



WATERSHED PILOT STUDY

DEVELOPED BY
STRATEGIC ARTS & SCIENCES

OVERVIEW

The Project Watershed pilot study was designed for two primary reasons:

- (1) to determine if it would be possible to analyze strategic planning documentation from travel and tourism industry partners and;
- (2) to determine if a scalable methodology for analysis could be created.

In other words, we wanted to work with a select group of Oregon tourism organizations to discover if we could build a system for finding common strategic themes in planning documents. If successful, this system could be expanded to include as many travel and tourism participants as were willing to join in order to create alignment in the industry and a unified travel and tourism vision for the next 20 years.

SAMPLE SIZE AND ANALYSIS

Strategic planning materials were submitted by 12 organizations for this pilot. It drew participation from both public and private organizations to ensure it maintained a comprehensive perspective of the tourism industry. The materials included full strategic plans, business plans, posters, and research materials. Each document was analyzed for a series of codes – operationalized concepts drawn from the tourism industry – using a style of research known as content analysis. After the analysis was completed, the codes were compared against one another, and themes were composed that represented critical issues facing the travel and tourism industry as we look to the future. Follow up calls and meetings were held with participants to keep them informed about the process and to gather their thoughts and feedback. This document contains summaries of the planning approaches and goals of participating organizations, summations of the relevant themes, and planning recommendations

OUTCOME

Overall, the project was a significant success. Although we began with a long list of potential codes, the themes that were revealed by the analysis gave us a basis for conducting future analyses of planning documentation. More importantly, this project gave us a feel for what the cycles and approaches are for travel and tourism industry participants. We know that there are common challenges, we know that there are common opportunities, and we now can see the potential for aligning the planning process of tourism industry organizations to address these issues with a more cohesive and powerful voice. This pilot has prepared us to move forward and begin aligning Oregon's travel and tourism industry as a whole.

TRAVEL AND TOURISM'S STRATEGIC WIKIPEDIA

The Strategic Wikipedia section of this document summarizes the strategic priorities of participating groups and outlines a number of their near term strategic goals. The purpose of this wiki is to demonstrate the value that strategic transparency can offer to tourism partners. Participants can use this section to begin aligning their strategies and tactics with other organizations facing the same issues and can begin to get a sense of the direction in which travel and tourism is moving. The short term goals of each group are called out specifically to emphasize the importance of those initiatives. You will notice stars (*) by many of the goals listed – and they will be repetitive. Those stars are indicative of goals that are common to a wide variety of groups or that are themselves singularly worthy of noting as a strategic theme.

TRAVEL OREGON

Travel Oregon believes that now is the time to actively and aggressively begin promoting Oregon tourism because of the success of the “Oregon. We Love Dreamers.” campaign. Rather than adopting a bunker mentality, Travel Oregon’s strategic approach is defined by its intention to demonstrate the capacity of travel and tourism to bolster the economic wellbeing of the state. Travel Oregon recognizes the incredible variety of businesses and agencies connected to the tourism industry and intends to provide opportunities for those groups to leverage their combined potential. It also recognizes the need for all regions of the state to enjoy equal support and involvement in ongoing projects. Travel Oregon’s primary purpose is to help provide a unified voice for all those directly and indirectly involved in the tourism industry in order to maximize the value of cooperation and collaboration.



The near term priorities for Travel Oregon are built upon the recognition that relationship building is the key to successfully moving the tourism industry forward. The two major marketing areas Travel Oregon has identified are culinary and outdoor experience opportunities. Travel Oregon is actively involved in helping partners develop new products that will target niche consumer groups and reach into international markets. It is also focused on increasing the influence of the industry through the Tourism and Hospitality Consortium and through the delivery of research reports that focus on key market indicators. Green initiatives are a major component of Travel Oregon’s short term strategy as well because of the

Short Term Goals

- Develop products for niche markets*
- Maximize value of Tourism and Hospitality Consortium
- Produce reports on key market indicators
- Introduce Green initiatives*
- Implement training programs, welcome centers, and tools for consumer input*
- Manage RCMP

statewide emphasis on taking the lead in sustainable development. Travel Oregon is attempting to generate greater connection to the industry by offering training, producing welcome centers, and creating tools for consumers to share their stories. It is also continuing to devote a great deal of time to operating the RCMP program. Travel Oregon’s planning cycle is biennial and is concluded in June.

TRAVEL LANE COUNTY

Travel Lane County recognizes the need for adaptation in the evolving market of travel and tourism. Traditional sources of tourism dollars are fading away as economic and social trends have created changes in almost every industry. The primary focus of Travel Lane County is to be proactive by capitalizing on all of the assets that make Lane County a unique and inviting destination, such as



TravelLaneCounty.org

Short Term Goals

- Generate sustainable alternative revenue streams through retail, grants, fee structures, and partnerships*
- Development of Sports Commission
- Expand convention facilities and I% Travel Plaza
- Target visitors looking for active experiences and utilize sustainable reputation and variety*
- Manage brand awareness*

track and field events, regional centrality, and natural beauty. This requires an emphasis on diversifying funding sources and encouraging innovation in the region with the overarching, constant goal of increasing overnight visits.

In the near term, Travel Lane County is attempting to generate sustainable revenue flows from alternative sources, including retail sales, grants, new fee structures, and business

advertising opportunities. The development of a Sports Commission is also a primary objective in order to make Lane County the “Omaha” of track and field events and gain national recognition. Effort is being directed toward drawing more overnight visitors by expanding convention facilities to host larger groups and by moving forward on an I5 Travel Plaza. Travel Lane County is targeting visitors or residents seeking active and engaging experiences due to the area’s wide variety of assets and sustainable reputation. It holds its annual planning between February and April. Its strategic planning cycle is dependent on the completion of the current plan which was last produced in 2007.

OREGON DESTINATION MARKETING ORGANIZATIONS

Oregon Destination Marketing Organizations (ODMO) serves as an advocate for the tourism and

hospitality industry. As an agency representing destination marketing organizations (DMOs) across the state, it maintains a broad purpose and scope of work. ODMO provides educational opportunities for members by promoting best practices in tourism and by offering tools to assist in evaluation and strategy development. It is also an advocate for tourism at the local, state and federal levels that attempts to increase political awareness regarding critical issues in the tourism and hospitality industry and to leverage the collective economic importance of DMOs.

United for Oregon Tourism...

Oregon Destination Marketing Organizations

ODMO is currently focusing on expanding educational opportunities in the areas of destination marketing, social networking, visitor awareness, and hospitality customer service training

Short Term Goals

- Provide training in destination marketing, social networking, awareness, and service*
- Identify new training opportunities*
- Offer tools to DMO to help affect public policy
- Utilize strategies that incorporate expertise in sustainability*
- Provide decks and white papers for marketing*

for members of the tourism industry. At the same time, it is attempting to identify new areas in which members desire educational programs and information regarding best industry practices. ODMO offers tools that increase the ability of DMOs to affect public policy and is currently developing strategies that will incorporate DMO expertise in sustainability and environmental awareness into ODMO advocacy efforts. ODMO is continuing to provide new white papers and PowerPoint decks

for members dealing with social media use and marketing strategies. Its planning cycle is biennial.

TRAVEL SALEM

Travel Salem attempts to promote Salem as a premier destination for conventions, leisure, and events. It aims to be a driver of the local economy and provide opportunities for private industry to partner with travel and tourism organizations. It is very proactive in attempting to draw more



Short Term Goals

- Encourage new participants and create innovative partnerships*
- Increase membership and improve sustainability*
- Research and attract niche markets*
- Remain at forefront of online marketing*
- Standardize service experience for visitors*

businesses into partnerships because of the need for long term sustainable funding opportunities. Its approach emphasizes innovation and creativity in order to maximize benefits for business and communities it serves. Travel Salem recognizes the importance of collaboration and uses three key measures to evaluate its strategies: estimated economic impact, transient occupancy tax, and leverage.

Travel Salem's has a number of short term strategic goals. In order to create engagement with the industry and partnerships with private groups, Travel Salem hopes to redefine concepts of who sits at the tourism table and work synergistically with other industries to drive Salem's tourism potential. Travel Salem is attempting to increase membership and to improve sustainable practices that it uses. It is also actively researching new niche markets in its efforts to draw new conventions to the area. Its marketing efforts are directed toward maintaining Travel Salem's position at the forefront of online marketing techniques and promoting the "Absolutely Oregon" brand to a wider array of audiences. Travel Salem is also encouraging the standardization of visitor services throughout the area to improve the service experience of visitors. Travel Salem operates on a three year planning cycle.

NATIONAL FOREST SERVICE AND BUREAU OF LAND MANAGEMENT



The National Forest Service (NFS) and the Bureau of Land Management (BLM) are committed to enhancing the outdoor experiences of citizens in methods that allow for preservation of national public lands. The drive for sustainable recreation is necessitated by the strain that has been placed on natural resources and public lands by unmanaged recreation and urbanization. NFS and BLM aim to connect citizens to the benefits of outdoor recreation, including physical fitness, understanding of national

and cultural identities, and improved quality of life. This requires that attention be directed toward revitalizing public lands, generating community awareness and involvement, and partnering with recreation and tourism providers to develop best practices in sustainable recreation.



Short Term Goals

- Restore and adapt recreation settings to conserve and enjoy*
- Implement green operations*
- Enhance connection to communities*
- Improve citizen stewardship through educational opportunities*
- Manage budget to maximize public involvement*

The NFS and BLM have a number of similar near-term strategic goals. Priority is being placed on restoring and adapting recreation settings by balancing conservation efforts with access to recreation settings. The NFS and BLM are also trying to implement "green" operations in its own activities and in the activities of partners. Effort is being directed toward enhancing connection to communities and promoting citizen stewardship by developing broader educational and involvement opportunities. Finally, both NFS and BLM are searching for ways

to involve citizens with a wide variety of public lands while dealing with budget restrictions. Planning occurs roughly two years ahead of a fiscal year which begins October 1.

SUSTAINABLE TRAVEL INTERNATIONAL

Sustainable Travel International (STI) maintains a primary strategic focus of promoting environmentally conscious



SUSTAINABLE TRAVEL
INTERNATIONAL™

practices and policies in the travel and tourism industry. It does this by offering consumers at all levels sustainable development solutions that encourage environmental conservation and cross-cultural understanding. It is actively involved in environmental education and in carbon management. It approaches sustainable development in the tourism industry from a holistic standpoint, recognizing the need to impact all areas of the industry in order to engineer change.

Short Term Goals

- Diversify revenue sources by expanding current products offerings and producing new product packages*
- Enhance brand awareness and deepen relationships*
- Increase market penetration and promote green legislation and corporate initiatives*
- Expand educational opportunities

STI's short term strategic goals mirror many industry-wide goals, such as the diversification of revenue sources by expanding the use of existing products and the implementation of new products, particularly product packages. STI is also focused on enhancing brand awareness and reputation among customers and on deepening relationships with key clients and partners. This involves increasing market penetration, promoting green legislation and corporate initiatives, and enhancing existing tools

to implement tourism industry standards. Expanding educational and philanthropic opportunities for travel companies and destinations are also near-term goals. Planning occurs annually.

OREGON DEPARTMENT OF FISH AND WILDLIFE

The Oregon Department of Fish and Wildlife's (ODFW) strategic perspective is guided by its commitment to maintain wildlife species and public lands and waters. At the same time, it is required to maximize outdoor recreational opportunities such as hunting and fishing. Those obligations must be balanced against one another and communicated to the public in a consistent and effective manner. ODFW adopts a long term strategic view with respect to the various policies it creates in order to uphold the value proposition that wildlife, waters, and lands must be preserved for future generations.



In the near term, ODFW is attempting to increase participation in outdoor recreational activities. This requires that the department create more opportunities for fishing, hunting, and

Short Term Goals

- Create opportunities for outdoor activities*
- Offer more educational programs
- Utilize social media outlets and online content*
- Hatchery reform and endangered population restoration
- Partner with businesses and communities to encourage conservation-minded recreational activities*

wildlife viewing for the general public by revising existing regulations and offering more educational programs. ODFW is increasing its efforts to communicate those opportunities to the public by using social media outlets (such as Flickr) and offering web-based content. ODFW is also leading a number of conservation efforts, such as hatchery reform and endangered population restoration, which play into its larger goal of fully implementing the Oregon Conservation Strategy and Nearshore Strategy. That strategy is dedicated to carefully planning tourism

and recreation activities in order to allow for conservation while benefitting local economies. Though the last major planning initiative was some time ago, ODFW does execute annual planning within its various departments.

ESCAPE LODGING COMPANY

Escape Lodging Company attempts to look ahead one year to determine marketing needs and trends for planning purposes. This strategic approach is necessary because of the rapidly changing dynamics of the hospitality industry.



Escape Lodging Company constantly reviews and adapts marketing strategies in an attempt to stay at the forefront of tourism advertising trends. Escape tries to be early adopters of new technologies and social media opportunities. Strategies are developed by encouraging internal dialogue among property managers and marketing agents to gain a holistic view of the needs of the company. It is also important to Escape that its strategies encourage close ties to communities and to the state.

Short Term Goals

- Continue to evaluate and improve guest experience*
- Map guest stays and geographical data
- Provide additional guest offerings and services*
- Gather website data and develop online promotional campaigns*
- Implement green practices*

Escape Lodging Company's short term goals are driven by guest experiences. Existing guests are the single most important driver of new business, so Escape is constantly evaluating guest surveys, monitoring geographical data, and mapping guest stays. In that way, specific marketing and promotional strategies can be adopted that are designed for current needs. Escape is heavily focused on providing additional guest offerings and services in order to add value to stays at its locations rather than relying on discounts. Escape is attempting to match those value based

services with guest desires by gathering website data and developing website promotional campaign. Escape holds quarterly meetings to review and edit the marketing calendar which is finalized in November.

PACIFIC NORTHWEST VACATIONS

Pacific Northwest Vacations (PNWV) is a relatively new company that places strategic emphasis on being capable of changing to deal with market trends. The broad strategic approach of PNWV is to utilize known best practices in tourism marketing to drive market share growth. Although it operates off of a yearly plan, the various implementation strategies are reviewed and evaluated on a regular basis in order to maintain flexibility. Data from suppliers, state agencies, and DMOs is constantly gathered in order to modify existing plans. PNWV's long term goals include diversifying its product offerings and developing new advertising tools through the use of social media, online promotions, and targeted marketing plans.



Short Term Goals

- Create market penetration and consumer awareness*
- Develop new products and services
- Relaunch website and introduce social media campaigns*
- Develop new supplier contracts and identify new partnership opportunities*

PNWV is emphasizing market penetration and consumer awareness in the near term. New products are being acquired and developed for release during the 2011 fiscal year. PNWV is also focusing on improving its internet presence by redesigning and launching its website and building a marketing plan centered on web capabilities. This campaign includes entering the realm of social media outlets to promote the PNWV brand. New product development is a continual goal, one that necessitates the development of new supplier contracts and identification of

partnership opportunities. Because of its relatively new presence in the market, planning is ongoing with edits and alterations made when necessary.

SOUTHERN OREGON VISITORS ASSOCIATION

Southern Oregon Visitors Association (SOVA) is a member-funded organization that strives to increase market share for all participating organizations. It attempts to promote and leverage a Southern Oregon brand by building

and implementing quality programs in the areas of marketing and training. SOVA is consistently examining new methods for marketing and developing new service training programs for members. Although it is generally a pay-to-play organization, SOVA uses the RCMP to generate long-term partnerships that will improve research and advertising strategies. SOVA's strategic approach is characterized by a focus on tourists moving south to north in the state of Oregon and by heavy emphasis on Northern California as a target market.



SOVA's near term strategic goals are related to training, research, and marketing. SOVA is committed to offering customer service training throughout the region. Courses are designed for front-line staff and management. SOVA

is conducting visitor and audience research for the purpose of evaluating marketing strategies. SOVA's marketing strategy involves continued investment in online marketing as well as encouragement of innovation in that realm. SOVA is also attempting to improve niche consumer advertising by clearly addressing defined markets and the international market in a variety of advertising mediums. It is in the process of developing regular press releases and media presence and is identifying new methods for coordinating brand presence at trade shows. Finally, partnerships with regional DMO's to leverage new

Short Term Goals

- Offer quality front-line and management service training*
- Conduct visitor and audience research on marketing strategies
- Continue to invest and innovate in online marketing*
- Define and address niche markets*
- Leverage new partnerships*

opportunities remain a priority. SOVA has no formal planning cycle but does engage in ongoing analysis of plans by the board.

OREGON RESTAURANT AND LODGING ASSOCIATION

The Oregon Restaurant and Lodging Association's (ORLA) long term purpose is to raise the visibility of the industry and to advocate for policies that support it. As the organization tasked with representing and defending the hospitality industry, it relies primarily on annual planning to establish and obtain strategic goals. Membership is actively surveyed every year to determine the critical issues that must be dealt with, and the board and executive team develop plans accordingly. This process also serves to help ORLA identify and develop strategic partnerships with organizations reliant upon the hospitality industry.



ORLA focuses on establishing fiscally sound short term strategies with measurable outcomes in order to stay closely connected to the needs and desires of the membership base.

Short Term Goals

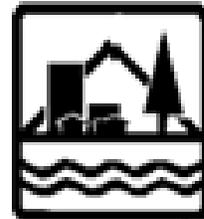
- Implement fiscally sound strategies with measurable outcomes
- Thoroughly review ongoing projects
- Continue to offer high quality service trainings to membership*
- Evaluate industry marketing efforts to grow market share

Yearly planning takes place in the summer or last quarter of the fiscal year and centers on establishing goals for all departments as well as timelines for completion. ORLA conducts thorough reviews of ongoing projects to inform the planning and goal setting process. These yearly reviews examine the relative success of all of ORLA's activities from sale of sponsorship to Government Affairs. Currently, ORLA is evaluating the various types of marketing being used throughout the industry to

determine the best methods for growing market share. ORLA's fiscal year begins in October, so planning for the year begins several months out and is annual.

OREGON DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT

The Oregon Department of Land Conservation and Development (DLCD) produces policies and initiatives that aim at balancing the needs for development and conservation. Its strategic approach is guided by the mission to improve the quality of life for Oregon's citizens, necessitating a focus on both environmental preservation and economic growth. It attempts to utilize partnerships with local communities and state agencies wherever possible and directs resources to the communal level to generate involvement in sustainability initiatives. Its strategy is also influenced by the goal of assisting local government with planning processes to ensure that sustainable practices are used wherever possible.



Short Term Goals

- Shift development to areas of negligible environmental impact*
- Assist communities in integrating land use, transportation, and public facilities planning
- Develop collaborative partnerships with other agencies*
- Develop partnerships with citizens and communities*

DLCD's short term strategic goals are focused on increasing conservation practices, improving community resources, and developing collaborative partnerships with communities and other agencies. In the area of conservation, a significant goal is shifting development to areas where environmental impact will be negligible. Community resource goals include assisting in the integration of land use, transportation, and public facilities planning and supporting regional sustainability efforts. Partnerships with citizens, communities, and agencies are oriented towards improving knowledge and awareness of

sustainable development and equitably distributing resources. DLCD's planning takes place every 6-8 years, with the plan revisited during each budget cycle and during the annual "commission priorities" session.

TRAVEL PORTLAND

Travel Portland's strategic approach is characterized by a desire to compete nationally and internationally as a primary tourist destination. This involves aggressively promoting the region across a wide variety of markets and taking all efforts to ensure high customer satisfaction levels.



Travel Portland considers itself to be a catalyst for partnerships and productivity in the tourism industry. It provides members and customers with best practices on industry issues and trends in order to draw high-yield, repeat business to the area. It does, however, retain an emphasis on preserving the environment and the quality of life of local residents.

Based on its general strategic approach, Travel Portland has a number of short-term strategic goals. One goal is to attract annual conferences to the area using the Oregon Convention

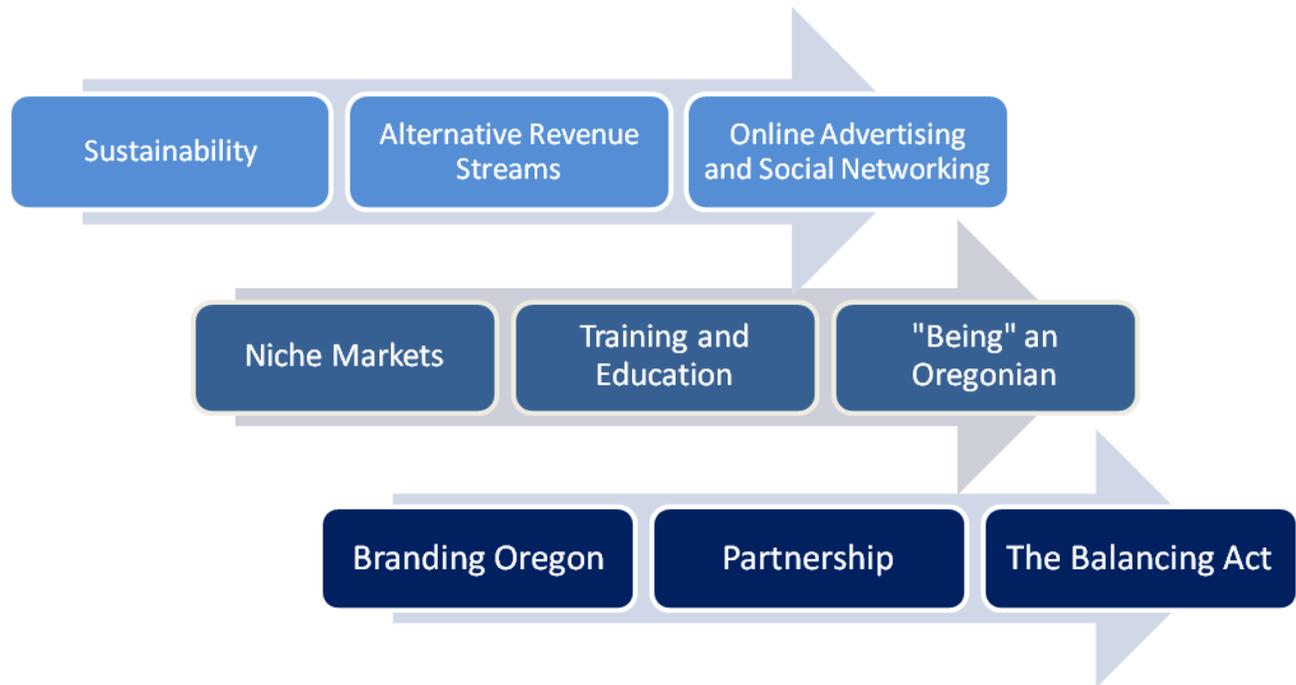
Short Term Goals

- Utilize Oregon Convention Center and metro-hotels to draw annual conferences
- Provide high-quality service to conferences and planners*
- Attract underserved convention markets and green conventions*
- Develop strong partnerships to improve and diversify revenue streams*
- Utilize wide variety of media outlets*

Center and metro-hotels as assets, creating more overnight stays. Providing high quality service to conferences and meeting planners is strategically important for developing repeat business. Portland's diversity and environmentally conscious attitude also makes it possible to attract underserved minority convention markets and green convention. This requires that Travel Portland develop strong partnerships that will help

enhance the Travel Portland brand and improve or diversity revenue streams. Marketing efforts will broadly promote the region through a wide variety of media outlets. Travel Portland's planning cycle is biennial and begins with a board meeting held in the fall.

STRATEGIC THRU-LINES



SUSTAINABILITY

There is a great deal of interest in sustainable development and green initiatives throughout the travel and tourism industry. Oregon is quickly becoming recognized as a leader in environmental sustainability, and the tourism industry recognizes the need to take advantage of that brand. Business and agencies in the industry are designing tours that highlight Oregon's commitment to the environment, implementing green practices in their daily activities, and building marketing campaigns that deal solely with environmental conservation. Conferences are being attracted by locations that meet specific expectations regarding sustainability. Every aspect of the industry is being impacted by the demands of consumers for environmentally conscious tourism practices.

ALTERNATIVE REVENUE STREAMS

The turbulent economy has impacted almost every industry and agency; travel and tourism has not been immune. Traditional sources of funding have in many cases been reduced or are no longer as reliable as they once were. Travel cycles have changed, visit length has changed and the reasons people travel has changed. All partners in the travel and tourism industry must be actively searching out new ways to generate sustainable revenue stream. For many of the organizations involved in this pilot, that process involves targeting new or unexplored markets, innovative product development, identifying new grants or private lines of funding and combining resources. Though the industry is at the forefront of economic progress, attention must be given to drawing investment from those impacted by tourism.

ONLINE ADVERTISING AND SOCIAL NETWORKING

Advertising and public relations campaigns have been dramatically shifting over the past several years. Advertising dollars in the travel and tourism industry have moved away from traditional forms of advertising such as print, radio, and television and been directed towards online advertising. Public relations campaigns, while still heavily invested in generating news stories, have also trended towards online activities. Social media is, for many industry participants, a particularly important component of their digital marketing strategy. This theme, however, is larger than simply using digital tools – the broader strategic goal for many is innovation in the social media and online advertising realms. The more interactive a digital tool is – the more it encourages consumers to share their stories – the more it can be of value to the tourism industry. A number of the participants in this study are at the forefront of these areas while others are developing ways to optimize their use of those spaces. In all cases, there is clear recognition that online public relations and advertising campaigns can help the travel and tourism industry reach niche consumers by driving awareness and involvement.

NICHE MARKETS

Marketing has always been about identifying your audience and what they want. Today's markets, however, are more diverse than ever with innumerable values, desires, and expectations. Travel and tourism participants are constantly working to define and target niche markets. These efforts take a great deal of time and resources but are necessary to continue adapting to changing environments. There is general recognition that audiences will continue to evolve and, as a result, investment will have to be made in tools and resources that reach niche markets quickly and efficiently. Identifying points of similarity between niche markets is also important to all participants in order to take advantage of synergies and to create scalable campaigns.

TRAINING AND EDUCATION

A number of organizations involved in this project provide training and education. Though these training programs cover a wide variety of areas, a large number deal with service. Excellent visitor service is a concrete method for motivating tourists to return and many participants watch service metrics closely. The demand for service training continues to grow as organizations struggle to generate return visits and to create positive awareness in the market. The emphasis on new products is also driving the need for service training as organizations strive to lead new and existing customers to engage with their brands and utilize all of their services.

“BEING” AN OREGONIAN

The general sentiment of groups in Oregon's tourism industry is that Oregon offers a wide variety of options to visitors. Unlike other one-stop tourist destinations, people come to Oregon and are exposed to an incredible array of experiences. So, even though groups in the industry work to attract visitors to their individual attributes and activities, there is agreement that a broader benefit arises as tourists can be encouraged to see more of Oregon in the future. There is a fundamental belief that this exposure can help generate return visits as tourists decide to try another part of Oregon. In other words, giving visitors the opportunity to “be” an Oregonian for even a brief period of time is a piece of what many industry players are attempting and will continue to remain a theme of industry efforts moving forward.

BRANDING OREGON

The ongoing tension between supporting a brand for Oregon as a whole and needing to display regional or local brands to generate tourism remains a theme of planning documentation. Travel and tourism organizations know that having a brand for Oregon is important, but at the same time, they do not want regional brands to be overshadowed or lost in promoting the larger brand. In that light, finding ways to incorporate the distinct identities of Oregon into the larger brand – whether through language like “A different experience every visit” – is considered important by any number of travel and tourism partners. Most participants agree that what every region of the state has in common is that it is different from any other location. Bringing awareness to the marketplace that Oregon’s value lies in its diversity is a major theme for the future.

PARTNERSHIP

Regardless of the type of organization (federal, state, private, coalition), the needs for partnerships within the industry and with external entities has never been clearer. Economics have been a large driver of this theme, but so has the need to draw organizations that consider themselves unconnected to the industry into the fold. Although we have known for some time that tourism drives the economy, bringing private enterprises that don’t see their involvement into the game has been difficult. Given the general need for collaboration, however, there are an increasing number of opportunities to be innovative in developing partnerships. Highlighting technological advances in sustainability by a particular company, for instance, can be mutually beneficial to the company and to conference providers. In short, the theme of partnership is larger than an attempt to generate revenue – it is a means to unify the efforts of the industry with non-traditional groups that can be key players in building tourism in the future.

THE BALANCING ACT

One of the most prevalent themes that arose from planning documentation and conversations with participants was that Oregon seems to have struck an ideal balance between development and environmental conservation. Even as tour providers, lodgings, and outdoor adventure companies strive to create new product offerings, there is a general hesitancy to do so if it will impact the pristine environment that Oregon has managed to maintain. At the same time, organizations directly concerned with conservations are equally concerned with providing communities and regions means for improving economic stability. The balance that has been struck is one that therefore demands strategically targeted growth initiatives by industry participants that enhance the offerings of a region without jeopardizing those offerings. This theme was called out as one of the most important strategic values for Oregon looking ahead for the next twenty years.

OUTSIDE OREGON

The themes drawn from the planning documents of travel and tourism partners are useful in their own right, but put into the context of things happening outside of Oregon, they become even more interesting and important. For instance, we know we need to use social networks, but we may not know how social networks are changing everyone's strategy for reaching consumers. We may not know the most recent advances in social media marketing or we may be able to enhance our own successful initiatives by examining the work of others. The context surrounding these themes can provide clarity and strategic guidance for everyone involved in travel and tourism.

SUSTAINABILITY

- According to Verdantix, spending on sustainability by businesses will grow by 19% or \$60 billion over the next four years.
- People are travelling for different reasons than ever before. Many value the sustainable brand that Oregon has developed and want their experience to reinforce their beliefs about Oregon's commitment to preserving the pristine natural environment for which it is known.
- The State of Sustainability Initiatives report for 2010 shows that the demand for sustainable products of all types is growing rapidly. In terms of general economic growth efforts, the demand is for transparency and sound commercial relationships where sustainability is an integral part of every process.
- When deciding on convention sites, Cisco asks lodgings an array of questions regarding environmental sustainability, including the use of eco-friendly cleaning products, water conservation methods, and recycling systems.
- The Marriott Corporation subsidizes a 1.4 million acre rainforest preserve in Brazil in a voluntary carbon offset program.

NICHE MARKETS

- The UNWTO/European Travel Commission released a 2010 report entitled Demographic Change and Tourism. The booming global population, estimated to reach 8.3 billion by 2030, is changing all elements of the tourism industry. Successful tourism destinations will have to be capable of reaching out to aging, multi-ethnic populations that will have travel for very different and distinct reasons. This will create new markets for tourism investment as well as more defined niche markets that tourism destinations will have to reach.
- The U.S. Travel Association says tourism will slowly return to levels that existed prior to the economic recession. However, destinations will have to be innovative to attract visitors that are looking for more value in their travel.
- The Idaho Department of Tourism is, for the second year in a row, partnering with Harley-Davidson Motor Company to organize a women's media ride in order to reach out to the growing segment of female riders and attract them to the state's scenic byways. They hope to brand the experience as a "girl's getaway" for the niche market.

PARTNERHSIPS

- Australia is, in many ways, experiencing tensions similar to those found in Oregon. There is a need to increase tourism while simultaneously preserving the limited natural resources that draw visitors to the

country. They have developed partnerships between the tourism industry, conservation agencies, and other stakeholders in order to address these concerns. Research found in *The Service Industries Journal* volume 30, issue 10, discusses where and why partnerships succeed and fail. Policy recommendations are offered focus on managing sustainable tourism in protected areas.

- With regard to the Harley Davidson event mentioned previously, the Idaho Department of Tourism is also partnering with chambers of commerce, hotels, and restaurants along the motorcycle route to create a fully developed experience for riders. The partnerships will serve both the larger Idaho brand and the regional brands as riders experience the different amenities locations have to offer.

BALANCE

- Classes at colleges and universities across the country (such as the University of Texas at Austin and Auburn University) study Oregon as a premier example of responsible development.
- Oregon's city growth guidelines are a standard that other states are interested in modeling. Oregon is the only state in the US with a Department of Land Conservation and Development, and other states which are focused on maintaining their natural resources are struggling to adopt practices that will achieve the balance Oregon has found.

SOCIAL MEDIA/ONLINE ADVERTISING

- More than \$1.5 billion will be spent on social network advertising...and that is only 7% of what will be spent on online advertising.
- 247 billion emails are sent daily, 81% of which are spam. It is easy for companies to be lost in the massive volume of e-mail flowing to inboxes across the globe. Online campaigns need to be
- Mashable.com reported on the five most successful big brands in the social media world. The names include Starbucks, JetBlue, and the History Channel. Each one approaches social media marketing as a way of generating consumer involvement, not just business. These brief case studies demonstrate how important it is to think of social media marketing as a way to excite people about a brand.
<http://mashable.com/2010/11/08/big-brands-social-media-2/>
- The Wanderlust Report presents a case study on "The Best Job in the World," a social media marketing campaign put on by Queensland, Australia. It used innovative social media practices, took an incredible amount of time, and had detailed metrics for determining ROI. Those metrics showed 8.4 million site visitors, 8 minute average time on site, and Queensland tourism increasing 20%. The success of the campaign for Queensland tourism is remarkable and can provide valuable insight into social media marketing as part of a larger marketing strategy.
<http://www.createwanderlust.com/using-social-media-in-destination-marketing>

STRATEGIC RECOMMENDATIONS

1. **Promoting innovation in the realms of green technology and sustainable development is critical for the travel and tourism industry.**

In general, environmental sustainability is being recognized throughout the travel and tourism industry as a powerful resource for attracting visitors. Oregon's success in this area has created a space for brand recognition that few other states or regions can match. The majority of groups in this study are searching for new ways to incorporate sustainability into their practices, creating opportunities for partnerships and collaboration. Dissemination of best practices in this area is, as a result, becoming a major theme for education and training programs. The sustainability initiative must also be incorporated into local, regional and statewide brands in order to enter developing consumer markets.

"We can't do this alone. We have to reach out to people who have never been involved in our industry and encourage them to take part."

2. **Planning programs should focus on building partnerships that will result in long-term commitments to the tourism industry and that involve multiple groups to maximize benefits.**

Efforts to establish partnerships within the industry and with external groups will remain consistent strategic goals. Though RCMP funds will remain available, the need to diversity funding sources and create successful collaborative marketing campaigns for long term success are clear strategic priorities for all travel and tourism partners.

3. **Opportunities to draw tourists to new or relatively undeveloped areas should be explored.**

Though this must be done in a way that preserves the balance between development and natural resource protection, strategically marketing unexplored tourist destination can be beneficial to the entire industry.

4. **Organizations in the tourism industry must be innovative in the use of online marketing and social media to create a community in which visitors actively play a role.**

Innovations in online marketing and social media presence will remain strategically important for the industry. Though the online world is difficult to penetrate and capture, the continuing shift of advertising and marketing dollars to these environments will create pressure for tourism organizations to be competitive in that realm. Consideration should be given to staying at the forefront of both areas, and best practices (such as the Twisitor center) should be disseminated and discussed. The general goal should center on creating a community out of the travel and tourism industry and inviting guests and visitors to be a part of that community. Visitors must also be given real methods for having "voice" in that community.

"Oregon is like a menu rather than a blue plate special. Other places you go, it's a one stop event. Every time people come here they can try something new."

5. **Organizations involved in travel and tourism need to be more specific than ever in identifying the audiences they hope to draw to their locations.**

Defining niche markets must be a strategic priority. As a corollary strategic guideline, partnering with organizations that share those niche markets will allow for new synergies to develop that will increase effectiveness.

6. **Involving tourists and visitors in the notion of “Being an Oregonian” should be a strategic priority.**

Regardless of the specific adventure or experience in which a visitor takes part, leaving with the thought that they have lived a little bit of the Oregon life will greatly increase the chances of return visits for all industry participants. It will also help regions maintain their unique identities while still contributing to a broader brand for the state.

7. **Aligning your organization’s planning cycle with the cycles of upstream and downstream partners.**

Travel and tourism partners should give careful consideration to the time at which their planning takes place. Though cycles are often determined by fiscal year, the ability to create a planning rhythm can be of benefit to all participants. That is not to say that competitive advantage should be sacrificed by waiting for others to plan. Instead, a general planning timeline will allow travel and tourism partners to make the most strategically informed decisions. Upstream and downstream partners will be more capable of alleviating common chokepoints, making the best use of limited resources, and effectively reaching out to new partners.

AFFIRMATIVE STATEMENTS

The most powerful outcome of the Watershed pilot study was the identification of statements of affirmation that seem to be at the heart of the Oregon tourism industry's future. The strategic thru-lines and considerations for planning served as premises from which to draw these affirmative conclusions. These statements summarize critical pieces of the overarching vision that Project Watershed is intended to develop and can serve as beacons to which organizations in the tourism industry can look when considering their strategy for the next 20 years. They speak to the mission, vision, and values of the tourism industry as a whole – and they provide invaluable means to measure industry-wide success.

Participants in the Watershed pilot were uniformly eager to contribute to this list of statements. The affirmative statements developed – though simple and direct – capture the core challenges and opportunities that the tourism industry is facing and provide straightforward guidance when considering strategy and tactics. Most importantly, each statement listed below can be developed into a metric that will assist in creating the industry alignment that is the ultimate goal of Project Watershed. Each organization that took part in this pilot program identified the data upon which they rely when making decisions; it is our belief that using these affirmative statement to generate new data will not only allow for an ongoing, holistic evaluation of Oregon's tourism industry, but will enhance the value of existing data sources by providing a broader framework through which to perceive strategic choices.

1. Travel and Tourism partners must develop, share, and market “sustainable” practices because our ability to excel in that area will draw industry-wide notice and increased business.
2. We have to maintain our authenticity as a green state.
3. Enhancing tourist opportunities in specific locations is potentially valuable for Oregon as long as we don't overuse the resources that make that place unique.
4. Fish and wildlife recreation is an important part of Oregon's economy and continuation of those resources is dependent upon quality habitat
5. Creating diversified, sustainable funding streams is a priority for all of the partners in the Travel and Tourism industry because economic and social forces have altered our business models.
6. The quality of life enjoyed by Oregonians is one of the most important advantages we have as an industry. We have to let outsiders feel what it's like to “be” an Oregonian, and encourage them to search out new experiences in that vein.
7. Finding ways to effectively market Oregon tourism through social media outlets should be a primary concern for the industry.
8. New opportunities are emerging to draw tourists to places in Oregon that have not been considered major destinations before, and we need to invest in them. We will all benefit from investing in the development of areas in the state that are becoming destinations.
9. Organizations in the travel and tourism industry will have to identify opportunities for partnership across the state in order to capitalize on emerging market spaces.
10. We have to look for innovative partnerships to be successful as an industry; companies that have never considered themselves a part of our industry need to be invited in through our strategic plans.

11. Identifying and disseminating best practices in micro marketing techniques to capture niche markets will be critical to the long term success of the travel and tourism industry.
12. Tourism development needs to be done in a way that honors the ethos of Oregon.
13. We need to hone and enhance the employment opportunities from the developmental potential of building tourism plans.
14. We need to share our strategic goals with our upstream and downstream partners in the travel and tourism industry because it will help us deal with common problems and capitalize on common opportunities.
15. Travel and tourism partners must find a way to be competitive as an industry without sacrificing one another's competitive advantage.

CONCLUSION

The Project Watershed pilot study revealed a number of important conclusions:

- The methodology developed for the Align and Share phase is scalable and effective.
- Travel and tourism organizations are dealing with common challenges and common opportunities and are striving to be innovative in dealing with both.
- Travel and tourism partners share specific values whether they are a governmental agency, private company, or coalition.
- Generating even a small amount of industry-wide alignment would help participants begin to develop the partnerships that will define the future of tourism.

Although the pilot dealt with a relatively small number of travel and tourism organizations, the methodology that was created allowed for strategic planning documents of all types to be successfully categorized and analyzed. From that analysis, themes and considerations for planning were identified that could be shared with all participants without jeopardizing any one organization's competitive positioning.

We believe that the participants in this pilot will be able to use the results of this project immediately to aid in near term decision making. It will help them understand the goals and concerns of partners, and it will help them identify areas for collaborative efforts. Most importantly, we believe they will begin to feel the sense of alignment that is at the heart of this project – they will sense themselves sharing in an overarching strategy that should be beneficial to everyone involved. We envision this process now being expanded to include any number of travel and tourism participants throughout the state of Oregon. With greater inclusion comes greater impact potential – though this pilot was a success, to manifest even a small degree of industry-wide alignment will require the involvement of many more organizations. We know we can move quickly and effectively, and we know that valuable collateral will result. Project Watershed is prepared to move forward into the full Align and Share phase.

APPENDIX

Watershed Pilot Initial Coding Sheet:

1. Partnership – Orientation towards growing relationships with organizations/agencies that will improve awareness, outreach, funding streams, revenue opportunities, or market share.
 - a. Diversity – An emphasis on inviting investment, partnership, or membership from an array of previously uninvolved businesses or agencies that are affected by travel and tourism.
2. Green/sustainability – Strategies or tactics are aimed at developing green/sustainable practices or marketing/branding green/sustainable initiatives.
3. Balance – Organization/agency shows an awareness of the need to balance growth and development with ecological impact.
4. Oregon brand – A recognition/use of a broad Oregon brand for building business.
5. Regionalism – A reliance on regional brand for building business.
6. Niche markets – More than recognition that niche markets exist; distinct effort to identify and target niche markets moving forward
7. Culinary experiences – Strategies aimed at promoting culinary expertise.
8. Outdoor experiences – Strategies aimed at promoting multitude of outdoor experiences (hunting, fishing, wildlife viewing, rafting, etc.)
9. Online advertising – Organization/agency seeks to increase/improve internet presence through use of online advertising, Google adwords, improved websites, etc.
 - a. Social media – Specific concern with improving use of social media outlets for advertising
10. Shifting advertising dollars – Organization/agency aims to shift/has shifted ad dollars from traditional media to online media forms **(if so, reference 9 or 9a)**
11. Innovation/new creative – Organization/agency emphasizing need for new creative work in advertising and branding. Attempting to be innovative in that space.
12. Consumer interactive tools – Organization/agency providing space for consumers to interact with/spread messages regarding brand, industry, experiences, etc.
13. Internationalism – Strategies include tactics for targeting international markets
14. Funding diversification – Priorities include diversifying funding by identifying new revenue sources such as increasing membership, retail opportunities, partnerships, etc. (RCMP included)
15. Quality of life – Quality of life of Oregonians identified as a key advertising/marketing component
16. Differentiation – Organization/agency recognizing need/value of promoting non-traditional destinations because of changes in Oregon tourism (increased visitation to places not typically considered destinations leading to strategies capitalizing on that phenomenon)
17. Education/Training – Strategies include providing/offering training or education regarding tourism industry issues
 - a. Service training – Customer/member service training specifically called out