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### **Industry Interrupted**

### MERING ON JOINING THE SHIPYARD, REVENGE TRAVEL & MORE.

In a new episode of the ANA's Marketing Futures Podcast, Michael Berberich (Director of Marketing Futures) talks with Dave Mering (Mering CEO/Vice Chairman of The Shipyard) about traveler sentiment and the outlook for travel in the post-pandemic world.

Original Release Date: August 2021







## DAVE MERING

Dave has been a driving force at Mering, a nationally recognized and celebrated destination-marketing agency. He has personally had a hand in building some of the most high-profile tourism brands in the world, including resorts, municipalities, island nations and the most visited state in the union.

# MERING ON JOINING THE SHIPYARD, REVENGE TRAVEL & MORE

Podcast Excerpt From August 2021

ANA: Thank you so much for joining us.
Could you tell us a little bit about yourself
and how your journey led you to
The Shipyard?

**Dave:** I opened up an advertising agency in 1985. At that time, it was called Mering and Associates. It eventually became Mering Carson and later, the Mering Agency. Around 1998 or so we picked up the Visit California tourism account and that really started to change the direction of the agency. We became focused in the travel and tourism industry. And that's the path we went on for the last 20 years. The Shipyard is part of an organization called Worldwide Partners, which we participate in as well. It's an independent agency network. We were on a call at the beginning of the pandemic in early 2020 and we were all talking about the impact of the pandemic on our business. And of course, being focused in the travel and tourism space, our story was a bit more dire than some of the other agencies. Rick Milenthal, the CEO of The Shipyard, contacted me after that call and that began a period of courtship that went on over several months. We began to get to know each other and talked about whether there might be some opportunities to bring our two organizations together, and create something even more special than what we had individually.

#### **COVID SILVER LINING:**

Agility & Strengthened Relationships

ANA: I think it's safe to say nobody had a normal 2020, but for you and your clients in travel and tourism, this was a really surreal year.

**Dave:** In the very beginning of 2020, starting around February or so, we began to get inklings of what could be problematic. In March, within a twoweek period, 100% of my clients canceled 100% of their advertising. We had to become very agile. We learned how to do more with less, we learned how to be more resilient, how to change direction quickly. We would develop a campaign, go into production, produce it, and by the time it was done, we'd say, 'Well we can't run that now. The world has changed again.' And we would go back in, do something new, and redeploy that. So, it was just crazy. And all of our clients were going through the same experience...we were all in the foxhole together. We always pride ourselves on our relationships, but I think it made them even stronger.



### TRAVEL MEMORY DEFICIT

ANA: In an earlier conversation we had, you mentioned something that really hit me. Obviously, (people) need time off, need a little bit of enjoyment, but you mentioned something called memory deficit. And it really put into perspective how important this is in our lives. Can you explain what that is?

**Dave:** Travel is an experience that becomes part of who we are from a memory standpoint. We remember these experiences and they are things that get us through the day. Sitting and thinking about this amazing trip, a family reunion, a cultural experience, going for a hike or playing on the beach with your kids. These are the things that are important to our well-being and, during the pandemic, as people couldn't or didn't do those things, they became depressed. Their sense of well-being began to slip. They weren't refilling the bucket. Travel has the power to really help improve our well-being and improve our mental health because it's creating those memories and creating those experiences that we'll then carry forward and fall back on.



### KEEPING CALIFORNIA TOP OF MIND WHEN PEOPLE COULDN'T TRAVEL

ANA: Now I'd like to talk about Visit
California. This was one of the clients
you worked with throughout the entire
pandemic. To hit somewhat of a precarious
balance in messaging, can you talk about
how the campaign evolved as time
went on?

**Dave:** There were many restrictions that had been put in place from the CDC and state government that said we don't want to encourage travel and tourism at this time. So, how do you market a product at the same time you're not actively trying to get someone to buy that product? That's a fine line to walk. I'm proud of the work that we did, in that we came up with some of what I believe were innovative solutions. It evolved over time with the pandemic. In the very beginning, it was just beautiful images: 'Thanks for dreaming with us. We're not ready to do it now, but when the time comes...' Over time, we did work about front-line workers and organizations.

'Let's thank the dreamers who are helping us get through this.' And then eventually we did a campaign called 'Never Normal,' which played off of how California always has had a bit of an attitude — a little abnormal perhaps. Dealing with the stress of wearing masks and social distancing should be no big deal for us because we are used to doing things a little unusual.

We just kept moving with the pandemic, trying to resonate emotionally with people at that moment. Toward the end, we did a campaign where we personified California through a clever campaign (See You Soon, California) that used text messaging. It was as though California was texting you and using emojis and fun little terms and phrases like 'See you soon, California. P.S. I still have your flip flops.' 'See You Soon' is obviously a phrase that is subject to interpretation. Is it six months from now or two weeks from now? It was this fun, personal way of not being frivolous, not crossing the line and being insensitive, but saying, 'Hey, we're here and we can't wait to see you when that time comes.'



#### **REVENGE TRAVEL**

ANA: Now that you're seeing some light at the end of the tunnel, what is the thinking now with Visit California? Is it preparing for that next phase or is the focus still on building affinity and raising that anticipation?

**Dave:** We're all racing toward the next phase. It's not just California, it's all our clients. We are now in the opposite situation I touched on earlier where 100% of clients canceled 100% of their advertising. Now, I have 100% of my clients in active mode of wanting to get back out there as quickly as possible and as aggressively as possible. The nuances of those messages are now falling by the wayside and now we're in an active call to action to get out here.

### People are ready to go. It's called Revenge Travel.

The idea behind it is basically 'Goddamn it, I'm going to travel, and the hell with everything, I'm going. I deserve it, I lived through this, I am going to travel and I'm going to squeeze life, get every drop out of it I can.'

And the biggest challenge the industry is going to face is to be ready for it, because we still have lots of challenges with staffing. The hotels are going to fill up, and the restaurants are going to fill up and people are going to be like, 'I'm ready to have a good time,' 'I'm going to lay by the pool, I'm going to eat, I'm going to drink.' They are almost going to have this sense of "I deserve this," which is where that phrase revenge travel comes from, like 'I'll show you, Pandemic.' So, right now everybody's racing to get ready and the biggest challenges that we will face will be meeting demand, not filling demand.



#### **FUTURE OF TRAVEL**

ANA: Let's talk a little bit in the long term: the future of travel and tourism. For things like business travel, do you see that being affected? I know personally for the ANA, shoutout to our events team, they turned around like a whirlwind in virtualizing, if that's a word, virtualizing all of our events. We're starting to come back with some hybrid national conferences, but what do you see as a long-term new normal for tourism and for business travel specifically?

Dave: The statistics that we see say it's going to take several years to get back to where we were. That's primarily because of international and because of group, meeting and business travel. Those are the ones that are going to lag. I think everybody knows it's going to take some time. Truthfully, there is still a good percentage of people who are insecure about travel right now and it's going to take them a while to feel comfortable again. We see tracking on that and follow it, and there's a significant percentage of people who aren't quite ready yet.

On the corporate and business side, we've all gotten used to doing business through Zoom. Companies have gotten used to saving money on sending people places, so I think that's a slow creep back. The biggest one would be the convention and meetings business. From what I'm hearing, they

are all anticipating a reduction in attendance that could be anywhere from 10-40%. Then there's the combination of doing conventions both in person and virtually. You can conceivably go and attend, pick and choose what you want to go to, and do the rest virtually. There is going to be some of that.

# **Bleisure Travel:** The practice of combining business travel and leisure travel into one trip.

Bleisure is going to become a bigger and bigger thing. Nobody's got the holy grail on it yet, but since we haven't been traveling for leisure, the idea of combining it with your business or convention makes a lot of sense. Finding strategies to convince people to combine their leisure trip with their business trip is going to be really effective.



#### **DEVELOPING A DIVERSE PIPELINE OF TALENT**

### ANA: What are your thoughts on diversity, equity and inclusion?

Dave: This is a huge issue within our industry. It's critical that we as marketers have people in our organizations who represent a diverse and inclusive background. We can't do the work we need to do if we don't have those voices represented in what we do on behalf of our clients. You can imagine that's especially true being here in California. I'm proud to say that The Shipyard has a very successful partnership with Ohio State University called BASCA (Black Advertising Strategic Communications Association), which is an internship program. That's a program we're looking at bringing to California, too, and will be rolling out in both San Diego and Sacramento, working with the universities here. It's also critical that our work be

reflective of that as well. We represent a lot of travel destinations, and it is important that our work is an accurate reflection of all the different types of people who travel. So, we are trying really hard to make sure we do both – on the hiring side and on the work itself.

ANA: That's amazing. I always love to hear when a company is putting deliberate work toward it.



# To hear the complete ANA Marketing Futures Podcast featuring Dave Mering, click here.

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To hear more about our unique approach to building performance-driven brands that consumers love, please contact **Lori Bartle**, Chief Marketing Officer.

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