

**AGENDA of the
Portfolio Committee Meeting : Investment, Infrastructure & Tourism Portfolio
03 April 2024
(Also the agenda for the Mayoral Committee: 10 April 2024)**

**11.
PROPOSED DESTINATION MARKETING APPROACH**

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March 2024

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1. Executive Summary

The purpose of the report is to inform Council about an appropriate approach to be considered in marketing the destination. The structure needs to be weighed with its pros and cons for Council approval approach. The aim is to collaborate with the private sector actively involved in the sector.

2. Service Delivery and Budget Implementation Plan - IGNITE

Directorate: Economic, Social Development and Tourism

3. Compliance with Strategic Priority

Promotion of economic and social development

4. Delegated Authority

Executive Mayor

5. Legal Requirements

None

6. Background/Discussion/Evaluation/Conclusion

Background

Destination Marketing is one of the key strategies for economic development. Approaching this by weighing pros and cons more especially in a collaborative manner could spell success in involving more of the those who make a significant contribution to the success of the destination. Council would need to be careful in choosing a workable approach and begin an in-depth review of what were the misfortunes and challenges experienced in the old structure.

Discussion

The attached Annexure provides appropriate discussion to prepare and lay the ground for decision making.

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Conclusion

The municipality will benefit immensely through the participation, interest and volunteerism of locals in making the destination attractive.

7. Financial Implications

To be determined

8. Staff Implications

None

9. Comments from other Departments, Divisions and Administrations

None

10. Annexures

Annexure A: Proposal Document

RECOMMENDATION: TO COUNCIL

that the approach be noted and operational plans be presented for Implementation, end June.

RESPONSIBLE OFFICIAL :

F LLOYD

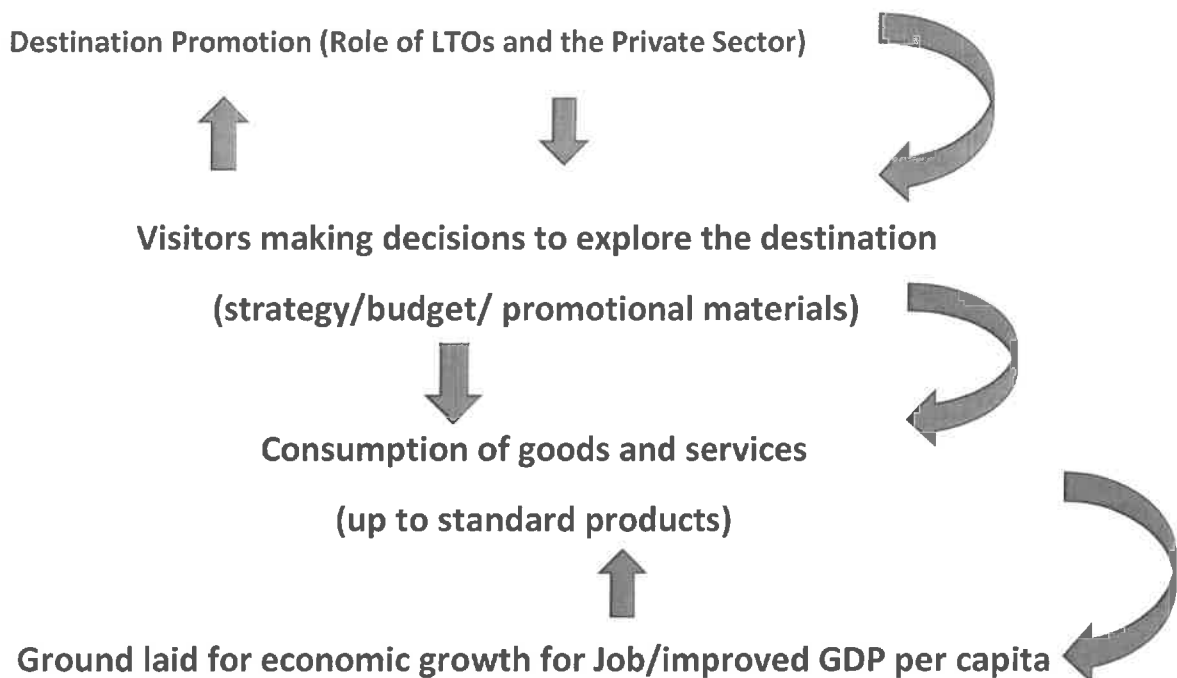
TARGET DATE FOR IMPLEMENTATION :

END JUNE

Annexure A
1/7**REVISITING TOURISM (2024/02/08)**

The Overstrand municipality intends to enhance its tourism offering by working closely with the private sector and improve collaboration with stakeholders in the industry. Through this practise the municipality seeks to gain collective wisdom and industry driven supported function.

Representatives will be drawn from all areas and diverse communities including other stakeholders operating in the area.

THE CYCLE OF TOURISM PROMOTION

The cycle is a guide to tourism promotion in the area and a constant tool to bolster the municipal strategic direction. It also can serve as a brief for the committee to carry out its work and mandate.

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DRAFT TERMS OF REFERENCE – OVERSTRAND TOURISM ADVISORY COMMITTEE

1. Name:

The committee is officially known as the Overstrand Tourism Advisory Committee.

2. Purpose:

The primary role of the committee is to provide advice, comments, and recommendations to Council regarding tourism services, activities, and initiatives within the Municipality.

Their goal is to promote tourism and enhance the overall tourism experience of the destination.

3. Committee Scope:

- 3.1 Assist staff and Council in developing a tourism-specific strategic plan.
- 3.2 Clarify the roles of Overstrand Tourism staff, including their scope of work and available resources for stakeholders.
- 3.3 Act as a sounding board for new tourism ideas and initiatives.
- 3.4 Gather tourism-specific metrics to assess economic impact.
- 3.5 Serve as tourism ambassadors, educating and informing other tourism partners and visitors.
- 3.6 Contribute to the development and communication of a Overstrand Tourism brand.
- 3.7 Provide feedback on tourism campaigns and initiatives.
- 3.8 Identify opportunities for new tourism initiatives.
- 3.9 Offer insight and advice from a tourism business perspective.
- 3.10 Foster positive relationships between Overstrand Tourism and all stakeholders.
- 3.11 Explore partnership opportunities with other major stakeholders, including District, Province and other government agencies.

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4. Committee Composition:

- 4.1 The committee shall consist of voting members,
- 4.2 One member is a Council representative. (Chairperson of the Portfolio Committee or his representative),
- 4.3 Chairpersons of Business Chambers/Forum.
- 4.4 A staff liaison (non-voting) facilitates communication.
- 4.5 All members must be active tourism stakeholders in the Overstrand.
- 4.6 Appointments will be aligned with the Council's term.

5. Committee Meetings:

- 5.1 The committee shall elect a chair and vice-chair annually.
- 5.2 Regular meetings shall occur quarterly.
- 5.3 Additional meetings may be called if necessary.

These terms of reference guide the committee's actions in shaping and enhancing tourism experiences in the Overstrand area. The committee will concern itself with maintaining and enhancing economic health of the municipality and its position in the district, the province, nationally and internationally.

Selection and Consultation Strategy and Process

a) Area-based Dialogues

- Local Tourism Offices shall host dialogues with local tourism and business people with a view of consulting the idea of maximum involvement of the Private Sector in the matters regarding tourism development and growth in the municipality.
- The consultations will be set for the month of June first two weeks, 2 administrations will be completed.
- Consultations will also be conducted virtually to minimise disruptions, PowerPoint presentations to ensure that the same message is communicated.
- A call for nominations will be conducted from all those that expressed their interest to participate.



- Expression of interest and participation survey will be distributed, this is aimed at ensuring that we engage people with prominent product owners in the industry.

b) PROs

- Maximum participation by the private sector can create a sense of belonging,
- Geographic representation will create a platform where all voices are heard,
- The Overstrand's dominant industry is tourism, therefore this will give impetus to the industry,
- Tourism in the different administrations, with different icon and selling points can unify the offering of the destination,
- Having collective ideas and wisdom could create lasting positive energy in the business community.
- Meetings can be conducted virtually to minimise time out of business and travelling costs.

c) CONs

- Distance to conduct one on one meetings can be challenging,
- Some people might want to be financially remunerated for their time spent in meetings and other activities,
- Meeting times can be a challenge due to busy schedules (no quorum is needed as discussions must proceed)
- Feeling of being dominated due to economic value and historical differences by different areas,
- Can inputs focus on the interest of the destination than individual products and areas?

d) BUSINESS CHAMBERS/FORUM

Active organised business can nominate a representative onto the committee.

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DESTINATION MANAGEMENT ORGANISATION

A Destination Management Organization (DMO) is the backbone of tourism destinations. These organizations exist to promote destinations, attract visitors, and develop regional economies.

DEFINITION AND ROLE

- A DMO stands for destination management organization, although they are often referred to as destination marketing organizations.
- Destination management involves the coordinated and thoughtful planning of all elements that make up a tourism destination. This includes everything from attracting visitors to work with product owners in providing amenities during their stay.
- DMOs represent the voice of their destination to potential visitors. They work with travel trade partners to provide information about the destination before travellers decide where to go on vacation.
- DMOs also bring together various organizations that serve different aspects of the visitor experience, such as accommodation providers, attractions operators, restaurants, and retailers. This collaboration helps highlight what makes their community stand out as a tourist destination.

RESPONSIBILITIES OF DMO

- **Promotion:** DMOs play an essential role in managing tourism at the local level. They attract tourists and support businesses within their boundaries.
- **Marketing:** DMOs are responsible for promoting the destination through positioning statements, branding campaigns, and high-quality product development.
- **Stakeholder Communication:** Effective communication with stakeholders (including residents) is crucial. DMOs maximize financial resources available from both public and private sources while ensuring value for money spent on projects.
- **Sustainability:** Contrary to popular belief, the overall objective for a DMO isn't only to bring more tourists to the destination. It is to make tourism more sustainable and enjoyable for visitors for years to come.

DMO can unify marketing efforts of a destination, improve stakeholder collaboration for improved economic growth and development.

IMPACT OF DMOs

- Destinations with a strong DMO tend to be more competitive, have increased visibility, and achieve better economic performance.
- DMOs ensure the strategic, long-term success of a tourism destination by moving beyond mere marketing and focusing on comprehensive management.
- In summary, DMOs are essential players in shaping the success and sustainability of tourism destinations. They work tirelessly behind the scenes to create memorable experiences for travellers and contribute to the local economy.

CHALLENGES OF STAKEHOLDER ENGAGEMENT

1. **Lack of engagement** – Not all stakeholders actively participate in discussion or decision-making processes, this can lead to incomplete input, thus reduced impact, substandard solutions and missed opportunities.
2. **Security and Data Privacy** – Balancing transparency with data protection safeguarding sensitive information and ensuring trust.
3. **Conflicting Priorities** – members may have divergent views and conflicting interests that needs to be managed well through compromise.
4. **Communication Gaps** – Lack of clear communication channels can hinder collaboration which could lead to delays and frustrations.

To overcome these challenges engagement must be prioritised to foster open communication and invest in user-friendly collaboration tools.



DISADVANTAGES OF DMOs

1. **Funding challenge** – they struggle to secure adequate funding from public and private sources. This may hinder successful marketing campaigns, infrastructure, and overall effectiveness.
2. **Balancing stakeholder interests** – navigating diverse stakeholder expectations (residents, business, tourist). Balancing these interests can be complex and may lead to conflicts.
3. **Overcrowding and overtourism** – may inadvertently contribute to overcrowding and strain local infrastructure. This could impact negatively on residents' quality of life and cultural authenticity.
4. **Dependency on Tourism** – heavy reliance on tourism related activities for growth. The destination can be negatively affected by external shocks and pandemics.