

Bob Gilbert (00:09):

Welcome to Tourism Heads and Their Tales, 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, who are bringing you this podcast series. I've had the privilege to have worked with iconic global brands, including Disney Choice Hotels, Yosemite and Shenandoah National Parks, Kennedy Space Center, visitor Center, and Best Western International. Plus, served on the boards of the US Travel Association National Tour Association, and an elected commissioner for Visit California. Looking forward, I will be chatting with those that are helping shape the travel and tourism industry, all with unique tales to share that I know you will find both interesting and educational. So without further ado, let's get started. Welcome to Tourism Heads and Their Tales today. We have a great guest. I'm really looking forward to having a great conversation, and it's a great story. So my question to Tom Garelli, who is the CMO at Brand usa, how the heck does a kid from the Bronx end up as the chief marketing officer for the world's best country? How, how, tell me the story here, Tom.

Tom Garzelli (01:37):

Well, first of all, it's great to be with you, Bob, and thanks for thinking about me and I'm, I'm honored to be on your show and I will say, as I say to a lot of people, I'm, I'm very fortunate. I feel like I have maybe the best job in tourism. But yeah, I grew up in the travel business, started, you know, as a kid. My dad was a hotelier when I was very young as a, and then he got into the wholesale and retail travel business, and I kind of followed him into that and then went from his business to American Express where I learned a lot. And then, you know, ultimately got into my own kind of destination marketing business and, and then had the good fortune of timing and relationships to have known Chris Thompson, um, in my previous life. And when he became c e o of Brand u s a, he gave me an opportunity to come and help build out, uh, which was to become the nation's D M O. And it's been a amazing journey and I, it's, it's hard to believe it's about to be 10 years, uh, in March of, uh, or this coming March I'll be, I'll be 10 years of brand u s a, so,

Bob Gilbert (02:40):

Wow. It's hard to believe that once upon a time our country's marketing was left in the hands of the government. I think, you know, go back to the days of u s Tta a you know, we've, as they say, baby, we've come a long way, <laugh>. Um, so tell me how the, how brand U s A came to to be. What is the backstory there?

Tom Garzelli (03:04):

Well, ultimately, and really, uh, it starts with US travel and their amazing work back in the kind of post nine 11 world where the US lost a tremendous amount of market share as the world was coming back to traveling. And of course, it's a combination of that, and a combination of the world was opening up to airplanes everywhere. And the Travel Promotion Act of, uh, I wanna say it was 2010 originally became the, uh, 2011 signed by President Obama, created brand u s a and created the creating the funding mechanism for brand u s a as importantly and the mission of brand u s a. And so, it, it officially started in 2011. Chris came in as a C E O in, in November of 2012. And since then, it's, it's been building the mission of the, of the organization is very straightforward. It's to create, build incremental inbound visitation from around the world into the usa and to do it in a widespread way to take into account rural and urban and the diverse and different experiences that the entire country has to offer. And it's a great

mission. It's, it's pretty big challenge, but it's also the only way you really can grow market share, which is to really create new places and new stories and really spread out new business.

Bob Gilbert (04:31):

So as we look at the world, which has changed a lot over the last few years due to the pandemic and is still evolving, we look at the financial implications and, you know, we see that the US is not the only country that has inflation challenges. In fact, we are probably better off than many countries in Europe and other parts of the world. How has Brand USA strategy changed as a result of the pandemic and things that are out of brand USA's control, you know, which is government rules and regulations on Covid masks, or not masks, you know, the management of that. How has that impacted how Brand USA markets the USA Today?

Tom Garzelli (05:15):

Well, to answer, I would just take a step back and say that we really see two very distinct parts of the mission, and one is the consumer piece, which we can talk a little bit about. But the other one, which is really just as important and an, and a critical part of it is our whole trade engagement and our stake, what we call stakeholder amplification, which is to help destinations that have already been out in the markets, add value to their efforts, amplify their efforts, and also lower barriers of entry to new places, less resourced places or lesser known places. And in that regard, as we went into the pandemic, that second piece, the connections of helping our stakeholder destination partners connect with tour operators and travel agents and buyers around the world, that is what we really focused on through covid. It was the thing we could do because we really weren't doing consumer advertising obviously at the time mm-hmm. <affirmative>.

Tom Garzelli (06:12):

So that work accelerated. We developed new tools, virtual platform to do things, you know, a lot of, a lot of Zoom conferences and webinars and trainings and things like that. On the consumer side, what I would say is that if you think about where we sit, we are so separated really from the consumer. We do know bookings or commerce, and we're even more separated from the consumer than let's say, your state ds. We live very much in the inspirational space, very much in the, you know, dreaming and, and learning phases. And so that to a large degree hasn't changed because ultimately what we're doing is trying to remind everyone why they love the usa, why they all dream of coming here, and how much there is to do when you come here. And so we, you know, we've been through other recessions and other economic cycles in this process, and what we've done is just try to remind everyone that the value of a vacation here and how much more you can do and how much more you can get for your money. But in the end, it's about just continually inspiring people through our storytelling, through our different channels to just keep dreaming about coming here and then slowly moving them down the funnel.

Bob Gilbert (07:31):

Yeah. What you were saying about focusing on the trade as opposed to the consumer, obviously there are limits to budgets, and if there is a smaller destination, it doesn't really make a lot of sense to go to the UK or Germany to spend money primarily on consumer because you're not gonna be able to afford it. And if you put an ad out, then there's one ad and you know, then the next day you're forgotten again. So that, um, the relationship with the trade is really, really important. How do you communicate with the trade? Obviously, you put on events and you have your own offices. So this is a two part question, the communication piece and the second piece, how the market is recovering. Uh, are there parts of the

international community that are bouncing back faster than others? Um, what is your read on the current status?

Tom Garzelli ([08:27](#)):

Um, so yeah, so the, the first one, just in terms of communication, I mean, we use a lot of, what I like to think of is, you know, the traditional tools like, you know, fan trips and training, and we have a u s A discovery training program that has been in place for many years. And then, you know, as we approached 2020, we did also launch things like Travel Week, which was our own way of connecting our destination partners with buyers, primarily in Europe, as you know, Bob, you have a, a lot of these big global trade shows that are very expensive, that are very, just very large and hard to make a difference. And so we felt it was important for the US to be able to, you know, offer a different kind of experience, a different kind of value, and to bring important buyers together with our stakeholders.

Tom Garzelli ([09:16](#)):

So, so we did that. And then because as we, we had that going into the pandemic, we had to come up with a virtual way to keep that going. So we built a virtual platform, the brand u s a global marketplace that we used first to have those events during the pandemic, and now we do it to add value in between the live events. In fact, today we're having, uh, a set of one-on-one appointments on the virtual platform that is a, an add-on from our travel week, our live travel week that we did in Frankfurt in October. Mm-hmm. <affirmative>. And again, we love doing things live and face-to-face and they're really important. But when you're, when you're trying to cover the world and you're trying to, to match a lot of people together, these virtual tools are invaluable part of doing that. So, so we use all of those tools.

Tom Garzelli ([10:05](#)):

We just, we launched a podcast early in the year, again, just just meant to target our stakeholders to kind of keep them abreast of what we're doing and what some of our partners are doing. So keeping the bridges built, keeping the lights on in markets around the world has been really important in terms of recovery. The world is starting to come back, airplanes are starting to fly, have been from more and more cities. So as capacity comes back, so does the visitation really, it's pretty strong everywhere. I mean, Mexico and Canada was just waiting for borders to open and they've been flocking back. And then Europe opened about a year ago, and now the rest of the world is too. And I'd say other than China, all of our main markets are opening back up and, you know, it's still gonna take a couple of years to get back to our pre pandemic, you know, visitation numbers. 2019, we were in the 80 million visitors range, probably won't see that again until late 23 or end of 24, but it's coming back steadily and we just keep doing what we can do to keep the bridges built and the, and the relationship strong, and then continue to be out inspiring consumers around the world.

Bob Gilbert ([11:23](#)):

So as a result of the pandemic, there was, uh, omnibus spending bill, that part of which was the Restoring brand U USA Act that allocated, I think it was 250 million mm-hmm. <affirmative>, um, how correct, how is that going to be spent? And you know, obviously that's gonna take time to roll out, but what, what are the key hallmarks of that funding targeted?

Tom Garzelli ([11:51](#)):

Sure. We were thrilled to have that happen. It was, uh, restored brand U s a act, which gave us 200 million with no nothing attached. And then there's another 50 million that we can unlock with matching

dollars similar to how we unlock our est of funds in a normal year. Mm-hmm. <affirmative>, and of course, the Travel promotion fund is funded by the esta funds, and we can unlock on a normal year up to a hundred million a year, as long as we bring an equal amount of dollars in matching that fund. You know, went from being well over a hundred million a year to about 13 million in 2021 and less than that in 22, and now is starting to inch back up. And so that the Restore brand u s A funds will fill in for that so that we can have what looks like a normal year and in the next couple of years, you know, also adding something to that to accelerate our work in market.

Bob Gilbert ([12:46](#)):

So let's paint a picture, uh, scenario. I, you know, I'm a small destination. I believe that I have an opportunity to leverage international visitation. How do I go about it as a mid-size cvb? Do I go to my state? Do I come directly to Brand U usa? What, what is the best way? Yeah. And, and what are the programs that Brand USA has available?

Tom Garzelli ([13:13](#)):

So I, I would say the answer to that question depends a lot on where your destination is and what state you're part of and how involved they are. But, but I would say we work at all of those levels. We work directly with big and small destinations. We are happy to work through the state and add value that way. So I would just say in in general, answering that question, there are a lot of tools that we've developed that are meant to lower those barriers of entry. As you know, before you get into a market, there's a lot of information you need to have, there's a lot of research you want to do. You wanna understand all the different aspects of that market, who the tour operators are, how to connect with them. In the past, you had to spend a lot of money to do that before you went into a market.

Tom Garzelli ([13:59](#)):

And what we're trying to do at Brand U s A is provide those kinds of foundational tools. We do that again using our virtual global marketplace. We have our international pavilion that we launched at the beginning of this year, which provides an opportunity for destinations to go in, look at a country, uk, Ireland, India, wherever that they're interested in, and really have access to research and information and uh, market updates, a database of who the journalists are, who the tour operators are, who the big travel agents are, so that you have all that information and you haven't had to invest in that. So that the dollars you invest are when you really decide then to go in and market. And hopefully we can add some value to that as well through a number of our co-op programs, our different multi-channel programs. Again, our, our in market, our our sales missions and other training opportunities. So a lot of it depends on just, you know, what level a destination is and what markets are important to them. And we always think of, you know, one person's, uh, mature market is another person's emerging market. It just depends on <laugh> who they are. Yeah. And we try to support at all levels of size as far as a destination is concerned. And we try to support at all levels of need as the markets are concerned.

Bob Gilbert ([15:25](#)):

Right. And it ultimately, it is down to the destination to do their homework. What are the points of interest that's gonna be relevant to a particular traveler? As an example, obviously one can go after the Canadian market, but they tend to stay shorter because they're just across the, the border. Sure. Whereas visitors who come in from Australia Benmore because they stay longer, because it takes, you know, 14 hours over however many hours to fly into the us. So I guess what you are saying is that all of that information with the resources are available, but ultimately you can't do the destination's work for

them. They have to make sure that they know where to go to look for international. And the starting point is with your website and the resources there.

Tom Garzelli ([16:13](#)):

Correct. I mean, we feel we want to be able to offer and have available all of those tools. Obviously it's for a destination to decide to utilize those. But we also, you know, we also get more involved with particular destinations if they want to, and mm-hmm. <affirmative>, we also work a lot with the regional marketing groups, you know, so we're working at each level and just trying to add value depending upon what the need is.

Bob Gilbert ([16:41](#)):

So when you say regional marketing groups, not the state tourism offices, but more travel south, et cetera, that those kinds of, uh,

Tom Garzelli ([16:49](#)):

Regional groups? Correct. But I would say, I mean that's such a great example. We, we have a tremendous relationship with Travel South. They've been hugely supportive of brand U s A and we try to reciprocate and support their efforts and we're big believers in that kind of storytelling. At the same time, there's states in Travel South, like Kentucky for example, that we just did a very big deep program with over the last year cuz they wanted to focus on some very specific things. And then we go and work with, you know, Owensboro, Kentucky to create awareness of a small beyond the gateway kind of place. So we work with all of those levels. It just depends again on, you know, who those they are and what their need and how interested they are in, you know, working with us.

Bob Gilbert ([17:37](#)):

Right. And let me ask you this question in terms of, and it's kind of related kind of understanding and going through due diligence, but understanding the market one wants to go after and one tries to identify trends. And you know, I remember way back in the day before the internet <laugh> in one of the trends, and this was all on paper vouchers. I'm not, I guess I'm aging myself here, but the f i t fly drive was, uh, and we've seen iterations of that and evolve over the years. Are there any trends that destinations should be looking out for at this moment in time? Is the pandemic, uh, changed people's dreaming and ideation and itinerary planning? Are there any themes that we should be looking out for that will impact destinations? Obviously it's not gonna, you know, it's not a one size fits all for us, but is there, are there any trends, emerging trends that you see from markets?