A **DEEPER DIVE** into

Evolving

KPIs for DMOs

KEY TAKEAWAYS

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COMMUNITY | Residents, businesses, elected officials, and other stakeholders

✓ Relocation

- Track population (loss, gain and retain) over time for the community, and measure the influence of the DMO initiatives on the selection of the area for relocation of businesses and people.
- Many of the same attractors for visitors, like arts, dinning, parks and natural attractions, are the same attractors for relocation. Promotion of a destination as a place to visit is in many ways also promoting a quality of life.

✓ Resident Sentiment

- Balancing resident sentiment and travel demand is vital, especially for reopenings during the current pandemic. Understanding barriers and drivers for residents can inform reopening and community plans to welcome back guests.
- Focus on current barriers for residents and businesses as it pertains to travel, resident comfort with engaging with local establishments, and timelines for reopening. Conducted routinely, DMOs can have a current line of sight into their community as the travel and health climate has changed rapidly over time.
- Resident sentiment will track with changes in the market and should be evaluated on a routine cadence (quarterly or annually). Travel will start locally and balancing resident needs with visitor demand is key for successful reopening.

✓ Resident Community Engagement via Geolocation

- CEL (common evening location), CDL (common day location)
- Travel and community engagement looks very different from last year. Geolocation data can provide insight into how things have changed in a community. DMOs can compare past movement around points of interests or visitor attractions in the community with what people are doing today to understand changing engagement with the community.
- This can inform resident and visitor promotion and program development to focus on what is attracting people today.

✓ Business Confidence

- Tracking business confidence, especially tourism businesses as they are facing the hardest unemployment and financial times, can guide creative solutions to drive shared values in the community.
- Keep a pulse on your local businesses' confidence in the economy. Do this over time to be relevant with understanding stakeholders.

✓ Net Promoter Score

- As a component of understanding resident sentiment, leverage Net Promoter Scores, which resonates with the business community, to see how likely residents are to recommend their community as a place to live and visit, and compare that with visitors.
- Understanding if resident and visitor experiences and perceptions differ can uncover gaps in resident sentiment and support as well as visitor experience.
- Ex. On a scale of 1 to 10 with 1 meaning "absolutely, not under any circumstances" and 10 meaning "absolutely, enthusiastically yes," considering its attractions, parks, entertainment, restaurants and other things to see and do, how likely are you to recommend a visit to Rockford to your friends, family or colleagues?

TRAVELERS/ VISITORS

✓ Visitor Spending

- The benefit to the community goes beyond hotel/motel tax collections. Spending on gas, food, retail, etc. generates valuable revenue to support infrastructure development, schools, and so on. Tracking the visitor contribution to the larger economy and tax base shows the diverse value of travel to the community.
- With visitors shifting to regional drive and day trips in 2020 the tracking of revenue beyond overnight trips is important to show the value of travel and tourism throughout the recovery.

✓ Early Indicators Using Geolocation

- The travel market is evolving from destination selection, the propensity to take a trip, to timing, and trip characteristics like activities and accommodation use, and this is evolving in real time. Keeping a pulse on the traveler on a routine cadence can inform a proactive and effective reopening strategy.
- Geolocation data can provide early indicators of travel recovery, showing shifts in origin, length of stay, and volume from prior years informing a destination about the markets driving their recovery.
- This data can be used to set benchmarks, support advocacy initiatives, and create strategic and evolving recovery campaigns.

✓ Soft Metrics with Traveler Content Engagement

- Soft metrics like CTR, content engagement and search data may have a resurgence because it is directional. Much of the forecasted recovery will take place later this year and into 2021. Driving interest is important to capturing market share in the recovery.
- Looking at engagement by demographic or geography can inform targeting and messaging. For example: if interest in COVID safety content increased with the age of audience members, then messaging could be geared toward that segment that is focused on safety and familiarity.

✓ Traveler Rating Score

- Historic purchase and search behavior can inform targeting during the recovery.
- Attaching a score for travel affinity, similar to a credit score, can identify travelers most likely to feel comfortable venturing out again, those who would be repeat visitors, and or are overall more likely to travel. These audiences can be evaluated in the recovery and messaging targeted to appeal to their unique travel behavior.

✓ POI (Point of Interest) Data

- Analyzing POI data post recovery could be essential for discovering new consumer behaviors.
- Do travelers still like our bread and butter attractions or are they having affinity for other POIs in the destination? Eg. are indoor experiences less engaged than outdoor, who is doing activities we did not see them engage with before?
- This can inform destination positioning and appeal in recovery marketing initiatives.

✓ Visitor to Resident Ratio

- Evaluate the ratio of residents to visitors in the destination to inform ideal visitor loads on the community.
- Over tourism has been a concern for many destinations prior to the pandemic, and what 'over tourism' means during and post pandemic for residents can change as sentiment towards visitors and health contnue to evolve. Ongoing tracking provides a holistic perspective on destination use by visitors.
- Recovery starts at home, and is a balancing act for communities.

✓ Market share and growth rates

- Beyond looking at the U.S.'s market share for global travel, DMOs do not focus on this metric and it is important to understand how a destination's travel industry is growing/declining in relation to the share of travel captured by the destination itself.
- Comparing growth rates for economic impact, hotel performance, and visitor volume in comparison to the larger area such as states or competitive city destinations can inform if the rate of decline or growth is at 'healthy' levels compared to the industry overall.
- By putting our community's travel performance in context of the industry at large we can give perspective as to how the recovery is trending as well as when there are needs to increase efforts to grow economic value.

MEDIA/ ROI

✓ Hotel Revenue per Impression

- The retention of DMO budgets is top of mind with many DMOs setting their annual budgets during the summer and fall months. Track as much owned and paid media to hotel revenue to show the direct value of DMO influence on tax revenues for the community.

✓ Embrace ROI and Expand to Include Broader Metrics

- ROI, destination image and media mix evaluation is not new to DMOs, and must be evaluated through recovery initiatives and on an on-going basis to show the value of DMO investment to stakeholders in driving recovery.
- Attribution is going to look different with the majority of travelers changing or canceling travel plans due to the pandemic shifting the investment needed to drive incremental travel. Channel and content engagement has shifted with consumers spending more time at home. Images of destinations and likelihood to visit are probable to change, where things like 'cleanliness', 'welcoming', etc. are going to be increasingly important in destination selection.
- DMOs are partners in destination recovery with investment in programs beyond advertising, such as safe/clean initiatives. Set KPIs to demonstrate the value of these initiatives to show the holistic value of the DMO to the community.

✓ Return on Ad-spend

- One of the benefits of this strange time is that since most of us had little to no business, everything moving forward is incremental, making our historical KPIs incredibly relevant and useful such as ROAS, visitation/Arrival Rate (Mobile Device IDs that arrive in market), Booking Transaction rates, RFP-Submissions, etc. These give us levels to strive for while routinely tracking our incremental growth toward them.
- While destinations are closed and pent up demand is slowly returning, looking at overall demand, search and intent, is a great success-metric because search is intent. Intent is exponential-leads to visitation.

✓ Earned Media and Civic Pride

- Traditionally DMOs have measured earned media in terms of dollars. DMOs play a role in generating positive PR for a destination, and people like to cheer for a winning team. It is likely that the more residents see other people talking positively about their home community, the more likely they will be internally to 'cheer for' and support the community itself.
- Look at how civic pride is increased with PR initiatives by a DMO.

KPI WISH LIST

- Adopt a **holistic perspective**
- Align DMO efforts with the community: **Tourism = Community**
- **Quality over Quantity**
- Consider using **high-frequency metrics**
- Develop & implement **Financial Performance Indicators**
- Develop & implement **Diversity-related Metrics**
- **Centralize data** program efforts and with different data points:
  - Earned media efforts & civic pride
  - Marketing efforts & relocation data
  - Credit card spending & geolocation data
  - Resident promoter score & visitor perceptions
  - Traveler interest & geolocation data
- **Align Vision, Mission and Goals with KPIs** on an ongoing basis; consider creating a Data Quality Index

NO LONGER RELEVANT LIST

- **Benchmarking** is not relevant with **year-over-year comparisons**; ensure there are **long-term goals in place**
- Looking at only **one metric independently is not enough**; move towards a **holistic view and tell a meaningful story about the community**
- For PR, retire Ad Value Equivalency (EVA); **adopt goals that matter to the community**, such as positive image, diversity, etc.
- For groups, **retire room nights and adopt visitor spending**