive assessment is to really explore the surrounding area, with a roll up the sleeves, hands on, digging in every possible corner, totally engaged approach. Understanding what other locations are offering, and what they are likely going to do in the future, will greatly assist in competing in the future.

Thoroughness in the analysis will produce true insights, will point out the community's own competitive advantage, and reveal even small changes that can make a huge difference in overall future results.

It's not a good idea to have others do the competitive analysis entirely, because it is never as effective as a first hand impression that renders the benefit of insights that might be missed by others. Keep in mind that competitive results are going to vary greatly by the organizational size and budget of organizations managing the competing locations. They are also significantly impacted by marketing programs, which can make as much of a difference as unique experience offerings do.

Getting Started

Prepare a spreadsheet with the competing locations on the vertical axis and columns for the various characteristics to be evaluated across the horizontal axis.

As the blanks are filled in, patterns will emerge. Once data has been gathered for all competitors, go back and assess the community's own equivalent data. Be honest and brutal in the assessment and comparison. Only then will the real answers be revealed.

The following materials regarding competitive neighboring destinations can generally be found on the websites of those locations. Print down, read, thoroughly analyze and compare each of the following elements:

- Websites
- Additional Online Materials
- Visitor Guide
- Annual Report
- Marketing Plans and Strategies
- Social Media
- Experience Offerings
- Trip Cost
- Staff
- Destination Master Plan
- Branding
- Customer Engagement

Digging Beneath the Surface

After recording everything that is readily available about each regional location, it's time to dig in for more substantive information.

The most important thing to understand about any location is the value that visitors perceive in the experiences on offer and how important that value is to visitors. If the value proposition of a location is not readily apparent, it may take significant research to discover. Once the core value proposition, the very essence of what is offered to visitors, is determined, it will be much easier to compare that value proposition to others.

- What are the points of parity?
- What features do your experiences share with other surrounding locations?
- What are the major points of difference in competing value propositions?
- What features are important to visitors that are not available from others?
- What features do other experiences have that visitors do not regard as important?

The second most important thing to understand is how competitors are transforming their value proposition into a unique selling proposition, the core of all marketing communications.

Investigating Reviews

Next, work to investigate how each destination's visitors feel about them. Check online reviews from every source that can be identified.

- What words do visitors use to describe the offerings and experiences of locations in the surrounding area?
- How do the words align with the unique selling proposition the location is trying to get across?
- Do visitors believe that value is being offered?
- Is it the same value the organization believes is important?
- Do visitors believe the location is really offering a different value proposition than the organization believes it is?
- What are the benefits that visitors consider unique, and not just more or cheaper, that differentiate the organization?
- Are the negatives found in the reviews about surrounding experiences reflected in marketing communications or even answered online?

If possible, interview visitors who visit surrounding locations, whether online or in person.

Explore Surrounding Communities in Person

After compiling all of the above information, plan to get into the car and explore all of the small cities, small towns, rural communities and urban areas within a 50-mile radius, to gain as clear an understanding of the experiences they are offering, the attractions they are promoting, and so on. Participate in the experiences, visit the attractions, stay in the accommodations, eat in the restaurants and shop in the stores, in a roll up the sleeves, hands on, digging in every possible corner, totally

engaged approach. Take the tours, watch the shows. If you can't do so because you are too well known, have a surrogate do some of the on the ground research. Experience the traffic and wayfinding. Become a secret shopper. Eat in restaurants. Attend festivals and events. Browse in the retail stores.

Get to know the offerings first hand, the value they offer to customers, and determine WHY they are succeeding or failing. As offerings are purchased, diagram the buying journey in detail. This will be invaluable to compare to a diagram of the organization's own process. Assess the level and quality of the experiences on offer. Try obtaining a refund, returning a product, or cancelling a service. What kind of reaction occurred? Try changing a reservation to a different date, change the type of purchase made, and request more personalization. Assess what was successful and what was not from the viewpoint of a visitor.

Evaluate Content Marketing

- Is it accurate based on what you observed? It is in-depth?
- How valuable was it to making a purchase?
- How well did it describe the offering?
- What tone of voice was used?
- Did it sound hollow and professionally prepared to serve as a sales pitch, or was it authentic, likely prepared by in-house personnel who really know the experience?
- Do the communications resonate with the intended recipients to prompt an actual visit?
- Do the psychographic information the messages are based on emerge loud and clear?

Analyze Staff/Budget Ratios

Try to determine the ratio of budget that surrounding destinations are spending on staff and administration vs. what they are actually spending on marketing programs, as a benchmark as to how effective those programs are.

Tie Down Target Markets Being Pursued

At this point in the process, it should be possible to accurately determine the specific markets that surrounding communities are targeting to compare the target markets to the organization's own targets.

Compiling The Results

As every possible attribute of the offerings and attributes of surrounding communities are investigated, record the information on the spreadsheet set up earlier. Analyze the strengths and weaknesses of each competing locations including the things that they are especially good at, and places where they need improvement.

Comparing The Organization's Own Metrics

Now, take a look at the results and create one last column on the spreadsheet to record information about the organization in each category on which surrounding locations were analyzed. Be honest and brutal, since accurate comparisons clearly illustrate the differences, shortcomings, unique qualities, and places that need shoring up. Most importantly, the data will point out where the community is unique and can exploit strategic advantages. Only then will the real answers emerge.