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# Destination Development Training Program

## Introduction

The destination development training program has been developed within the RETROUT project. The Baltic Environmental Forum, in cooperation with the Estonian Fishing Tourism and Marine Institute of the University of Tartu, have been carrying out an international project, "Development, Promotion and Sustainable Management of Coastal Fishery Tourism in the Baltic Sea Area" (RETROUT). The project aimed to develop, promote and sustainably manage coastal fishing tourism in the Baltic Sea Region.

The training program, which took place from October 2018 to March 2019 in Viinistu, is a central part of the RETROUT project. The training program consisted of six training sessions that support destination development of fishery areas, the development of sustainable service providers and the marketing of the Lahemaa fishing tourism cluster on the domestic and foreign markets. The lectures focus on specific destination development areas as well as general business principles such as business planning, budgeting, etc. The training was attended by small fishing tourism businesses and stakeholders: fishing guides, providers of accommodation and other service providers.

The lead lecturer of the training program was Kristo Krumm, who has worked for 10 years as a lecturer and trainer. He has provided counseling and training to over 500 start-ups for over 5 years. Kristo has been an entrepreneur since the early 1990s, has created 8 companies, has worked in marketing and sales since 1996 and holds a Level VI Professional Certificate in Adult Education.

The training program teaches the basics of financial planning, business plan preparation, and the operating principles of the destination management organization. Trained participants will be able to identify and analyze the strengths and weaknesses of a fishing tourism service provider, define key target audiences, and design value propositions for them. The lectures will prepare start-ups step-by-step for drafting a perfect business plan and for long-term business development.

The training program can be viewed free of charge here - <http://retROUT.org.loopiadns.com/mooc/estonia/>

The following is an overview of the topics covered in each training.



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## **Part I of the Destination Development Training Program**

Main topic: nature of destination development

An introduction to destination development, or the use of the specifics of a destination to market it. Kristo Krumm talks about how to answer the basic question of destination development: what is this something that makes people like to live here, or why should other people come here?

The lecture looks at successful destination development examples from different countries around the world. The examples help to analyze the elements of destination development: local identity, distinctive products, location-related legends, etc.

Kristo Krumm elaborates on the SWOT analysis method, which can be used to assess the overall state of the business, opportunities, and risks. He also introduces a canvas of value proposition that maps the attraction of a destination as a tourist destination to potential customers.

The training also includes a presentation by Martin Kesler, a researcher at the Estonian Maritime Institute of the University of Tartu, on "Trout fishing (and fishing in general) as a tourism product and sporting pastime." Kesler talks about the catch volumes of sea trout and the availability of sea trout to spawns, which have improved significantly in Estonia in recent years.

The first training will provide an overview of the role of destination development in marketing activities, the structure of the design of destination development, and practical opportunities for destination development.

## **Part II of the Destination Development Training Program**

Main topic: market and consumer analysis

The training begins with a definition of the terms 'market' and 'consumer', which will allow them to be further analyzed. Kristo Krumm talks about profiling consumers based on their place of residence, age, family status, etc. On this basis, profiles of typical consumers are analyzed, analyzing their personal characteristics and behavioral patterns.

After learning about the consumer Kristo Krumm continued with product design. To the value canvas are added the problems, desires and challenges of well-established target consumers. Accordingly, a value proposition is created in the form of a service or product for sale, which solves or alleviates the consumer's problems and brings added value.



In addition, practical tools for estimating market volume, which require profiling of target groups, will be introduced. The market volume assessment results in an estimate of the market share the service can cover.

The person who has completed the training course will be able to develop a sample package for a fishing tourism destination.

## **Part III of the Destination Development Training Program**

Main topic: financial calculations in business

The purpose of the third training is to generate economic knowledge for the preparation of a business plan. Kristo Krumm introduces the concepts of cost objects and cost drivers and explains the classification of costs, i.e., differentiating and grouping different cost elements. Cost classification is a prerequisite for accounting and is used in a variety of business activities: when preparing annual reports, measuring and evaluating inventories, and making business decisions.

One of the main topics of the training is cost-benefit analysis, or cost-volume-profit analysis, based on the relationship between costs, sales volume (production volume), and profit. The trainer will explain specific formulas to find the most profitable combination of sales price, sales volume, variable costs and fixed costs. They also learn how to calculate a company's safety margin. During the training, the concept of a break-even point, and different profitability models will be clarified and sample calculations will be analyzed.

The most important topic of the lecture is budgeting, or the aggregate plan of the company, which is usually a one-year plan. An aggregate plan for a company consists of an aggregate for its core business and an aggregate financial plan. To illustrate the principles of budgeting, a one-year financial spreadsheet of the destination is analyzed at the end of the lecture.

## **Part IV of the Destination Development Training Program**

Main topic: Destination development and marketing in general

The first lecture deals with marketing as a set of activities that includes market research, product design, selection of marketing channels, pricing, promotion, and sales work. It will be discussed why marketing must definitely start before the sale and continue after the sale. According to Kristo Krumm, marketing is often equated with distribution, but essentially, they are different activities.



During the training, the general objectives of marketing, practical marketing techniques, and their applications are discussed. The participants of the lecture learn that products, services, events, ideas etc., can be marketed. During the discussion the marketer toolbox is introduced, which includes direct advertising in mass media and direct marketing as well as targeted marketing and numerous "fox" techniques that try to influence people's subconscious.

Brit Mesipuu from Milos Advertising provides an overview of social media marketing and talks about the specifics of social media platforms, the basics of creating and publishing marketing posts. Correct timing, compliance with platform algorithm requirements, and financial leverage are important keywords for publishing. The topic is opened through various examples.

The fourth training session is completed by a lecture on "Best Practices in Place Marketing" by Viive Aasma from Alfa-Omega Communications. Smaller destinations need smart location marketing solutions, such as creating legends and other mysteries, marketing specialty local foods and drinks, or paying attention to unique shooting locations, Aasma says. The participants will discuss how the practices listed by Aasma can be adapted to the marketing of their destination.

## **Part V of the Destination Development Training Program**

Main topic: destination management organization

The fifth training is fully dedicated to the construction and establishment of a destination management organization on the example of Lahemaa. Within the framework of the training, the founding meeting of the NGO Lahemaa Fishing Tourism was also held.

The NGO brings under a common roof, the companies, communities, interest groups, and individuals in the area who are interested in developing sustainable fishing tourism. Concentrating activities into a non-profit organization facilitates the promotion of common interests and the representation of members in relations with agencies. It is also much easier for a registered legal entity to apply for funding from different projects and funds.

The fifth training will provide a comprehensive illustration of the process of establishing a destination development organization.

## **Part VI of the Destination Development Training Program**

Main topic: Writing a business plan

Previous trainings on product design, target group profiling, marketing, etc., have prepared participants to think about the business plan as a whole. The training provides an overview of financial planning, risk analysis and sources of funding. How is a competitive business plan structured? What are the typical challenges?



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Participants go through all the topics needed to think about when developing a business plan, from a business idea to a marketing plan. They also receive an overview of ways to simplify their business, such as Excel spreadsheets for free financial forecasts developed by Enterprise Estonia (EAS) etc. According to Krumm, it is best to apply for funding for the implementation of a business plan from the Unemployment Insurance Fund, because the financial support is transferred without self-financing and on flexible terms.

In the practical part of the training, business risks are mapped on the example of Lahemaa fishing tourism service provider. Risk mapping helps a business see which activities to focus on to avoid potential problems. The participants will also discuss the risks arising from the specificities of fishing tourism in Lahemaa, which must be taken into account when selling tourism packages.

## **Outcomes of the Destination Development Training Program**

The core group of participants in the training program established the NGO Lahemaa Fishing Tourism to simplify and formalize its future activities. As a result of the collaboration, the LaheKala brand was created, which offers a complex service of fishing tourism (fish guides, accommodations, and catering). More information on LaheKala can be found at [www.lahekala.ee](http://www.lahekala.ee)

For more information on merger options, see – [www.lahekala.ee/register](http://www.lahekala.ee/register).

LaheKala is also a member of the Baltic Sea Fishing, an international network of fishing tourism created by RETROUT. For more information visit [www.balticseafishing.com](http://www.balticseafishing.com).

**We are looking forward to active fishing guides who respect fishing ethics to join both LaheKala and the Baltic Sea Fishing network!**