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Research paper

An exploratory study of how destination marketing organizations pursue the sports tourism market[☆]Richard W. Pouder^b, J. Dana Clark^a, George G. Fenich^{c,*}^a Hospitality and Tourism Management, Department of Management, John A. Walker College of Business, Appalachian State University, Boone, NC 28608, USA^b Appalachian State University, 4057 Peacock Hall, Boone, NC28608, USA^c School of Hospitality Leadership, College of Business, East Carolina University, Greenville, NC 27858, USA

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ABSTRACT

In recent years, destination marketing organizations (DMOs) have taken advantage of the opportunities that sports tourism offers their communities. Although researchers acknowledge the important role played by DMOs in pursuing the sports tourism market, little is known about how they actually do so. This study is an exploratory attempt to identify specifically what actions DMOs have taken to seize these emerging opportunities. Using a five-step analytic approach in interviews with DMO officials, four groups of dominant themes that DMOs considered in their pursuit of the sports market were identified. Each of these themes is discussed and their implications for practice and future research are considered.

1. Introduction

Destination Marketing Organizations (DMOs) were initially formed over a century ago to maximize the economic impact of visitors to a specific area. DMOs are not-for-profit organizations that act as the principal entity of a given political division or subdivision that competes and draws visitors to the distinctive destinations within its purview (Destination Marketing Association International, 2016; Pike & Page, 2008). DMOs are largely financed by hotel occupancy taxes. In the state of North Carolina, for example, these taxes range from 3% to 8%, which is collected over and above regular state taxes. It is therefore very much in the self-interest of DMOs to maximize hotel usage to increase their own budgets. Perceived by visitors, 'DMOs are like a key to the city. As an unbiased resource, they can serve as a broker or an official point of contact for convention, business, and leisure travelers. They assist planners with meeting preparation and encourage business travelers and visitors alike to visit local historic, cultural and recreational sites' (Destination Marketing Association International, 2016). Although DMOs may suggest or sponsor events, they do not create them; their role is to search for and book existing events.

DMOs began as the government-authorized organization that marketed their locations to groups dominated by meetings and conventions. Over time, however, DMOs have expanded their marketing activities to encompass a wide range of planned events that enhance visitors' experiences with the goal of supporting the long-term economic

development of communities through increased visitor spending. Support is most notable in communities in need of intensive labor industries to fill a void created by economic devastation. For example, North Carolina has experienced almost the 'perfect storm' as the furniture, tobacco and textile industries, three major industrial 'backbones,' have all seen major decreases at the same time. Recent growth in DMO planned events has helped many North Carolina towns and cities avoid economic devastation by bringing in visitor money from outside the community.

Given the growing importance of planned events to communities, DMOs have faced the need to recognize those tourism segments offering activities that maximize hotel usage by inspiring business travelers and visitors to engage in public celebration, competition, fun, entertainment, business, or socializing (Getz, 2008). Over the years, a variety of new segments such as tour buses, corporate and association meetings, weddings, and yearly festivals and events have emerged. The choice of segment depends to a great extent on the pressure that lodging organizations put on DMOs to increase occupancy at times when they are not busy. Many destinations, for example, seek to fill the holes in lodging occupancy created during certain times of the week or season. Corporate and association destinations, for instance, fill rooms during the week but need help during the weekend. Tourist destinations may need little help from DMOs during peak tourist season, but will seek events that can fill rooms off-season. Another consideration in a DMO's choice of which segment to pursue concerns the nature of service

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* Corresponding author.

E-mail address: fenich@ecu.edu (G.G. Fenich).

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provided by lodging properties. Corporate and association conventions fill downtown convention hotels, with limited service properties on the edge of town left out when DMOs go after conventions. Like all lodging entities, limited service properties pay occupancy taxes that support DMOs.

Through many informal conversations with DMO leaders over the past two decades, two of the authors of this paper have come to learn that DMOs' choice of an event segment is situational and largely dependent on factors described above. Interestingly, however, when it came to choosing a segment, conversations often turned to sports as a fast-growing event segment pursued in most communities. DMOs indicated that sports brings in visitors that fill hotels in the off-tourist season. Moreover, sports groups often prefer limited service properties, which are typically less expensive, offer free parking, free breakfast and, often, free Wi-Fi. With locations on the edge of town, they are also generally closer to sports infrastructure. DMO leaders also pointed out that many communities had overbuilt convention centers, which resulted in more convention infrastructure than there are groups to use it. With excess supply, convention center business is harder to get and increasingly less profitable (as evidenced in the 'deals/incentives' that some communities have put together to book business). This, too, has contributed to DMOs' pursuit of the sports market as a way to fill in a lodging gap.

Some research supports the rise of sports tourism in the United States, noting that nearly every North American city and many smaller towns have dedicated agencies and personnel to bid on sports events (Alexandris & Kaplanidou, 2014; Getz, 2008; Russo & Zarick, 2010). For example, the DMO for Pittsburgh, Pennsylvania recently created a Sports Commission as a division of the DMO. In Greenville, North Carolina, the DMO has commissioned a study of the feasibility of attracting more sports groups and making recommendations regarding what, if any, facilities should be added. Especially important in the rise of sports tourism in the United States are smaller-scale events such as amateur sports, 'Masters Sports' and disabled sports (Higham, 1999; Kaplanidou & Gibson, 2010).

Researchers report that hosting sporting events can benefit destinations by enhancing their image development and exposure (Getz & Page, 2016; Hinch & Higham, 2004; Shonk & Chelladurai, 2008) and by generating opportunities for creating tourism-based revenue from those who are affiliated with the event or from outside spectators who travel to see the event (Getz, 2008; Gratton, Dobson, & Shibli, 2000; Morgan, Pritchard, & Pride, 2011). For example, Russo and Zarick (2010) found in their survey of spectators at Virginia youth travel soccer tournaments that 72% of respondents sometimes plan vacations around a youth soccer travel tournament, with the majority of respondents staying in local motels for at least two nights. Also noted is a trend toward DMOs focusing more attention on sports-dedicated marketing to fill lodging vacancies created when organizations substitute on-site conferences with virtual meetings (Pittman & McLaughlin, 2012).

Many authors have addressed sport tourism from a non-American perspective in terms of economic impact, building of facilities, attendance at events etc. Studies, however, tend to be very broad. Nyikana, Tichaawa, and Swart (2014) and Knott and Hemmonsbey (2015) suggest that hosting a sport tourism event can also lead to enhanced city visibility and to an improved city image while other authors suggest that sport tourism events have been identified as providing an exciting opportunity to market cities (Bob & Swart, 2010; Emery, 2002; Knott & Hemmonsbey, 2015; Tichaawa & Swart, 2010; Standeven & De Knop, 1999). Sport tourism is transforming destinations to become desirable (Bob & Swart, 2010; Cornelissen, Bob, & Swart, 2011; Nyikana et al., 2014). An entire book (Morgan, Pritchard, & Pride, 2011) covers the concepts of destination brands, albeit largely from a European perspective. Rein and Shields (2007) discussed branding sports in emerging, transition, negatively viewed, and newly industrialized nations. They also note that sports tourism is a relatively underutilized segment.

Other studies have discussed economic impact and visitation.

Bawaba (2010) suggests that there are both economic and social benefits to be gained from sports tourism while another suggests that sport tourism can lead to substantial increases in visitation and tourism revenue (Desai & Vahed, 2010; Tichaawa & Swart, 2010). Another study supported the previous two by discussing how sport and tourism have grown significantly to become important economic activities (Gaffney, 2010; Smith, 2014; Swart & Bob, 2007; Tichaawa & Swart, 2010).

Physical development has been the thrust of other studies of sport tourism. Swart and Bob (2007) discuss the use of sport tourism as a tool for urban development. Siyabulela (2016) discusses using sport tourism events as a catalyst for tourism development in the Eastern Cape Province, South Africa. Ciampicacigli and Maresca (2004) focus on the idea that sports tourism leads to the development of symbiotic products and services, while others provide evidence that the sport tourism segment has seen notable growth (Ciampicacigli & Maresca, 2004; Swart & Bob, 2007).

All of the articles cited above address sports tourism from a 'macro' perspective. Further, even those that touch upon DMOs do so from a non-American perspective. The authors of the extant research have worked and interfaced with DMO executives from around the world. They are aware that DMOs in Europe operate differently from those in the US. European DMOs focus on creating identity and are not measured on how much business they bring to the destination. In the United States the thrust is just the opposite: to generate business by putting 'heads in beds.' These differences support the focus of the extant study, which is to ascertain the activities and strategies that DMOs in the United States are incorporating, or are going to incorporate, to facilitate increasing business in the form of sports groups. This research is not about how many people come to watch sporting events.

The foregoing discussion suggests that as the sports tourism market has emerged, DMOs have begun to take advantage of the opportunity afforded by its growing importance as a tourist destination. Whereas some research has acknowledged the role of DMOs in promoting sports tourism, little is known about the specific activities that DMOs engage in to do so. To address this gap in the literature, this study is an exploratory effort to identify specifically what actions DMOs have taken to seize the emerging opportunities in sport tourism. It begins by describing the methods used to conduct the study, followed by a discussion of the findings. The implications of the findings are then discussed along with the study's limitations and directions for future research. This study contributes to the body of knowledge by taking a first step in identifying key elements that determine how DMOs have pursued the sports market and facilitates opportunities for further research in the area.

2. Methodology

As noted, the goal of this study is to understand how DMOs have pursued the sports market. Because a review of the literature revealed no prior research that related closely to this topic, we have taken an exploratory approach that uses a qualitative research design. Qualitative research attempts to communicate interpretative and evaluative knowledge and is especially appropriate for studying phenomena for which little is known (Creswell, 2013), as is the case in our research. The phenomena sought in the qualitative research paradigm is the reality constructed by the participants in the research process. In this study, the realities of participants drew from the perceptions of interviewees as communicated verbally to the authors.

The qualitative research design adopted for this study used in-depth, semi-structured interviews conducted with DMO leaders experienced in attracting sports events to their communities. Before doing so, however, it was necessary to meet with destination marketing leaders who had expertise in sports tourism. Meetings took place with nine individuals or small groups of destination marketing leaders who were also members of the Destination Marketing Association of North Carolina

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