



Tourism Tuesday

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

A Message from Director:

Good afternoon,

We are proud to announce that Kaus Media Services has been awarded a one-year contract to continue our media relations activities in Germany. The European country is one of our key international visitor markets where we've been actively promoting Arizona as a vibrant travel destination. It is a relationship we want to continue to build.

Annually, German visitation to Arizona accounts for more than 100,000 travelers. These are numbers we are working to boost. In fact, next fiscal year we'll be holding a German Media Mission in January and we will be attending ITB in March. Look to future editions of ***Tourism Tuesday*** for details.

Our entire AOT team is looking forward to continuing our work with Kaus Media to amplify our media relations efforts and promote the many ways German travelers can enjoy Arizona's travel offerings throughout the state.

Please pass along your information to our team so we can be sure the in-market representatives get all the material they need.

In other agency news, we're putting the finishing touches on what's sure to be a great [Governor's Conference on Tourism!](#) Make sure you check out our [line-up of speakers](#) and presenters. We'll also have new research data to share and informative breakout sessions.

This is a year you just don't want to miss!

Have a great week!

Debbie Johnson
Director, Arizona Office of Tourism
#AZTourismTuesday

AOT in Action

China Press Trip

AOT and community partners recently hosted three Chinese travel writers and two Influencers from Shanghai, Beijing and Guangzhou. The group visited the communities of Phoenix, Mesa, Flagstaff, Sedona and Prescott. Along the way they rafted on the Salt River, kayaked in Watson Lake, jeep toured through the red rocks of Sedona, visited National Monuments outside of Flagstaff, and road bikes along the Grand Canyon's south rim. We would like to thank our partners who did an outstanding job in welcoming these writers/influencers and profiling their communities. 谢谢你们！ For more information, contact Kim Todd at ktodd@tourism.az.gov.

Upcoming AOT Events & Activities

[L.A. Sales Mission - AOT hosted dinner](#)

Dates: August 10

Location: Los Angeles, CA

The L.A. area is home to several top-tier receptive tour operators for the European market. AOT will target these receptive operators and invite them to an AOT hosted dinner in the L.A. area to provide them more information on our destination.

Upcoming Industry Events & Activities

[Governor's Conference on Tourism](#)

Date: July 11-13

Location: Tucson

The 2016 Arizona Governor's Conference on Tourism will take place July 11-13 at The Westin La Paloma Resort & Spa in Tucson. The conference begins Monday, July 11 with the Arizona Office of Tourism's Research General Session at 4 p.m. followed by the annual Taste of Southern Arizona reception. We continue with many valuable breakout sessions, the Arizona Governor's Awards Gala on Tuesday evening, July 12, and an outstanding lineup of keynote speakers to conclude the Conference on Wednesday, July 13.

Arizona News

White Stallion Ranch Becomes Member of Historic Hotels of America

White Stallion Ranch was selected for membership by Historic Hotels of America in May. To be nominated and selected for membership into this prestigious program, a hotel must be at least 50 years old; been designated by the U.S. Secretary of the Interior as a National Historic Landmark or listed in or eligible for listing in the National Register of Historic Places; and

recognized as having historic significance. These historic hotels have all faithfully maintained their authenticity, sense of place, and architectural integrity in the United States of America.

Historic Hotels of America is the official program of the National Trust for Historic Preservation for recognizing and celebrating the finest Historic Hotels. Historic Hotels of America was founded in 1989 by the National Trust for Historic Preservation.

White Stallion Ranch was established as a cattle ranch in 1939. It has been owned and operated by the True family for 50 years as a Guest Ranch, and has been ranked the #1 hotel in Tucson on TripAdvisor for 5 consecutive years.

<http://www.whitestallion.com/>

Uber, Lyft Start Phoenix Sky Harbor Pick-Ups on Saturday

Travelers who need a ride from Phoenix Sky Harbor International Airport have a new option beginning Saturday: ride-sharing services Uber and Lyft.

The popular car services, which are ordered via mobile app and are usually cheaper than a taxi, are allowed to pick up passengers under a new airport ground-transportation policy approved by the Phoenix City Council in May. Drop-offs have always been allowed because they aren't regulated.

The rapidly growing companies, which operate networks of independent drivers using their own vehicles, have been working for more than a year to add Phoenix to their airport lineup because Sky Harbor is the 10th busiest airport in the country and travelers have come to expect the option. Tucson International Airport also adds the car services this week.

Lyft said 10,000 passengers a month have opened its app at Sky Harbor only to get a message that the service is not available. Uber says 54,000 passengers have opened its app at Sky Harbor in the past year and shut it when its cheapest ride, UberX, wasn't available. (Pricier Uber rides, including Uber Black and Uber SUV, have been available because those drivers have commercial permits like taxi and limo drivers have.)

"Folks have just been clamoring for this," said Bakari Brock, senior director of business operations and airports for Lyft.

Scottsdale retiree Jackie Rifkin, a frequent traveler who flew to San Francisco for a day last week to see a new museum exhibit, takes Uber to the airport all the time so she doesn't have to bother her family for a ride. She also uses the service to get home, but not without jumping through hoops.

She and other travelers bent on catching an Uber or Lyft ride instead of a taxi or shuttle from Sky Harbor have been taking the free PHX Sky Train to the 44th Street and Washington station and catching a ride somewhere off airport property.

“We always have to play this game when I come home,” she said. “I take the Sky Train, run across Washington and pretend I’m staying at the Crowne Plaza hotel. One time I did the Circle K.”

Now, she and other travelers can simply step outside baggage claim to the designated ride-sharing pick-up area on the outer curb of each terminal.

“That’s terrific,” she said.

Security issues, background checks

With service starting at Sky Harbor, Atlanta’s Hartsfield-Jackson International Airport is the only airport among the United States’ 10 busiest without the ride-sharing option. Talks with the airport, the busiest in the world by passenger boardings, have stalled over driver background checks.

Some Atlanta officials want to require Uber and Lyft drivers to be fingerprinted, as taxi drivers and others at the airport are required to be. The companies say their name and Social Security-based background checks are just as thorough and often more up to date.

The same issue came up repeatedly in Phoenix, as recently as the city council vote in May. Taxi companies and other critics say Sky Harbor is putting passengers at risk by not requiring fingerprinting. Sky Harbor officials initially insisted on fingerprinting, calling it the industry gold standard, but relented and now accept Uber and Lyft’s third-party background checks.

There was a compromise of sorts. The airport set the pick-up spot for drivers without fingerprint background checks away from the pick-up areas for taxis, shuttles, limos and sedans, which have commercial permits and are required to fingerprint drivers. They are all on the same curb, but the ride-sharing services are on the outer edges and others are more centrally located.

Taxi companies respond

Taxi companies permitted to operate at the airport have already responded to the new competition, at least on rides to downtown Phoenix, a major destination for airport travelers.

They are introducing a new flat rate of \$17 on trips downtown. The boundaries: Lincoln Street to Roosevelt Street from Seventh Street to Seventh Avenue.

The \$1 airport trip fee on taxi rides has been eliminated, dropping the minimum taxi trip charge from the airport to \$15.

Phoenix-based SuperShuttle, which also operates under a contract with the airport, has adjusted prices in other markets in response to new competition from Uber and Lyft.

“We have been going through an overall rate review market by market,” Ken Testani, senior vice president of global marketing said via e-mail. “We have not done Phoenix yet, but will be at some point relatively soon.”

7 things to know about Uber, Lyft at Sky Harbor

1. The ride-hailing services can start picking up passengers at 12:01 a.m. Saturday, June 18. Uber plans to be available at that time. Lyft says it will start service at 8 a.m..
2. Travelers must download the Uber or Lyft mobile app and request a ride after they get their bags. Look for promotion codes for a free ride for new users. Lyft is offering all users two \$10 credits for two airport rides through June 30 using the promo code FLYPHOENIX.
3. Be careful which ride you request on Uber — there are several tiers. The cheapest is UberX, which accommodates up to four passengers. Lyft's standard Lyft service accommodates up to four passengers, too.
4. The Sky Harbor surcharge for pick-ups is \$3.25 per trip. Uber and Lyft will pass that on to passengers. The money goes to the airport.
5. Fare estimates are available through the app or in advance at uber.com/ride or lyft.com/cities/Phoenix. Uber says a trip to downtown Phoenix will cost \$9-12; to north Scottsdale, \$25-34. Lyft's estimates: \$10 to downtown Phoenix; \$28 to north Scottsdale. Lyft has a tip button on its app; Uber does not. Uber says tipping is voluntary but not expected or required. Uber drivers, though, welcome cash tips.
6. The app will tell you where to meet your driver. Pick-up spots are outside the baggage-claim area on the outer curbs of each terminal. At Terminal 4, Sky Harbor' airport's busiest, look for the new ride-sharing signs outside Door 8 on the south curb and Door 1 on the north curb. In Terminal 3, go to the north curb, outside Door 9. In Terminal 2, head out Door 8.
7. Don't worry about digging out your wallet when the ride ends. Uber and Lyft bill the ride to your credit card on file. (AZCentral.com, June 17)

<http://www.azcentral.com/story/travel/airlines/2016/06/17/uber-lyft-phoenix-sky-harbor-pick-ups-start-saturday/85847276/>

Industry News

MMGY Predicting an Unprecedented Boom in Travel

Get ready for a boom year! If MMGY Global is right in its latest edition of its market research project Portrait of the American Traveler, the forces are aligned for an unprecedented travel boom over the next 12 months.

“Absent an unexpected shock to the system,” says the report, “the year ahead will be a record year for the travel industry.”

The Portrait of the American Traveler is a study that surveys 2,300 American households about their plans in the coming year. The data is updated quarterly to maintain an image in motion of the traveling public as it changes throughout the year.

The survey is the only travel study that looks into the future, according to Peter Yesawich, MMGY Global's vice chairman emeritus. "Most of what we've seen in the business looks into the rear view mirror, asking people what they have historically done, where did they go, what they have spent and so forth, all of which is very important, but the past may not be prologue, as we discovered as we came out of the Great Recession."

According to the results of the April edition of this survey, two thirds of Americans plan to take at least one trip involving overnight accommodations during the next six months. That breaks down to at least 80 million Americans traveling during the next six months.

"The outlook is incredibly positive," said Yesawich. "The Traveler Sentiment Index, a measure of consumer confidence that we take every six months, has never seen a more positive trend [during the last nine years]."

Twenty-eight percent of those surveyed said they intend to take more trips in the next 12 months than in the last 12 months. Fourteen percent said they would take fewer trips. That is a net positive of 14 percent. It's a 10-year high and an increase that breaks the previous record, a pre-recession increase of 11 percent from 2007 to 2008.

The MMGY Global survey has been conducted for 26 years. It surveys a segment of the population, those with an income of \$50,000 a year or more, those most likely to participate in the travel industry. It measures the intentions of people rather than their actual travel.

Although the number of people intending to travel has not increased, their number of trips and the amount of their expenditures have risen. Vacation spending has fully recovered from the trough of the recession following the 2008 stock market collapse.

"In 2010, travelers reported having spent an average of \$3,874 on vacations during the previous 12 months," said the report. "By 2013, that amount had risen 8 percent to \$4,209."

In 2016 travelers are planning to spend \$5,182 per vacation, a 23 percent rise over the last four years and 9 percent higher than 2015.

The study also looked into who will be driving the boom, breaking the population into demographic groups that are more subtly delineated than the conventional boomers and millennials categories.

MMGY has isolated demographic categories it calls microsegments. While there is a huge buzz on the fact that the emerging millennial demographic is increasingly a force in travel, it is actually far too general a category to be of much use to marketers.

There are 84 million millennials (as compared to 78 million boomers). They range from ages 16 to 36 now. According to MMGY, it is far too diverse a group to market to. So the company has

broken the population into smaller categories with catchy names, such as the HENRYs, the GottaGoSOLOs, the YAHTZEEs, the Jet Sweaters and The Brat Pack.

HENRYs are High Earners Not Yet Rich. They are luxury travelers with plenty of cash flow but little accumulated wealth. They represent a quarter of the millennial population. They have annual household incomes of \$125,000. They are a relatively untapped market that will become increasingly important in coming years.

They want experiences, not things. And they are on the hunt for good deals.

GottaGoSOLOs is a category of people who are married with children but still take solo vacations. They account for 5.8 million households. They take more than seven vacations a year on average and two of them are solo. Three fourths of them are millennials and a quarter are generation Xers. The category is expected to grow.

YAHTZEEs are Young at Heart Travelers Zooming Everywhere Enthusiastically. They are active retirees traveling more than three times a year for vacation. It's a large group representing 4.1 million households and 6.9 percent of American travelers. They are intent on increasing their travel over the next 12 months. Most of it is domestic travel, and much of it repeat travel to familiar destinations.

Jet Sweaters are amateur athletes without children. They like to travel to pursue their athletic interests. They represent 10.2 percent of American travelers, 6 million households. Marketing to them requires leveraging events that attract them.

The Brat Pack refers to children under 12, and they make a significant impact on family vacation planning. Nineteen percent of American travelers have children under 12, 11.2 million households. The children affect the choice of destinations, activities and accommodations. The influence is greater than that of teenagers on their family vacation decisions.

MMGY Global pointed to a trend it has observed in its monitoring of the market in which the company believes online travel agencies (OTAs) and hotel companies are in effect reversing roles.

Hospitality companies historically have tried to influence consumer decision making in the early stages, the stages of ideas and inspiration, while the OTAs have tried to direct consumers into their channels at later stages of the planning process. This is changing, according to MMGY.

In recent years OTAs are managing to attract more consumers at the earlier stages of planning, as consumers increasingly refer to the sites for ideas as they are making their initial plans.

The hotel suppliers in recent years, however, have recovered the consumer at the point of purchase, leveraging their own power to offer the lowest price to their loyalty customers. Through this process, hoteliers have regained the marketshare previously lost to the OTAs.

Hotel consolidation, such as the merging of Marriott and Starwood, have also contributed to the process through which hotel companies have regained control over the purchasing of hotel nights.

In recent surveys travel service providers have also lost ground in the initial planning stages, according to MMGY. During the “ideas and inspiration” stage of travel planning, only 18 percent of those surveyed said they considered enlisting the help of a travel agent, down six points from 2015.

At the same time, travel agents have gained ground at the booking stage of planning. Thirty-two percent of travelers now consider using travel agents for making reservations, which is up 6 points from 2015, about the same percentage as those who use OTAs at that point. Thirty-eight percent of travelers booked at least once through a travel service provider website, and the same percentage booked at least once through an OTA.

But through the grass and the weeds, the one thing that stands out is: Get ready for a boom year, an unprecedented 12 months ahead for the travel industry.

Oh yes, that is “absent an unexpected shock to the system.” The previous record of increase in the amount of travel intentions was in the year 2007-2008. And we know how that ended up, with the crash of 2008.

That is the caveat. The travel industry must live with the potential of the unexpected, and the limits of predictability. (*Travel Pulse, June 9*)

http://www.travelpulse.com/news/features/mmgypredicting-an-unprecedented-boom-in-travel.html?utm_source=daily&utm_medium=email&utm_campaign=6-10-2016&u=34705F91-2320-4FD3-B96A-52B33FA5505E

Did you know?

At more than 16,000 acres, South Mountain Park/Preserve in Phoenix is one of the largest municipally operated parks in the country, according to the Trust for Public Land. It boasts 51 miles of primary trails for horseback riding, hiking and mountain biking for all ability levels.

Statewide Calendar of Events

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

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