



**Strategic Brief on
Increasing the Competitiveness of
Annapolis as a Tourist Destination**
(Status Report)
July 22nd 2009



On June 2nd 2009 the City of Annapolis and the Annapolis & Anne Arundel County Conference and Visitors Bureau as well as members of government, the business community and representatives from the local resident organizations attended a meeting to discuss the future of tourism in Annapolis.

The symposium was kicked off by the CEO of the US Travel Association discussing trends in tourism and was followed by expert panels of national and local representatives.

The purpose of the meeting was to discuss the promotional infrastructure of Annapolis and explore improvement opportunities for the future. The expert panel was followed by a facilitated session of participants. Topics for discussion amongst the attendees in the facilitated sessions were as follows:

- What are the current trends affecting tourism in Annapolis?
- How to increase the competitiveness of tourism in Annapolis?
- What shape should cooperative marketing take for Annapolis?

The meeting was met with a high level of enthusiasm. Key stakeholders from government, the local community and business representatives were all present. A discussion was structured and facilitated to be balanced and allow for various points of view to be effectively aired.

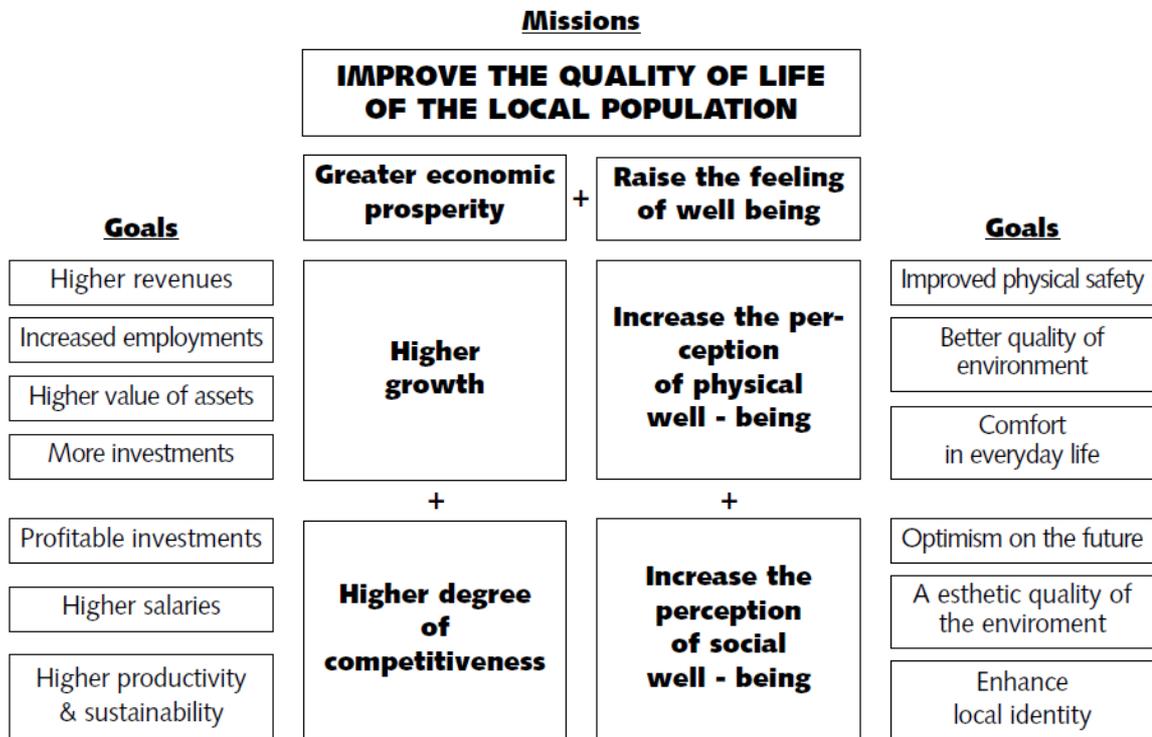
Following this, a process sourced from the World Tourism Organization was introduced as a model for increasing tourism competitiveness and has since been adopted. Due to the high level of interest from the various groups, the Mayor of Annapolis decided to

fund a strategic effort to continue the process with the following two main goals:

- To determine how the various interested organizations could develop a stronger alliance for marketing the city of Annapolis and surrounding areas as a tourist destination.
- To have a third party facilitate a well grounded process with fair representation of all the interested parties in order to establish a more cooperative marketing effort amongst the various factions in Annapolis and the surrounding areas with the appropriate corresponding governance and controls.

A follow on meeting was held with members from the city, community organizations (Ward 1), the Annapolis and Anne Arundel County Conference and Visitors Bureau, local downtown business as well as key executives from the new Annapolis Towne Center at Parole and Westfield Mall. Again, all critical stakeholders for the discussion were present.

The group was presented with the World Tourism Organization model for public-private funding and tourism competitiveness. The chart below outlines the two sides of tourism development, economic and physical wellbeing, with the ultimate goal of tourism competitiveness being *improving the quality of life of the local population*.



Source: E. Bordas. THR

The (WTO) report goes on to describe that the most important and fundamental issue for tourism marketing is defining the destination (product) boundaries and value.

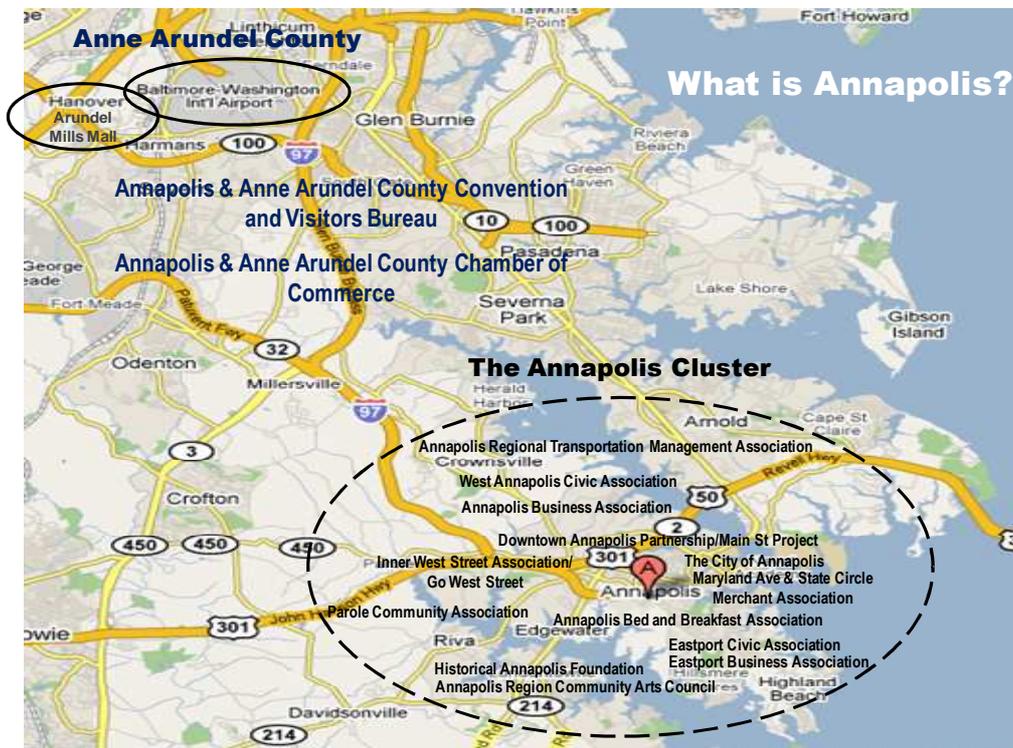
- What is it?
- What constitutes “Annapolis”?

According to the World Tourism Organization, “competitiveness is the capacity of a destination to compete successfully against its main rivals in the world, to generate above average levels of wealth, and to sustain this over time at the lowest social and environmental cost.” A study of 60 destinations on public-private destination marketing concluded that:

- Tourism competitiveness is created in a **local cluster** and not at a ‘National’ (or State) level.
- Tourism clusters must devise a **competitive positioning** or advantageous way of competing against the competition.

The most important and immediate work for Annapolis to become more competitive as a tourist destination is to first clearly define the “cluster” that constitutes Annapolis.

What might currently constitute the Annapolis cluster may be different than previous definitions due to the new Annapolis Towne Center at Parole and Park Place. The current challenge is that the current organizations with interest in marketing Annapolis have geographic boundaries somewhat different than the geographic definitions that define them. See below:



There are more than a dozen associations and sizable business organizations that have a strong interest in attracting tourists to the destination called Annapolis.

Prior to the meeting, through interviews with several of the leaders of these groups, two key observations were consistent:

- There was confidence in the current marketing effectiveness and leadership of the Annapolis and Anne Arundel County Conference and Visitors Bureau
- The current county governance structure of the Visitors Bureau board can sub optimize the priorities of Annapolis' local marketing interests. These businesses, as well as the city, feel they would benefit from a more direct relationship of marketing funding and local oversight of the marketing of Annapolis and surrounding areas.

To be clear this is not a marketing problem, but a governance issue. There was clear admiration for the marketing prowess of the AAACCVB and this is not the issue.

In an effort to address the previously stated issues with the key stakeholders, the group was divided on to 4 subgroups and worked to answer the following questions.

- What is the Annapolis Cluster definition? (geographic boundaries)
- What type of marketing organization do you feel is best suited to handle a pool of cooperative marketing dollars for this newly created Annapolis tourism cluster?
- Do you feel a new organization should be created for this purpose? Alternative solutions?

Individuals were also asked to report out on the following question:

- Who are the benchmark destinations to Annapolis?

Below is list of the people that were present for this session

Cynthia McBride McBride Gallery	Veronica Tovey What's Up Magazine	Adam Tracey GM Westfield Annapolis
Linnel Bowen Maryland Hall	Carol Benson Four Rivers Heritage	Stephen Samaras Zachary Jewelers – President D.A.P.
James Lobosco GM Loews Hotels	Ellen Moyer Mayor Rhonda Wardlow Communications City of Annapolis	Jessica Jordan Paret Paradigm Shop
Mary Giannini Main Street Program	Pete Chamblis Maryland State Tourism	Ron Jarshow French, Jarshow, & Smith
Tom FitzPatrick COO Parole Town Center	Connie Del Signore CEO Annapolis CVB	Peter Chambliss Maryland Tourism
Michelle Shiffer Asset Mgr Parole Town Center	Lee Tawney National Sailing Hall of Fame	Janice Rotner & Glen Rotner
Susan Zellars Marine Trades Association	Karen Engelke City of Annapolis	Doug Smith Ward 1 (Community Leader)
Joe Dantoni GM Historic Inns of Annapolis	Lynn Forsman Green Drinks	John Guild Historic Annapolis Foundation

Individuals from the group answered the benchmark destination question as follows:

The World	Sante Fe New Mexico	National Harbour
Maritime Venues Across The State	Eastern Shore, St. Michaels, Austic Texas, NY Or Main Coast	Boston
Philadelphia	Williamsburg Virginia	Geoergetown
St Petersberg , Tamapa	Charlottesville Virginia	Day Trips To Rock Hall & St. Michaels - Long Trips Newport Rhode Island
South East Pennsylvania And Northern Delaware	Portsmouth New Hampshire	Cape May New Jersey

Additionally, there was a unanimous consensus from all four subgroups on the two questions on cluster definition and organization structure to market the Annapolis cluster and as such, the group agreed to the following:

- The Annapolis Cluster geographic boundary should include the downtown area, West Annapolis, West Street, Eastport, Annapolis Towne Center at Parole, Westfield Mall and London Town.
- A new marketing organization should not be created to market this cluster.
- The AAACCVB is the appropriate organization to market the cluster



In the facilitated report out discussion the attendees then moved the discussion to the following question:

- Could the AAACCVB create a separate effort to encourage a private-public marketing cooperative for the Annapolis cluster that would encourage more private and public cooperative matching moneys from those who currently have significant dollars budgeted to market Annapolis?. (ie. Annapolis Towne Center at Parole, Westfield Mall and to some extent the City of Annapolis)

In the meeting Tom Fitzpatrick the COO of Annapolis Town Center at Parole, Adam Tracey the General Manager of Westfield Mall and the Mayor of Annapolis articulated a clear interest in establishing a cooperative marketing effort as long as there was proper governance and oversight from the funding sources. Today there is no vehicle for this to take place.

They asked that the AAACCVB consider options to establish a cooperative marketing committee for the Annapolis cluster with separate and appropriate governance and sources of funding to exclusively market the Annapolis cluster as defined above.

The group agreed to convene and the AAACCVB agreed to bring the question to their board.

The next steps will be to bring the group back in 3-4 weeks together once the AAACVB has a response to present to the group.

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