

# The study of destination marketing

*Effective tourism managers who are able and willing to apply appropriate management techniques are increasingly needed. They should possess an understanding of the specialised management functions such as financial management, human resource management, as well as an appreciation of the structure, economics, and historical development of the tourism industry.*

Witt & Moutinho (1994)

## Aims

The aims of this chapter are to enhance understanding of:

- the rationale for the study of destination marketing
- a range of gaps in the destination marketing literature
- the need to bridge the divide between tourism practitioners and academics.

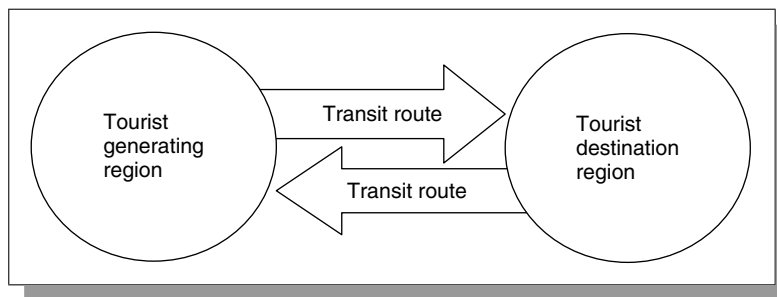


**Perspective**

The study of destination marketing is essential for anyone who is currently working in, or contemplating, a managerial or entrepreneurial career in tourism, travel or hospitality. The success of individual businesses is often as reliant on the competitiveness of the destination in which they are located, just as the success of any destination is reliant on the competitiveness of individual businesses. Opportunities to develop mutually beneficial relationships between destination marketers and tourism businesses are plentiful, but often untapped by both parties. The politics, challenges and constraints facing destination marketers are quite different to those faced by individual businesses. An understanding of such issues enables stakeholders to take advantage of opportunities in promotion, distribution, and new product development, thereby enhancing their own success as well as contributing to the effectiveness of their destination marketing organisation (DMO). The chapter sets the context for the study of destination marketing. I conclude the chapter with a brief discussion on the perspective from which I have approached the text. From careers as both a destination marketer and tourism academic I lament the divide between tourism practitioners and academics, acknowledge the wealth of academic theory of practical value to marketers, but provide a warning that due to the complexity of destination marketing much of this theory can be *easier said than done*.

**Introduction**

Most tourism activities take place at destinations. Not surprisingly then, destinations have emerged as ‘the fundamental unit of analysis in tourism’ (WTO, 2002), and form a pillar in any modelling of the tourism system, as shown, for example, in Leiper’s (1979) outline of the geographic elements of tourism in Figure 1.1. Travellers are now spoiled for choice of destinations, which must compete for attention in markets cluttered with the messages of substitute products as well as rival places.



**Figure 1.1**  
Geographical elements of tourism

## Destination marketing texts

Destination marketers are concerned with the selling of places, a field of study that has only recently attracted significant research attention. Given the prominent place of destinations in the tourism system it is surprising there have been relatively few texts to date that have focused on the operations of destination marketing organisations (DMO). While tourism has been around, in an organised form at least, since the late 19th century, texts concerned with destination planning, marketing and management have only emerged in earnest since the 1990s. Notable contributions are highlighted in Table 1.1. My previous text, *Destination Marketing Organisations*, was published in 2004 (see Pike, 2004b).

**Table 1.1** Texts related to destination marketing

Topic	Author(s)
Destination planning and management	Lickorish (1992), WTO (1994), Laws (1995), Godfrey & Clarke (2000), Howie (2003)
Urban destinations	Page (1995)
Case studies of tourist organizations	Pearce (1992)
CVB functions	Harrill (2005)
Destination marketing	Wahab et al. (1976), Ashworth & Goodall (1990a), Goodall & Ashworth (1990), Heath & Wall (1992), Nykiel & Jascolt (1998), Kolb (2006)
Place promotion	Ashworth & Voogd (1990), Gold & Ward (1994)
Destination branding	Morgan et al. (2002, 2004)
Conference marketing	Davidson & Rogers (2006)
Destination crisis marketing	Beirman (2003a)

## Destination marketing conference themes

A growing number of academic conferences featuring the destination marketing theme have also emerged since the 1990s:

- In 1990 the topic of the third international tourism workshop organised by the Geographical Institutes of the University of Groningen and the University of Reading was selling tourism destinations (see Ashworth & Goodall, 1990).

- The 1993 Association Internationale d'Experts Scientific du Tourisme (AIEST) conference addressed the issue of the competitiveness of long-haul destinations (see Ritchie & Crouch, 2000a).
- In 1996 the Fundacion Cavanilles for Advanced Studies in Tourism organised the Second International Forum on Tourism, themed the future of traditional tourist destinations (see Buhalis & Cooper, 1998).
- In 1998 the 48th Congress of the International Association of Scientific Experts in Tourism (AIEST) focused on 'Destination marketing – scopes and limitations' (see Keller, 1998).
- The 1999 TTRA Europe conference was themed 'Tourism destination marketing – gaining the competitive edge' (see Ruddy & Flanagan, 1999).
- Also in 1999, the Centro Internazionale di Studi Economia Turistica (CISET) conference on destination marketing and management was held in Venice.

Since 2000, the number of conferences featuring destination marketing in the core themes has increased remarkably, as has the number of marketing conferences featuring a destination marketing track. In 2005, the first conference focusing on destination branding was hosted by the Macau Institute for Tourism Studies in conjunction with Perdue University. At the time of writing the organisers were planning to stage the conference biennially (see [www.ift.edu.mo/conference/index.html](http://www.ift.edu.mo/conference/index.html)).

## Destination marketing journal publications

There has been a wealth of material related to destination marketing published in academic journals. For example, I reviewed 142 papers published in the literature between 1973 and 2000 that were concerned with just one aspect of destination marketing – that of destination image analysis (see Pike, 2002a). While there is not yet a dedicated destination-marketing journal, the journal *Place Branding and Public Diplomacy* was launched in 2004.

## Research gaps

This text synthesises the current extent of academic knowledge in the field. For teaching purposes the discussion is linked to real world industry examples and case studies. However, as we progress through the chapters, many research gaps relating to destination marketing issues will be highlighted. The following are some examples of areas in which DMOs face practical opportunities, challenges and constraints, and would benefit from more published research:

## Governance and the politics of decision-making

Who decides on the priority of target market selection and the destination's positioning theme? Is this the domain of impartial DMO staff or the role of a committee or board that may or may not be representative of the local tourism industry? Will those businesses whose market interests

or products do not feature in destination promotions accept the decisions for the holistic good of the destination? For example, the launch of the *Where else but Queensland* campaign in Australia attracted criticism from the Queensland Textile, Clothing and Footwear Union over the destination's use of branded thongs (jandals) that leave the imprint 'Queensland' in the sand, because they were made in China (Barrett, 2006). Who decides the governance structure and membership of the board of directors? Should directors be democratically elected or hand picked on the basis of expertise? What is the optimum number of directors for an effective board?

### Effective organisation structure

How should a DMO be structured? Fast moving and entrepreneurial, or consultative and conservative? Public or private sector? A public-private partnership? Is there still a place for small community-based DMOs, or does competition dictate greater efficiencies and effectiveness through macro-region entities? Should structure be designed to enable a competitive strategy, or does structure dictate strategy?

### Destination management

To what extent are DMOs representative of destination *marketing* organisations or destination *management* organisations?

### Alternative funding sources

If the government withdraws funding, as in the recent cases of Colorado and California in the USA and Waikato in New Zealand, what alternative funding sources are available? What are the expectations of the funders, and will they be independent of strategic and operational decisions?

### Strategic planning and implementation

To what extent are DMOs able to engage in long-term strategic planning versus the priority of short-term tactical initiatives?

### Brand positioning

Will one brand positioning slogan suit the needs of all markets? Or does market heterogeneity demand consideration of the design of different themes? Should the brand theme represent the interests of all local tourism businesses and intermediaries? How well does the brand encapsulate the host community's sense of place? How well will the theme(s) be delivered by stakeholders and intermediaries? How is it possible to represent a multi-attributed destination with a promotional message that is succinct enough to fit on a billboard or postcard? To what extent is the brand identity congruent with the actual brand image? What is the life expectancy of an effective destination brand?

## Human resources

To what extent is there a career path for aspiring destination marketers? Should staff representing the DMO in overseas markets be a local or be from the destination? In 2005 ANTOR estimated half of the overseas tourist offices based in Britain were operated by representation companies ([www.travelmole.com](http://www.travelmole.com), 8/6/05). Will all staff adopt a holistic and independent approach towards promotion of the destination, or are informal alliances formed with more active, aggressive or better-funded stakeholders? Why have relatively few women made it into the ranks of DMO senior management?

## Communication with stakeholders

How should a DMO best engage in effective two-way participative communication with stakeholders, in a manner that does not grind down to a bureaucratic nightmare? What balance should there be between the amount of scarce time spent with stakeholders, and communicating with the market.

## Relationships between national, state and regional DMOs

To what extent are national, state and regional DMOs able to work together in a way that enhances brand equity at each level?

## Marketing research

If a market orientation is now essential for all organisations, how feasible is it to expect a DMO to engage in data collection and analysis in all of the markets and travel segments of interest to their local tourism businesses? To what extent do stakeholders appreciate the need for market research as a priority, relative to promotional activities?

## Integrated marketing communication (IMC) implementation

Is IMC possible for a destination, given the range and diversity of stakeholders and intermediaries?

## Visitor relationship management (VRM)

Is communicating with previous visitors a more efficient use of resources than traditional above-the-line advertising? How is it possible for DMOs, who have no direct contact with visitors, to engage in meaningful dialogue to stimulate repeat visitation and destination loyalty?

## Performance measures and accountability

How is it actually possible to quantify the success of DMO promotional activities over the long term? With the increasing investment in destination branding initiatives, how should brand equity measured? Should performance metrics include factors such as yield and environment impacts?

## Bridging theory and practise

*Information that has a limited audience is bound by formal considerations. Scientific information appears in scholarly monographs; political information in speeches, pamphlets, editorials and wall posters; commercial information in advertisements and catalogues; news in reports. Each special informational format presupposes a set of methods and has its own version of reliability, validity and completeness. Becoming a scientist or a politician means, in part, learning and adhering to, even 'believing in', the standards and techniques of one's profession (MacCannell, 1976, p. 135).*

This statement, from MacCannell's seminal work, *The Tourist*, suggested that the process of becoming a tourist is akin to the learning process involved in becoming a member of a profession. The proposition also serves to introduce the second key theme underpinning the text, which is the divide between tourism academics and practitioners (ironically the term practitioner is not one used by members of the tourism industry to describe themselves). Admittedly, this mention of a divide is a generalisation and is likely to be a contentious point, since some tourism academics do engage in research with tourism organisations.

In an ideal world the academic literature would inform industry while DMO best practise would inform the literature, in a mutually beneficial cycle. However, a significant divide prevents this. Academics have written about the problem (see, for example, Jafari, 1984; Taylor et al., 1994; Baker et al., 1994; Selby & Morgan, 1996; Jenkins, 1999), and practitioners have spoken about it. For example, in a plenary session at the 2004 Council for Australian University Tourism and Hospitality Education (CAUTHE) conference, Managing Director of Brisbane's *The Day Tour Company* Wayne Clift lamented:

*In the aftermath of September 11 and the Ansett collapse, we nearly drowned in a sea of research data and information churned out by every well-intentioned organisation known to man . . . As an industry we certainly said enough is enough, we can't handle it – we don't have time to read all this stuff! And therein lies the problem. We don't see the benefits – therefore we don't make the time.*

As observed by MacCannell, different professions have different requirements in terms of the ways in which information is written, controlled and disseminated. Therefore it could be expected that, if tourism is now a profession, and it was as recent as 1976 when MacCannell (p. 176) referred to

the new term 'tourist industry' being used at the time, then it would be fair to assume that all those associated with this profession would confer using a common dialogue. The reality is that the information needs of tourism academics and practitioners are usually different, and are provided for in different types of forums and publications. It is suggested, therefore, that MacCannell's statement also applies to the difference in discourse between tourism academics and practitioners. While the work of many academics and practitioners could be subsumed under the terms tourism, travel, leisure and hospitality, the assumption should not be made that academics and practitioners work together in some sort of organised and symbiotic fashion. There is no common tourism discourse. Calls have been made for more engagement between tourism academics and practitioners, particularly at a destination level:

*... our understanding of place promotion is, like the activity itself, partial and fragmentary... yet if place promotion is to become an established and useful practice, it requires some real intellectual engagement between critic and practitioner (Ward & Gold, 1994, p. 15).*

In this regard, the World Tourism Organisation (WTO, 2002a) noted that their 2002 think tank on destination competitiveness was the first time that a group of practitioners and knowledge experts had met in a WTO forum on destination management. For the most part, separate conferences are held for the two groups, often unfortunately with only small overlaps in attendance by the other.

## Publish or perish

Academics must publish to gain recognition from peers, in an environment of *publish or perish*. Some are rewarded for the level of output rather than the level of contribution to either theory or practice. Even though numerous studies in the tourism literature have practical implications, the vast majority of practitioners will never actually read the academic papers relevant to their business operations. Academics gain credibility by being published in peer reviewed academic journals, textbooks and academic conference proceedings. Increasingly, due to government funding policies and the proliferation of publishing opportunities, papers must be seen to be in the right journals. Many parts of the world are adopting a tiered system of journal rankings and academic rewards. At one prominent Australian university, for example, academics are rewarded with a \$12,000 research grant for an article published in a Tier 1 journal such as *Annals of Tourism Research*.

At last count there were at least 40 academic journals related to tourism. Fortunately, for practitioners used to the confidentiality of privately commissioned research reports, these journals are in the public domain, available by subscription, and through university electronic databases. Also, the peer double-blind refereed rigour of the academic literature is one of the very reasons for its value. Top journals boast a rejection rate of over 80%. However, the review process results in lengthy delays between manuscript



submission and journal publication, and it is not unusual for data reported to be three or four or more years old by the time it is published.

## Theory

The practical downside of the academic literature is that journal articles usually involve lengthy theoretical and methodological discussions, with complicated formulae and terminology that will be unfamiliar to those without research training, such as epistemology, periodicity, multivariate analysis, and principal components analysis with orthogonal rotation. It's enough to scare some academics, let alone a busy tourism manager, but a journal article must make a contribution to knowledge, preferably theoretical. The reality is that practitioners, particularly those in small businesses that make up the majority of the tourism industry, have a busy operational focus. Tomorrow's cash flow concentrates the mind in the fiercely competitive market place. Realistically, how many practitioners are aware of, let alone have time to keep up to date with, the extant literature?

For busy practitioners, the expanse and variety of the tourism literature can be overwhelming. If they are aware in the first place, the difficulty lies in the complex, multidisciplinary and fragmented nature of the tourism system as well as the sometimes turgid nature of academic writing, relative to other information sources. Clift summarised the industry's view of research in general as: 'We don't believe it, we don't know where to look, and we're not sure how to use it'. In New Zealand, Coventry (1998) cited an RTO spokesperson from the country's leading resort destination who was particularly critical of an academic destination image report by Kearsley et al. (1998):

*Why don't academics produce meaningful research which adds value to debate . . . they just produce this academic, trite stuff which simply occupies shelves and gives academics something to do.*

This type of comment is surprising given the richness of academic tourism marketing information, including the aforementioned report. For example, Ritchie (1996, pp. 51–52) argued that tourism research 'from its very beginning, has been driven by individuals having a strong market orientation'. Nevertheless, in a case of *perception is reality*, the example above demonstrates a real world belief held by a destination marketer.

The issue has also been raised in other parts of the world. Three decades ago in the UK, Riley and Palmer (1975) lamented that their study recommendations had not been adopted by destination marketers. They suggested that the benefits of marketing research must therefore be better promoted to industry. Others have suggested that more research needs to provide practical recommendations for tourism practitioners (Baker et al., 1994; Selby & Morgan, 1996; Taylor et al., 1994). In discussing the gap between researchers and practitioners, Taylor et al. suggested that the key to research not ending up collecting dust on a shelf, as was much of what was produced by Canada's tourism researchers, lay in improving interpretation and presentation. Similarly, Hall (1998) claimed Australia was yet

to develop close ties between the tourism industry and academia. In the USA, Plog (2000) lamented the lack of consulting opportunities for tourism academics, observing that it was amazing the number of tourism operators who continue to make decisions 'by the seat of their pants', instead of based on research.

However, it should be anticipated that the value of the literature will be more widely accepted by the next generation of tourism managers, as a higher percentage will have had exposure to tourism marketing theory through participation in the tourism and hospitality degree courses that have emerged only since the 1990s.

### **In practise**

From a large focus group meeting with managers of destination marketing organisations (DMO) in the USA, Gretzel et al. (2006) summarised the following challenges faced:

- Adapting to technological change.
- Managing expectations of stakeholders.
- The shift from destination marketing to destination management.
- Confronting new levels of competition.
- Recognising creative partnering as the new way of life.
- Finding new measures of success.

In terms of the reverse situation of reporting DMO best practice in the literature, there are also constraints. For example, why should DMOs share confidential insights based on their own significant investment of resources? What incentives exist for busy practitioners to prepare detailed case studies? Even if there were more case collaboration by academics and practitioners, one journal editor privately regretted to me the decreasing space available for case studies. This is a shame in that if ever there was a potential mechanism to encourage practitioners to read academic research, it is a case study that addresses a real world problem.

One notable recent initiative in the attempt to bridge the academic/practitioner divide is the online publication *e-Review of Tourism Research (eRTR)*, launched in April 2003. A cooperative venture between Texas A & M University, the Travel & Tourism Research Association (TTRA), and the Canadian Tourism Commission, the publishers promote *eRTR* as creating a platform for the dissemination of ideas and research in a "user friendly manner". During 2006 the average number of visits per issue was 10,000. These visitors were from 81 countries. The journal focuses on presenting short pieces, of less than 1000 words, which have an applied focus. Contributions in the following areas have been particularly encouraged (see <http://ertr.tamu.edu>):

- non-technical summaries of current research
- applied tourism research notes

- practitioner perspectives on tourism research
- best practices
- case studies
- conference reports.

Recognising the practical value of so much of the academic literature, the second theme of this text therefore is an attempt to present a synthesis of the literature relating to DMOs, in a manner that will be of value to, and decipherable by, students and practitioners of tourism alike. Case Study 1.1 highlights a problem at a resort destination in Turkey, which demands academic and industry collaboration.

### Case study 1.1 From heaven to hell: Alanya, Turkey

It is customary at tourism conferences for local officials to welcome delegates to their destination, and to extol the local tourism strengths. Therefore it was a surprise at the opening session of the International Tourism Conference held in Alanya, Turkey, during November 2006, to hear the rector of the host university share his views on the local tourism industry's problems. Clearly passionate about Alanya, he nevertheless lamented that his destination had gone 'from heaven to hell'.

Alanya is a tourism resort area situated in the Antalya region on the Mediterranean coast of Turkey. The destination is nestled between coastline and mountains, and enjoys an almost sub-tropical climate suited to an all-year destination.

Following the rector's speech I became more observant of the local tourism scene, which was all but closed for the winter. . . hotels were shut, the streets, tourist bazaar and sea promenade appeared almost deserted for most of the day. This was a destination with a lot to offer off-season visitors, but was clearly at the mercy of travel intermediaries selling all-inclusive summer sun and sand packages:

*In terms of economy, productivity is decreasing not increasing. The competition of the foreign tour monopolists is kept on by decreasing the price and marketing all-inclusive packets, which causes the best hotels to be marketed at very low prices. Only about 25% of this income stays in Alanya and 75% of it goes out of the city.*

The social and economic impacts were everywhere. . . the often desperate pleas of shopkeepers in the bazaar for cash flow, the many people out of work, lines of empty taxis, and the ubiquitous coloured wristbands that identified the all-inclusive tourist. As I waited with a German tourist for one more paying passenger to join a one-hour boat tour, the captain confided to the two of us: 'Alanya is now shit tourism.' He despised the lower class of visitor that was now attracted to the all-inclusive packages at that time of year. A similar unsolicited comment from a café owner later in the day left me wondering for how long the naturally friendly and hospitable nature of these warm hosts would last.

Alanya is a naturally beautiful destination, with much to offer visitors from around the world. However, a number of important strategic decisions need to be made, including how to reposition away from an all-inclusive summer sun and sea commodity resort at the mercy of overseas intermediaries.

### Discussion questions

- What are the disadvantages of all-inclusive packages for destinations?
- Discuss the potential for your destination to reach the situation faced by Alanya.
- Can you find evidence of case studies in the academic literature of (1) this situation occurring at other destinations, and (2) any destinations that have been successfully repositioned?

### Purpose of the text

The purpose of this text is to expand my previous text *Destination Marketing Organisations*, which was published in 2004 as part of Elsevier Science's 'Advances in Tourism Research' series. The aim of *Destination Marketing Organisations* was to provide a synthesis of the key literature related to destination marketing. As such, this was a research text rather than a teaching text, and primarily aimed at providing a resource for advanced undergraduate and postgraduate tourism students involved in destination research. Nevertheless, I was advised that many aspects of the book were being used for teaching in various parts of the world. As a marketer I am naturally interested in feedback from customers, and in this regard I received numerous comments about the need for a destination marketing teaching textbook. So, following suggestions from colleagues in the USA, UK and Australasia, this new text represents an expanded and updated transformation of *Destination Marketing Organisations*. Key content and resources deemed useful to research students has been retained. This has been supplemented by a wealth of new material, formatted as a teaching text. The result is a strategic overview of the study of destination marketing, which, while global in outlook, uses theory and cases to highlight just how uniform the challenges, constraints and opportunities facing DMO management are, whether in Branson Missouri, Southampton England, or Macau China.

One of the consequences of publishing any type of book is that published writing is open to public criticism. I have attempted to respond to constructive criticism, which is one of the strengths of the academic community, where colleagues have pointed out limitations and provided suggestions. For example, in his review of *Destination Marketing Organisations*, Professor Nigel Morgan (see Morgan, 2006) suggested that "like so many tourism academics" I had omitted to acknowledge the extensive work produced by Walton (1983, 2000) regarding the history of tourism. This proved a very useful resource, which I have duly incorporated in Chapter 3. To improve future editions I welcome your suggestions and comments.

### Key learning outcomes

This text is primarily designed for use by undergraduate students of tourism, travel and hospitality. The rationale is that an understanding of the nature of DMO operations and challenges should not only be a prerequisite for those seeking a career in destination marketing, but should also

be regarded as essential for those who will become active stakeholders of such organisations. It is strongly argued that such an understanding is required by managers of tourism, travel and hospitality businesses such as hotels, attractions, adventure operators and airlines, as well as local government politicians and policy-makers.

As future tourism industry managers, students will almost certainly interact with DMOs at national, state and/or local levels during their career. Opportunities exist for even the smallest of tourism operators to participate in, benefit from, and contribute to DMO planning and operations in some way. All DMOs share a common range of political and resource-based challenges not faced by private sector tourism businesses. Understanding these constraints and challenges will be of benefit to those who will be dealing with DMOs. Without this knowledge, initial encounters with DMO staff can be frustrating, which can then inhibit a long-term relationship with the organisation marketing their region. Private sector tourism managers must understand that the principles guiding public sector managers, such as in DMOs, are often quite different to their own, and that by considering these they will be able to work more effectively with them for mutual benefit.

The aim should be to develop relationships that both create opportunities to further their own business interests more effectively, and contribute positively to the competitiveness of the destination. After all, the success of these individual tourism businesses will ultimately be reliant to a large extent on the attractiveness of the destination, and the success of the destination will be reliant on the competitiveness of individual tourism businesses. At one extreme the very viability of tourism enterprises at destinations in crisis, such as Fiji, Beirut, the former Yugoslavia, Bali, and New Orleans, have been wiped out by exogenous events, such as war, terrorism and acts of God, which have rendered the destination uncompetitive overnight. Clearly, hotel managers cannot stop a hurricane or military coup. What they can do however is work with the DMO to prepare an emergency contingency plan.

The key learning outcomes of the text are to enhance understanding of the fundamental issues relating to the:

- multidimensional nature of destination competitiveness
- rationale for the establishment of DMOs
- structure, roles, goals and functions of DMOs
- the shift in thinking towards destination management
- key opportunities, challenges and constraints facing DMOs
- complexities of marketing multi-attributed destinations as tourism brands
- philosophy of integrated marketing communications
- design, implementation and monitoring of effective destination marketing communication strategies
- the potential for visitor relationship management
- necessity of disaster response planning
- destination marketing performance metrics

Two clear themes underpin the discussion throughout the text. The first, involving both the demand-side and supply-side perspectives of marketing, is concerned with the challenges involved in promoting multi-attributed destinations in dynamic and heterogeneous markets. The second theme concerns the need to provide more effective bridges linking academic theory and research outputs with real world DMO practice.

## My position as author

This text has been motivated by my first-hand experience of the political and marketing challenges involved in marketing destinations at both the national tourism office (NTO) and regional tourism organisation (RTO) levels. In January of 1989 I was allocated a desk and a phone in a quiet second floor corner of the Rotorua District Council's (RDC) Civic Centre, a local authority responsible for the public administration of one of New Zealand's leading tourism resort areas. A few months earlier, the board members of the district's poorly funded local tourism association, the Rotorua Promotions Society, had resigned en masse, effectively terminating a contract with the RDC to act as the DMO. RDC recognised that the tourism community in Rotorua, for so long the flagship of New Zealand's tourism industry, was in crisis, and had committed to taking a more direct and proactive role in destination promotion. I had been employed, at age 28, to establish a new RTO, which became known as Tourism Rotorua (see [www.rotoruanz.com](http://www.rotoruanz.com)). Previously I had spent nine years with the New Zealand Tourism Department, in New Zealand and Australia.

## Rugged individuals

My experience as the Tourism Rotorua CEO was never dull, due to local tourism industry politics and the challenges of marketing a multidimensional destination to a dynamic and heterogeneous world. While the marketing challenges were exciting, the politics were frankly frustrating and boring. However, the two issues of marketing and politics are inextricably linked at the destination level. I recall the then Rotorua mayor, John Keaney, counselling me that tourism operators were like farmers, of which he was one, because they were 'rugged individuals' with plenty of strong opinions. From experience I learnt that tourism operators are happy to be led during a crisis, but demand increasing involvement when progress is being made and the budget is increasing. The more operators are involved in destination marketing planning, the more they must be empowered in RTO decision-making. However, the more they are empowered, the more bureaucratic the process becomes, and the slower the decision-making. A fast-moving entrepreneurial approach during a crisis (see Ateljevic & Doorne, 2000) can evolve into a politically correct bureaucracy. This can in turn be a source of frustration for entrepreneurial RTO staff and the rugged individuals alike.



## The challenge

It would be an understatement to suggest that the task of establishing the Rotorua RTO was recognised as representing a significant challenge. One senior airline official commented at the time: 'If you can turn Rotorua around you will be able to write your own ticket!' With the benefit of hindsight, Wahab et al.'s (1976, p. 92) reflections on negative images were certainly appropriate in Rotorua's case:

*It is easy to downgrade a product or allow it to deteriorate; but it is the devil's own work to upgrade a low-image product.*

Once-proud Rotorua was suffering serious image problems, not only in the market place but within the host community. Aspects of the history leading to this crisis point has been reported previously (see, for example, Ateljevic, 1998; Ateljevic & Doorne, 2000; Horn et al., 2000), and is presented as a case study in Chapter 6 of this volume. One of the problems noted during my initial meetings with local industry groups was the disparate nature of the tourism community. In particular there was a strong feeling that Rotorua Promotion Society promotions had only focused on the larger tourism businesses, which were referred to as 'the fat cats'. The larger operators explained to me that since they contributed the majority of funding, it was only fair to expect more promotional exposure. It was also implied that any future destination promotions should continue to feature their product. Ironically, one of these businesses was from outside the district boundary, and therefore not a contributor to the local authority rates (tax), which funded the new RTO. Another offered to provide a fund of \$1000 every month to our office to ensure their product featured in all destination advertising. I learnt from countless discussions with counterparts in New Zealand and overseas that this was certainly not a situation unique to Rotorua.

By the time I handed over the reins of Tourism Rotorua in 1996, the organisation had won two national tourism awards for 'Best RTO'. The office also won again in 1997 and became the first RTO to win a distinction, which is granted to those organisations that have won an award category three times. Through a team effort between our staff and local tourism operators, Tourism Rotorua had progressed from being the lowest funded RTO in New Zealand in 1989 to the best resourced in 1996.

Rotorua attracts approximately 1.3 million visitors each year, and tourism is the leading employer. This has always been a tourist town, and most locals have an opinion on how tourism works, what the opportunities are, and how they should be delivered to the community. The range of RTO stakeholders is not therefore limited to those directly involved in the tourism industry. Everyone in Rotorua knows someone in the tourism industry. In my case my mother Pearl worked at Rainbow Springs wildlife sanctuary for 30 years and my late father-in-law, Ben Hona, was the Kaumatua (elder) at the New Zealand Maori Arts & Crafts Institute for over a decade. I therefore felt it important to include this section to acknowledge the perspective from which I approached this text. I enjoyed 17 years

experience as a tourism practitioner, in Australia and New Zealand, and participated in destination promotions in North America, Australasia, the Pacific, Asia and Europe. I have attempted to provide an objective analysis, but acknowledge that I have brought to the research my own experiences and potential biases.

I became an academic almost by accident. While completing an MBA as the Tourism Rotorua CEO I became impressed with the rich resource of information for destination marketers that existed in the literature, and I wondered why this was not being disseminated by academia to industry directly. I changed careers, became an academic, began consulting to RTOs, and completed a PhD in destination marketing. The text has therefore been written by someone who does not claim to be an expert in the topic, but rather one who understands and appreciates, from experience, both sides of the divide – the perspectives of destination marketing practitioners and tourism academics.

## Easier said than done

While academic theory offers a wealth of opportunities for tourism practitioners, my own experience suggests that implementation for DMOs responsible for coordinating a diverse range of stakeholders in multiple markets is problematic. My interest in theory is motivated by the desire to identify practical solutions for DMOs. However, my recommendations to industry and students have always been made with the explicit acknowledgement that this is often *easier said than done*.

## Personal lessons

My own personal lessons about DMO leadership can be simply summarised as follows:

- Develop a long-term view, show commitment, and champion a vision.
- Be your own person. Seek counsel of course, but don't sit in the pocket of any stakeholders.
- Understand your organisation's reason for being. Be prepared to make trade-offs to maintain that core focus.
- Appoint staff who have a passion for the mission, and get out of their way. Run cover for them when needed.
- Foster open and two-way communication with stakeholders. Always.
- Acknowledge mistakes and learn from the experience.
- Develop clear performance measures. Be accountable.
- Enjoy yourself – tourism is meant to be fun.



## Key points

### 1. The rationale for the study of destination marketing

Understanding the complexity of challenges, opportunities, and constraints facing DMOs is as important to the management of individual tourism businesses as it is to those seeking a career in destination marketing. An understanding of such issues enables stakeholders to take advantage of opportunities in promotion, distribution, and new product development, thereby enhancing their own prospects of success as well as contributing to the effectiveness of their destination marketing organisation (DMO).

### 2. A range of gaps in the destination marketing literature

For teaching purposes the text attempts to link discussion related to theory with real world industry examples and case studies. In doing so, many research gaps relating to destination marketing issues will be highlighted. These relate to areas in which DMOs face practical opportunities, challenges, and constraints, and would benefit from more published research.

### 3. The need to bridge the divide between tourism practitioners and academics

Ideally, best practice should inform theory, and theory should inform practice in a symbiotic cycle. However, practitioners and academics alike acknowledge the general divide between theory and practice. More collaboration and information dissemination forums are required for mutual benefit.

## Review questions

- Explain why it is important for the general manager of a major hotel to have an understanding of the opportunities, challenges and constraints facing DMOs.
- What initiatives do you think could be developed to stimulate more engagement between academics and practitioners?

