



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,

This week begins the first of three sessions in AOT's Arizona Tourism University workshop series, [*How to Creatively Market your Destination's Culture and Charisma*](#). Susan Sternitzke of LimeLight Creative Group and formerly of the Yuma Convention and Visitors Bureau will present tactics and ideas on how to market your unique destination. Dates and registration information are outlined in the **AOT News** section below. There is still time to register for this informative workshop!

Also, be sure to read about the Arizona-Mexico Commission's upcoming summit: [*Revitalizing the Arizona-Mexico Tourism Industry*](#). Featured speakers will be addressing the latest information surrounding Arizona's southern border region and tourism opportunities. Registration information is also available in the **AOT News** section below.

Additionally, [National Travel and Tourism Week](#) is May 5-13 and the U.S. Travel Association has released its [Toolkit](#) for the commemoration. We encourage all statewide tourism-related entities and attractions to participate! More information can be found in the **Industry News** section below.

Have a great week!

Sherry Henry
Director, Arizona Office of Tourism

AOT News

Learn How to Develop Unique Marketing Strategies through AOT's New Workshop Series

Struggling with your attraction's marketing efforts? Join us for AOT's next Arizona Tourism University workshop series and learn ***How to Creatively Market Your Destination's Culture and Charisma***. This informative workshop will focus on how to develop destination marketing plans and creatively reach your region's target demographic.

Independent marketing consultant, Susan Sternitzke of the [LimeLight Creative Group](#), will present the workshop material, provide examples of creative campaigns and facilitate an interactive session to develop ideas and strategies for attendees' destinations. Prior to her consultation work, Susan led the marketing initiatives for the Yuma Convention and Visitors Bureau.

Don't miss this opportunity to learn how to develop creative and unique marketing plans for your destination! AOT thanks both the Camp Verde Chamber and the Sonoita-Elgin Chamber for hosting the workshops.

Be sure to review the complete [FY12 ATU schedule](#) for information on future ATU workshops.

All workshops are complimentary!

March 21

9:00 a.m. – 12:00 p.m.

[Camp Verde Town Hall](#)

Room 206/207

395 S Main Street

Camp Verde, AZ

March 28

9:00 a.m. – 12:00 p.m.

[La Hacienda de Sonoita](#)

34 Swanson Road

Sonoita, AZ

March 30

10:00 a.m. – 12:00 p.m.

Webinar

To register for the workshops, please visit the link below.

<http://www.azot.gov/marketing-programs/arizona-tourism-university/workshop-registration>

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

Arizona-Mexico Commission Summit: Revitalizing the Arizona-Mexico Tourism Industry

The Arizona-Mexico Commission (AMC), in collaboration with Arizona Office of Tourism (AOT), Metropolitan Tucson Convention and Visitors Bureau (MTCVB), and The University of Arizona (UA) will be hosting a tourism summit to discuss the future of Southern Arizona's tourism. Don't miss this great event with key industry leaders from Arizona, along with speakers from Mexico City and New York.

Moderator Bruce Wright, Associate Vice President, University of Arizona, will host a panel discussion with speakers including Miguel Torruco, an international tourism leader with vast experience in the industry. He will bring into context what the Arizona-Mexico region should look like and the tourism opportunities available. Tom Julian, a retail guru expert and will bring to light the future trends and opportunities that Arizona and Mexico should focus on. AOT Director Sherry Henry will expand on what Arizona is doing to entice visitors to come and visit. Lisa Urias will contribute to what Arizona businesses are doing to change the perception of the state. Felipe Garcia from the MTCVB will share the Arizona-Sonora cross border opportunities. And Director Javier Tapia will discuss the state of Sonora marketing and security measures that are being taken to attract visitors to the Arizona-Sonora region.

With this great lineup of speakers, make sure you don't miss out on this dynamic and educational opportunity. REGISTER NOW! For Arizona, Mexican visitors spend an average of \$7.3 million every day in Arizona's stores, restaurants, hotels, and other businesses. Tourism plays a vital role in Arizona's economy, and we must be prepared to face the challenges and grow the opportunities to attract more tourism to our state. For registration information, visit <http://azmc.org/meetings-and-events/event-registration.asp?eventId=28>.

AOT Now Accepting Nominations for the 2012 Governor's Tourism Awards!

The Arizona Office of Tourism and industry partners are busy coordinating plans for the 2012 Governor's Conference on Tourism, July 11-13, at the Arizona Biltmore in Phoenix. The conference is the premier event for members of the travel industry to participate in dynamic work sessions and listen to informative guest speakers.

In addition to the conference, AOT coordinates the Governor's Tourism Awards, honoring individuals and organizations that have contributed noteworthy achievements over the past year to the betterment of the tourism industry. These award recipients are excellent examples of leadership, commitment and teamwork that make the Grand Canyon State a premier travel destination.

AOT invites you to review the 2012 award categories and guidelines and submit nominations of individuals or organizations that have made a significant contribution to the tourism industry. The winners will be awarded at the Governor's Tourism Awards Dinner Gala on Thursday, July 12. All submissions must be received by **5:00 p.m.** on **April 26**. Look for future editions of **AOT in Action** for Governor's Conference on Tourism registration information!

2013 Proposition 302 Guidelines Now Available!

The Proposition 302 Maricopa County program guidelines for 2013 are now available to destination marketing organizations (DMOs) within Maricopa County. To review the guidelines, visit <http://www.azot.gov/grants-procurement/maricopa-county-proposition-302>.

Upcoming Events & Activities

[AZAP FAM Tour](#)

Date: April 10-15

Location: TBA

[New York Media Mission](#)

Date: April 16 – 20

Location: New York City, NY

[US Travel Association's International Pow Wow](#)

Date: April 21 – 25

Location: Los Angeles, CA

Industry News

Consumer Confidence Trending Higher

Sustained improvement in consumer confidence will be critical to the future health of the U.S. economy and travel industry. Several confidence indicators have been trending appreciably higher since the third quarter of 2011. The Conference Board's [Consumer Confidence Index](#) rose to its highest level in a year in February, now standing at 70.8 (1985=100), up from 61.5 in January.

The most recent Bloomberg [Consumer Comfort Index](#) held close to an almost four-year high for the week ending February 26, at minus 38.8. It marked the third straight week above minus 40, which is the level associated with recessions and their aftermath.

The Thomas Reuters/University of Michigan's [Consumer Sentiment Index](#) rose to 75.3 in February, just ahead of the 75.0 in January but slightly below last February's 77.5. This marked the sixth consecutive month that the Sentiment Index increased from its August low of 55.8, a cumulative gain of 35 percent.

And, Gallup's weekly [Economic Confidence Index](#) has also shown improvement in economic confidence over the past five months, as Americans' economic confidence nears the highest it has been at various points over the past four years.

If the labor market continues to improve, consumer confidence is likely to follow; however, a sustained rise in gasoline costs poses a threat. "Gasoline prices have been a pretty important contributor to consumer confidence over the last decade or so," said Stephen Stanley, chief economist at Pierpont Securities LLC. "When [gasoline prices spike](#), consumer confidence goes down." (*U.S. Travel Outlook, March*)

Traveler Confidence and Intentions Somewhat Stronger

Reflecting overall gains in consumer confidence, travelers are feeling somewhat better as well. February's Traveler Sentiment Index™ (TSI), prepared by [MMGY Global](#) and [U.S. Travel Association](#) based on its ongoing [travelhorizons™](#) study, soared 10.1 percent above the last measurement taken in October 2011, with all six factors that comprise the Index exhibiting substantial improvement. "Money available for travel" increased 20 percent over October. However, February 2012's overall TSI of 93.6 (March 2007 = 100) is nearly two points below the level observed in February 2011 (95.2). Only one variable – "money available for travel" – is higher than the index value recorded in February 2011, and by only 1.2 points. In effect, then, perceptions about travel among U.S. adults are essentially the same now versus the same time last year.

Leisure travel intentions have, similarly, changed little. Fifty-six percent of U.S. adults now intend to take at least one leisure trip between now and July, down from 59 percent in February 2011, equal to leisure travel intentions measured in February 2010 and virtually unchanged from the 57 percent of adults who expressed leisure travel intentions in pre-recession February 2007. Not surprisingly, the "price of a gallon of gasoline" topped the list of potential deterrents to travel in both February 2011 and February 2012.

Alternatively, Travelocity's recently released [Traveler Confidence Report](#), shows more bullishness in consumer travel plans. The majority of consumers in this survey (53%) plan to travel more in 2012 than they did in 2011, an 18 percentage point year-over-year increase from 2011. And among those planning to travel more, about two-thirds plan to increase their travel budget in 2012. Yet travelers remain quite intent upon saving money: nearly 50 percent say they plan to increase their comparison shopping, date flexibility and booking window in the months ahead.

A recent D.K. Shifflet & Associates survey also concludes that travelers plan to travel more but spend less per trip as they continue to economize. Also noted was that a significant proportion of Americans remain unsure about their leisure travel intentions.

[PhoCusWright forecasts](#) that leisure travel will achieve small but positive gains in 2012. "The consumer sentiment on travel went from 'we can't' in 2009, to 'we shouldn't' in 2010," according to Carroll Rheem, director of research. "In 2011, the sentiment was 'we're outta here!' But at the same time, the economic warning signs kept coming. Most consumers are still in the process of sorting through the details," Rheem said. The U.S. Travel Association also expects [modest growth](#) in U.S. domestic leisure travel in 2012 (+1.5%). This conclusion is also supported by Tourism Economics' Leading Travel Indicator, which has been on the rise for the past few months. (*U.S. Travel Outlook, March*)

International – Inbound Growth Exceeds Outbound

According to the [Office of Travel and Tourism Industries](#), the U.S. recession depressed international outbound travel as well as domestic travel. In 2011, Mexico remained the most visited country in the world for U.S.-originating travelers (58 million). While a change in methodology makes tracking changes in outbound travel difficult, data for the last six months of the year (that used the same methodology as in 2010) show that outbound travel was flat in the

second half of 2012, reflecting a three percent drop in travel to Canada and Mexico and offsetting a three percent gain in travel to overseas destinations.

Inbound travel to the U.S., however, did somewhat better last year; [total arrivals were](#) up nearly four percent in 2011. To provide the industry with more detailed information on travel to the U.S. from specific origin markets, the U.S. Department of Commerce has developed and released a prototype outbound travel profile for the Canada, Mexico, UK, Germany, Japan and China markets. In addition to data on [outbound travel volume](#) from each country, in total and to the U.S., the reports provide other details including country economic and demographic trends and forecasts, summary and ranking metrics, and comments from the field.

Expectations for China continue to be strong, with arrivals to the U.S. forecasted to grow 274 percent between 2012 and 2016. According to the most recent U.S. Department of Commerce [China Travel Trade Barometer](#), a majority of the tour operators surveyed (as of December 1-30, 2011) reported higher bookings from China to the United States (including Hawaii and Guam) in the fourth quarter 2011, increasing 10 to 15 percent, on average, compared to fourth quarter 2010. A minority (4%) reported declined bookings. In addition, three quarters (75%) of the Chinese travel trade projected first quarter 2012 bookings to increase and 79 percent projected an increase in the second quarter. Over the next six months, direct air service to desired destinations was reported as the top motivator for travel to the United States.

Fortunately, some of the facilitation problems that have suppressed growth in the inbound market seem to be easing. U.S. Travel recently praised the U.S. State Department for reducing visa interview wait times significantly in Brazil, which are now averaging two weeks or less in Brasilia, Recife and Rio de Janeiro. In January 2012, 86,000 visa applications were processed by the U.S. Mission in Brazil, an increase of 60 percent over January 2011. Additionally, similar progress has recently been announced concerning wait times in China, another key travel market for the U.S.

U.S. Travel, in partnership with more than two dozen industry associations and companies, also recently submitted comments and recommendations to the U.S. Department of Commerce on a national travel and tourism strategy. Several of these recommendations revolve around such facilitation issues, while others address infrastructure, promotion, security and customer service concerns. (*U.S. Travel Outlook, March*)

U.S. Travel Reports Travel Employment Outpaces Rest of U.S. Economy

David Huether, senior vice president of economics and research at the U.S. Travel Association, said that based on the Labor Department employment numbers report for February 2012, the number of workers employed directly in the travel industry increased by 8,000 to 7.6 million. The increases in travel jobs were in restaurants, lodging and amusements/gambling/recreation industries. Last month's employment rise marked the 11th increase in the past 12 months for the travel industry.

"Since February 2011, travel employment has increased by 129,000," Huether said. "And since the employment recovery began, the travel industry has created more than 250,000 new jobs, accounting for more than 7 percent of overall job growth since early 2010. This is primarily due to the fact that the pace of job creation in the travel industry has exceeded that of the rest of the economy by 34 percent. As a result of this faster job growth, the travel industry has now

recovered more than half of the 496,000 jobs lost during the great recession, while the rest of the economy has made up just 39 percent.

Huether said the economy created 227,000 total jobs in February while the unemployment rate remained unchanged at 8.3 percent. While the overall pace of jobs growth decelerated a bit from the 284,000 gain in January, part of this was due to a 61,000 upward revision in January employment, nearly a quarter of which was due to 14,000 more jobs in the travel industry. February's travel employment numbers echo positive news in export numbers for the industry, which improved to \$12.9 billion in January. (*Travel Pulse, March 11*)

Global Airline Capacity Grows for 10th Consecutive Month

The growth in scheduled flights worldwide continues again in March, albeit at a slower rate than in February, with airlines providing 2% more flights. The trend for larger aircraft is set to continue as capacity increases at a higher rate of 3%.

The growth in scheduled flights worldwide continues again in March, albeit at a slower rate than in February, with airlines providing 2% more flights. The trend for larger aircraft is set to continue as capacity increases at a higher rate of 3%. This marks the tenth consecutive month of growth compared to the same period last year, according to the latest statistics from OAG, a UBM Aviation brand.

The OAG FACTS (Frequency and Capacity Trend Statistics) for March 2012 reveals that whilst the global picture remains encouraging, the growth is not reflected across all regions. Capacity growth across the Middle East and South / Central America regions is strongest at 10% and 9% respectively and is accompanied by similarly high frequency growth rates of 9% for the Middle East region and 7% for South / Central America. The continued challenging economic situations in North America and Europe are not without their side-effects for those airline markets. North America sees a 1% decline in capacity and accompanied by a 3% decline in frequencies with Europe looking at a 2% decline in frequencies with capacity remaining flat year on year.

"The frequency and capacity trends for March 2012 are representative of the differing regional economic conditions," said Mike Malik, Chief Commercial Officer UBM Aviation. "As Airlines adapt their strategies to meet these conditions we will undoubtedly see them looking further afield for growth."

A detailed review of the OAG FACTS statistics for February 2012 – including information, commentary and charts about specific airports, routes, countries and regions worldwide – is available to download now at www.oagaviation.com/OAG-FACTS/2012/March-Executive-Summary. (*Travel Industry Wire, March 13*)

Fry Bread House in Phoenix wins James Beard award

Fry Bread House on Tuesday was one of five restaurants nationwide to receive an "America's Classics" designation from the prestigious James Beard Foundation, which hands out the restaurant industry's version of the Academy Awards each year. It is the first Native American restaurant to receive the designation since the awards were started in 1998. To read the entire article, visit <http://www.azcentral.com/things/todo/dining/articles/2012/03/13/20120313fry-bread-house-phoenix-wins-james-beard-award.html#ixzz1pbKuaogq> (*Azcentral.com, March 13*)

2012 National Travel and Tourism Week May 5-13

The 2012 National Travel and Tourism Week (NTTW) toolkit to plan activities during May 5-13 was recently provided to the industry. We're thrilled with the enthusiastic response thus far and have started to include participating destinations on our growing Travel Rally Day map. To add your destination, email us your NTTW events and activities, and a primary point of contact.

Since we released the toolkit, two valuable updates have been added.

- "America's Greatest" Attractions
 - In partnership with Huffington Post Travel, we are launching an online bracket showdown to crown "America's Greatest" attractions. From May through early June, travel fans will vote for their favorite destinations and landmarks in a series of galleries featured on the Huffington Post Travel web page.

We need your input to make this program a success. Please enter your destination and its attractions for a chance to be selected for the various themed brackets, which will be curated by HuffPost Travel's editorial team.

Categories open for submission include:

- Overlooked Attractions
 - Sexiest Beaches
 - Prettiest Drives
 - Obscure/Unknown Natural Wonders
 - Awe-Inspiring Skylines
 - Wackiest Roadside Attraction
 - Spookiest/Most Interesting/Historic Cemetery
 - Prettiest Sunset
- Toolkit Update – 2011 Economic Impact Data
 - NTTW is a prime opportunity to raise the profile of our industry with policymakers across the nation. New 2011 national economic impact data is now available to support the case for why travel matters. Travel and tourism drives America's economy. In 2011, travel generated \$1.9 trillion in economic output and supported 14.4 million American jobs.

All [toolkit resources](#) have been updated accordingly. Please use these to help you showcase the power of travel across the country and within your destination during NTTW. Let's unite to top last year's record-setting number of participants and shine the spotlight on travel in more locations nationwide than ever before! For more information, visit www.ustravel.org.

Heard Museum Receives Tourism Cares Grant

Tourism Cares is pleased to announce the latest recipients of its Worldwide Grants program, part of the organization's ongoing mission to preserve the travel experience for future generations. A Tourism Cares Blue Ribbon Panel, composed of U.S. experts in the fields of preservation and tourism, made up the selection committee.

Six nonprofit organizations for tourism-related sites received \$10,000 grants. Combined with dollar-for-dollar matching funds, the grant program payout totals \$120,000. Collette Vacations and Trip Mate made generous contributions to the grantees. Here are the six recipients:

- American River Conservancy in Coloma, California
- General Douglas MacArthur Foundation in Norfolk, Virginia
- **Heard Museum in Phoenix, Arizona**
- Henry Morrison Flagler Museum in Palm Beach, Florida
- Maine Maritime Museum in Bath, Maine
- USS Constitution Museum in Boston, Massachusetts

To date, Tourism Cares has awarded funding to 178 organizations in 31 countries and 42 states. Combined with matching funds, total awards surpass \$2 million. If you know of a cultural, historic or natural tourism-related site seeking grant funding, direct them to the Tourism Cares Worldwide Grant Program home page. For questions, please e-mail grants@tourismcares.org.

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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