case study

Achieving Success through Collaboration: A case of visit Orlando's "Orlando é só Alegria" Campaign

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Introduction

Brazil has been recognized as one of the growing tourist generating markets to Orlando since 2008. Though this trend embodied a unique opportunity to increase new and repeat visitation to Orlando from the Brazilian market, there was a need to create and implement integrated and collaborative marketing and advertising campaigns involving various key tourism industry stakeholders in relation to the Brazilian market, particularly the joint efforts of the major theme parks in Orlando. Towards this effort, Visit Orlando, with the support of three major theme parks in Orlando (Disney, Universal Studios and Sea World), launched the "Orlando Makes Me Smile" campaign in Brazil in 2009. The intended goal of this collaborative marketing efforts was to increase awareness of the destination as a complete and affordable vacation experience, appealing not only to a more varied segments of the population as potential new visitors, but also to repeat visitors who are encouraged to return to enjoy new exciting experiences.

Theoretical Background

Owing to the collaborative nature of this marketing campaign, the concept of collaboration was used to provide the theoretical underpinnings for the case study. Collaboration has been studied in the context of destination marketing and management in previous research as a mechanism for destination success (Jamal & Getz, 1995). Collaborative relationships between Convention and Visitor Bureaus (CVBs) and local stakeholders of a community are crucial and significant for a long term sustainable development of a destination. The goal of a CVB is to develop a long term vision and to improve the quality of life in a community. In order to allow a successful collaboration, it is the goal of the CVB to understand stakeholders' values, responsibilities and relationships (Park, Lehto & Morrison, 2008). While CVBs are playing an important role in coordinating marketing activities and in developing the unified message for a particular destination (Wang, 2008), they are also challenged by the nature of the tourism stakeholders who deliver the components of the total efforts.

In order to understand the nature and dynamics of collaborative destination marketing, the motivation factors which drive different stakeholders to collaborate have to be analyzed. Previous research identified different motivation factors that support the decision of tourism stakeholders to enter into a collaborative relationship. Those motivation factors include transaction cost-oriented factors, strategy oriented factors, learning-oriented factors, cluster competitiveness and community responsibility (Wang and Fesenmaier, 2007). Transaction cost related motivations make an organization more efficient, since different costs (for example marketing activities) can be spread among several stakeholders to provide cost-effective solutions that are mutually beneficial. The pooling of resources should allow stakeholders to realize projects that otherwise would not be able to achieve (Wang et al., 2012). Strategy related motivations aim to achieve a competitive advantage through market power via the creation of partnerships (Wang et al., 2012). They include a wider offer of tourism products, maintenance of a good networking relationship, and creation of a holistic experience to consumers. Learning related motivations allow the acquisition of new knowledge and skills by combining the knowledge, expertise, capital and other resources in order to achieve a competitive advantage and to provide products that are unique and difficult to substitute. Cluster competitiveness, which is derived from cluster theory (Gunn, 1988; Porter, 1988), emphasizes the importance of complementarities derived from collaboration. Finally, community responsibility supports the long term goal to enrich the quality of life in the community.

The extensive interest and investment in collaboration is based on the theory that collaboration improves the capacity of people and organizations to achieve their goals (Lasker, Weiss & Miller, 2001). In earlier studies, collaboration is defined as a process where parties who see different sides of a problem can explore constructively their differences and search for solutions that go beyond their own limited vision of what is achievable (Gray, 1989). It is important to note that synergy for partner collaboration is more than just a mere exchange of resources. Uniting the individual perspectives, resources, and skills of the partners leads to something that is greater than the sum of its individual parts (Shannon, 1998). In the hospitality and tourism literature, collaboration can be defined "as a process of shared decision making among key stakeholders of a problem domain about the future of that domain" (Wang, 2011, p. 267). Similarly, Jamal and Getz (1995) define collaboration as "a process of joint decision making among autonomous key stakeholders of an inter-organizational community tourism domain to resolve marketing problems of the domain and/or to man-

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age issues related to the domain." (Park, Lehto & Morrison, 2008, 397).

Previous research also recognized the fact that stakeholders working individually rather than collaboratively does not enable the destination to establish a holistic image of the destination and does not support a destination's success in the long run (Wang, 2011). Collaboration allows the destination to operate as a single entity and to strengthen the local economy if the different stakeholders have a common willingness to work together. Activities of collaborative destination marketing include the promotion of joint campaigns, cooperation for joint trade shows and advertising, engagement with tour operators and travel agencies and the sharing of information and market intelligence (Wang, 2011).

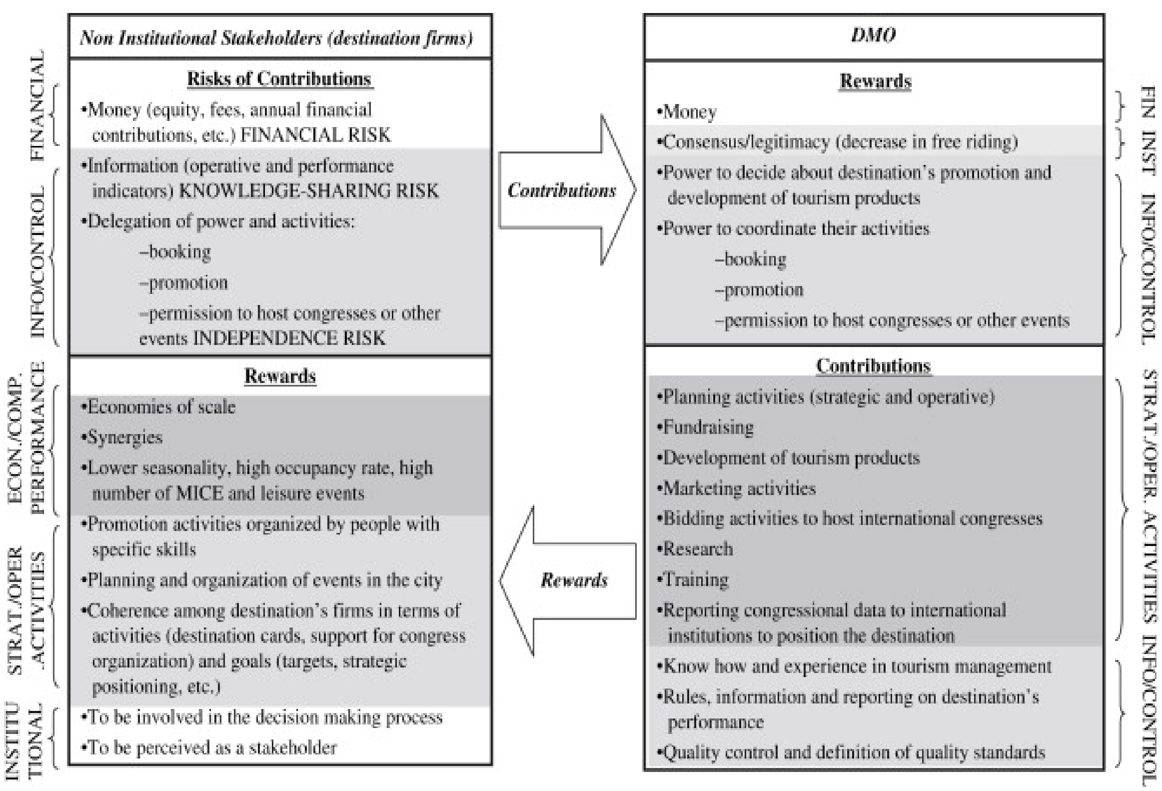
An important factor for stakeholders to collaborate is the proximity of an activity to its customers and this distinguishes between cooperation and competition. If companies conduct activities close to the customer, competition is happening. On the other hand activities conducted far from the customer lead to collaboration. According to Pino and Kastenholz (2011), firms that are competing in the marketplace must cooperate with each other within destination marketing strategies. This behavior leads to the concept of "coopetition" which states that the behavior of competition and cooperation can coexist. This concept has been developed in game theory whereby firms can simultaneously compete and cooperate with each other. For example Walt Disney World and Universal Studios in the Orlando area tend to cooperate when promoting their theme parks in international markets, but they tend not to cooperate when advertising at the Orlando International Airport.

Building a collaborative destination marketing strategy is complex and needs "the conciliation of short term with long term benefits and the need to balance individual and common benefits" (Pino and Kastenholz, 2011, 218). Collaboration has a long term strategic purpose and aims to increase the destination's competitiveness as well as the bottom line of the stakeholder's own business. Challenges of collaboration can be related to competition, insufficient resources, power imbalance or heterogeneous target markets and products. A lack of financial, human or time resources can lead to a failure as well as an unequal distribution of funds among the participants. If partners will solely focus on their own self-interest, a successful collaboration will not be achieved (Wang et at., 2012).

The following model (Figure 1), developed by D'Angella and Go (2009), summarizes how the collaboration between firms and DMOs can be mutually beneficial and how contributions, rewards and risks are involved. "Collaboration is a win-win situation even if individualism

Figure 1

Contributions, rewards and risk tradeoffs in collaboration (D'Angella, 2009)



is still a fundamental motivation for network members" (D'Angella & Go, 2009, 437). Risks that collaborating firms might face can be money related, knowledge-sharing risks or delegation of power and activity risks. If in the process destination firms provide contributions to the DMO, then the DMO is achieving its rewards. Those rewards can be money or attributed power to decide and coordinate. The DMO is using the contributions received by the firms to implement an agreed plan of action. In return, the DMO is giving rewards back to the firms. Those benefits for destination firms can be summarized as economies of scale, synergies, increasing operational performance and more knowledge.

Visit Orlando

In North America a DMO is often represented in the form of a Convention and Visitor Bureau (CVB). Visit Orlando is one of seven CVBs which define the area of Central Florida (Wang, 2012). Visit Orlando is the official sales and marketing organization for the area of Orlando and Orange County. The company was founded in 1983 as a private non-profit membership based organization which is independent from the county and allows a facilitated and accelerated decision making process. Its funding derives from the tourist development tax collected in Orange County (59%) and from membership payments and other revenues generated by Visit Orlando (41%). In 2010, it was renamed Visit Orlando. The agency is composed of six departments and employs 175 employees (Visit Orlando Annual Report, 2011).

The main goal of Visit Orlando is to promote the area globally as a premier leisure, convention and business destination and to sustain the local community by providing long term economic benefits. The long term goal is to enrich the quality of life in the community and to strengthen the destination for future challenges (Visit Orlando, 2012). Further, Visit Orlando aims to increase the overnight visitation and to strengthen the brand (Visit Orlando Annual Report 2011).

In 2011 Visit Orlando attracted 55 million visitors which led to an annual visitor spending of $31 billion and a retaining of close to 400,000 jobs for the local community (Visit Orlando Annual Report, 2012). The top international markets are Canada, United Kingdom, Germany and Brazil. The marketing and direct sales efforts of Visit Orlando were actively present in 14 countries and a significant brand presence was established in 11 countries (Visit Orlando Annual Report, 2012).

Collaboration efforts of Visit Orlando

Visit Orlando is collaborating with 1,132 member partners from six different membership groups including 21% accommodations, 21% dining, 17% attractions, 16% visitor services, 16% convention services, 5% retail and 4% transportation. The membership groups are distinguished between a regular and a premium membership group called corporate ambassadors (Visit Orlando Quick Start Guide, 2012).

In order to maintain a successful collaboration among the 1,132 member partners, Visit Orlando is implementing different incentives. First, business leads, known as E-Leads are sent to its partners on a regular basis. Those e-leads are business and marketing opportunities generated by Visit Orlando in collaboration with meeting planners, journalists and others. In addition, a program e-newsletter is spread weekly with news regarding program results, industry news and statistics. In addition, a program called Member Magic is distributed weekly. It contains news from members to members and about members (Visit Orlando Quick Start Guide, 2012).

In order to support its members, Visit Orlando offers a fully integrated marketing program including digital, broadcast and print advertising, publicity, international and leisure marketing, promotions and direct marketing components. Each member contributes to the Visit Orlando according to its size and type of the company with a high degree of flexibility (Visit Orlando Quick Start Guide, 2012). Further, Visit Orlando is cooperating with different DMOs in the Central Florida area, mainly for international campaigns. For instance, Visit Orlando works together with St. Petersburg CVB to promote both destinations in Germany, due to the particular interest of that market in beach and sun products (Martins, 2012). On an international level, Visit Orlando collaborates with tour operators, wholesalers and travel agents and has an international representation in Argentina, Brazil, Canada, Germany, Japan, Mexico, the United Kingdom and China (Visit Orlando Quick Start, 2012). Visit Orlando was able to create and maintain a cooperative environment where each stakeholder understands the importance and the advantages of collaboration. Visit Orlando has a retention rate of 95% of its members (Martins, 2012), which clearly shows how the partners recognize and benefit from its initiatives.

Profile of the Brazilian Market

Brazil is considered as a growth market with high economic impact. Since it is an established affinity for Orlando, it has stable economic conditions and minimal barriers to lead to an immediate growth in volume (Visit Orlando Strategic Plan 2012-2014). The Brazilian market is of high importance for Orlando and key tactics to approach the market include fully integrated campaigns, tour operator co-ops, publicity, strategic alliances, engagement, social media, search engine marketing (SEM), direct marketing and travel trade (Brazil Consumer Advertising Campaign, 2009).

In order to have a better understanding of the Brazilian market, the characteristics of the Brazilian visitors have been analyzed by Visit Orlando. The main travel purpose of Brazilians is leisure holidays (90.3%), business and convention (5.3%) and visiting friends and relatives (3.6%). The average household income is $92,200 and the average party size is 2.1 persons. The main activities of Brazilian visitors are theme parks and shopping, followed by dining, spa, golf, visitation of historical places and water sport activities. Compared to other overseas visitors Brazilian guests are more likely to go to concerts, musicals or plays (28.7%). Shopping, amusement parks and dining are the top three activities among international visitors in Orlando in 2011. For both dining and amusement parks, Brazil is over the average with 90.5% and 89.2% compared to the average which is 86.1% and 83.3%. On average the Brazilian traveler is younger with 38.5 years of age compared to the average age of 40.6 years of other overseas travelers.

The average length of stay from Brazilian visitors is 9.6 nights in Orlando and 15.8 nights in the US. In comparison, the average length of stay of overseas visitors in 2011 is 17.3 nights in the US and 9.0 nights in Orlando. When looking at trip characteristics from overseas leisure visitors it shows that adults with children coming to the US stay the most time of their trip in Orlando. On average, Brazilian visitors traveled 1.5 times in the last 12 months and 3.6 times in the last 5 years to the US, while the average number is 1.4 in 12 months and 3.5 in 5 years for other overseas visitors. On average overseas visitors plan their US trip 4.7 months in advance and this number slightly increased between 2009 and 2011. Brazilians plan their trip approximately 4 months in advance and are therefore slightly below average. Brazilian visitors stay mainly in hotels and motels (91.8%) and in private houses (8.3%).

The average spending of all overseas visitors coming to Orlando increased to $1,115 compared to $997 in 2010 (+11.8%). Further, overseas visitors coming to the US spend slightly over half (52%) of their total dollar amount in Orlando. Brazilian visitors have the highest spending in Orlando with $1,450 in 2010 and $1,809 in 2011. In a five year comparison of expenditures among Brazilian travelers, Brazilians spent $928 in 2007, $1,001 in 2008, $1,115 in 2009, $1,450 in 2010 and $1,809 in 2011.

In terms of travel companions, Brazilian visitors travel mainly with family and relatives (56.6%), the spouse (33.4%), alone (18.3%), or friends (11.6%) and with tour groups (4.3%). Only in terms of traveling alone and traveling with a tour guide Brazilian travelers are above the average in 2011. Moreover, 53.4% of the Brazilians use travel agencies as information source, which highlights the importance of these intermediaries on their decision making process. Brazilians get their travel information also through tourism and travel magazines, consumer newspapers and online research which is gaining a growing importance. In terms of booking, the use of packages slightly declined to 23.5% in 2011 among overseas travelers. 22.8% of Brazilian visitors use packages in order to plan their vacation and this number is very close to the average of 23.5%. Brazilians that use packages are more likely to book a guided tour; a package may include air transportation, lodging, tour and a cruise.

Challenges and Opportunities

The main challenge of the campaign was to create and implement a consumer marketing campaign that represents the different interests of the three major theme parks in Orlando: Walt Disney World, Universal Studios and SeaWorld. A particular challenge was to bring the three big players together in the same campaign and reconcile their different interests. The campaign needed to be successful, cost-effective and needed to find consensus among the parties in order to meet the different expectations. There was a risk that at any point one of the three theme parks leaves the campaign and ruins all efforts (Santos, 2012). All the three Theme Park partners had already individual marketing efforts, but no integrative strategic plan was available. Orlando had been promoting its destination through trade shows, public relation activities, training and collaboration with tour operators (Santos, 2012).

The campaign would allow Visit Orlando to definitely enter into the Brazilian market and to create synergies among its partners. The Brazilian market has a high growth potential and the Brazilian travelers are an attractive target group for Orlando. Brazil is considered to be one of the top three origin markets in terms of number of arrivals to Orlando (Visit Orlando Annual Report, 2011) and the top market in terms of economic impact. The campaign had the potential to strongly position the brand of Orlando and its theme parks and lead to more significant impacts than if each partner would market itself individually.

"Orlando é só Alegria" Campaign

"Orlando é só Alegria" was launched by Visit Orlando in 2009 in Brazil which was able to engage, for the first time, the three major Orlando theme parks together. "Orlando é só Alegria" was the Portuguese version of the "Orlando makes me smile" campaign and shows that Orlando is all about fun. The Theme Parks (Walt Disney World, Universal Studios and SeaWorld) were actively involved in this campaign. It was designed to keep Orlando top of mind throughout the year via targeted efforts. Further, Visit Orlando collaborated with airlines and tour operators in order to develop a comprehensive and integrated advertising, travel trade, public relation and promotional campaign. The campaign aimed to target middle-to-upper class families and highlighted Orlando as the top family-vacation destination as well as a travel-agency business destination (2009 Brazil Consumer advertising Campaign, 2009).

The initiative for the collaboration was initiated by Visit Orlando in May 2008 by highlighting the great potential which can be derived from the campaign if they all pull their resources together. The collaboration intends to create synergies since Brazilian travelers stay on average more than 8 days in Orlando and during their stay they can visit several parks. The Theme Parks have been convinced that they offer complimentary products rather than substitutes. Visit Orlando's role was to act as a diplomatic agency by integrating the interests and needs of all the involved stakeholders and to represent the entire destination of Orlando.

Media Mix and Outcome

The campaign had been launched in two waves, from March to May and from August to November through the use of different distribution channels. The budget of the campaign was $1 million and was funded by equal shares of $300,000 from the three Theme Parks with the remaining $100,000 funded by Visit Orlando. The campaign took a consumer advertising approach consisting of a media mix of print, digital, broadcast and cable-television advertising, promotions, travel-trade communications, publicity, direct mail and sponsorship.

The campaign consisted of four different theme ads (Figure 2) that rotate through the different media channels and each ad is promoting Orlando with the focus on either Walt Disney World, Universal Studios, Sea World or on the other offers of Orlando. Visit Orlando chose to focus each month on one particular theme since it was the best way to have a fair representation of the three theme parks. Visit Orlando held the exhausting and thorough task of planning all the campaigns and making sure that each of the partners has the exact same share of exposure.

The campaign "Orlando é só Alegria" generated a visitor spending of more than $115 million during 2011 (Visit Orlando Annual Report, 2011). The results of the campaign were tremendous and led to an approximate growth of 20% per year of international arrivals from Brazil to Orlando. From 2009 to 2010 the number of international visitors' volume to U.S. from Brazil increased by 34.2% (Visitor Profile, 2010). Considering the whole Florida state, Brazil ranks number one in both visitor numbers and spending among international markets, moving ahead of the United Kingdom. In the third quarter of 2011, Brazil had 371,000 visitors (up 38% over third quarter of 2010) that spent $575.6 million (up 56 % over third quarter of 2010). Year-to-date, Brazil has had 1.1 million visitors to Florida (up 41 % over the same period in 2010) who have spent $1.6 billion (up 59 % over the same period in 2010) (Visit Florida, 2011).

Conclusion and Implications

The travel and tourism industry is the strongest driving force for the economy in Orlando with a generated revenue of $31.6 billion in 2011. The yearly increase of both domestic and international visitation and the yearly increase in spending have a significant impact on the local economy and the quality of life of the community. The 3.8 million international visitors coming to Orlando in 2011 generated 13% of total visitor spending, contributing $4.2 billion to the local economy.

A strong travel and tourism industry is significant for local businesses and generates direct and indirect employment. The entertainment spending reached $7.4 billion, the food sector $6.9 billion, the lodging sector $6.6 billion, and the retail sector $5.4 billion in revenue. A growing travel and tourism industry led to a 4% increase in employment and offered a total of 367,000 direct and induced jobs in 2011.The forecasted numbers of US market opportunities in the next 5 years are led by the Brazilian market which is the strongest with close to 20%. South America shows strong growing potential with a leading Brazilian market (Sacks, 2012).

The 2009 campaign launched a successful foothold into the Brazilian market. Following marketing campaigns were built on "Orlando é só Alegria" in order to stay consistent with the message and to expand its name and reputation in the Brazilian market. Creative actions and promotions have been performed in previous years in order to attract more visitors to come to Orlando. For example, on May 2nd 2011, Visit Orlando sponsored the No. 18 Dale Coyne Racing car during the Izod IndyCar Series race in Sao Paulo. This sponsorship activity was broadcasted in over 125 countries and was considered to support the previously launched marketing campaign. In 2011, the marketing campaign "Orlando é só Alegria" won the silver Henry award for its mixed-media campaign. If all the resources are pulled together to create a mass campaign, the impact grows exponentially. Visit Orlando

Figure 2

Themed Advertisements "Orlando é só Alegria" Campaign

May Walt Disney World

June Orlando

July Universal Resort

August SeaWorld

was able to create an umbrella message about the destination that allowed the brand to set apart from the competition.

In addition, cooperation allowed Orlando to maximize its resources and the necessary commitment in order to achieve the common goal of attracting the Brazilian market. As an alternative to the micro organizational perspective, the players worked with each other focusing on the common benefits for the destination. The parties collaborated together to generate more business for the whole community instead of losing business to other destinations.

It appears that the distance of the market examined had a great influence on the level of collaboration between the three stakeholders in this case. Brazil is clearly a far-away market for Orlando, and potential visitors perceive the city of Orlando as the destination, not Walt Disney World, Universal Studios or SeaWorld. Instead, they need to be first fascinated by the destination and only afterwards they will decide what to do in Orlando. It is essential to promote a destination as a whole in more distant markets to create awareness. The maturity of Orlando as a destination was also a decisive factor to bring the businesses together. Visit Orlando's marketing approach is to make all stakeholders understand that cooperation is not a threat, and the competitors are not the businesses next the door but other destinations. Trust, respect and integrity that all the stakeholders have for Visit Orlando played an intangible but extremely important role in this campaign. Since the individual businesses naturally give priority to their own benefits, Visit Orlando also had an educational position to make sure that the three big enterprises understand the potential benefits of the joint campaign.

Needless to say, competition will always exist but it should be understood that it is sometimes healthy for the destination. The destination product is complex and it involves different elements. These elements need to be pulled together at the same time to the visitor in order to provide a holistic and memorable customer experience (Palmer and Bejou, 1995). A successful destination needs both competition and cooperation between tourism organizations.

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