



Idaho Travel Council Meeting Minutes

January 24, 2017

Inn at 500 Capitol – The Capitol Room
500 South Capitol Boulevard, Boise

Idaho Travel Council Members Present:

Doug Burnett, *Region I*
Jim Manion (Vice-Chair), *Region III*
Shawn Barigar, *Region IV*
Matt Hunter, *Region V*
Courtney Ferguson (Chair), *Region VI*
Mike Fitzpatrick, *Region VII*
Rick Shaffer, Multi-Region

Idaho Commerce Staff Present:

Megan Ronk, *Director*
Matt Borud, *Marketing & Innovation Administrator*
Diane Norton, *Tourism Manager*
Jill Eden, *Grants & Contracts Specialist*
Laura Conilogue, *Administrative Assistant*

Welcome and Introductions

Jim Manion called the meeting called to order at 2:04 p.m.

Doug Burnett motioned to elect Jim Manion as Chair, and Lara Smith as Vice Chair. Matt Hunter seconds. All in favor. Motion approved.

Idaho Travel Council, Idaho Tourism staff, and audience introductions.

Approval of Minutes

Rick Shaffer motions to approve October minutes.

Matt Hunter seconds. All in favor. **Motion approved.**

Commerce Updates – Director Ronk

Director Megan Ronk mentioned a recent Vogue article listed Idaho as one of the world's hottest travel destinations, and she agrees. Idaho is a great place to live. Director Ronk mentioned that there will be struggles ahead for Idaho because of the very cold, very wet winter. The Governor declared Washington County as a disaster area, and more may be coming.

During this legislative session, Director Ronk requested to increase Tourism's spending authority by \$3.5 million. As of FY17 Tourism will almost be bringing in more money than they are allowed by the Legislature to spend, and by FY18 there will be even more. Therefore they are requesting the authority to spend the money that is collected from the bed tax. Director Ronk informed the Council that they asked for the extra money to only go towards marketing the state, not towards staff. The Governor recommended the spending authority increase.

Another request that Director Ronk made to the Governor during this legislative session is a modification to the Tax Reimbursement Incentive (TRI), to make it more useable to rural communities. Idaho Commerce is also trying to change tax code to attract stronger technology businesses to the state.



Administrator Updates – Matt Borud

In FY16, over \$11 million was brought in from the 2% bed tax. The FY17 bed tax collections are trending up 11.88% year over year. Airbnb began collecting the bed tax on December 1, 2016, although their total contribution is uncertain at this time.

Occupancy rates are up over 13% from last year. 2016 had higher occupancy rates than 2015 in every month except July. Idaho's occupancy rates are higher than neighboring states during summer months, but less during winter months. Average daily rates are up 4% over last year, and Revenue per available room (RevPAR) is up 7.8% over last year.

Tourism Updates – Diane Norton

Welcome to our new Tourism Specialist, Sarah Flick. She started in November and is working on the statewide eclipse preparation. She is putting together a document that gives resources and contacts to communities in case they need help with preparing for the influx of visitors to view the eclipse.

Diane and her team are working on creating an Idaho Craft Beer Month in April. April has fewer events than other months, so this will help add excitement and tourism possibilities in an otherwise slow month. Idaho Wine month is in June.

The Idaho Transportation Department does not want to reprint the Scenic Byway Brochure, however, they gave the information to Idaho Tourism, who revamped the map based on the California road trip guide. 20,000 copies of the Scenic Byway Brochure should be published by the end of April and it will be available online as well.

The Tourism budgets are on track, with 100% of the budgets to be spent by June 30. There is money in the research budget, so if communities still wanted to co-op on research, Tourism can help pay for it.

Grant Updates – Jill Eden

Jill showed the RFF report to the Council, showing that 130 RFF's have been completed and 69% were completed in 20 days or less. Seven RFF's were completed in over 30 days.

Ewa Szewczyk is the new member of the Grants team. She will help with the Idaho Travel Council grant and will be covering for Jill during her maternity leave. Ewa will attend the March meetings.

Jill is taking lead on the Grant Portal, making updates to attachments, and fixing glitches and the narrative reports. She wants to have the Grant Portal updates done by March 1.

The final submission for the 2015 grants is due at the end of January.

Jill asked the Council if they thought of any other changes that need to be made to the Grant Application. If so, she will need to know soon because the changes need to be made by mid-February. Jill will send the draft to the Council to look over before it is finalized.

Vacation Rental Discussion – Matt Borud

Now that Idaho Airbnb properties will be paying the bed tax, Matt Borud urged the Council to think about what to do with the Airbnb rental listings, and if they should be listed in travel guide and on the website like the other tax-paying rental properties. However, without knowing the exact number of properties, it is impossible to know how much it would cost to add them to the travel guide. The Council noted that the other issue with Airbnb rentals is that they are not always available like a hotel is.

A representative from the Tax Commission was at the meeting to answer any questions the Council had. They learned that Idaho Airbnb has more than a few hundred rental properties. The Council asked if the collections from Airbnb will be coming from each region, like regular collections do? The answer is that because Airbnb is out of state, the collections will be coming in one lump sum, in a different tax bucket than regional collections. The Council will have to decide how to divvy up the money between regions.

Southwest Idaho Travel Association (SWITA) – Jared Montague

SWITA's marketing plan includes robust digital advertising that has helped increase page sessions up 25%, page views up 8%, and time spent on site up 25% year over year. Their marketing plans also include sending emails to people in their database, which contains over 13,000 email addresses.

SWITA is engaging in print advertising and they are working with various companies and publications that have strong circulation. SWITA's marketing partner BrandPoint pushes their ads out to the places they want to advertise to and because of the partnership, SWITA ads are in magazines they wouldn't normally be in.

SWITA recently hired a new PR person. SWITA is working on getting influential bloggers to visit their region during the summer because they have found that people are more engaged with user generated content. SWITA also hired a videographer and photographer to make engaging short videos and take picture of the region to boost their Instagram account.

In regards to the Airbnb discussion, Jared mentioned that 70% of owned homes in Valley County are second homes, and they rent their homes out short term. The short term rentals sometimes do not pay taxes, therefore Region 3 and SWITA are missing out on a lot of potential tax money.

Boise Convention and Visitors Bureau – Carrie Westergard

The mission of the Boise Convention and Visitors Bureau is to enhance the economy of Boise by getting "heads in beds" and bringing visitors to the Boise area. Their vision is to be the most welcoming community in America.

The Boise CVB commissioned research for the first time in 8 years. They learned that 60% of Boise visitors travel for business, 35% for leisure, and 5% combined. Through research the Boise CVB learned that visitors perceive that Boise is safe, friendly, outdoorsy, and nice. There are four new hotels in Boise that are open or opening soon, and will bring the total hotel rooms in Boise to over 6,000 rooms. The properties could bring in up to \$200,000 in additional collections to Region 3. The Boise Centre was recently renovated and doubled their meeting

space, which was a \$26.3 million investment. Because of the expansion, last fall there were 55 new events booked at the new Boise Centre.

In 2016 the Boise CVB went to 12 marketplaces and trade shows, and hosted 2 FAM trips and 24 site visits. They also hosted 26 media persons and went on 2 media missions to Washington D.C. and Denver. They also released a new website: Boise.org, and added a booking engine.

There are many new shows/conventions coming to Boise including the USA Gymnastics Western Level 9 Championships, the ESPN XGAMES BMX/Skate qualifier, the International Federation of Fly Fishers, and the National Football Bowl Association, to name a few.

The Boise CVB is putting on the Rose Awards to recognize exceptional service and honor employees in the tourism and hospitality industry which will be held April 3, 2017.

Boise Airport – Director Rebecca Hupp

The Boise Airport has had 32 consecutive months of growth. In 2016, the airport serviced 3.2 million passengers, the most passengers since 2007. The Boise Airport features six airlines with 20 nonstop destinations. American Airlines is increasing their Dallas flights by 30 more seats per day, just 1 year after starting nonstop Dallas flights.

There is no dominant carrier in Boise, however Alaska Airlines has the highest amount, with 27% of flights.

In 2016 capacity at the Boise Airport was up 10%, and passengers were up 12%. Boise is consistently in the top two of all comparison markets, including seats per capita, and passenger and airfare comparisons. Director Hupp expects that passenger numbers will continue to increase in 2017 if the economy stays strong.

The Boise Airport completed a customer satisfaction survey in the summer and fall of 2016, and the overall Boise Airport Experience was 95.

Idaho Historical Museum (ISHS) – Janet Gallimore

The Idaho State Historical Society was founded in 1881 and became a state agency in 1907. Their mission is to preserve and promote Idaho history and protect the state's irreplaceable legacy collections.

The Idaho Historical Museum is being renovated and expanded, and will reopen on March 4, 2018, Idaho Day. The work is being completed on time and on budget. The Idaho Historical Museum was originally built in 1950, remodeled in 1980, and is now being remodeled again. The goal of the Museum renovation is to engage Idahoans in Idaho's history by repairing dated infrastructure, responding to public demand, and creating comprehensive, new exhibitions.

The ISHS encouraged statewide engagement during 2014 through 2016 in order to receive feedback from all Idahoans about what they think the museum should showcase. The ISHS met with tribal leadership, business leaders, students, educators, historians, and others.

Janet Gallimore showed a video of what the new exhibits at the museum will look like.

Bogus Basin – Brad Wilson

This winter has been great for Idaho ski areas in general. The past two winters were great for Bogus, but the four years preceding that were awful.

2017 is the 75th anniversary of Bogus Basin. Bogus is a year round recreation area, not just a winter recreation area so they are making summer and winter additions to Bogus Basin. The ten year master plan of the additions has three focuses: 1) new summer activities, 2) mountain biking, and 3) snow making.

Summer activities include a music festival, mountain biking, and hiking. Bogus will be also adding an unobtrusive mountain coaster, which will run in the summer and winter, a mountain biking area, an "aerial adventure course", and an event area that will seat 3,000 people. There will also be a summer tubing run. Bogus plans to make improvements at the base area including adding a bigger patio to the lodge. All the aforementioned projects are planned to begin construction this summer and are estimated to cost \$18 million.

Their second focus is to add more mountain biking trails. Part of Bogus Basin is privately owned land, so it is easy to add trails there, however, most of Bogus is on federal land, and it takes a long time to add mountain trails on federal land. Even so, Bogus is looking toward adding more gravity trails that can be used with the lifts eventually.

Bogus Basin has plans to begin making snow during the winter, it will cost about \$5 million, but this allows Bogus to keep trails open all winter long. They have enough licensed water to make snow for 32 acres of Bogus. Bogus Basin believes snowmaking is the key to long term growth, and help with retaining the 25,000 season pass holders.

Bogus receives enough business from Treasure Valley residents to stay open in the winter, but they are looking toward marketing outside the Treasure Valley in order to get more people to travel to Bogus in the summer.

Drake Cooper – Josh Mercaldo

The Winter Campaign started on November 1, and goes through the end of February, however it can roll into March. Idaho Tourism spent \$425,000 on the winter campaign, "For the Winter." It is a user-generated campaign and anyone that submits a photo of winter in Idaho can receive money if their picture is picked for the campaign. Drake Cooper updates Instagram daily, which helped social media impressions grow 37% over last year. This most recent winter campaign included trip guides and itineraries which boosted sessions on the website 47%. Because of the success of this campaign, the spring and summer campaign will also include trip guides and itineraries.

During the prime season, Drake Cooper and Idaho Tourism will continue to use "18 Summers" as the summer campaign, but they will create new videos, itineraries, and photos so it stays fresh. The "18 Summers" campaign launches in mid-March and ends June 30. Idaho Tourism will spend \$1.2 million for online media and \$772,000 for non-Idaho broadcast on network and cable channels. Idaho Tourism will continue to market to families, especially those that are less than one uncomplicated travel day away from Idaho, and specifically families with kids between five and 18 years old that are seeking an outdoor adventure vacation. Idaho Tourism has found that the best cities to advertise to are Seattle, Spokane, and Salt Lake.



Idaho Tourism has the goal to increase overnight visitation statewide, and specifically to increase collections by 14%.

Visit Idaho creates successful publicity in two ways:

1. Brand Association: the "18 Summers" narrative which makes an emotional connection to potential visitors.
2. Brand Interest: show places and experiences that are unique to Idaho, the "Awe of Idaho".

Idaho Tourism has media partnerships with Google/YouTube, TripAdvisor, Adara, Sojern, Expedia, Programmatic, and Facebook/Instagram.

The 2017 Travel Guide grew by 8 pages, it is now 120 pages, and 110,000 copies were printed. There is also a digital version of the Travel Guide.

Because Vacasa and Airbnb are now paying the 2% lodging tax, Idaho Tourism need to decide whether to list all their associated vacation rentals in the Travel Guide. There are three potential options:

1. Keep as-is. List every vacation rental in Idaho.
2. Phase out listings in the Travel Guide, they will be online. Could allocate pages for greater inspirational/planning information. Reduce printing, storage, and mailing costs.
3. Phase out listing. Shift guides to summer and winter editions. Listing 100% online. Offer bundled ad opportunities. Reduce printing, storage, and mailing costs.

Travel Guide Cost

Gross Ad Sales: \$63,120

Production Cost of Travel Guide: \$130,990

Travel Guide Total Cost: \$67,870

Recent priorities for VisitIdaho.org were to launch the winter campaign, update places to stay, and add more content. On December 19, the Vacation Rentals tab was added, which integrates Vacasa rentals. Drake Cooper has focused on beta testing the next update to the website and training Idaho Tourism staff on the updates.

A new photo gallery will launch in March on VI.org that will replace the Idaho Tourism Flickr account. The 2018 Travel Guide rate sheet is now available, there are no increase in ad rates. The FY18 co-op budget has been renewed at \$250,000, last year 21 grantees participated.

New Business

The Council discussed the format, content, and dates for the May meeting. This year the Council wants to try web presentations so that grantees do not have to travel so far for a 10 minute presentation. Grantees can travel if they can/want to do so, but if not, they will have the option to present online. Teton Springs was suggested as a location for the meeting, as was Rexburg/Yellowstone Bear World. The Council decided that May 9 and 10 would be the best dates for the meeting.



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

Matt Hunter motioned to adjourn the meeting.
Lara Smith seconded. All in favor. **Motion approved.**

Chairman Jim Manion adjourned the meeting at 6:24 p.m.