



# State of Destination Marketing 2024

A global overview of the state of digital marketing for destinations in 2024.

Research by



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# About the **Study**

The State of Destination Marketing 2024 study has gathered critical insights into the strategic decision-making of destination marketing teams. The study outlines the implications of global disruptions, such as the cost of living crisis, political instability, and technological advancements.

It also highlights new priorities and uncovers shifting market trends that appear to be reshaping the tourism landscape, demand, and opportunity today.

Key findings were obtained from April to September 2023, through a globally distributed survey, as well as expert view, and case studies for each of the focal areas to give better insights into how destination marketing is evolving.

The report delves into destination marketing from four different perspectives:

- 1 Strategy & Performance**  
What are Destination Marketing Organizations (DMOs) using to inform digital marketing decisions and tactics?
- 2 Media Landscape**  
What are the preferred formats of marketing content? What does marketing investment look like today?
- 3 Data & Insights**  
How are marketers adapting strategies in a changing climate of consumer data?
- 4 Emerging Trends**  
How is the increasing focus on sustainability impacting decisions? What is the role of horizon technologies in facilitating innovation in destination strategies?

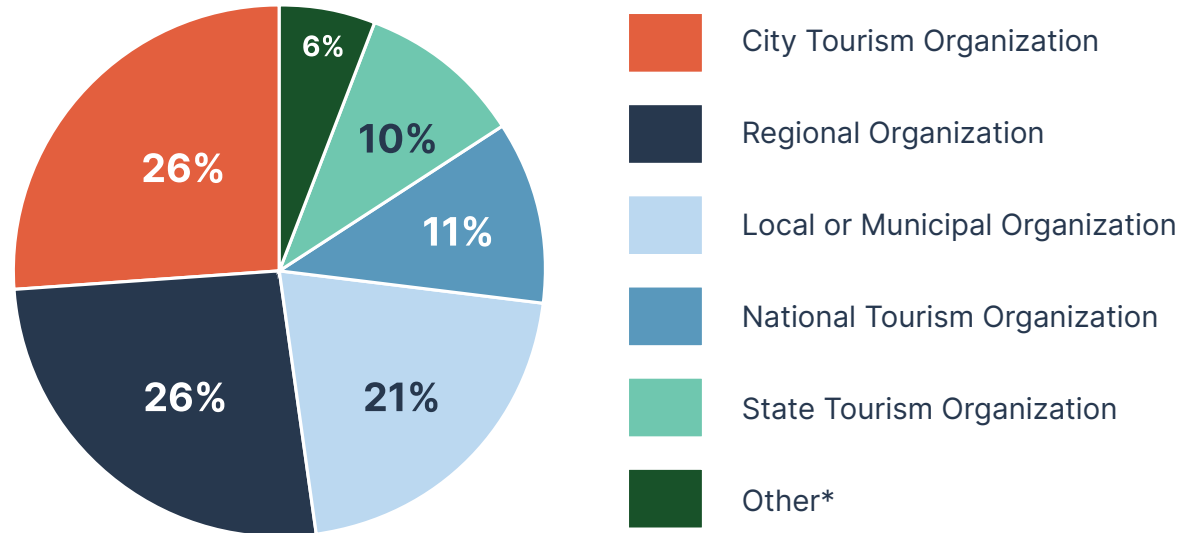
# State of the Industry

This study has been carried out with the insights provided by destination marketers from more than 300 DMOs, government departments, and chambers of commerce from across the world.

While this study mainly spotlights North America and Europe, responses from Central and South America, Africa, the Middle East, Asia, and Oceania have also been collected and analyzed to provide global insights.

It is interesting to note that more than 40% of these organizations have 10 or fewer employees, in contrast with only 7% having more than 150. This shows a tendency for DMOs to be smaller-sized organizations—a consequence of changing requirements of the skills needed or the widespread decline in budgets over the past few years.

### Breakdown of Respondents by Organization



\*This includes Chambers of Commerce, Agencies, and Development Organizations.

# The Partners



The Sojern Travel Marketing Platform helps destination marketers reach and inspire travelers throughout their planning journey across digital channels.

With unmatched visibility into travel demand and market insights, we build audiences to find the right travelers for your destination. The platform is flexible to meet the needs of destinations and their stakeholders and gives visibility into the economic impact of your marketing efforts.

More than 10,000 travel marketers around the world rely on Sojern annually to find, attract, convert, and engage travelers.

Learn more at [www.sojern.com](http://www.sojern.com)

A large, faint, light blue graphic of two overlapping speech bubbles is positioned behind the quote text on the right side of the page.

“As the travel industry undergoes rapid transformation, we remain committed to empowering destinations to navigate these changes effectively. The insights uncovered in our report highlight destination marketers’ strategy, priorities and overall approach to digital marketing, while also highlighting the significance of promoting sustainable and diverse tourism and meeting consumers’ increasing desire for unique experiences. Working with strategic technology-powered partners like Sojern ensures success in an increasingly dynamic and competitive environment.”

**Noreen Henry**

Chief Revenue Officer, Sojern



The Digital Tourism Think Tank has been working for over a decade on digital transformation together with DMOs from across the globe. It is recognized by the industry as a leader in destination digital transformation and works with a wide range of destinations.

DTTT Members are on the leading edge of change, creating more competitive destinations, underpinned by a strong approach to digital, putting sustainable innovation at the core of everything.

Learn more at [www.thinkdigital.travel](http://www.thinkdigital.travel)

“The State of Destination Marketing 2024 report is an essential resource for any destination seeking to navigate the ever-evolving digital marketing landscape. It provides a comprehensive overview of current trends and insights, with perspectives shared directly from the destination marketing teams themselves, following an extensive survey of hundreds of leading DMOs globally.

The DTTT’s Research Team is proud to have partnered with Sojern for this important initiative, which represents a first for our industry. It comes at a pivotal moment, when many DMOs are reflecting on how they can make tourism a more purpose-oriented industry, while also strengthening their competitive positioning.

This research helps us to understand how developments in both the destination landscape and digital have evolved in recent years and considers what impact this has had for marketing teams, from shifting priorities to channels, formats, and the impact of global trends.”

**Nick Hall**

Founder, Digital Tourism Think Tank

# Supporting Partners



“The State of Destination Marketing report is a valuable resource for destinations looking to make informed and strategic decisions. The insights in this report highlight the marketing trends and challenges that DMOs currently face.”

**Staci Mellman**

Sr. Vice President of Integrated Marketing,  
Brand USA



“The ripple effect of a more regenerative approach to tourism is evident in the trends and challenges highlighted in this report. It’s very helpful to see what opportunities, or perhaps challenges, so many DMOs are focused on as well as the types of solutions they are considering.”

**Gloria Loree**

Sr. Vice President Marketing Strategy  
& CMO, Destination Canada



“As we delve into the findings of this study, we are reminded of the power of collective insights. This study is not just a reflection of where we stand today; it’s a roadmap to where we are destined to go, guided by innovation, data, and a shared commitment to redefining the possibilities of travel.”

**Miguel Gallego**

Head of Marketing and Communication,  
European Travel Commission

## CHAPTER 1

# Strategy & Performance

Destination marketing activities bring a strong economic boost, with marketing campaigns displaying high returns on investment by boosting visitor numbers and spending. In today's rapidly changing consumer landscape—with high levels of global economic uncertainty—more than 50% of DMOs see the importance of adapting their digital marketing strategies and performance evaluation metrics to stay ahead of the curve and remain competitive. This is key to informing marketing decisions, defining tactics, and ensuring relevance in a digital media landscape where attention comes at a premium.

This section analyzes the strategic digital marketing decisions of DMOs, including the most demanded in-house skills, paid media investments, and participation in co-op marketing campaigns.





# Digital Marketing:

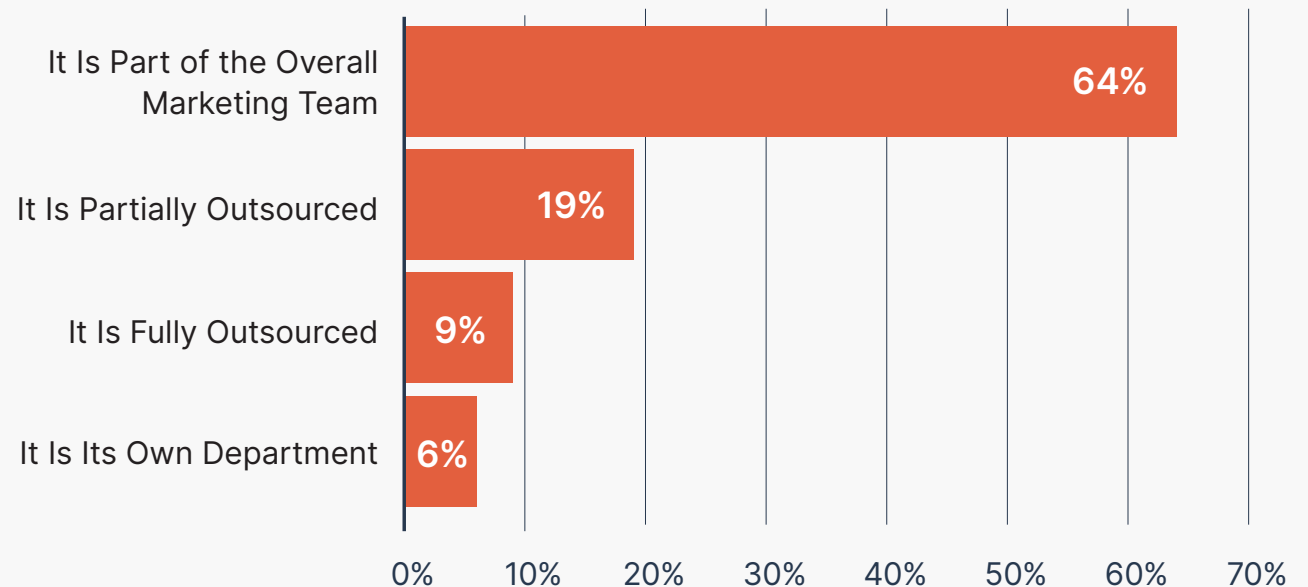
## The Future of Destination Marketing

To compete effectively, DMOs need to invest in in-house decision-making and skill development, building a team of experienced and knowledgeable professionals who think strategically and creatively, and have the skills to execute their ideas.

There are good indications that the industry is aware of this, with only 28% of DMO respondents stating that digital marketing is either fully outsourced (9%) or partially outsourced (19%).

These findings demonstrate an overall high capacity to maintain marketing decision-making in-house, independently of whether activities or services might be outsourced for execution.

Where Does Digital Marketing Exist Within the Organization?





DMOs clearly see the importance of social media, content, and email marketing. This is evidenced by the prevalence of skills and roles around social media management, content management, and email marketing within in-house teams.

Despite positive indications that DMOs are confident in making more decisions in-house when it comes to digital, such as developing and implementing marketing strategies, and defining the brand's voice, **it is also important to highlight where in-house capabilities are lacking, such as Customer Relationship Management (CRM) and Loyalty.**

**Only 18% of respondents mentioned CRM and Loyalty Management as skills that exist within their teams, while 27% indicated having some Design and UX capabilities.** Both of these are essential skills in today's digital environment and are increasingly important for DMOs to succeed and attract visitors in the long term.



These findings imply that **upper-funnel marketing to raise brand awareness and generate demand is of primary importance to in-house marketing teams**. Yet, there is great potential to utilize data to better understand visitor needs and encourage repeat visits.

Mastering how to collect and leverage first-party data and optimizing digital experiences are both key to ensuring the competitiveness of destinations in an increasingly saturated market.

First-party data is a key area that DMOs need to focus on, enabling them to use their own data to gain an unprecedented understanding about their visitors.

The effective use of first-party data presents destinations with the opportunity to increase the effectiveness of targeted advertising and build trusted customer relationships with travelers. Marketers can also start to build an audience pool for data activation in a cookieless future and create dynamic website content tailored to users' interests.

Today's digital experiences must deliver on expectations and offer value to create differentiation among a lot of digital noise from competing forces.



**More than 70% of DMOs consider their marketing mix to be mostly digital, and 81% keep decision-making in-house.**

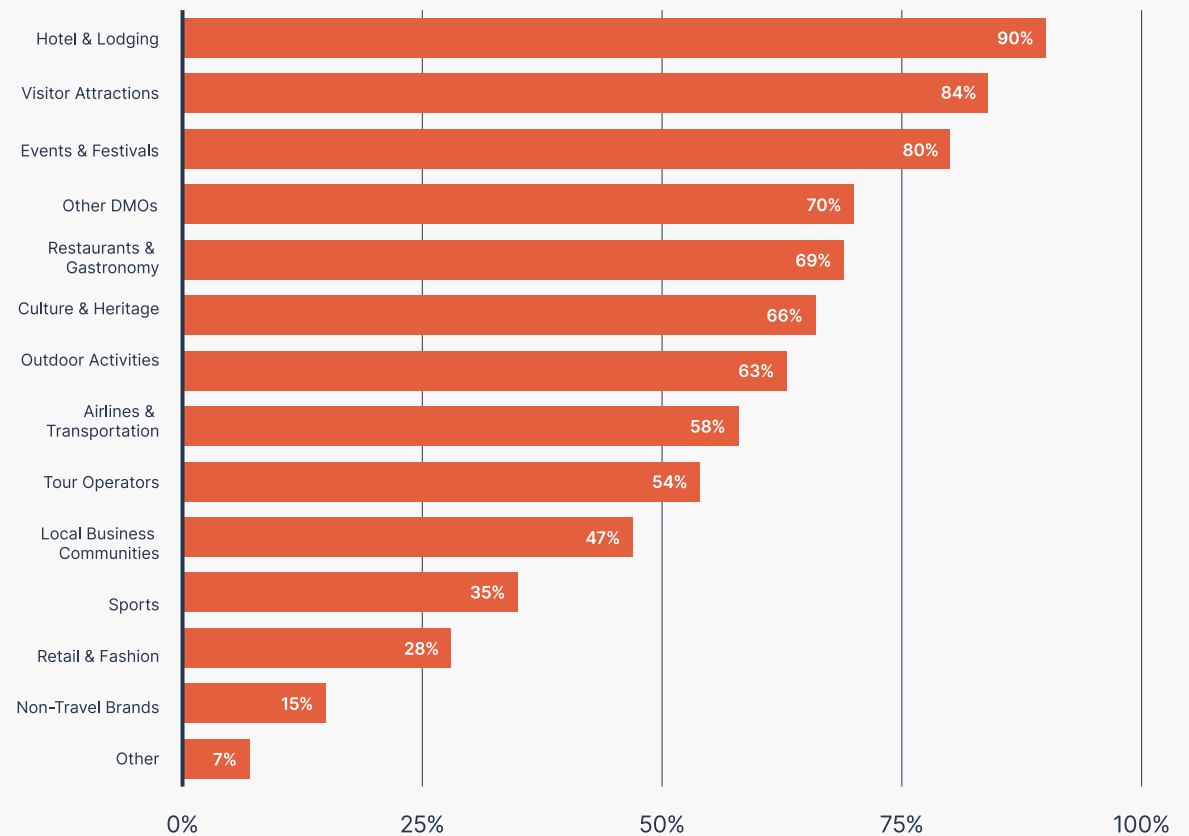
# Co-Op Marketing: A Top Priority for DMOs

A co-op campaign is when multiple industry partners work together to invest a bigger campaign budget in an end-to-end marketing funnel using the expanded resources of each partner to reach a larger audience.

Destinations use co-op marketing to pool marketing budgets and messaging with local tourism partners, allowing them to more easily scale marketing campaigns and benefit from economies of scale, help resource-constrained tourism businesses tap into larger marketing efforts, and reduce challenges linked to campaign reporting.

Additionally, these offer new opportunities to more easily experiment with campaign messaging, new communication channels, and engagement tactics.

### Types of Companies DMOs Would Partner With For Digital Marketing Campaigns



Results are shown in absolute numbers for clarity. Respondents could choose more than one option.

For these campaigns, **DMOs most commonly partner with companies in the following sectors: hotel and lodging (90%), visitor attractions (84%), events and festivals (80%), and other DMOs (70%)**. However, co-op campaign partnerships are not limited to these organizations and also include non-travel brands (15%), and airlines and transportation providers (50%), among others.

Co-op marketing is dominating campaign strategies when it comes to how DMOs work with their partners, with **78% of DMOs actively investing in campaigns with industry partners**. Insights show that this number is marginally higher in the U.S. (82%), compared to Canada (76%) and Europe (75%), suggesting a slightly more commercial approach to marketing compared to their European and Canadian counterparts.

Almost **8 in 10 DMOs invest in co-op marketing campaigns**.

For those not investing, the size of organization may indicate part of their reason for opting not to engage in co-op marketing, with 62% of those not engaging in co-op marketing having less than 25 employees.

Another indicator relates to the type of DMO, with 78% of those not active in co-op marketing being regional, city, local, or municipal organizations. Despite this, lack of budget does not appear to be a factor, with 40% of those not active in co-op marketing having annual marketing budgets that exceed the \$1 million mark.

When asked what the most common reason for not investing in co-op campaigns was, 51% referred to difficulty in coordinating and managing programs with partners.

For those organizations who do invest, 58% state increasing the overall marketing investment as a key factor. Likewise, just over half do so to reach wider audiences (54%), while just under half (46%) engage in co-op marketing to share campaign costs.

### Top Reasons for Running a Co-Op Marketing Campaign\*

**58%** increasing overall marketing investment

**54%** reaching wider audiences

**46%** sharing costs

\*% show those who answered yes to running a co-op marketing campaign.

### Top Reasons for Never Having Run a Co-Op Marketing Campaign\*

**51%** difficulty coordinating & managing programs & partners

**21%** unable to get private-sector fundraising

**16%** lack of awareness or know-how

\*% show those who answered never to running a co-op marketing campaign.

# Prioritizing **Digital Paid Media** Investments

There has been a big shift in how DMOs see their place in the visitor cycle, with 70% of DMOs investing in campaign activities which are full funnel, compared to traditionally focusing on upper-funnel marketing.

However, it is interesting to note that 30% of destinations still focus on stage-specific marketing actions, rather than full-funnel. This is despite the increasingly interconnected customer journey, blurring the lines across different phases from awareness through to conversion and the ability to use data to effectively respond to interest as it evolves through the visitor cycle.

Full-funnel campaigns are essential for DMOs because marketing campaigns are judged based on their impact. With DMOs having a large range of partners and stakeholders, it's important to go beyond just raising awareness to encourage conversions. Budgetary decisions are linked to return on investment, making it imperative that DMOs

show how their campaigns have generated an economic impact for their destinations or risk being affected by budget reductions.

This requires having a good data tracking and analytics system to monitor bookings and link them back to campaigns. Partner and first-party data can then feed into the planning of future campaigns to lead to continuous optimization.

Concentrating on stage-specific actions makes this extensive tracking much harder, particularly when breaking down social media impressions and converting them into confirmed bookings. By taking a full-funnel approach, DMOs can also facilitate loyalty and encourage repeat visits, rather than starting each campaign from scratch in terms of building awareness and driving consumers through all phases of the marketing funnel.

## Breakdown of Stage-Specific Actions\*

**85%** Upper Funnel

**51%** Lower Funnel

**18%** In-Trip

**15%** Conversion

**1%** Post-Trip

\* % show those who answered yes to running a stage-specific campaign.

When it comes to prioritizing media investments throughout the year, 21% focus their budget on specific opportunities, such as leveraging large events that will be held in their destination, while 38% focus primarily on seasonal campaigns. Of those who responded, just over half (58%) said that they invest in paid media year-round (always-on).

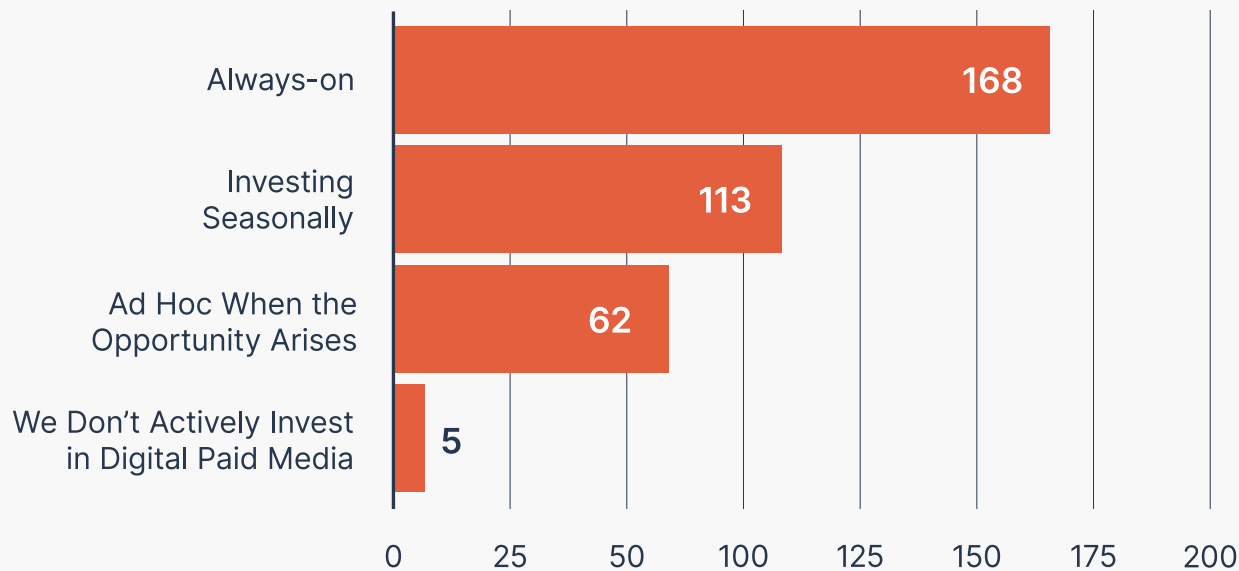
Always-on campaigns are especially important because travel intent starts long before consumers book. Consumers have access to extensive amounts of information online, facilitating them to plan trips at any time. Therefore, destinations should communicate their key messages throughout the year to reflect this constant desire for inspiration, driving year-round conversions using a data-led targeting approach and maximizing budget efficiency.

With holiday booking habits always changing and consumers ready to make purchases at any time, destination marketing should not only concentrate on key booking periods,

but also consider inspiration and decision windows leading up to them. DMOs should capitalize on the opportunities for improving brand awareness and visibility by actively marketing to customers in an always-on manner. This will increase the likelihood of being included in the traveler’s consideration set when deciding where to go on holiday.

Using real-time travel intent data and advanced segmentation tools, always-on campaigns are more customer-centric and can be more targeted towards the right audience. This allows for improving efficiency and maximizing budgets, with a 33% lower cost per action seen in U.S. destinations that run always-on campaigns.

### How DMOs Structure Paid Digital Media Campaigns



Results are shown in absolute numbers for clarity. Respondents could choose more than one option.

From those who choose a stage-specific approach, most prioritize top-of-funnel content-focused activities to build brand awareness. Investment gradually reduces further down the funnel, with conversion being the lowest priority for DMOs, despite opportunities where industry partners can facilitate bookings through their own digital infrastructure.

While DMOs typically do not sell their own tourism products, there are many opportunities to direct consumers to the appropriate platforms to book their trips, especially when suggesting travel itineraries. However, a key challenge remains attribution modeling to understand the level of conversion generated by DMO marketing campaigns.<sup>1</sup>

There are some new opportunities for destinations to explore such as building partnerships with tourism businesses to drive demand through referrals, delivering measurable results on conversion, and also focusing on loyalty and affinity—a relatively untapped area.

While DMOs that prioritize upper-funnel marketing demonstrate their strong role in creating brand awareness through creative execution, where content plays a key role, the average content-to-paid-media-ratio is 20-40% content development and 80%-60% paid media investment. Therefore, full-funnel campaigns ensure that incredible creative concepts drive clear results and conversion, with targeted audience reach.

With regards to content creation, videos are pivotal, with DMOs needing to find the appropriate balance between short-form and long-form content to suit marketing strategies.

**On average, 20-40% of budgets go to creating content, while 60-80% are spent on paid media to promote that content.**

Digital travel guides are another useful type of content for suggesting specific activities and local hidden gems to target consumers who are already in the conversion stage of the marketing funnel.

Emerging technologies, such as augmented reality (AR) and extended reality (XR), provide the potential for marketing content to be more immersive and engaging. Keeping up to date on the latest technological trends and experimenting with different types of content is therefore crucial to becoming a leading brand.

For DMOs and industry partners, the opportunity is ripe to participate in co-op partnerships, where, as partners, they can extend the reach and value of destination campaigns. The strong investment in creative and the destination's brand story means DMOs can play a key role in shaping messaging, while partner investments can focus on driving conversion.

<sup>1</sup> Sojern: [The Destination Marketer's Guide to Always-On Marketing, 2023.](#)



## SUCCESS STORY

# Great Rivers & Routes

The Great Rivers & Routes region is a hidden gem in Midwestern USA, offering visitors a unique blend of history, culture, and outdoor recreation. In recent years, the region has seen a surge in tourism, thanks partly to their increased investment in marketing and the partnerships they have established.

Through multichannel advertising across display, native, video, and connected TV (CTV), Sojern's platform has provided them with access to a wealth of traveler data and their team's deep understanding of the travel industry.

One of the key elements of their strategy was the use of always-on marketing. This means Great Rivers & Routes was able to reach potential visitors with their marketing messages all year round, not just during the peak summer and autumn seasons. This was especially important for

the region, as eagle-watching is a major tourist draw during the winter months and Nascar being a popular attraction in the spring.

Their partnership also allowed Great Rivers & Routes to target their marketing messages to specific audiences. For example, they were able to target people who were interested in outdoor recreation or who had recently visited other Midwest destinations. This helped to ensure that their marketing messages were seen by people who were most likely to be interested in visiting the region.

In 2023, the region saw a 20% increase in tourism and the amount of money visitors spent in the region increased by 15%. As a result of the success of their strategy, Great Rivers & Routes now spends 95% of their overall marketing budget on digital.



# Strategy & Performance

## Key Takeaways

There is no doubt about it, the digital landscape is constantly evolving. DMOs must use data to stay ahead of trends and pick the right strategies for maintaining strong competitive positioning. Being aware of major shifts and the need to keep innovating with strategies, tactics, and approaches is critical to maintaining and growing demand.

**1**

### **Full-Funnel Campaigns: Reach and Engage Travelers From Awareness to Conversion**

In today's attention economy, targeting all stages of the visitor journey, from awareness to conversion, is crucial to responding to changing consumer needs and attention spans.

**2**

### **Co-Op Marketing: It's a Win-Win for Marketers and Their Partners**

Co-op programs are a proven way to stretch campaign investment and reach in order to drive both sales for local businesses and economic impact for destinations.

**3**

### **Prioritize First-Party Data and Invest in User Experience**

Concentrating on first-party data can help destinations establish a dominant presence in the digital landscape. Shifting from third-party to first-party data is a fundamental change that underpins marketing segmentation and targeting strategies. It's about making a deliberate choice to build robust datasets and fully harness the potential of data, driving campaign effectiveness.

**4**

### **Experiment With New Technologies and Platforms**

Staying curious is pivotal to staying ahead of the curve, exploring new opportunities, and reaching new audiences. Technology can help teams improve strategic decision-making and enhance existing processes, allowing them to dedicate efforts to other priorities.

## CHAPTER 2

# Media Landscape

The paid marketing mix of DMOs has shifted considerably in recent years, partly motivated by legislation changes, but also the emergence of new channels and formats.

This section explores the channels, tactics, and platforms dominating today's targeting choices and priorities.



## Paid Media Impacts Strategic Decision Making

In a major shift over the past decade, investing in paid media is seen as a prerequisite of having a strong, impactful digital brand presence. This has shown to be the case regardless of the size of the DMO or its strategy.

DMOs who choose not to invest in paid media are exceptions to the rule. The decision not to invest normally comes down to budget constraints, rather than a conscious choice for all but a few.

Budget limitations have a clear strategic impact when it comes to deciding on the media mix, channels, content formats, and style, and most importantly on the budget split between content, creative, and media.



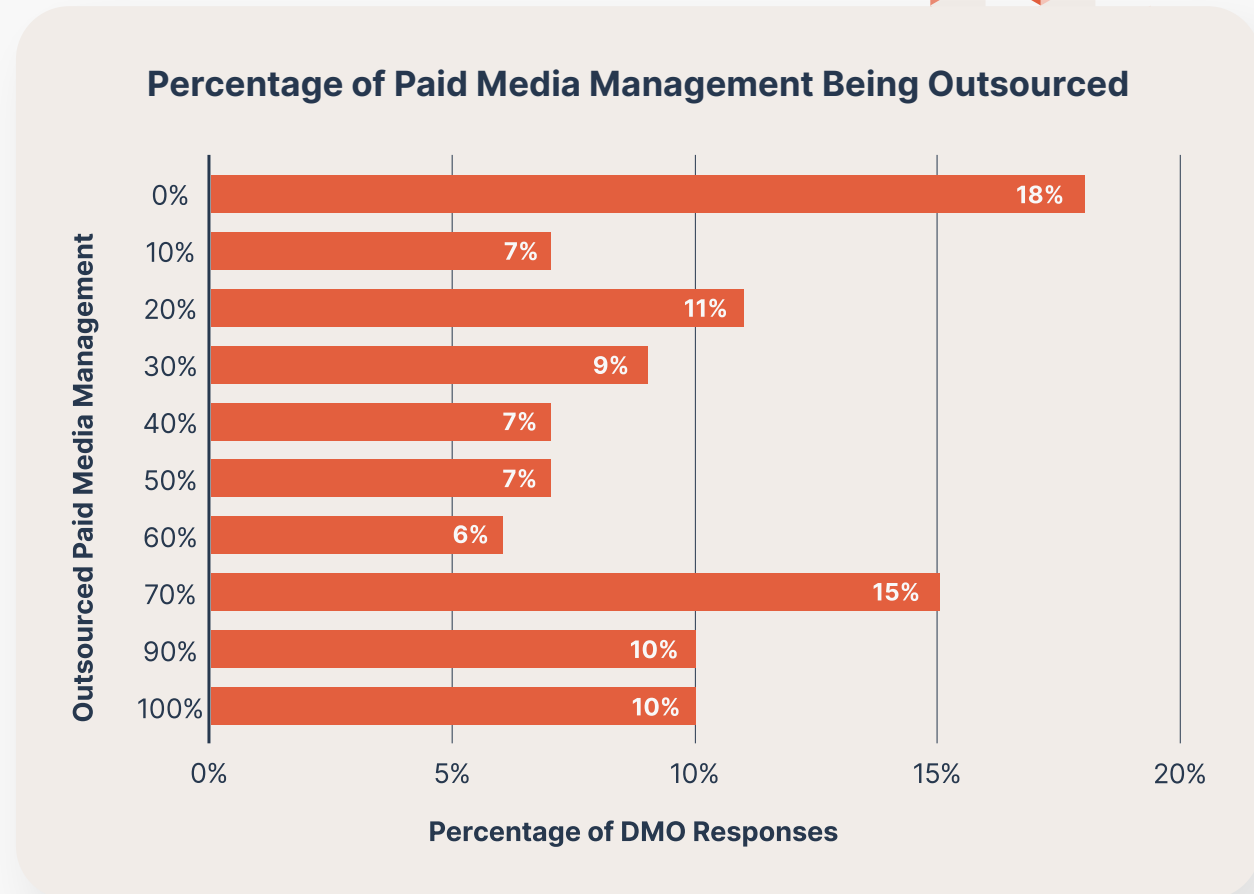
**96%**  
of DMOs invest  
in paid media

## Paid Media Management: In-House or Outsourced?

There is nearly unanimous recognition that investing in paid media is a necessity, with most DMOs considering it an essential component in achieving their marketing objectives. DMOs show clear differences in their strategies regarding the management of their paid media, with the majority at the two extreme ends of the spectrum, being either fully managed in-house or fully outsourced.

DMOs had varied approaches when it came to handling paid media activities. About 36% managed over two-thirds of their paid media internally, while 35% outsourced the same proportion. However, nearly 20% of respondents chose to keep all paid media management in-house.

Of the 35% that outsource paid media management, 62% say it is primarily managed by digital marketing or integrated media agencies.



# Core Concerns Remain Unchanged

Recent discussions in travel include significant developments regarding data, like stricter privacy regulations, the planned discontinuation of cookies in 2024, and brand safety.

Yet despite these noteworthy developments in recent years, age-old concerns remain the same for DMOs. The ongoing challenges of showcasing measurable impact, maintaining cost effectiveness, and establishing clear KPIs and attribution models, continue to take precedence over newer issues.

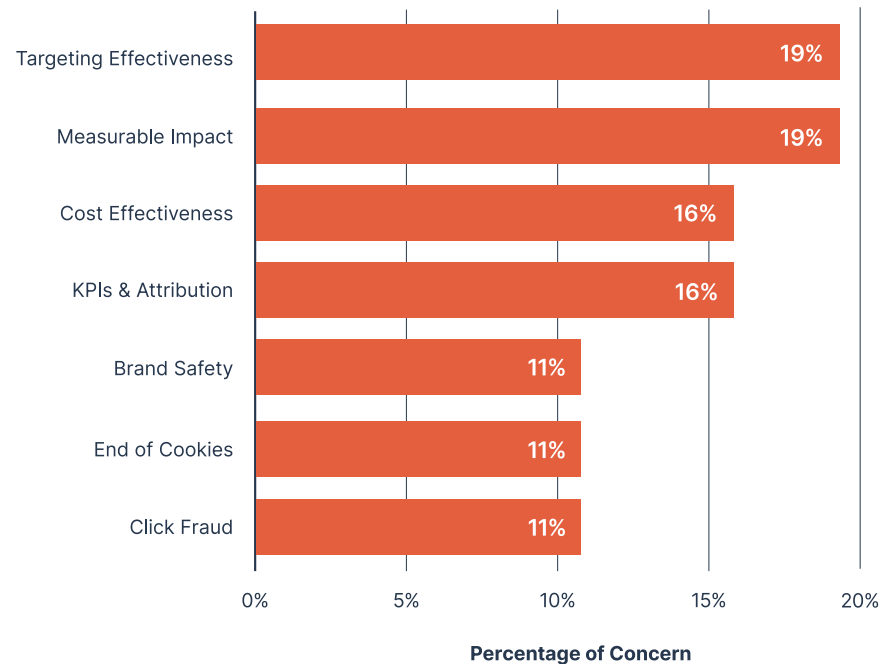
**However, the majority of DMOs do not sell a specific product. Therefore, demonstrating marketing impact to stakeholders in the right way is crucial.**

Meanwhile, building brand awareness happens through hundreds, if not thousands, of digital touchpoints and interactions, while the path to purchase

can be highly fragmented. Identifying the impact of marketing campaigns often involves working across different platforms and partners, and a significant lead time

can easily elapse between early-stage awareness, interest, and conversion. This explains why tracking KPIs and monitoring impact remain core concerns for DMOs.

**Top DMO Concerns Around Paid Media**



## Meta Dominates the Social Channel Mix

While there has been a lot of noise about TikTok in recent years, with the platform becoming something of a sensation and taking the world by storm, media investment hasn't followed to the level some might expect, though interest is growing.

### **TikTok is only seen as one of the top 3 social marketing channels by 29% of DMOs.**

However, this channel has great potential to disrupt DMO marketing activities due to its unique algorithm that tracks video engagement as opposed to social data to show the most relevant and personalized content for users. It is also continuing to grow its userbase and therefore hasn't reached its full potential yet.

This means DMOs can reach target audiences and benefit from strong organic growth. It is also noteworthy that **60% of U.S. travelers have stated an increased desire to visit a destination after seeing it on TikTok**, with 35% converting into booking a trip.

Importantly, among millennials (27-42), the conversion rate reaches 45%.<sup>1</sup>

This makes it an effective platform to reach younger audiences and it is expected to become an increasingly relevant channel.

Despite this potential, there are also risks with investing in TikTok content due to some governments banning (or threatening to ban) the platform, creating doubts as to the long-term benefits of advertising through this channel.

What cannot be understated is that TikTok has changed the format of marketing content, with the rise in popularity of short-form video, leading to consumers increasingly watching Instagram Reels and YouTube Shorts.

Facebook and Instagram (Meta) overwhelmingly remain the most important platforms when it comes to prioritizing media and content investment.

This is due to having the most active users, with Facebook having 2.989 billion monthly active users and Instagram with 2.0 billion.<sup>2</sup>

Advertising through Meta enables DMOs to maximize their potential reach and obtain the greatest levels of engagement, thereby also achieving a lower Cost Per Mille (CPM).

<sup>1</sup> [MGH Blog: TikTok's Undeniable Impact on Travel and Tourism, 2023.](#)

<sup>2</sup> [Statista: Most Popular Social Networks, 2023.](#)

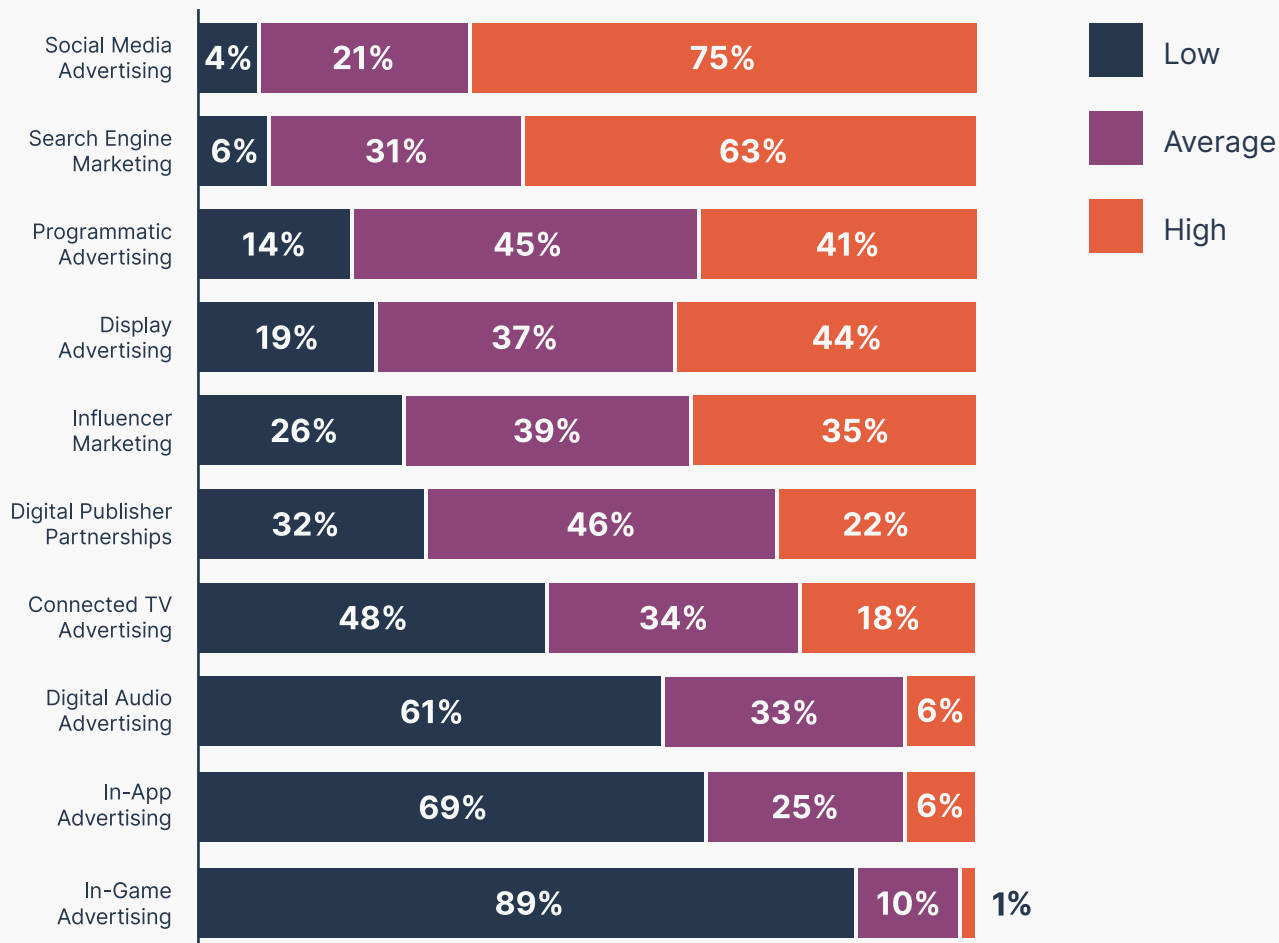
# Search and Social Dominate **Paid Media**

Social media advertising and search engine marketing (SEM) dominate the paid media mix, with 96% of DMOs considering social media advertising to be of high or average importance in their activities, and nearly 95% for search.

Programmatic advertising trails only slightly behind, with 86% placing high or average importance on this medium to deliver intelligent results across multiple channels, adapting and evolving according to campaign performance throughout delivery.

Despite the strong interest in new channels and mediums, some channels showed relatively low levels of interest, with 89% considering gaming of low importance, compared with 69% for in-app advertising, 61% for digital audio advertising, and 48% considering CTV to be of low importance. This suggests a degree of trepidation among DMOs before jumping into new, yet-to-be-tested channels and formats.

**How DMOs Rate Digital Media in Terms of Importance**





## Native Leads the Way

When it comes to format, native advertising or sponsored content (94%) remains most important for DMOs, followed by display and video advertising (85%), and in-stream video ads (78%). The popularity of native ads is due to their seamless appearance on third-party webpages, blending in so they highlight engaging content to specific target audiences without being objectively viewed as ads by consumers.

Therefore, they are more trusted and can use a well-respected platform among niche audiences to expand the reach of their content to the right audiences.

Tactical campaign opportunities to increase brand visibility, such as branded social filters or sponsored hashtag campaigns were considered of low importance by 76% of DMOs surveyed.

The format to watch is branded programming with the majority of DMOs considering it a useful tool when using a wide mix of marketing channels. This is despite only 24% seeing branded programming as being of high importance, with a third considering it to be of low importance.

U.S. destinations, in particular, have invested heavily in recent years in incorporating rich, on-demand serialized video content as a key component in their marketing strategies. In fact, viewers of Brand USA's video series are twice as likely to consider traveling to the U.S., showing how this form of paid media can be highly worthwhile for stimulating demand.<sup>1</sup>

<sup>1</sup> According to research conducted by Brand USA in partnership with Samsung.

### Most Important Paid Media Formats for DMOs

**94%** Native Advertising or Sponsored Content

**85%** Display and Video Advertising

**78%** In-Stream Video Ads

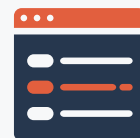


# Understanding **Key Terms**



## **Branded Social Filters**

These are AR filters that use a branded logo, which companies encourage consumers to apply on their social media images.



## **Sponsored Hashtag Campaigns**

These are social media campaigns that tell a story using a brand-specific hashtag on all content.



## **Branded Programming**

A form of content that is created or sponsored by a destination, but is disguised as entertainment. It is often produced as web series, documentaries, podcasts, or short films.



## **On-Demand Serialized Videos**

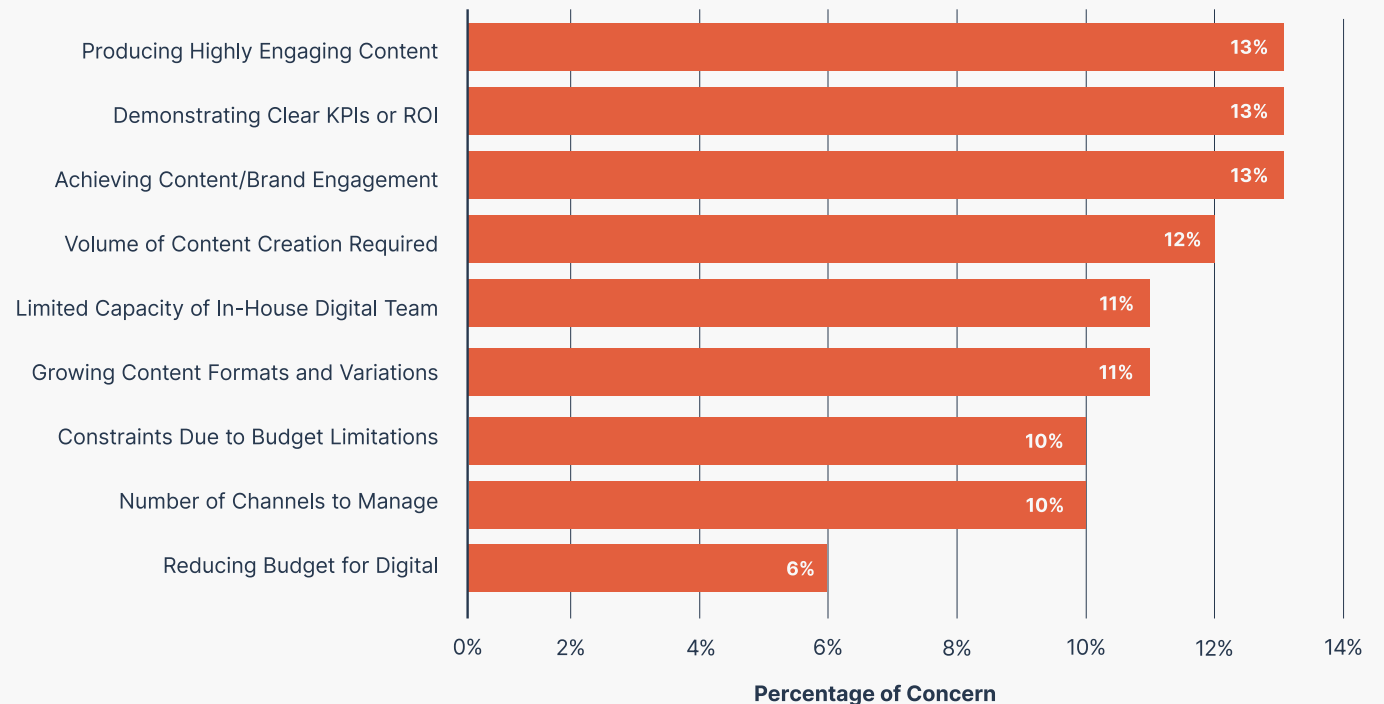
A multi-part, long-form video series that showcases different aspects of a destination.

# What's **Holding DMOs Back?**

For the overwhelming majority of respondents, the **top concerns relate to demonstrating clear KPIs and return on investment**, and achieving effective content and brand engagement. Similarly, the volume of content requirements and limited capacity to meet these demands presented themselves as major constraints among those surveyed.

While budget is always a concern, constraints due to budget limitations were a bigger factor when considering the mushrooming demands of different mediums, formats, and channels, rather than the concerns about budget reductions—despite growing economic pressure due to inflation and other factors.

### Top Concerns With DMO Digital Marketing Teams



## SUCCESS STORY

# Visit Portugal

Visit Portugal promotes the country as a destination to visit, live, study, or invest in. With the capability to host major national and international events, this organization positions tourism as a key driver of competitiveness and national economic development.

Visit Portugal manages its relationships with agencies through tender processes, ensuring that it works with the best media and creative agencies. This also allows the team to be multicultural, multilevel, and completely heterogeneous, which is achieved by having part of the agency teams integrated into theirs while still working on a consultancy basis with other parts of the team. For them, this has resulted in higher productivity and an improved ability to get excellent concepts out on an ongoing basis.

When it comes to their media mix, Visit Portugal is quite flexible. They don't invest in influencer marketing, but instead work

on specific content projects and press trips with opinion leaders, which have led to the development of projects such as Sketch Your Portugal and Journey to Portugal Revisited.

Although the NTO is exploring areas such as digital audio, UGC still takes a dominant position among their priorities. Like many destinations worldwide, resource limitations and impact measurement are key concerns for Visit Portugal. Nonetheless, when it comes to resource limitations, they think of themselves as innovative, leveraging their creativity and partnerships to support what the budget can't always cover.

On the other hand, they are transitioning their strategy to adapt to the nearing cookieless future, focusing on brand safety, measurement, and complying with regulations such as GDPR.

The NTO is working on a number of projects to improve decision-making and allocation



processes, with a plan to shift conversations from KPIs to business impact, information, and results.

While Visit Portugal doesn't currently invest in TikTok due to needing to find a relevant narrative to communicate through the platform, they use it to collect UGC. They keep content genuine and fresh, investing in content development with opinion leaders through partnerships with other brands to bring in outside creative ideas. They plan to continue investing in these formats and projects as they believe it makes a difference in how people perceive and interact with their brand.

# Media Landscape

## Key Takeaways

SEM remains a considerably relevant channel in the paid marketing mix of DMOs, alongside social media advertising, which takes the lead position. This is partly because they offer a variety of ways to reach target audiences at different stages of the travel journey.

However, there has been a shift in recent years towards new channels and mediums, like TikTok, and focusing on long-form content, as DMOs seek to reach new audiences and engage with travelers in innovative ways.

Additionally, the need to measure impact is more pressing than ever, with marketing budgets becoming increasingly limited globally, calling for DMOs to partner with organizations that have expertise in paid media marketing and keep an open mind towards experimentation.

- 1 Attribution Modeling and Developing Clear KPIs Should Be Prioritized by DMOs**

These are crucial to being able to demonstrate the impact of their paid media investments and also help understand which channels and campaigns are driving the most results.
- 2 Experiment With New Channels**

This can help destinations reach new audiences and tell their stories in a more engaging and fresh way.
- 3 Stay Up-to-Date on the Latest Trends and Developments in Paid Media**

The landscape is constantly changing, so it is important to stay informed to take advantage of new opportunities.

## CHAPTER 3

# Data & Insights

In recent years, data and insights have become essential for destinations to understand their visitors, attract the right audience, and shape targeting strategies. This is crucial to demonstrate results, satisfy stakeholders, and achieve year-on-year improvements.

This section analyzes the types of data and marketing analytics tools used by DMOs, the campaign stages when data is used, and the main challenges faced by DMOs in generating valuable marketing insights.



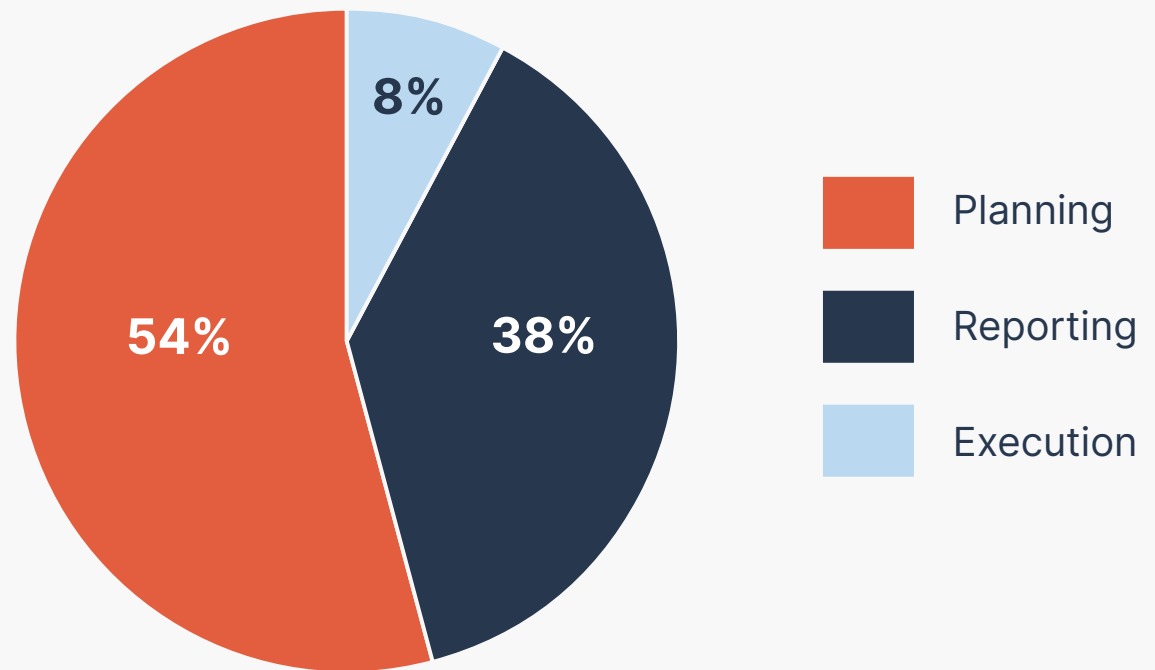
# Data is **Critical to Planning**

Data is most valuable in marketing planning, with over half of respondents (54%) saying it provided the most value during this stage. This is followed by using data for the analysis of marketing results (38%), with relatively little importance placed on using data to make optimizations to ongoing campaigns (8%).

Data's role in setting up and deciding on the right channels, strategy, audiences, and tactics far outweighs its value for actively optimizing marketing activities once they're live.

Budgeting and planning marketing actions well in advance, as well as reporting and accountability to stakeholders, dominate DMOs' data needs. On the other hand, commercial players may find that actively optimizing campaigns is of far greater importance to ultimately achieve the best return on investment.


**Stages DMOs Consider Data Most Valuable**



It is evident that DMOs are not currently maximizing the full potential of data by using it to help make their campaigns more agile. Relying mainly on planning and reporting data means they're missing out on crucial insights at the most important phase of the campaign: Its implementation.

By using real-time data, marketers can influence travelers' purchasing journeys and adjust campaign strategies to respond to external events and global uncertainty, such as pandemics, wars, and economic downturns.

Using data during campaign execution optimizes marketing efforts and ensures that investment is fully maximized, so DMOs can achieve the best possible results.



Relying mainly on planning and reporting data means **DMOs are missing out on crucial insights** at the most important phase of the campaign: Its implementation.



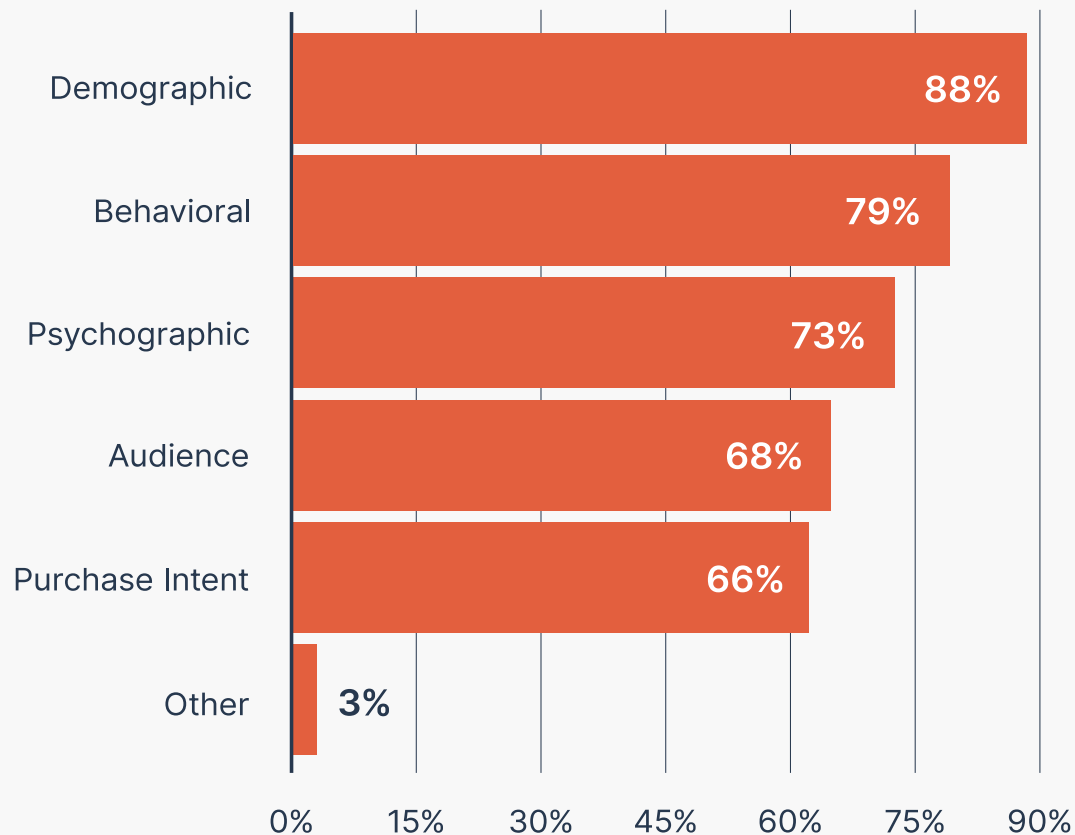
# The Growing Importance of **Data Analytics** for DMOs

Leveraging data is without a doubt the biggest opportunity for DMOs. Not only in exploiting its potential with more sophisticated and increasingly personalized marketing, but also in how marketing performance is evaluated, optimized, and demonstrated.

When it comes to campaign planning, demographic data is used most frequently to guide decisions, followed by behavioral data, with 88% and 79% of respondents choosing these options respectively. At the other end of the scale, purchase intent data is the least popular source, albeit still with 66% of respondents using this data in their marketing mix.

As for data used by DMOs to guide strategic decision-making, 86% utilize visitor statistics and 81% leverage core digital marketing insights.

**Most Frequently Used Data Sources**



While over time most marketers have been privileged with greater access to a much wider array of data and insights, such as credit card and consumer spend data, such alternatives remain on the periphery when it comes to their place in DMO digital strategies, with less than 40% using these today.

The way destinations are measuring the success of their marketing strategies

is also changing. Whereas before importance was placed on brand recall surveys and database acquisition, these are less favored by DMOs today.

Meanwhile, content engagement and social media growth are becoming critical when it comes to KPIs, with 67% citing content engagement as a key performance indicator in their marketing activities.

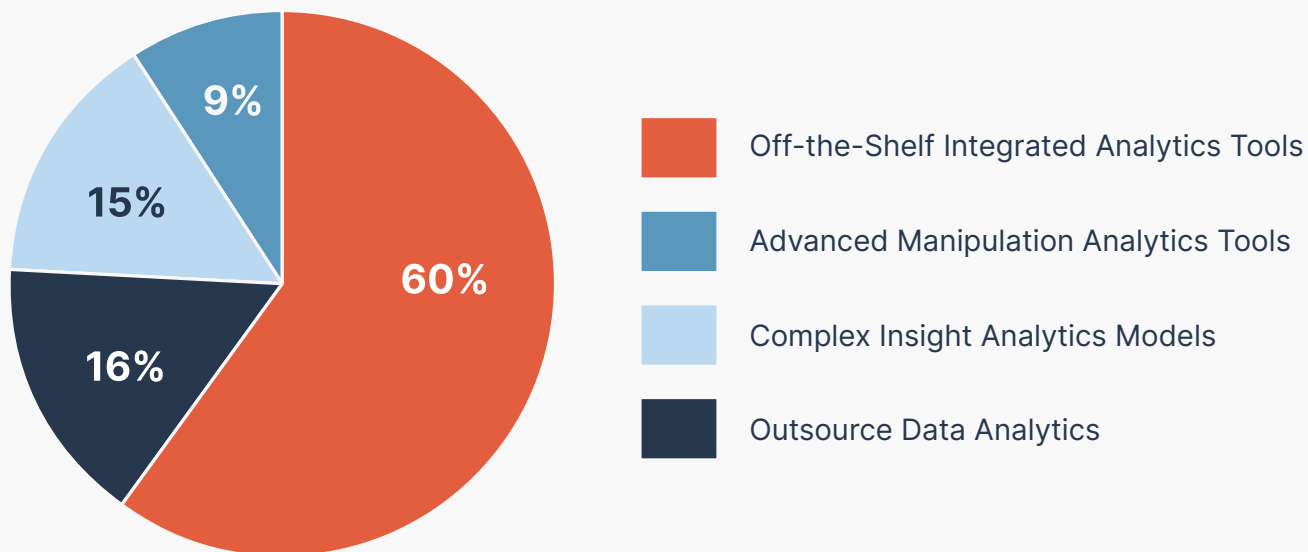
While 60% of DMOs use off-the-shelf integrated analytics tools, such as Google Analytics and Meta Business Suite, success often lies in the advanced use of analytics, where DMOs are driven to optimize performance across all channels and touchpoints.

9% of DMOs turn to advanced martech solutions, such as Adobe Analytics, Salesforce Marketing, or Cloud Intelligence, while 15% have invested in developing advanced in-house analytical tools, often in the form of data dashboards. The remaining 16% of DMOs outsource their data analytics needs.

Nevertheless, the use of data for marketing purposes does not come without challenges for DMOs. The most common barrier faced by these organizations comes from the lack of data integration across channels, with 52% of respondents choosing it as a key concern.

This is becoming an increasingly prominent challenge, as the visitor journey becomes further fragmented as a consequence of the growing number of channels travelers use to discover and explore destinations.

### Marketing Analytics Tools Used By DMOs



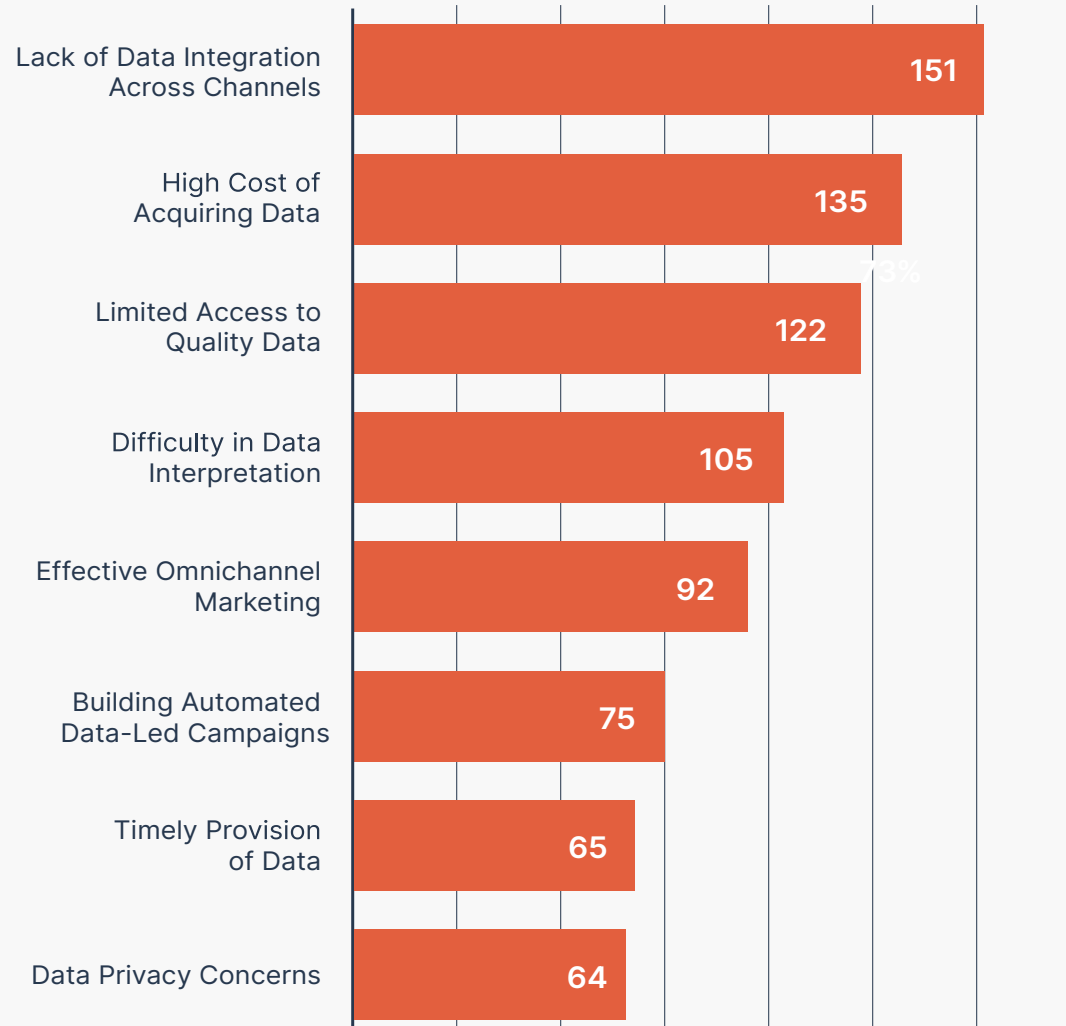
Taking the second and third positions respectively, we find two critical challenges. The first is the high cost associated with acquiring data, accounting for 46%. The second is the DMO's limited access to high-quality data, standing at 42%.

This indicates that despite the growing interest in using data, there are still barriers when it comes to collecting it and fully maximizing its potential for data-driven marketing. This also poses a fundamental question: how can DMOs optimize data collection and analysis to produce actionable, high-quality insights?

Although positioned as one of the lowest-ranking challenges faced by DMOs, concerns around data privacy and the shifts expected in coming years, such as the removal of cookies, are a primary challenge for 22% of respondents.

This calls for the need to pay attention to such regulatory changes and ensure DMOs understand the ways in which data will continue to play a role in the future and how to adapt to maintain a competitive position.

## Main Challenges Faced by DMOs When Using Data in Marketing Campaigns



Results are shown in absolute numbers for clarity. Respondents were able to choose more than one option.

# Shifting Strategies Around **Data Privacy**

There is growing awareness among marketers of the need to prepare for a cookieless future. With user privacy concerns and increasingly stringent legislation at the forefront of this shift, there is undoubtedly a need for a change in how DMOs approach marketing strategies and tactics in response to this.

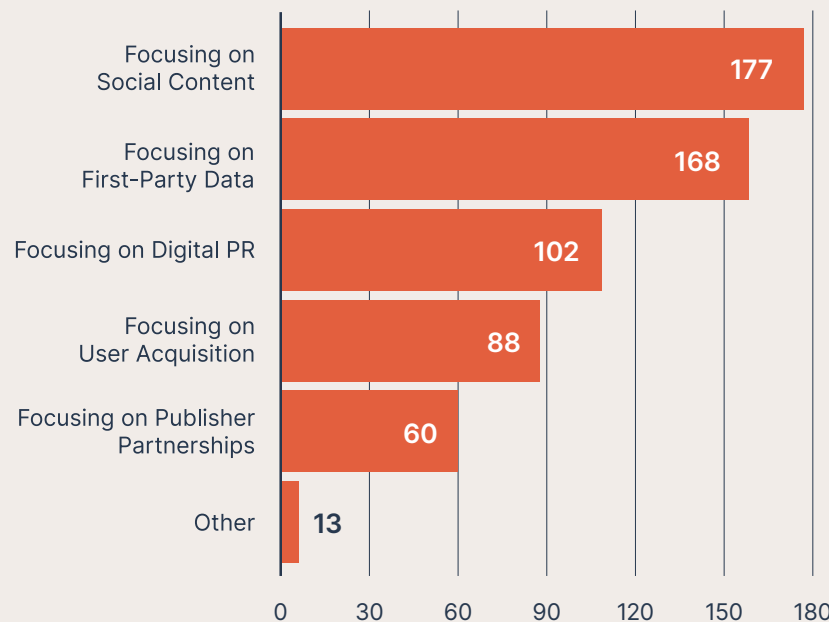
Despite the impact, it also presents new opportunities for DMOs to think creatively about how they seek and where they engage target audiences now and in the future. Only 15% of all respondents said that changes in data privacy rules were having a small impact on their current strategies, while 37% said the impact is significant.

Among the highest-ranking data concerns, we found that the inability to track the right data is a significant issue, with the importance placed on obtaining first-party

data now higher than ever. This has led to greater experimentation in new mediums, partnerships, and formats, such as voice, as a means to explore the potential of new and emerging channels and formats.

Among the actions currently being taken by DMOs to mitigate the effects of data privacy changes, 60% considered focusing on social content to be key, while 58% said that trying to obtain first-party data was a key priority.

**Measures Taken to Mitigate Impacts of Data Privacy in the Next Two Years**



Results are shown in absolute numbers for clarity. Respondents could choose more than one option.

## SUCCESS STORY

# Newfoundland and Labrador Tourism

Newfoundland and Labrador is a Canadian province, located on the most easterly edge of North America. The destination is popular among visitors to enjoy outdoor activities and sports year-round, as well as for its rich history and natural wonders.

As the DMO in charge of the province's promotion, the data they find most useful is that which allows them to understand if they are creating engagement, the stickiness of their content, and the content's ability to resonate with viewers.

Google Analytics still dominates how they forecast engagement, while they also heavily focus on behavioral analytics to understand users' sessions on their website to determine future development.

When trying to understand their target audience's preferences, Newfoundland and Labrador uses data from open sources, paid subscriptions, and partnerships to provide an accurate picture.

The data sources utilized by the team are extensive, including core market research, consumer insights, internet search data, retail purchase data, tech device data, sentiment analysis, surveys, advertising reports, granular data from call centers, air travel, short-term rentals, tour companies, hotel stays, rail data, rental cars, demographic data, and credit card data.



# Data & Insights

## Key Takeaways

Data analytics is becoming increasingly important for DMOs. It allows them to better understand their visitors, focusing efforts on attracting the right ones and measuring the success of marketing activities to make the case for further investment.

However, there are still some challenges that destinations face when it comes to fully realizing the potential of data in the marketing workflow, such as the lack of data integration, the high cost of acquiring data, and the relatively limited access to quality data.

**1**

### Focus on Collecting and Analyzing First-Party Data

This will help DMOs reduce their reliance on third-party data and make their marketing more effective in the cookieless future.

**3**

### Use Data to Drive Marketing Decisions

Data can help to identify target audiences, develop effective campaigns, and measure the success of marketing efforts.

**2**

### Invest in Data Integration Tools

This will help break down silos and get a streamlined view on marketing performance in an omnichannel marketing environment.

**4**

### Invest in Data Strategy and Knowledge

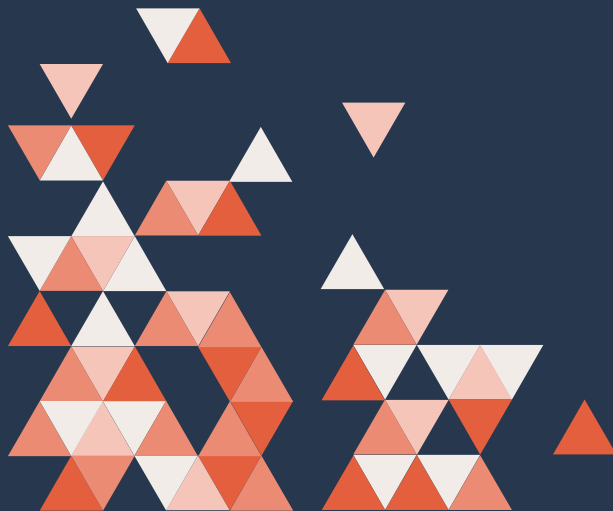
This will help you to align data collection and analysis efforts with overall marketing goals more effectively.

## CHAPTER 4

# Emerging Trends

The context in which DMO marketers shape their strategies is constantly in flux, impacted by global economic, political, environmental, and technological events.

This section looks at how DMOs are responding to the changing global landscape and emerging trends, and the impact these have on their strategies.



# European DMOs Lead the Way in Environmental Sustainability

The tourism industry is increasingly prioritizing the long-term sustainability needs of destinations over short-term growth and volume. Driven by domestic and international agendas, such as the United Nation’s 2030 Agenda for Sustainable Development, many DMOs are striving to play their part in shaping a better world through tourism.

Today, a growing number of strategies seek to drive positive impact for people, communities, and the natural world; with the implications going all the way back to brand positioning, awareness, and marketing.

Here, regional differences are most notable compared to any other insights gathered through the survey, where the varying government policy positions from different parts of the world have significant influence on how these are reflected in destination strategies.

Regenerative tourism strategies has become a major development in recent years across all three of the main regions covered in the survey, with 47% of Canadian, 41% of European, and 28% of U.S. respondents stating regenerative tourism as a strong strategic focus.

In Europe, commitment to addressing climate change and net zero was a priority for the majority of respondents (62%), with net zero making a reference to the efforts made by

destinations globally to reduce greenhouse gas emissions to zero. These are key priorities alongside biodiversity and the natural environment (56%) and circularity (30%), a strategic approach to minimize environmental impacts and enhance sustainable development.

This is in contrast to Canada and the U.S., where these considerations were significantly lower, with few respondents ranking them as strong priorities.

## How DMOs Are Strongly Prioritizing Environmental Concerns and Goals

Climate Change & Net Zero	Biodiversity & Environment	Circularity
<b>62% (EUR)</b>	<b>56% (EUR)</b>	<b>30% (EUR)</b>
<b>29% (CAD)</b>	<b>24% (CAD)</b>	<b>0% (CAD)</b>
<b>8% (USA)</b>	<b>33% (USA)</b>	<b>5% (USA)</b>



# Social Diversity & Sustainability

## Are Priorities for DMOs

When looking at sustainability, it's important to not only look at environmental impact, but also societal wellbeing. Many DMOs today are committed to demonstrating a positive impact through tourism for local residents, while marketers have become increasingly conscious of the importance of representation in marketing. This ensures that their image reflects the cultural, religious, ethnic, sexual, and gender diversity of both the destination and its visitors.

Many destinations across the world have been forthright in embracing progressive attitudes when it comes to diversity. Around 35% of respondents said that LGBTQ+-specific strategies (i.e. sexual orientation) were strongly prioritized, with similar importance (34%) placed on promoting social and economic diversity. Nearly half (42%) of DMOs strongly state addressing gender equality (i.e. female equality) in their strategies to be a priority.

Despite considerable alignment in this respect, there are notable differences. For example, while celebrating racial and ethnic diversity is a key priority for DMOs in the U.S. (51%) and Canada (53%), in Europe, this is only the case for 23% of respondents. When looking at how indigenous cultures and communities are represented, Canadian DMOs stand out for the strong emphasis given here, with 71% of respondents identifying it as a key component in their strategies.

Lastly, it is also important to consider accessibility and strategies that prioritize reaching visitors with disabilities. In the U.S. and Europe, more than 40% said this was a strong priority, while in Canada the number was much smaller (12%), leaving room for rethinking strategies to be more inclusive across the board.

### Key Areas DMOs Prioritize in Their Strategies When it Comes to Social Diversity

**51%**

of U.S. DMOs strongly prioritize racial and ethnic diversity

**71%**

of Canadian DMOs strongly prioritize representation of indigenous cultures

**45%**

of European DMOs strongly prioritize visitors with disabilities

## Economic Sustainability

In the current international political and economic landscape, DMOs around the world are facing challenges and constraints that require different strategic approaches to overcome them.

Since the pandemic, adaptability and resilience have proven key to ensuring tourism remains part of achieving long-term economic prosperity for the many jobs that depend on tourism as an industry.

Addressing major challenges, such as seasonality, is key to ensuring the long-term viability of the visitor economy.

Across the different regions of this study, economic uncertainty, inflation, and the cost of living are all having a significant impact on strategies, with more than 50% of respondents considering these to be areas that require careful planning.

In contrast, the woes of COVID-19 appear to be behind us, with a large number of respondents (66%) stating that it no longer significantly impacts their strategies.

Despite Russia's invasion of Ukraine being one of the most impactful events of 2022 and 2023 for the global economy, 32% of European and 30% of non-European DMOs consider this has had a significant impact on their strategies. Unsurprisingly, this increases to 58% among DMOs in Eastern Europe, compared to 24% in Western Europe.

Regardless, global challenges and politics are ever-present and deeply interconnected. Destinations stated these factors to have a somewhat significant impact on their

strategies, especially when considering uncertainty in key source markets, a concern notably more prevalent among European DMOs.



# The DTTT Take on AI

AI is undoubtedly the biggest and most transformative trend in marketing today. It is redefining everything from internal workflows to the evolution of conversational and highly personalized marketing. Generative AI, in particular, is having a seismic impact on how we work and interact online.

While AI is not new, the rise of generative AI is a game-changer for marketing teams. Advances in AI models, computing capabilities, and massive high-quality data sets have led to significant recent developments in image recognition, natural language processing, and machine learning. These developments power everything from recommendation systems to more accurate behavioral insights.

AI-driven solutions built on large language models from the likes of OpenAI's ChatGPT and Google AI's Bard represent a boom in "off-the-shelf" solutions and tools available to all, regardless of technical knowledge.

This has lowered the threshold considerably, removing technical barriers and making AI-driven solutions accessible to everyone. For marketers, this means easy access to everything from AI-generated creative assets to marketing copy, where the tone, perspective, format, and detail can all be determined by a simple prompt.

These, among a mushrooming array of AI-driven tools and solutions, are completely shaking up the marketing technology landscape and the way in which teams use such technologies to support their day-to-day marketing needs. While creative and strategic skill sets are still key, the ability to use AI effectively, from setting the right prompt to using the right degree of caution when analyzing the response, is also essential.

At the other end of the scale, the most competitive and savvy marketers are actively considering how AI can be instrumental in shaping future digital experiences.

From using natural language processing to engage visitors in an authentic and personalized way to using machine learning to offer more personalized experiences tailored to individual needs, AI is shifting away from traditional segmentation.

One thing is clear: AI represents a new dawn for marketing, expected to be highly disruptive in the years to come. This is not just a trend; it is a development that marketers cannot afford to ignore.

# Will AI Disrupt DMOs?

AI has rocked the world of marketing, perhaps more than any other trend in recent years, with some notable developments opening up a wealth of opportunities. We asked DMOs where they saw AI shaping their activities in the future to get a better understanding of how the impact of AI affects their marketing output.

Overwhelmingly, AI is expected to significantly impact content creation, where there have already been many examples of AI tools surfacing with generative influencing creative, with a growing number of tools from long-form content creation to social media post generation.

More broadly, AI is expected to disrupt the wider creative process as its potential uses are still very much in the early stages, despite the rapid rise in use cases.

Elsewhere, DMOs pointed to the potential of using data in both analysis, interpretation, and forecasting, where there is much interest in seeing how AI might help address some of the concerns identified earlier in the report.

AI is predicted to have a considerable impact and disrupt all aspects of marketing. Web, app, and platform creation was regarded as the function that is hardest to automate. While ChatGPT can today write code, there is skepticism as to its ability to develop a fully-fledged, end-to-end digital experience on par with best-in-class examples of digital activation.

## AI Use Cases



Personalized Content Generation



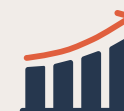
Dynamic Marketing Campaigns



AI-Powered Chatbots

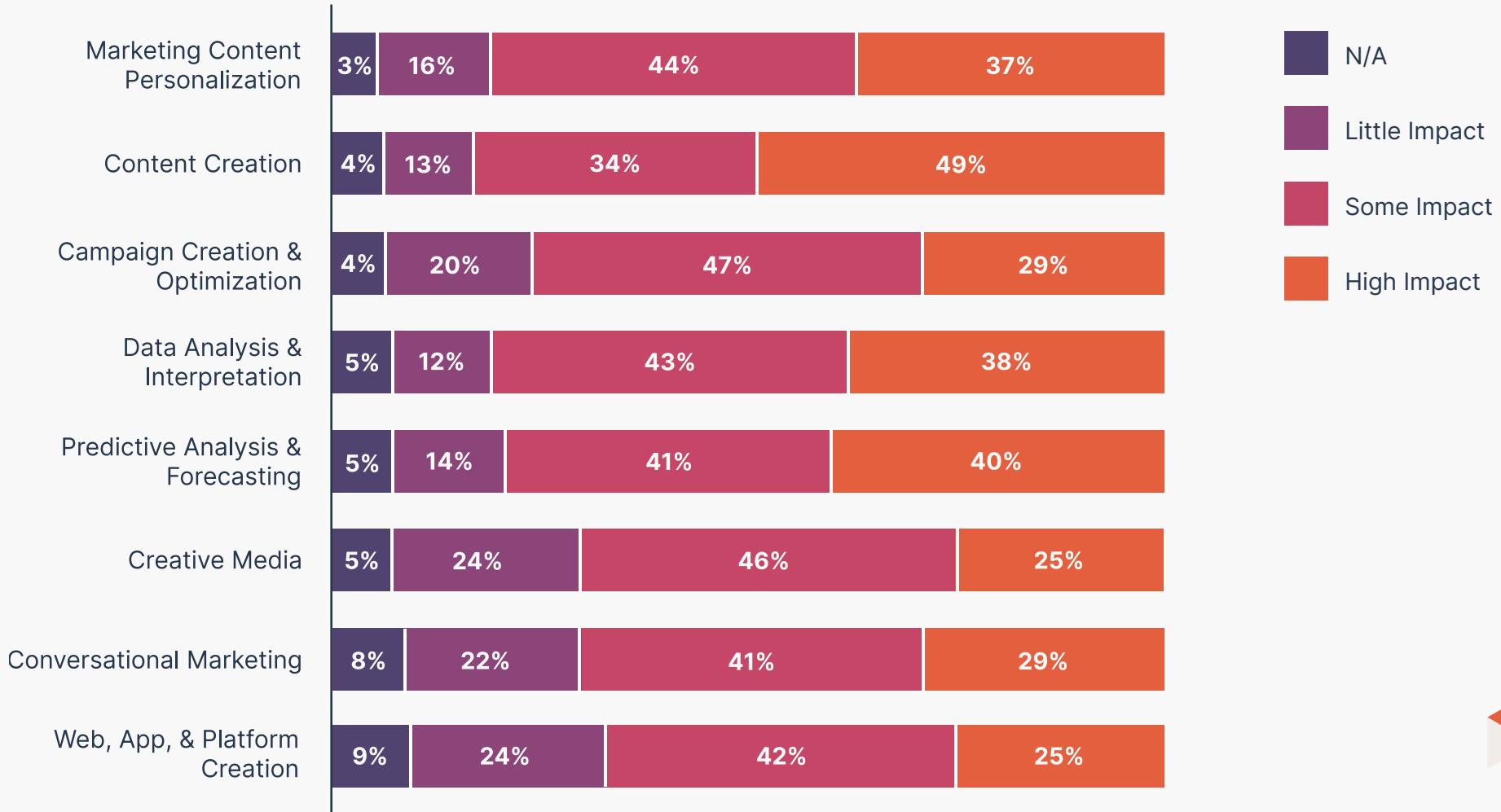


Social Media Marketing



Market Research and Analytics

### Areas That DMOs Believe AI Will Bring the Most Impact



## SUCCESS STORY

# Saudi Arabia

Saudi Arabia's ambitions to diversify its economy and attract 100 million annual visits by 2030 has led to the launch of three mega-projects that position the country as the leading sustainable travel destination for the luxury market, attracting responsible travelers: (1) Red Sea Global, (2) Royal Commission for Alula, and (3) NEOM.

These initiatives help to support the country's Vision 2030, which places tourism as a cornerstone of economic growth. With new tourism developments, sustainability is being built into all aspects of the projects as a central pillar.

This focus on sustainable mega-projects is especially important given that Saudi Arabia only opened up to tourism activities in September 2019, creating a lot of buzz and media attention.

Placing sustainability as a key differentiator for attracting visitors helps to avoid mass

tourism by carefully targeting high net-worth individuals who bring a large economic contribution.

Sustainability plays a key role in all of the communication and promotion of Saudi Arabia, attracting visitors who share these values, and want to experience the unspoiled nature and cultural heritage that helps the destination stand out from competitors. This helps the destination capitalize on the opportunities brought about by tourism without fully compromising on their national values.

With these initiatives being built from scratch, technology and innovation are crucial for ensuring that this sustainable vision for Saudi Arabia's tourism sector can be achieved, with Red Sea Global using two solar farms to power the entirety of the destination, with the target of achieving net zero by 2030. Such an ambitious goal is enabled by developing the biggest battery



storage facility in the world to power the energy needs of the region through renewable energy sources.

Meanwhile, an environmental impact analysis has been conducted across 250km of coastline to monitor the species present in the area, with satellite and GPS data being crucial for getting a better picture of current environmental conditions and wildlife behavior.

Going a step further, NEOM uses technology to communicate the definitive impacts of tourism to visitors when they book activities by using icons that explain the different impacts and help visitors track how they affect the destination, its environment, and the social impact on residents.

# Emerging Trends

## Key Takeaways

The global tourism industry has been actively working to rebuild after the pandemic, but today it finds itself pressed with new challenges, such as climate change, economic uncertainty, and political instability.

DMOs can adapt to these challenges by becoming purpose-driven, while capitalizing on emerging trends to ensure they are well-positioned to succeed in the years to come.

1

### Focus on Sustainable Tourism Practices

This includes developing regenerative tourism activities, reducing environmental impact, and promoting social and economic sustainability.

2

### Build Resilience

DMOs who will lead the way are ones that can adapt by developing purposeful and intentional strategies, mitigating the impact of challenges, such as economic uncertainty, political instability, and climate change.

3

### Make Diversity, Equity, and Inclusion (DEI) a Priority

Representing and prioritizing different groups of visitors in marketing activities is crucial to reflect that destinations are welcoming to all.

4

### Invest in AI

Such developments require an open mind, curiosity, and willingness to experiment. Aside from carving a more competitive edge, these can help DMOs significantly improve their marketing strategies and tactics by efficiently analyzing an abundance of data to help DMOs stay up-to-date on the latest trends and improve strategic decision-making and campaign implementation.

By using AI to enhance systems and processes, marketers can focus more strongly on building human connections; a core element of tourism being to build bridges between communities.



# State of Destination Marketing 2024

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