DESTINATION MARKETING
FOR THE 21st CENTURY

MOSCOW, 23 MARCH 2004

SUCCESSFUL DESTINATION MANAGEMENT AND MARKETING
FUNDAMENTALS

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DESTINATION

- The fundamental unit on which all the many complex dimensions of tourism are based

- Basic unit of analysis in tourism

- A focal point in the development and delivery of tourism products and the implementation of tourism policy
DIMENSIONS OF A DESTINATION

Spatial characteristics: scale and boundary
Host community elements
Management (Supply) orientation
Marketing (visitor) orientation
WORKING DEFINITION OF A LOCAL DESTINATION

“A local tourism destination is a physical space in which a tourist spends at least one overnight. It includes tourism products such as support services and attractions and tourist resources within one day’s return travel time. It has physical and administrative boundaries defining its management, and images and perceptions defining its market competitiveness. Local destinations incorporate various stakeholders often including a host community, and can nest and network to form larger destinations.”
DESTINATION POLICY (TOURISM POLICY)

- FOCUS ON MACRO-LEVEL POLICIES (CREATE AN OVERALL STRATEGY FOR TOURISM DEVELOPMENT AND PLANNING)
- DESIGNED FOR A LONG-TERM PERSPECTIVE
- CONSTRUCTED TO ALLOW AN ON-GOING, DYNAMIC SOCIAL AND ECONOMIC PROCESS

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POLICY

DEFINES THE RULE OF THE GAME

PROVIDES GUIDANCE FOR ALL TOURISM STAKEHOLDERS

PROVIDES A FRAMEWORK FOR DISCUSSIONS AT PUBLIC AND PRIVATE INDUSTRY LEVEL ON THE ROLE OF TOURISM AND ITS ECONOMIC AND SOCIAL CONTRIBUTIONS

CREATE THE CONDITIONS WITHIN WHICH TOURISM CAN SUCCEED

MANAGEMENT

MICRO-LEVEL ACTIVITY IN WHICH THE HOST COMMUNITY AND THE TOURISM STAKEHOLDERS CARRY OUT THEIR INDIVIDUAL AND ORGANIZATIONAL RESPONSIBILITIES ON A DAILY BASIS, AIMING IN ACHIEVING THE MACRO-LEVEL VISION

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COMPETITIVENESS

Destinations compete for economic reasons with the aim of attracting more tourist expenditure.

**COMPARATIVE ADVANTAGES:**
- natural and/or created resources

**COMPETITIVE ADVANTAGES:**
- destination’s ability to use and mobilize resources effectively over the long term

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A destination with abundant and diversified resources may not be competitive as another destination, which has relatively limited resources but has the ability to effectively utilize these resources.

COMPETITIVENESS IS NO GUARANTEE FOR SUCCESS!

SUCCESS/PERFORMANCE OF A DESTINATION IS ASSESSED THROUGH THE DEGREE OF BALANCE AMONG ECONOMIC, SOCIAL, CULTURAL AND POLITICAL DETERMINANTS.
DESTINATION MANAGEMENT ORGANIZATION (DMO)

PROMOTION AND MARKETING:
- identification of the strategic markets
- image management
- positioning, branding etc.

BROADER CONTEXT OF RESPONSIBILITIES:
- quality management
- visitor management
- human resource development
- finance and capital management
- crisis management
- information and research management

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The success of the destination (not totally) but largely depends on the performance level of the strategic and operational functions of the DMO.

DESTINATION MARKETING

- Covers all the activities and processes to bring buyers and sellers together.
- Focuses on responding to consumer demands and competitive positioning.
- Is a continuous coordinated set of activities associated with efficient distribution of products to high potential markets.
- Involves making decisions about the product, branding, the price, market segmentation, promotion and distribution.
DESTINATION MARKETING PROCESS

Analyze your current situation

Identify product(s)

Select target market(s)

Set objectives

Implement promotion strategies

Evaluate results

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MARKETING FUNDAMENTALS

Destination

- Image
- Brand
- Positioning
- Vision
THE SUCCESS OF A DESTINATION, TO A GREAT EXTENT, IS RELIANT ON ITS IMAGE

The *image* is the cluster of all perceptions the customers hold for that destination.

*It* is the aggregate of all the ideas, impressions and beliefs derived from direct experience and/or indirect information sources.

*Image* is not static and homogeneous. It evolves and changes due to the internal and external factors.
How does a destination change its image?

- Clearly understand the image and the factors influencing the image (research/measurement)
- Establish a strategic direction
- Convince as many stakeholders as possible to align with this strategic direction (monitoring)

(image management)

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DESTINATION BRAND

- The *brand* is the abstract of the destination’s identity, the way the destination wants to project itself in the market and be recognized (known). Brand is a promise, an anticipation, an expectation.

DESTINATION POSITIONING

- Destination’s position in the market is how a destination is perceived by actual and potential visitors in terms of the experiences it provides relative to competing destinations.
Vision is a created portrait or an overall picture of the desired future of the destination.

- An essential component of tourism policy.
- Should integrate all the elements necessary for destination competitiveness.
CONCLUSIONS

What are the most critical issues for a successful destination management?

- Knowledge and understanding the needs of the new tourist (image, branding, positioning),

- Improvement of collecting reliable data and competent analysis of this data,

- Increased competitiveness of the destination,

- Management of new technologies,

- Innovation and tourism product management,

- Greater professionalism in human resource management,

- Synergy between all the stakeholders in creating the destination vision.

- Public – private partnership in the key areas of management and marketing

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