

Richmond, Virginia is Out: A DMO case study of LGBT marketing

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Introduction

Lesbian/Gay/Bisexual/Transgender (LGBT) travelers have emerged as an attractive market in the tourism industry, not only for the top LGBT destinations, such as San Francisco and New York, but also for many second-tier destinations, such as St. Louis and New Orleans. In this case study, a bold marketing strategy by a Destination Management Organization (DMO) to attract the LGBT market is highlighted. Specifically, this case study illustrates how Richmond Region Tourism (RRT) positioned themselves as a LGBT-friendly destination. RRT accomplished strong results by overcoming antiquated stereotype, stemmed from outdated typecasts and labels of this capital city, and positioned the destination as a LGBT-friendly destination focusing on recreation, culture, and inclusiveness. The background, literature review, and challenges for this case study will be discussed.

Background of Destination Richmond

The areas of Chesterfield, Hanover, Henrico and New Kent, and the city of Richmond make up the Richmond Region. RRT is a nonprofit organization that is tasked to grow the economy of the Richmond Region by attracting meetings, events, and conventions, and tourists to the region. RRT is funded by a lodging tax, the Greater Richmond Chamber, and local partners/sponsors (Visit Richmond, 2016). In 2014, total direct expenditures by domestic travelers was \$29.5 million (Virginia Tourism Corporation, 2016).

Richmond is two hours south of Washington D.C. and is within a day's drive of half of the U.S. population (Figure 1). Tourists are attracted to the city for its Civil War history (the city is known as the former capital of the Confederacy), four seasons of recreation, and museums/culture. Recently, leaders and business owners have been pursuing food, fashion, arts, and craft beers to diversify their product offerings to tourists. Additionally, music events, such as Richmond Folk Festival and sporting events, such as the NASCAR and The Washington Redskins Training Camp, complement the city's attractions.

Tourism leaders in Richmond called for a need to attract different market segments by revamping the perception of the destination to be more than just the capital of the Confederacy, which often links to an old-fashioned and conservative destination image. In search of

potential new market segments, marketing leaders of RRT became interested in the LGBT tourist. In fact, other destinations had started marketing to the LGBT tourist with great success in the past decade. For example, "Philadelphia – Get Your History Straight and Your Night-life Gay" marketing campaign generated 153 times revenue per dollar spent in the initial campaign (Greater Philadelphia Tourism Marketing Corp., 2011). Additionally, Philadelphia found that gay and lesbian visitors spent 57% more during their visits compared to other general visitors. With growing acceptance of the LGBT community and expansion of LGBT marriage in the United States, RRT thought the timing could be right to begin a campaign targeting the LGBT tourist.

Figure 1

Driving Distance to Richmond, Virginia



Note. Adapted from "Google. (n.d.). [Google Maps for Richmond, Virginia]. Retrieved March 30, 2016, from <https://www.google.com/maps/@37.7592152,-77.5756957,7z>"

A Destination Perception Problem

The leaders of RRT were aware that they faced a vast challenge in overcoming a perception problem of the destination image for LGBT travelers. For many tourists, Richmond is thought of a Southern city, with its connection to the Civil War and Reconstruction, and a city that until recently, was not perceived as being LGBT-friendly. Currently, Virginia is a state where there are no statewide protections for LGBT employees in their workplaces regarding discrimination based on gender identity or sexual orientation in private sector employment. Additionally, the state does not include sexual orientation or gender

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identity in its hate crime laws.

Attitudes toward the LGBT community in the city had changed, and the city today is more open and accepting. While the city would never be able to compete against larger, well-known LGBT destinations, such as New York City, San Francisco, or Miami, the city could position itself as a second-tier choice for regional LGBT tourists. A decision to market to the LGBT tourist is ideal for Richmond for three reasons:

- Research has shown that the LGBT tourist travels more, spends more money while traveling, and is more likely to travel to destinations that are perceived as being LGBT-friendly (Pritchard, Morgan, & Sedgely, 1998; Weekes, 1989).
- Richmond offers a variety of activities and attractions for the LGBT tourist, including more than a dozen breweries, 900 restaurants, vineyards, spas, theme parks, historical sites, and museums.
- Two “feeder” markets—Washington D.C. and northern Virginia—are nearby and could provide LGBT tourists to Richmond. For example, Washington D. C., two hours away, has the highest percentage of the LGBT population at 10% of the population of any U.S. city (Gates & Newport, 2013b).

The “Richmond is Out” Marketing Campaign

RRT initially took a cautious approach in developing the marketing campaign targeting the LGBT tourist by first laying out the groundwork for the campaign. During 2009-2010, RRT engaged in marketing research of the LGBT tourist and consulted with Community Marketing Inc., a marketing research firm based in San Francisco that specializes in LGBT travel research. A concern for RRT was to show the authentic side of the region to LGBT tourists. Thus, an advisory board made up of a group of 10 members of the LGBT community in Richmond was set up to guide RRT. The advisory board provides quarterly input to ensure RRT was not missing the mark about the vibrant LGBT community in Richmond.

In the early start of the campaign, RRT also reached out to LGBT media. Three press trips were arranged for travel writers. Instead of interacting with DMO representatives, the travel writers were encouraged to experience Richmond by connecting with the local LGBT community so they could write about Richmond in a real and authentic way. Stories were planted in LGBT media publications, such as Curve magazine, a publication devoted to the lesbian community; Passport magazine, a travel LGBT magazine; and Out magazine, a publication targeting younger, gay males.

During 2013-2014, the theme of the marketing campaign was created with help of a group of students at a local university. RRT approached Professor O’Keefe at the Brandcenter at Virginia Commonwealth University, a development center for the advertising industry, to work on developing the campaign. Student teams worked on strategy, copywriting, and design of potential campaigns and pitched their ideas to RRT in Spring 2014. The winning team’s campaign was called

“Richmond is Out,” an extension of the “coming out” process, where a LGBT individual begins telling others about his/her sexual orientation. The marketing campaign took past stereotypes of the city “head on” and proclaimed the city was “coming out.” With a media budget between \$16,000-\$18,000 (Elliott, 2014), the campaign officially began in Fall 2014. A video advertisement of the campaign said:

“of course, outsiders think they know Richmond. The capital of the Confederacy, the stuck in the past, the unwelcoming, the intolerant Richmond...it’s time for the world to see the LGBT community we’re proud to call our own, and the people that have risen up to support it. We’re saying goodbye to the closet, and you’re going to have to say goodbye to your old opinion of Richmond.”

The campaign included a micro website (<https://www.richmondinsout.com/insiders-form>), print advertisements in Atlanta, Philadelphia, and Washington D.C., online advertisements, and a presence in social media including Facebook (<https://www.facebook.com/richmondinsout>), Instagram (<https://www.instagram.com/outrva/>), Twitter (<https://twitter.com/OutRVA>), and YouTube (https://www.youtube.com/channel/UC72DJW_8X08J_7dWILUVtzg). Additionally, the micro website included profiles of Richmond’s LGBT community, called “insiders” and included photographs and interviews with locals and an opportunity to connect with individuals living in the LGBT community in the region (<http://www.richmondinsout.com/insiders/>). “Out RVA” stickers were released to create a strong welcoming identity for the city. Available at numerous locations throughout the city, the stickers were created through a grassroots effort between RRT and its LGBT advisory committee.

Results of the Campaign

The “break out” success story of the marketing campaign was featured in The New York Times (<https://www.nytimes.com/2014/09/15/business/media/richmond-va-makes-a-bold-appeal-for-lgbt-tourists.html>), and the article brought manifold extra attention to the media and public in nationwide. Overall, the campaign was considered a great success, and RRT received very little negative response with 5 million media impressions and 1.3 million advertising impressions. Additionally, Governor Terry McAuliffe, a supporter of the LGBT community, began office in January 2014. Governor McAuliffe was the first governor in the state to attend a Pride festival in September 2014 in Richmond. The Governor also created a LGBT Tourist Task Force to maximize opportunity for growth of the LGBT tourism and to provide recommendations on how to make the state more welcoming (Office of the Governor, 2014).

Case Study Dilemma: A Homogenous LGBT Market?

The “Coming Out” campaign received national attention and was considered a success. However, RRT is interested in extending these efforts by thinking about the next phase of the marketing campaign. In other words, what is the next marketing strategy to effectively reach

the LGBT community? Should RRT continue the current marketing campaign that aims to increase awareness of Richmond as a LGBT friendly destination by targeting the whole LGBT travelers' market or should RRT revise the marketing campaign to target specific sub-segments of the LGBT market by diversifying strategies for each sub-segment?

There are three environmental changes suggesting RRT may need to consider enhancing their marketing campaign efforts: (a) the public's increased tolerance and acceptance of the LGBT community has promoted a greater visibility of LGBT travelers; (b) legislation to support LGBT rights (e.g., marriage equality laws and anti-discrimination protections) has expanded to a wide range of states, and corporations have incorporated them in their human resources practices; and (c) changing demographic trends within the LGBT community (e.g., LGBT families with children and increased visibility of transgender travelers) have advanced the notion that LGBT travelers could be viewed as a diversified market with multiple segments of the modern LGBT tourist. If the LGBT market is considered to have different sub-segments, more refined marketing strategies should follow to cater to the needs and wants of each sub-segment. This approach contrasts with the current marketing campaign assuming a marketing strategy with a one-size-fits-all approach. However, selecting right sub-segment(s) and creating tailored marketing strategies may require extensive research. Consequently, this selective approach may alienate other segments of the LGBT market and may result in a decreased number of LGBT visitors.

Literature Review

LGBT Market

Researchers have estimated approximately 3.5 percent of the total U.S. population identify themselves as LGBT (Gates & Newport, 2013a), and the number is likely to increase due to growing LGBT visibility efforts including same-sex marriage expansion, LGBT right movements (e.g., www.hrc.org), and public attitude changes. The LGBT market accounts for five percent of total domestic travelers, yet 10 percent of total spending on domestic travel (AH&LA, 2011). Apparently, the growing LGBT travelers demand the expansion of LGBT leisure and travel related spaces and services.

The LGBT market has been generally described to be well-educated with higher disposable income (Oakenfull, McCarthy, & Greenlee, 2008; Um, 2012). The household income of the typical married/partnered gay man is \$13,400 more than the straight married/partnered counterpart (Experian, 2013). Furthermore, gay and lesbian couples have often been identified as "DINK" which stands for double-income-no-kids, and this identification points toward that they have more disposable income for leisure (Lindström, 2005). Researchers also note that the gay and lesbian market travels more (Prichard et al., 1998; Weekes, 1989) and spends more while traveling (Harris Interactive, 2006).

LGBT Tourism

As the development of LGBT travel market has closely connected to social and political changes and advancement, LGBT tourism literature evolved accordingly. The discussion on the societal changes in relation to LGBT tourism is beyond the scope of this case; yet Vorobjovas-Pinta and Hardy (2015) offers an excellent discussion on the historical background. Efforts to understand LGBT tourism naturally led researchers to understand reasons for traveling.

Literature suggests that gay men travel in search of their identity to meet and socialize with other gay men and escape from social restrictions (Holcomb & Luongo, 1996; Monterrubio et al., 2007). Clift and Forrest (1999) identified three motivations of gay travelers: gay social life/sexual encounters, culture and sights, and comfort and relaxation. Additional studies have found motivation factors including the desire to engage in social interactions and self-exploration, self-fulfillment, and escapism from daily routines (Hughes, 2005). In the review of gay travel research, Vorobjovas-Pinta and Hardy (2015) summarize that two major motivations for gay travelers are the need of freedom and a sense of belonging.

According to Hughes (2002), gay travelers choose a travel destination based on "push" factors (i.e., disapproval, desire to relate to others and be oneself) and "pull" factors (i.e., gay space, tolerance). Traditionally, gay destinations in the United States are urban centers with gay neighborhoods such as New York (especially Greenwich Village and Chelsea), San Francisco (the Castro) and sun-and-beach destinations with gay resort reputations such as Miami-South Beach and Key West in Florida (Holcomb & Luongo, 1996; Ivy, 2001). Lesser known destinations, such as Austin, Texas and Seattle, Washington, also attract LGBT visitors through established LGBT friendly reputations. However, a recent trend from CMI indicates while major cities including Chicago, Los Angeles, and Washington D.C. continue to be among the most popular LGBT destinations, medium-size cities like St. Louis (MO), Rochester (NY), and St. Petersburg (FL) are emerging as regional destinations (Rosenbloom, 2014).

Along with the growth of this market segment, LGBT festivals and events have become key motivators for LGBT tourists to travel. Pride events, for instance, are considered to be 'parties with politics' (Browne, 2007; Kates, & Belk, 2001, Waitt & Stapel, 2011) and have roots in demonstrations and rioting following a police raid of Stonewall Inn, a gay bar located in New York City in 1969. Currently, numerous gay and lesbian art and documentary film festivals are celebrated (e.g., New York, Boston, Chicago, and Miami). These events have become more public and larger in scale and also have become increasingly popular amongst non-LGBT tourists (Johnston, 2007; Smith & Forest, 2006). Similarly, LGBT sports are also key motivators for LGBT tourists to travel. Mega LGBT sports events, such as Gay Games and Outgames, continue to draw LGBT athletes spectators and sponsors. (LGBT events are significant to the tourism industry because they are important pull

factors for both LGBT and non-LGBT tourists (e.g., Markwell, 2002; Pitts, 1997) and can encourage the development of new destinations and rejuvenate mature destinations by bringing tourists to the destination and surrounding areas during the event (Osti, Disegna, & Brida, 2012).

As recent literature points out, the existent LGBT tourism literature has failed to adapt to altering reflections of current realities in society and predominantly focused on gay men travelers (Browne & Bakshi, 2011; Vorobjovas-Pinta & Hardy, 2015). The term 'gay' sometimes includes homosexual women and even generally refers to the 'LGBT,' and the LGBT market is facilely perceived as one cohesive group in the media and academic studies. As a result, the findings and implications of gay men's research are assumed to apply to the whole LGBT group. For example, the implications pertaining to sexual motivations for gay travel within the existing literature are unlikely to be reflective of the travel motivations of lesbians or LGBT families (Vorobjovas-Pinta & Hardy, 2015). However, gay men, lesbians, bisexuals, and transgender tourists may have profoundly different needs and preferences in travelling and destination choices. Thus, there is a need to better examine current trends in LGBT tourism.

Current Trends in LGBT Tourists Market

This section presents current trends in LGBT tourists market via sub-group categorizations that could be used by RRT to segment the LGBT community: demographic differences by age and gender, LGBT weddings, and LGBT families.

Gender/Sexual Orientation and Generation Differences

Motivational factors and travel behavior differences by gender/sexual orientation and generation exist within the LGBT community. For example, younger gay men may not find the need to spend time in a specific physical gay space, such as a gay bar, in order to meet others (Visser, 2014). Table 1 states spending priority differences by gender (gay and bisexual men vs. lesbians and bisexual women) and age groups (Millennials vs. Gen X vs. Boomers).

In addition to spending priority, differences exist between participation in LGBT activities while on vacation by gender and age groups (Table 2). For example, 66% of gay and bisexual men stated that had visited a gay/lesbian bar when on vacation in a different city compared to only 38% lesbian/bisexual women.

LGBT Weddings

LGBT marriage became legal in Virginia in October 2014, and in June 2015, the U.S. Supreme Court ruled in favor of a constitutional right for same-sex marriage. The Williams Institute at UCLA estimates that LGBT weddings will be worth about \$2.5 billion from 2015 – 2018. Additionally, states are expected to see \$47.7 million in tax revenue and 2,069 – 6,210 jobs created. Richmond is already marketed as a wedding destination, and marketing the destination as a LGBT wedding destination could be a logical extension. In April 2016, Richmond hosted the state's first gay and lesbian wedding show, featuring 60 wedding vendors.

Table 1

Spending Priority Differences by Gender and Generation

When you travel to a city or destination, what are your spending priorities? Please mark all that apply. % High Spending Priority	Gender		Generation		
	Gay & Bisexual Men	Lesbians & Bisexual Women	Millennials	Gen X	Boomers
Dining out/Restaurants	58%	58%	64%	59%	56%
Quality hotel	37%	33%	30%	37%	38%
Museums	29%	33%	29%	25%	35%
Popular local tourist activities (such as boat rides, zip lines, theme parks)	27%	28%	29%	32%	26%
Nightlife/Bars	25%	10%	29%	20%	11%
Show tickets	23%	19%	18%	20%	22%
City tours or day trip tours in region	23%	24%	18%	22%	28%
Spa experiences/Massage/Treatments	7%	7%	5%	9%	7%
Gaming/Casinos	5%	5%	3%	4%	5%

Note. Adapted from "CMI's 20th Annual Survey on LGBT Tourism & Hospitality: U.S. Overview Report," by Community Marketing & Insights, 2015, p. 22. Copyright 2015 by Community Marketing & Insights.

Table 2

Participation in LGBT Activities while on Vacation by Gender and Generation

In the past 12 months, have you participated in any of these LGBT-specific activities while on vacation in a different city than you live? Please mark all that apply. When on vacation in a different city, I have...	Gender		Generation		
	Gay & Bisexual Men	Lesbians & Bisexual Women	Millennials	Gen X	Boomers
Went to a gay/lesbian bar	66%	38%	60%	56%	46%
Went to an LGBT neighborhood	61%	39%	56%	53%	46%
Went to a restaurant in the LGBT neighborhood	61%	37%	49%	51%	48%
Went to a gay/lesbian nightclub	47%	22%	48%	39%	28%
Purchased clothes or other retail items in the LGBT neighborhood	35%	18%	31%	22%	19%
Used a dating website or mobile app to meet others	31%	4%	29%	20%	13%
Attended an LGBT pride event	25%	19%	28%	19%	18%
Attended an LGBT party event other than pride	24%	17%	22%	30%	28%
Spent a night in an LGBT-dedicated hotel or guesthouse	20%	7%	10%	8%	8%
Visited the local LGBT community center	10%	9%	8%	8%	11%
Attended an LGBT fundraising gala costing \$100 or more	7%	4%	8%	14%	16%
Attended an LGBT conference	7%	9%	4%	6%	7%

Note. Adapted from “CMI’s 20th Annual Survey on LGBT Tourism & Hospitality: U.S. Overview Report,” by Community Marketing & Insights, 2015, p. 23. Copyright 2015 by Community Marketing & Insights.

LGBT Families

According to the Williams Institute, it is estimated that 37% of LGBT adults have had a child at some time in their lives, and 3 million LGBT Americans have had a child (Gates, 2013). Additionally, more than 125,000 same-sex couple households include nearly 220,000 children under the age of 18. LGBT households with children is highest in the South, Mountain West, and Midwest parts of the United States (Gates, 2013). According to CMI (2015), the majority of LGBT parents are motivated by child-friendly destinations and child-friendly hotels (68%) over LGBT-friendly destinations (32%).

Although multi-generational travel is increasingly becoming common with heterosexual families, LGBT persons are increasingly becoming grandparents who travel with grandchildren. A survey by CMI (2015) found 56% of LGBT parents that had a child over the age of 18 also had children, making LGBT grandparents a more visible segment. Furthermore, 28% of those surveyed indicated going on a vacation with their grandchildren in the past year.

Discussion

The major questions in this case study are:

- Should RRT continue to market to the entire LGBT community with similar needs, wants, and motivation factors?
- What are the motivational factors for the LGBT tourist to visit a

destination?

- What are the advantages and disadvantages for marketing to the LGBT community?
- If RRT segments the LGBT community into diverse segments, each with differing needs, wants, and motivation factors, how should they do this?
- What marketing research would be needed to examine each of the segments?

Activity

As one of the DMO managers at RRT, you have been asked to submit a marketing proposal for sub-segment(s) within the LGBT market that RRT should focus as a next step. In the proposal, identify the target sub-niche segment(s), include an evaluation of those segments, and make specific recommendations with respect to the following questions:

Marketing Strategy Analysis

The “Richmond is Out” marketing campaign has been successful to overcome RRT destination stereotypes and increase destination awareness among LGBT travelers. Evaluate the RRT’s current marketing campaign by applying a Strengths/Weakness/Opportunities/Threats analysis.

Market Potential

- Based on the information provided, is the LGBT market attractive

- enough to justify an extended marketing campaign for RRT?
- Should the LGBT community be segmented into diverse segments with differing product needs and wants or can the LGBT community be marketed homogeneously?
- Which sub-segment market(s) could be attracted to Richmond? Which sub-segment market(s) are likely to repeat their visits? What specific products/services would a sub-segment market(s) need?
- Besides increased visitation and overnight stays, are there any other benefits to marketing to the LGBT community?

Stakeholder Involvement

- Who are the private and public stakeholders that would need to be involved if RRT segments the LGBT community?
- Are there any LGBT education and training programs a DMO would have to employ in order to educate/train the local community and/or businesses about the LGBT community?

Marketing Research

- Is there any additional marketing research that would be needed in understanding these market sub-segments?
- How could RRT evaluate the attractiveness of each potential sub-segment?

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teaching note

Richmond, Virginia is Out: A DMO case study of LGBT marketing

Case Study Summary

In this case study, a bold marketing strategy by a Destination Management Organization (DMO) to attract the lesbian/gay/bisexual/transgender (LGBT) market segment is highlighted. Specifically, this case study illustrates how Richmond Region Tourism (RRT), the city's DMO, positioned themselves as a LGBT-friendly destination. RRT accomplished strong results by overcoming antiquated stereotypes of the city, stemmed from outdated typecasts and labels of this capital city.

Now that RRT has successfully implemented the marketing initiative, its leaders are wondering what the next step is to maintain LGBT tourists continue visiting and encourage repeat visitation to Richmond. Suppliers of LGBT tourism have failed to adapt to altering reflections of current realities in society and predominantly focused on treating the LGBT community as homogenous, as reflected in marketing campaigns for a "one-size fits all" approach. The case study provides a literature review including motivational factors of the LGBT tourist and destination choices. The case study provides students with background information and characteristics of potential sub-segments of LGBT tourist segments.

Learning Objectives

The aim of this case study is to examine how RRT managers should continue to market to the LGBT community. First, students need to discuss the question, "Should the LGBT community continue to be treated as a homogenous market segment, with LGBT tourist sharing similar motivations, needs, and wants" or "should the LGBT community be treated as a diverse community with differing sub-segments, each requiring products/services and marketing." Second, students need to address which sub-segment(s) of the LGBT community RRT should market. Students can utilize this case study to identify factors of sub-segments of the LGBT community, develop a plan that targets sub-segment(s), and evaluate each market segment for attractiveness.

Utilizing Bloom's Taxonomy (Bloom, Engelhart, Furst, Hill, & Krathwohl, 1956), the following objectives have been created for this case study. The learning outcomes (LO) of this case study are to develop knowledge/skills to enable students to:

LO1. Critically evaluate and reflect upon specific marketing decisions and marketing strategies in relation to the dynamic nature of the environment in which marketing decisions are made and assess the implications for marketing strategy determination and implementation.

LO2. Apply marketing concepts and techniques to assess market opportunities and develop creative solutions to destination marketing problems.

LO3. Critically analyze, discuss, and evaluate the literature on LGBT tourism in relation to destination marketing.

LO4. Demonstrate secondary research skills to collect, collate, and integrate scholarly works on applied marketing topics.

LO5. Use oral and written skills to demonstrate their understanding of this case study and to create a coherent and rigorous argument in analysis and solutions.

LO6. Construct an awareness of the LGBT community, an under-represented and diverse community.

Target Audience

The case study is designed for undergraduate students in a hospitality, tourism, or events management program studying destination marketing. Since this case study involves higher level of thinking in terms of identifying marketing segmentation attractiveness for a DMO, it is recommended that this case be used in upper level classes. Additionally, this case study would be appropriate for an undergraduate marketing business class. Since many universities and colleges have a diversity requirement, this case study could be used in a class about diversity as the case study's content is about the LGBT community, an underserved and increasingly visible minority segment. For industry, this case study would be appropriate for destination marketers and managers responsible for identifying new tourist sub-segments.

Teaching Approach and Strategy

It is recommended that three 50-minute class periods (or two 75-minute class periods) be devoted to this case study. For this case study, there are eight elements of the teaching approach and strategy: pre-readings, pretest, class instruction/lecture, group assignment, group assignment report out, class discussion, posttest, and self-reflection. Table 1 provides the outline of the case study including instructions, sources, time devoted to each activity, and the learning outcome affiliated with the activity.

Table 1

Case Study Teaching Approach

Activity	Instructions	Source	Time Devoted	Learning Objective (LO)
1. Pre-Reading	Before the start of the case study module, assign students the following article as well as this case study to provide students with a brief background of RRT.	1. Elliott, S. (2014). Richmond, VA., makes a bold appeal for L.G.B. T. Tourists. New York Times. Retrieved from: https://www.nytimes.com/2014/09/15/business/media/richmond-va-makes-a-bold-appeal-for-lgbt-tourists.html?_r=0 2. Case Study: Richmond Virginia is Out: A DMO Case Study of LGBT Marketing	Pre-Reading before class	LO1, LO6
2. Pretest	On the first day of the case study, give students a pretest to measure and benchmark their current understanding of market segmentation and this case study.	Pretest (Appendix A)	15 minutes	LO1, LO2, LO3
3. Class Instruction/ Lecture	Instructor engages in class facilitation and lecture.	Class Facilitation/Instruction based on Class Instructions: LGBT Terminology (Appendix B), Market Segmentation & Positioning, RRT Problem, LGBT Sub-Segments	40 minutes	LO1, LO2, LO3, LO6
4. Group Assignment	Teams will be divided into teams to complete assignment.	Group Assignment (Appendix C)	Out of Class	LO1, LO2, LO3, LO4, LO6
5. Group Assignment Report Out	Teams will briefly present their group assignment.	In Class	30 minutes	LO5
6. Discussion Questions	Instructor will engage with discussion questions and answers.	Discussion Questions	20 minutes	LO1, LO2, LO3, LO5, LO6
7. Posttest	Posttest will be used to measure and benchmark students' understanding of case.	Posttest (Appendix D)	15 minutes	LO1, LO2, LO3
8. Self-Reflection	Students will reflect on their understanding of the material.	Self-Reflection Assignment (Appendix E)	Out of Class	LO6

Table 2

Segmentation Variables

Segmentation Variable	Segmentation Dimensions	Example
Geographic	Tourist Location (country, state, city, neighborhood)	Tourists that live in Washington, D.C., two hours from Richmond.
Demographic	Age, Gender, Sexual orientation ¹ , Gender identity ² , Occupation, Family status, Household income	LGBT families who are middle-class
Psychographic	Lifestyle, Attitudes, Beliefs	LGBT tourists who prefer to travel to unique destination
Behavioral	Rates of usage, Benefits sought from destination, Readiness to visit the destination	Repeat tourists vs. first-time tourists

Class Instruction/Lecture

First Class Session

1. Start the class by having students complete the pretest (Appendix A) (15 minutes).
2. Review the background of LGBT tourism, LGBT terminology (Appendix B), LGBT motivation factors for traveling, market segmentation and positioning, and sub-segments (40 minutes).

Market Segmentation & Positioning

Market segmentation is often used by DMOs to divide a large market into subsets of tourists that have similar needs, wants, interests, and priorities. The four main segmentation variables are: geographic, demographic, psychographic, and behavioral characteristics (see Table 2). Once a market has been divided into different subsets, unique advertising and communication, as well as differentiated tourism products and services can be developed for the specific market.

Once a destination marketer has segmented the market, the destination marketer needs to evaluate if each segment is effective. Marketers can do this in a combination of four distinct manners:

- A. Substantial – the market needs to be large enough and financially attracted enough in order to warrant success.
- B. Measureable – the market segment must be able to be counted in terms of current and potential size and potential spending.
- C. Accessible – the market must be reachable through traditional and new marketing channels.
- D. Actionable – the destination and marketing communications for a segment need to be appealing in order to attract the segment; in other words, the segment needs to want to visit the destination.

¹ Sexual orientation is defined as the sex to whom one is sexually, emotionally, and romantically attracted (APA, 2011).

² Gender identity is defined as one's sense of oneself as male, female, or transgender (APA, 2011).

1. Next, lead a class discussion on the current industry problem faced by RRT.
2. Lead a discussion on the potential LGBT sub-segments discussed and the products and services the segment would want in a destination:
 - A. Gender/sexual orientation differences
 - B. Age differences (Millennials vs. Generation X vs. Boomers)
 - C. LGBT families
 - D. LGBT weddings
 - E. LGBT festivals and events
3. Divide the class up into groups of five to seven people and explain the group project (Appendix C) (10 minutes)

Second Class Session

4. Each team will have five minutes to present their findings from the group project (30 minutes)
5. Facilitate a conversation with the following discussion questions and answers (20 minutes)
6. Have students complete Posttest (Appendix D) (15 minutes)
7. Assign and explain the Reflection paper (Appendix E) (5 minutes)

Discussion Questions & Answers

1. Should RRT continue to market to the entire LGBT community with similar needs, wants, and motivation factors?
 Richmond's marketing campaign "Richmond is Out" for the LGBT market began in 2014 and is considered to be successful. However, evidence and recent trends consistently suggest that LGBT market is not homogenous but there are different sub markets with different needs, wants, and desires when seeking out a tourism destination. Similarly, recent academic literature also suggests that the LGBT travelers should not be treated as one cohesive market. As RRT continues their effort to attract the LGBT tourists, they should consider identifying sub-niche markets that match with the region. Then, RRT should refine their marketing

strategies by tailoring and highlighting tourism and hospitality products to reach those niche market(s) effectively. For example, after the legal recognition of LGBT marriage in Virginia in October 2014, Richmond hosted the state's first gay and lesbian wedding show, featuring 60 wedding vendors in April 2016.

2. What are the motivational factors for the Gay/LGBT tourist to visit a destination?

Literature suggests that gay men travel in search of their identity to meet and socialize with other gay men and escape from social restrictions (Holcomb & Luongo, 1996; Monterrubio et al., 2007). Clift and Forrest (1999) identified three motivations of gay travelers: gay social life/sexual encounters, culture and sights, and comfort and relaxation. Additional studies have found motivation factors including the desire to engage in social interactions and self-exploration, self-fulfillment, and escapism from daily routines (Hughes, 2005; Waitt & Markwell, 2006). In the review of gay travel research, Vorobjovas-Pinta and Hardy (2015) summarize that two major motivations for gay travelers are the need of freedom and a sense of belonging. Please note that LGBT tourism research has focused on gay travelers and these research findings are based on gay men and may not reflect different sub-groups within the LGBT tourist market.

3. What are the advantages and disadvantages for marketing to the LGBT community?

The LGBT market has been generally described to have higher disposable income, travels more, and spend more money while traveling compared to his/her heterosexual counterparts. Destinations that market the LGBT community are often viewed as being more progressive and accepting. Disadvantages include a potential backlash against the destination, alienation by current visitors, and political pressure faced by a DMO. RRT faced minimal backlash with their marketing efforts toward the LGBT community.

4. If RRT segments the LGBT community into diverse segments, each with differing needs, wants, and motivation factors, how should they do this?

RRT could segment the community, based on current trends in LGBT tourists' sub-segments. RRT could segment by geographic, demographic, psychographic, and behavioral differences. Differences exist by age and gender. Additionally, recent advancements have created new sub-segments, such as LGBT weddings and LGBT families.

5. What marketing research would be needed to examine each of the segments?

Additional marketing research would need to examine any sub-segments' potential size, potential visitor spending, and the sustainability of sub-segments. Marketing research can provide insight to the best way to reach the sub-segmentation

and which marketing channels would be most appropriate to reach the sub-segment.

Additional Readings & Resources

Destination Marketing Organizations

- Baker, M. J., & Cameron, E. (2008). Critical success factors in destination marketing. *Tourism and Hospitality Research*, 8(2), 79-97.
- Blain, C., Levy, W. E., & Ritchie, J. R. B. (2005). Destination branding: Insights and practices from destination management organizations. *Journal of Travel Research*, 43, 328-338.
- Destination Marketing Association International (<http://www.destinationmarketing.org/faq>).
- Gretzel, U., Yuan, Y., & Fesenmaier, D. R. (2000). Preparing for the new economy: Advertising strategies and change in destination marketing organizations. *Journal of Travel research*, 39, 146-156.
- Pike, S. (2011). *Destination Marketing Organizations*. New York: Taylor & Francis.
- Pike, S., & Page, S. (2014). Destination Marketing Organizations and destination marketing: A narrative analysis of the literature. *Tourism Management*, 41, 1-26.
- Wang, Y., & Krakover, S. (2007). Destination marketing: Competition, cooperation or cooptation? *International Journal of Contemporary Hospitality Management*, 20(2), 126-141.
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- Wang, Y., & Xiang, Z. (2007). Toward a theoretical framework of collaborative destination marketing. *Journal of Travel Research*, 24, 75-85.

Tourism Segmentation, Target Marketing, and Positioning

- Chen, J. S., & Uysal, M. (2002). Marketing positioning analysis: A hybrid approach. *Annals of Tourism*, 29(4), 987-1003.
- Cox, C., & Wray, M. (2011). Best practices marketing for regional tourism destination. *Journal of Travel & Tourism Marketing*, 28(5), 524-540.
- Dolnicar, S. (2002). A review of data-driven market segmentation in tourism. *Journal of Travel & Tourism Marketing*.
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- Pike, S. D. (2002). Destination image analysis: A review of 142 papers from 1973-2000. *Tourism Management*, 23(5), 541-549.

LGBT Tourism

- Boyd, N. W., (2011). San Francisco's Cast district: From gay liberation to tourist destination. *Journal of Tourism & Cultural Change*, 9(3), 237-248.
- Browne, K., & Bakshi, L. (2011). We are here to party? Lesbian, gay, bisexual and trans lesiurescapes beyond commercial gay scenes. *Leisure Studies*, 30(2), 179-196.
- Community Marketing & Insights. <http://www.communitymarketinginc.com/>
- Guaracino, J. (2007). *Gay and lesbian tourism: The essential guide for marketing*. Elsevier: Burlington, MA.
- Heney, P. J. (2015). Focus on LGBT travel. Retrieved from: <http://www.travelweekly.com/Travel-News/Travel-Agent-Issues/Focus-on-LGBT-travel-family-travel>.
- IGLTA. <https://www.iglta.org/>

Lifelong Adoption Statistics. Retrieved from: <http://www.lifelongadoptions.com/lgbt-adoption/lgbt-adoption-statistics>.

Out Traveler (2016). Retrieved from: www.outtraveler.com

Visser, G. (2003). Gay men, tourism, and urban space: Reflections on Africa's 'gay capital.' *Tourism Geographies*, 5(2), 168-190.

Teaching Note References

APA. (2011). Definition of terms: Sex, gender, gender identity, sexual orientation. Retrieved from: <https://www.apa.org/pi/lgbt/resources/sexuality-definitions.pdf>

Bloom, B. S. (Ed.). Engelhart, M. D., Furst, E. J., Hill, W. H., Krathwohl, D. R. (1956). *Taxonomy of Educational Objectives, Handbook I: The Cognitive Domain*. New York: David McKay Co Inc.

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Vorobjovas-Pinta, O., & Hardy, A. (2015). The evolution of gay travel research. *International Journal of Tourism Research*.

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Appendix A

Pretest

1. What are characteristics of the LGBT target market?
 2. Describe the problem/challenge facing RRT.
 3. What are the advantages in marketing to the LGBT tourist?
 4. Explain the “push-pull” motivations of LGBT tourists.
 5. Describe current trends in LGBT tourist segments.
-

Appendix B

LGBT Terminology

- **Bisexual** – a person emotionally, physically, and/or sexually attracted to males/men and females/women. This attraction does not have to be equally split between genders, and there may be a preference for one gender over others.
- **Coming Out** – may refer to the process by which one shares one’s sexuality, gender identity, or intersexed status with others (to “come out” to friends, etc.)
- **Gay** – 1. Term used in some cultural settings to represent males who are attracted to males in a romantic, erotic, and/or emotional sense. Not all men who engaged in “homosexual behavior” identify as gay, and as such this label should be used for caution. 2. Term used to refer to the LGBT community as a whole, or as an individual identity label for anyone who does not identify as heterosexual.
- **Homosexual** – a person primarily emotionally, physically, and/or sexually attracted to members of the same sex.
- **Lesbian** – term used to describe female-identified people attracted romantically, erotically, and/or emotionally to other female-identified people.
- **LGBT** – a common abbreviation for lesbian, gay, bisexual, and transgender community.
- **Sexual Orientation** – the desire for intimate emotional and/or sexual relationships with people of the same gender/sex, another gender/sex, or multiple genders/sexes.
- **Transgender** – A person who lives as a member of a gender other than that expected based on anatomical sex. Sexual orientation varies and is not dependent on gender identity.

Note. Adapted from “LGBTQI terminology,” by Green, E. R., 2014. Retrieved from: <http://www.lgbt.ucla.edu/documents/LGBTTerminology.pdf>

Appendix C

Group Project

Objective: to illustrate the principles of market segmentation and target marketing in a DMO setting.

To help you think about market segmentation and destination marketing, your team is to analyze potential sub-segments of the LGBT community for RRT and select the most appropriate sub-segment(s) for RRT.

After reviewing the case study “Richmond, Virginia is Out: A DMO case study of LGBT marketing,” spend some time thinking about which sub-segment(s) RRT should market within the LGBT community. Utilize the data presented in the case study as well as your own outside research. For example, could RRT target different groups by gender/sexual orientation, age cohort, family status or by interest (e.g. festival/events and sports events)?

For this group project:

1. Create a customer profile for your proposed sub-segment based on the geographic, demographic, psychographic, and behavioral variables.
2. Find a picture to illustrate your sub-segment.
3. Create an advertisement aimed at your target.

Additionally, be prepared to answer the following questions:

1. Describe the product/service offerings that would be needed to target your selected sub-segment.
 2. Is this sub-segment substantial, measureable, accessible, and actionable?
 3. State the aim/theme, marketing channels that would be needed to reach this sub-segment.
 4. Could the product/service offerings help RVA capture both LGBT sub-segment and non-LGBT travelers? Develop strategies for both markets.
-

Appendix D

Posttest Questions

5. Define the following terms: (1 point a piece)
 - a. segmentation
 - b. target market
 - c. geographic segmentation
 - d. demographic segmentation
 - e. psychographic segmentation
 - f. behavioral segmentation
6. Discuss the motivational factors of the LGBT tourist. (3 points)
7. What challenges does a DMO face when segmenting a target? (3 points)
8. What are three reasons why the LGBT tourist is attractive for DMOs? (3 points)

Appendix E

Self-Reflection Assignment

During the past few classes, we have discussed the case study, "Virginia, Richmond is Out: A DMO Case Study of LGBT Marketing." This self-reflection assignment will assess your thoughts and views on this case study. Utilize the following questions as a catalyst for your reflection:

1. Destination manager need to be constantly monitoring the external market to be aware of new trends, etc. How can destination managers do this effectively and efficiently?
2. How should a destination approach the LGBT market? Should a destination treat the LGBT market as homogeneous or with different subgroups?
3. What surprised you the most about this case study?
4. What additional tools, market research, or support would you need to continue these efforts in researching potential segments?

Your reflection should be a minimal of 500 words, which is about one-page. Please utilize Microsoft Word, Times New Roman, font size 12, and single spacing.