

NORTH  STAR
Lee's Summit, Missouri

DMO Report & Recommendations
August 2022

Background

Purpose

The City of Lee's Summit leadership felt it important to undertake a study regarding the establishment/creation of a destination management organization for Lee's Summit.

To that end, Lee's Summit contracted North Star Place Branding + Marketing and the services of their Tourism Strategic Planning Director and Project Manager, John Whisenant, CDME, (the Consultant) to lead the planning process and to produce a report with recommendations.

Methodology

- Background Research

Telephone conversations with Program Coordinator (Nash); digital delivery of pertinent information/documents

Consultant review of existing programs, demographics, web presence, visitor materials, Lee's Summit tourism-related budget collections and expenditures, printed materials from various Lee's Summit agencies/organizations

Development and delivery of Pre-Stakeholder Meeting Questionnaire

- On-site Consultant Visit

“Secret Shopper” Tour of Lee's Summit

Facilitation of three stakeholder/community meetings

Facilitation of Project Team evaluation meeting

Methodology

- Additional Research

Review of Stakeholder Surveys and Stakeholder meeting narratives

Study and analysis of Lee's Summit Competitive Set: Brand Messaging, Budget, Organizational Structure, Competitive Marketing Strategy Analysis

Review of various DMO structures with strengths and weaknesses

Consumer Awareness and Perception (CAP) Study

Visitor Profile

SWOT Analysis

- Creation and Delivery of Draft Report and Recommendations; Review of Draft Report with Project Team; Suggestions from Project Team incorporated into final Report
- Delivery of final Report and Recommendations to Project Team and City Council

Research

Stakeholder Survey and Meetings

- Insight and input from Stakeholder community critical in understanding/developing situation analysis, formulating recommendations, and support of recommendations
- Results of Stakeholder survey and meetings form the *Lee's Summit Tourism Vision*
- Surveys and meetings reflected a natural variety of opinions and responses based on participant areas of interest or responsibility, but also demonstrated a consensus on critical issues important to the development of recommendations:
 - * Genuine passion for tourism & a desire to see tourism grow in Lee's Summit
 - * Desire to provide quality visitor services
 - * Desire to develop and execute effective marketing and sales programs to grow the economic impact of tourism in the community
- Unanimous support for the need for an agency/organization/group to carry out the program of work of tourism promotion for Lee's Summit

Research

Study and Analysis of Lee's Summit Competitive Set

- Organizational Structure & Budget
- Brand Messaging
- Current Tourism Promotion Programs
- Website and Social Media Presence
- Competitive Marketing Strategy vs. Lee's Summit
- Ranked Competitive Set as primary, secondary, or non-competitor for Lee's Summit



Research

Study and Analysis of Lee's Summit Competitive Set

“Co-opertition”: Kansas City, MO

Primary Competitors: Independence, MO
Olathe, KS
Overland Park, Kansas

Secondary Competitors: Kansas City, KS
Lawrence, KS
Leavenworth, KS

Non-Competitor: Lenexa, KS

Research

Study of Primary DMO Organizational Structures With Advantages and Disadvantages of Each

- The DMO as a Government Agency (Department within local government)
- The DMO as a Function of Chamber of Commerce or Economic Development Agency
- The DMO as an Independent Agency

Visitor Profile

- Other than lodging tax collections, difficult to ascertain tourism-related data specific to Lee's Summit
- State of Missouri Economic Impact of Tourism (2021) and Visitor Patterns and Profile Data
- Kansas City/Visit KC Data

Research

Strength, Weaknesses, Opportunities, Threats (SWOT) Analysis

Strengths

- Historic downtown
- The City's parks and recreational opportunities
- Proximity to Kansas City
- Arts and cultural offerings and activities
- Special events/festivals
- Historical points of interest
- Excellent sports facilities
- Good transportation infrastructure including roads, Amtrak, and the Lee's Summit Municipal Airport
- Strong commitment to and support of increasing tourism
- The friendliness of the people within the community

Research

Strength, Weaknesses, Opportunities, Threats (SWOT) Analysis

Weaknesses

- Lack of knowledge about Lee's Summit on the part of potential visitors
- No group/agency specifically charged with tourism development/marketing
- Limited hotel capacity
- Limited meeting/conference spaces
- No visitor center for assisting visitors and distributing information to tourists
- Lack of knowledge about Lee's Summit's tourism assets on the part of residents

Research

Strength, Weaknesses, Opportunities, Threats (SWOT) Analysis

Opportunities

- Establish Lee's Summit as a desirable destination through marketing, PR, and sales programs
- Increase visitation from residents of the greater Metro Kansas City market
- Capture/coordinate visitation from major events and meetings held in Kansas City, such as the 2023 NFL Draft and the 2024 World Cup
- Establish a partnership with VisitKC
- Attract and service more amateur sports events
- Attract and retain more business travel
- Attract a greater variety of higher-end dining
- Growth as a retirement and/or relocation destination
- Paragon Star mixed-use development including entertainment venues and sports complex

Research

Strength, Weaknesses, Opportunities, Threats (SWOT) Analysis

Threats

- Competition from other destinations (including Kansas City) with established DMOs and strong marketing budgets promoting themselves to potential visitors
- Not having a dedicated agency for tourism promotion and development
- Losing business/professional travelers to higher-end lodging in nearby communities

CAP Study

Purpose

The purpose of this study is to gain insight into consumer awareness, visitation and perceptions of Lee's Summit. The survey measures:

- Overall top-of-mind perceptions of Lee's Summit and immediate competitors
- Consumer visitation trends (frequency and nature of visitation)
- Consumer visitation drivers (business, leisure, friends, and family)
- Measurements of Lee's Summit quality of life indicators
- Measurement of Lee's Summit strengths and weaknesses

CAP Study

Methodology +Results

An Internet study was conducted among respondents in the Kansas City, MO–KS metro, St. Louis metro, and smaller metropolitan areas in Missouri.

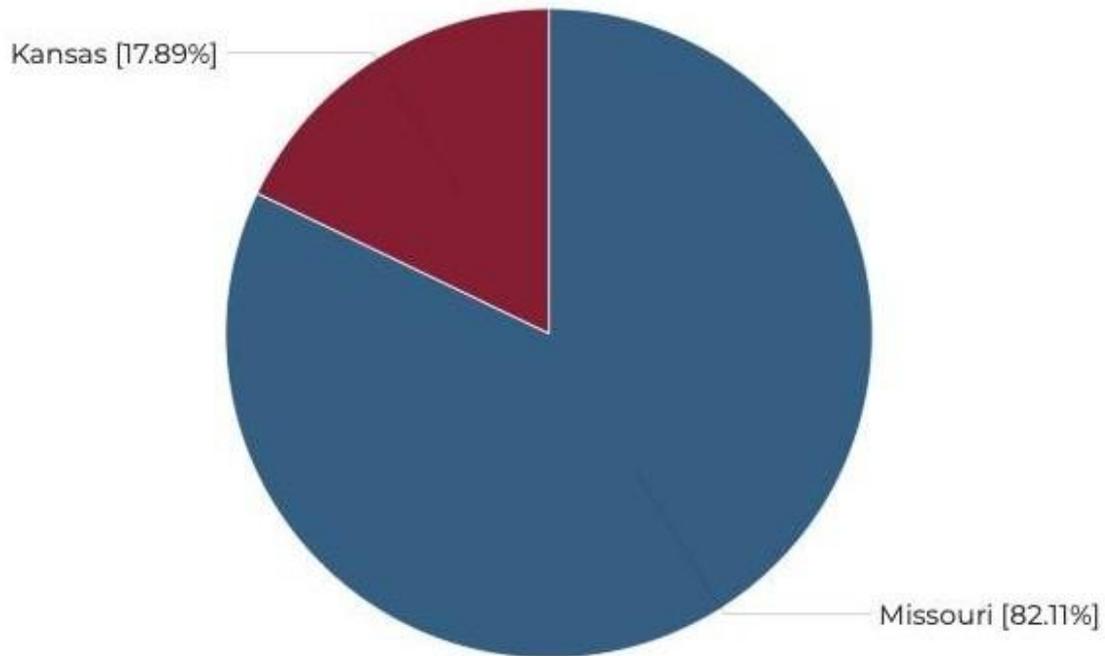
A total of 316 surveys were completed and analyzed, allowing for a margin of error ± 5.51 at the 95% confidence level.

The study compared opinions, behaviors, perceptions, etc. between different types of people (respondents).

All findings are reported as a percentage of the total number of choices made by respondents for any given question.

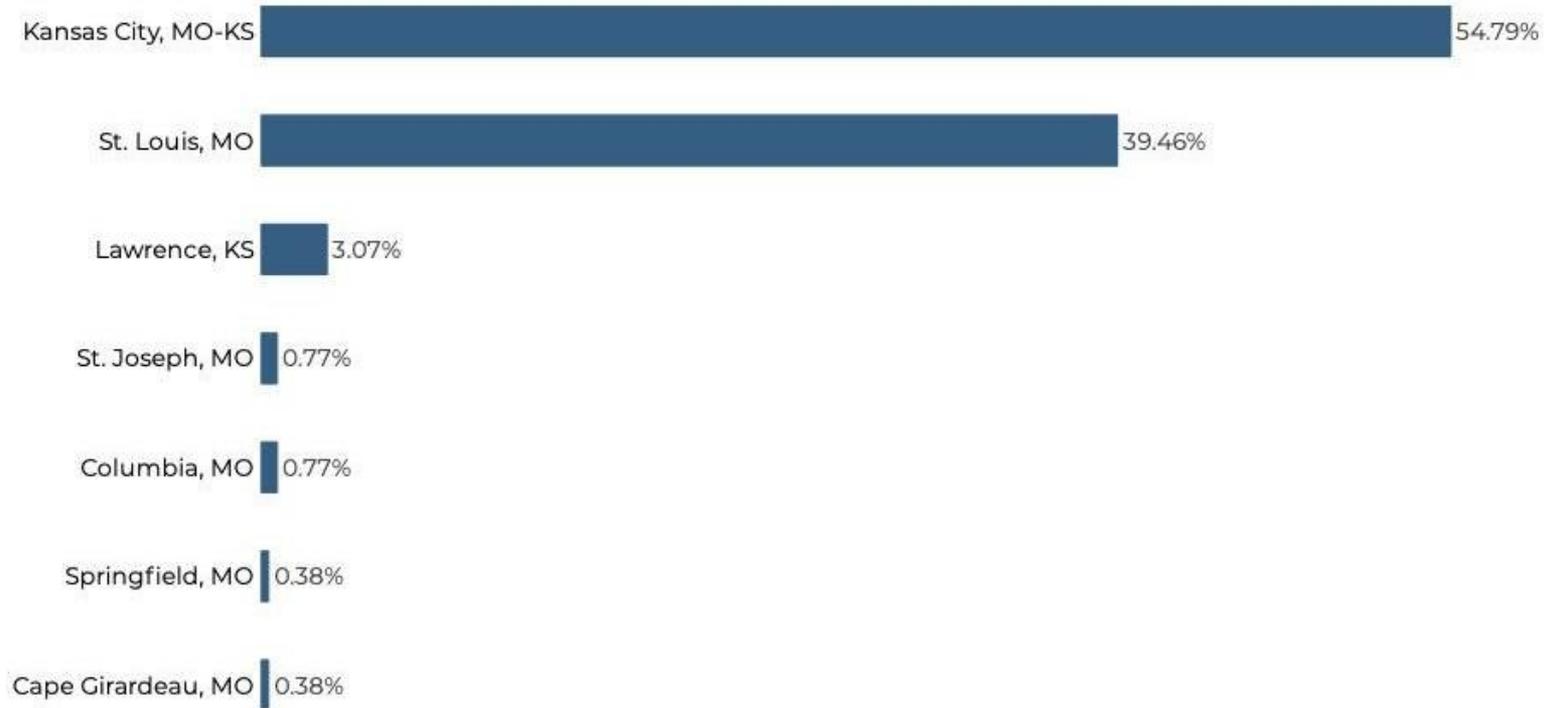
CAP Study

In which state do you currently live?



CAP Study

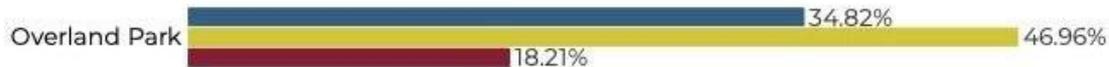
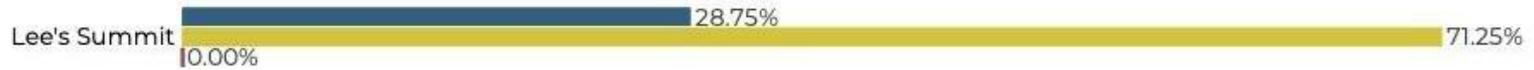
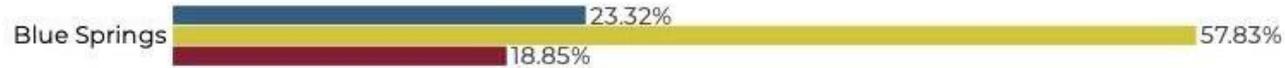
In which metropolitan area do you currently live?



CAP Study

How familiar are you with the following cities in the Kansas City area?*

● Very familiar ● Somewhat familiar ● Not at all familiar



*Respondents "Not at all familiar" with Lee's Summit were excluded from the study.

CAP Study

When you think of the following cities, what is the first thing that comes to mind?

Blue Springs

- Lake
- Pretty
- Country, rural
- Shopping

Lee's Summit

- Shopping
- Suburban
- Expensive
- Rural

Liberty

- William Jewell College
- Shopping
- Northland
- Rural

Olathe

- Shopping
- Rural
- Expensive
- Suburban

Overland Park

- Shopping
- Affluent, rich
- Expensive
- Suburban

CAP Study

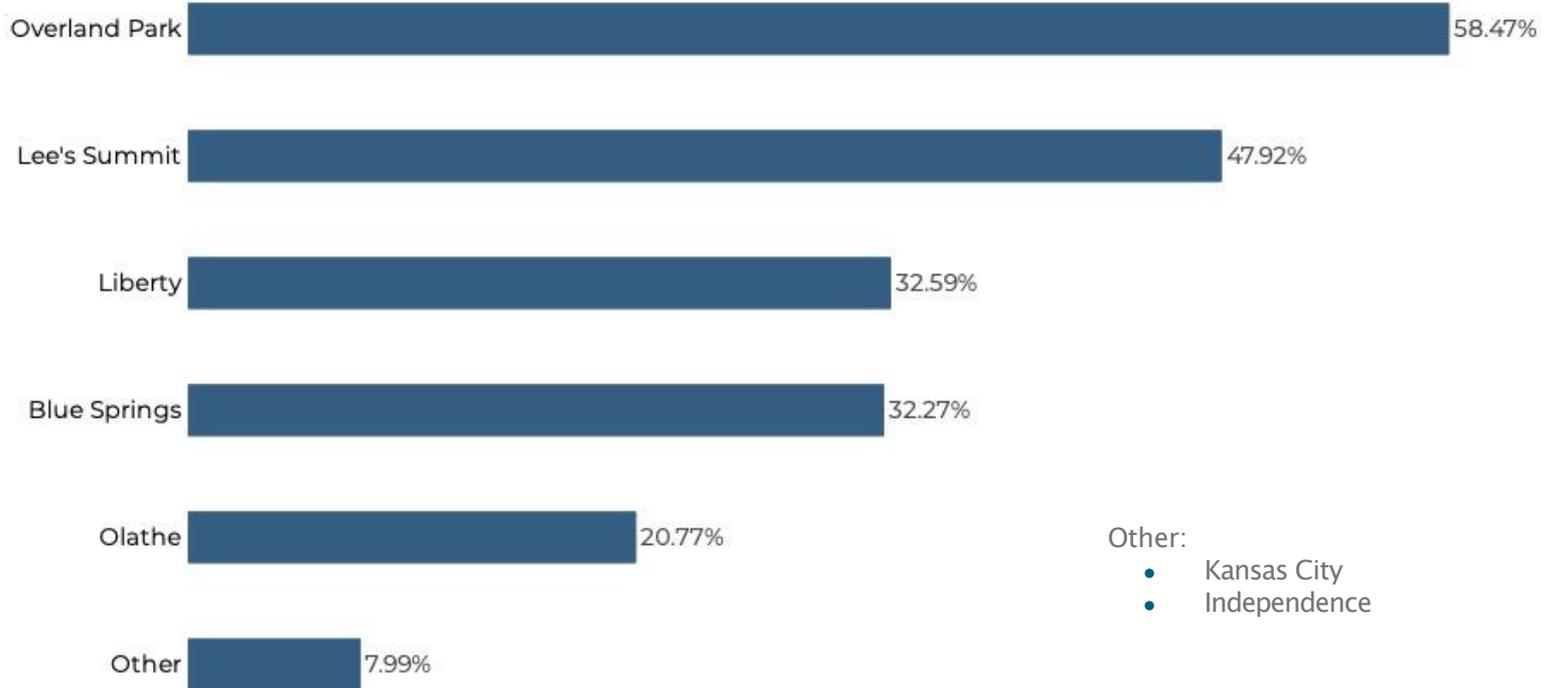
From your perspective, do you think the following cities are improving, declining, or staying the same?

● Improving ● Staying the same ● Declining



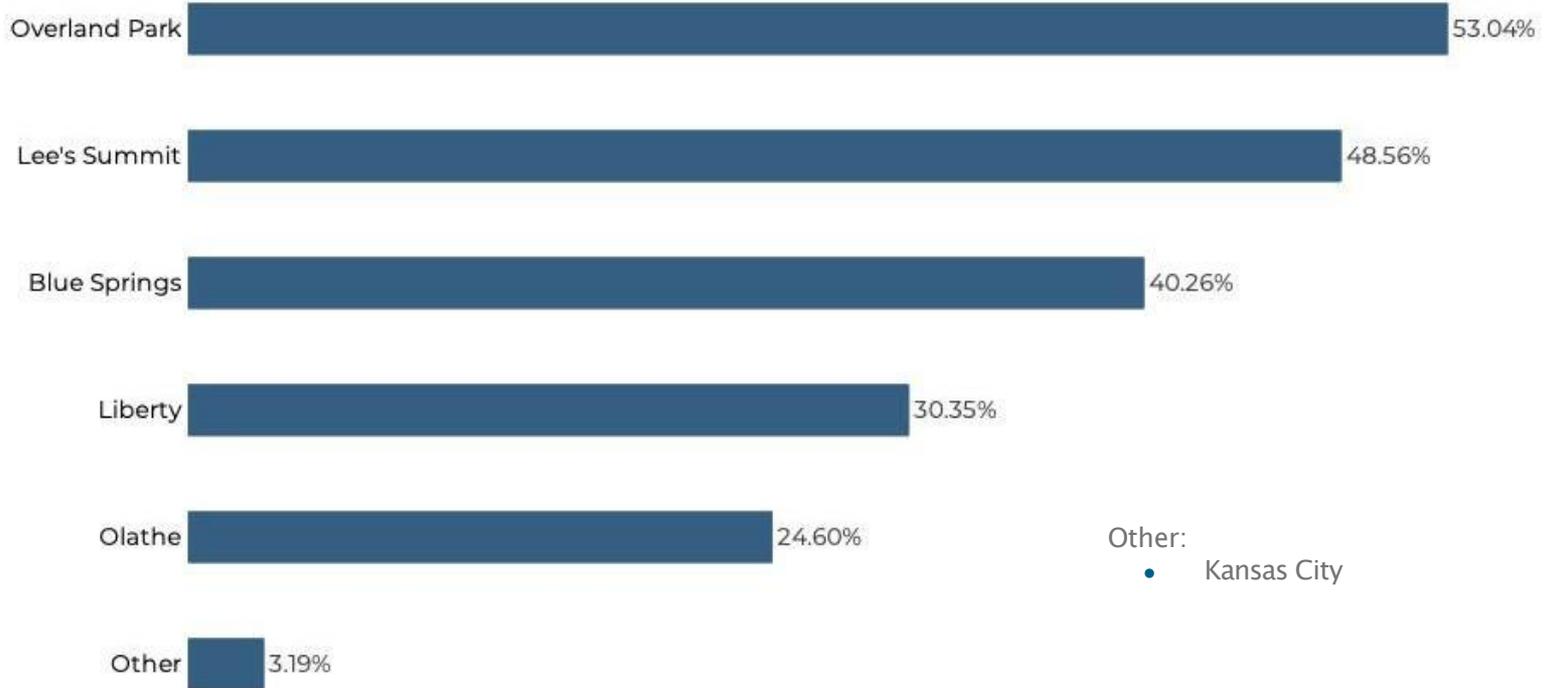
CAP Study

Which of the following cities do you think has the most interesting, attractive, and inviting downtown area?
Choose two answers.



CAP Study

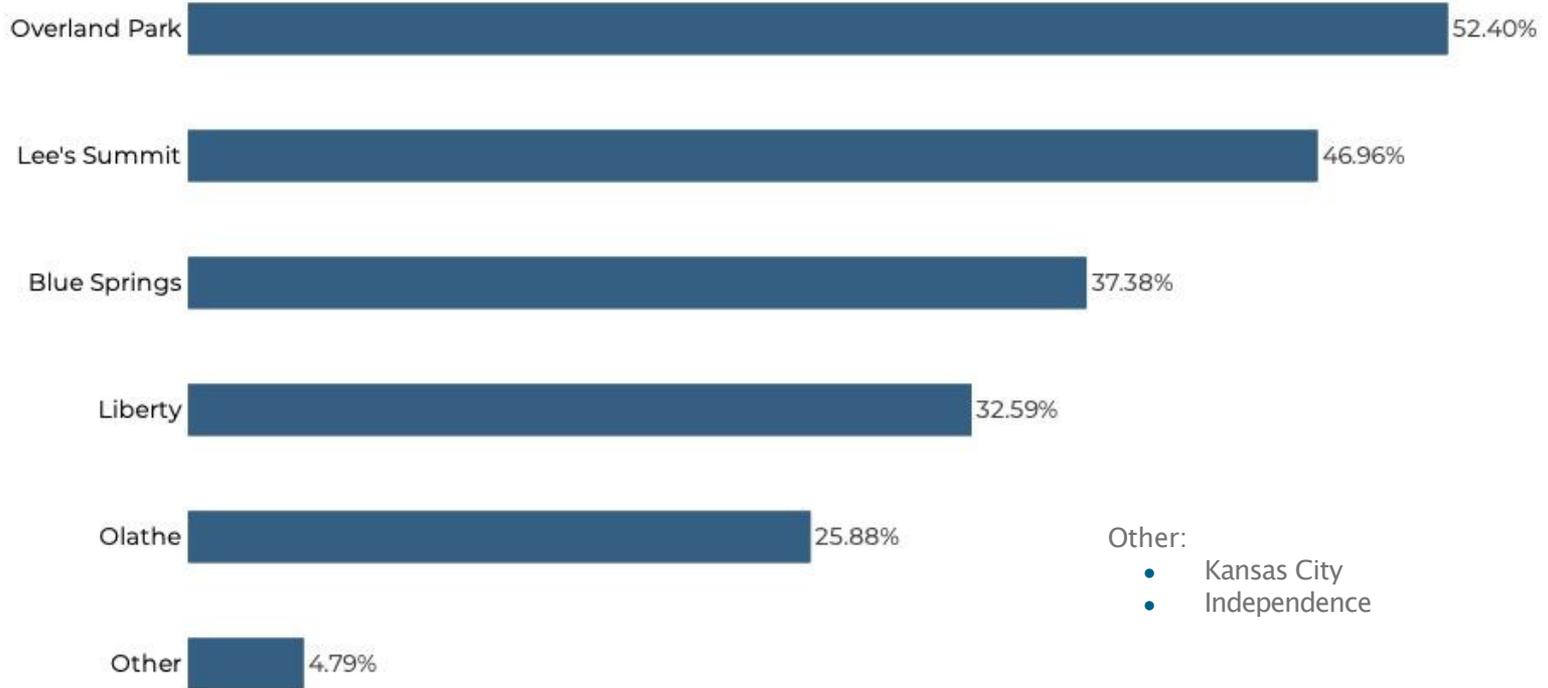
Which of the following cities do you think offers the most family-friendly atmosphere and activities?
Choose two answers.



CAP Study

Which of the following cities do you think organizes the best community events and festivals?

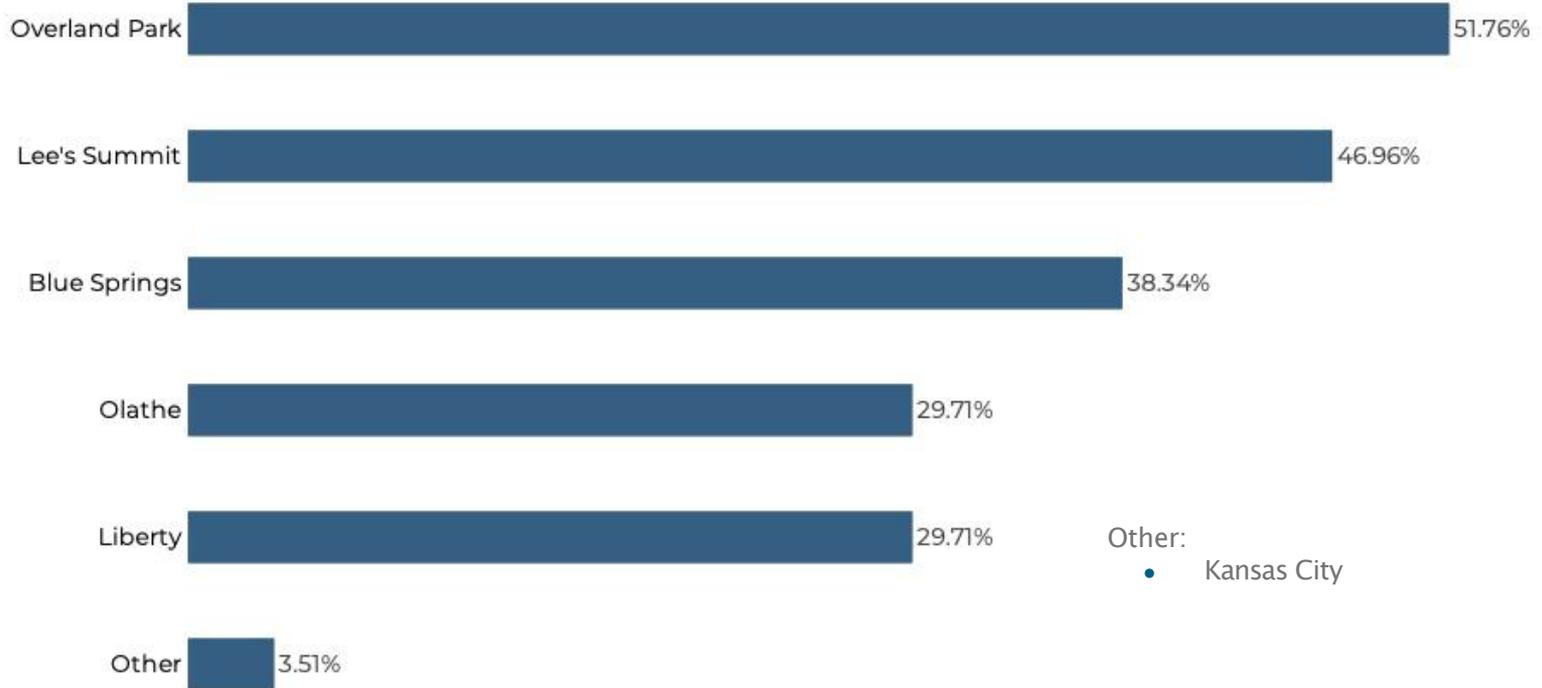
Choose two answers.



CAP Study

Which of the following cities do you think offers the best quality of life?

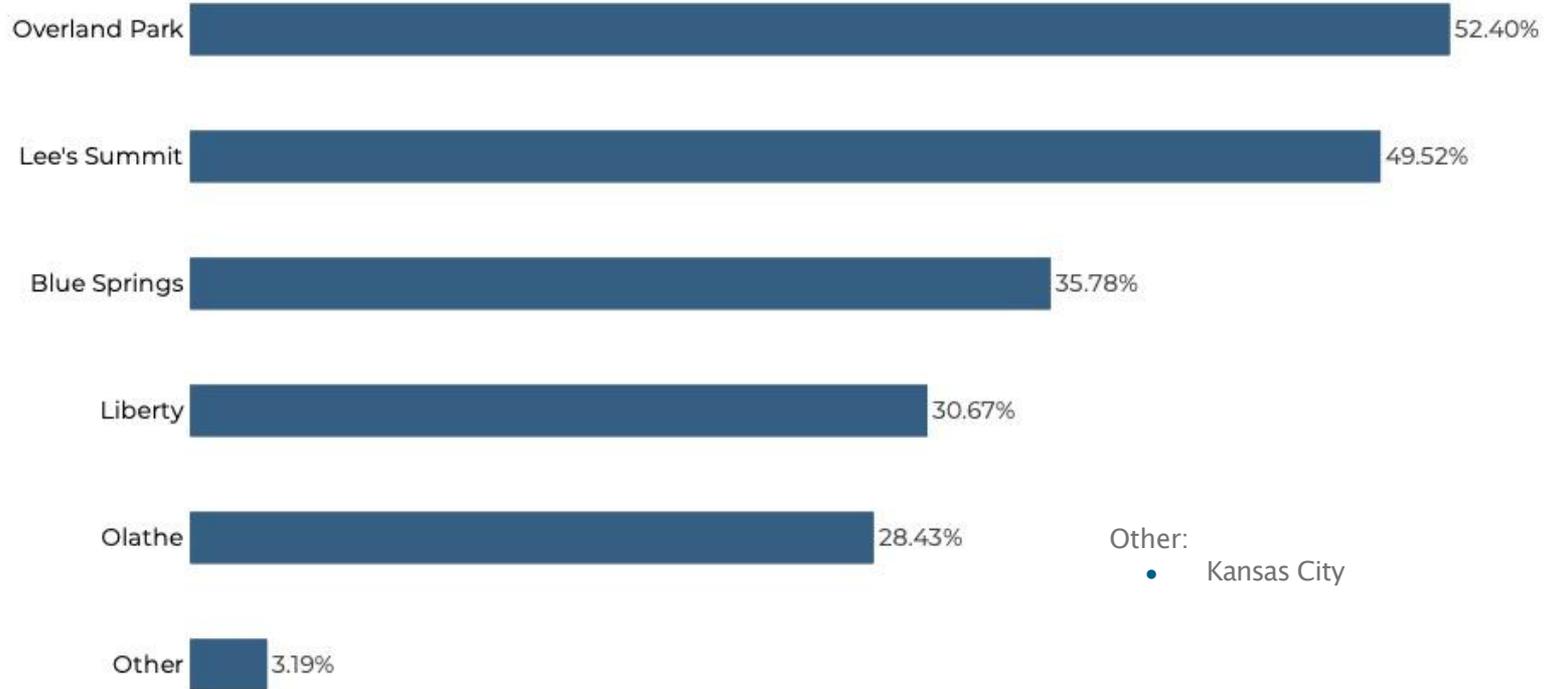
Choose two answers.



CAP Study

Which of the following cities do you think has the best environment for economic growth?

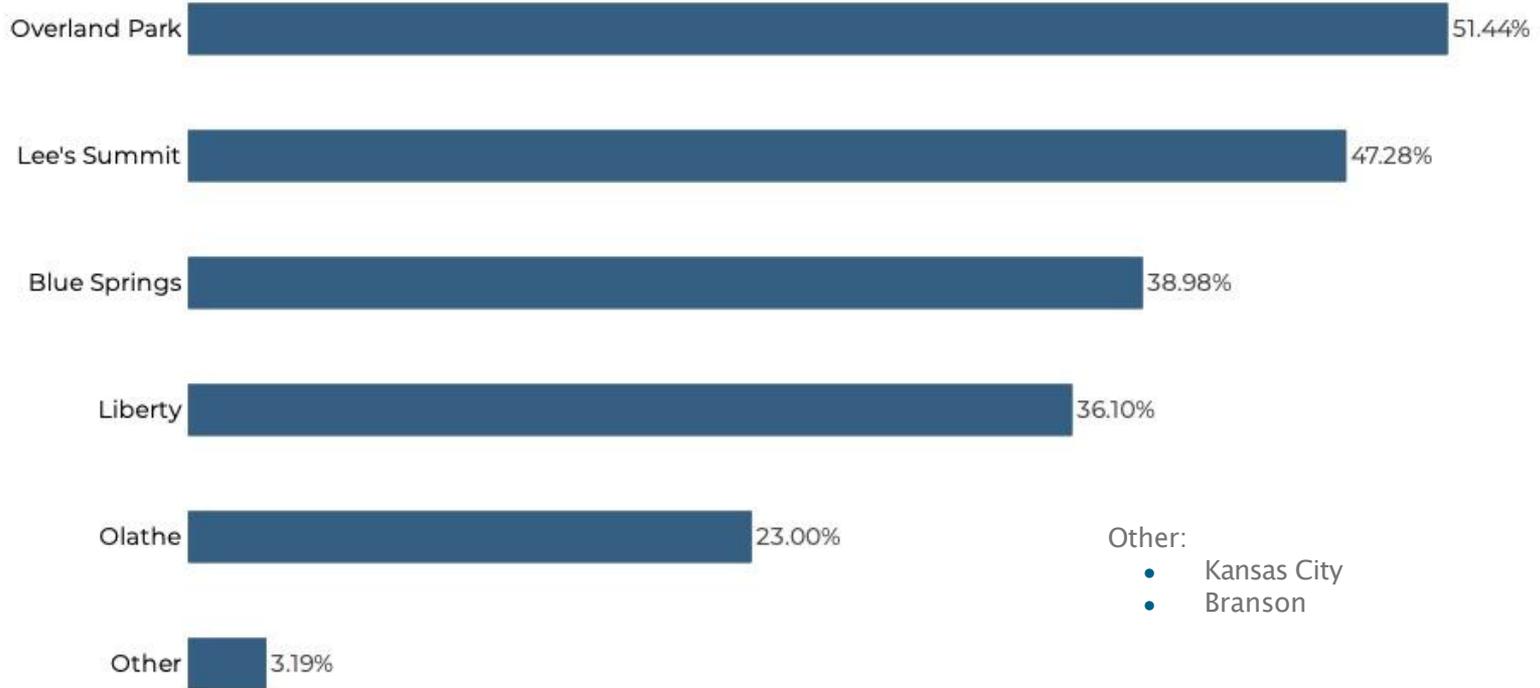
Choose two answers.



CAP Study

Which of the following cities would you prefer to visit for a one-day trip?

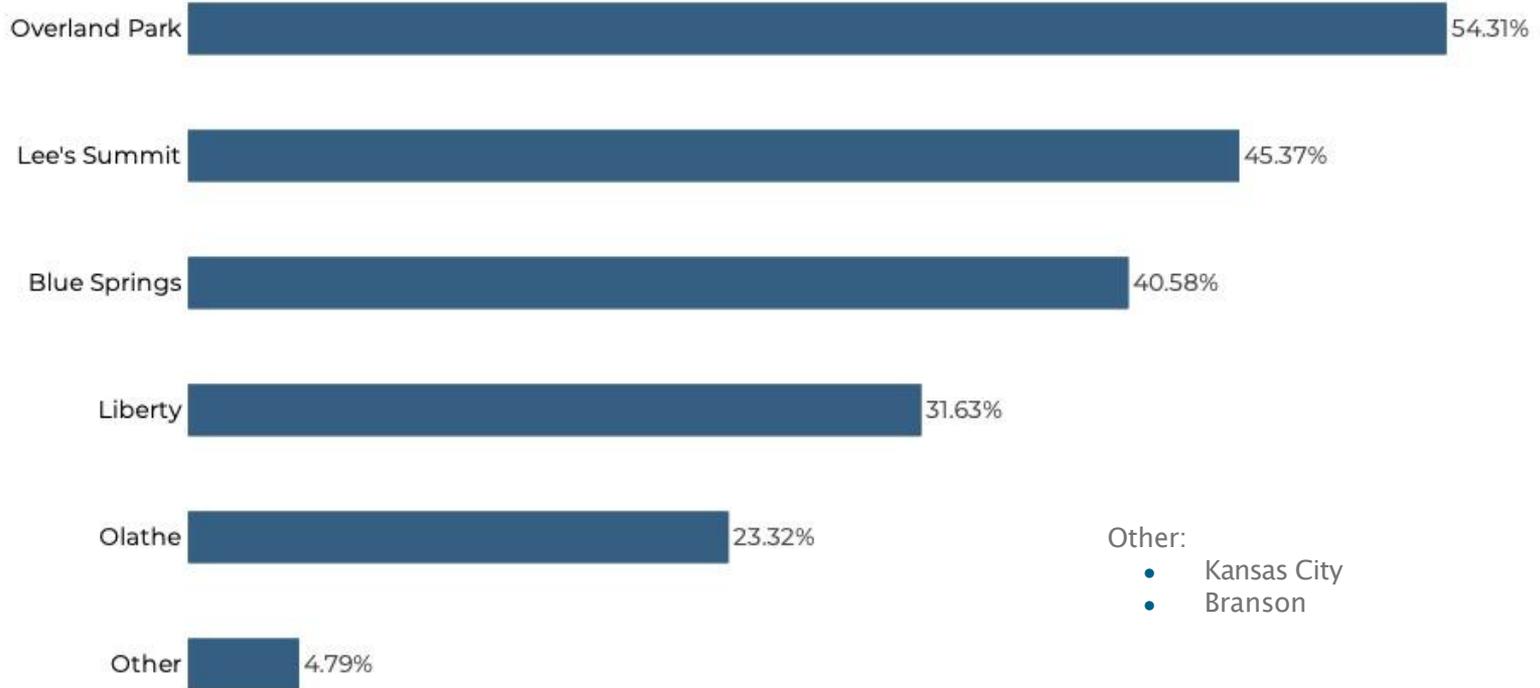
Choose two answers.



CAP Study

Which of the following cities would you prefer to visit for an overnight stay or weekend getaway?

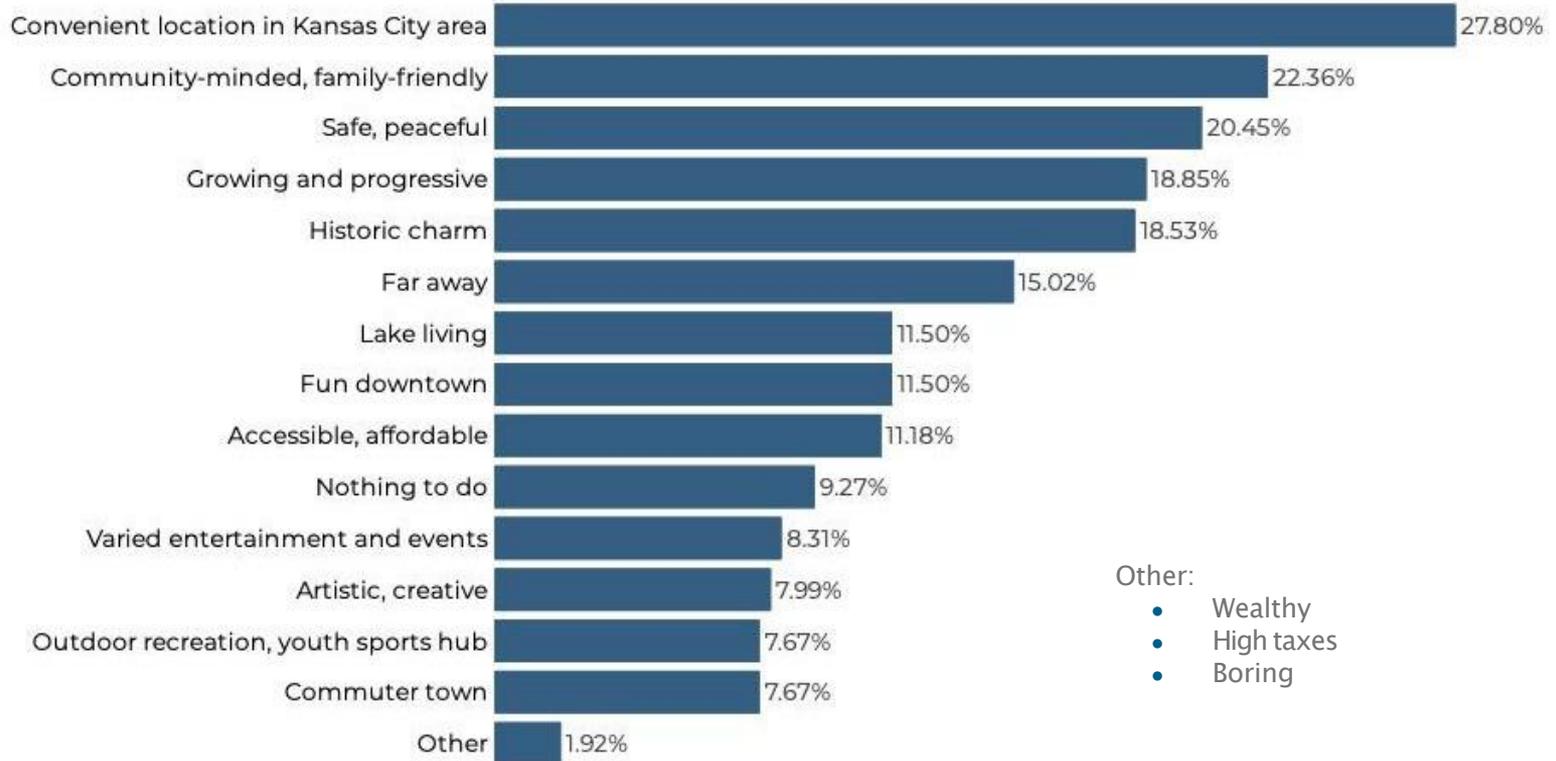
Choose two answers.



CAP Study

Which phrase or adjective best describes Lee's Summit, MO?

Choose two answers.



CAP Study

What is different about Lee's Summit, MO when compared to other communities in the Kansas City area?

Growing, Yet Remains Small

- *“Expanding and modern. Although still a somewhat small town, it is close to major city.”*
- *“There’s a lot of history in the area, and it is growing and progressing currently.”*
- *“It still holds on to a lot of the old country living of a small town.”*

Varied Attractions

- *“Friendly, safe, and lots of fun activities to do. One of my favorites is to go shopping in the high-end stores.”*
- *“The lakes in Lee’s Summit are an attraction for locals and visitors.”*
- *“The arts community is more developed in Lee’s Summit and has more support.”*

Comfortable Atmosphere

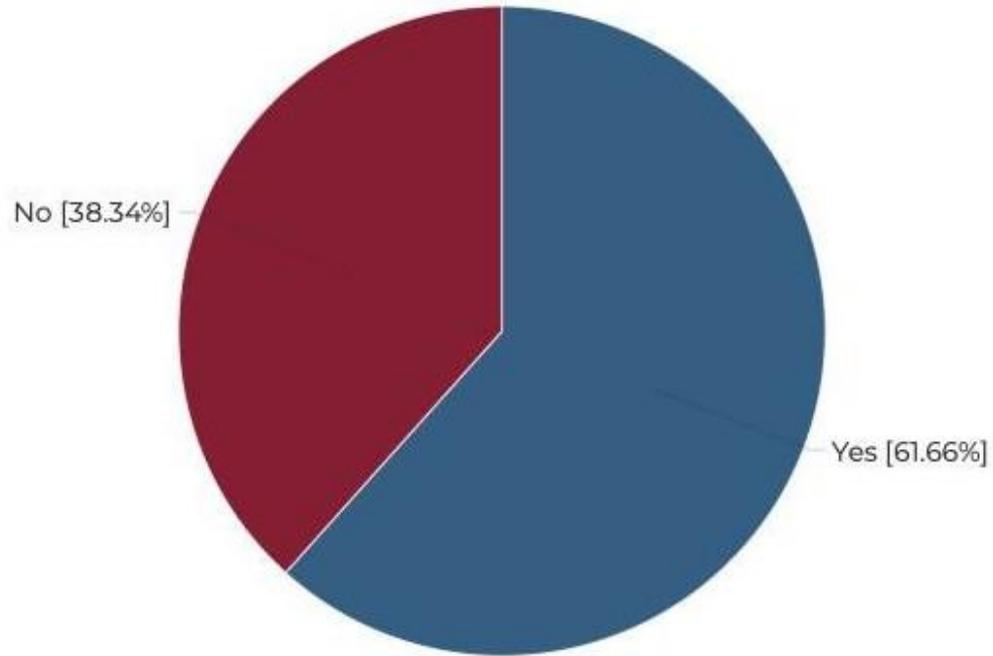
- *“Less crowded, less expensive, very friendly, great shopping in downtown Lee’s Summit.”*
- *“The majority of the city is considerably safer than the others.”*

Easygoing

- *“Lee’s Summit is more laid back than cities on the Kansas side.”*
- *“It is a slower community on the outskirts of all the rush. The downtown is adorable with several shops.”*

CAP Study

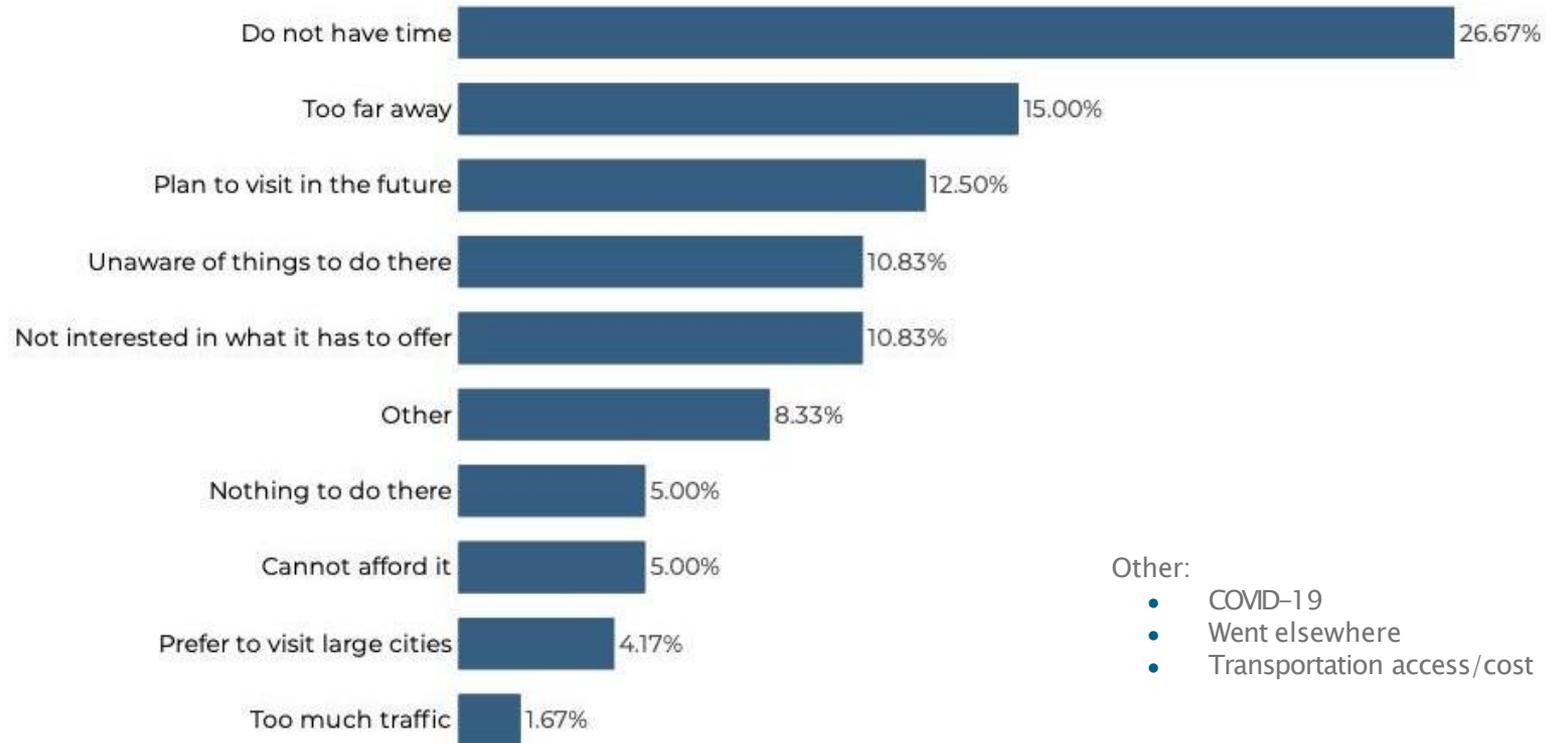
Have you visited Lee's Summit, MO in the past three (3) years?



Non-Visitors

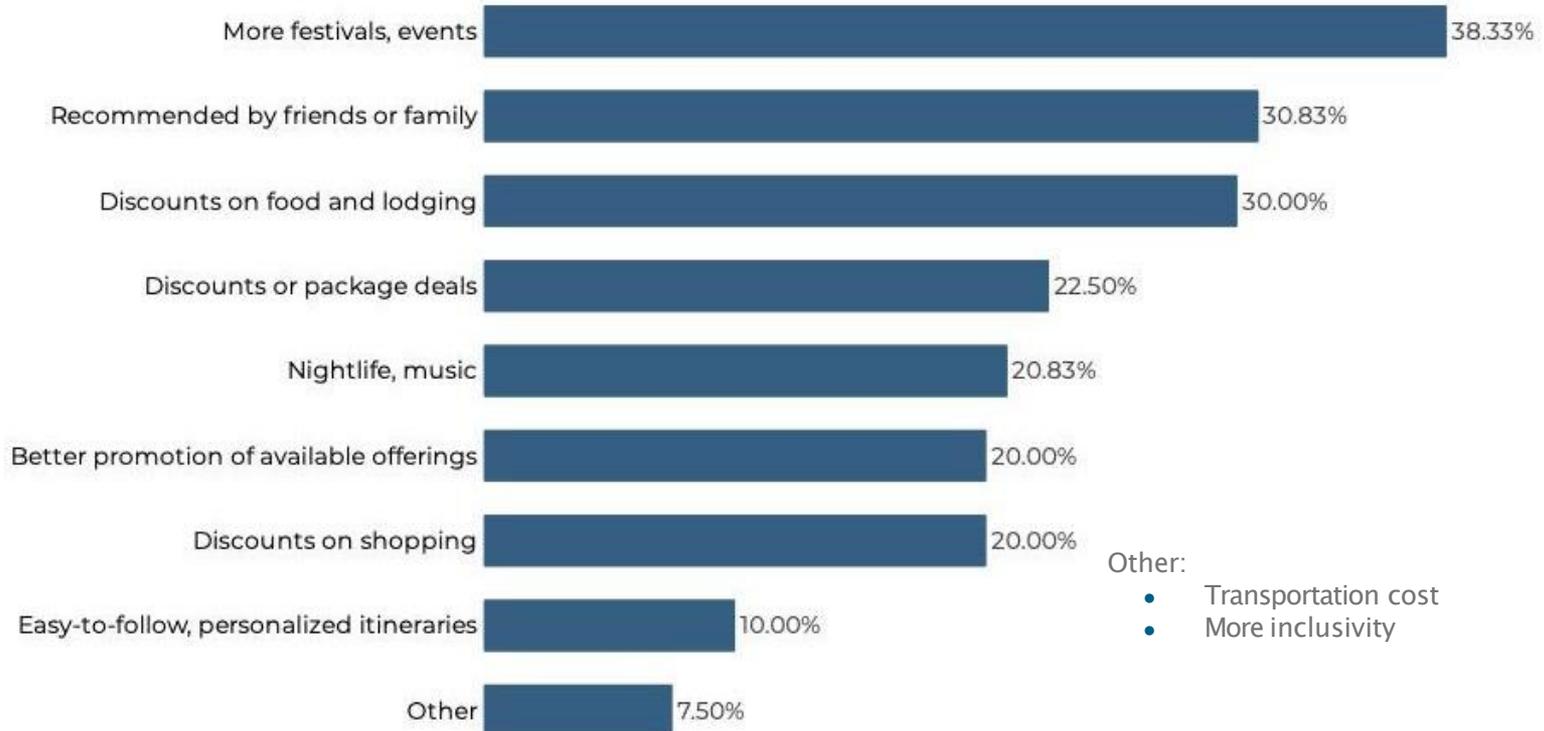
CAP Study

Why have you not visited Lee's Summit?



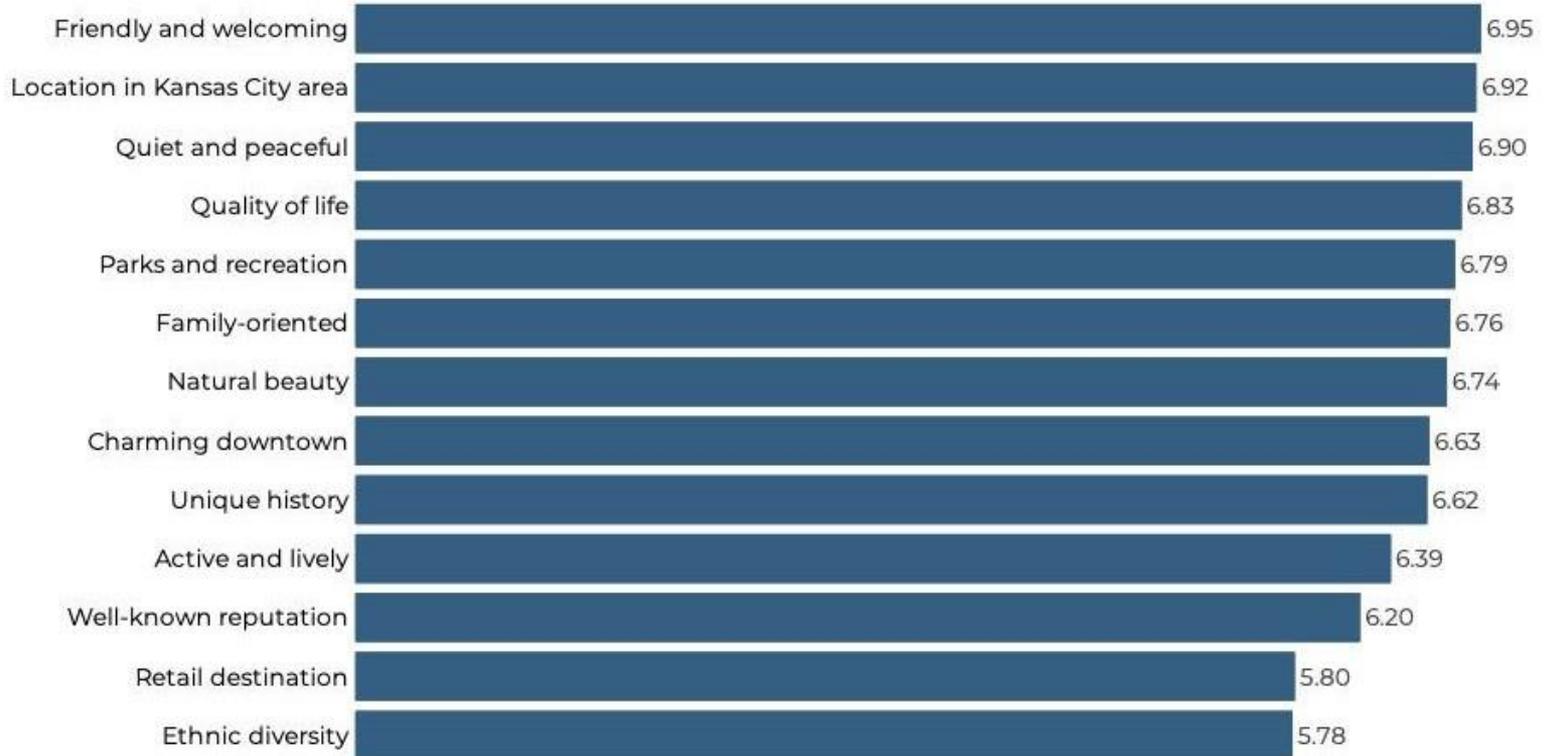
CAP Study

What would make you more likely to visit Lee's Summit?
Choose two answers.



CAP Study

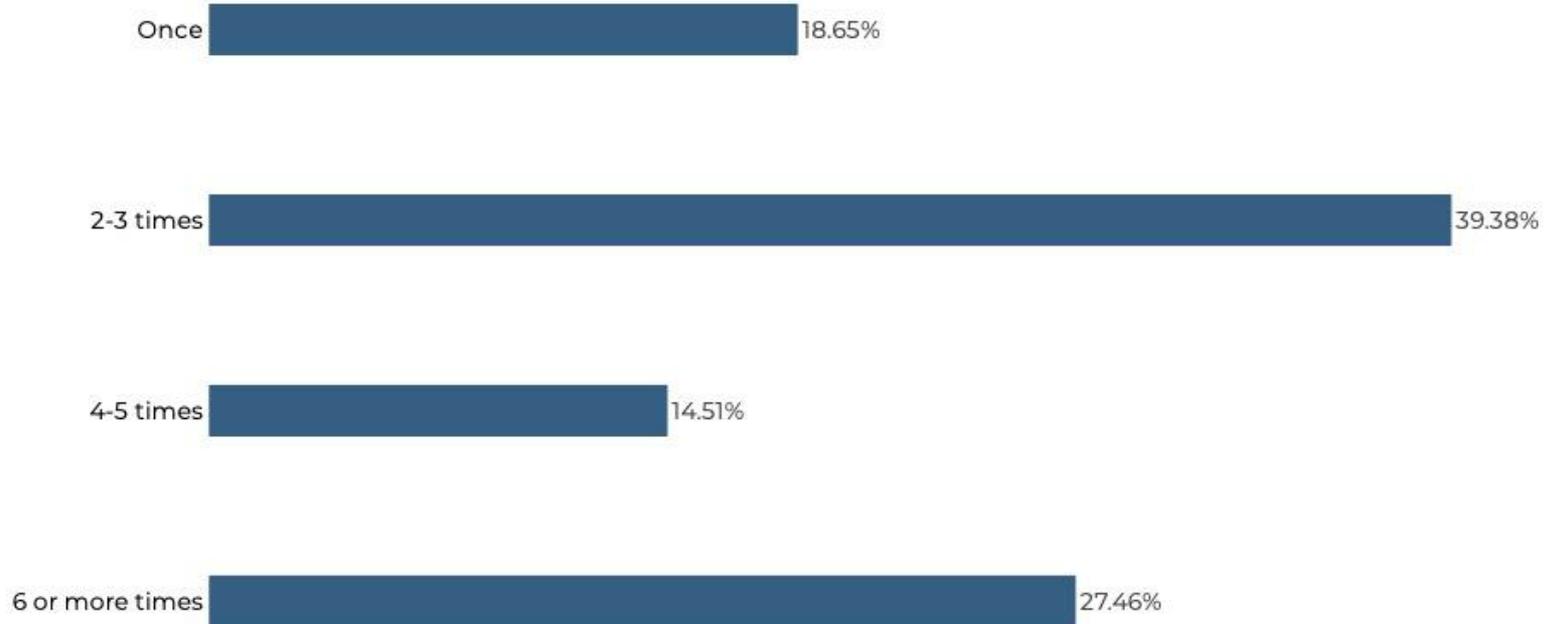
Based on your perception of Lee's Summit, in your opinion, please rate the following Lee's Summit attributes on a scale of 1-10, where 1 is "Poor" and 10 is "Excellent".



Visitors

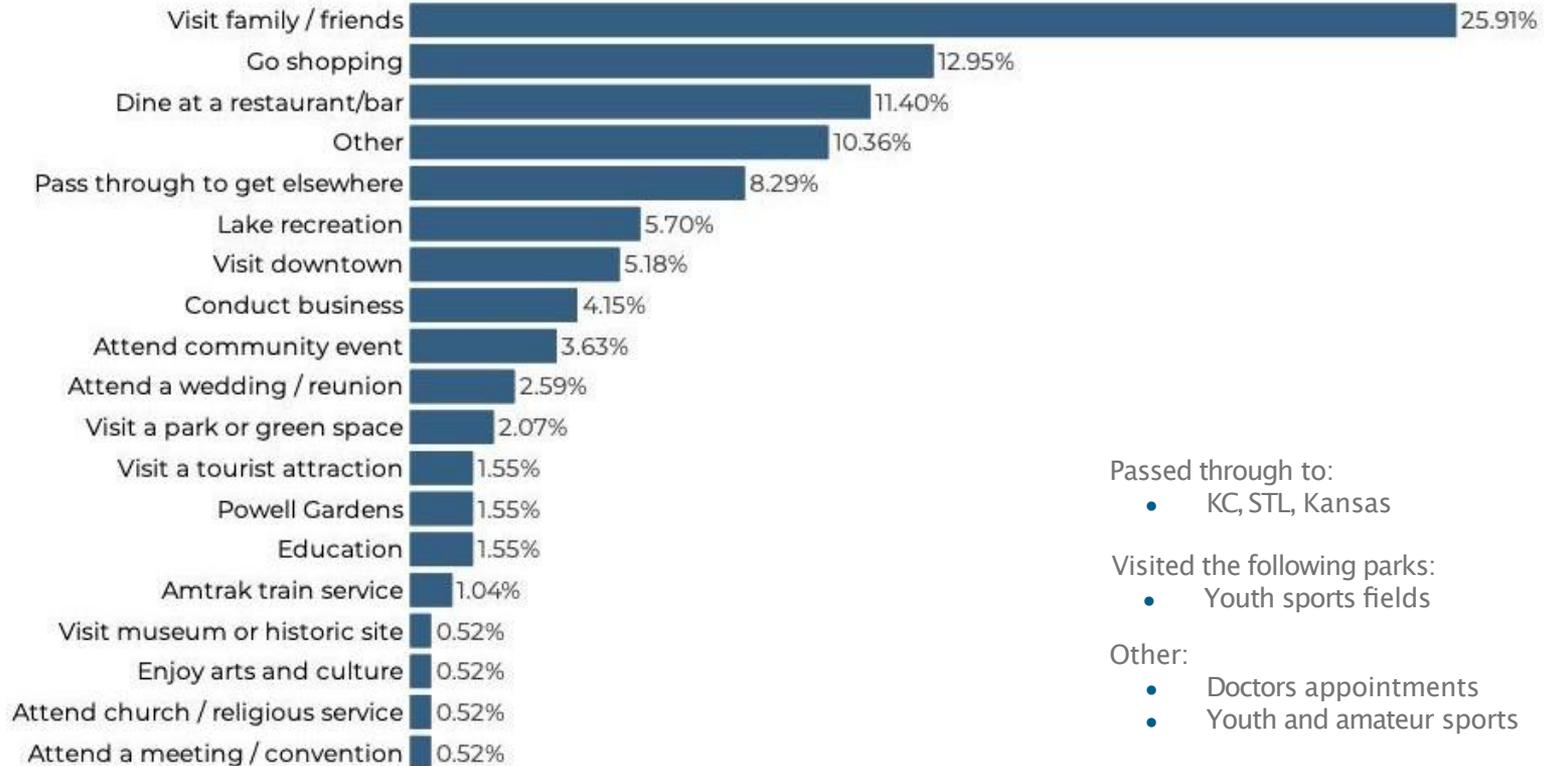
CAP Study

How many times have you visited Lee's Summit in the past three (3) years?



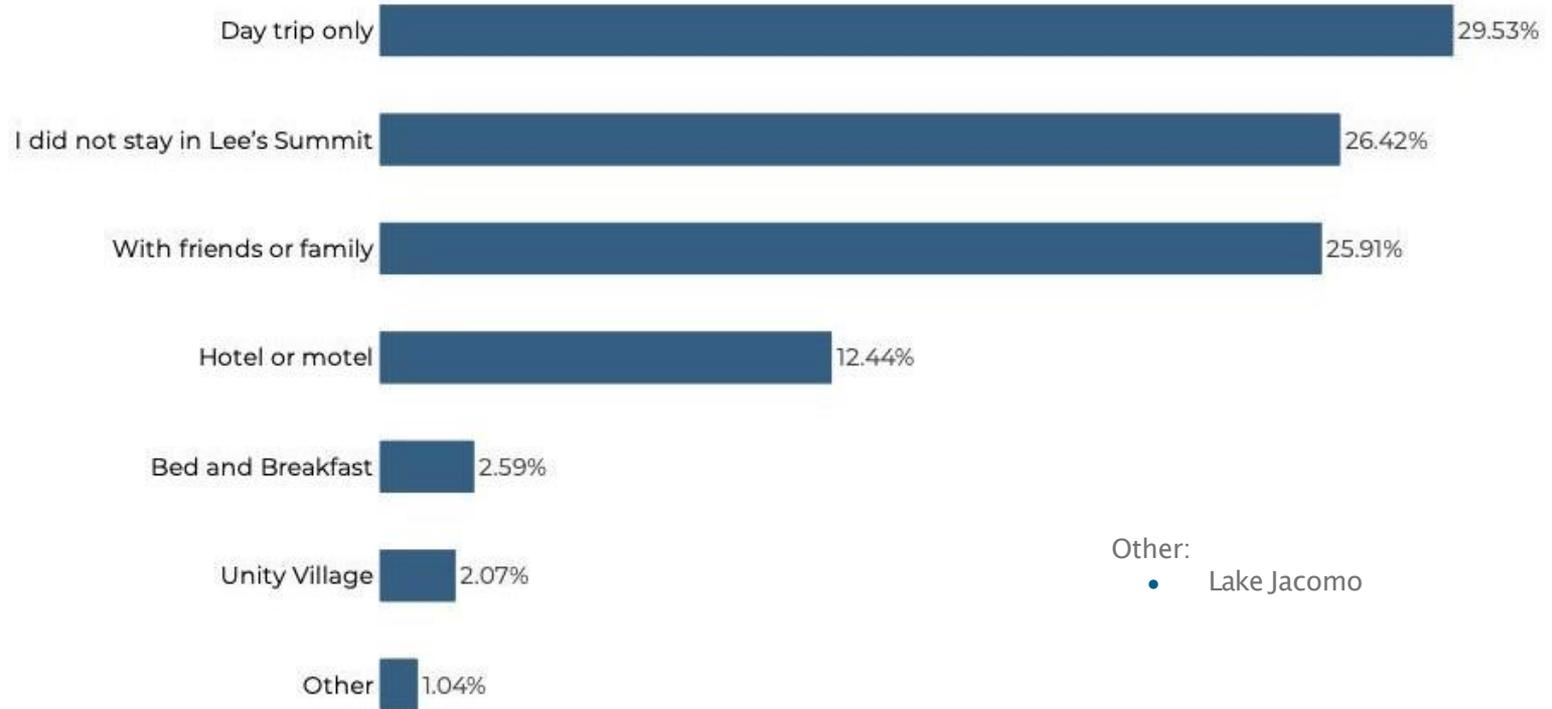
CAP Study

What was the primary purpose or main reason you visited Lee's Summit on your most recent visit?



CAP Study

Where did you stay in Lee's Summit on your most recent trip?



CAP Study

Lasting Impressions

What aspect of Lee's Summit leaves the most positive impression on visitors and newcomers?

- *"The downtown area is quaint and inviting. The community environment is also strong."*
- *"Folks love that it's got a small town feel and atmosphere, like you're coming home."*
- *"Quiet, peaceful, but full of life"*
- *"New and upcoming area. Modern and expanding."*
- *"The lakes are numerous and beautiful."*
- *"Clean. Affordable. Feels safer. Artistic."*
- *"There is plenty to do and a lot of businesses to choose from for entertainment."*
- *"Proximity to sporting events, shopping, etc"*

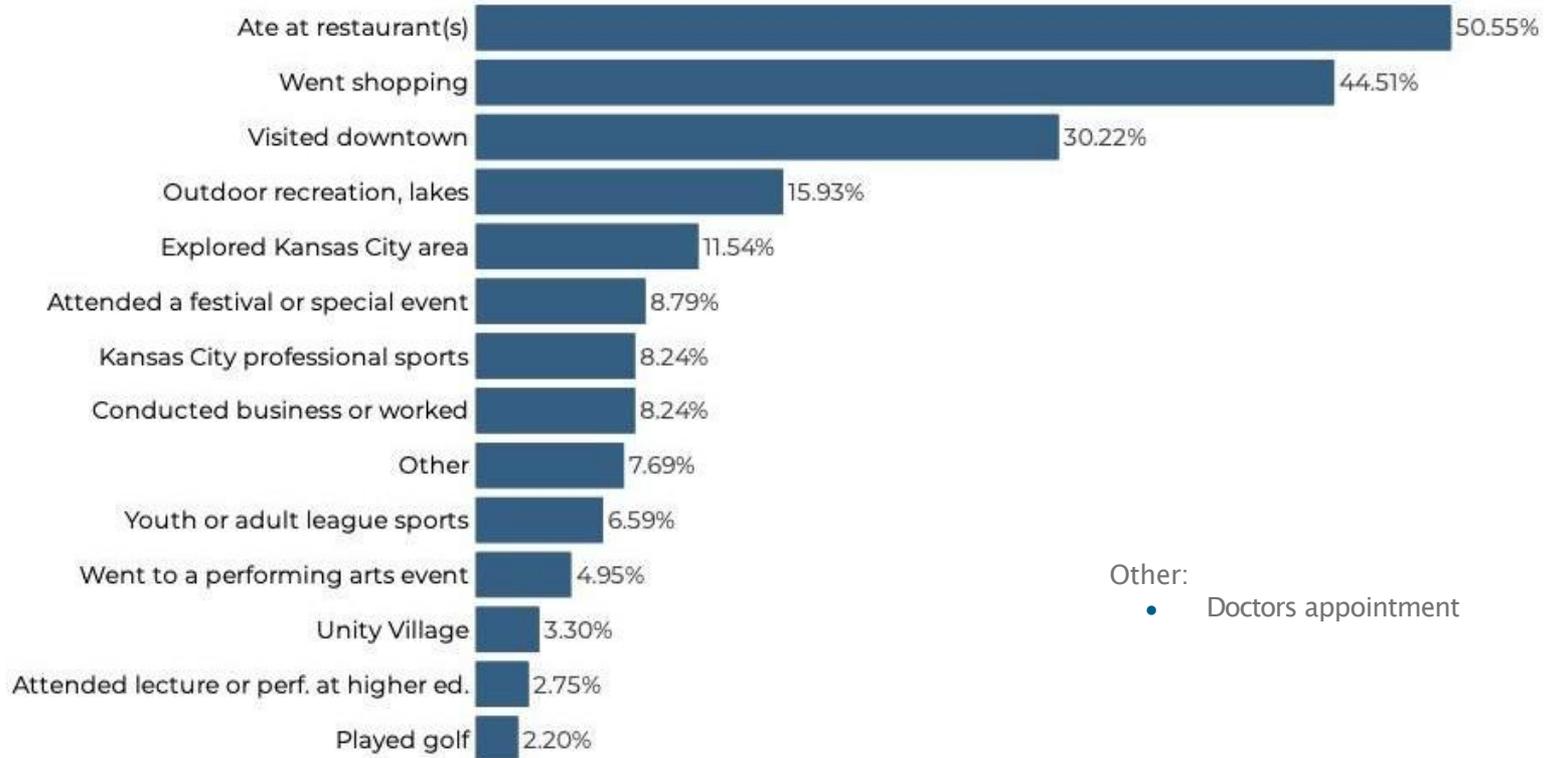
What aspect of Lee's Summit leaves the most negative impression on visitors and newcomers?

- *"Getting expensive and a bit crowded"*
- *"The crimes and crime rate."*
- *"Traffic and congestion"*
- *"It's a little bit 'out' from everything in actual city of Kansas City"*
- *"Affluent people with not much diversity."*
- *"Not as upscale as the Kansas side."*
- *"The people are not all that friendly to strangers or non-residents"*
- *"Older parts of town that are rundown "*

CAP Study

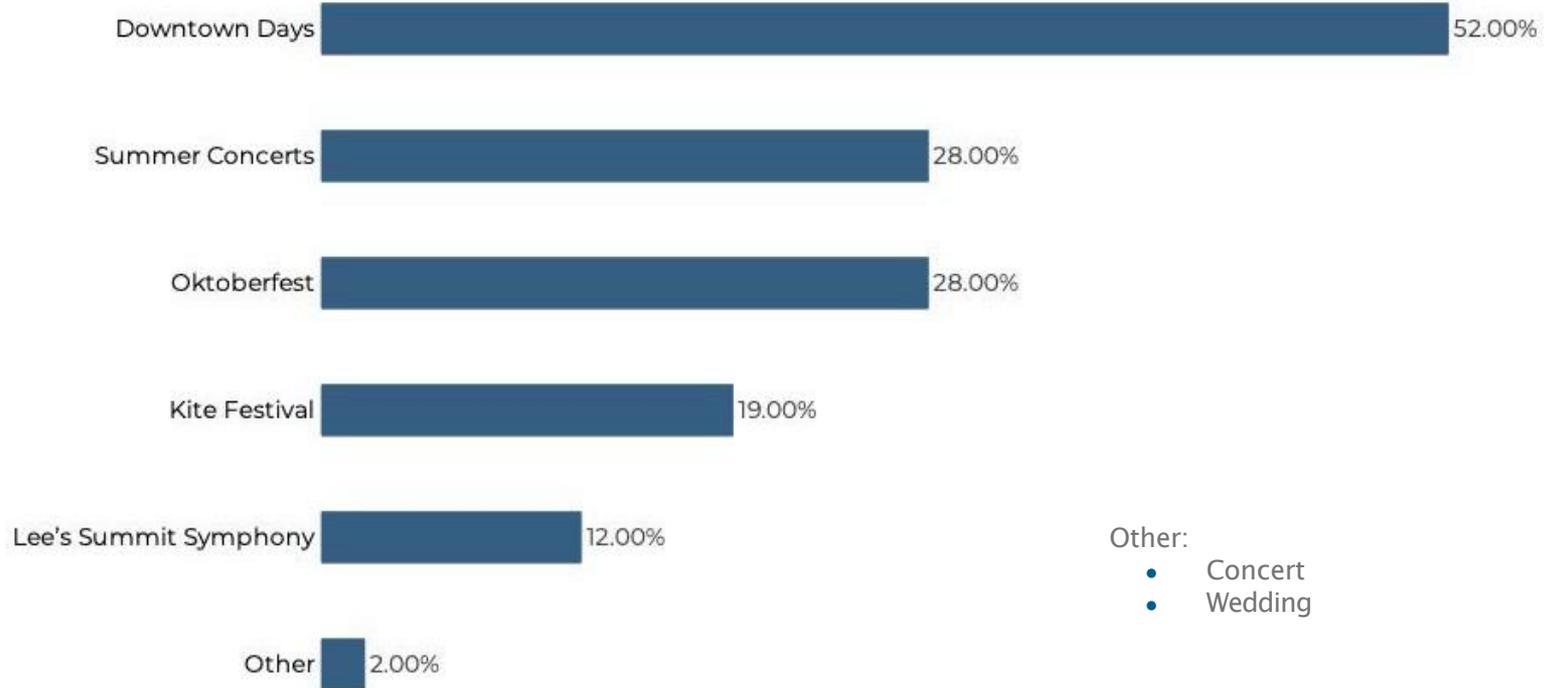
While you were visiting Lee's Summit on your most recent trip, which of the following did you do?

Choose all that apply.



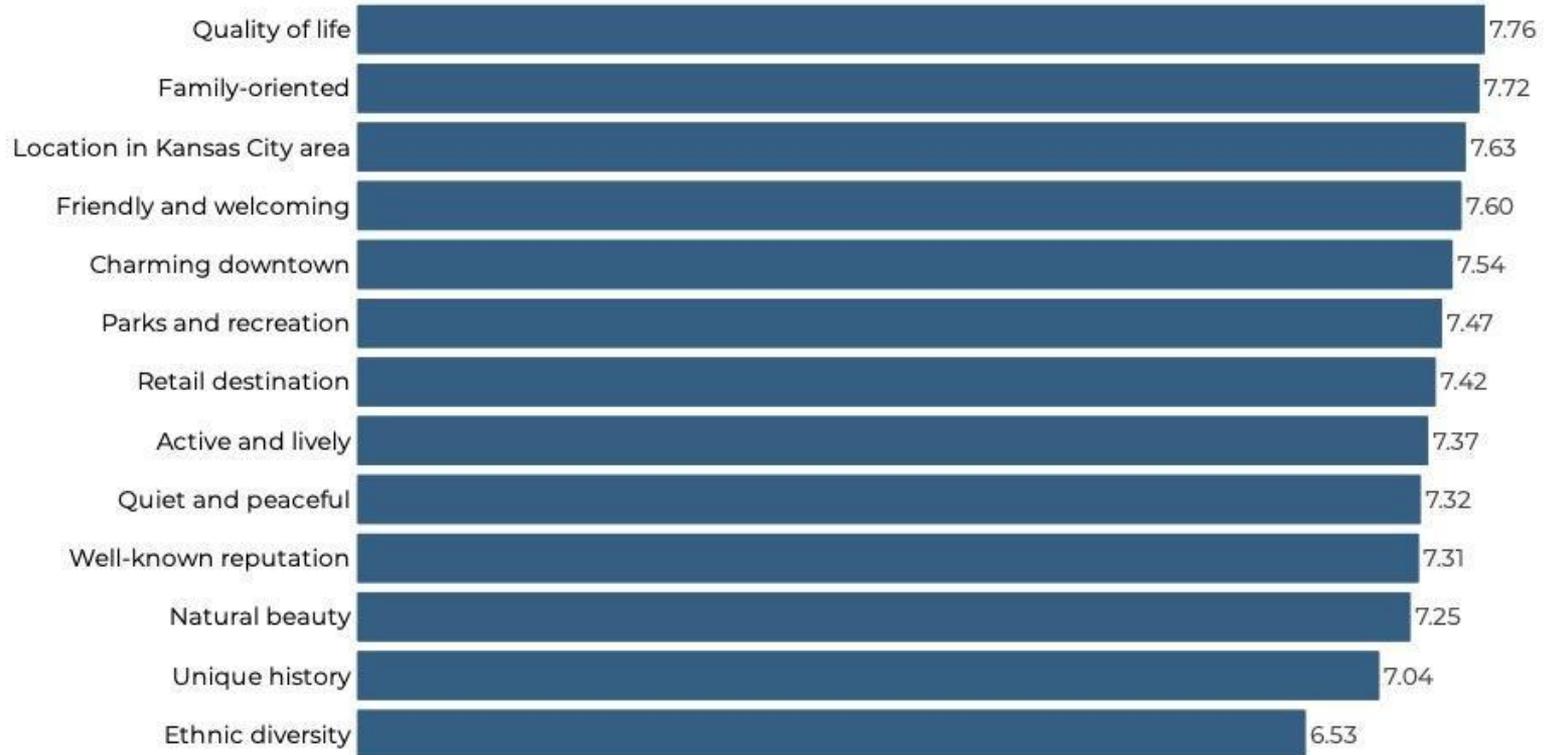
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Which of the following events in Lee's Summit have you attended, if any?
Choose all that apply.



CAP Study

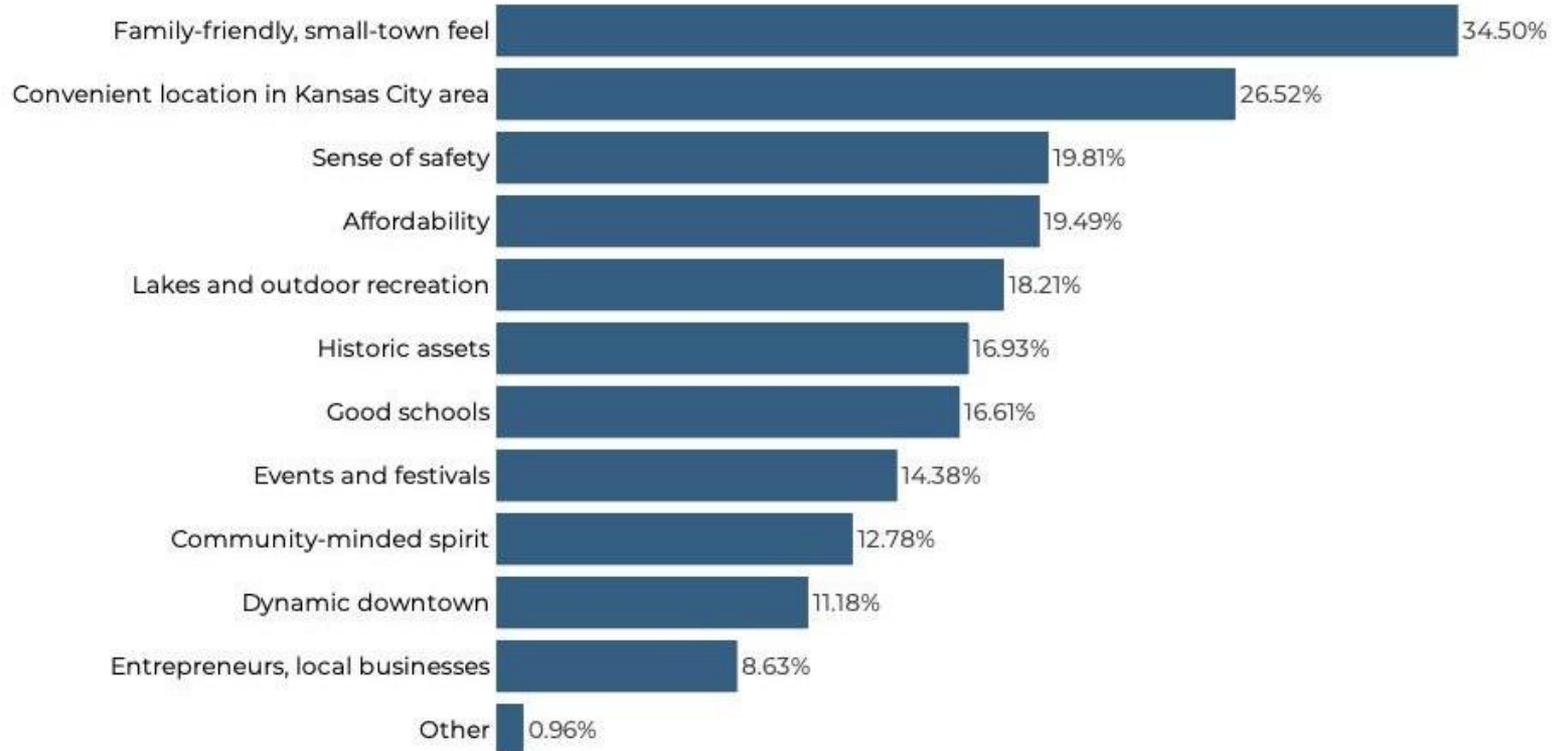
Based on your experiences in Lee's Summit, in your opinion, please rate the following Lee's Summit attributes on a scale of 1-10, where 1 is "Poor" and 10 is "Excellent".



All Respondents

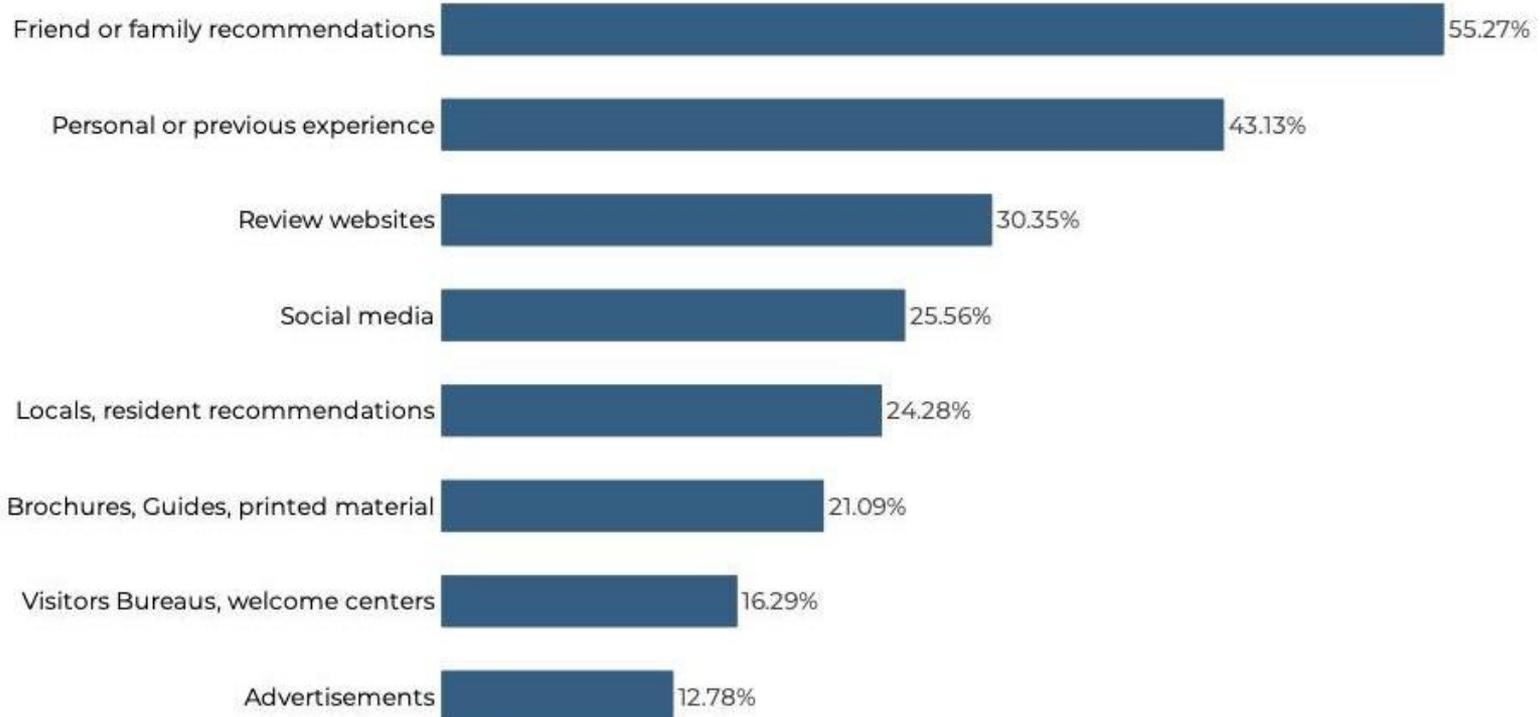
CAP Study

What is most important to Lee's Summit's distinct identity?
(Without _____, Lee's Summit would lose its essence.)
Choose two answers.



CAP Study

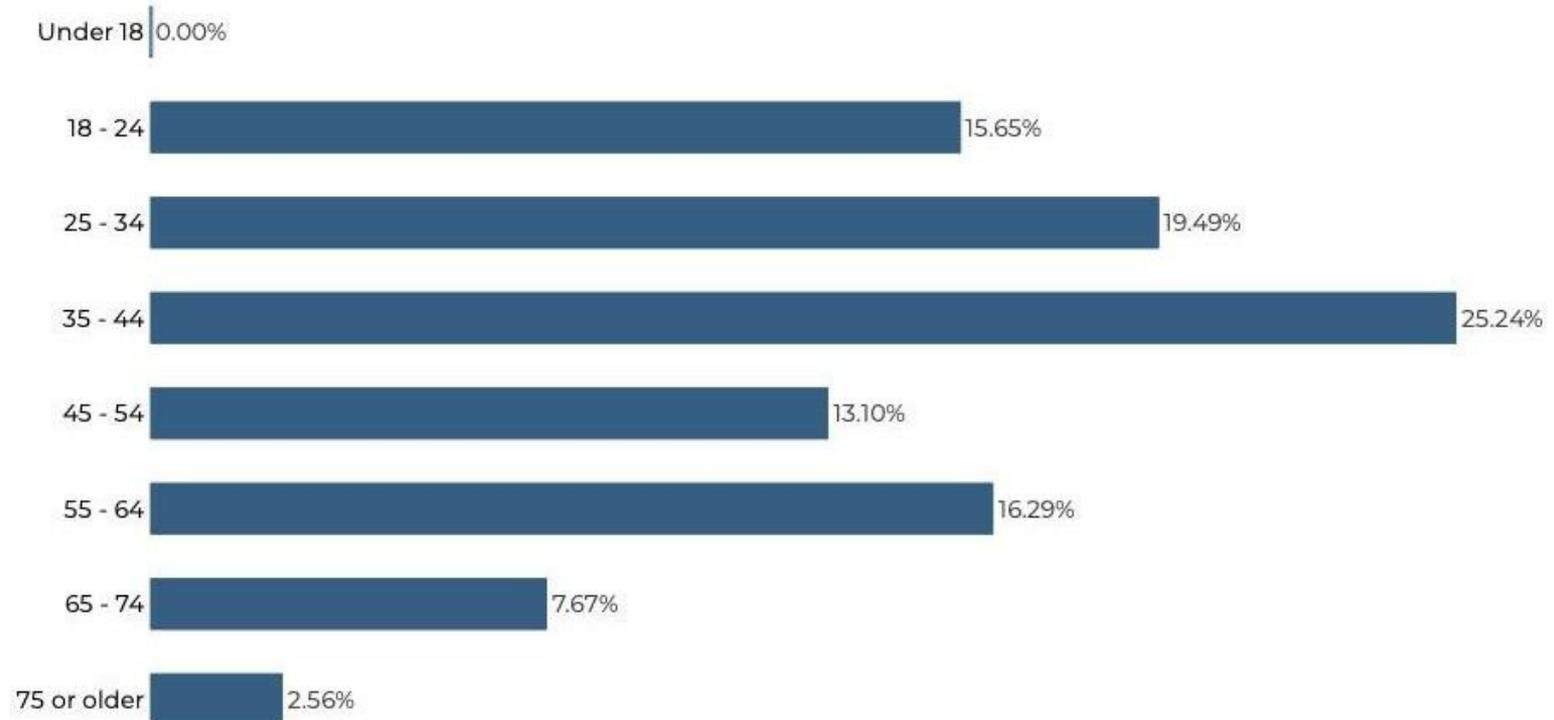
Which of the following sources of information are most influential when you are planning a leisure trip or vacation?
Choose two answers.



Demographics

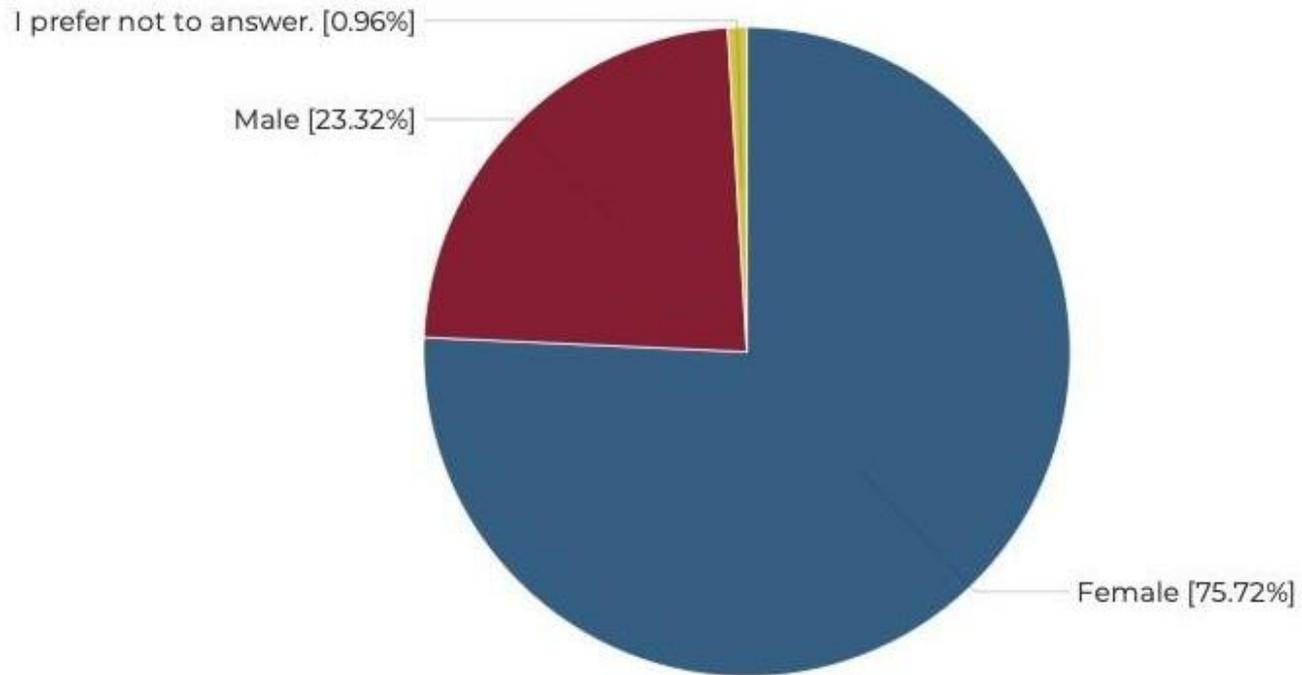
CAP Study

Which of the following includes your age?



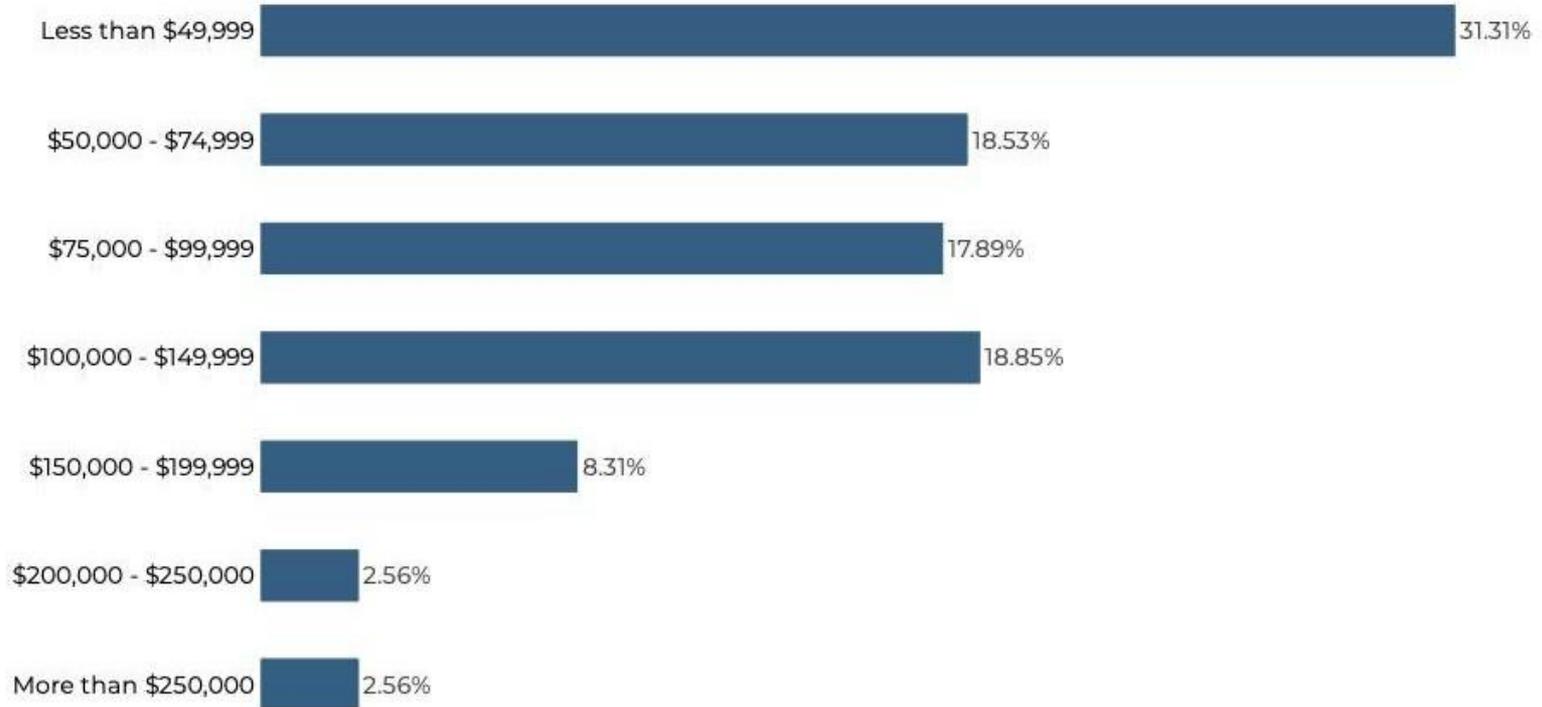
CAP Study

What is your gender?.



CAP Study

Which of the following ranges includes your total household income?



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Lee's Summit, Missouri

Recommendations

Recommendations

Foundation for Recommendations

- Lee's Summit has a strong tourism product and has exceptional potential for tourism growth
- Tourism is an important economic development activity for Lee's Summit
- Lee's Summit Tourism Vision



The vision of the community, tourism stakeholders, and government officials is that tourism in Lee's Summit grows in a way that is steady and managed, but that also takes advantage of unique windows of opportunity that may occur. As tourism grows, care should be taken to protect the City's natural, historic, and cultural resources and the quality of life enjoyed by Lee's Summit's residents.

- There is strong support for the creation of an agency/organization/group to specifically carry out the program of work of tourism promotion for Lee's Summit

Recommendations

Foundation for Recommendations

- An analysis of Lee's Summit's specific and unique tourism-related strengths, weaknesses, opportunities, and threats
- An analysis of the tourism-related agencies and programs of Lee's Summit's competitive set
- The Consultant's 30+ years of experience, education, and knowledge of DMO organizational structures, functions, and operations including his certification as a Certified Destination Management Executive (CDME) as well as his first-hand experience in working with DMOs across the country and his knowledge and understanding of DMO industry best-practices
- The consensus opinion of the participating stakeholder community

Recommendations

North Star recommends that the Lee's Summit DMO be established as a 501(C)(6) agency.

A stand-alone 501(C)(6) agency is the best choice for Lee's Summit for several reasons:

- It would have a specific and stand-alone mission and purpose that would inform and direct their program of work rather than being a subdivision of another agency/group
- It would operate on a business model
- It would have flexibility in the ability to react quickly to changing conditions, new opportunities, and market trends and would allow for greater freedom in creative marketing, advertising, and public relations programs
- It would report to a board of directors with experience in the tourism industry and who would have a vested interest in seeing the work of the Lee's Summit DMO be successful
- It would have the ability to develop and execute non-lodging tax revenue streams

Recommendations

- Independent DMOs tend to find it easier to attract and retain experienced and qualified professionals
- Stand-alone DMOs are by far the most utilized and most successful organizational structures in the destination industry.
- Given the consensus opinion expressed in the project's research, a stand-alone DMO would appear to have the strongest support of the stakeholder community

Recommendations

Mission of Lee's Summit DMO

The mission of a DMO for Lee's Summit would be the promotion of visitor travel with the measurable effect of generating increased revenue for the destination and stakeholders.

In addition, it would have direct responsibility to grow tax collections for the destination through increased sales and lodging taxes.

Recommendations

Program of Work (In Priority Order)

1. Tourism Research

Collecting, analyzing, and distributing statistical information on tourism/hospitality in Lee's Summit from local, state, regional and national sources

2. Tourism Marketing and Advertising

Website, print ads, broadcast ads, Internet and social media promotion

3. Public Relations

Creating and distributing media releases, working with local/area media outlets to create interest in/information on Lee's Summit tourism, working with travel writers on the creation and publication of travel articles, creation and development of a media library, creation and distribution of a communications platform for local community and stakeholders

4. Visitor Services

Visitor/Information Center, trip/travel planning in person, phone, and/or internet

Recommendations

Program of Work (In Priority Order)

5. Sales

Programs & activities designed to book tourism businesses such as group travel, meetings/conferences, consumer travel, sports events, etc. through sales calls/sales missions, marketplace attendance, travel shows, etc.

6. Stakeholder Services

Providing assistance to and meeting specific requests for assistance from local hospitality/tourism-related businesses/organizations

7. Product Development

Attracting and/or assisting in the recruitment/development of new tourism-related businesses, attractions, lodging, dining facilities, etc.

8. Local Tourism Grants

Providing financial assistance to qualified local tourism-related events and businesses through an organized grant request/approval system)

Recommendations

Program of Work (In Priority Order)

9. Festival/Special Event Assistance

Providing assistance to local festival/event planners in the planning and promotion of their events

10. Hospitality Training for Tourism-Related Businesses

Development of training programs to acquaint front line personnel in tourism-related businesses, lodging, restaurants, and other visitor-contact businesses with the Lee's Summit tourism product and to equip them to provide quality assistance to visitors

Recommendations

Key Performance Indicators (KPIs) on the Program of Work

Would be established by the Board of Directors within the Strategic Plan Program of Work

KPIs typically used by DMOs and which might be adopted by Lee's Summit include:

- Increase in hotel occupancy rates & lodging tax collections
- Digital Analytics: increase in website visitation, followings on social network platforms, increase in number and frequency of posts and/or the creation of social media
- Increase in requests for information/visitor guides over internet, phone, mail
- Creation and implementation of both a strategic plan and marketing plan, including the gathering and analysis of appropriate research
- Creation and operation of Visitor Center
- Increase in paid advertising
- Increase in non-paid media, including number of articles, hosting of travel writers, etc.
- Increase in the number of group tour arrivals

Recommendations

Mission: The Program of Work



Recommendations

Mission: Putting the Pieces Together



Recommendations

Organizational Recommendations and Considerations

- Establishment of the Agency by the City, including budget commitment
- Creation of the Board of Directors
- Application for and securing of 501(C)(6) status as well as any necessary business licenses
- Establishment of secure and fully audited financial operations (banking, checking, accounting/booking procedures and records, budgeting, etc.)
- Development and adoption of a tourism strategic plan for both the destination and a strategic program plan for the DMO
- Recruitment and hiring of staff
- Securing of physical office space and necessary office/business services

Recommendations

Organizational Recommendations and Considerations

- North Star recommends that the DMO be governed by a board made up of representatives from city government, lodging, Downtown Lee's Summit, arts/culture, history, sports/recreation, chamber of commerce, economic development office, and transportation.
- North Star specifically recommends that a Lee's Summit DMO not be a paid membership organization.

Recommendations

Recommended Steps in Creation of Lee's Summit DMO

- Executive Director

Given that this will be a start-up venture, strong consideration should be given to finding and hiring an executive director with experience in DMO management and destination marketing.

- Office Space as Visitor Center

One of the identified weaknesses for the destination is that there is no visitor center for assisting visitors and distributing tourism information (most destinations operate a visitor center including all of Lee's Summit competitive set DMOs).

In seeking and securing physical office space for the Lee's Summit DMO, consideration might be given to finding a location that could serve as both the agency's administrative offices as well as a visitor center.

Recommendations

Recommended Steps in Creation of Lee's Summit DMO

- **Partnerships:**

In its initial stages, it might be beneficial to develop partnerships with the City, other established agencies, and local businesses to help offset some of the costs related to start-up operations. These could include office space, business services, design services, digital marketing/website design and maintenance, etc.

This would help tremendously in not only establishing the organization but also in allowing for maximum utilization of budgeted funds for marketing.

As the agency becomes more established, operationally functional, and financially secure, these functions could and should become internal to the organization.

Recommendations

Funding

- North Star recommends that funding for the Lee's Summit DMO should come primarily as a dedicated portion of lodging tax collections and supplemented with other sources such as additional budget allocations and fundraising through grants, special event production, advertising sales, etc.
- An additional funding consideration might be that any future percentage increase in lodging taxes be fully dedicated to funding the DMO.
- Benefits of establishing a dedicated portion of lodging tax for DMO funding:

Allows for better budget planning

Insures a steady revenue stream for the DMO

Creates an incentive factor for DMO funding (the better the work of the DMO, the greater the increase in lodging taxes collected, resulting in a larger dollar amount going to the DMO)

Recommendations

Budget

- The budget request would be determined by the Strategic Plan
- The primary factors within the strategic plan that will impact the possible budget for the DMO are:
 - Staffing (number/type of personnel, salaries, benefits)
 - Overhead (office space, visitor center space, equipment, utilities, etc.)
 - Marketing Plan
 - Relative funding levels of competitive set DMOs (allows Lee's Summit to adequately compete with other destinations)
- A general (but not ironclad) rule of thumb is that no more than 60% of a DMO's budget be spent on personnel and overhead, with at least 40% going towards tourism promotion, marketing, and advertising. Obviously, the less spent on overhead, the more can be allocated to tourism development activities.

Recommendations

Budget

- In the Consultant's opinion, a minimum ballpark figure for initial funding of the DMO would fall in the \$300,000 to \$350,000 range. This would allow adequate resources for start-up and ongoing expenses such as personnel and overhead while retaining adequate initial funding for the agency's primary function of tourism marketing and promotion.
- The budget allocation could (and should) increase in future years as the DMO demonstrates success through increases in lodging tax collections.

Especially given the budgets of Lee's Summit's competitive set, a budget of \$400,000 – \$500,000 for a Lee's Summit DMO funding would not be inappropriate.

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Questions/Discussion