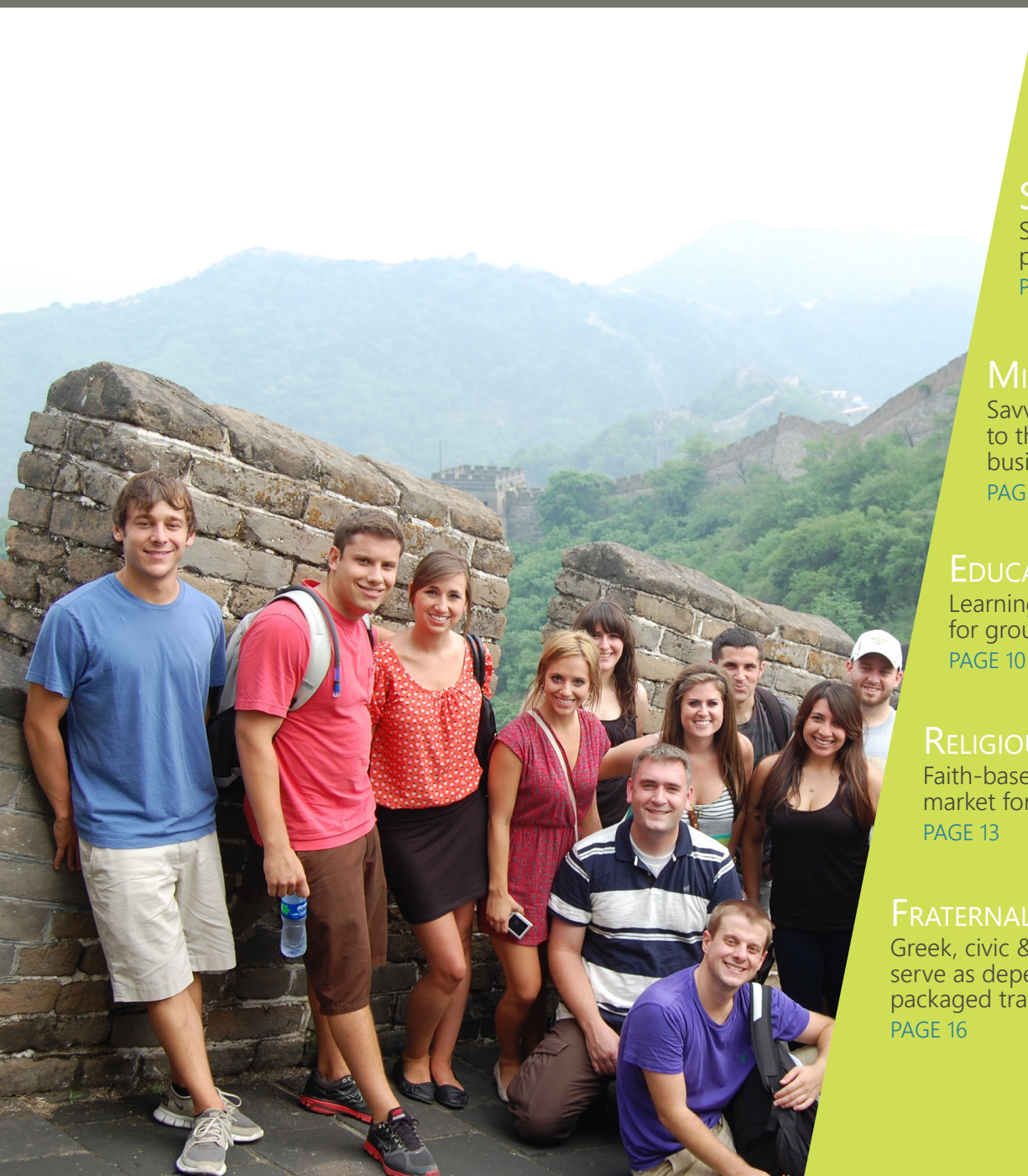


There's Nothing Blue About

# SMERFS

in Tour & Travel



## SOCIAL

Special interest groups are perfect for packaged travel

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## MILITARY

Savvy suppliers are looking to this segment for promising business opportunities

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## EDUCATIONAL

Learning experiences are great for groups young & old

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## RELIGIOUS

Faith-based groups offer an expansive market for travel destinations

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## FRATERNAL

Greek, civic & other organizations serve as dependable & rewarding packaged travel groups

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# The Journey Continues



**Dave Bodle** Associate Publisher,  
Premier Travel Media

Thirty years ago through today packaged group travel consisted of seniors enjoying motorcoach tours. More often than not the common interest was simply they just wanted to travel.

Now, we've entered the age of niche, or affinity in the packaged travel arena. Specialty groups generally fall into two categories.

- First, there are special interest groups that range from the garden club to the Saturday morning golf gang. Usually, it isn't too difficult to see exactly where there interests lie.
- The second category for specialty groups is membership organizations. This group is a little more complicated. They are easier to find, but a little more challenging to build an itinerary.

However, a simple Google search of SMERF tourism yields More than 25,000 results with the overwhelming majority addressing meetings and definitions. Packaged group tours are not addressed in the SMERF market segment.

This White Paper is about finding opportunities for packaged group travel in membership organizations. We're going to look into the SMERFs, a traditional meetings market and find the hidden opportunities for packaged group travel.

It's my hope you'll find a few tidbits of knowledge that will aid in your journey.



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# Re-Discovering the SMERFs

Traditionally, the Social, Military, Educational, Religious and Fraternal market falls into the meetings and conferences category. That's exactly where the SMERF segment belongs and today it is a major contributor to the meetings segment. It's a wise marketer that stays committed to wooing SMERFs, primarily to fill shoulder and off-season lags.

On the meetings side we look at an organization of like-minded individuals that need a block of rooms possibly with breakfast; a registration fee that may include a reception/dinner and/or lunches; meeting space and possibly a few tour options during a free afternoon. This may be an over simplistic view, but the point being made is each item referenced above is purchased individually.

Consider the last Governor's Conference you attended. There was a conference registration fee that included some meals. Hotel accommodations cost was additional. Separate charges for options that were part of the conference may have required an additional payment. You get the point. Two, possibly three different payments were needed to attend one conference.

On the other hand packaged travel is exactly what the name implies. We have a group of like-minded individuals. They'll need rooms most likely to include breakfast. They may need a hospitality/meeting room. Dinners are probably part of the package and typically all sightseeing options are included (though that is starting to change with tour companies offering ala carte tour packages). Think about the itineraries and packages you've been part of, or even developed. Each traveler makes his or her payment to the tour operator/group leader who in turn makes payment to each individual supplier. It's that single payment feature that is the backbone of the package group travel business.

Packaged travel is no longer limited to motorcoach transportation. Like the meetings segment, they'll arrive by plane, train and automobile. When we categorize segments by type of transportation, ie. bus tours, we're missing the boat and a significant amount of niche business.

There is a difference that divides SMERFs between meetings & packaged travel

## Trends Impacting the Segment

**1**

Second and third tier destinations have always been popular for SMERFs. Boutique destinations are gaining popularity, the key being authentic, local unique experiences.

**2**

During the recession, SMERF planners became better negotiators and enjoyed lower hotel rates. Hotel rates are approaching all-time highs and properties are justifying those increases with renovations that have enhanced the room and surrounding experiences. Packaged travel conceals some of those rate increases.

**3**

At one time, destinations interchanged Sports as the “S” in SMERF. A few still do, but many have spun off sports into a unique entity, or at the least have a sports sales manager addressing this fast-growing group travel segment.

**4**

The market continues to be a dependable piece of business though budget cuts have hindered the educational meetings markets and aging military reunions don't fill rooms like they used to.

## Let's take a closer look...



## “S” is for Social (and sometimes Sports)

There is one specific point that differentiates the SMERF and corporate meeting segments. The vast majority of corporate meetings and conferences have required attendance. In the SMERF markets meeting attendance is voluntary. Participation is at the discretion of the individual. Let's look at a few examples from the “S” in SMERF and what opportunities there are for both meetings and packaged travel.

The Miami Ski Club (yes, there is a ski club in Miami and it's a large one) can easily be considered either a social or sports market segment. For our purpose, which “S” we use isn't relevant. When the ski club gathers in Coconut Grove its agenda may include election of officers, a review of bylaw changes and possibly registration for upcoming trips. There may very well be a banquet and a small block of rooms for overnighting. Regular meetings rotate locations. Those gatherings are definitely meetings. Miami-area suppliers with banquet facilities may want to investigate if the ski club meetings are a good fit.

Obviously, the Miami Ski Club has no Florida options for snow skiing. They do have packaged travel options to Utah, Colorado and other destinations. Those trips include accommodations, lift tickets, transportation and possibly some meals. Each individual component is packaged together with an inclusive price. Destinations providing Miami Ski Club member's packaged travel see them as a tour & travel prospect. Selling those packaged travel options begins at the club level.

Another great example of an organization that's both a SMERF meeting and a packaged travel opportunity is women's clubs. The General Federation of Women's Clubs is made up of 50 state federations. Each individual federation and the national organization provide meeting opportunities. Board meetings and conferences are important to each group. Even at the local level there are regular meetings that can be hosted by hotel properties with banquet facilities and restaurants with meeting rooms.

Special  
interest clubs  
are perfect  
prospects  
for packaged  
group travel



Within the local, state and national federations there are opportunities for packaged travel, too. The obvious is a girlfriend's getaway for the local federation. You'll need to do your research, as most local groups do not have a travel planner position. As you begin to discover more about the federations at all levels, it will become apparent that they're volunteer-driven. You'll need to find the influencer.

This is a perfect fit for one of the industry's increasingly popular type of tour packages. Determine the mission of the individual federation and put together a package that suits their need. Your influencer will help guide the decision. Depending on the theme and complexity of the trip, work with a tour operator or receptive operator and develop a package specifically for your destination. Help your operator sell that tour by opening doors.

These few examples will start you thinking about how the SMERF segment can be an opportunity for both meetings and packaged travel. In both the above cases the same social club opened up opportunities for both. One small word of caution – not all organizations offers one-stop shopping.

For instance, take the PGA of America, Illinois division. They certainly have meetings potential at the individual golf clubs and country clubs. Meals, golf and even accommodations may be covered in registration. Its mission is teaching and growing the game of golf and that's the primary purpose of regular meetings. However, attempting to provide the individual members a package to any of the great golfing destinations would not be the best use of your time. It's doubtful that their members travel as a group.

Savvy suppliers are looking to the Military segment for packaged group travel business

## “M” is for Military

As a meetings market, the military seems to be recovering nicely from sequester. Even in difficult times it was critical that the defense industry and the military work in harmony. The industry needed to be kept aware of what the military needed. The military needs to be up to date with the technology the industry could provide. The strength of the market is evident. In the fourth quarter of 2015 the Institute for Defense and Government Advancement (IDGA), a leader in the industry, offered more than a half-dozen conferences.

Although destinations may not place military reunions in this SMERF category, we're going to touch on them in this space. As our World War II veterans age, many military reunion meetings that prospered during the past few decades are now dwindling in size. As that market shrinks, Korean War and Vietnam War veterans are beginning to gather. It's important for destinations to understand the

generational differences and life experiences between each veteran group. What might have worked in the past will not necessarily be effective now and for future veterans.

Like each SMERF market segment, cost and value are significant factors for planners. However, defense military meetings and conferences are also location- dictated. You'll find their meetings trending to the areas where forces stationed. Smaller meetings and reunions will continue to favor second-tier, drive-in destinations.

If you've reached this point, you might think, "Thanks for the information, but neither military meetings nor reunions are a good fit for my market." I suggest you take a fresh look at your inventory and see where a packaged travel product might fit. Here's one to consider, if you have a few public golf courses in your destination. How does the "Military Appreciation Invitational" sound?



Package accommodations, golf, practice balls and cart, breakfast, box lunch on course and at the very least an awards dinner. Make sure you have a package for the ladies who will accompany their husbands, but will not play. Shopping, historical sites or participatory options should be available for them.

If golf isn't your destination's niche, stand back and see where you might fit. Experience has taught us that later veterans are active adults. Your "Military Days" might be a motorcycle or ATV rally packaged with accommodations, meals, attractions and a timed mountain or road rally and poker runs.

The bottom line is your opportunities for packaged travel in the military segment are only limited by your imagination.

## Tips for Getting Started:

Talk with your golf course partners & get them onboard

- How many tee times over two/three days can they provide?
- Can they do a box lunch on the course?
- Will one of your golf course partners step up as tournament director handling competition details, rules and handicap verifications?

Select a military charity to receive the proceeds from your tournament

- Wounded Warriors Project® & Fallen Heroes Fund are nationally well known and may even be able to assist in recruiting players.
- For further information, check out the 2014 CNBC online article that listed the Top 10 Military Charities dedicated to helping veterans and their families.

Begin your marketing efforts

- Have your accommodations partners get the word out to their guest history.
- Dedicate a page on your website to the "Military Appreciation Invitational."
- Work with your local VFW asking them to reach out to their network of fellow veterans & VFWs.
- Most importantly, make certain your package(s) are seamless from check-in to golf to farewell.

# “E” is for Educational Travel

From the meetings side of the aisle, gatherings of the education community have long been an important segment of the SMERF market. It's a wide-open sector, from pre-kindergarten teachers through university graduate schools. Case in point: I have a nephew and niece who are tenured department heads (obviously, the brighter side of the family) at major universities. They have more frequent flyer miles attending conferences than a national sales manager for an auto parts company.

Public and private school meetings are primarily local and state functions. Teachers from 8th grade classrooms where state history is frequently taught may meet within their district or at a statewide convention. The same can be said about secondary science or language arts teachers.

At the risk of oversimplification (which I'm about to do) there are numerous opportunities to host local, regional and state education-oriented meetings. In the education segment

From ages  
8 to 80  
learning  
experiences  
are great for  
any group



there are also opportunities for student-packaged travel. That's our focus is today, along with an emerging trend for packaged educational travel.

Regardless of your destination's size, you have opportunities. Fine arts, science, history & social sciences, language arts, mathematics, and technology attractions may satisfy your State or National Standards of Learning (SOL). Put together a package that will appeal to student groups. That package may be as simple as a museum visit and box lunch. Sounds easy, right?

Not really, it takes planning and preparation. For every discipline and different grade level, teacher resources need to be developed that detail where SOL are met. Best authored by educators, the teacher resources lay out a lesson plan and exercises for pre-visit, day of visit and post-visit follow-up. The teacher's resource is a combination of classroom and visitation experiences.

The previous statement deals mostly with day trips and can blossom into overnights for

destinations with multiple attractions that fit the SOL. For extended overnight packaged travel, destinations should look to performance groups. Think concert, jazz and marching bands, choir or theater. I can hear the gasps now. "I don't have an amusement park or fancy performance venues. How can I possibly compete?"

While the theme parks steal the headlines and it's going to be a challenge requiring an investment in both time and treasure resources, the return on investment can be well worth the effort. Do not be intimidated by well-known destinations and industry pundits. There just might be a place for you in the competitive performance group industry.

Begin by thinking of an annual event. Next, take inventory of the venues, attractions, accommodations and restaurants you do have available. Then ask yourself some questions.

## Questions:

### What's the best time of year?

If your hotels are filled during "Leaf Watching Season," consider a spring event. Plan for when you need and want the business.

### What type of event should I have?

Band festivals certainly bring large numbers, but choral events should not be overlooked. Both travel well, including friends and family.

### How do I make my event educational?

Adjudication is a must. Clinics add even more value.

### How do I get the community and my partners onboard?

This is what you're good at doing.

### Do I need music directors FAM/Workshop?

It's a great place to start and can contribute to the success of your event.



Student and performance groups can offer opportunities for just about every destination. It just takes some creativity and energy to make it happen. Looking even further there is packaged educational travel outside the student/youth market.

There was a time when we were perfectly happy taking a scenic train excursion that traveled along a mountain stream. We still want to take that ride, but now we want to get off and learn how to fish that mountain stream. Many of us grew up playing some sort of card game, but bridge probably wasn't as popular when we were kids. Now, we'd love to learn the game and there are packaged travel options to do so.

We're never too old to learn! A leader in the educational travel industry for adults, Roads Scholars is working with destinations throughout the world. Take a look at their

packages you might see a fit for your destination. Remember, the key is packaged travel. If your destination is not currently packaging and pricing, that's where you need to begin your student programs, regardless of their age.

One final thought in parting. Remember when doing educational packaging keep your eye on being age appropriate. It's pretty easy to do on the student side, but a little more challenging on adult educational travel. Remember that not all Baby Boomers are targets for all educational packages. Their 1946-1965 birth dates present a wide range of interests and experiences. An early boomer born in '46 just might have kids born in '64, or '65 that are still raising families.

Maybe you have the makings of a multi-generational tour!



With 150+ million U.S. citizens regularly attending worship services, religious travel is a market opportunity for packaged group travel

## “R” is for Religious

When many travel suppliers think religious travel, meetings immediately come to mind. While this market is extensive—there are national, regional and local opportunities—the faith-based packaged group travel market is equally rich.

Of all the SMERF market segments, Religious may be the most diverse. You’re dealing with multiple faiths, numerous denominations, abundant places of worship and almost an untold number of groups within those places of worship. At first look it seems a market that’s possibly too large to tame. It should not be intimidating.

For our purposes, we’ll consider faith-based travel as a group of individuals with similar faith traveling together on a packaged trip. Their destination may or may not include religious attractions. This is an important point, as many outsiders think the market is ONLY interested in touring churches and faith-based attractions. Nothing could be further from the truth.

Youth groups from like denominations in the community may join together for an overnight trip to an amusement park, concert, festival or similar activity. Young couples, singles, the women’s group or men’s club from those same denominations may attend a retreat. The senior minister or pastor may want to plan a fellowship trip, available to all members of the congregation. The key to these trips is the participants are traveling as a group with a per-person price. With a better definition and understanding of faith-based travel, let’s see where you fit in.

### **Take Inventory of Your Destination’s Attractions:**

Are there attractions that will appeal to youth and/or adult faith-based travelers? Do not forget adventure and action options. Do you have a religious, historic or heritage story to tell? Do you have volunteer or mission opportunities? Are retreats, including camping options, available in your destination? Can a group hub & spoke from your destination to other attractions and activities?

**Analyze Your Hotel Inventory:**

Long gone are the days where religious retreats spent uncomfortable nights bunked in a musty retreat center, tucked in a wooded area 30 miles outside of town. Today's travelers demand modern amenities and convenience. Yes, they want to validate their faith, but an afternoon spa treatment puts them in a better state-of-mind to do so, while enjoying a nice dinner allows ample time to reflect on the day's activities with their spiritual comrades. If your hotels need propping up on weekends and have unique meeting space, retreats are a market you need to explore further.

**Match Product to the Market:**

From the previous points hopefully you've identified product for faith-based packaged travel. Let's match that to some specific target segments. Here's how: Identify any tour operators now visiting the destination that may have an interest in, and customers for, a new itinerary/package. Are other operators' viable prospects?

Are there regional faith-based groups you can prospect directly? Don't forget to estimate the cost of marketing and selling your itinerary/package. Determine what amount over and above the cost of doing business that may go into the packaged price.

Partner with like-minded suppliers, develop a full program and attach a package price. Three points are worth noting.

- Like in all packaging, make certain each partner's group policies are understood and, of course, adapt to differences. Make a decision as to which partner accepts deposits and final payments and how funds are dispersed.
- Tier price your package. The faith-based packaged group travel market is large and you'll very well be working with tour operators, meeting planners and groups directly. Protect your professionals and do not leave money on the table when working directly with groups.

**Where do you fit into faith-based travel?**

1

Take Inventory of Your Destination's Attractions

2

Analyze Your Hotel Inventory

3

Match Product to the Market



- The packaging and pricing tips are presented for a good reason. Somebody has to do it. Itineraries and even a list of options are a good start. However, travel professionals and group leaders will be appreciative of your effort and your local knowledge.

The blueprint outlined above is a good path to follow. Develop your product and carve out your market niche. That niche doesn't imply "churches within a 100 mile radius." That approach may be fine for a dinner, accommodations and Christmas show package. In fact it could be the answer to filling a seasonal hole. But the key to a successful destination marketing effort is overnight group business, so you're going to have to stretch farther. Marketing an itinerary/package that has year-round depth and appeal, homework needs to be done.

Start by answering these three questions:

1. Determine if there are there faiths that would find your destination more or less appealing.
2. Are there local religious organizations that can help connect you with leaders of similar organizations in target cities?
3. Do your faith-friendly attraction partners have a prospect or past customer list you can tap into?

The Religious travel segment is large enough so your parameters can be very specific, very narrow, and you will still have a significant list of prospects. It's one of the beauties of this market segment.

Take a close look at faith-based packaged group travel. It's one of the best opportunity markets in the SMERF segment.

Collegian, civic & other organizations are dependable for meetings and even more rewarding for packaged group travel

## “F” is for Fraternal

Collegiate fraternities and sororities have always been big for SMERF meetings. Although most Greek clubs have one national organization, there are chapters at various campuses. For example, Theta Chi has more than 130 chapters. Likewise the Freemasons and their offshoots Shriners and Scottish Rite are in numerous cities throughout the country. Membership consists of pillars of the community. Non-civic and non-collegiate organizations such as the U.S. Air Force Auxiliary and the Coast Guard Auxiliary have tens of thousand of members each. Hotels with banquet facilities and restaurants have been tapping into the fraternal meetings market for decades.

For the packaged group travel supplier looking at the fraternal market, we see a parallel to the religious segment. The latter is defined as a faith based group traveling together. The point being they are not necessarily travelling to religious destinations. The same can be said about fraternal groups. The local Kiwanis or Rotarians may travel to a meeting, but

they're also a target rich market for tour and travel. You'll have to do your homework.

Here are four tips to get you started.

Begin by identifying a fraternal organization(s) and their most important mission, or purpose for existence. The Independent Order of Odd Fellows including female members (Rebekahs) contributes more than \$775 annually to worldwide relief projects. The Benevolent and Protective Order of Elks focus on student scholarships and veterans. Regardless of the organization you choose you'll discover that collegiate, civic and other fraternal organizations have a strong charitable mission.

Next, create an itinerary as you would almost any other packaged group tour. Keep in mind that the majority of fraternal groups consist of students and business people. Most likely they will have limited days to travel. Research if your community has a Habitat for Humanity or Homes for Heroes project and you want to provide a package for college



## Tips for Getting Started:

- 1 Identify a fraternal organization & their mission
- 2 Create an itinerary as you would any other packaged group tour
- 3 Get creative with your packaging
- 4 Let the marketing begin

fraternities and sororities. You'll need to be aware of campus schedules, and/or develop a weekend package. The same can be said for targeting civic leaders. A weekend package will probably work best. Determine organizations that geographically are able to conveniently travel to your destination.

It's time to get creative with your packaging. You've discovered there is a charitable mission for most fraternal organizations. Now's the time to add some sizzle to your package and give your prospects a reason to travel. Along with your partners determine how your package can make a contribution to the organizations specified charity in their name. It can be as simple as adding an amount to the per person cost. You do the math. You may also be able to locate a hospitality business in your community with membership in the local organization. For participation in the itinerary you may discover a benefactor.

Let the marketing begin. You've determined the points of

origination for your fraternal organizations, now identify a tour operator partner. You should offer the operator sales support materials and a presentation at the organizations meeting. Working with a professional tour operator is your best chance for success. You can also work directly with a charter operator in the area and market directly to the group. Either way transportation needs to be included. If you choose to go to the organizations directly, you'll find contact information online. An even better approach is to start with a conversation at your local organization. They can probably provide you with some good leads.

There are a few basics to remember about fraternal groups. If a weekend package is not right for your business, then walk away from the fraternal segment. With the civic and other groups unlike the meetings side the price of packaged group travel isn't the main issue. Put together a package with sizzle and build that charitable contribution into the cost.

# Summary

It's our hope that within this white paper you've found some insight into the SMERF market segment and the opportunities it presents for packaged group travel. As pointed out in the very beginning, building itineraries and packages for organizations can be a challenge. We've shared a few itinerary suggestions that have worked. However, we believe and trust you'll agree that itineraries and the packages developed are only limited by your imagination.

The SMERF segment is a target rich opportunity, but a mass email blast isn't the way to go. Throughout this white paper we've stressed the need to do your homework. Research a

variety of organizations and their charities and identify the best opportunity. Narrow your search regionally where your destination is known and select the organizations within that region.

Finally, partner, partner, partner. In the beginning you joined with like-minded businesses to develop a great packaged itinerary. Now, align with a professional tour operator that services your target region and work with them to directly market your itinerary to the organizations. You're well on your way to tapping the rich packaged group travel opportunities in the SMERF market segment.

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