



AOT in Action

Welcome to AOT in Action, your weekly e-newsletter from the Arizona Office of Tourism (AOT).

A Message from Director Sherry Henry:

Good afternoon,

Beginning this week, Arizona is set to host thousands of college football sports fans following their teams to either the [Insight Bowl](#) (Oklahoma vs. Iowa), December 30, or the [Fiesta Bowl](#) (Oklahoma State vs. Stanford), January 2, 2012.

These games are a wonderful, time-honored tradition enjoyed by thousands of visitors that travel to our great state. What's more is that vibrant images of Arizona's wonderful weather, exhilarating scenery and diverse attractions will be broadcast to millions of people throughout the nation encouraging them to discover more about Arizona's travel destinations.

But don't forget to tell visitors and family about the other great Fiesta Bowl related events that are also happening.

From the National Band Challenge and the Fiesta Bowl Parade to the Fiesta Bowl Block Party, there are many incredible events that family, friends **and** visitors can enjoy. Visit www.fiestabowl.org for a complete listing of Fiesta Bowl events and activities.

And if visitors, friends and family want to extend their stay, tell them to visit www.arizonaguide.com for a complete listing of what to see and do in Arizona!

Also, registration for AOT's new Arizona Tourism University workshop series is now available. You can find all the details in the **AOT News** section below.

On behalf of the entire staff at the Arizona Office of Tourism, I wish all of you a festive and safe holiday season!

Sherry Henry
Director, Arizona Office of Tourism

AOT News

Is your Community a Budding Cultural Destination? Find out through AOT's Next Workshop Series!

Join AOT, along with the [Arizona Commission of the Arts](#), as we present the next Arizona Tourism University workshop series, ***Cultural Tourism: Connecting Arts, Parks and Communities***. This informative series focuses on how communities can identify their own unique cultural characteristics and further expand the visitor experience.

Experts from [Arizona State Parks](#), [Local First Arizona](#), and the [Phoenix Office of Arts and Culture](#) will discuss how to link businesses and organizations to create a system that supports and attracts cultural travelers.

Don't miss this opportunity to see how your community can become one of Arizona's vibrant cultural destinations!

This workshop session is the second series produced by AOT and scheduled for FY12. This fiscal year, AOT has collaborated with the [Arizona Commission of the Arts](#) in a unique partnership to reach out to new audiences and broaden workshop topic opportunities. Be sure to review the complete [FY12 ATU schedule](#).

All workshops are complimentary!

January 10, 2012

2:00 – 5:00 p.m.

[Coconino Center for the Arts](#)

2300 North Fort Valley Road
Flagstaff, AZ 86001

January 12, 2012

9:00 a.m. – 12:00 p.m. (Noon)

[Tubac Golf Resort & Spa](#)

1 Avenue de Otero Road
Tubac, AZ 85646

January 17, 2012

10:00 a.m. – 12:00 p.m. (Noon)

[Webinar](#)

To register for workshops, visit: <http://www.azot.gov/marketing-programs/arizona-tourism-university/workshop-registration>

For more information, please contact Glenn Schlottman, Community Relations Manager, at 602-364-3727 or via email at gschlottman@azot.gov.

National Tour Association Appointment Report Now Available

For those looking to build your North American group tour business, a report is available from the NTA Convention held in Las Vegas, Nevada, December 5-9, 2011. To obtain a copy, please contact Jennifer Sutcliffe at jsutcliffe@azot.gov or 602-364-3693.

SAVE the DATE: Wildlife Viewing as a Tourism Attraction Workshop

AOT, in collaboration with the Arizona Game and Fish Department, is offering a workshop geared toward developing wildlife viewing as a tourism attraction. More than 1.3 million people participate in Arizona's wildlife viewing contributing nearly \$1.2 billion dollars annually to the state's economy.

The goal of this workshop is to become aware of statewide opportunities that the viewing customers brings, as well as how to meet their expectations and have them return for more. Also, there will be some discussion on the activities and collaborations behind the scenes that help communities and businesses capitalize on the interests of this large and growing segment of the population.

Topics include: Partnerships, Economic benefits, Benefits of wildlife/birder oriented programs, What makes a wildlife-watcher friendly attraction, Who are the customers and what are they looking for and more.

Registration information below:

Title: Wildlife Viewing as a Tourism Attraction

Date: Thursday, January 26, 2012

Time: 10:00 a.m. - 12:00 p.m. MST

<https://www1.gotomeeting.com/register/199976625>

For more information, please contact Glenn Schlottman, Community Relations Manager, at 602-364-3727 or via email at gschlottman@azot.gov.

Upcoming Events & Activities

UK Media Mission

Dates: January 30 – February 3, 2012

Location: United Kingdom

Go West Summit

Date: February 6 – 9, 2012

Location: Las Vegas, NV

Authentic Arizona Southwest: Real Deal Ranches and the Rest Press Trip

Date: February 27 – March 3, 2012

Location: Tubac, Sonoita, Elgin, Patagonia, Nogales and Sasabe

Industry News

America's State Parks Celebrate the New Year with First Day Hikes on January 1, 2012

America's State Parks announced a national collaboration of all 50 State Park systems across America that will sponsor guided "First Day Hikes" on New Year's Day 2012. Arizona State Parks will charge entrance fees only for the First Day Hikes at: Alamo Lake, Boyce Thompson Arboretum, Buckskin Mountain, Catalina, Cattail Cove, Dead Horse Ranch, Lake Havasu, Kartchner Caverns, Lost Dutchman, Picacho Peak, Red Rock, Roper Lake and Tonto Natural Bridge State Parks and will waive program fees.

Arizona's "First Day Hikes" offer individuals and families an opportunity to begin the New Year rejuvenating and connecting with the outdoors by taking a healthy walk at one of these 13 State Parks. Details about hike locations, difficulty and length, terrain and tips regarding proper clothing are listed on the America's State Parks website. For more information about Arizona State Parks and First Day Hikes go to www.AZStateParks.gov or call (602) 542-4174.

IATA Report Finds Premium Travel Stagnated in October

After rebounding for the past several months, premium travel stagnated in October, according to the International Air Transport Association (IATA). Levels of premium travelers (those traveling in first or business class) rose just 0.1 percent from the same month last year.

In contrast, September premium travel increased 6.7 percent over the previous year. But IATA has been predicting that those increases would slow, pointing to other leading indicators such as weaker trade and waning confidence. October's numbers bore out those pessimistic expectations.

Economy travel, on the other hand, while weakening, suffered less than the premium market. Compared to the same month last year, economy seats (including premium economy) were up 4 percent. In fact, this travel class has managed to maintain numbers above previous highs. Compared to the end of last year, there has been a mere 0.3 percent expansion in the premium travel market and a 7.5 percent expansion in the economy market.

So far, however, travel overall has not stopped growing, but the share of premium seats as a portion of total travel is contracting, according to IATA. Because the stronger growth in economy travel has occurred in sectors of weaker economic performance – within Europe and Europe to Far East – it is likely that there has been a degree of substitution away from premium travel to economy, as businesses cut costs in difficult economic conditions.

According to IATA, this changing seat class mix will undermine yields. And this probably just the beginning, IATA said, as stagnant international trade and declining business confidence points to

further weakness in business travel. Given that jet fuel prices have not fallen from third quarter levels, these developments imply that the fourth quarter will be more challenging for airline profitability than the third, IATA said.

The primary sources of the decline in premium travel in October were on European and North Atlantic routes. Within Europe, premium travel went from year-over-year growth of 3 percent in September to 3.3 percent in October, while the North Atlantic went from 4.9 percent growth to 1.5 percent decrease, respectively. Despite financial market uncertainty and economic pressures, both routes had shown strong growth throughout the year until now. IATA said October represented the first sign of clear weakness in the premium market.

IATA said it is also important to note that travel across the North Atlantic represents the largest share of total premium revenues. Despite the weak economic conditions in Europe and North America, this route had sustained strong growth in previous months, and had therefore been able to maintain its significant contribution to revenue. With the Eurozone crises and sluggish U.S. economic performance, however, expectations have become increasingly negative. IATA said the fall in October growth for this important premium route, relative to the same month last year, could be an indicator of further weakening in 2012.

According to IATA, one bright spot is in the Far East, where premium travel has remained strong over the last month, with year to date growth staying in the double digits, at 10.4 percent. Indicators other than business confidence, such as electricity consumption and steel production, do not show threat of a sharp slowdown and that could support continued activity and travel within the region. (*Travel Pulse, December 16*)

STR Reports 6.3 Percent Drop in U.S. Hotel Development Pipeline

Following a 9 percent decline in the U.S. hotel pipeline development in October, STR Global is now reporting an additional 6.3 percent decline in the U.S. hotel development pipelines for November. The total active U.S. hotel development pipeline comprises 2,861 projects totaling 310,196 rooms, according to the November 2011 STR/McGraw Hill Construction Dodge Pipeline Report, representing a 6.3 percent decrease in the number of rooms in the total active pipeline compared to November 2010.

The total active pipeline data includes projects in the In Construction, Final Planning and Planning stages, but does not include projects in the Pre-Planning stage. Among the Chain Scale segments, the Luxury segment reported the largest increase in rooms in the total active pipeline, increasing 48.5 percent with 5,910 rooms. Two other segments reported increases in the number of rooms in the total active pipeline -- the Upper Upscale segment, up 5 percent with 19,926 rooms, and the Upscale segment, up 4.1 percent with 78,301 rooms.

The Unaffiliated segment ended the month with the largest decrease in rooms in the total active pipeline, falling 13.5 percent to 89,568 rooms. The Luxury segment reported the largest increase in rooms under construction, rising 113.5 percent to 1,657 rooms, followed by the Upscale segment, up 30.8 percent to 16,140 rooms, and the Unaffiliated segment, up 17.2 percent to 9,133 rooms. The Midscale segment reported a 56.6 percent decrease in rooms under construction to 2,954 rooms.

“Though the Luxury segment reported the biggest increases in both rooms under construction and rooms in the total active pipeline, the segment still reported a small number of actual rooms,” said Vail Brown, vice president of global sales and marketing at STR. “The Upscale and Upper Midscale Chain Scale segments are the segments to watch because they tend to be popular for new growth as the projects are often easier to finance. Along with the overall construction time is shorter, and during economic downturns, historically, don’t suffer as badly as other Chain Scale segments.” (*Travel Pulse, December 18*)

Travel Industry’s Voice is Heard in Proposed Visa Reforms

The U.S. travel industry worked successfully with Congress to secure significant victories related to U.S. visa system and traveler facilitation reforms in the Consolidated Appropriations Act of 2012. The legislation reflects 2011 advocacy efforts by the U.S. Travel Association to improve the U.S. economy, remove barriers to travel and improve the travel process.

“This legislation is an acknowledgment by Congress that reforms to the U.S. visa and entry systems and passenger screening process are key to improving our nation’s economy,” said Roger Dow, president and CEO of the U.S. Travel Association. “Clearly, the travel community is being heard, and we applaud Congress for addressing these issues.”

The Consolidated Appropriations Act mirrors a number of recommendations outlined by the U.S. Travel Association in a May 2011 report on the U.S. visa system. That report identified visa wait times, visa validity periods and videoconferencing technology as keys to improving a system that cannot meet demand in emerging economies with growing markets of international travelers.

The bill includes a provision, championed by U.S. Travel, to reduce the number of days applicants must wait before their visa application interview, and directs the Secretary of State to hire a sufficient number of consular officers, including limited non-career appointment (LNA) officers, in China, Brazil and India. These LNA officers will give the State Department hiring flexibility to meet increasing visa demand in the coming years.

The bill also directs the Secretary of State to report on the steps it will take to reduce current visa processing wait times, and also to submit a five-year forecast of visa demand in Brazil, China and India. The plan should outline the number of consular officers necessary to meet the department's 30-day visa processing standard. Congress also directs the State Department to compare its forecast with the Commerce Department’s visitor projections in order to allow it to produce better long-term plans.

The bill directs the State Department to develop a plan to extend expiration periods for leisure or business visas that require a consular officer interview. The visa validity period for Chinese citizens is only one year, and U.S. Travel recommended extending the visa validity period to five or 10 years, common with other countries, so business and leisure travelers do not have to undergo the visa renewal process annually and the State Department can better meet the demand of new applicants in China.

Congress has also cleared the Secretary of State to develop and conduct a pilot program to conduct visa interviews for leisure and business visas using secure remote videoconferencing technology. With limited consular offices in emerging economies such as Brazil, China and India,

the addition of remote secure videoconferencing would allow more citizens to apply for U.S. visas.

The Consolidated Appropriations Act also includes a number of significant improvements to the entry and exit process at U.S. air and land ports of entry. It provides funding to hire an additional 300 new Customs and Border Protection Officers to improve processing of inbound travelers at land border crossings and international U.S. airports; requires CBP to report to Congress on its long-term staffing plans and implementation of key entry reforms, such as trusted traveler programs and elimination of unnecessary rescreening of international travelers and baggage; and provides \$9.4 million to the development of a comprehensive plan for enhancements of a biographic air exit program to bolster security and allow for further expansion of the Visa Waiver Program.

The Act also makes a series of recommendations designed to improve the efficiency of traveler facilitation. According to the bill, TSA must submit reports to Congress on passenger and baggage screening efficiency and on how its workforce is being deployed at the nation's airports to maintain average wait times below 10 minutes. As a recent U.S. Travel survey showed, an overwhelming majority of passengers are frustrated with screening checkpoints. The bill also encourages TSA to utilize privatized screening where more cost-effective.

The bill also provides TSA with \$10 million to implement risk-based screening and to expand known-traveler populations beyond the current PreCheck program.

In 2012, the U.S. Travel Association will pursue policies on behalf of the travel industry, many of which will create much-needed U.S. jobs and improve the economy. These include legislative vehicles for additional visa system reform, expanding the Visa Waiver Program, enhancing the entry process at ports of entry, and improving the efficiency of the U.S. air travel system. (*Travel Pulse, December 19*)

San Francisco Hotels Lead Nov. ADR, RevPAR

San Francisco/San Mateo, California, experienced the largest increases in average daily rate and revenue per available room during November, according to data from STR. The market's ADR increased 19.5% to US\$158.42, its RevPAR was up 31.4% to US\$118.78 and its occupancy rose 10% to 75%. Overall, the U.S. hotel industry's occupancy rose 4.7% to 55.7%, its ADR was up 4.3% to US\$100.85 and its RevPAR increased 9.2% to US\$56.17.

Among the top 25 markets, Nashville, Tennessee, experienced the largest occupancy increase, rising 16.1% to 60%, followed by Detroit, Michigan (+13.5% to 60.3%), and Houston, Texas (+10.9% to 60.7%). New Orleans, Louisiana, fell 10.6% in occupancy to 59.5%, posting the only double-digit decrease in that metric.

Three markets, other than San Francisco/San Mateo, achieved double-digit ADR increases: Oahu Island, Hawaii (+14.4% to US\$173.67); Miami-Hialeah, Florida (+13.6% to US\$151.10); and Philadelphia, Pennsylvania-New Jersey (+10.2% to US\$121.50). Atlanta, Georgia, fell 4.1% in ADR to US\$81.51, reporting the largest decrease in that metric, followed by Denver, Colorado, with a 3% decrease to US\$96.08.

Two markets, excluding San Francisco/San Mateo, reported RevPAR increases of more than 20%: Nashville (+22.9% to US\$55.83) and Miami-Hialeah (+22.4% to US\$118.58). New Orleans reported the largest RevPAR decrease, falling 12.4% to US\$73.14, followed by Denver with a 7% decrease to US\$53.12.

Among the chain-scale segments, the upper-midscale segment reported the largest occupancy increase, rising 5.5% to 56.8%, followed by the luxury segment with a 5.4% to 68.1%.

The luxury segment (+4.8% to US\$261.38) and the independent segment (+4.8% to US\$95.68) posted the largest ADR increases for the month.

The luxury segment increased 10.5% in RevPAR to US\$177.98, followed by the independent segment (+9.4% to US\$49.42), the upper-midscale segment (+9.3% to US\$52.44), and the upscale segment (+9.2% to US\$74.52).

None of the chain-scale segment experienced decreases in the three key performance metrics for November. (*Hotel News Now, December 21*)

Calendar of Events

Visit www.ArizonaGuide.com to find information on all the exciting [events, festivals and activities](#) held throughout the Grand Canyon State!

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