



Targeting a “Dream Market”

Gaining a share of the \$800B
LGBT market

Presented by Ed Salvato



School of Tourism
and Hospitality Management
TEMPLE UNIVERSITY®



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Ed Salvato, gay travel expert

- 14 years editorial
 - Editor in chief ManAboutWorld, the worlds first gay travel magazine built specifically for iPad only
 - Previously editor in chief Out Traveler, Out & About, Gay.com Travel, Planetout.com travel
 - Currently contributing editor Out, Out Traveler, Advocate; editor GPS.OutTraveler, Dot429
 - Contribute to numerous publications (TripOut, Edge, SDGLN, LA IN Frontiers, etc)
 - On-air travel expert Sirius/XM, Proud FM
 - Author of Gay Tourism Marketing book (international edition; publication 2012)
- Frequent speaker at industry events
 - NY Times Travel Show, Boston Globe Travel Show, Philadelphia Inquirer Travel Show
 - PRSA, DMAI, IGLTA, CMI



Help

- Nearly three years consulting
 - On my own
 - Philadelphia Int'l Festival of the Arts (PIFA.org)
 - Marriott Resorts Hawaii
 - Prince Edward Island
 - Provincetown for Women
 - Community Marketing, Inc.
 - In partnership with OutThink Partners
 - Jumeirah Essex House, NYC
 - Chelsea Pines Inn, NYC
 - LAN Airlines, NYC, Florida
 - Union Bank, California

ManAboutWorld

- First gay travel magazine for iPad only
- Online and blog components: ManAboutWorld.com
- Social media: Facebook.com/ManAboutWorld, Twitter @MAWTravel
- Paid subscriptions, advertising revenue



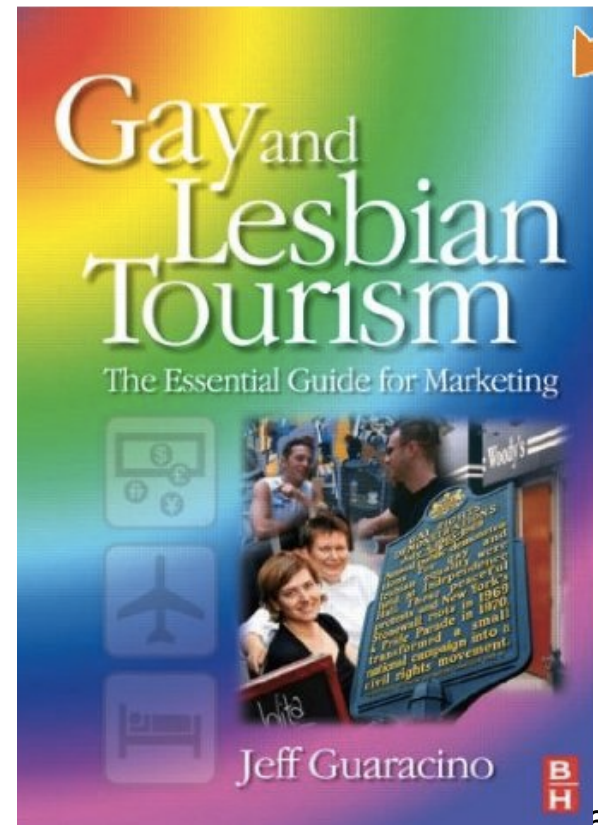
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OCTOBER 2012
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Writing a book

- Writing a book on LGBT tourism marketing
 - Working with Jeff Guaracino
 - May need help with research
 - <http://www.amazon.com/Gay-Lesbian-Tourism-Essential-Marketing/dp/0750682329>





Dream Market

- Size and buying power
- Economically resilient
- Brand loyalty
- “Influencers”



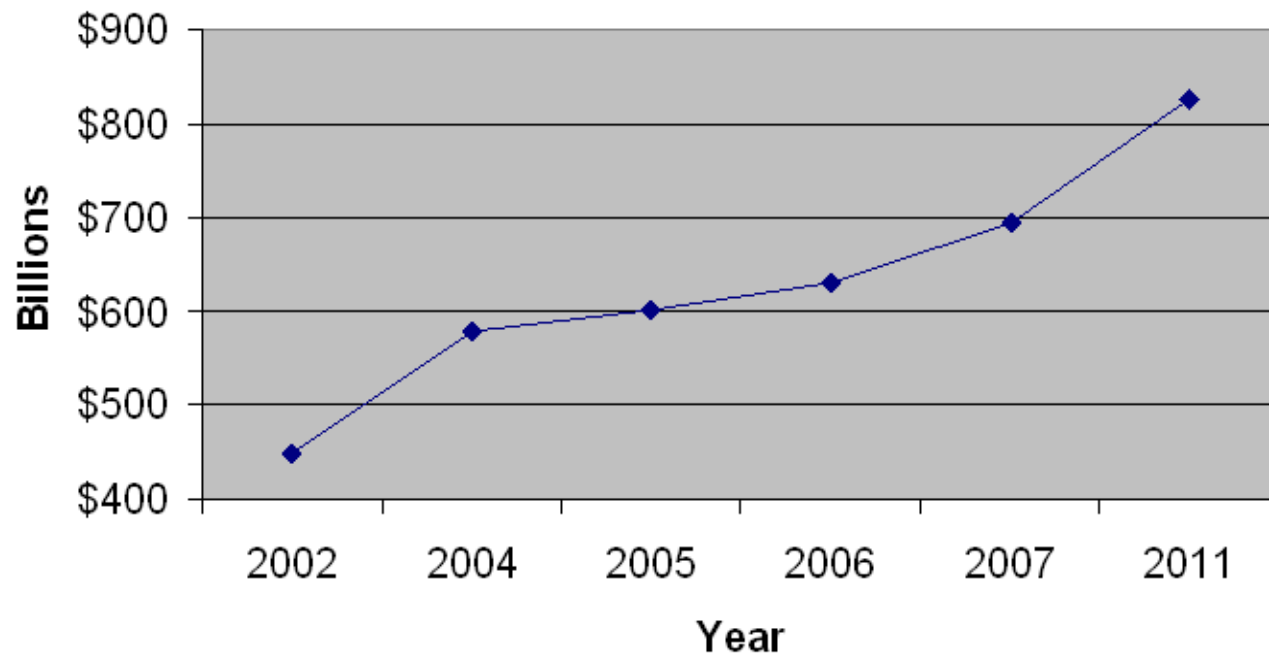
Size and Buying Power

- 6.8% of the U.S. adult population identifies as gay, lesbian, or bisexual—approximately 15 million people.
- There are over 3 million same-sex households in the U.S.
- Less than 25% of gay men and lesbians live in households with children
- As a result, the LGBT market has more disposable income... “Double Income No Kids”

**Source: Community Marketing, Inc., Harris Interactive*

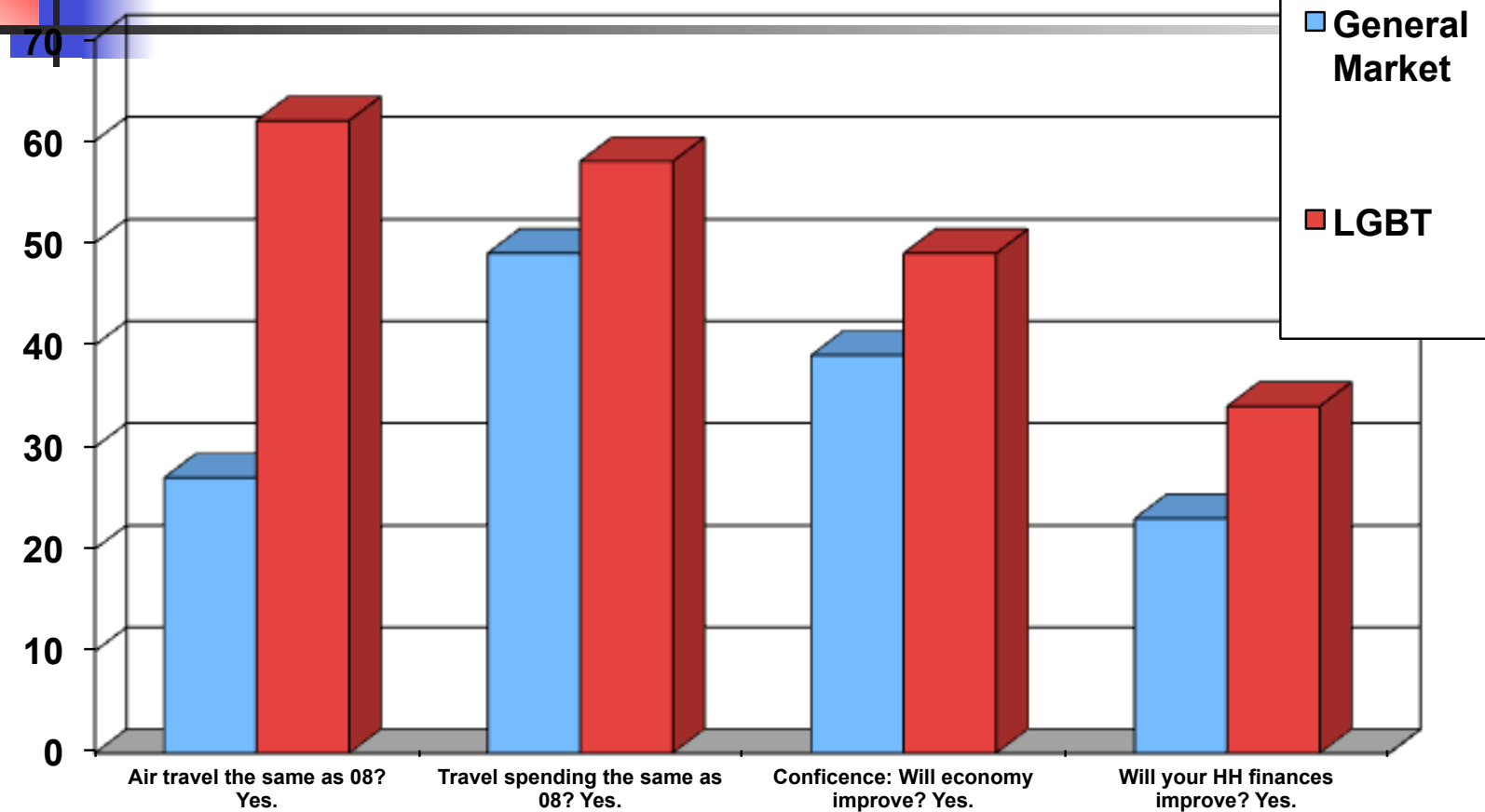
Market Size and Buying Power

- LGBT buying power is expected to reach \$845 billion in 2011***



Nov 2, 2012

LGBT Market - Resilient



*Source: Witi\eck-Combs/Harris Interactive

Nov 2, 2012

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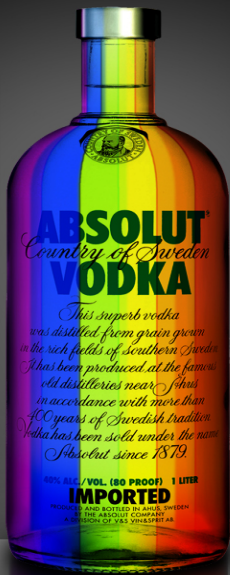
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Brand Loyal

- 4 out of 10 gay consumers prefer purchasing products from companies that advertise to gay and lesbian media
- 55% of LGBT consumers choose to do business with companies that are committed to the diversity/equal treatment of gays
- 70% of gay and lesbian adults would pay premium for a product from a company that supports the LGBT community
- 78% of gays and lesbians and their friends or relatives would switch brands to companies that are known as LGBT friendly

Brand Loyal



ABSOLUT RAINBOW

“We need to engage the consumer and do something experiential, something relevant to their lifestyle. We have a long standing relationship with the LGBT community, but we don’t take it for granted. We have to constantly innovate if we want to stay relevant.”

***-Jeffrey Moran,
Vice President of Public Relations,
ABSOLUT***



Influencer Market

- Companies are realizing the potential of the LGBT market to make money and are seeking to get brand loyalty from LGBT consumers
- Gays and lesbians are early adopters of technology, spend more time on the Internet, blog more, travel more often and longer
- 24% of gays and lesbians keep up with latest styles/trends versus 17% of non-gays

**Source: Witeck-Combs/Harris Interactive*



How to Gain a Share of Market

1. Know your audience
2. Tailor your message and communications channels for your audience
3. Build a relationship with the community
4. Reach out to the LGBT market via a variety of channels and touch points



Know Your Audience

- The LGBT market is NOT a single, monolithic market
- There are various sub-sectors of the LGBT community, depending on:
 - Race
 - Gender
 - Age
 - Sexual Identity
 - Marital status
 - Geographic location
- Determine how your product or service fits within the LGBT market



Tailor Your Message

- Tailor your message to your gay and lesbian audience
- Use appropriate language and images in all communications and advertising materials
- Determine the best communication channels for this particular demographic (social media, online, community media, etc.)
- Follow our LGBT communications Rules of Thumb (at the end of this presentation)



Build Relationship with Community

1. Build relationships with key influencers and contacts in the LGBT community
2. Support organizations and causes that are important to the gay and lesbian community, such as civil rights and HIV/AIDS
3. Leverage events and face-to-face interactions
4. Advertise in LGBT media and engage LGBT reporters and editors
5. Stick to your word!



Multiple Touch Points

- Take a multi-dimensional approach to engaging this market
- PR and media relations are key, but don't forget other valuable and cost-effective tactics:
 - Events
 - Partnerships and sponsorships
 - Online and social media
 - Marketing and advertising in LGBT media
 - Sales channel support



Successful Tactics

- Targeted media relations
- Sponsorships and partnerships
- Events
- Advertising and marketing
- Online and social media
- Internal brand alignment



Targeted Media Relations

- Heavy consumers of media and information.
- PR savvy and responsive to positive portrayals of companies and brands that they find in LGBT publications.
- Public relations is also important for general awareness-building.
 - Also consider targeting LGBT journalists at mainstream media outlets
 - Leverage NLGJA and other similar organizations



Relationships with Key LGBT Media

- Essential to develop and update LGBT media database
 - Continually changing
 - Small world of really key players (many of whom I've hired, worked with, or worked for!)
- Pitch appropriate product to the right media
 - Example: Hotel Fauchère
- Know their publications, features, columns, etc; how they like to be communicated with
 - Example: GPS: Deal of the Week; Tour of the Week; Suite Dreams (hotel)



Press Trips/Media Fam

- Press trips can work for right product
 - Air can be barrier
 - Partner with airline
- Can organize ‘in town getaway’ for local media (cost effective)
 - Example: Jumeirah Essex House



Sponsorships and Partnerships

- The LGBT market is very community oriented
- Become a supporter of an LGBT organization or sponsor their events
 - NGLCC, IGLTA, dot429
- Sponsorships are a cost effective way to gain excellent visibility with a targeted audience
- Sponsorships and partnerships enable companies to build their brand, raise their profile, and generate sales within the LGBT community
- Leverage partnerships with organizations for ongoing marketing opportunities through their communications channels



Events

- The gay market is “high touch” and values opportunities for face-to-face interaction with companies that are targeting them for their business.
- Host or sponsor LGBT activities and events that will give you opportunity for ‘face time’ with this segment. These can include:
 - LGBT Influencer Events
 - Example: Jumeirah Essex House
 - Host gatherings of gay and lesbian organizations
 - Participate in your local Gay Pride events

Advertising and Marketing

- Advertising in niche publications is often much more cost effective than advertising in general market media
- Engage your LGBT customers in the media outlets that specifically target them
- Customize your ad and message accordingly
- Talk directly to your LGBT consumers





Online and Social Media

- Early adopters of technology and high users of the Internet, and very active in social networking channels
- Excellent channel for developing an LGBT “fan” base and marketing the company virally. Develop LGBT pages/profiles on Facebook, Twitter, LinkedIn Travel Groups; join dot429
 - Example: Chelsea Pines Inn
- Consider developing an LGBT microsite so that you have a landing page for LGBT customers and a way to track their numbers and interact with them directly
 - Example: Kimpton In-Touch Loyalty Program



Internal Brand Alignment

- When a company commits to engaging the LGBT market, it can't just put on a gay-friendly marketing image... it has to deliver on that promise internally.
- Develop policies that promote diversity and educate employees on the best way to interact with LGBT customers
 - Code of Conduct
 - Training Guides
 - Scenario Planning
- Ensure that these policies get communicated and implemented internally
- HRC's Corporate Equality Index



Power of the Invitation

- No to serving in the military (different around the world)
- No to getting married (different around the world)
- No to coming out (personal decision)
- No to being open in religion (depends on the religion)
- No, we don't want you! (most destinations/hotels)
- Yes! We welcome you! (words, pictures, action)

Communications Rules of Thumb

- Don't try too hard
- Clever ads tend to resonate
- Classy ads resonate
- Be judicious in use of rainbows and triangles





Trends and Insights

- Gays and lesbians are becoming more “mainstreamed,” and in some respects more challenging to target as a single, monolithic bloc
 - Important for hotels, destinations, especially
- Political and civil rights issues – from marriage equality to “don’t ask don’t tell” to workplace non-discrimination – continue to have an impact on gay people’s lives and their purchase decisions
- Optimism in the LGBT community continues to run high, from general consumer confidence to the perceived position of gays and lesbians in American society, and more gays and lesbians are ‘coming out’ at a younger age
- More gay men and lesbians are having babies
 - Also important for hotels, destinations
- Changing nature of LGBT media: more platforms, mobile



Ed Salvato

- EdSalvato.com
- Ed.salvato@yahoo.com
- @EdSalvato (Twitter)
- 917-720-3716 (office)
- 917-846-7177 (cell)