



C.L. "Butch" Otter, Governor

Megan Ronk, Director

Idaho Travel Council Meeting

Tuesday, January 26, 2016

700 W. State Street, Boise, ID 83702 – J.R. Williams Building
Main Floor, West Conference Room

Idaho Travel Council Members Present:

Doug Burnett, *Region I*
Lara Smith, *Region II*
Jim Manion (Vice Chair), *Region III*
Shawn Barigar, *Region IV*
Matthew Hunter, *Region V*
Courtney Ferguson (Chair), *Region VI*
Mike Fitzpatrick, *Region VII*
Rick Shaffer, *At-Large*

Commerce Staff Present:

Megan Ronk, *Director*
Matt Borud, *Chief Business Development Officer*
Diane Norton, *Tourism Manager*
Jill Eden, *Grants & Contract specialist*
Laura Conilogue, *Administrative Assistant*

Welcome and Introductions

Chairman Courtney Ferguson calls the meeting to order at 8:30AM.

Courtney welcomes the Council. Council, commerce staff, and audience introductions.

Director Welcome – Megan Ronk

Megan Ronk discussed her role as the new Director of the Department of Commerce. Megan explained that tourism is also economic development because it is the third largest contributor to Idaho's GDP. She welcomed Shawn and Mike to the Idaho Travel Council and thanked Lara and Jim for coming back for another term.

Megan thanked her fantastic Commerce team who she says are the ambassadors for our state. This team really supports the tourism industry and tourism brings new people to our state, and once people visit, they realize they want to stay.

Matt Hunter moves to approve minutes.

Lara Smith seconds. All in favor. None opposed. **Motion approved.**

Administrator Updates – Matt Borud

On average the bed tax collections have grown about 7% each year and so far in FY16 they are almost at 13%. If the collection keep growing at 7%, Idaho Tourism will collect just shy of \$10 million in FY16. Idaho is leading the pack among state neighbors in occupancy rates. The increased collections and occupancy rates translate into real industry impacts. For example, in 2014 direct travel employment was over 40,000 jobs, travel employees earned over \$1.5 billion in salary/wages, and total direct travel spending topped \$3.3 billion in 2014. For every \$100 a traveler to Idaho spends, \$26 goes to a tourism employee in Idaho.

This year Idaho Tourism is putting out year-round-media, meaning there will be advertisements to visit Idaho year round. Idaho Tourism sponsored new research this year in response to grantees expressing a need for more Idaho research to them to help run their businesses.

Budget Update – Diane Norton

There is a statewide budget and an administration budget. It is six months into the fiscal year and they are right on target to spend the funds in both budgets. The only item that has increased is rent because one group, the Procurement Technical Assistance Center (PTAC),



C.L. "Butch" Otter, Governor

Megan Ronk, Director

moved out of the office, so the portion of rent they paid for was divided among the remaining Commerce groups. Everything else is on target for our fund distribution.

The statewide program budget was almost \$5 million and it is looking promising along every line item and on target with all our budget numbers. The phone fulfillment is 50% spent, website development cost is right on target, and the money for inspirational content development to make the website more engaging will be spent.

Tourism pays for a portion of three gateway centers. It costs \$54,000 for the cost of the up keep on the buildings.

Vacation guides were printed and there has been a fabulous response to the cover. The Sled the Rockies line item has been a carryover trip for two years, but this year the winner of the trip is finally able to come to Idaho at the end of February. The tourism department is going to spend all their funds for public relations, FAM tours, trade shows, and International fulfillment. Doug asked about the \$50,000 in the budget for a flight from Boise, Idaho to Atlanta, Georgia. Diane answered that they are still working to get that flight going. If Diane does not hear anything about the flight by July, they are going to need to pull those funds and allocate them to something else.

Grant Updates – Jill Eden

The grant closeouts are looking good. The grantees that extended their closing date closed within a month of the original grant end date. There were a few grantees that did not spend much of their grant money, such as the Grangeville Chamber of Commerce, who received \$12,500 and still have \$10,000 left, and the Stanley-Sawtooth Chamber of Commerce who still has half left. Jill advises that the Council review their previous grant requests and adjust future awards accordingly. If funds do get reverted they go back to the same region in the next grant cycle. Grantees that received \$100,000 or more have a month to get an audit.

Turnaround for Request for Funds (RFF) has been a little slower this time around. However, 73% were completed in 15 days or less, and that is within the target Commerce has set. There was only one that was outside the 30 day time frame.

Discussion on ITC Agenda Item #13. Jill proposes to add another educational marketing summit, DMA West, to the list of professional development trainings that grantees can attend and have their registration fees paid for by the ITC Grant. Josh Mercaldo mentioned that the training on marketing and networking is very valuable and most of the states in the West go to it. **Matt Hunter moves to approve ITC Agenda Item # 13.**

Jim Manion seconds. All in favor. None opposed. **Motion Approved.**

Tourism Staff updates:

Laurie McConnell:

Her focus is public relations, but this year she has been focusing on the website. Idaho hosted 35 journalist visits this year, and was featured over 15 times on USA Today and CNN.com. Idaho was also featured in Motor Home Magazine, Sunset Magazine, and the Boston Globe. Snow Troopers are coming to take videos, pictures, and do stories of Idaho, and that media will be available to partners of Idaho Tourism.

Tourism posts original blogs on social media every Tuesday and Thursday along with a monthly newsletter with 56,000 subscribers. Their social media engagement includes 17,000 followers on Twitter and 47,000 followers on Facebook with people engaging at about a 2% rate.



C.L. "Butch" Otter, Governor

Megan Ronk, Director

Andrea Rayburn:

Andrea is the newest edition to the tourism team, with a focus on content development. She was born in Idaho and graduated from the University of Idaho. She worked at Fox 12 for two years, then KBOI 2 News for five years. She is the Region 5 representative. Her main duties are to write blogs for VisitIdaho.org, work with travel writers, work with Drake Cooper and their staff writers, and travels writers.

Tourism is working with strategic partners like Outbound to get the Visit Idaho message out there. Outbound has fantastic photos and a great new app, which is one of the top 15 travel apps. Tourism also just did a guerilla marketing campaign in Seattle, Washington, and it was a very successful one day blitz. Visit Idaho was a trending hashtag in Seattle all day. They partnered with Uber to give free rides all day, and RedSky coordinated prize give aways.

One thing Tourism needs from all the regions for the Visit Idaho website are the adventures they want highlighted in their region, for example camping, fishing, biking, etc.

Nancy Richardson:

Nancy works with international marketers to promote Idaho tourism. She works with Aviareps and Brand USA. Idaho made the cover of a magazine that promotes tourism for the entire United States. There is \$50,000 rollover from last year for the Aviareps and international marketing. With part of that \$50,000 they brought in 23 people for FAM tours of Idaho as an education for the Aviareps. All 23 people were in Idaho for the first time. On other FAM trips they spent \$10,000 and their partners gave \$20,000 with donations like busses, discounted hotels, and attractions. The FAM trip in May was very successful.

Amy Rajkovich:

Amy books and plans the Idaho Conference On Recreation and Tourism (ICORT), runs the Idaho Film office, culinary planning, and works on brand management. ICORT this year is being hosted in Moscow on May 3, 4, and 5. Amy went on a couple trips this past year with Sunset magazine, and a FAM trip around south Idaho called Taste Idaho, where Commerce partnered with the Idaho Dairyman and the Idaho Beef council, and inspired many great articles to be written about culinary Idaho. Tourism is still working on Wines Fly Free, which would allow people that bought Idaho wines while on vacation here, to ship them for free back home. She is working on brand management on Visit Idaho.org and the travel guide. Tourism may be transitioning to a different media room, but for now the media room is through Visit Idaho.org and anyone can use the pictures.

Bogus Basin Update - Brad Wilson

Bogus Basin is the second largest ski area in Idaho and has the second most ski visits. Most of the visitors live close to Bogus Basin, and there are enough visitors that they do not need to advertise. Bogus Basin has 26 acres of land, and all of them are skiable, in fact there are trails 365 degrees around the mountain. Bogus Basin is open 11 hours a day, including night skiing, seven nights a week.

Bogus Basin is transitioning to a year round recreational destination. They are in the process of identifying how to improve winter recreation, and add new summer activities. There is already a robust mountain bike program that has grown organically up there, and now Bogus Basin is working to add more trails and to make the lifts work for the bikers. They would like to have at least 300 year round employees.

Questions:

Mike Fitzpatrick wanted to know what the timeline for integrating more summer activities will be. Brad answered that once the master plan has been updated, it will be sent to the forest service, and it usually takes 12 months for them to review it. Bogus will have a scenic chairlift open starting this year, with food and bathrooms available, but most of the rest of the recreation activities will start in summer 2017.

JUMP (Jack's Urban Meeting Place) Update - Kathy O'Neill:

Kathy O'Neill is the Community Engagement Director for JUMP. Once fully complete, JUMP will be a great asset for tourism. JUMP opened last month, but the site is still under construction, and it should be completely done by the fall. The lobby is open Tuesday through Friday 10:00am to 3:00pm., however there is limited access to the entire site until it is complete.

JUMP is a Not for Profit community center, performance venue, event space, a shared space in the heart of downtown Boise. JUMP stands for "Jack's Urban Meeting Place", and was named for JR Simplot. There are 52 antique tractors and steam engines around the lot to bring the agriculture roots of Idaho to downtown Boise.

JUMP has one-of-a-kind interactive exhibits and five studios including a multimedia studio, an arts and crafts studio, a kitchen studio, a dance studio and a think-tank. Once JUMP is fully operational it will host workshops. JUMP has a three acre park that includes misters, a basketball court, an amphitheater and a pathway for bikers and pedestrians to get off major streets. JUMP has a large five story spiral slide, and an eight person team slide above the parking garage that is two stories high, and a three story climbing structure outside.

Questions:

An audience member asked if JUMP has a full commercial kitchen for onsite catering. Kathy said they don't have it yet, but they will in spring.

Boise Centre Updates - Pat Rice

The next five years are going to be very exciting for downtown Boise. There are a lot of new hotels being built including three new hotels located downtown. Room tax collections are higher than ever and the number of conventions in town continues to grow. There will be 45 conventions this year, up from 38 last year, and they had over 130,000 guests last year. The Boise Centre is expanding to include new banquet and conference rooms. They are on track to finish construction in the middle of July and start conventions in September.

Questions:

Matt Hunter asked how sales of the future facilities are going. Pat answered that they are very good. This upcoming September to December they only have five days without events, and they have turned away business because they are getting so much interest. The unique thing about the Boise Centre is that it can hold two conventions at the same time with 450 people each.

Idaho Winter Marketing Update - Josh Mercaldo

The new media plan for VisitIdaho is year round media and advertising; there will no longer be separate campaign plans for winter and summer. However, the budget for our media dollars will likely be spent dollars 65% in spring/summer, and 35% in fall/winter. There will be seasonal adjustments and call to action adjustments based on what the goal of the campaign is. The target audience is active families that are looking for outdoor adventures like biking, hiking, fishing, and camping.



C.L. "Butch" Otter, Governor

Megan Ronk, Director

The current edition of the Idaho Travel Guide used most of the same pictures and information from the Travel Guide last year. There are 110,000 books printed this year as opposed to 125,000 last year because there were extras from last year, plus they are expecting an increase of online downloads. Gross ad sales brought in \$53,800 for the Travel Guide, but it cost \$150,687 to produce the Travel Guides, therefore the net cost of the Travel Guides is \$96,887. The amount of sponsored ads in the Travel Guide is down from 24 from last year to 14 this year.

In 2015 Tourism commissioned four different research studies. One was an Image Study by Strategic Marketing & Research Insights that cost \$31,500 and was finished in November of 2015. The second was an Economic Impact Study by Dean Runyan & Associates that cost \$77,000 and the full report will be presented at ICORT this year. The last two are ongoing research partners, nSights and Smith's Travel Research.

The Visit Idaho website has launched and is inspiring visitors with pictures and stories about Idaho. The lodging section has been updated so there are now three tabs including "Hotels", "Specialty Lodging", and "Vacation Rentals". The "Popular Idaho Cities" icon will expand to feature 10 cities so a potential visitor can easily choose one. There is another new feature where a visitor can sort hotels by list or map. The Vacation Rentals tab is run by Vacasa because they collect the 2% bed tax, and the information is more up to date than the Update Idaho database.

There was a discussion about if we can add more hotels onto the TripAdvisor section of the Visit Idaho website. People are concerned that hotels, mom and pop places, are not being represented, even though they are all collecting taxes. Matt, Diane, and Josh explained that they are trying to get everyone on the website so everyone is equally represented. There is staff allocated to help any hotels that want to get on the TripAdvisor lodging site.

There is also a concern about the ranking of feedback and that determining the listings that are shown first. The rankings and feedback are user generated, and it helps place the lodgings on the list. People think the state should be representing all the lodging in the same way.

New business: None. Discussion of possible March dates for regional meetings.



C.L. "Butch" Otter, Governor

Megan Ronk, Director

Idaho Travel Council Grant Summit

Tuesday, January 26, 2016

700 W. State Street, Boise, ID 83702 – J.R. Williams Building
Main Floor, West Conference Room

Chairman Courtney Ferguson calls the meeting to order at 1:08PM.

Idaho Perception Study – Denise Miller

Familiarity with Idaho is fairly low, in part due to low levels of past visitation. Given lack of familiarity, the image of the state is fairly neutral. On a 5 point scale, Idaho got a 3.3 rating because people do not have a strongly developed perception of the state. Canadians are less familiar and interested in Idaho. While it is seen as beautiful and with lots of outdoor recreation, this is a general perception of the region and other competitors. Areas of potential differentiation for Idaho are being safe and affordable. Idaho's personality is welcoming and relaxing, but competitively it is defined most strongly as "ordinary".

The competition for Idaho is its surrounding states. Nevada, Washington, Oregon, and Colorado are all viewed as vibrant and sophisticated. Montana and Wyoming are defined by their beauty, outdoor recreation, and parks. Utah is characterized by its national parks, and being safe and kid-friendly. Idaho joins South Dakota in terms of having little image and generally being viewed as affordable, safe, and ordinary. Even when considered just among the more natural states, Idaho is generally average and not viewed as significantly different. In terms of personality, Idaho indexes highest for being ordinary, affordable, and comfortable.

Those familiar with Idaho characterize it by its beauty and are generally positive when describing it to someone who had never been there. Familiarity and recent visitation both have a positive impact on ratings of Idaho, although recent visitors are actually less positive than those who are familiar. There are not a lot of return visitors to Idaho. Recall of Idaho's advertising or website also have a positive impact on the image of the state.

Initial analysis suggests that to increase interest, Idaho needs to be viewed as more exiting, fun, and unique. Given that Idaho does not have a strongly defined position, there is opportunity to select how to position and differentiate the state. There are five total activity segments to advertise for, two of which Idaho should focus on: the Outdoor Enthusiasts, and the Active Families. There are many similarities that would motivate them to visit Idaho and it is possible to advertise essentially the same message to both segments. Active Families is the best target and focusing on what an Idaho trip would entail can enhance the relevance of the message.

The best way for Idaho to reach consumers is to advertise on online travel sources. When planning a trip to Idaho, consumers indicated relying heavily on sites like Trip Advisor and AAA. Printed travel guides are important, but website and online presences are critical. There is strong interest in a Visitors Guide for those planning a trip to Idaho.

Grant Update - Jill Eden

There have been quite a few changes these past few years including a new grant portal at beginning of 2015, however the application will still come out on March 1, and stay the same, and grantees will have three months to submit it.

Tourism in Commerce will now pay for the audits as opposed to the grantees, and this year they will also start doing random audits each year of 20% of grantees receiving under \$100,000. The



C.L. "Butch" Otter, Governor
Megan Ronk, Director

state has auditors under contract, and they would be deciding the random audit, unless there is a reason to do a specific one.

Previously capital purchases were any item that is valued over \$150 and its lifespan is more than a year. Tourism redefined capital purchases as office equipment, but now there is no limit of capital purchases per region, but the regional representative has the ability to limit or allow the amount of capital purchases a year. All capital purchases have a cap of \$500, except for trade show equipment, because those will be used only for marketing, unlike office equipment, which will probably be used for things other than marketing. Funds for the rest of the electronic equipment has to come from elsewhere.

The registration costs will be covered by Tourism for grantees to attend ESTO, DMA West, and ICORT. Grantees may bring a "reasonable" amount of people to the conference, but they must consider if the conference will be worthwhile, because those funds need to go towards marketing.

The new handbook will be in place before the next grant cycle.

Request for funds turnaround time will likely be under 30 days, and during this last grant cycle, 73% of the time RFF turnaround was under 15 days.

Visit Idaho Marketing Update – Josh Mercaldo

Prime/Winter campaigns are being phased out, instead there will be continual work on the campaigns. Sweepstakes are being phased out because it is too much work for the state. Free Standing Inserts might be phased out in the spring, so budgets can be reallocated, however if there is enough level of support, they will not be pulled.

Commerce has been focusing a lot of time and energy on research, monthly newsletters, FAM tours, the media room, social media channels, and sponsorships. State partners can have the research information that Tourism gets from nSights for free.

Any email or phone call that the Idaho Travel and Recreation Magazine makes trying to solicit advertisement needs to say they have no affiliation to Commerce, Idaho, Tourism, or the Idaho Travel Council, their website included. There is evidence that they are not complying with these rules and Tourism is going to continue to let the Attorney General's office know of any incidents.

The 2016 Idaho Travel Guide is now in circulation, and 110,000 were printed. The 2017 Travel Guide rate sheet is now available if anyone wants to advertise in the Travel Guide.

Tourism has a budget of \$150,000 for statewide contribution co-ops. The state contributes up to 50% net cost of media, and that means there is a total of \$300,000 total media spent on outbound advertising of Idaho. There must be at least one grantee participant. Last year, partners managed their own creative set up for ad.

The tourism team wants to develop great first person stories and content through all regions of Idaho. Let Andrea and tourism team know if you have an idea for content they can use. All content made is used on blogs, the Visit Idaho website and e-newsletters.

The annual budget for advertising to Canada is \$160,000, and \$75,000 is used to support Brand USA participation. However they are looking for new ways to reach western Canada so they are now accepting ideas and marketing plans through 2016 for better ways to market to Canada.



C.L. "Butch" Otter, Governor

Megan Ronk, Director

Another discussion about using TripAdvisor on the Visit Idaho website for the lodging information. Josh explains that using TripAdvisor will give more accurate information, and owners can update their TripAdvisor listings page anytime. The Update Idaho database they had been using was very outdated.

ITC Panel Discussion

Question: What are new marketing things that happened in your region last year?

Jim Manion: Basque soccer, and other great events for Region 3. There are also many new hotels being built in Region 3. And people have been enjoying Idaho wine on FAM tours.

Matt Hunter: They extracted a lot of money from Utah on the Inter-state collaboration to advertise Yellowstone loop.

Doug Burnett: Been working on a Canadian co-op and Seattle co-op with Drake Cooper and their tourism numbers are up.

Shawn Barigar: He is excited about being appointed to the Idaho Travel Council and was a former grantee. Last year they opened the new visitor's center in Twin Falls. It has served visitors and residents. Debbie Dane is retiring from the Magic Valley regional organization.

Lara Smith: The wine! It is very exciting. They are now waiting for an AVA announcement about the new Lewis Clark wine alliance area.

Mike Fitzpatrick: He is also excited to be a part of ITC. In Region 7 the Sun Valley Lodge was remodeled. The Aspen Skiing Company is putting a new hotel in Ketchum and hopefully this may bring more tourists to Sun Valley. Over 20% of their guests are from California, this has never happened before and hopefully it will ripple out to the rest of Idaho.

Courtney Ferguson: The groups and partners are working together really well in Region 6. They are working on their email blasts. Snowfest starts this week.

Question: Council, what do you think we can do better?

Shawn Barigar: It's good that the Idaho Travel Council reads and looks through all the applications, they should keep doing that and make more of this information public.

Doug Burnett: Better measurements, and better return on data.

Matt Hunter: Two words: 3%.

Jim Manion: The Idaho Travel Council has entered into an atmosphere of willing to try new things, it is a nice change.

Lara Smith: The Idaho Travel Council needs to communicate with our regions soon about how to make the regions, and the grant application, better.

Regional Roundtable Discussions

The Regional representatives got together with the grantees in their region and discussed the March tours, and the possibility of moving ICORT from May to October.

Adjourn 5:20pm.