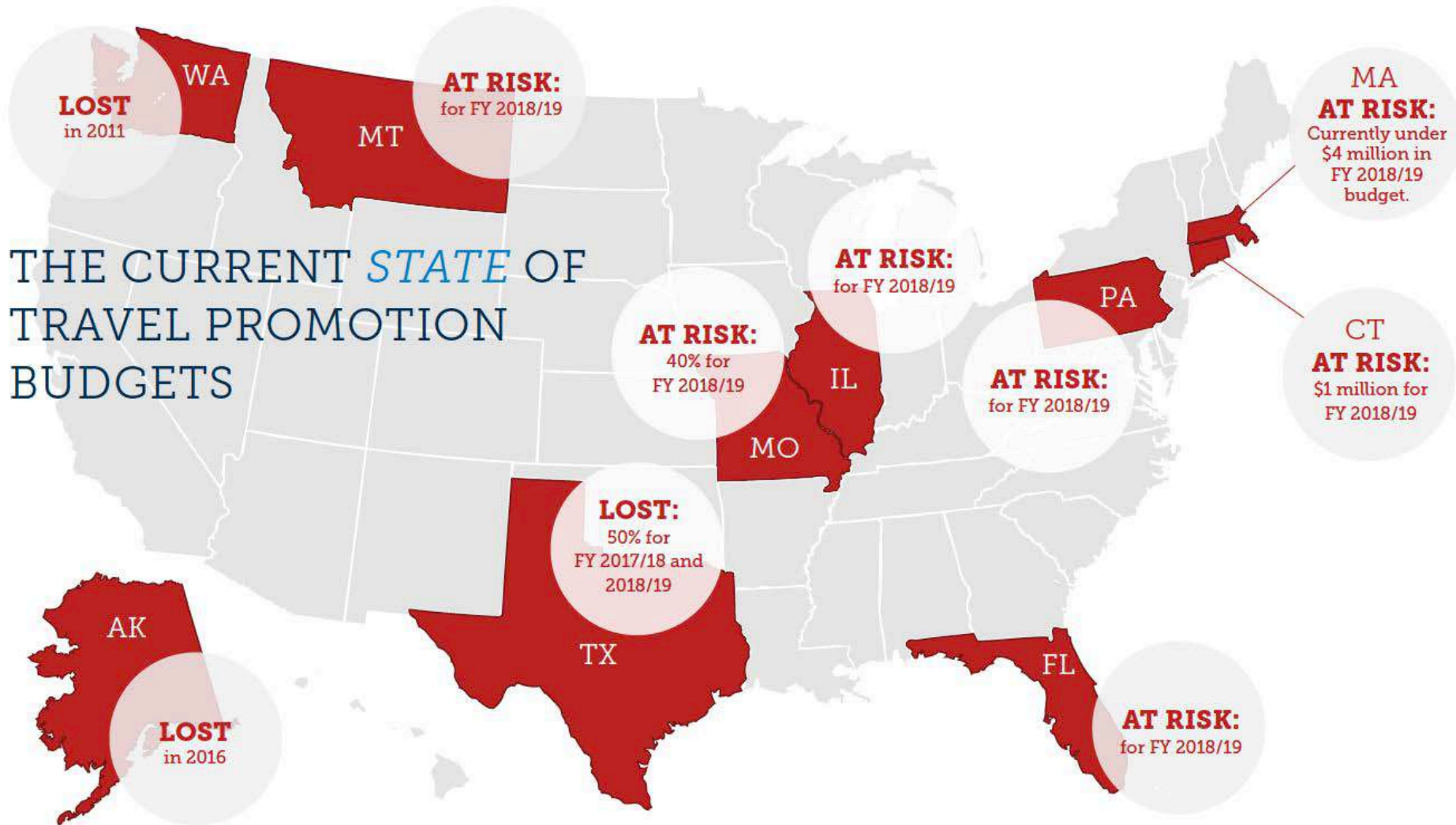


U.S. TRAVEL
ASSOCIATION

Agenda

1. Power of Travel Promotion Resources
2. New Tool: Travel Economic Impact Calculator
3. Accessing data through Interactive Travel Analytics
4. Unused Vacation Time Opportunity
5. Highlights from Civitas: *A Study of Lodging Charges and the Allocation of Revenues from Taxes and Assessments on Lodging*
6. Toolkit Overview

THE CURRENT *STATE* OF TRAVEL PROMOTION BUDGETS





The **POWER** of **TRAVEL** **PROMOTION**

What Destination Marketing Means
to Communities Nationwide

- [Power of Travel Promotion Report](#) (Published 2016, Forward Updated 2017)
- [Executive Summary](#)
- [Fact Sheet](#)
- [Case Studies](#)
- [Sample Letters](#) (for local business owners and tourism organizations)
- [Media Talking Points](#)
- [Sample Op-ed](#)
- [Tweet Sheet and Social Media Tips](#)
- [Travel Economic Impact Calculator](#) 📊 (New tool!)

ustravel.org/travelpromotion

#Travel jobs in the U.S. cannot be outsourced— no more than America's iconic cities and natural treasures themselves.
#NTTW17



15.1M travel jobs made in America.

5:50 PM - 11 May 2017

#Travel jobs in the U.S. cannot be outsourced— no more than America's iconic cities and natural treasures themselves.
#OKTourismWorks



15.1M travel jobs made in America.

8:50 AM - 4 May 2017

The #travel industry powers Oklahoma's economy, supporting 98,300 jobs and \$8.6 billion in economic activity for the state.
#OKTourismWorks



8:50 AM - 20 Apr 2017

Two out of five workers who took their first job in the #travel industry are now earning more than \$100K per year.
#OKTourismWorks



Tourism jobs are a gateway to opportunity.

8:50 AM - 11 May 2017



#Travel delivers benefits nationwide, supporting 1 in 9 U.S. #Jobs and contributing \$2.1T to our #economy. #VisitBN #BloNo

Supporting 1 in 9 U.S. jobs and contributing \$2.1T to our economy



The travel industry fuels economic growth in the U.S.

2:05 PM - 5 Jan 2017

ustravel.org/travelpromotion

The Travel Economic Impact

Calculator is an interactive tool that enables users to simulate the effects of changes in spending by travelers in each state.

Select a state and then select a change in traveler spending. The calculator will then estimate the statewide economic impact.

For reference, The Economic Impact of Travel to **Arizona** (2015):



\$18,455

Travel Spending
(millions)



167,140

Travel Employment
(jobs)



\$5,191

Travel Payroll
(millions)



\$1,186

Travel State & Local Taxes
(millions)

1

Select a state.

Arizona

2

Use the slider to choose a specified increase or decrease in travel spending.

-20% -18% -16% -14% -12% -10% -8% -6% -4% -2% 0% 2% 4% 6% 8% 10% 12% 14% 16% 18% 20%

-\$554 M

-3% change

For reference: Historical Annual Growth Rates (2000-2015)

Low: -11%

Average: +3.6%

High: +11.5%

Most Recent (14/15): +4.7%



Annual Economic Impact of a -3% Change in Travel Spending



-\$554

Travel Spending
(millions)



-5,010

Travel Employment
(jobs)



-\$156

Travel Payroll
(millions)



-\$36

Travel State & Local Taxes
(millions)

This change in state & local taxes could add the following number of public sector jobs



-790

Firefighters



-590

Police Officers



-820

Teachers

Economic Impact Map



Data releases:

2016 State data - beginning of March

2017 National data – beginning of May (National Travel and Tourism Week)

ustravel.org/economic-impact

State and Congressional District One Pagers

TRAVEL IS AN ECONOMIC ENGINE

Why Travel Matters to South Carolina's District 7

U.S. TRAVEL
ASSOCIATION

SPENDING CONGRESSIONAL DISTRICT	PAYROLL	JOBS	TAX RECEIPTS	TRAVEL INDUSTRY EMPLOYMENT RANK
\$2.8 BILLION	\$534.9 MILLION	27,300	—	4
STATE				
\$13.4 BILLION	\$2.4 BILLION	126,900	\$1.9 BILLION	6

TRAVEL AND TOURISM WORKS FOR SOUTH CAROLINA

2015 Data

- Domestic and international travelers to South Carolina spent \$13.4 billion in 2015 and generated \$1.9 billion to federal, state and local governments, dollars that help fund jobs and public programs such as police, firefighters, teachers, road projects and convention centers.
- The 126,900 jobs created by travelers to South Carolina in 2015 represent 7.9% of the state's total private industry employment.
- Without these jobs generated by domestic and international travel, South Carolina's 2015 unemployment rate of 6.0% would have been 11.6% of the labor force.
- For every \$1 million spent in South Carolina by domestic and international travelers, 9.5 jobs are created.



SOUTH CAROLINA-BASED TRAVEL COMPANIES

- South Carolina Department of Parks, Recreation & Tourism
- BlueRidge Tours
- Hilton Head Vacation Rentals

Historical Trends



travelanalytics.ustravel.org/Travel/Dashboard

Compare With Your Competitive Set

U.S. TRAVEL ASSOCIATION | Interactive Travel Analytics | Travel Economic Impact

Select your subscription ▾ | Map | Dashboard | Ranking | Comparison | Advanced Data Query | Help/Tutorials

Economic Impact Components | Industry Employment Rank by State | General Economic Statistics

HOME | SOURCES AND DEFINITIONS | [Print] [Download] [Share]

Year: 2015 ▾ | States: U.S. .. Texas (6 of 394) ▾ | Congressional districts: Nothing Selected ▾ | Indicators: Expenditures .. Payroll (3 of 7) ▾

#	State	Expenditures, \$ Millions	Payroll, \$ Millions	Employment, Number of Jobs
1	U.S.	970,353.1	237,949.1	8,395,860
2	California	128,930.0	30,867.0	963,720
3	Florida	90,860.3	23,797.5	876,600
4	Hawaii	21,704.6	5,929.9	178,820
5	New York	69,807.5	16,905.1	473,790
6	Texas	67,840.9	18,999.4	645,210

Travel Generated Metrics:

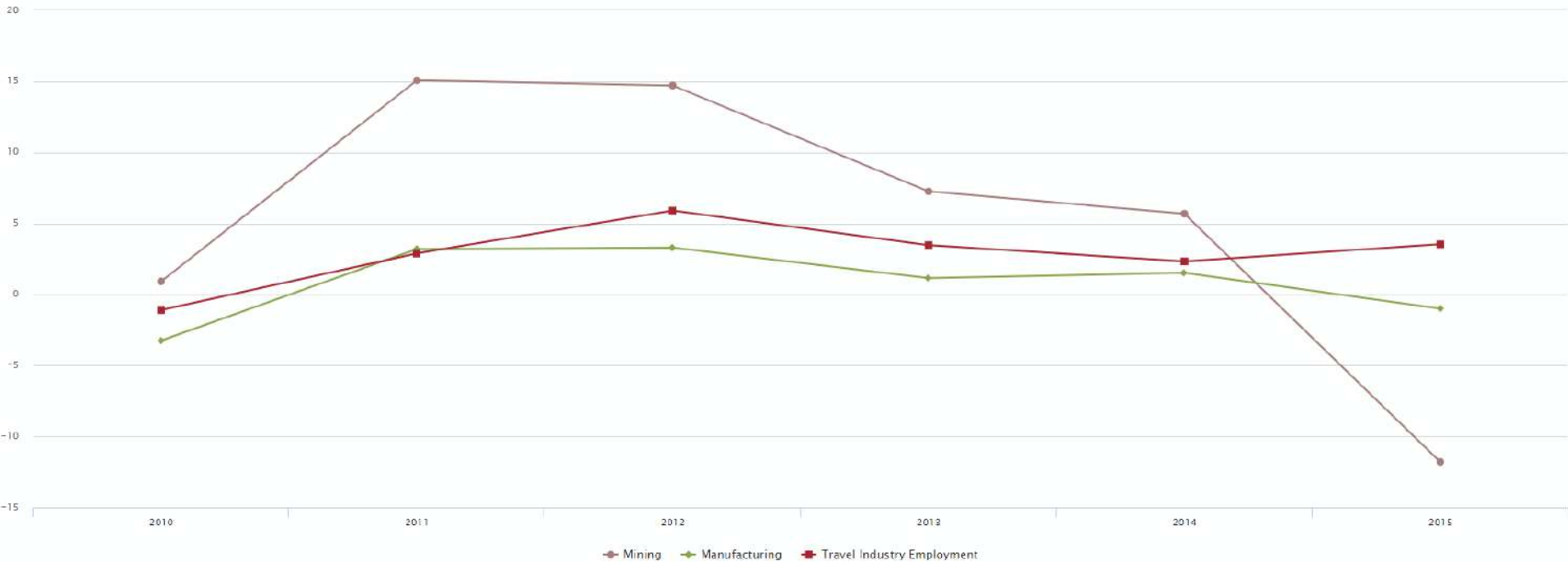
- Spending
- Payroll
- Employment
- Tax Revenues (Federal, State and Local)

travelanalytics.ustravel.org/Travel/Ranking

Compare to Other Industries

Texas

% Change from Prior Year



travelanalytics.ustravel.org/Travel/Comparison

Select your subscription ▼

Map

Dashboard

Ranking

Comparison

Advanced Data Query

Help Tutorials

Summary

Share

Geography: New Mexico ▼ Years: 2006-2007 (50 states reporting) .. 2016-2017 (4 states reporting) (11 of 46) ▼ Financial Type: Actual Spending / Final Budget ▼

Total

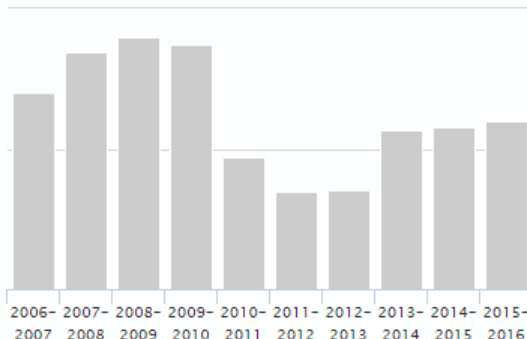
Dollars

20,000,000

10,000,000

0

2006-2007 2007-2008 2008-2009 2009-2010 2010-2011 2011-2012 2012-2013 2013-2014 2014-2015 2015-2016



☐

Total Advertising and Promotion

% Change

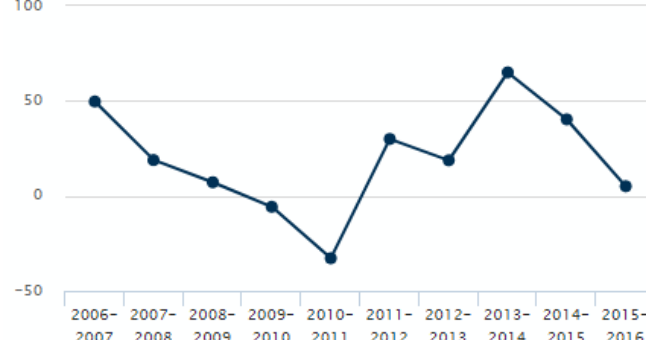
100

50

0

-50

2006-2007 2007-2008 2008-2009 2009-2010 2010-2011 2011-2012 2012-2013 2013-2014 2014-2015 2015-2016



Categories:

- Total Budget
- Public Funding
- Private Funding
- Total Advertising and Promotion Budget
- Domestic Advertising and Promotion Budget
- International Advertising and Promotion Budget

travelanalytics.ustravel.org/Budget/Map

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[Comparison](#)
[Advanced Data Query](#)
[Help/Tutorials](#)
[View Reports](#)
[State Budget by Category](#)
[State Budget by Year](#)
[HOME](#)
[REFERENCE NOTE](#)
[SOURCES AND DEFINITIONS](#)

Year: 2015-2016 (48 states reporting) ▼ Financial Type: Actual Spending / Final Budget ▼ Geography: Maryland .. West Virginia (7 of 50) ▼ Categories: Total Budget .. Total Advertising and Promotion Budget (2 of 6) ▼

Measurement: \$ Value ▼

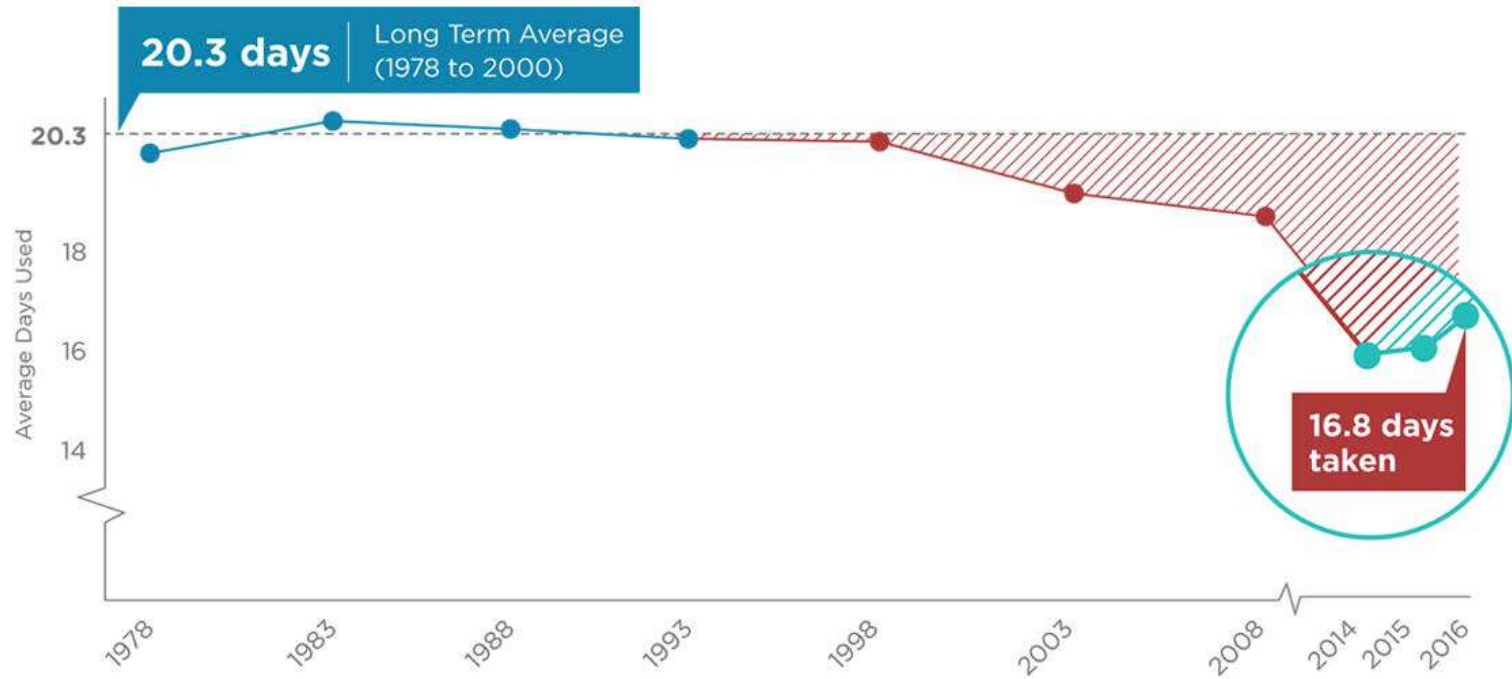
State ▲	Total Budget ▼	Total Advertising and Promotion Budget ▼
Maryland	12,699,261	3,091,059
New Jersey	9,000,000	5,200,000
New York	50,000,000	42,000,000
Ohio	10,000,000	5,628,232
Pennsylvania	9,524,447	1,744,824
Virginia	16,308,456	8,289,406
West Virginia	12,323,749	3,008,472

Metrics:

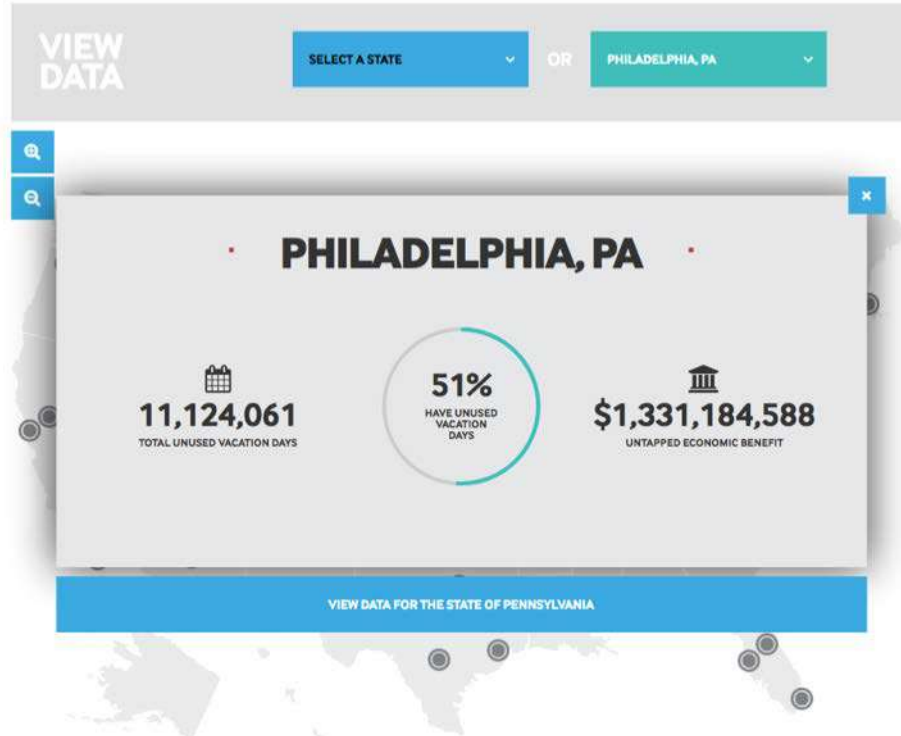
- \$ Value
- 12-Month % Change
- Share of U.S. Total
- State Rank

travelanalytics.ustravel.org/Budget/Ranking

Increased Vacation Usage Delivered \$50 Billion Economic Impact



Economic Impact of Unused Vacation Time



ProjectTimeOff.com/PlanForVacation#Map

Jobs Impact of Unused Vacation Time

Alabama	8,948	Illinois	35,247	Montana	8,184	Rhode Island	2,905
Alaska	5,378	Indiana	12,160	Nebraska	4,103	South Carolina	18,362
Arizona	31,685	Iowa	12,459	Nevada	51,965	South Dakota	4,853
Arkansas	5,819	Kansas	5,604	New Hampshire	5,088	Tennessee	21,807
California	137,497	Kentucky	8,448	New Jersey	33,402	Texas	68,680
Colorado	27,164	Louisiana	23,489	New Mexico	8,422	Utah	12,961
Connecticut	6,310	Maine	7,779	New York	71,105	Vermont	8,546
Delaware	2,028	Maryland	15,025	North Carolina	23,768	Virginia	24,561
District of Columbia	9,678	Massachusetts	22,163	North Dakota	3,912	Washington	18,271
Florida	131,949	Michigan	24,468	Ohio	19,060	West Virginia	9,710
Georgia	25,177	Minnesota	13,626	Oklahoma	7,303	Wisconsin	16,115
Hawaii	43,692	Mississippi	21,013	Oregon	13,328	Wyoming	7,516
Idaho	5,213	Missouri	18,828	Pennsylvania	35,801		

Source: Project: Time Off,
State of American Vacation 2017

Jobs Impact of Unused Vacation Time

Atlanta	20,430	Houston	14,880	Pittsburgh	6,500
Baltimore	6,150	Kansas City	7,130	Portland (OR)	7,330
Boston	17,450	Las Vegas	46,670	Riverside-San Bernardino	9,800
Charlotte	6,630	Los Angeles-Anaheim	49,010	Sacramento	5,170
Chicago	29,440	Miami-Fort Lauderdale	24,040	San Antonio	10,130
Cincinnati	4,310	Minneapolis-St. Paul	9,210	San Diego	17,490
Dallas-Fort Worth	16,530	New York City	55,960	San Francisco-Oakland	9,800
Denver	11,270	Orlando-Kissimmee	33,680	Seattle	13,120
Detroit	8,150	Philadelphia	12,440	St. Louis	8,110
DC Metro Area	20,720	Phoenix	15,920	Tampa-St. Petersburg	12,110

Questions/Feedback/Case Study Examples?



JMageau@ustravel.org



U.S.TravelAssociation



@USTravel



U.S. Travel Association



A Study of Lodging Charges and the Allocation of Revenues from Taxes and Assessments on Lodging

In Partnership with U.S. Travel Association and the
U.S. Travel Association Destinations Council

February 22, 2018



U.S. Travel Association

Destinations Council

☆ Who We Are

350+ U.S. Travel destination marketing organization and convention and visitors bureau members, whose purpose is to enhance the effectiveness of DMO professionals through our annual program of work.

☆ What We Do

Connect DMOs and CVBs and serve as champions who support and assist U.S. Travel in its national grassroots advocacy efforts. **Educate and network, advocate and inform** are the main task forces that drive the council's initiatives.

☆ What You Get

Targeted, **relevant** educational and networking opportunities plus **access** to research, travel trends and forecasts, webinars, newsletters, and **exclusive** events and meet-and-greets.

Objectives

- #1:** Provide current tax and assessment rates for lodging and food and beverage transactions.
- #2:** Determine the amount of revenue raised by lodging charges, including home sharing rentals.
- #3:** Trace the spending of lodging charges with a focus on tourism

100 cities with significant geographic diversity

Cities chosen using the following criteria:

- Population
- Geography
- Tourism status

CITIES STUDIED

Data Points Studied



100

CITIES

1700

RESEARCHED DATA
POINTS

925+

HOURS SPENT ON
PROJECT

BED TAX

State • County • City

SALES TAX

State • County • City

CONVENTION CENTER TAX

State • County • City

TID ASSESSMENTS

State • County • City

OTHER TAXES AND ASSESSMENTS

State • County • City

HOME SHARING

Revenue Collected

FOOD AND BEVERAGE

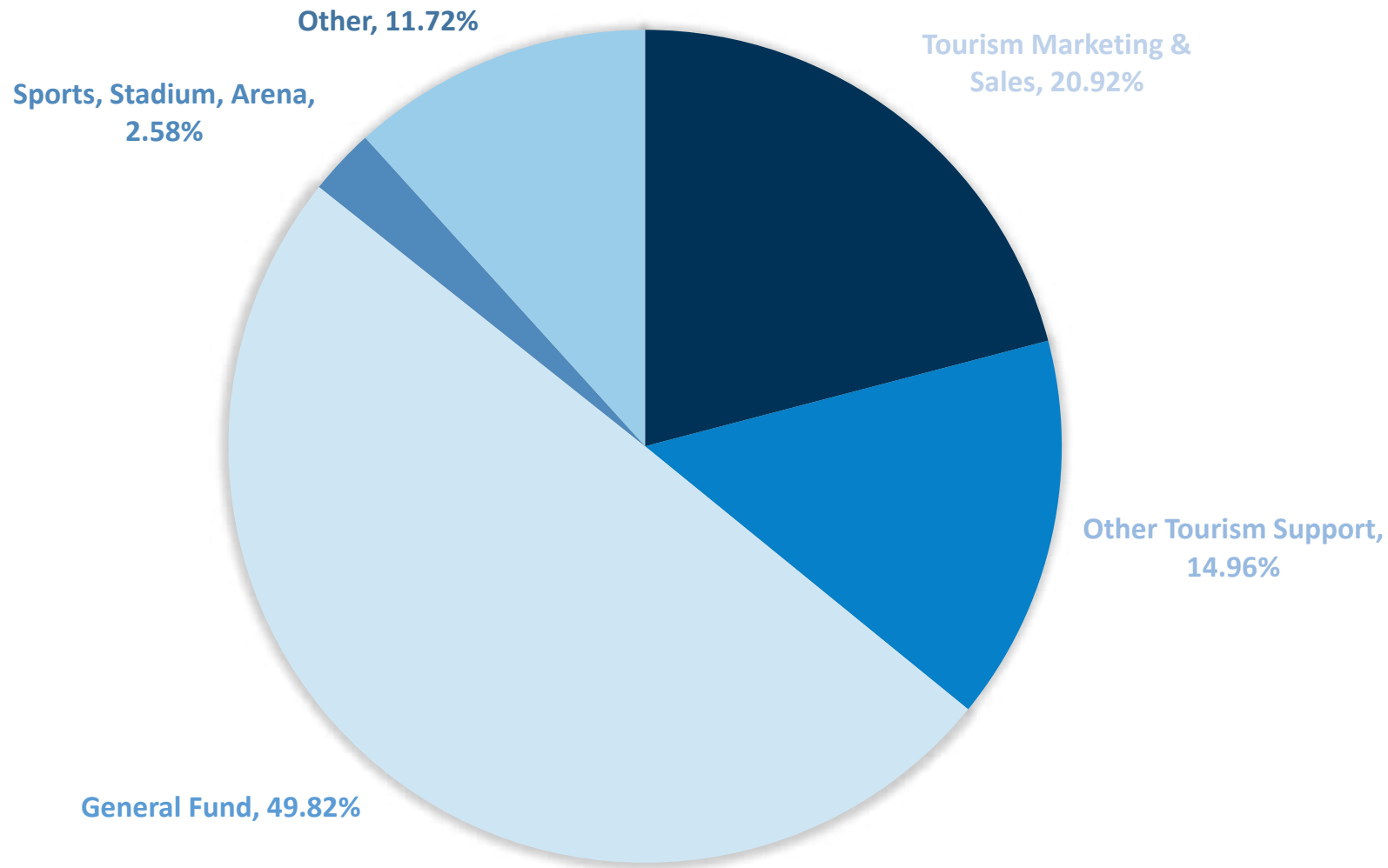
Tax Rates

Why Did We Research This?

- To gain a deeper understanding of the current charges and rates on the lodging industry
- To gain a knowledge base of how tourism tax revenues are being spent
- To establish a baseline of rates and expenditures to understand trends in the future
- To empower DMOs with information helpful to their local advocacy efforts

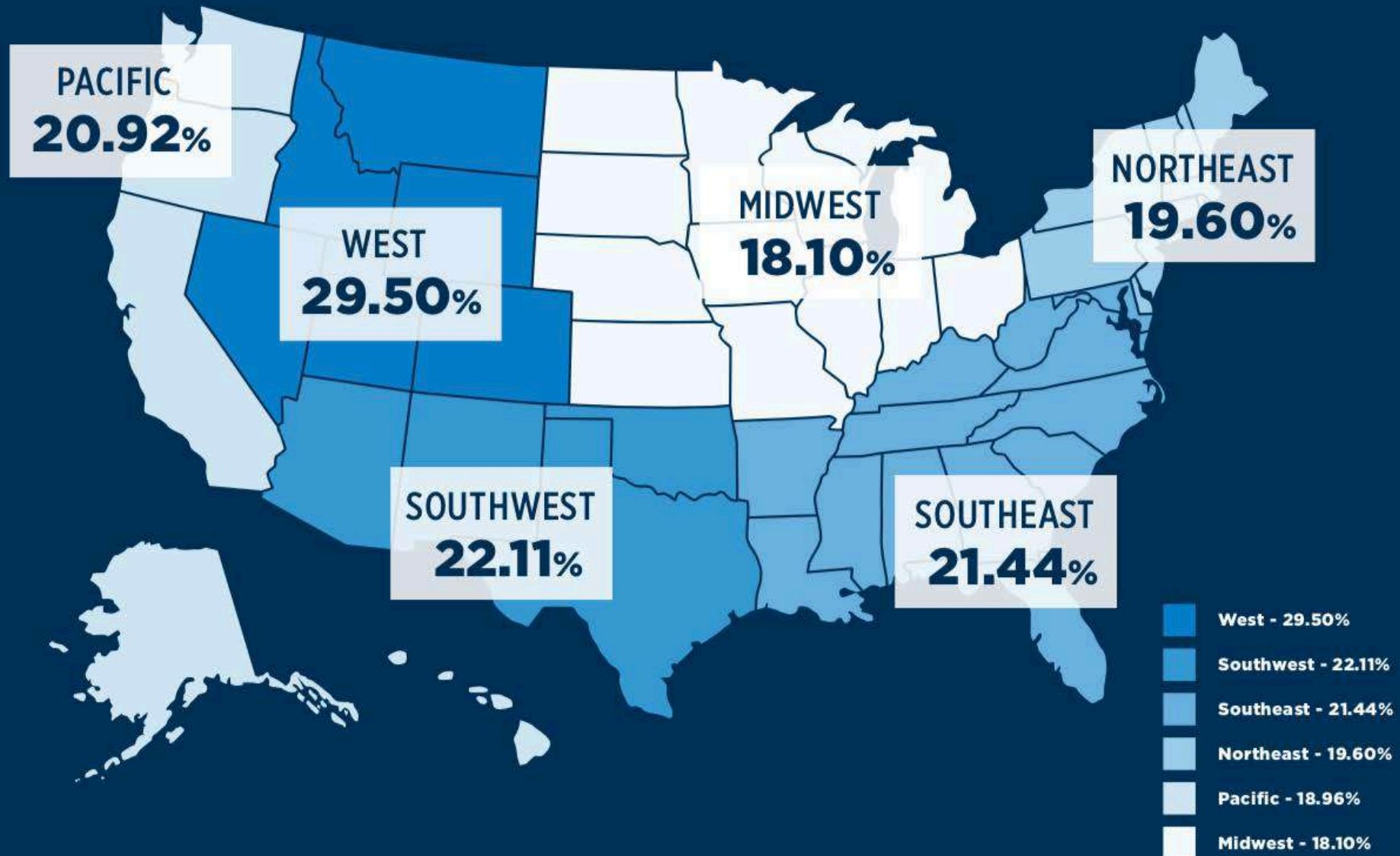
Total Lodging Charges vary by Geographic Region

REGIONS	# OF CITIES	STATES	TOTAL LODGING CHARGE
Pacific	15	AK, CA, WA, HI, OR	15.10%
West	8	CO, ID, MT, NV, UT, WY	11.41%
Southwest	13	AZ, NM, OK, TX	15.25%
Midwest	18	ND, SD, IL, IN, IA, KS, MI, MN, MO, NE, OH, WI	15.21%
Southeast	31	AL, AR, NC, SC, FL, GA, KY, LA, MD, MS, TN, VA, WV, DC	14.75%
Northeast	15	CT, DE, ME, MA, NH, NJ, NY, PA, RI, VT	14.33%
United States	100	47 states	14.62%

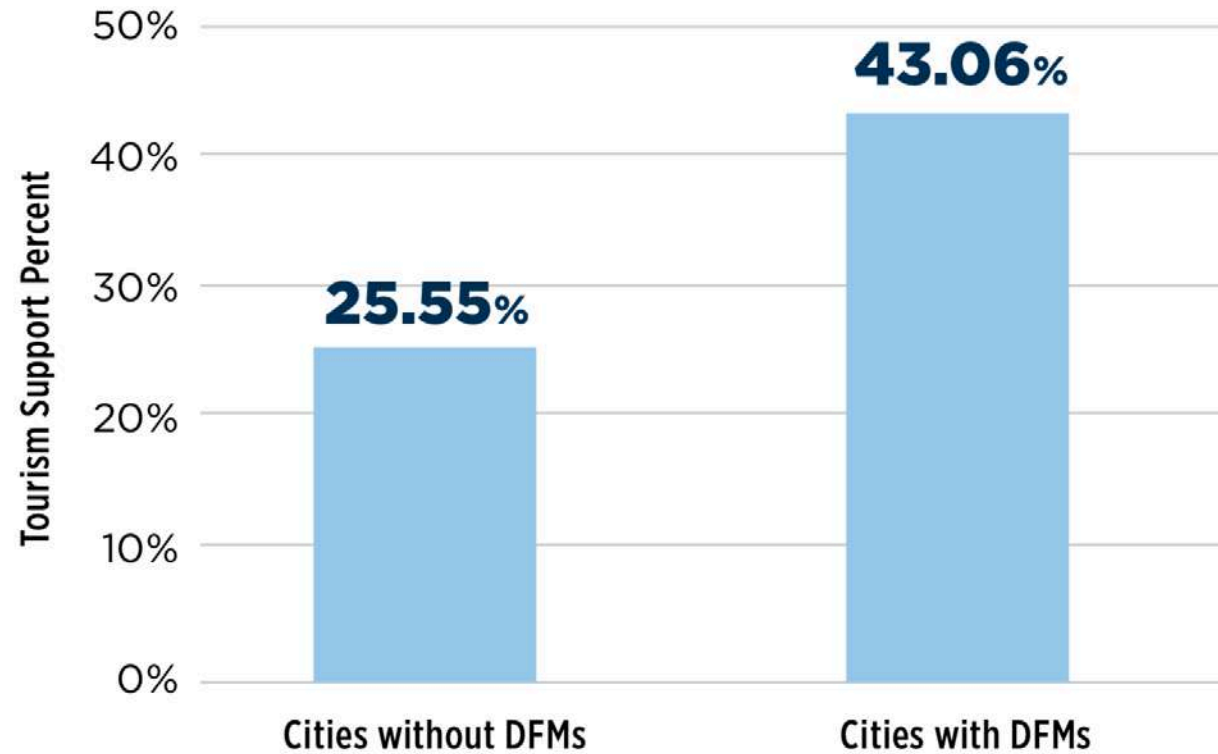


Average Lodging Charge Allocations

TOURISM MARKETING & SALES (by region)



Base Funding Comparison Related to Dedicated Funding Mechanisms



Sample Destination

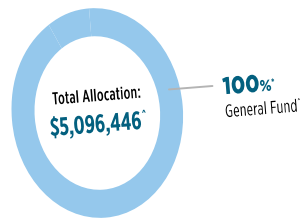
REGION: WEST



TOTAL CHARGE: 11.30%

State Sales Tax: 2.90%

Colorado Sales Tax
SOURCE: Colorado Department of Revenue, Colorado Sales/Use Tax Rates

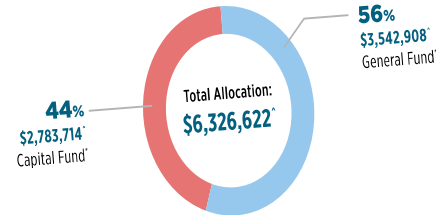


NOTES: *Estimate of state sales tax from lodging in Aspen using city lodging tax as baseline figure
\$18,500,000 allocated for Tourism Promotion in state budget

SOURCE: *Colorado Office of State Planning & Budgeting, Governor's Budget Request for FY 2016-17

County Sales Tax: 3.60%

Pitkin County Sales Tax
SOURCE: City of Aspen Finance Department, Sales Tax

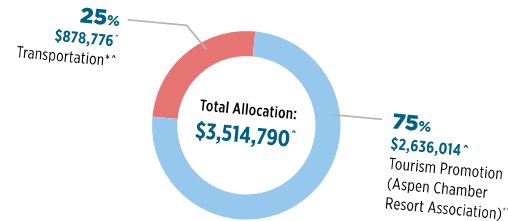


NOTES: **Estimate of county sales tax from lodging in Aspen using city lodging tax as baseline figure
*2016 Actual

SOURCE: *Pitkin County, Budget Overview 2017, Page 25

City Hotel Tax: 2.00%

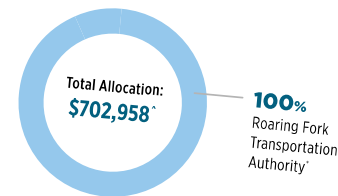
Aspen Lodging Tax (Visitor Benefit Tax)
SOURCE: City of Aspen Finance Department, Lodging Tax, Aspen Municipal Code, Section 23.50



NOTES: *2016 Actual
*City of Aspen Finance Department, Lodging Tax
*City of Aspen, December 2016 Consumption Tax Report

Other City Tax: 0.40%

Roaring Fork Transit Tax
SOURCE: City of Aspen Finance Department, Lodging Tax

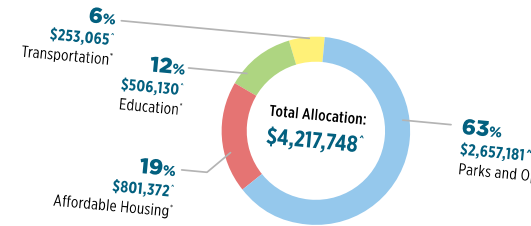


NOTES: *estimate of RFTA tax revenue from lodging in Aspen using city lodging tax as baseline figure
SOURCE: Roaring Fork Transportation Authority, Financial Statements 2015

Sample of City Data

City Sales Tax: 2.40%

Aspen Sales Tax
SOURCE: City of Aspen Finance Department, Sales Tax



NOTES: *estimate of RFTA tax revenue from lodging in Aspen using city lodging tax as baseline figure
1.50% - Parks and Open Space
0.15% - Transportation
0.45% - Affordable Housing
0.30% - Education

SOURCE: *Aspen Municipal Code, Section 23.32



How to use the Study

- Inform your lodging community and other travel stakeholders of your position compared to your comp set and industry averages
- Educate elected officials on the need for more lodging tax funding for tourism marketing purposes
- Highlight how cities with dedicated mechanisms to fund marketing and promotions, such as Tourism Improvement Districts, spend more on tourism than cities that do not have dedicated resources

Toolkit

- 1) Overview
- 2) Customizable Talking Points
- 3) Engaging Elected Officials
- 4) Sample Destination PowerPoint

The Toolkit be found at:

ustravel.org/research/study-lodging-charges-and-allocation-revenues-taxes-and-assessments-lodging

Applicability of the Study

- 1) Framework for Future Studies
- 2) Historical Benchmark
- 3) Comparative Tool
- 4) Comprehensive Resource



Thank you
Civitas Advisors, Inc

John Lambeth

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