

# **DMO HANDBOOK**

version  
February 9, 2022

Effective for FY23 plans

Submit questions or suggestions to  
Alicia Harvey (TAC) and Racene Friede (DMO).

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February 9, 2022

*Montana Tourism Partners,*

*On behalf of the Montana Governor's Tourism Advisory Council, I'm pleased to introduce the DMO Handbook, a guide for Convention & Visitor Bureaus and Regional Tourism Organizations utilizing bed tax funding to enhance Montana's visitor economy and fortify tourism's contribution to Montanans' quality of life.*

*This guide was developed to assist Montana DMOs as they interpret the FY23 Regulations & Procedures for use of bed tax funding and develop a DMO Plan that best serves the unique needs of Montana's diverse visitor destinations. Some Montana DMOs will continue marketing-focused work, using promotions to build awareness and become a competitive destination that attracts more visitors. In destinations where visitation is strong and consistent, DMOs may look at opportunities to enhance visitor experience and increase visitor spending. In places where visitation puts pressure on a community or area, DMOs can look to develop mechanisms for diversification and sustainability. While most Montana DMOs will land in just one of these categories, some may engage several or all of them. Ultimately, the ability to utilize bed tax funds to support a comprehensive strategic vision can help Montana's tourism partners more effectively develop tourism in their areas, see productive returns on destination marketing, enlist their communities in stewardship efforts and pursue solutions for sustainable tourism.*

*Your first task is to determine the best strategic approach based on the needs of your destination and the resources available for follow through. Successful DMOs make data- and research-driven decisions that inform a long-term strategy, even when budgets are limited. This includes understanding and leveraging your destination or community stakeholders and embracing both traditional and leading-edge tools and industry trends.*

*A great deal of knowledge, resources and experience exists among Montana's tourism partners. Decades of collaboration has made Montana a leader in tourism promotion, and as the landscape of tourism changes both at home and across the globe, continued collaboration will position Montana as an innovator in destination management alongside rapidly evolving economic prospects.*

*The FY23 Regulations & Procedures simplify the process for using bed tax funding for promotions or management tactics. With an emphasis on simpler articulation of strategy through narrative, more focused goals and objectives, streamlined budgets, and purposeful evaluation, the new plan format should help you spend less time explaining and more time executing your vision.*

*This handbook is a living document that will adapt, as needed, to be a robust guide for creating your DMO Plan. You will periodically be notified of any significant changes or updates, and we welcome your feedback in the process of refining this tool. Thank you for your service to Montana's tourism economy, communities and the place we call home.*

*Onward,  
Rachel Gregg  
Chair, Montana Tourism Advisory Council*

## REGULATIONS & PROCEDURES (R&P) FY23 UPDATE OVERVIEW

- Marketing Plans are now called **DMO (Destination Marketing/Management Organization) Plans**. The plan must include a detailed narrative that lays out the overall strategy, goals, and objectives for destination management **or** marketing (or both), research that supports the overall narrative plan, and a budget chart that shows the methods for achieving the narrative objectives.
- Instead of requiring research for each marketing method, **research is now required only to support the narrative plan** (cite substantive research and data that informs their overall strategy, goals, and objectives for marketing and/or managing their destination).
- While hard-and-fast requirements and legal boundaries for the use of bed tax for DMO work will remain in the Regulations & Procedures document, examples, suggestions, and general guidelines for preparing a marketing or management plan will now be part of this **DMO Handbook** that will live on the Department website. This will allow us to keep vital DMO resources up to date in real-time instead of waiting to open the R&P for review. Plus, it helps remove grey areas in the R&P that were problematic or confusing, leading auditors to assume that suggestions were requirements.
- You can find most changes in Sections 3, 5, 6, and 7 with 12 being new.
- The old Appendix A and B have been mainly relocated to the DMO Handbook or relevant sections of the R&P document.
- The old appendix C has been updated and is now named Appendix.

## DEFINITIONS

**DMO = The following are some descriptions the various roles destination organizations play.** It is up to each organization's leadership and board of directors as what that role is. It can be a combination of the following DMO strategies but must include one or more.

- **A Destination Marketing Organization (DMO)** is a non-profit entity charged with marketing and providing visitor services locally. Destination marketing organizations or convention and visitor's bureau (CVB) is an organization that promotes a town, city, region, or country in order to increase the number of visitors. It promotes the development and marketing of a destination, focusing on convention sales, tourism marketing, and services. Destination marketing organizations are often called travel, convention, visitors, or tourism bureaus; welcome centers; information centers and more. Regardless of the name, these organizations offer many services to the traveling public.

- **Destination marketing** is a type of marketing that promotes a destination (town, city, region, country) with a purpose to increase the number of visitors. In other words, destination marketing is tourism advertising for a specific location. Unlike product marketing, where the products are delivered to customers through distribution channels, in destination marketing visitors travel to the destinations. ***MOST SMALL ORGANIZATIONS WITH LIMITED BUDGETS FIT THIS CATEGORY.***
- **Destination management** consists of the coordinated management of all the elements that make up a tourism destination. Destination management takes a strategic approach to link-up these sometimes very separate elements for the better management of the destination. Joined up management can help to avoid overlapping functions and duplication of effort with regards to promotion, visitor services, training, business support and identify any management gaps that are not being addressed. Destination management calls for a coalition of many organizations and interests working towards a common goal, ultimately being the assurance of the competitiveness and sustainability of the tourism destination. The Destination Management Organization's (DMO) role should be to lead and coordinate activities under a coherent strategy in pursuit of this common goal. Though DMOs have typically undertaken marketing activities, their responsibility is becoming far broader, to become a strategic leader in destination development. ***LARGER ORGANIZATIONS WITH ADEQUATE FUNDS AND BROAD COMMUNITY ENGAGEMENT MAY USE THIS CATEGORY. IT CAN BE BLENDED WITH MARKETING. LIKELY TO USE PRODUCT DEVELOPMENT METHOD.***
- **Destination development** is any activity that increases and improves the quality of a visitor's destination. To make tourism a vibrant, healthy, and manageable component of the local economy, communities need to craft and implement tourism management strategies that are local, authentic, and desirable. From large to small and rural to resort, every community can benefit from destination development. Destination development improves the visitor experience, leading to increased spending and tax revenues; diversifies and strengthens urban and suburban economies; enhances the recreation and support service infrastructure in emerging, rural tourism destinations; increases support services, capacity and visitor season for developed gateway communities. ***APPROPRIATE FOR ORGANIZATIONS UNDERGOING SOPHISTICATED STRATEGIC PLANNING. LIKELY TO USE PRODUCT DEVELOPMENT METHOD.***
- **Destination stewardship** is defined by the Global Sustainable Tourism Council as "a process by which local communities, governmental agencies, NGOs, and

the tourism industry take a multi-stakeholder approach to maintaining the cultural, environmental, economic, and aesthetic integrity of their country, region, or town.” It is about protecting the very qualities that make a place first and foremost a wonderful place to live, with the added benefit of being a wonderful place to visit. ***SOMETIMES GROUPED WITH SUSTAINABLE TOURISM EFFORTS. LIKELY TO USE PRODUCT DEVELOPMENT METHOD.***

**Sections** = refers to the respective sections of the Regulations & Procedures document

**TAC or The Council** = Tourism Advisory Council

**The Department** = the office within the department of commerce overseeing Lodging Tax/ Brand MT

## **DMO REGULATIONS & PROCEDURES REFERENCE**

Prior to the release of any funds, organizations shall receive Council approval, on an annual basis of 1) a narrative DMO plan including overall strategies, goals, objectives, metrics for success, and supporting research, 2) Objectives chart with measurable metrics and evaluation, and 3) Budget chart with methods utilized. (Section 5)

Funds cannot be expended without prior approval from the Council or approval from the Marketing Committee on behalf of the full Council.

NOTE Council review and consideration (Section 6)

### **Required Documents**

These documents must be signed by the authorized representatives and submitted with the annual DMO Plan.

1. A copy of the motion approving the DMO plan passed by the current Board of Directors. This must arrive at The Department prior to completion of online application.
2. Applicant’s Certificate of Compliance (checklist of legal requirements signed by the authorized representative)
3. Current by-laws of the organization

Required Documents should be attached to the ‘Required Documents’ component in online application.

Once approved by TAC, an annual contract with The Department must be signed prior to any funds being spent.

## **Calendar**

Link to current presentations by The Department:

<https://marketmt.com/Programs/Industry-Services-and-Outreach/Resources-for-Tourism-Partners>

### **DMO Plan Timeline** (dates are approximate)

- February – DMO receives projected revenue collections amount from The Department. The estimate is used for plan budgeting. The amount is based previous calendar year collections.
- February through the end of April the DMO creates the annual plan, receives proper approvals and submits required documents.
- First week of May – DMO plans are due to The Department using online application.
- Mid-May – the DMO receives comments from the TAC for requested changes/updates to the plan. The DMO is given approximately one week to make and submit revisions.
- Last week of May – the DMO plans are reviewed via zoom (or similar format) for recommended approval to the full Council or sent back to the DMO for recommended revisions by the Committee.
- First week of June – the revised DMO plans are reviewed for recommended approval by the full Council during the June TAC meeting
- Second Monday and Tuesday in June – the full TAC meets to review and approve the annual DMO Plan. Each DMO will present their plan to Council for consideration.
- July through following June – once plan is approved, budget increases and addition of new methods can be approved by the Marketing Committee
- December 1 following fiscal year end – evaluation reporting is due to The Department

### **Lodging Facility Use Tax funds may be spent for Eligible DMO expenses**

- Eligible Expenditures – Section 5.5.1
- Ineligible Expenditures – Section 5.5.2
- Allowable Administrative Expenses – Section 5.5.3
  - Maximum of 20% of new revenue is allowed for administrative expenses
  - Management of staying within the 20% is the responsibility of the organization
- Allowable VIC Expenditures – Section 5.5.4.

**See R&P Appendix regarding the 15 Allowable Methods. Further detail provided in the “The 15 Methods” part of this document.**

### **DMO Plan Evaluations – submit to The Department by December 1 following the fiscal-year end**

The following items are required in the evaluation report:

1. Narrative summary of the tactics and projects carried out to achieve your goals. **Did you meet your goals?**

2. Actual metric alongside the target metric for each objective. **Did you meet your objective? Provide a brief explanation of the results.**
3. Updated **budget comparing approved budget amounts to actual expenditures** for each method.

**NOTE Council review and consideration (Section 6)**

## ANNUAL PLAN CREATION

Prior to submitting the DMO Plan, a copy of the motion approving the DMO plan passed by the current Board of Directors must be submitted to The Department.

Use the online application to complete your DMO plan narrative, budget chart and evaluation information, addressing the following topics and questions. The following screenshots show the actual online WebGrants application.

Plans may be viewed (not edited) by visiting:

<https://funding.mt.gov>

User name: marketingplan

Password: marketingplan1

### MY APPLICATIONS SUMMARY PAGE

Application Forms	
Form Name	
<a href="#">General Information</a>	
<a href="#">DMO Plan Narrative</a>	
<a href="#">Objectives and Metrics</a>	
<a href="#">DMO Budget</a>	
<a href="#">Narrative Evaluation</a>	
<a href="#">Reg/CVB Required Documents</a>	

## NARRATIVE

DMO Plan Narrative	<a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>
<p><b>1. Describe Your Destination</b></p> <p><i>Describe your destination (who you are, who you wish to attract and why they would come) addressing your strengths, opportunities, and potential challenges.</i></p> <p>i'll type by info - test box</p> <p><b>2. Align with Montana Brand</b></p> <p><i>Briefly describe how your destination aligns with the Montana Brand.</i></p> <p><b>3. What is the strategic role of your DMO?</b></p> <p><i>Select all that apply: Destination Marketing, Destination Management, Destination Stewardship, Destination Development).</i></p> <p style="text-align: center;">Destination Marketing</p> <p><b>Based on the strategic role you serve, provide the following information.</b></p> <p><i>3a. Define your audience(s) (demographic, geographic, and psycho-graphic).</i></p> <p><i>3b. What research supports your DMO strategy?</i></p> <p><i>3c. What are your emerging markets?</i></p> <p><b>4. Define and describe your overall goals.</b></p> <p><i>A goal is an idea of the future or desired result that a person or group of people envisions, plans and commits to achieve.</i></p> <p><i>4a. Describe proposed tactics and projects as related to overall goals and controlled by the organization in its financial statements.</i></p>	

## OBJECTIVES/METRICS/EVALUATIONS SUMMARY

Objectives/Metrics/Evaluation			<a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>
Objectives	Measurable Metrics for Success	Report the Metric Achieved	Evaluation of Measurable Metrics for Success
We need to increase lodging tax collection in order to maintain CVB status.	FY23 lodging tax +5%	+ 8% achieved	Q1 was down, but Q2-3-4 increased significantly. Perhaps due to COVID refugees and increased traffic on I-94.



# OBJECTIVES/METRICS/EVALUATIONS DETAIL

## Objectives/Metrics/Evaluation

### Objectives\*

Provide a short summary of each objective stated in the narrative section.

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We need to increase lodging tax collection in order to maintain CVB status.

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### Measurable Metrics for Success\*

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FY23 lodging tax +5%

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### Report the Metric Achieved

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+ 8% achieved

Path: p Words:1

### Evaluation of Measurable Metrics for Success

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Q1 was down, but Q2-3-4 increased significantly. Perhaps due to COVID refugees and increased traffic on I-94.

Path: p Words:17

## BUDGET

DMO Budget		<a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>		
Allowable Methods	Amount Budgeted	% of Budget Allocated	Amount Expended	% of Budget Expended
	\$0.00	0.00	\$0.00	0.00

Last Edited By:

## NARRATIVE EVALUATION

Narrative Evaluation		<a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>		

Last Edited By:

## REQUIRED DOCUMENTS

Reg/CVB Required Documents		<a href="#">Mark as Complete</a>   <a href="#">Go to Application Forms</a>		
Description	File Name	File Size	Date Uploaded	Delete?

Last Edited By:

### Sample Plan Narrative, Objectives, and Metric Targets

Suggestions for verbiage are written below *in italics*. These are examples only. Each DMO will customize their plan narrative and metrics specific to their plan.

1. Describe your destination (who you are, who you wish to attract and why would they come) addressing your strengths, opportunities and potential challenges.

*In most cases, updating the previous year's narrative would be acceptable. DMOs are encouraged to review other DMO's plans for how they executed this section.*

2. Briefly describe how your destination aligns with the Montana brand.

*In most cases, updating the previous year's narrative would be acceptable until a new or altered brand is identified. DMOs are encouraged to review other DMO's plans for how they executed this section.*

3. What is the strategic role of your organization? (DMO strategy, select all that apply: Destination Marketing, Destination Management, Destination Stewardship, Destination Development). Based on the strategic role you serve to your destination, provide the following information:

*If you have largely defined yourself as a Destination Management organization in the past, updating the previous year's narrative strategy would be acceptable. Most smaller organizations will find themselves as Destination Marketing or unless they are adding new or altered strategic roles. DMOs are encouraged to review other DMO's plans for how they executed this section. See definitions for assistance in understanding this role.*

- a. Define your audience(s) (demographic, geographic, and psycho-graphic) as they apply to your strategic role(s). Distinguish the various segments of your audience. These are segments from the previous Rules and Procedures Appendix B and now apply to the narrative.
  - i. **Consumer:** *Messaging that is direct to the traveler. Often referred to as FIT (Fully Independent Traveler)*
  - ii. **Earned Media/Publicity** *(combined with Tourism Sales in methods): Earned media (or free media) refers to publicity gained through promotional efforts other than advertising (paid media) or branding (owned media). It is typically generated by an outside entity such as customers, journalists or influencers.*
  - iii. **Groups** *(or, Tourism Sales, combined with Earned Media in methods): Meetings, conventions, weddings, reunions, etc. The target may be the meeting planner or the attendees of the group function.*
  - iv. **Events:** *Includes musical, cultural, sporting, special interest gatherings intended to draw attendance from outside the immediate community or region.*
  - v. **Film:** *Collaborative efforts to attract inclusion in film and television productions with the intent to portray the location positively.*
  - vi. **(new) Tourism Industry Partners:** *Those entities that collaborate on Destination Stewardship, Development or Management. Appropriate when Product Development method is utilized.*
  
- b. What research supports your DMO strategy? Please list as many as needed to support your strategy(s).  
*Describe and provide relevant links. This no longer is specific to methods, but rather supporting the overall strategy, goals and objectives. See Research resources later in this document.*
  
- c. What are your emerging markets?  
*In most cases, updating the previous year's narrative would be acceptable until a new or altered emerging market(s) is identified. DMOs are encouraged to review other DMO's plans for how they executed this section.*

4. Define and describe your overall goals. A goal is an idea of the future or desired result that a person or group of people envisions, plans and commits to achieve. Examples included but are not limited to the following:

1. *The DMO wants to move visitors from the busy summer season (July-August-September) to our fall and winter seasons (October – March)*
2. *Develop social media channels with brand-appropriate content and loyal followers.*

- a. Describe proposed tactics and projects as related to overall goals and controlled by the organization in its financial statements.

*GOAL 1: Targeted advertising campaigns, promoting fall/winter events, highlighting unique Holiday activities through social media and OOH advertising (billboards and building takeover targeted to in-state urban drive markets.)*

*GOAL 2: Utilize the community college communications department to produce content. Dedicate funding to acquiring photos/videos. Work with Brand MT when FAMs are in the area.*

**Define and describe your overall objectives in the chart.** Objectives are formed from your goals. They are logical, attainable steps to achieve the goals and are able to be measured. Include the metric(s) you will use to measure the success of your objectives.

**USE APPROXIMATELY 3-5 MEASURABLE OBJECTIVES**

<b>OBJECTIVES</b>	<b>Measurable Metrics for Success</b>	<b>Report the Metric Achieved</b>	<b>Evaluation of Measurable Metrics</b>
<i>Increase year-over-year lodging tax collections for DMO for the identified months of October to March 5%</i>	<i>Increase lodging tax collections for October-March 5%</i>	<i>Lodging tax collections for October – March showed an 8% increase over the same months in the prior year.</i>	<i>We exceeded our goal! The weather was ideal in our area and there were no major events going on in target cities at the same time.</i>
<i>Use Zartico to track revenue data for two of our events: Fall Brew Festival and the Christmas Village weekend. Shoot for 10% increase in revenue.</i>	<i>Zartico baseline pre-event= \$xx +10%</i>	<i>Zartico post-event=\$xx + 8%</i>	<i>Though we didn't meet our target metric, we came close and the community was pleased. Retailers did particularly well with branded merchandise.</i>

<i>Use Zartico to track visitation data for two of our events: Fall Brew Festival and the Christmas Village weekend. Shoot for 10% increase in visitation.</i>	<i>Zartico baseline pre-event= XX attendees + 10%</i>	<i>Zartico post-event= XX + 12% attendance</i>	<i>More people attended, exceeding our goal. Since revenues weren't as high, perhaps prices could be increased.</i>
<i>Instagram: increase followers overall by 7.5% each quarter</i>	<i>Increase followers overall by 7.5% each quarter</i>	<i>Quarter one +7.863% Quarter two +8.425% Quarter three +9.056% Quarter four 9.75%</i>	<i>Larger than expected increases were helped by photographer sharing and Brand MT media FAM.</i>
<i>Develop photo/video library</i>	<i>complete 20 photos, 1 video</i>	<i>completed 25 photos, 0 video</i>	<i>Photo vendors over-delivered. Videographer couldn't get schedule to work.</i>

### Budget Chart

Using the online application, submit your budget for each method proposed to achieve your Narrative Plan goals and objectives. Click "Add" - The Methods appear as drop down.

<b>ALLOWABLE METHODS</b>	<b>Amount Budgeted</b>	<b>% of Budget</b>	<b>Amount Expended</b>	<b>% of Budget Expended</b>
<b>1. Administration - 20% max</b>		enter from QB	Provided at fiscal year-end	enter from QB
<b>2. Joint Ventures</b>				
<b>3. Opportunity Marketing - 10% max</b>				

<b>4. Cooperative Marketing - 20% max</b>				
<b>5. Marketing Personnel</b>				
<b>6. Agency Services</b>				
<b>7. Marketing Resources</b>				
<b>8. Paid Media</b>				
<b>9. Earned Media / Tourism Sales</b>				
<b>10. Website Development (Online, Website, Mobile)</b>				
<b>11. Education / Outreach</b>				
<b>12. Travel / Tradeshow</b>				
<b>13. Research</b>				
<b>14. Product Development - 35% max</b>				
<b>15. Visitor Services</b>				

**Narrative Evaluation**

At the end of the fiscal year, enter a summary evaluation of the annual plan including hits and misses. This is a good opportunity to list ideas for the following year.

**BUDGET AND BOOKKEEPING GUIDELINES**

Bidding & Request for Proposal Processes Section 8

- Small Purchases – Section 8.1
  - Goods and Services \$0-\$5,000
- Limited Solicitations - Section 8.2
  - Services \$5,001-\$25,000
  - Goods \$5,001-\$50,000
- Formal Competition (RFP) – Section 8.3
  - Services over \$25,000
  - Goods over \$50,000

1. Fund Management & Fiscal Responsibilities Section 9
2. Disbursement of Funds – Section 9.1
  - a. Funds are disbursed quarterly, approximately August 25, November 25, February 25 and June 10 and are based upon the budget
  - b. A maximum of two separate payment requests per year can be made. Requests made after May 1 will be filled as resources allow
  - c. Disbursements cannot exceed collections reported by the Department of Revenue.
3. Financial Reporting – 10.3
  - a. Financial reports shall be submitted by the 20th of October, January, October and July. Three financial reports are required each quarter and created using QuickBooks (QB)
    - i. **Check Register for all bed tax funded accounts.** Open the check register, click Print – located at the top left of check register, set the date to the reporting quarter.
    - ii. **Transaction Detail Report.** Open Reports, Accountant and Taxes, Transaction Detail by Account, set the date to the reporting quarter. NOTE: you may have to customize this report if private funds and bed tax funds use the same Company in QB. Contact Barb Sanem if you have questions.
    - iii. **Budget vs Actual Report (B2A).** Open Reports, Budgets, Budget vs. Actual, choose the applicable FY, customize the date of the report to include the beginning of the fiscal year to end of reporting quarter (Jul-Sep, Jul-Dec, Jul-Mar, Jul-Jun), remove the '\$ Over Budget' column. NOTE: you may have to customize this report if private funds and bed tax funds use the same Company in QB. Contact Barb Sanem if you have questions.
4. Bed tax annual audit Section 10.6

The TAC reviews and approves audits annually. It is important for organizations to allocate all remaining funds every fiscal year to demonstrate the need and intent to utilize the Lodging Tax by the respective community/region.

The checklist for the annual audit is on the MarketMT Resource Page <https://marketmt.com/Programs/Industry-Services-and-Outreach/Resources-for-Tourism-Partners>

and needs to be submitted with the audit material. Take the extra time to ensure all required documentation is included before sending it to The Department.

- Fiscal year audits are done annually (July-December) Section 11.7
- Records needed for review during annual audit (items to have available prior to start of audit).

5. Bookkeeping Regulations Section 11  
Documentation required for each expenditure made (to be attached to each check written or debit transaction made)

CAUTION: be certain the DMO has not exceeded the 20% allowable administrative expense for new revenue sent as fiscal year end. If the amount exceeds the 20% allowance and overspend must be reimbursed back to the bed tax account prior to the annual audit. Action may be taken by the Council for non-compliance (continued overspend)

To calculate actual end of year administrative 20% allowance amount, add the total of all new revenue deposits received from The Department between July 1 and Jun 30 and multiply by 20%. This number can be confirmed with The Department Compliance Specialist.

Eligible admin expenses are not suggestions they are the ONLY allowable expenses.

## **DATA AND RESEARCH RESOURCES**

The Montana Office of Tourism (The Department) relies on data to drive Montana's tourism marketing strategy. Utilizing multiple tourism data partners, The Department works hand in hand with its agency of record to conduct and manage the analytics necessary to drive a successful tourism marketing strategy.

In the narrative section, The DMO Plan should specify the research sources that support the organization's choice of strategy, goals and objectives. Reliable research and data sources are essential to track the measurable metrics of objectives.

### **List of Research Resources**

In addition, organizations may use their own datasets, historical tracking of performance measurements, and experience as legitimate support.

Industry partners (airports, museums, State Parks, non-profit associations, outfitters, breweries, city/county parks and rec departments, etc.)

### **Cost Neutral**

[Montana Department of Commerce](#)

- [Montana Office of Tourism and Business Development \(MOTBD\)](#)
- [Tourism Spending](#)



- [Credit and Debit Card Spending Data Dashboard](#)
- [Mobile Device Location Data Dashboard](#)
- [Marketing](#)
- [Montana Lodging Facility Use Tax Collections](#)
- [Montana Lodging Facility Use Tax Description](#)
- [Census and Economic Information Center \(CEIC\) Data](#)
- [Industry Development Program \(IDP\) Data](#)
- [Industry Services and Outreach](#)
- [Montana State Parks Visitation Stats](#)
- [National Park Service Visitation Stats](#)
- [Montana Resort Tax Collections Description](#)
- [ITRR](#)
- [Voice of Montana Tourism](#)
- [Montana Lodging & Hospitality Association](#)

## Mixed Free and Fee

[Adarra](#)

[Advertising Specialty Institute](#)

[Arrivalist](#)

[AIRDNA](#)

[Altimeter](#)

[American Alliance of Museums](#)

[American Marketing Association](#)

[Bureau of Transportation Statistics](#)

[CrowdRiff](#)

[Datafy](#) (formerly SeeSource)

[Deloitte](#)

[Destination Analysts](#)

[Destinations International](#)

[Digital Marketing Depot](#)

[Elite Content Marketer](#)

[Meta for Business](#) (Tools & Analytics)  
Facebook, Instagram, Messenger,  
WhatsApp, Audience Network, Oculus,  
Workplace

[Google Marketing Platform](#) (Advertising and  
Analytics)

[Google Ad Grants for Nonprofits](#)

[Hubspot](#)

[Out of Home Advertising Association of  
America](#)

[IBISWorld](#)

[Lamar Advertising](#)

[Clear Channel Outdoor](#)

[MPA The Association of Magazine Media](#)

[Miles Partnership](#)

[National Ski Areas Association](#)

[Nsight](#)

[Olgivy](#)

[Outsell Inc.](#)

[Parse.ly](#)

[Phocuswright](#)

[ResearchGate](#)

[Rocky Mountain International](#)

[Digital Commons Network](#) (Scholarworks)

[SE Ranking](#)

[Smart Insights](#)

[Skift](#)

[Smith Travel Research](#)

[Strategic Marketing and Research](#)

[Social Media Today](#)

[Sojern](#)

[Travel Market Report](#)

[Travel Alberta](#)

[Tourism Saskatchewan](#)

[Destination BC](#)

[Travel and Tourism Research Association](#)

[Tripadvisor Analytics](#)

[U.S. Travel Association](#)

[UM](#)

[WebAIM](#)

[Verizon Small Business](#)

[Zartico](#)

# APPENDIX: THE 15 ALLOWABLE METHODS

This appears in the Rules & Procedures and some expanded examples appear below in italics.

## 1. ADMINISTRATION

Up to, but not exceeding, 20% of the organization's new annual revenue may be designated to cover administrative expenses, which are identified in section 5.5.3. New annual revenue shall be defined as any new lodging facility use tax collections that have not had administrative expenses deducted from it. The intent of the administrative budget is to cover costs incurred in the implementation of approved methods funded by the lodging facility use tax.

## 2. JOINT VENTURES

The Department offers organizations the opportunity to partner in marketing projects (joint ventures) with the Department and other lodging facility use tax funded entities. Organizations shall request approval of joint ventures budget from the council at the time of the approval of the DMO plan. Projects that are decided upon after the approval of the DMO plan shall be funded through (1) opportunity marketing, (2) as a new project, or (3) by transferring funds within the approved organization's budget into their joint venture line item.

## 3. OPPORTUNITY MARKETING

Organizations may use up to 10% of their total budget for Opportunity Marketing. These funds are then available to implement marketing methods which were unknown at the time the marketing plan was approved by the Council. Up to 50% of Opportunity funds may be committed to Convention and/or Event Subsidies. These methods should maximize the goals of the organization's marketing plan.

## 4. COOPERATIVE MARKETING

The DMO Cooperative Marketing program is designed to allow organizations to promote an area or event on a cooperative basis with a nonprofit tourism-related organization. The intent of this program is to encourage the development of new or expanded marketing projects, thereby increasing the tourism appeal of the region or city.

- Organizations may use up to 20% of their total annual budget for Cooperative projects with other nonprofit, non-lodging facility use tax funded, tourism-related organizations or associations. Lodging facility use tax funded organizations may use cooperative funds but are not required to.
- At least 50% of the costs for a Cooperative project shall be financed by the nonprofit partner. Administrative and/or operational costs are not eligible for a match. Projects shall meet all regulations/ requirements established by the Council for organizations.

- See Bookkeeping Regulations (Section 11) for invoicing and payment requirements relating to Cooperative projects.
- Cooperative partners applying for region/CVB funds shall have one of the following: an active status as a nonprofit organization with the Montana Secretary of State, are a recognized government organization.
- Region/CVB organizations may provide up to, but not more than, 50% of any one line-item within a project. Under no circumstances may the Region/CVB organization provide more than 50% of the total DMO plan budget or any line item within the project.
- Cooperative project funds are to be used solely for eligible expenses.
- Administrative expense is not eligible.
- In-kind services are not eligible to be matched.
- Cooperative projects shall have a total budget of at least \$500 or \$250 per participant.
- All regulations/rules/contracts to which Region/CVB organizations shall adhere are relevant and required for the cooperative partner.
- Cooperative partners are to present original invoices to the Region/CVB organization for payment. In the case of invoices in an amount of \$100 or less, the cooperating partner may pay the bill in full, submit an original invoice and a copy of their canceled check documenting payment to funded organization for 50% reimbursement. Postage costs may also be reimbursed in this manner.
- Cooperative projects are not to be implemented until all requirements have been met.
- All Cooperative projects are subject to an annual review for compliance.
- Region/CVB organizations may include additional regulations for eligibility to participate in their Cooperative program.

## **5. MARKETING PERSONNEL**

Personnel related to publicity, marketing, sales and community outreach (costs can include gross wages for hours worked, paid time off, and employer state and federal taxes).

- A job description including the duties of marketing personnel should be on file at the

organization.

- If an individual is compensated with lodging facility use tax funding for both the administrative position and the marketing personnel position concurrently, the following requirements apply:
  - Compensation must be made on an hourly basis for administrative duties and marketing duties.
  - At the end of each pay period, to the payroll invoice, each organization is required to:
    - Attach a payroll summary showing the breakout of hours worked on administrative tasks versus marketing tasks during the pay period.
    - Attach a marketing report which includes the days or date ranges and number of hours worked and duties performed during the pay period.

## **6. AGENCY SERVICES**

Advertising, consulting, or contract services for marketing or destination stewardship and development. If agency is paid hourly, provide detail of service provided for work period. If paid by retainer, provide list of services provided during the billing period.

## **7. MARKETING RESOURCES**

Online Support Services (Subscriptions or memberships such as Simpleview, CVENT, Meltwater, Cision, Submittable, Digital Asset Management, etc.)

### **1. PAID MEDIA**

#### **A. Multimedia**

Print advertising\_(newspaper/magazine) and related campaign components.

Montana, spelled out in its entirety, shall appear at first glance on all print advertising.

Organizations are encouraged to include locator maps in print advertising if feasible.

Film and Television Production and Promotion. Examples include but are not limited to: film location and production, film industry trade shows, film and television project development and promotion, and film inclusion sponsorship and/or subsidy.

#### **B. Out of Home (OOH)**

Billboards, airport dioramas - either traditional or electronic displays.  
May be constructed as a Cooperative project provided appropriate

documentation has been submitted to the approved DMO prior to commitment of funds. This could include contracts, permits, easements and maintenance agreements.

**C. Over the Top (OTT)**

Streaming television services

**D. Broadcast Media**

Traditional Broadcast Advertising (TV & Radio)

- When appropriate, the word Montana shall be stated on all audio tracks produced which include speaking.
- A copy of the audio/video recording shall be on file at the organization.

**E. Digital Advertising**

**Digital Content Marketing (News Feeds/Online Advertising)**

- For electronic material that does not contain “pages” (i.e. online ads, etc.), “Montana,” spelled out in its entirety, must accompany or otherwise be integrated into the Organization’s name. For example, “Big Sky, Montana” or “Montana’s Missouri River Country.”
- All electronic projects shall conform to Section 508 of the Americans with Disability Act. It is the responsibility of the sponsoring organization to ensure compliance in cooperative projects.

**F. Social Media**

- Paid placement on channels such as Facebook, YouTube, TikTok, etc.
- DMOs should track social media campaign metrics for effectiveness.

**G. Electronic Advertising (Direct Electronic Communications)**

- Electronic newsletters may contain up to 25% paid advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.
- All email marketing must adhere to state, federal and international content privacy and spam regulations. It is the responsibility of each organization to ensure compliance.

## Email Marketing Best Practices

- Clearly communicate that you are requesting an email address for the purpose of sending information about your DMO.
- Send a confirmation email to those who have given their email addresses.
- Consider implementing double opt-in procedures (even though these are not required by CAN-SPAM).
- Every message must include opt-out instructions. Subscribers cannot be required to pay a fee, provide information other than their email address and opt-out preferences, or take any steps other than sending a reply email message or visiting a single Internet web page to opt-out of receiving future email from a sender. The sender must honor the opt-out request within 10 days.
- Use clear and accurate subject lines. You can use A/B testing to see what subject lines lead to the highest likelihood of recipients opening them.
- Create a checklist to ensure CAN-SPAM compliance (including opt-out/unsubscribe links, postal address, subject lines, to and from email addresses, etc.).

### **H. Digital Asset Acquisition and Management**

- Purchase and storage of digital assets such as photographs, videos, documents, graphics, audio etc.

### **I. Sweepstakes/Promotional Items**

- Items for free giveaway at special events, trade shows, contests, FAM, incentives, etc.
- Items should include brand affiliation and relevant website URL whenever possible.

## **9. EARNED MEDIA/TOURISM SALES**

### **A. Media Trips**

### **B. Familiarization Tours**

### **C. Crisis Communications**

### **D. Convention and Events Promotions, Subsidies**

- Lodging facility use tax revenue can be used for the recruitment of in-state conventions and events only by CVBs with annual collections under

\$500,000 and Regions with annual collections under \$1,000,000. Groups originating within the state of Montana must prove a majority of attendees travel from outside a 50-mile radius of the bidding city and the method must align with organization's DMO plan.

- Funds may be allocated if the RFP for the convention or event states a subsidy is a requirement for hosting the convention/event. If a subsidy is not a requirement for an RFP, funds may only be used to subsidize groups originating out-of-state except as defined below. Specifications shall be identified in the organization's RFP or stated on their letterhead.
- Direct cash subsidy to an organization and/or purchasing of alcohol is not allowable.
- Funds may only be used to support convention and/or events in which the coordinator has been provided an inclusive listing of those properties within the identified geographic collection area, to the best of their ability.
- Lodging facility use tax revenue can be used for subsidizing in-state conventions and events only by CVBs with annual collections under \$500,000 and Regions with annual collections under \$1,000,000. Groups originating within the state of Montana must prove a majority of attendees travel from outside a 50-mile radius of the bidding destination and the method must align with organization's marketing plan

#### **10. WEBSITE DEVELOPMENT (ONLINE, WEBSITE, MOBILE)**

- A minimum of three bids or an agency of record previously selected by the RFP process need to be obtained for digital projects that are over \$25,000 prior to awarding a project to a vendor. In addition to the price quotations, the vendor will be required to provide the Web addresses for at least two other completed projects (this will allow an evaluation of the quality of work to be performed).
- Digital projects that are specific to categories such as film and conventions can list only businesses that service those categories. If a lodging facility fits within these categories and is not listed, the organization shall have documentation that the facility chose not to be listed.
- Digital projects shall only include activities and services that are beneficial to tourism promotion and film production/promotion as determined by the Marketing Committee. Membership listings are allowable.
- Organizations are encouraged to use the Department's database and other resources for listing lodging facilities, outfitters and guides. All lodging listings should include property name, address, phone number and web address if available. However, the data can be customized to meet your Organization's format.



- Organization's privacy policy must adhere to State, Federal and International data protection regulations.

Privacy policy language is required on the organization's website and on any correspondence that solicits Personally Identifiable Information (PII). Personally Identifiable Information, as used in information security, refers to information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual. Examples of PII include but are not limited to name, address, phone numbers and email addresses.

Confirmed opt-in is required for collection of email addresses and other PII used for marketing purposes. When a new subscriber asks to be subscribed to your mailing list a confirmation e-mail is sent to verify the subscriber. Users will not be added to the mailing list unless this explicit step is taken. This can be achieved by clicking a special web link or sending a reply e-mail. This ensures that no person can subscribe someone else out of malice or error.

## **11. EDUCATION / OUTREACH**

Educational Programs, Trainings, Workshops, Conferences and Professional Development. Must be State sponsored VIC staff training or DMO approved customer service training.

Costs associated with attendance to TAC meetings, Governor's Conference on Tourism, board meetings, etc. Expenses related to support of educational partners such as Voices of Montana Tourism.

## **12. TRAVEL / TRADE SHOWS**

Exhibit fees, display materials and promotions for direct-to-consumer or meeting & convention, or events.

- Any "opt in" leads from shows attended with funding from the lodging facility use tax revenue shall be made available to lodging facilities within the identified geographic collection area, if requested, at no charge in the format currently available ("Opting in" is the process by which a subscriber requests - by submitting his or her e-mail address and/or any other required information - to receive information and/or advertising via mail or e-mail from your company or organization).
- All leads are subject to State, Federal and International privacy laws.

## **13. RESEARCH**

Market and industry research, data collection or analysis of information that helps you better understand the tourism economy, target audiences, trends and market forces, among other industry information. Results should guide development of DMO services, programs

and/or promotions. DMOs should first reference cost-neutral sources from Montana Institute for Tourism and Recreation Research (ITRR) or Department partnerships for available data or research services.

## **12. PRODUCT DEVELOPMENT**

Development or implementation of visitor amenities that enhance the visitor experience. Up to, but not exceeding, 35% of the organization's annual budget may be designated to this method. The DMO is to assess the community's needs to enhance the visitor experience and all projects must have DMO board approval.

- Visitor Amenities include items such as VIC enhancements and improvements, visitor kiosks, visitor information, responsible recreation resources, cultural tourism, visitor signage and wayfinding, visitor amenities, visitor restroom enhancements, etc.
- Visitor Amenities must be owned by a qualifying government entity, tribal government, or nonprofit organization. Funds are not to be used for major construction, utilities or underground infrastructure.

*A DMO must define Destination Management/Stewardship/Development as part of its strategic role to use this method.*

*Specific examples of allowable projects include, but not limited to: create and install brand-aligned banners at a VIC, repair public restrooms, create informational kiosk showing local Native American history, produce and circulate Recreate Responsibly information throughout community, public Wifi at key visitor location. Wayfinding/ Signage directing people to general visitor services - NOT TO SPECIFIC FOR-PROFIT BUSINESSES. Consulting fees for developing a wayfinding program.*

*Specific examples of ineligible projects include, but not limited to: sewer line for new public restrooms, construction of sidewalks, paving parking lot. Things that would normally be within the purview of a local municipality.*

*The Council will review requests on a case-by-case basis and reserves the right to approve or reject.*

*The TAC Marketing Committee Chair and one DMO representative will field questions regarding this method. The Marketing Committee will make recommendations.*

## **15. VISITOR SERVICES**

All VICs requesting funding shall be non-profit tourism related organizations.

- Every effort should be made for the VIC to be open at peak service

hours between Memorial Day and Labor Day.

- The lodging facility use tax revenue may be provided only to fund travel counselor manager/staffing.
- Requests for funding should consider visitation figures and staffing for the previous two years of operation for the months that funding is being requested.
- A job description for VIC staff should be on file at the organization.
- VIC signage shall include the words “Visitor Information.”

#### A. VIC Staffing

#### B. Call Centers/Fulfillment

- a. Call Center Services
- b. Postage and Distribution
- c. Print Collateral, Travel Guides (Production and Printing)
  - Print costs less than \$5,000 are exempt from bidding requirements.
  - Organizations shall include the line "Printed for free distribution" on print publications.
  - Printing on recycled paper is encouraged.
  - To distinguish from independent publishers, it is recommended that copyright and the source(s) of funding for DMO publications such as Official Travel Guides be included. i.e., “2022. Printed and/or distributed with Accommodation Tax, TBID, and Resort Tax funds.”
  - Montana, spelled out in its entirety, shall appear at first glance on all printed material.
  - The word Montana and locator map shall appear on Region Travel Guides in the format and style provided by the Department.
  - Organizations are encouraged to include locator maps in other print projects whenever possible.
  - Any printed material, which contains paid advertising, shall maintain a ratio of at least 50% or more editorial versus 50% or less advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.

- Credit lines by publishers and printers may be included only on the inside of travel guides and the back panel of brochures. All other items are excluded.
- Credit lines can include only the business name in a point size (font) no larger than the lodging facility use tax credit line.

## OLD APPENDIX A INFO:

The former Appendix A has been removed from the January 2022 Regulations and Procedures. However, please note these guidelines:

### VISITOR INFORMATION CENTERS

(from new regs)

The DMO is expected to create and maintain timely and relevant methods to deliver visitor information during the planning process as well as at the destination. This includes a comprehensive website for all DMOs. **For CVBs this includes an accessible physical location within the community, managed or affiliated, where visitor information may be easily acquired.**

(from old appendix A)

Our purpose is to create a valuable and positive experience for the visitor.

The Regulations and Procedures have relaxed the required open hours for VICs:

- Every effort should be made for the VIC to be open at peak service hours between Memorial Day and Labor Day.
- The lodging facility use tax revenue may be provided only to fund travel counselor manager/ staffing. (*not janitorial/maintenance services, etc*)
- Requests for funding should consider visitation figures and staffing for the previous two years of operation for the months that funding is being requested.
- VIC staff should be knowledgeable of resources available for sharing and distribution of information relating to travel conditions and activities within their area and the state of Montana. A job description for VIC staff should be on file at the organization.

Duties considered part of travel counselor manager/staffing funded with bed tax dollars may include but are not limited to:

1. Responding to tourism inquiries in an appropriate manner.
2. Compiling, inputting and disseminating data where appropriate regarding information on visitors, calendar of events, local hotels & other tourism businesses.
3. Making lists of businesses to contact about tourism concerns.
4. Researching information for guests.
5. Ordering / storing / stocking brochures and maps from attractions/hotels, etc.
6. Maintaining the VIC area.
7. Conceiving / developing area wide tours and support materials for same.
8. VIC scheduling / payroll.
9. Participation in organization-approved hospitality and tourism customer service training and familiarization activities.
10. Maintain record of visitation counts.

## OLD APPENDIX B INFO:

The former Appendix B has been removed from the 2023 Regulations and Procedures. Marketing segments should be addressed in a broader context by defining your target audiences in the DMO Plan narrative. For reference, here are some industry standard segments or target audiences:

- **Consumer:** Messaging that is direct to the traveler. Often referred to as FIT (Fully Independent Traveler)
- **Earned Media/Publicity** (combined with Tourism Sales in methods): Earned media (or free media) refers to publicity gained through promotional efforts other than advertising (paid media) or branding (owned media). It is typically generated by an outside entity such as customers, journalists or influencers.
- **Groups** (or, Tourism Sales, combined with Earned Media in methods): Meetings, conventions, weddings, reunions, etc. The target may be the meeting planner or the attendees of the group function.
- **Events:** Includes musical, cultural, sporting, special interest gatherings intended to draw attendance from outside the immediate community or region.
- **Film:** Collaborative efforts to attract inclusion in film and television productions with the intent to portray the location positively.
- **Marketing Support:** No longer used as a segment, it is a method.
- **Tourism Industry Partners:** Those entities that collaborate on Destination Stewardship, Development or Management. Appropriate when Product Development method is utilized.

## MORE SAMPLE PLANS

Plans may be viewed (not edited) by visiting:

<https://funding.mt.gov>

User name: marketingplan

Password: marketingplan1

Exceptional plans include: Discover Kalispell, Gardiner CVB, Glacier Country Tourism

## MONTANA TOURISM-RELATED ACRONYM LIST

ADR	Average Daily Rate
AIANTA	American Indian Alaska Native Tourism Association
AIS	Aquatic Invasive Species
AOR	Agency of Record

ARMs	Administrative Rules of Montana
ARPA	American Rescue Plan Act
B&B	Bed and Breakfast
BIA	Bureau of Indian Affairs
BLM	Bureau of Land Management
COTC	Crown of the Continent
CRM	Customer Relationship Management
CTAP	Community Tourism Assessment Program
CVB	Convention and Visitors Bureau
DA	Destination Analysts
DMAI	Destination Marketing Association International
DMO	Destination Marketing (Management) Organization
DNRC	Department of Natural Resources and Conservation
DOC	(Montana) Department of Commerce
DOT	(Montana) Department of Transportation
EMI	Eastern Montana (Tourism Partner) Initiative
FAM	Familiarization Tour
FIT	Fully Independent Traveler. Alternates: Free Independent Traveler, Frequent Independent Traveler, Frequent Individual Traveler
FWP	Montana Department of Fish, Wildlife and Parks
GNP	Glacier National Park
GSTC	Global Sustainable Tourism Council
HY	Hoffman York
ITRR	Institute for Tourism and Recreation Research
KPI	Key Performance Indicator
MCA	Montana Code Annotated
MEDA	Montana Economic Development Association
MHPG	Montana Historic Preservation Grant
MHS	Montana Historical Society
MIM	Made In Montana
MLHA	Montana Lodging & Hospitality Association
MTBBA	Montana Bed & Breakfast Association
RevPar	Revenue Per Available Room
RFP	Request for Proposal
RMI	Rocky Mountain International
SEO	Search Engine Optimization
STED	State Tribal Economic Development
STR	Short Term Rental
TAC	Tourism Advisory Council
TBID	Tourism Business Improvement District
TIIP	Tourism Infrastructure Investment Program
TOP	Taste Our Place
TGP	Tourism Grant Program
VIC	Visitor Information Center
VRBO	Vacation Rental by Owner
YNP	Yellowstone National Park