

Destination Marketing Organizations: The Lifeblood of Communities Nationwide



Our country's destination marketing organizations (DMOs), convention and visitors bureaus (CVBs) and state tourism offices are classified as 501(c) nonprofits or quasi-governmental organizations and are responsible for driving visitation to communities nationwide, bringing traveler spending that promotes economic activity and creates and supports local jobs.

Due to the coronavirus pandemic and the subsequent economic fallout, 58% of DMOs have had to lay off or furlough some of their staff and 38% of all DMO travel workers are now out of work. Unfortunately, these organizations are ineligible for the Paycheck Protection Program (PPP)—and most notably the loan forgiveness the program offers—and as civic-oriented nonprofits, it is even more difficult for them to qualify for other types of SBA loans, denying them the capital they need to keep hard-working Americans employed.

Should DMOs be unable to sustain their businesses and workforce due to lack of federal support and funding, they risk going out of business entirely. **This risk could equate to a nationwide loss of \$49 billion in visitor spending and a total economic loss of \$111 billion per year, with a local tax revenue impact of \$7.7 billion annually, while also resulting in a loss of more than 500,000 jobs.**

CARES 2.0 should make **all DMOs**—including 501(c)(6) or quasi-governmental entities with up to 300 employees—**eligible to receive a full PPP loan** under the same terms as small businesses.

Travel Improves Communities Across America

- Investing in tourism promotion stimulates visitor demand, which in turn generates tax revenue benefiting local residents. Lawmakers and community leaders who understand the value of travel and invest in it are able to reduce the tax burden on their constituents and are in a more favorable financial position to fund essential services that make their communities stronger.

Collaboration Creates Attractive Communities—for Both Residents and Visitors

- Investing in the improvement of a destination makes it more attractive not only to visitors, but also to talent. What may begin as an effort to bolster the livability of a place can turn into a travel boom that offsets costs and creates an unexpected tourism economy with lasting value.

Destination Marketers are Economic Developers

- Quality of life is increasingly important to relocation decisions. Destination marketing organizations are skilled storytellers that can empower and enliven efforts to entice businesses to headquarter or grow in an area.

Destinations Create a Sense of Place and Pride for Residents

- The residents of a community are ultimately the decision-makers—their opinions matter. Residents who take pride in their community are valuable advocates and storytellers, serving as a trusted resource to friends and family and other potential visitors.

Destination Marketers are Small Business Champions

- Small businesses make a destination unique, vibrant and more attractive to visitors. Not only is travel a significant part of the small business community, travel promotion can stimulate small business growth by generating visitor demand.

Destination Marketers Build Bridges to Rural Communities

- Destination marketing organizations are champions of rural regions, shining a spotlight on places that may be otherwise overlooked by visitors and invigorating the economies of underserved areas.

Destinations are Crisis Managers

- Destination marketers are unexpected—but critical—resources during a crisis situation. During a crisis, DMOs, CVBs or tourism offices often serve as a source of credible information for both visitors and residents. During recovery, destination marketers are also uniquely positioned to get the word out that an area is open for business.

Destinations are Brands Worth the Investment

- Brand awareness alone does not guarantee returns. The investment in cultivating brand affinity creates an emotional bond to a destination that will differentiate it from the competition and deliver greater long-term value for residents, small businesses and visitors alike.

What's At Stake When Promotion Is Cut

- Without effective promotion, states and cities cede the economic benefits to other destinations and fall behind the competition. It is a mistake from which it takes many years to recover—and it is a mistake that is easily avoided when governments prioritize the long-term economic outlook of their communities.

Our destination marketing organizations are some of the hardest hit by the economic fallout of the coronavirus pandemic, but they are going to be integral to our nation's recovery. As economic drivers for communities nationwide, they need relief to keep their doors open and employees on their payroll in order to help rebuild our country.

– Roger Dow, president and CEO, U.S. Travel Association