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What Works Best?

Tourism Programs: Corporate- versus Locally-Driven

By Carolyn J. Feimster, SCMD, President, CJF Marketing International, North Brunswick, NJ

LARGE SHOPPING CENTER DEVELOPERS STRUGGLE with whether to develop corporate marketing programs that bring economies of scale versus allowing the centers to develop marketing programs suited to their market. This is also true for their tourism programs.

The Macerich Company seems to have figured out what works best for its centers.

"Our philosophy is to combine the best of both worlds," explains Kate Cavaliere, manager of tourism for Macerich. "While we provide corporate programs, support and resources for each of our tourism centers, we ... tailor the programs to meet the needs of the individual shopping centers, yet still benefit from certain economies of scale."

With the rapid growth of Cavaliere's portfolio, this can't always be easy. When she started her shopping center career with Westcor in 2000 she was responsible for the tourism programs for three shopping centers in Arizona: Scottsdale Fashion Square, The Borgata of Scottsdale and Flagstaff Mall. Five more centers were soon added. When Macerich purchased Westcor last year, she had 10 centers, which has grown to 18 and will be up to 20 by next year.

How did Cavaliere handle such a rapid acquisition, particularly at a time when tourism was down in our country?

"It all starts with research as well as having a thorough understanding of the product," Cavaliere responded. "We

determine as a team what will work best for each center. Everyone involved with the tourism program has to support it. That's the key to its success."

Cavaliere determined the needs for each center with shopping center tourism audits. They included visits to the centers, meetings with the marketing, management and customer service staffs, and research on what the center had to offer relative to the tourism market and what tourism destinations surrounded the center. Each center's store mix was studied, as were the dining and entertainment options. The shopping center's goals were discussed. Of course, she also studied the competition and compared the center to others in her portfolio. This exercise, critical in a new center acquisition, is a good idea for any center every year or so.

From the audits Cavaliere hoped to determine whether corporate- or locally-driven tourism programs would be best. "We quickly realized there was no one right way to approach this, but rather a combination of the two approaches," Cavaliere said. She developed a three-tiered program with levels calibrated to the amount of involvement

each center needed. The most appropriate is selected for each center, and then it is up to the center to embellish and fine-tune it. Of course, Cavaliere is always available for ongoing consultation.

Veronica Lovesy, VP of marketing for the Westcor region of The Macerich Company added, "By creating a solid tourism program with a respected professional leading the team, we can offer our retailers a valuable option to increase sales not maximized by other management companies. It's really about making a long-term investment in tourism and supporting it."

Implementation

"It is sometimes a challenge having 18 shopping centers with individual tourism programs and only a two-person department. With our team approach, our department initiates the programs and provides resources and training, then it is up to the individual centers to handle the implementation and fulfillment," she explained.

For example, if a center requires a strong tourism program, it receives the Level A program. It includes four visits a year by Cavaliere, certain trade memberships, particular trade show and sales mission representation, collaterals, familiarization tours, partnership programs and more.

The next level would include a more moderate number of programs. For centers

that just need the basics, Cavaliere offers Level C, which includes annual visits and a select number of appropriate programs.

Tracey Gotsis, senior VP of development marketing for Westcor, says, "We provide the marketing team with the standards and tools necessary to do their job, while at the same time reinforcing the brand and the marketing plan. We have a discipline to determine those centers with potential and the experience to develop the appropriate levels of strategies."

Biggest Accomplishment

Cavaliere has recently completed a Tourism Marketing Guidebook that provides step-by-step instructions on how to implement and manage a tourism program. The guidebook starts with an overview of the Macerich Company and the tourism industry as a whole, breaking it down domestically and internationally, including travel trends for leisure and business travel. It also addresses individual markets and their needs. It clearly outlines what her centers' responsibilities are versus the corporate offices' responsibilities. Additionally, there are chapters on working with their DMO, how to create incentives, how to develop hotel partnerships and how to work with the motorcoach industry. The guidebook concludes with a list of terms, resources and contact information. Part of the training will include an online communication system.

Cavaliere considers packaging shopping and tourism an essential component of any tourism marketing program." Her most successful packages

have been with hotels. "It is a very strategic way to advertise, especially at a time when budgets are low. We set up the programs and let the hotel partners advertise for us," Cavaliere said. "Furthermore, we have a Shopping and Dining Incentives book, so why not leverage it?"

Partnerships have been formed with many hotels that are selling shopping and dining packages for her. This provides a wide distribution of her incentive book. Other programs, such as spa packages, dine-arounds and spouse programs further widen the distribution of her incentive book. "The creative opportunities are endless, which is what makes this job so much fun," Cavaliere explained.

The programs are working. According to Anita Walker, marketing manager of Scottsdale Fashion Square, "The tourism marketing program we implemented has positively impacted traffic at our center. Thirty percent of our traffic is now attributed to tourism, and it increases after each trade show or conference our tourism manager attends."

For more information and to see the programs in action, visit www.westcor.com. Select one of the centers, such as Scottsdale Fashion Square, and go to the Visitor and Travel Info section.

To further get the word out on the shopping packages, Cavaliere works with the Shop America Alliance and www.shopamericatours.com. "It takes a lot of up-front work to put together these packages, but once it is done they are sold through the Shop America Tours website. This frees up my time to develop new programs,"

explained Cavaliere. Furthermore, Shop America handles all of the PR and represents members at select trade shows.

Cavaliere's most unique tourism program was the recent Grand Opening of La Encantada. The local program included a special event called "Noche Encantada." This "enchanted evening" featured restaurants from major resorts in the area that provided wine and dessert samples which were then voted on by the 2500 attendees to determine the favorites. These partnerships have resulted in several hotel packages that include accommodations, transportation to and from the center, and, of course, the Shopping and Dining Incentives Card.

"The ongoing strength of the relationships La Encantada has built with area resorts resulted not only in their participation in our grand opening celebrations, but to the ultimate success of the events. Together, La Encantada and our tourism industry partners were able to give almost \$130,000 in proceeds to a Tucson children's charity," explained Karen Litton, property management and marketing for La Encantada.

For details, visit: <http://laencantadashoppingcenter.westcor.com> and go to the Visitor and Travel Info section and then to shopping packages.

Bottom Line

"I am constantly emphasizing to our centers that tourism is a long-term commitment and you should not expect to see results overnight. What you will get out of it is in direct proportion to the time and effort you put into your programs," Cavaliere explained. The bot-

tom line is to develop programs that will result in the greatest ROI. She measures success by setting corporate goals, such as the number of new hotel packages in a year (which already totals over 50). While she admits that following the 9/11 tragedy, tourism suffered, she believes her success is due in part to the fact that she never wavered from her programs.

We are continuing this series of articles on tourism every other month and would like to focus on some of the more innovative tourism programs. Please submit your programs to me, either via e-mail (CFeims1000@aol.com), fax or mail. If possible, include samples of your graphics via e-mail. Full credit will be given to the person or team responsible for the program. ■

CJF Marketing International offers a range of services for creating and implementing strategic tourism, economic development and marketing programs for shopping centers, urban entertainment projects, downtown retail districts, communities and commercial properties globally. The firm also offers educational programs and seminars for corporate meeting planners, shopping center developers, communities and re-development agencies. Feimster can be reached by phone at 732/249-6080 or by fax at 732/545-3138.
