



Governor's Tourism Advisory Council Meeting (TAC)

Friday, April 17, 2008 9:00 A.M. – 1:00 P.M.

Arizona Office of Tourism, 1110 W. Washington, Ste 155, Phoenix 85007

Meeting Minutes

I. Call to Order and Approval of October 31, 2007 Governor's Tourism Advisory Council Meeting (TAC) Minutes.

Motion was made by Ron Charles and seconded by Bruce Lange to approve meeting minutes of February 8, 2008.

II. FY 09 Advertising & Marketing Update

AnnDee Johnson spoke briefly about past research regarding traveler perceptions of Arizona. Arizona has been perceived in a fairly monotone way: not much to see and do, not very exciting, not very popular with any but older visitors. The goal of the current "contrast" campaign was to begin to change people's perceptions, introducing a broad range of things to see and do and communicating that Arizona offers a lot of fun and exciting experiences. Based on updated research, we are making progress toward our goal but still have a way to go. The purpose of the new campaign will be to reinvigorate that process and to solidify in people's minds that Arizona is a fun, exciting and diverse destination that appeals to a broad spectrum of people.

Casey Ambrose began by posing the question of *how do we reach out beyond the baby boomers and gen X*. Our direct revenue of \$182 for every dollar spent shows we are on the right track but it is time to refresh and take it to a new level.

Kat Langman of Moses Anshell spoke about the evolution of the campaign and how we are to get more sophisticated in how we work to increase our ROI. Kat explained the layers of the campaign which are National, Target Cities (localized), and additional campaigns (No Regrets, Passages, Origins). Boomers and Gen X target markets can now be combined for efficiency (as Gen Xers are now older) leaving Empty Nesters as a separate target creating a sweet spot that is inclusive of messaging to both demographic groups rather than exclusive. Kat also pointed out that Lifestyle Group has identified three travel groups that work for both Boomers and Gen X: Immersion/Entertainment Tourists; Outdoor Tourists; Relaxation Tourists.

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Janet Napolitano, Governor ♦ Margie A. Emmermann, Director

Robin Casmirri of Moses Anshell spoke about the marketing strategies to be sure ads are placed well so they are not “lost” in the myriad of marketing material out there. She defined the following marketing types:

Relevance Targeting: 1) focus on a target group without excluding other groups
2) quality leads—people who take action and travel.

Integrated Marketing: Utilizing multiple media vehicles to touch the consumer in many different ways. For example running a complementary schedule of TV, online, radio, and print during the same time frame in one market. This can be additional layering for other campaigns to increase reach and frequency.

Strategic Partnerships: AOT & DMO’s to increase efficiencies of funds and get greater impact.

High Engagement Media: Media that is not necessarily more expensive, but engages the consumer in the product.

Louie Moses presented an ad board and talked about our 2006 campaign compared to the new high fashion, stand out from the rest look, that we are going toward. He was followed by David Lebowitz who presented multiple ad boards for each of three campaigns being considered. The boards were passed around as David spoke about the artists, the impact each campaign was intending, and answered questions from TAC member and AOT personnel.

Following a thorough examination and discussion of the art and strategy of each, Margie Emmermann went around the table asking each TAC Member for their comments and their preference of the three different campaigns.

III. AOT Update

FY09 budget cuts were presented. In the most likely JLBC budget scenario, AOT will have \$14.8 million in formula funding (a reduction of \$2.2 million; we are anticipating gaming to remain flat at \$7 million; and \$5.6 million from Prop 302 funds. Fifty percent of our total ad \$’s go toward advertising.

Margie further explained how AOT will manage those cuts: 1) The Research Department will not be doing the Growth and Infrastructure Project; 2) Marketing will reduce the number of Target Cities; 3) Fulfillment will not be using first class mail and we are decreasing the number of Official Visitor Guides being printed; and 4) Media Relations will be cutting FAM tours.

In the Tourism Industry Marketing area, contracts are in the RFP stage. Rates are up due to the exchange rate.

For Tourism Education and Development, Margie expressed the commitment to continue the ICE and Rural Tourism Development Grants. We will continue to use ten percent of our funds for TEAM grants.

In the personnel area, Margie was questioned about whether or not we had lost our vacant positions in this current hiring freeze. It was explained that we still have the positions but we have no funding or authority to fill them.

IV. Agency Goals

Margie addressed our four **Agency Goals** for FY09:

People

- Foster a work environment that promotes personal and professional growth
- Develop a corporate culture that prioritizes the gathering and sharing of market intelligence
- Expect all staff members to passionately engage in the vision of the Arizona Office of Tourism and the values that define the Agency

Promotion

- Strategically market Arizona tourism experiences

Communication

- Strengthen and communicate Arizona's Brand
- Implement an integrated strategy that communicates to all audiences the importance of tourism as a key economic driver
- Educate AOT's constituents through traditional and innovative methodologies to maximize the economic impact of tourism

Innovation

- Establish a technology platform for all programs of work to extend the Agency's reach and impact
- Create a blueprint for Sustainable Tourism
- Lead the way in innovative marketing and tourism initiatives in the state

Also presented were ATO's **Mission, Vision, Values** and **Core Strategies**:

AOT Mission

- The Arizona Office of Tourism enhances the state economy and the quality of life for all Arizonans by expanding travel activity and increasing related revenues through tourism promotion and development.

AOT Vision

- Lead the way in branding Arizona.

AOT Values

- Integrity – We will always, to the best of our ability, honor our commitments and carry out our work according to the highest personal and professional standards
- Leadership – We will provide leadership and unify the industry in marketing and tourism initiatives in the state
- Accountability - We are responsible to the people of Arizona for the effective, efficient, and appropriate use of our resources. We are committed to being good stewards of these resources.
- Quality - We strive to make every product, service and interaction the best it can be.
- Customer Service - We highly value our customers. We will listen to them, be responsive to their needs and preferences, do our best to provide them with service that exceeds their expectations, and share our passion for Arizona with them.
- Respect - We will demonstrate respect for each other, for our state, its lands, and its people.

AOT Core Strategies

- People – Recognize reward and value our people as our key asset.
 - Promotion – Market the full Arizona experience through a unified message on a global scale.
 - Communication – Communicate clearly and listen effectively to all AOT audiences
 - Innovation – Be on the leading edge of our industry-using the latest research, marketing techniques, and technology.

V. Arizona Centennial

Karen Churchard gave an update on the Arizona Centennial Commission. On behalf of Governor Napolitano, calls are being made to a list of potential commission members. Appointments will be made after paperwork is reviewed by the Office of Boards and Commissions and the first commission meeting is expected to be held in May.

Karen has also been appointed as the State Liaison to the Abraham Lincoln Bicentennial Commission (ALBC) and she presented some initiatives being considered by the ALBC and discussed how the states will interact with the national program. It is currently intended to create a subcommittee within the Arizona Centennial Commission for this effort.

VI. Summary/Conclusions

Margie thanked everyone for their serious considerations and votes on the Marketing. She felt we had a clear majority and would make the necessary efforts to move forward with that choice.

VII. Call for Adjournment

**Motion to adjourn by Clarence Boykins
Second by Michael Luria**

Meeting adjourned at 12:45 pm.