

Beyond Destination Promotion: The Contribution of External Marketing Capabilities to DMO Performance

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Abstract

Destination Management Organizations (DMOs) have historically been closely associated with destination promotion. However, the progressive transformation of tourism destinations into complex multi-actor systems has substantially broadened the scope of DMO responsibilities. Marketing remains a central function, but its contribution to organizational performance can no longer be understood solely through advertising and promotional activities. This article examines the extent to which effective external destination marketing contributes to overall DMO performance and argues for a broader understanding of marketing as a set of organizational capabilities encompassing destination branding, marketing and communication planning, visitor experience measurement, tourism-flow analysis, promotional effectiveness, and digital marketing. The empirical analysis draws on a quantitative survey conducted among 120 actors and stakeholders of the Agadir-Souss-Massa Regional Tourism Council and on a PLS-SEM assessment model. The results show a positive relationship between effective external destination marketing and DMO performance ($\beta = 0.746$). External marketing also records the highest relative contribution to DMO performance among the five domains included in the overall model, accounting for 28.06%. The findings suggest that moving beyond destination promotion does not imply reducing the importance of marketing. Rather, it requires reconceptualizing marketing as a broader organizational capability embedded within destination management.

Keywords: Destination Management Organization; DMO performance; destination marketing; external marketing; marketing capabilities; destination promotion; destination branding.

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I. Introduction

Destination Management Organizations have traditionally been strongly associated with the marketing and promotion of tourism destinations. For many years, their most visible responsibilities consisted of communicating destination attributes, developing promotional campaigns, attracting visitors, and positioning destinations in increasingly competitive tourism markets. This historical orientation explains why the term *Destination Marketing Organization* remains widely used in both academic and professional literature.

The environment in which DMOs operate has nevertheless undergone profound transformation. Tourism destinations are increasingly understood as complex systems composed of multiple public and private stakeholders whose resources, competencies, interests, and responsibilities are dispersed. In such a context, destination competitiveness cannot result from promotional action alone. It increasingly depends on the ability to formulate strategy, coordinate stakeholders, manage destination resources, develop visitor experiences, mobilize information, and ensure the effective functioning of the organization responsible for destination management.

This evolution has contributed to the progressive transition from a conception centered on the **Destination Marketing Organization** toward the broader notion of the **Destination Management Organization**. The change is not merely terminological. It reflects an expansion of the functions attributed to DMOs and a shift from a predominantly promotional role toward a more comprehensive destination-management responsibility.

However, this evolution raises an important question. If DMOs have moved beyond their traditional promotional function, what place should marketing occupy in their contemporary performance?

The answer cannot consist in marginalizing marketing. The literature on destination management continues to identify external marketing as one of the fundamental domains of DMO activity. Presenza et al. (2005), Ritchie and Crouch (2005), Spyriadis et al. (2009), Pike (2004), and Pike and Page (2014), among others, emphasize the importance of marketing activities for destination positioning, competitiveness, market visibility, and visitor attraction. The thesis on which this article is based similarly identifies effective external destination marketing as one of five determinants of DMO performance.

The central issue therefore lies less in questioning the importance of marketing than in reconsidering **what effective destination marketing actually entails**.

Reducing external marketing to advertising and promotion would provide only a partial representation of the contemporary DMO marketing function. In the empirical model examined here, external marketing encompasses destination brand development, the establishment of a destination marketing and communication plan, visitor experience measurement, tourism-flow studies and analysis, promotional effectiveness, and digital marketing combined with a destination management system.

These activities suggest a broader conception of external marketing. The DMO must not only communicate with markets; it must also understand them, develop and manage destination positioning, collect and analyze information, evaluate visitor experiences, use digital technologies, and assess the effectiveness of its promotional actions.

This article proposes to interpret this combination of activities through the notion of **external marketing capabilities**. This perspective makes it possible to move from an activity-centered conception of destination marketing toward a capability-centered conception. What matters is not merely whether the DMO undertakes promotional activities, but whether it possesses the organizational ability to mobilize information, expertise, tools, and processes to manage the destination's relationship with its external markets effectively.

The empirical relevance of this question is reinforced by the results of the overall DMO performance model. Among the five determinants examined, effective external marketing has the highest relative contribution to explaining DMO performance, at **28.06%**, ahead of strategic destination management (25.39%), destination governance (18.32%), destination operational management (16.36%), and internal DMO management (11.88%).

This result creates an interesting theoretical tension. On the one hand, contemporary DMOs can no longer be reduced to promotional organizations. On the other hand, marketing remains the strongest relative contributor to DMO performance in the empirical model examined.

The research problem addressed in this article can therefore be formulated as follows:

To what extent do external destination marketing capabilities contribute to overall DMO performance?

The article seeks to make three contributions. First, it reconsiders external destination marketing beyond the narrow boundaries of promotion. Second, it interprets the different marketing activities identified in the DMO literature as a coherent set of external marketing capabilities. Third, it empirically examines their contribution to DMO performance in the case of the Agadir-Souss-Massa Regional Tourism Council.

1. Theoretical Background and Methodology

1.1. From Destination Promotion to Destination Marketing

Promotion has historically constituted one of the most visible functions of tourism organizations. Destinations compete for visitors in markets characterized by multiple alternatives, information asymmetries, and increasingly differentiated tourist expectations. Communication, advertising, public relations, and promotional campaigns therefore became central instruments for developing destination awareness and attracting demand.

Yet promotion and marketing are not synonymous. Promotion represents one component of marketing. Destination marketing involves a broader process through which an organization seeks to understand markets, identify target segments, develop an appropriate destination image and positioning, communicate the destination's value proposition, facilitate relationships with tourism operators, and assess market responses.

This distinction is particularly important in the DMO context. The literature mobilized in the underlying research shows the predominance of marketing and promotional activities among DMO roles. For the operationalization of effective external destination marketing, the study relied particularly on Spyriadis et al. (2009), themselves drawing on Ritchie and Crouch (2005) and Presenza et al. (2005).

Presenza et al. (2005) argue that DMOs need to perform several marketing activities at both strategic and operational levels in order to generate tourism flows. The effectiveness and outcomes of these activities therefore constitute an important domain of DMO performance.

This broader interpretation moves the analysis beyond the simple question:

How effectively does the DMO promote the destination? toward a more comprehensive question:

How effectively does the DMO manage the destination's relationship with its external markets?

The distinction provides the conceptual starting point for external marketing capabilities.

1.2. The Changing Marketing Role of DMOs

The historical evolution of DMOs can be represented schematically as follows:

Destination Promotion → Destination Marketing → Destination Management

This progression should not be interpreted as the replacement of one function by another.

Destination management does not eliminate destination marketing. Rather, it places marketing within a broader system of responsibilities.

The contemporary DMO must contribute to strategic destination management, stakeholder governance, destination marketing, operational management, and the effective management of its own organizational resources. The empirical model used in this research reflects precisely this multidimensional structure. Its five explanatory variables are effective strategic destination management, effective destination governance, effective external marketing, effective destination operational management, and effective internal DMO management.

Marketing therefore remains central while becoming interconnected with other managerial domains.

This evolution is important because the effectiveness of destination marketing increasingly depends on resources that extend beyond communication. A destination brand requires a strategic positioning. Market targeting requires reliable information. Promotional decisions require market intelligence. Digital communication requires technological capabilities. Visitor-oriented marketing requires mechanisms for measuring experience and behavior.

Consequently, the contemporary marketing function of a DMO involves both **market-facing activities** and the **organizational capabilities necessary to perform them effectively**.

1.3. External Marketing as a DMO Capability

The distinction between marketing activities and marketing capabilities offers an appropriate conceptual lens for analyzing the DMO marketing function.

Activities describe what the organization does. Capabilities refer to its ability to mobilize and combine resources, knowledge, competencies, and processes in order to perform these activities effectively and repeatedly. Applied to DMOs, external marketing capability can therefore be defined as:

The DMO's ability to mobilize market knowledge, destination branding, communication planning, visitor intelligence, promotional instruments, and digital technologies in order to position the destination effectively and manage its relationships with external tourism markets.

The empirical scale developed in the thesis initially considered several external marketing indicators. Following scale purification, six items were retained in the final measurement instrument.

Table 1. External Destination Marketing Measurement Dimensions

Code	External marketing dimension
MrkEX1	Destination brand development
MrkEX2	Destination marketing and communication plan
MrkEX3	Visitor experience measurement
MrkEX4	Tourism-flow studies and analysis
MrkEX5	Effectiveness of destination promotion
MrkEX6	Digital marketing and Destination Management System (DMS)

These six dimensions deserve particular attention because they show that external marketing is substantially broader than promotion.

Destination brand development concerns the ability to develop a recognizable and differentiated identity for the destination. Branding helps translate the destination's distinctive resources and attributes into a positioning that can be communicated to target markets.

The underlying research emphasizes the distinction between the projected or intended destination image and the image perceived by visitors. Destination branding therefore involves not only communicating an intended positioning but also understanding how the destination is actually perceived.

The **destination marketing and communication plan** translates positioning into structured actions. It provides coherence between markets, objectives, messages, channels, resources, and marketing activities.

Visitor experience measurement introduces an outcome-oriented dimension. External marketing is not complete when communication reaches potential visitors; the DMO also needs mechanisms for understanding the experience of those who actually consume the destination.

Tourism-flow studies and analysis introduce a market-intelligence capability. Marketing decisions require knowledge of visitor flows, market evolution, behavior, and demand patterns.

Promotional effectiveness maintains the traditional promotional function but embeds it within a wider marketing system. The issue is therefore not merely whether promotional activities are undertaken, but whether they are effective.

Finally, **digital marketing and the Destination Management System** reflect the increasing role of technology in destination-market relationships. Digital tools enable communication, information distribution, interaction, data collection, and potentially the integration of multiple tourism services.

Taken together, the six dimensions support a capability-based interpretation:

Market intelligence + Branding + Planning + Visitor knowledge + Promotion + Digital capability

↓

External Destination Marketing Capability

This interpretation is consistent with the empirical structure of the scale rather than being imposed independently of it.

1.4. External Marketing Capabilities and DMO Performance

Why should external marketing capabilities contribute to DMO performance?

The first mechanism concerns **destination visibility and positioning**. Tourism destinations operate in highly competitive markets. Effective branding and communication can improve the destination's ability to differentiate itself and establish a recognizable market position.

The second mechanism concerns **market knowledge**. The ability to conduct studies and analyze tourism flows reduces information uncertainty. It enables the DMO to adapt its actions to changing market conditions and to allocate marketing resources more appropriately.

The third mechanism concerns **visitor orientation**. Measuring visitor experience provides information that can be used to evaluate the correspondence between the destination promise and the actual tourism experience. Marketing therefore becomes linked to learning and adaptation.

The fourth mechanism concerns **digital transformation**. Digital marketing and destination management systems expand the DMO's ability to interact with markets, distribute information, coordinate content, and obtain market feedback.

These mechanisms suggest a relationship of the following form:

External Marketing Capabilities

↓

Market Knowledge and Destination Positioning

↓

More Effective Market Interaction

↓

Contribution to DMO Performance

However, this relationship should not be interpreted as suggesting that marketing alone determines DMO performance.

The broader empirical model explicitly places external marketing alongside strategic management, governance, operational destination management, and internal organizational management.

External marketing should therefore be understood as a major component within a multidimensional DMO performance system.

1.5. Hypothesis Development

The literature and the operational framework developed above suggest that a DMO capable of effectively managing destination branding, marketing planning, market information, visitor experience, promotion, and digital marketing should be better positioned to fulfill its organizational missions.

The following hypothesis is therefore proposed:

H1: Effective external destination marketing positively contributes to DMO performance.

Conceptually, this hypothesis can be represented as:

External Destination Marketing Capabilities → DMO Performance

The empirical analysis will determine whether the relationship observed in the underlying research supports this proposition.

1.6. Methodology

The empirical study was conducted in the Agadir-Souss-Massa destination, using the Regional Tourism Council (*Conseil Régional du Tourisme d'Agadir-Souss-Massa*) as the DMO under investigation.

A quantitative research design was adopted. Data were collected through a questionnaire administered to **120 actors and stakeholders** of the organization. The broader research model comprised five explanatory variables and DMO performance as the dependent variable. Model assessment and hypothesis testing were conducted using structural equation modeling through the PLS approach.

For the purpose of this article, the analysis focuses specifically on the relationship between **effective external destination marketing** and **DMO performance**.

The external marketing variable was operationalized from the destination-management literature, particularly Spyriadis et al. (2009), Ritchie and Crouch (2005), and Presenza et al. (2005). The initial operationalization incorporated the principal roles and activities associated with external destination marketing.

Following the purification of the measurement scales, six marketing items were retained: destination brand development, destination marketing and communication planning, visitor experience measurement, tourism-flow studies and analysis, effectiveness of destination promotion, and digital marketing/DMS.

The analysis proceeded through two complementary stages. First, the measurement scale was examined using exploratory factor analysis. Second, the relationship between external marketing and DMO performance was assessed within the structural model using PLS-SEM.

II. Results and Discussion

2.1. Factorial Structure of External Destination Marketing

The exploratory factor analysis provides initial evidence concerning the empirical coherence of the external marketing construct.

After scale purification, six items were retained. The data were considered suitable for factor analysis, and the final principal component analysis revealed a **unidimensional structure**. All item loadings exceeded the conventional threshold of 0.50. The first component had an eigenvalue of **2.967** and explained **82.648% of the variance** of the scale.

Table 2. Factor Loadings of the External Marketing Scale

Item	Loading
MrkEX1 – Destination brand development	0.865
MrkEX2 – Destination marketing and communication plan	0.858
MrkEX3 – Visitor experience measurement	0.847
MrkEX4 – Tourism-flow studies and analysis	0.886
MrkEX5 – Effectiveness of destination promotion	0.789
MrkEX6 – Digital marketing and DMS	0.734

Explained variance : 82.648%

The loadings range from **0.734 to 0.886**, indicating that all six items make substantial contributions to the underlying dimension.

This result is theoretically significant. The highest loading is not associated with destination promotion but with **tourism-flow studies and analysis (0.886)**. Destination brand development (0.865), marketing and communication planning (0.858), and visitor experience measurement (0.847) also display particularly high loadings. This empirical structure reinforces the central argument of the article: external destination marketing cannot be reduced to promotion.

The construct simultaneously captures analytical, strategic, experiential, promotional, and digital activities. The unidimensional factorial structure also suggests that these activities are not empirically isolated functions. Within the measurement model, they participate in a common external marketing domain.

This provides empirical support for interpreting them collectively as an **external destination marketing capability**.

2.2. External Marketing and DMO Performance

The structural model confirms a positive relationship between effective external destination marketing and DMO performance. The coefficient reported in the thesis is: $\beta = 0.746$

The thesis therefore validates the hypothesis that effective external destination marketing is an important determinant of DMO performance.

The positive coefficient is particularly substantial and suggests that higher levels of effective external marketing are associated with higher levels of perceived DMO performance.

The result supports **H1: Effective external destination marketing positively contributes to DMO performance — Supported.**

A methodological point nevertheless deserves attention. The thesis reports “**sig.: 0.198**” while simultaneously characterizing the relationship as highly significant and validating the hypothesis.

For the present article, the original empirical values are retained exactly as reported rather than recalculated or silently corrected. The interpretation therefore follows the thesis's hypothesis decision while avoiding the introduction of a statistical value not contained in the original results.

The substantive conclusion remains that the estimated structural relationship is positive and that the original research retains external marketing as a fundamental component of the DMO performance model.

2.3. External Marketing as the Leading Relative Contributor

The importance of external marketing becomes even clearer when it is situated within the complete performance model. The five domains make the following relative contributions:

Table 3. Relative Contributions to DMO Performance

Performance domain	Relative contribution
Effective external destination marketing	28.06%
Effective strategic destination management	25.39%
Effective destination governance	18.32%
Effective destination operational management	16.36%
Effective internal DMO management	11.88%

External marketing therefore has the **highest relative contribution among the five domains examined**.

This finding should, however, be interpreted carefully.

The 28.06% value should not be read as meaning that external marketing independently explains 28.06% of DMO performance. It represents its **relative contribution within the decomposition of the overall model**.

The broader model explains **78.5% of the variance in DMO performance** ($R^2 = 0.785$; adjusted $R^2 = 0.720$).

The results therefore reveal an important paradox:

External marketing is the strongest relative contributor to DMO performance, but DMO performance cannot be reduced to marketing.

This finding is central to the argument developed in this article.

The transition from *Destination Marketing Organization* to *Destination Management Organization* does not imply that marketing has become secondary. Rather, it indicates that marketing operates within a wider architecture of destination management.

2.4. Beyond Promotion: Toward a Capability-Based View of Destination Marketing

The factorial results provide empirical grounds for moving beyond a campaign-centered understanding of destination marketing.

If external marketing were essentially a promotional function, promotional effectiveness would be expected to dominate its measurement.

The results reveal a different pattern.

Tourism-flow studies and analysis show the highest loading (**0.886**), followed by destination brand development (**0.865**), marketing and communication planning (**0.858**), and visitor experience measurement (**0.847**). Promotional effectiveness has a loading of **0.789**, while digital marketing and DMS record **0.734**.

The empirical construct therefore incorporates at least four forms of capability.

First, it contains an **analytical capability**, reflected in tourism-flow studies and visitor experience measurement.

Second, it contains a **strategic marketing capability**, reflected in destination branding and marketing planning.

Third, it contains an **activation capability**, represented by effective promotion.

Fourth, it incorporates a **digital capability**, reflected in digital marketing and destination management systems.

The marketing role of the DMO can therefore be represented as:

Understand → Position → Plan → Promote → Measure → Adapt

This sequence is broader than:

Promote → Attract.

The distinction is essential because destination marketing effectiveness increasingly depends on the organization's capacity to learn from markets and visitors rather than merely to transmit promotional messages.

The findings therefore invite a shift:

from a campaign-centered view of destination marketing toward a capability-centered view of DMO marketing performance.

2.5. Marketing Remains Central within the Broader Destination Management Function

The results also contribute to the debate surrounding the evolution of DMO functions.

The widening of DMO responsibilities has sometimes been described through the transition from destination marketing toward destination management. Yet such a formulation can misleadingly suggest a declining role for marketing.

The empirical results point in the opposite direction.

Marketing remains the leading relative contributor in the model. At the same time, the combined contribution of strategic management, governance, operational management, and internal management demonstrates that marketing operates within a broader organizational and territorial system.

The contemporary DMO should therefore not be conceived as: **a promotional organization** nor simply as: **a marketing organization**

but as: **a destination management organization with strong external marketing capabilities.**

This formulation reconciles the historical importance of marketing with the contemporary expansion of DMO responsibilities.

2.6. Theoretical Implications

The findings generate three principal theoretical implications.

First, they support a broader conceptualization of destination marketing. Marketing performance is not confined to communication outputs or promotional intensity. It encompasses information, destination branding, planning, visitor knowledge, promotional effectiveness, and digital capabilities.

Second, the results connect external marketing directly to **DMO organizational performance**, rather than considering marketing only in relation to visitor numbers or destination competitiveness. This distinction is important because DMO performance and destination performance are related but analytically distinct.

Third, the findings help reconcile two perspectives in the DMO literature. The expansion from destination marketing toward destination management does not imply abandoning the marketing function. Instead, marketing should be understood as a central capability embedded within a broader destination-management architecture.

The theoretical message can therefore be summarized as follows:

Beyond promotion does not mean beyond marketing; it means understanding marketing as a broader organizational capability within destination management.

2.7. Managerial Implications

The results also have direct implications for DMO managers.

If marketing is understood only through promotional campaigns, managers risk using indicators that measure activities rather than capabilities.

A performance dashboard limited to advertising expenditure, campaign numbers, website visits, social-media publications, or promotional events would therefore provide an incomplete assessment.

The six dimensions validated in the empirical scale suggest a broader managerial dashboard.

Table 4. External Marketing Capability Dashboard

Capability	Key managerial question
Destination branding	Does the destination have a clear, distinctive, and recognizable market position?
Marketing planning	Are marketing and communication activities guided by a coherent plan?
Visitor intelligence	Do we systematically measure and understand visitor experience?
Market intelligence	Do we analyze tourism flows and market developments?
Promotional effectiveness	Do we assess whether promotional activities achieve their objectives?
Digital capability	Are digital marketing and destination-management technologies effectively used?

This approach changes the managerial question from:

How much promotion did we undertake? to: How capable are we of understanding, positioning, promoting, monitoring, and adapting the destination in its markets?

This distinction is particularly important for resource allocation. The finding that marketing is the leading relative contributor should not automatically lead managers to increase promotional expenditure. It instead suggests investing in the **full marketing capability system**, including market intelligence, visitor knowledge, planning, branding, digital infrastructure, and evaluation.

2.8. Limitations and Future Research

Several limitations should be acknowledged.

First, the empirical study concerns a single regional tourism organization and one destination context. The findings should therefore be tested across DMOs operating under different institutional arrangements and in different tourism environments.

Second, the analysis is based primarily on stakeholder perceptions and cross-sectional data. Longitudinal designs could provide a stronger understanding of how the development of marketing capabilities influences organizational performance over time.

Third, although this article interprets the six validated external marketing activities through a capability-based perspective, the original model operationalized the variable as **effective external destination marketing**, not as a separately developed marketing-capabilities scale. Future research could therefore explicitly construct and validate a multidimensional external marketing capabilities instrument.

A particularly useful extension would be to investigate the mechanisms through which marketing capabilities affect performance:

External Marketing Capabilities → Market/Visitor Outcomes → DMO Performance

A further extension could connect organizational and territorial outcomes:

External Marketing Capabilities → DMO Performance → Destination Performance

Such models would make it possible to distinguish more clearly between the performance of the organization and the broader tourism outcomes of the destination.

III. Conclusion:

This article examined the extent to which external destination marketing contributes to DMO performance and sought to reconsider the marketing function beyond its traditional association with destination promotion.

The empirical findings provide strong support for the central role of external marketing in the DMO performance framework. The external marketing scale is unidimensional and comprises six complementary components: destination brand development, marketing and communication planning, visitor experience measurement, tourism-flow studies and analysis, promotional effectiveness, and digital marketing/DMS. The first factor explains **82.648% of the variance**, with item loadings ranging from **0.734 to 0.886**.

The structural relationship between effective external destination marketing and DMO performance is positive, with a reported coefficient of $\beta = 0.746$, and the original research retains the corresponding hypothesis.

More importantly, external marketing accounts for **28.06% of the relative contribution within the overall performance model**, making it the leading contributor among the five domains examined.

This result does not support a return to the traditional conception of the DMO as a promotional agency, It supports a different conclusion.

The contemporary DMO needs marketing more than promotion alone. Its performance depends on the ability to understand markets, develop and manage destination positioning, structure marketing actions, measure visitor experience, analyze tourism flows, use digital technologies, and evaluate promotional effectiveness.

The evolution from destination marketing toward destination management should therefore not be understood as the decline of marketing. It represents its **repositioning within a broader managerial system**.

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