

Bob Gilbert (00:02):

Welcome to tourism heads and their tales. This is a podcast series that explores with travel and tourism leaders. Their take on key issues of the day. My name is Bob Gilbert, general manager for the tourism and destination marketing practice at the award winning strategic marketing agency. Eddy Alexander, looking back, I've had the privilege to have worked with a number of iconic global brands. I'll be chatting with those that are helping shape the future travel and tourism industry all with their own unique tales to share. Today's guest on tourism heads and their tails. John Percy, John has been at Niagara falls USA for over 20 years, and he continues to play a leadership role in the destination world. There's hardly a conference that goes by where John is not presenting. We talk with John about crisis management, agility during and post COVID, industry resilience, the motor coach market industry, destinations international, communications with key stakeholders, leadership values, community shared values, and much much more. I'm absolutely delighted to welcome today's guest. And I will preface this by saying in the world of destinations, uh, destination marketing organizations. There are 1,450 DMOs, um, of various shapes and sizes across the country. One name that stands head and shoulders above so many. I would actually call him a rockstar, our guest today, John Percy, president and CEO of Niagara falls USA. And I believe if I'm not wrong, John, that you have been now at Niagara falls in various capacities for, is it 20 years or it's gonna be closer

John Percy (01:58):

23,

Bob Gilbert (01:58):

23 years.

John Percy (01:59):

And how kind of you with that introduction? I think I I'm gonna, you know, maybe record that myself and

Bob Gilbert (02:05):

Use it, I guess.

John Percy (02:07):

Um, but it was surely kind and, and, and over the top, and I appreciate that. I can't believe there's 1,450. Is that an exact number?

Bob Gilbert (02:15):

I actually think it came from DI from Destinations International.

John Percy (02:18):

Sounds like it. I, I think I've heard that number before, but it really is amazing, but you're, you're too kind in that introduction and, and very sweet. I appreciate that.

Bob Gilbert (02:26):

It's, it's very true. So, well,

John Percy (02:28):

You're very nice, but yeah, 23 years was a Niagara falls convention and visitors bureau previously, there was a county tourism office and a Niagara falls, CVB or convention and visitors bureau in our industry. And that dissolved in 2003, the consultant came in and looked at both agencies and what could be done and where recommendation was dissolve the both. And they started this new corporation, Niagara tourism and convention corporation, June 1st, 2003. Uh, and I came on board as their VP of sales and marketing. The only person retained out of both agencies and then became president and CEO in 2006, June 1st, 2006.

Bob Gilbert (03:08):

Wow.

John Percy (03:08):

Three years later. So it has been a compilation of 23 years, uh, in Niagara falls in this wonderful world. We call destination marketing and now the agency went from Niagara still officially in the state books, Niagara tourism and venture corporation. And, and we changed agency named a destination, Niagara USA, but consumer facing, like you said, it's Niagara Falls USA, which is great.

Bob Gilbert (03:31):

Right? So, you know, you, you have during that period of time and I go back, you know, 23 years, you know, you have seen and witnessed 9/11, SARS, bird flu, financial crisis, 08' 09', MERS, uh, climate change. We've been the last few years with the pandemic, COVID 19. Um, you know, that that's a lot of different crises that it is that you have come through. And this last one, probably almost a crossroads of things outside of COVID that have accelerated behavior within the, the, the traveling public. How can we better prepare ourselves?

John Percy (04:16):

Yes.

Bob Gilbert (04:16):

Now for the next big crisis?

John Percy (04:18):

Yeah.

Bob Gilbert (04:18):

Because it's gonna happen, right. We, if we,

John Percy (04:20):

Oh yeah!

Bob Gilbert (04:20):

If we look at history, we've learned, I think one of the key takeaways and buzzwords about agility, about flexibility making change quickly, what, what are the takeaways that, that you have learned, um, over the last couple of years?

John Percy (04:35):

Oh, you know, to your point, you know, I, an old goat like myself been around, uh, quite a while and seen many crisis and I used it with the media a lot. Uh, in fact, even most recently with this gas crisis, or I don't wanna say crisis, but yep. The, the spike of gas pricing, how that affects the mentality and the psyche of, of our travelers with our vehicular traffic or drive traffic. So I have been through many crisis and it has proved me well by being, and having that, I hate to say consistency of crises, one, as you mentioned, several of them and been through all of them as you have as well. It's interesting. I thought when we first started with this one, that it'll be quick, we'll get through this very quickly. And as we learned as time went on here, we are two years later and we're still discussing COVID and, and the effects it has on our, on our industry overall, what have I learned?

John Percy (05:31):

Oh my gosh. If I've learned anything, Bob, especially in the destination marketing world, is that I think it brought a spotlight on our kind of agencies or the, the organizations I should say, not agencies, but organizations that do the work that I do the 1,450 is that we became more relevant in our communities. We had to work with our economic development agencies, with our health agencies, uh, with our health departments in the county or city or wherever it may be, uh, work with our elected officials. You know, I was on the phone or tried to keep our mayor informed every week of what was going on and how we were progressing. And I keep using the word relevancy, because I think we all had to remain relevant in order to one, to keep the doors open and make sure that we were relevant to our constituents, to our elected leaders, to our partners.

John Percy (06:23):

If you are a membership organization, whether chamber or a DMO that's membership, you had to be relative to those members and it woke us up. You know, I'm always grateful as much as it's a pain and you lose many nights of sleep during these crisis is that it wakes you up and shakes you up. And that I'm grateful for because it does shake you from that sort of norm or that consistency that we get stuck into the everyday mode of going along our business and, and moving forward. And it shakes us to our core and allows us to look at things differently, staffing, programming, um, our budgets, you know, everything. And, and so I'm grateful for that. It's just, this one was the worst I've ever seen. You know, I mean 9/11, for instance, I always said, you know, it affected New York City. It affected Washington DC, Shanksville, Pennsylvania, and it did affect the world, but it didn't shut down Rome.

John Percy (07:16):

It didn't shut down other cities around the world. Well this one shut down the entire world and shut down the entire industry. So a little different in that respect. So not only we got affected from 9/11 because of our proximity to New York city, but this one, you know, affected us all to, to our core and reshaped our industry. Uh, but one thing I have said to the media and I will say to you is that we always are the first to be knocked down the first to be taken to our knees, but we are the first to bounce back, and the most resilient industry in the world because the public wants to travel. And the pent up demand is what we count on when we rebound from one of these crisis that we are speaking of.

Bob Gilbert (08:01):

And clearly Niagara Falls, USA is an iconic destination on a global stage and almost the barometer, if we look at the intent to travel, what, what are you seeing from an international perspective? Understanding that you partner with different folks, brand USA, um, uh, etcetera, right? What are you seeing now in, in the international marketplaces? What markets are coming back?

John Percy (08:28):

I just spoke to my, yeah, my staff member this morning. She just got back from RTO Receptive Tour Operator West out in California this past week. She got back last night, and she was dealing with a lot of Asian inbound receptive tour operators that are based on the west coast and mainly in the LA market and that's where the conference took places in LA and just pure excitement. It's it's great anticipation and excitement and talking about even this year, um, you know, not a full rebound, but having some customers now that the borders are loosening up and restrictions are becoming lighter, that there is great excitement and great anticipation from those markets. And we know Europe will be the first to rebound, but we are seeing great excitement. And, you know, I know even IPW announced that there are over a thousand buyers that have signed up for June's IPW in Orlando, the world's largest international trade show in US soil and how exciting to see that number.

John Percy (09:27):

So I think there is great anticipation, great pent up demand from, from our international partners from around, uh, the world. So it is exciting. What's interesting. She told me our problem is here is our hotel years have got stuck into a new mode. They've made up a lot of money in the last year here from domestic transient business that are in those vehicles, families and so forth that are just traveling to get away on a leisure basis. You know, when do we shift back as we've seen from past crises, when do we shift back to that typical market segmentation of international and convention to meetings and corporate markets and all those markets that have been dormant here for two years? When does that shift back? Because these people are making money and they don't wanna shift back, but it's going to migrate and shift back to a normal market segmentation eventually here. Um, so I think we just have to be patient too.

Bob Gilbert (10:21):

I guess, to a degree from a Niagara Falls, USA perspective where a destination that was in demand when other destinations closed down. You know, you, you were in, in a destination that has open spaces, plenty of space, fresh air. And so that attracted a lot of that drive market. So, uh, is what you're saying that the hotel don't want that to change that

John Percy (10:46):

Let's well, they cause they were, you know, we're lucky as you mentioned, you know, the urban centers of New York City and so forth are still trying to bounce back because their markets have international and corporate. And so many of those markets and Niagara falls' USA is primarily a leisure destination. Yes. 80% of our business is probably from the drive market or from the domestic market of us. And so we did well, we fared better and that's was my point to a lot of media. We always fared better out of a crisis cause of where we're positioned, how we're positioned and our market, our base market of being that domestic customer and a leisure based customer. So it does help us and we bounce back quicker. We did after 9/11, we did after the, the financial crisis of 08', we bounced back a lot quicker, uh, during those periods and this one, we have bounced back quicker and we had a very decent 2021, uh, many of

our hotel years, as I was mentioning, they were 5 to 40% Bob, over 2019 numbers, pre COVID numbers in revenue, not in occupancy, right, but in revenue because supply and demand, there was huge demand to get away.

John Percy ([11:56](#)):

We filled that need or desire and equated to big dollars for our hotel years. And they made up quickly a lot of lost revenue from shut down for not shut down, but severely hit by 2020s onslaught of, of COVID.

Bob Gilbert ([12:11](#)):

So yeah, one of those markets of course, was the bus market, the, the tour right. Bus tours. And I know that you are intimately involved with that market. I know that you've been on the board of ABA, the American Bus Association, in fact, congratulations on your recent achievement award from them. So, um, kudos.

John Percy ([12:29](#)):

Thank You. Very nice.

Bob Gilbert ([12:30](#)):

So are you seeing from that traditional market, at least from a Niagara Falls, USA perspective, is that coming back or is that slow? Is that still one of those-

John Percy ([12:40](#)):

No. Well, that was another shocker. I, you know, I guess you and I, if we had crystal balls, Bob, we wouldn't be on this podcast. I'd be sitting, you know, on a, on a yacht in, in somewhere, uh, in some sea or in the Greek islands or someplace. But I, I really was very concerned about the motor coach industry, but it started to happen last year that Tina here and my staff, Tina who handles that and the international market, we were surprised to see the rebound on that because most seniors were the first to get their shots, to get their vaccinations. So there was a, this pent up demand and they were driving some business to these motor coaches quicker than we anticipated or ever projected. Now we lost, unfortunately, a lot of companies, smaller companies that could not withstand being shut down for, you know, 12 months, 13, 15 months, whatever it was before.

John Percy ([13:35](#)):

Things started to rebound a little bit last year, but the companies that withstood it are so busy right now, they're seeing huge pent up demand and a return quicker, especially from the senior audience that uses motor coaches. They didn't care about restrictions. They put on mask and wanted to travel and they didn't mind being crammed in a bus with 45 - 50 people because they were vaccinated and they were boosted, um, last year. And so we saw a quick spike, uh, in that return. And I think we'll continue to see that mode of transportation. I think many of the industry poo poo, you know that in that motor coach industry, but it it's a great form of transportation, economical one, you don't have 50 cars on the road, you have one bus and so environmentally, it is somewhat a plus. So I think the future is bright for that industry.

Bob Gilbert ([14:23](#)):

Looking into the future. And as we try and look into those crystal balls, um, yeah, <laugh> what for, you know, where you are a destination that is strategically driven by data, you're a data driven organization. Has the data aggregation the data collection, the data that you, um, you know, create your plans has, has that changed over the last couple of years or-

John Percy (14:46):

Oh My God, especially now the data is so rich and so in-depth and continues to change. It's so hard to keep up, uh, you know, with the data that is available with the tracking and with phone data usage and tracking a person from their phone or tracking a person from the time they saw our advertising, whether, you know, our digital advertising, able to follow them all the way through to completion of a trip. You know, it's that big brother watching things. It's amazing how much data is available and the aggregation of data and all that you can collect. You can almost bury yourself in the data.

Bob Gilbert (15:21):

That's the challenge with data, right? There's so much of it around it's. Um, you know,

John Percy (15:26):

It's overwhelming, not used to be Bob and you know, uh, there used to be nothing. And you did, you know, you did marketing, you came to work and you did print and television and newspaper and maybe some print and you, and if you did direct mail, woo, that was very fancy. You know, you had a direct mail piece. And so I'm old enough to remember the traditional marketing methods and now the marketing methods have so far advanced and give us more data. Now we can track things better. We can show accountability better. We can show a return on investment, better to our partners. And we can watch, you know, and, and tell more specifically who our audiences are so that we couldn't do a better job here, marketing Niagara Falls, and many of my partners all over the country and even all kinds of brands can market more specifically and more targeted and more efficiently and more effectively more important. So, right. So it it's so complex. I, you know, I, it drowns me, it can drown anyone in the data world.

Bob Gilbert (16:24):

Yeah. There is a lot. And I think that the key is making sure you measure what counts and then. That, that is driven by other forces that, you know, could be stakeholders, the mayor. So what is important for them is what ultimately one measure. So talking of the mayor, what, what kind of information does he look for? Um, or do you lead that conversation and then-

John Percy (16:46):

Yeah, sort of lead that conversation. Our, our contract with, um, this city of Niagara Falls, city of Lockport, and the county, we have three funding entities or three separate entities that collect bed tax since our organization is primarily funded through bed tax. That's a tax that is applied to each room night, that people, um, book a room here in the destination and that money is collected by, since it is a tax has to be collected by a municipality. So we have three, in the contract that was written in 2003, there is a 15 to 1 return on investment that we have to meet. And so we try to show that, and I'm sort of old school in how we approach that equation. Try to keep it as simplistic as we can. Because sometimes you can get, we were talking about this the other day and we get so high level that I could understand or you could understand.

John Percy ([17:37](#)):

And we get caught up in our lingo in our language that we forget that many of our partners or elected officials or whatever, just really wanna make sure there's a good, solid Return on Investment. If they're giving me a dollar that we're bringing back \$15 back into the community or that our hoteliers- hoteliers are making money, occupancies up numbers are up, percentages are, are up, but we try to get a little more granular and give a little more data or more return on. I try to break it down in the motor coach industry. We brought this many motor coaches in, so you divide that by how much we put into that on the budget. And then that gives even the motor coach program, a return on investment, right? Our convention and meetings. I have a return on investment on, and then the marketing programs a return on investment. Then we do an overall by adding up all of those things divided by the amount of bed tax we get to that return figure. But everybody measures it differently because to your point, our elected officials may look at things a lot different than someone from Chicago or Des Moines, Iowa or wherever it may be.

Bob Gilbert ([18:41](#)):

So there's a degree in what I'm taking away from that piece is, uh, of education. You know, this is what we need to measure, whether it is engagement, conversion, and then ultimate ROI. So that's, you know, a continual and people

John Percy ([18:58](#)):

Getting away from the ROI model. I'm seeing a little bit of that because it's hard to maybe describe your equation of how you get to that return and investment-

Bob Gilbert ([19:06](#)):

Attribution has, has always been a challenge and.

John Percy ([19:09](#)):

Always.

Bob Gilbert ([19:09](#)):

Still is so, so then.

John Percy ([19:11](#)):

Always,

Bob Gilbert ([19:11](#)):

What are the new metrics? What is the, is it looking at the value you represent to the community?

John Percy ([19:16](#)):

Yeah, I think I know even destinations internationals, trying to come up with this community relevancy or community assessment. And what does that mean? We were talking about it the other day or yesterday. In fact, at our, uh, executive committee I'm chair of the foundation destinations international foundation, board of trustees and love that. But you know, how can we provide those answers Bob, to our partners or those destination organizations around the country. But again, it's gonna be different for everyone, but can we give everyone some assessment tools that are effective and, and what may work

for me may work differently for, you know, someone in California or somewhere else. So the metrics I think continue to change and what you're measuring and, and what you need to show some destinations, wanna make sure that there's just a huge return on convention and meetings and that's all, they're really interest how many leads went out, how many were converted and what was the volume of business this year in the convention and meeting segment. Right. Um, so, you know, everyone's different.

Bob Gilbert (20:18):

Yeah, probably more of those that are CVBs than a traditional tourism driven organization. So, um, I was gonna talk about you being the chair of di- destination, Destinations International Foundation. It, it, what are the other goals and objectives of that really important foundation?

John Percy (20:38):

Well, I just, I love that team. I'm so proud of that team led by Jack Johnson and the advocacy side and Don Welsh, the president CEO and, and that remarkable small, but my new team in Washington now, they're sort of all working remotely and not centralized in Washington any longer, which I love because there's talent spread out everywhere is looking at on the foundation site. We finally, I think over the last five years, Bob, it was always, why do you need a Destinations International Association? And then you have a foundation, what are the differences? But now we're even showing the synergies we're sort of the incubator side and the innovative side. And then the association is that execution side. And so on the, on the foundation side looking, uh, to build our revenues and investments, I should say, not revenues. It is revenues, but investments from our partners and our DMO partners around the country so that we can do more in research Bob.

John Percy (21:34):

So we have the proper research equity, diversity inclusion is one of the initiatives, our 30 under 30 program, uh, workforce development, global innovation, um, and how we can build a global, uh, membership for since international is in the word or in the brand of Destinations International. How do we build upon that so that we can work closely with our friends in London or a, a smaller community in Belgium or wherever it may be so that we can learn from each other and make this a worldwide industry, not just a US based industry and how we can learn from that. So there's many factors that we are working on on the foundation side to help incubate and help innovate, uh, so that it gets over the association and gets executed and we have the right resources available. I look to our trade associations, whether it's destinations international or whatever trade association you belong to that they're providing their membership with the proper resources.

John Percy (22:36):

And so does DI have those assessment tools for us? I know they're work, we're working on a campaign this year as to how we market ourselves within our own community. There's this Jack Johnson's created the community lexicon and the community shared values. And we've used to be all of our work. You know, this would be outside the community. So the community didn't know what the hell we were working on. What are they over there? Are they a travel agency? Right, right. What, what is that organization do? And so we have to step back, uh, and I think COVID's helped that, but how do we step back and educate our communities as to the value we bring into the community? Right. And that's important because we're not creating anything, tangible, everything. We create our experiences and very intangible and people have a, a hard time wrapping their heads around that.



Bob Gilbert (23:24):

I think that community based direction, you know, Jack Johnson and, and that, I think that came under destination next, if I'm not mistaken, correct. I mean that was pre that predated COVID right. It did. And I think that what happened and correct me if I'm wrong, but that accelerated destinations to have those conversations with the community. So it was interesting in terms of timing and talking of timing. Unfortunately our timing has come to an end <laugh> but as I always do, I really enjoy talking with you. Time is always a challenge to all of us, but-

John Percy (24:03):

Been a Pleasure Bob, always a pleasure to spend time with you and have these discussions.

Bob Gilbert (24:07):

You've been listening to John Percy who heads up Des- Destin- I was gonna say Destination Niagara, but, um, it is.

John Percy (24:15):

That's the agency.

Bob Gilbert (24:16):

Yeah. Right. Niagara Falls, USA. And you've heard tourism heads and their tales. Thank you so much. John.

John Percy (24:23):

Thank you, Bob.

Bob Gilbert (24:25):

We hope you enjoyed today's episode, please. Like thumbs up, subscribe and leave a review. You can also visit [Eddyalexander.com](http://Eddyalexander.com) to learn more about our tourism marketing and destination management services and read some of our recent case studies. Finally, if you'd like to suggest future guests or podcast discussion topics or to sign up, to get an email alert when we drop new episodes, please do so at [eddyalexander.com/THATT](http://eddyalexander.com/THATT).