

Utah Office of Tourism Board Meeting

Council Hall

February 9, 2007

10:00 a.m.

Present

Board Members

Kim McClelland
Frank Jones
Steve Lindburg
Georgianna Knudson

Selleice Stokes
Hans Fuegi
Bob Syrett

Staff

Leigh von der Esch
Mike Deaver
Elaine Watts
Kelly Day

Tracie Cayford
Stan Nance
Dave Williams

Guests

Red Oelerich
Nathan Rafferty
Raelene Davis
Rick Maw
Nan Anderson
Thomas Cooke
Steve Driggs
Brice Wallace
Roger Brown
Kevin Malone
Becki Lewis
Mike Gorrell

Organization

Outdoor Utah
Ski Utah
Ski Utah
Utah.com
UTIC
Struck Creative
Struck Creative
Deseret Morning News
Wright Hotel Group
Ski Utah
Zion Lodge, Bryce Canyon Lodge
Salt Lake Tribune

Welcome & Introductions

Kim called the meeting to order, welcomed those in attendance and asked everyone to introduce themselves.

Patti Denny introduced Nigel and Melaine Jones who were visiting from Cellett, our contractor in the UK.

Minutes

Kim noted that there were three sets of minutes that needed to be amended or approved.

MOTION: Selleice made a motion to approve the minutes of the December 14 meeting. Georgianna seconded the motion and it carried unanimously.

MOTION: Bob Syrett made a motion to approve the minutes of the January 12 meeting. The

motion was seconded by Steve Lindburg and carried unanimously.

MOTION: Hans made a motion to approve the minutes of the conference call held January 29. The motion was seconded by Shelleice and carried unanimously.

Visitor Profile Summary Presentation

Dave Williams introduced Sindy Koehler from D.K. Shifflett Associates who gave a presentation on the results of the Visitor Profile Survey that they did for the UOT. Dave noted that this survey gives us a baseline to start measuring our advertising effectiveness.

Following are the conclusions from the survey:

Focus on your customer – Key segments describe the mass market in Utah overnight leisure travel and are customers that deserve attention. Segments such as the...

–18-34, Family lifestage

–Lower spending levels per party, this group still provides high shares of travel dollars due to the sheer volume of visitation

–**Visit Friends/ Relatives** travel strong and important

–Don't ignore them – Reliable repeat travelers who contribute the highest shares of both travel parties and trip-dollars

–Word of mouth advertising is FREE! Educate resident hosts!

–**General Vacation travel also important** market segment

–Most commonly enjoyed by non-resident visitors to Utah

–Highest average party trip spending and second highest shares of travel parties and trip dollars

–**Families and Couples** are the primary targets

–Families decreased in share (Visitors with children in household are decreasing), while adults traveling alone increased

–Highest average party size of all its competitors (2.98 persons 2005, 3.04 persons 2004)

–Income levels have grown...encourage higher spending

–One of the lowest average household income (\$69,500) in 2005

–The growth resulted more from the \$8K increase in income average among Non-Resident Overnight Leisure than Resident Overnight Leisure travelers.–Pay attention to the **Summer**

–Emerging to host the highest share of travel parties and spending volume

–**More visitors are staying in Utah's hotels** – a good sign = more \$\$\$

–Visitors rate Utah's hotels very well and the satisfaction/value ratings are improving

–Advertise in the West (**Mountain and Pacific Regions** of the U.S.)

–Particularly California, Idaho and Nevada...and don't forget resident and day trippers!

–**Salt Lake City, Los Angeles and Las Vegas DMAs** are Utah's top 3 feeder markets

–True in terms of the share of visitors, the share of travel parties and the share of trip dollars

–However, Los Angeles DMA visitors have higher than average travel party spending per trip

–Utah gained share of travel from all of its top 5 origin markets from 2000-2002 vs. 2003-2005

Focus on the opportunity - While understanding the overnight leisure travel market in terms of who is visiting the State, why, and what they do is imperative in painting a picture of travel to Utah, it is also important to focus on the opportunities that lie ahead for Utah travel. Many segments have the potential to offer not only increased traveler volume but increased traveler spending. Segments such as the...

–55+, High Income, No Children

- They are growing and are big spenders
- General Vacationers**
- Second place for visitation, \$\$\$ and highest spenders while on their trip
- Three or more adults**-Continue to encourage **longer stays**
- More \$\$\$ spent in market
- Staying 4-7 nights - at the heart of General Vacation - hold the potential to increase Utah's bottom line in traveler spending
- Outdoor activities** are stronger in Utah than in the US!
- Sell National/State Parks, Hiking/Biking, Camping, Nature travel, Adventure Sports, and Snow Skiing
- Skiers are the highest spenders – although they have lower participation, they spend the highest amount per trip than any other traveler
- Other high spender include Golfers and National/State Park visitors
- Spring** (March-May) travelers spend the most
- A likely reflection of Skiers who spend the most
- Air travel, Lodging, Entertainment and Group Tours increased – keep in mind **packaging opportunities!**
- Continue to keep meeting or exceeding Utah destination expectations, esp. Non-Residents give poor ratings for satisfaction, value, and service
- Focus on gaining back share of travel from Denver and Boise

Focus on the competition – Now that Utah is rebounding from the unique travel patterns in 2003, and is reaching pre-2002 levels for many travel-related characteristics, the State has to be even more cognizant of competing destinations. Utah has the luxury of holding competitive intelligence, which will help the State better position itself in the market

Cooperative Marketing Application from Tuachan

Hans reported that a second Coop Marketing Special Opportunity Fund application has been received from Tuacahn Center for the Arts. Hans gave an overview of the application noting that 40% of Tuacahn's patrons are from out of state. Their goal is to increase that number by 12-13% this year, bringing the out-of-state tourism base from 40,800 people to 45,200. They will aggressively pursue tourism from Southern Nevada, California, Arizona, and Idaho via direct mail, highway billboards, newspapers, magazines, radio spots, flyers, email promotions, corporate and membership mailings, and the website. They will measure the success of this project by collecting information about how patrons heard about the venue, recording the number of tickets purchased via telephone, in person, or online.

All four members of the committee scored the application above 75 points. Therefore, the committee recommended that the application be funded for the full \$50,000.

MOTION: Georgianna made a motion to approve funding the application for \$50,000, it was seconded by Shelleice and carried unanimously.

Steve Lindburg commented that the measurement of these projects is crucial and suggested that perhaps the application should be changed to suggest several options that they could choose as measurable(s) such as room nights, ticket sales, transient room tax, etc. This would give them a framework and help them understand what kind of measurable(s) we are looking for.

Legislative Session Update

Leigh discussed the problem with the \$3 million that is still in the restricted account because of a glitch in the Bill of Bills in the 2006 Legislature. Lots of people have been working very diligently to get the problem solved so we don't jeopardize the spring/summer media buy. It now looks like we may get it done via SB127 sponsored by Representative Clark. Upon passage by both the Senate and the House, the money would then be available to the UOT immediately. \$2 million has been identified so we can do the cable buy right now and then if the \$3 million comes through, we will move forward with the print and network buys. If we can't get our hands on the \$3 million, we would have to re-visit the media buy and make adjustments.

The agritourism bill passed out of committee so we will continue to monitor that as well.

Budget Recap

Mike handed out a copy of the advertising budget showing what funds have been committed to each project and what is remaining.

Marketing Committee Report

Steve Driggs showed the Arches National Park ad that will go in the April issue of *Sunset Magazine*. He also showed the 'hiking' ad and gave a couple of possible headlines that would go on it and asked if the board members had a preference. Steve Lindburg stated that he thought that decision should be left up to the Marketing Committee.

Mike commented that they showed the TV ads at the UHLA Legislative dinner, and they were very well received by the legislators and others who were in attendance.

Selleice reported that the Marketing Committee and Struck are beginning discussions with Ski Utah for the winter media buy. The UOT staff has put out a notice for submission of photos for new posters and the goal is to have them printed and shipped to ITB.

Mike stated that the Madden project has been very successful and all of the pages have been sold. More pages could have been sold but we wanted to keep it to 20 pages.

Selleice asked the board members to read the utah.com proposal that they have received and submit any comments they have.

Director's Report

Leigh reported that she and the staff didn't think the timing was right to make appointments with the editorial boards so they will do that after the legislative session is completed. She drew attention to the calendar in the packets showing the activities that are coming up in the next few months.

Tracie reported that she is working with Larry Clarkson for the next printing of the Travel Guide and the reprint of the highway map. She is also working closely with Scott Hardy on the 2008 scenic calendar.

Leigh commented that she has received names for replacements for the two vacant seats on the board and she has forwarded them to the Governor. He will make the selection and they will have to be

confirmed by the Senate. The goal is to have them appointed and in attendance at the March meetings.

Bob Syrett asked if anyone had an opinion as to whether or not the liquor laws are a problem for out of state visitors. Kim commented that he thinks this a subject that the board should address at the retreat.

Kim asked if the staff is working on the merchandising program for 'Life Elevated' products. Mike reported that he has been exploring several scenarios such as a retail outlet, a distributor, an on-line site etc., but we are required to do an RFP. He has also had some conversations with Fanzz stores to explore a public/private partnership.

Public Input

Roger Brown asked if the marketing plan is available to private entities so they can piggy back on the advertising. Leigh replied that it is available on the website.

Next Meeting

The next meeting will be held March 22 in the Salt Lake City area with the exact location to be announced.