

Washington Tourism Alliance

Seattle

October 13, 2011

Remember These Numbers

- \$15 Billion
- \$ 1 Billion
- 148,000
 - 80%
 - \$365

Agenda

- Why does tourism matter?
- Current state of tourism in the US
- History of Washington state tourism
- WTA
- How can you help?
- Marketing your area
- Let's hear from you!

Why Does Tourism Matter?



What is Tourism?

- It's not just tourists with cameras
- It's business travelers
- It's entrepreneurs looking for investments
- It's convention attendees
- "It's what makes a community vibrant. It breaths life into a community."

Courtesy of Tammy Blount

Tourism Matters

- Destinations that invest in destination marketing and promotion reap significant economic benefits in terms of more traveler visits, greater travel spending (new money), more jobs created, and higher tax revenues.
- Where else would you get an ROI of 31:1

Courtesy of US Travel Association

Travel Promotion's Virtual Cycle

Travel Marketing and Promotion

PRODUCTS COMMERCIAL BRAND
MARKETING ADVERTISING SERVICE
PROMOTION ADVERTISEMENTS
PRODUCT RESEARCH TELEVISION
INTERNET MEDIA
CAMPAGN SOCIAL MEDIA MESSAGES
SPONSORSHIPS RADIO
BRANDING BROADCAST

Increased Visitor Trips



TRAVEL
PROMOTION'S
VIRTUOUS
CYCLE



New Jobs & Tax Revenue

Additional Visitor Spending

Remember These Numbers?

- \$15 Billion
- \$ 1 Billion
- 148,000
 - 80%
 - \$365

Remember These Numbers

- \$15 Billion = Spend on tourism in Washington state
- \$ 1 Billion = Tax revenue generated
- 148,000 = Jobs
- 80% = Small businesses in this state are tourism related
- \$365 per household in taxes paid by visitors, not us!
- **THESE ARE REAL NUMBERS**



Current State of US Tourism

Tourism Matters to the US

- Because Travel & Tourism is a cash generating machine. In 2010 travel generated \$111 Billion in tax revenue.
- Because Travel & Tourism supported 7.4 Million direct travel jobs, generating \$188.4 Billion in wages.
- Because the travel industry creates jobs! The travel industry is one of the top ten employers in 49 states.

US Tourism Stats

- Travel and Tourism is a \$1.6 Trillion industry
- Generates \$111 Billion in tax revenue for local, state and federal governments
- 7.4 million jobs (1 out of 9 non-farming)
- Saving each US Household \$950 a year in taxes

What Happens without Promotion: US

- 68.3 million lost visitors
- \$509 billion in lost spending
- 441,000 lost jobs
- \$ 32 billion in lost tax revenue

*2001-2009 data

Power of Travel Promotion: Colorado

1993 State support reduced to zero (sound familiar?)

Colorado's tourism share plummeted 30%, a \$2B
annual loss to the State

Funding reinstated in 2000, return on investment to
State 12:1

Tourism is almost back to previous levels

Power of Travel Promotion: Michigan

- ROI of \$51.56- \$1.00
- \$622 million increased visitor spending
- 10,000 new jobs
- \$43.5 million in tax revenues
- 839 new state troopers
- 844 new teachers

Power of Travel Promotion: Philadelphia

Returns on Philadelphia's "With Love" Campaign

\$4.3 million invested in the "With Love" Campaign

3.7 million
additional trips
to Philadelphia

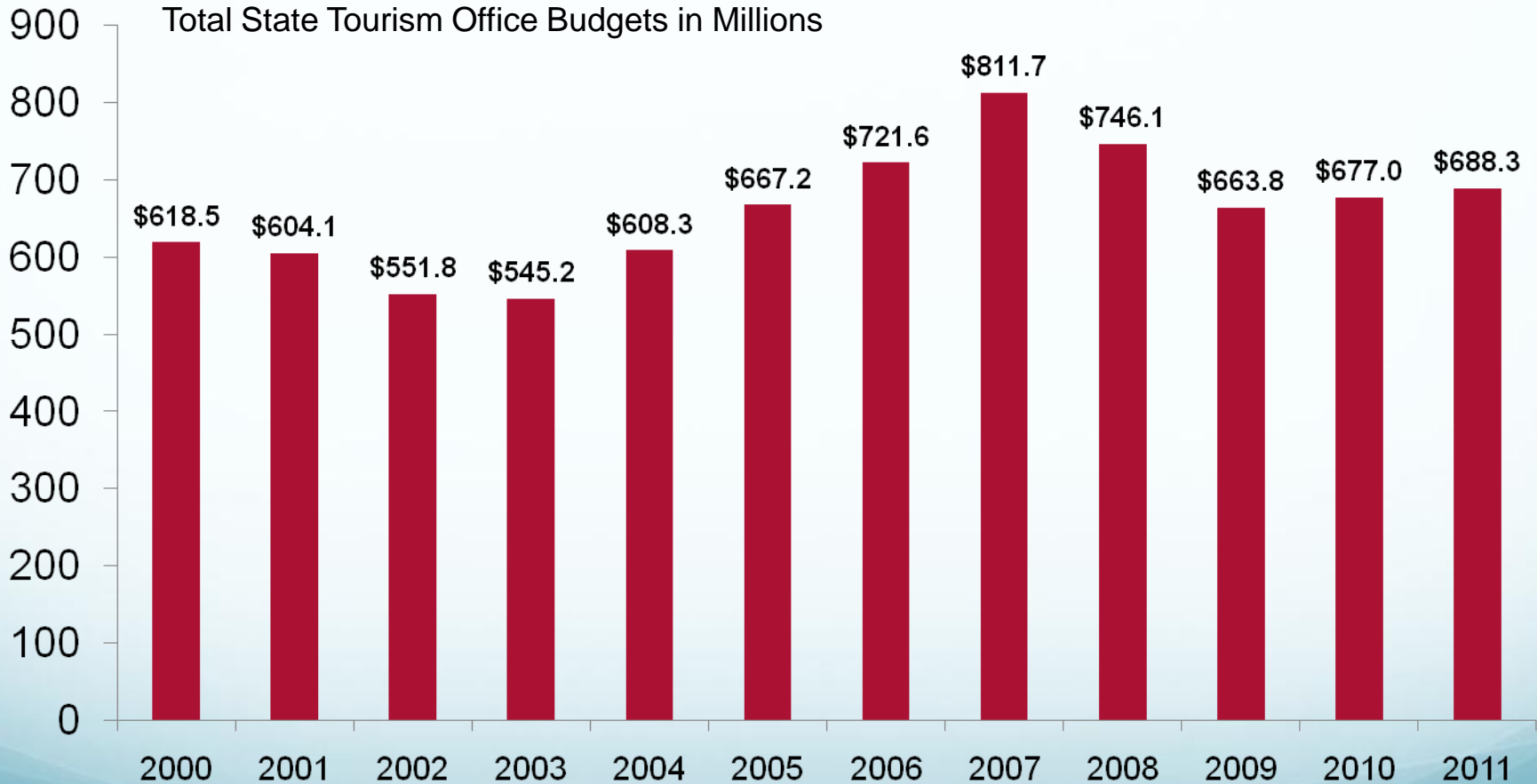
\$432 million
additional direct
spending into
local economy
by visitors

\$11 tax revenue
for every \$1 spent
on the campaign

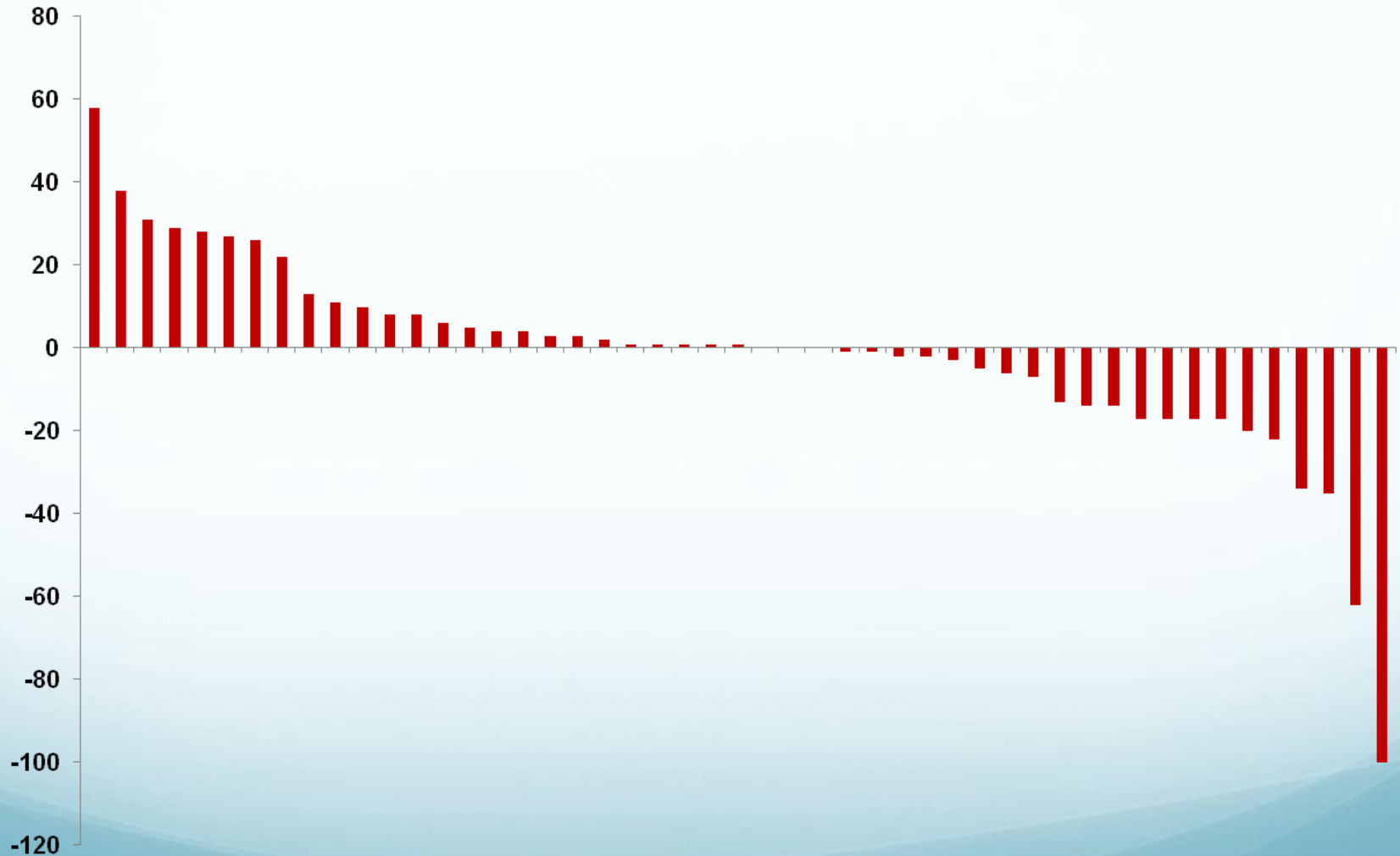
7,000 new jobs
in the region,
equalling one job
for every \$600
in advertising

SOURCE: Longwoods International

State Tourism Budgets



% change FY2010 to FY2011



Source: U.S. Travel Association, Survey of State Tourism Office Budgets

Top 8 Spenders/Change YOY

- 1. Hawaii 15.5% (\$83 M)
- 2. California 0.0%
- 3. Texas 18.0%
- 4. Illinois -24.5%
- 5. Louisiana 68.6%
- 6. Florida 27.8%
- 7. Michigan 46.9%
- 8. Alaska 59.6%

History of Washington State Tourism



History of Washington State Tourism

- 2005 \$3.6 M tourism budget (46th in US)
- 2007 Tourism Bill introduced at the request of the Governor
- 2008 Tourism Commission Formed with 19 members
- 2009 State swept funds from WA. State Convention Center
- 2010 Budget reduced dramatically
- 2011 State Tourism office ordered to close in June, Washington Tourism Alliance created



 Corporation
for Travel Promotion



Washington
tourism alliance



CVB (DMO)

Washington Tourism Alliance



WTA - What is it?

- Non profit 501(c)6
- Volunteer led organization
- Advocate, promote and develop tourism within State
- Facilitate cooperative marketing across the State
- Expand awareness of Washington State
- Consolidate and leverage assets turned over by State

WTA to-date

- Interim Board selected current Board of Directors representing industry and regions
- 20 current members
 - 2 vacancies-Arts & Culture and Retail
 - 2 At large to be selected
- Executive Director on board August 1
- First Board Meeting August 17
 - Executive Committee selected
 - By-laws approved



WTA Short Term Goals

- Not lose tourism momentum with loss of State funding
 - Acquire all assets that State had and put them to immediate use
 - Fill the short term gap – do not let any other State take advantage of our transition
- Leverage all of the private resources we have State wide
 - Raise money fast
 - Rally support from all four corners
- It will be a grass roots effort

How Can You Help?

- Join WTA today
- Spread the word
- Get active in the WTA
- Contact your Legislator

Committees

- Long Term Funding-Advocacy
- Membership
- Marketing and Communications
- Web Site
- Events/Summit



Partnership Opportunities

- Diamond
- Platinum
- Gold
- Silver
- Bronze
- Corporate
- Founding Partner
- Founding Associate Partner

Membership Opportunities

- Company \$300
- Individual \$ 50
- Can we add your name??????

Membership Benefits

- Expand your reach to your target audiences
- Networking opportunities
- Co-branding/Marketing opportunities
- Advocacy
- Recognition on WTA website and collateral
- Preferred pricing in Official Visitor's Guide/Website

We Only Get One Shot!

- Critical time for Washington State
- Many communities, businesses and jobs are at risk
- Other States increasing investment to steal our potential visitors
- Take Control of our Destiny
- Failure is not an option



In the Interim.....

What you can do today.....

Social Trends in Tourism

- Economic trends affect tourism
 - Cost of gas
 - Job security
 - Stock market
 - Housing values
- Good news - the need for travel therapy trumps economic concerns

Social Trends in Tourism

- Travelers are changing
- Mass affluent are gone “over spenders”
- Emerging affluent-younger people living at home
- Doing more with less
- The way they purchase has changed

Social Trends in Tourism-Millenniums

- They “expect” an experience
- Present it through technology
 - Facebook
 - Twitter
 - Trip Advisor
 - QR codes
- Remember they trust no one (except each other)
 - Don't believe advertising



Social Trends in Tourism- Baby Boomers

- Baby Boomers have discretionary income
- 1 in 8 travelers is over 65
 - Unique experiences: they want to do and experience something different
 - It's the little things
 - Appreciate value
 - Help them age the way they want

Social Trends in Tourism

- Old way of thinking: PRODUCT
- New way of thinking: EXPERIENCE
- “Popular” is not cool
- “Cool” is unique
- What can you offer me that’s cool?

Checklist for Your Success

- Engage local media
- Educate your local members/partners
- Ask local partners to evangelize your message
- Send a communication to your legislator
- **Join WTA and be active!!!!**

REMEMBER...

- **Tourism is not an expense.....It's an investment !!!**



Let Me Hear From You!

- What are your expectations of the WTA?
- What concerns do you have?
- What ideas do you want to share with me?

Questions????

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