MADDEN
CONNECT PEOPLE TO PLACES

Rethinking ROI
for the Modern DMO

“We Generated a
10 to 1 ROI!”

'Imagine living with this crap': tempers in Venice boil over in tourist high season

As residents leave and visitor numbers soar, the city's quality of life is being eroded. This summer, irate locals have taken to the streets

So Where Are We With ROI in 2022?

(Probably Not Exactly Where We'd Like to Be)

#1

Measuring true marketing ROI is tough --tougher when you **don't have a cash register.**

"We're trying to measure marketing without owning the cash register."

— Bob Jameson, Visit Fort Worth

Let's review the classic definition of Return on Investment:

THIS IS THE HARD PART TO MEASURE FOR DMO'S!

ROI = (Gain from investment – Cost of investment) / Cost of investment

"We're trying to measure marketing without owning the cash register."

— Bob Jameson, Visit Fort Worth

#2

Even when we show a GREAT ROI (or attribution), **it doesn't always matter.**

(Just ask Visit Florida)

Visit Florida Signs Off On Budget Cuts

WLRN 91.3 FM | By News Service Of Florida
Published May 15, 2019 at 4:05 PM EDT

Faced with a "prove-it" year to state lawmakers, the board of Florida's tourism-marketing arm on Wednesday approved a 30 percent payroll cut.

A reluctant Visit Florida Board of Directors agreed to slash payroll by $3.65 million, and strategic marketing by $17.8 million, with an acknowledgement the agency must do a better job of selling itself to lawmakers, particularly in the House, which sought to eliminate the public-private agency during this year's legislative session.

#3 The Pandemic forced us to consider new ways to measure ***Organizational Value*** and how to more effectively communicate our DMO's impact on the community.

Best Selling Mug in Marketing Facebook Groups

Just like a runner---a DMO is a complex system of interdependent parts. **We need to consider the entire system**, not just a single piece when measuring performance.

Finally...

There's no one ring (or metric) to rule them all.

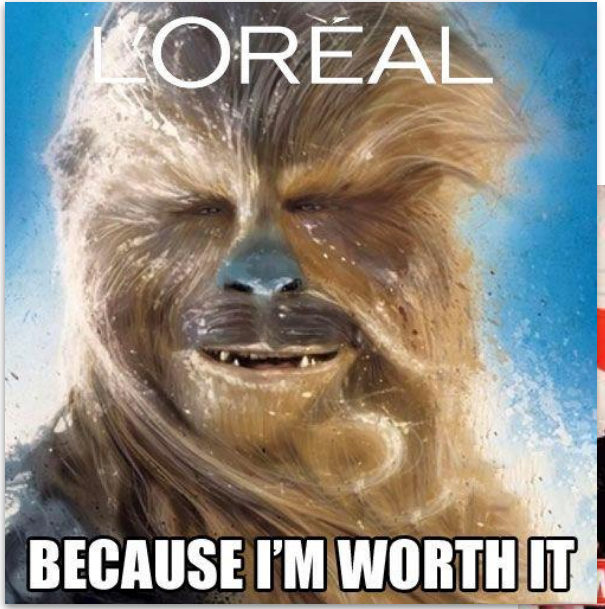
(Sorry Smeagol,...it bums me out too.)

CONSIDER...

The Rebels

BUILDING AWARENESS FOR THE CAUSE

"It all starts with a spark..."



6M+

LANGUAGES USED IN CAMPAIGNS

2,187

CONSUMER PRODUCT TIE INs

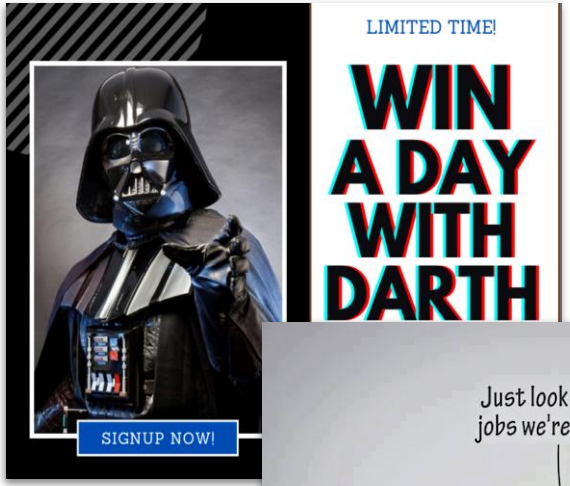
19

AVERAGE AGE OF TARGETED AUDIENCE

The Empire

ALL ABOUT THAT CONVERSION, Y'ALL

"We find your lack of sign ups, disturbing"



26M

STORM TROOPERS ENLISTED

$900T

IMPERIAL TAXES GENERATED

2

DEATH STARS CREATED

The Ewoks

PRESERVING OUR FOREST MOON

"We're really tired of disrespectful visitors."

↑39%

SUSTAINABLE TRAVEL MICROSITE VISITS

-90%

REDUCTION IN FOREST FIRES

TATOOINE

RESPECTFUL TRAVEL ACTIVATION

So Now What?!

1st: Consider how you think about the relationship between marketing and desired business outcomes.

Marketing KPI's are NOT business outcomes.

2nd: ROI shouldn't be a singular, declarative statement.

It should be a data-driven, destination-specific *conversation* centered on a specific Key Business Initiative(s).

3rd: Center ROI Around **Key Business Initiatives** and a supporting structure of interconnected KPIs.

To get started, we first need to think about how we map out our ROI conversation.

Strategic Planning: AKA ROI Road-Mapping

WHERE ARE WE?

WHERE DO WE WANT TO GO?

HOW DO WE GET THERE?

ARE WE THERE YET?

Key Business Initiatives

KBIs are individual campaigns that seek to create or improve upon an individual outcome. The more specific and measurable the initiative, the higher fidelity we can provide in your KPIs.

Primary KPIs

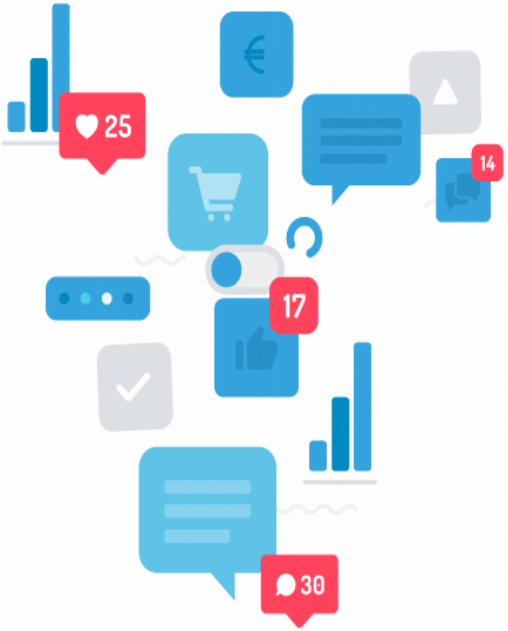
This is the primary metric to determine success of a Key Business Initiative, and it usually has a potential value that can be captured and is often a trailing indicator like visitation.

Secondary KPIs

These metrics help to be predictive in how the Primary KPIs will perform. These are often your media metrics that show how consumers are interacting with your campaigns.

Mapping ROI

WHAT ARE YOUR KEY BUSINESS INITIATIVES?



It's True: Not Choosing a clear goal that's in alignment with your Organization's business goals is a common mistake!

The Process: Where are you going?

#1 Define your purpose

- Where are we?
- Where do we want to be?
- What do our stakeholders want or value most?
- Zero in on specific business outcomes: *We want to increase tax revenues in our community without losing our destination's identity or hurting resident quality of life.*
- **Previous marketing metrics (ex: email sign ups) should not be considered as KBIs…but don't worry, they'll play an important role later!**

Source material:
How to Make Sure You're Not Using Data to Just to Justify Decisions You've Already Made.
Kevin Troyanos, Harvard Business Review, October 2018

The Process: Determine What You Know

#2 Dive Into the Data and Research You Have

- What do you already know?
- Are there performance baselines you can establish from existing data?
- What data and information are you missing?
- Engage your stakeholders; how would they measure success of your KBIs?

The Process: Time to Create!

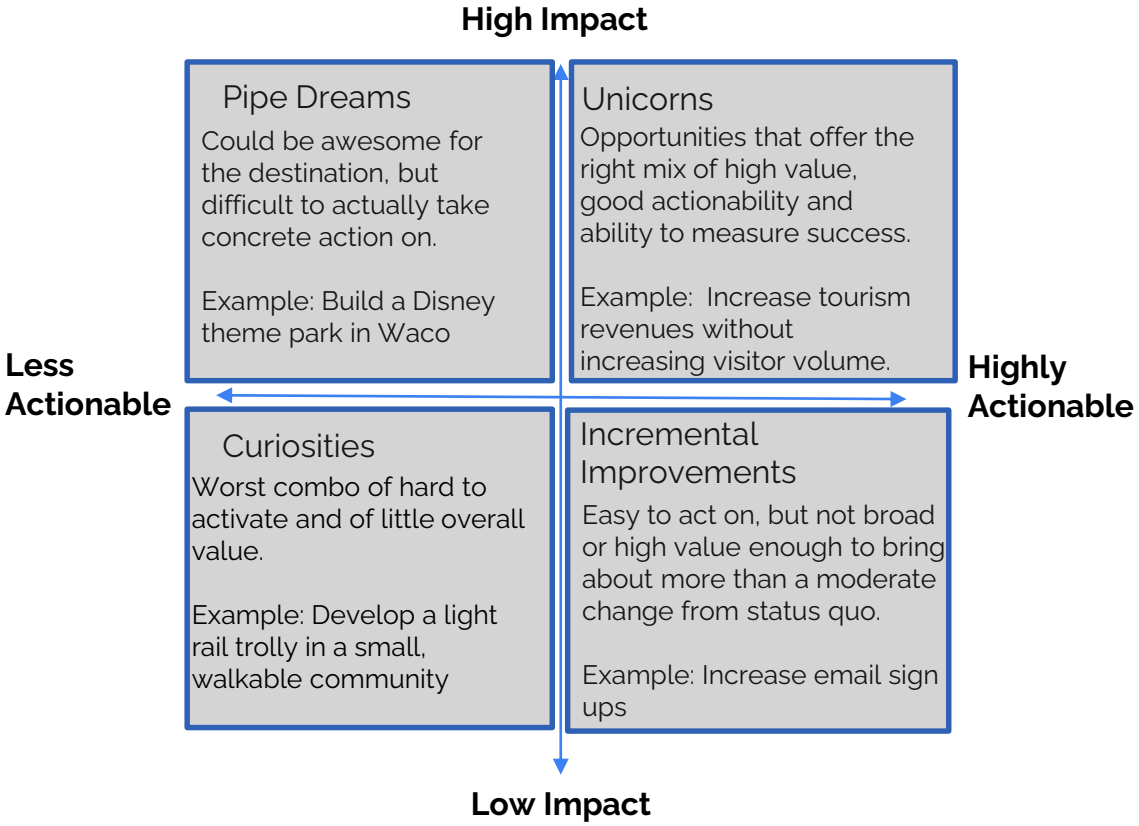
#3 Creating Your Key Business Initiatives

- It's time to question what is vs. what could be
- Throw questions against the wall…and see what sticks!
- Involve local stakeholders, municipal/state officials, and of course regular people who live there!
- Don't limit these questions to things you can answer with existing data or information; this is about finding gaps in your knowledge in the pursuit of a fresh, new direction.
- These questions are generally 'big' idea level, but with the potential to be adequately measured.

The Process: Prioritize!

#4 Prioritize Your Key Business Initiatives

- Once you have your list of potential KBI's, it's time to decide which have the potential to be both highly actionable AND highly valuable---these are the unicorns!



The Process: Determining Primary and Secondary KPI's

#5 Decide How You'll Measure Success

Primary KPIs: Broad measures of success to determine if 'we're there yet' with regards to Key Business Initiatives. These are the business outcomes we hope to influence.

Secondary KPIs: Tactical, campaign specific measures of success---think traditional marketing metrics---that provide supporting evidence that we're impacting primary KPIs.

Key Business Initiatives

KBIs are individual campaigns that seek to create or improve upon an individual outcome. The more specific and measurable the initiative, the higher fidelity we can provide in your KPIs.

Primary KPIs

This is the primary metric to determine success of a Key Business Initiative, and it usually has a potential value that can be captured and is often a trailing indicator like visitation.

Secondary KPIs

These metrics help to be predictive in how the Primary KPIs will perform. These are often your media metrics that show how consumers are interacting with your campaigns.

Remember…Key Business Initiatives Center on 4 Basic Questions:

- **Where are we?**
- **Where do we want to go?**
- **How do we get there?**
- **Are we there yet?**

Let’s visualize how to communicate all this!

MISSION
WINNOW
5
AMD
KASPERSKY
PIRELLI
MAHLE
V-Power

Key Business Initiative

We want our race car to go around the track 1 second faster than ever before.

Primary KPIs

Engine Peformance

KPI: Engine Output in Watts

Primary KPIs

Aerodynamics

KPI: Aero Drag

Primary KPIs

Driver

KPI: Overall Driver Performance Score

Secondary KPIs

Kinetic Energy Performance
Air Flow / Uptake
Fuel Flow

Secondary KPIs

Surface pressures
Surface flow

Secondary KPIs

Cornering (g forces produced)
Braking (reaction time)
Steering (# of inputs)

Key Business Initiatives

ATTRACT AND RETAIN MILLENIALS AND GEN Z

ESTABLISH AN INCLUSIVE IDENTITY

MARKET COMPETITIVE DIFFERENTIATION

KEY BUSINESS INITIATIVE # 1

Attract and Retain Millennials and GenZ

Where are we?

The current population is over 45 years old and we are in one of the fastest growing counties in CA. We need a younger workforce to support the growth of our local businesses and sustain our educational infrastructure.

Where do we want to go?

We want to see the retention and attraction of existing residents under 45yo to support a growing workforce to support new economic growth.

How do we get there?

Refreshed content strategy to focus on conversions for workforce attraction

Build a future workforce funnel focused on target industries with a visitation first strategy

Recruit prior visitors to the Greater Palm Springs area to consider opportunities in La Quinta

Are we there yet?

We should see increased engagement on job referrals and a net positive migration of individuals under 45yo

KBI: Attract and Retain Millennials and GenZ

The goal of this initiative is to expand partner engagement and provide tools to improve the overall visitor experience and capture measurable outcomes for visitor spend and attribution.

Primary KPIs

Net Migration of <45yo Residents
Candidate Referrals to Partner Jobs

Secondary KPIs

Media and Creator Engagement
Cost Per Conversion
Media Metrics (CPM, CTR, CPC, etc)

MADDEN

Recapping Our Journey So Far

(Congratulations on making it this far!)

ROI is a Conversation, Not a Single Value

There's no one metric to rule them all!

Have a Clear, Informed Objective

Where are we? Where do we want to go? How will we get there? When do we know when we've arrived?

Be Curious When Considering KPIs!

Consider non-traditional forms of measurement to link your efforts back to

Link Your Efforts Back to a 'Grand' KBI

Don't let your organization's efforts be silo'd into the usual buckets like marketing vs. Convention and Group Sales vs. Sports. Bring them together!

MADDEN
CONNECT PEOPLE TO PLACES
THANKS
FOR LISTENING
DROP ME A LINE!
MCLEMENT@MADDENMEDIA.COM