Tourism Advisory Council Meeting
Monday, March 12th, 2018
Empire State Plaza
Meeting Room #2
Albany, NY
1:30pm – 2:30pm

Webcast address: https://livestream.com/vvt2/TAC031218

AGENDA

I. Approval of Minutes
   Cristyne Nicholas

II. Chair’s Report
   Cristyne Nicholas
   a. Meeting overview
   b. Tourism Action Day

III. Executive Director Report
     Ross Levi & Markly Wilson
     a. Winter activations
     b. International
     c. Digital marketing

IV. Winter Tourism Updates
    a. Ski Association of New York activities
       Scott Brandi, President, SANY
    b. Lake Placid winter efforts
       Jim McKenna, President, Lake Placid CVB

V. New Business

Next meeting:
   Monday, May 21st, 2018
   11:00am – 12:30pm
   633 3rd Ave
   New York, NY
CHAIR’S REPORT
Tourism Action Day

Monday, March 12
Albany, NY

Tourism Industry Coalition Members

Albany County CVB
Campground Owners of NY
Canal NY Marketing & Business Alliance
Dutchess Tourism Inc.
Finger Lakes Regional Tourism Council
Finger Lakes Tourism Alliance
Hotel Association of New York City

Ithaca/Tompkins County CVB
Long Island CVB & Sports Commission
Museum Association of New York
NYC & Company
NYS Destination Marketing Organizations
NYS Hospitality & Tourism Association
NYS Restaurant Association
NYS Tourism Industry Association

Oneida County Tourism
Otsego County Tourism
Saratoga Convention & Tourism Bureau
Ski Areas of New York, Inc.
Sullivan County Visitors Association, Inc.
The Business Council of New York State, Inc.
Visit Syracuse
NYS VISITATION & SPENDING

Visitation to NYS 2010 – 2016

Visitor Spending in NYS 2010 – 2016

Domestic
International

Spending in Billions

Domestic
International
NYS tourism industry supported more than 914,000 jobs in 2016
Leisure & Hospitality is the fourth largest employer in New York State
1 in 12 jobs in New York State is supported by tourism
EXECUTIVE DIRECTOR’S REPORT
WINTER ACTIVATIONS
NEW YORK TIMES TRAVEL SHOW
Winter Activations
Heartland Travel Showcase & ITB Berlin

- February 16-18, 2018
- Hosted in Buffalo, NY
- Connects tour operators looking for sellable tour itineraries with group travel representatives and destinations

- March 7-11, 2018
- Hosted in Berlin, Germany
- World's largest tourism trade fair with companies representing hotels, tourist boards, tour operators, airlines, car rentals, etc.
Holiday World Travel Show:
- January 2017 in Dublin
- Biggest single event in travel & tourism in Ireland
- Opportunity to speak directly with consumers

Travel Solutions:
- February 24 - 26
- Arrange ski packages for those arriving at Stewart

Irish Family Winter Getaway Contest:
- Contest in the Irish Sun to visit New York State
- 600+ submissions; won by the Wilson family
- Traveled February 9-15
- Visited Albany, Sullivan, Dutchess & Ulster counties
Sagamore Resort

OHEKA Castle

DIGITAL MARKETING
I LOVE NEW YORK BRACKET

- March 13 - April 2
- Sixteen attractions face off in four rounds of voting
- Participants vote once per calendar day for chance to win a family trip to one of the included attractions
- Hotels & attraction tickets provided by TPAs
- Partner with JetBlue for prizing and promotional support
GUEST SPEAKERS:
Scott Brandi, SANY
Jim McKenna, Lake Placid CVB
TAC Presentation

Scott Brandi, President, I SKI NY
New York State Ski Areas
Commitment to New York State Tourism

• BOD of NYSHTA
• Tourism Industry Coalition
• BOD of NYSTIA
• Adirondack Global Sports Committee
• North Country REDC Tourism Committee
Impact of the NY Ski Industry

• Most ski areas of any State in Nation: 50

• 3,800,000 Skier Visits – Fourth in Nation

• $1 Billion Economic Impact: Upstate New York

• 15,000 employees with $88,000,000 Annual Employment Value

• Quality of Life
Ski Industry

- Climate Change
- Capital Intensive
- Public vs. Private Balance
Legislative Agenda

• NYSERDA
• Use/Compensating Tax Relief
• Tourism Funding
• Ski Helmets
• Regulatory Issues
I LOVE NY / I SKI NY

- Partnership
- CFA Grant
- NYS Winter Guide
- Consumer Shows
- Winter Jam
- Media Night
Media Night 2018
Ski Shows / NYC Winter Jam
Thank You

Scott Brandi, President, I SKI NY
scottbrandi@iskiny.com
Empire State Winter Games

- 2011: 858 registrants (all NYS residents)
- 2018: 2,256 registrants (approx. 1950 are NYS residents)
- 2011: 13 sport disciplines
- 2018: 26 sport disciplines
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games
Empire State Winter Games

- MarketNY
- 2018 I LOVE NY, Empire State Winter Games, and Empire State Trail
- Athletes’ Village
Olympic Brand Legacy

Media coverage by publications such as:

- The New York Times
- The Washington Post
- Thrillist
- First Coast News (Jacksonville, FL)
- MSN
- CNN
- Times Union
- Boston Globe
- Forbes
- NBC
- International Media

Media coverage ongoing for 40 years
“At Lake Placid in the Adirondacks, about a five-hour drive from New York City and Boston, there is a fully operational, authentic alternative for those feeling left out of the Olympic party this winter. And unlike watching the Olympics on your living room couch, in Lake Placid, you get to participate.”

Bill Pennington, The New York Times

- January 24, 2018
Olympic Legacy

Top 10 Winter Olympic Cities
by Shermans Travel Editorial Staff | February 2, 2010

WINTER  SPORTS & ADVENTURE

Lake Placid, NY

Years hosted: 1932 and 1980

North America’s first Winter Olympic host city, the pretty Adirondacks town of Lake Placid, in northern New York State, provides plenty of winter fun, particularly for active types who can choose between ice fishing, tobogganing, snowshoeing, sledding, ice climbing, snowmobiling, and above all, hitting the slopes. The Olympic-site Whiteface Mountain, situated approximately 8 miles east of town, boasts the highest vertical drop east of the Rockies (at 3,430 feet) and runs as long as 3.5 miles – the unpretentious ski resort debuted its third peak on Lookout Mountain in January 2009. Off the slopes, Lake Placid visitors can tour Olympic Sports Complex facilities, ride an elevator to the platform of the mind-boggling ski jump, tour the Lake Placid Winter Olympic Museum, or set out for their own Olympic-worthy experiences like ice-skating on the outdoor speed skating oval, or even zooming down a real-deal bobsled chute. To cap it off, the town's shopping, dining, and brewery scenes are also first-rate, while hotel newcomers like the High Peaks Resort (www.highpeakresort.com) and the rebuilt Lake Placid Lodge (www.lakeplacidlodge.com) (both opened in 2008) have layered on the luxury for Lake Placid lodging options.

— Elissa Richard

10 best Olympic venues to visit
Larry Bleiberg, Special for USA TODAY  Published 7:54 a.m. ET Jan. 31, 2014

Olympic venues welcome visitors

8 Photos

1 of 8
World University Winter Games

- 11 days of athletic competition
- 2 day academic conference
- 3,000+ participants, delegations, and officials
- 60+ nations
- 600+ universities
- 2,500+ volunteers
- 364 million TV viewers worldwide
- 7,024 hours of coverage via TV and digital channels
World University Winter Games

Regional approach reaching:

- Lake Placid
- Saranac Lake
- Wilmington
- Plattsburgh
- Gore Mountain
- Potsdam/Canton
- Lake George Region
World University Winter Games
IT’S ALL HERE, ITS ONLY HERE.
Tourism Advisory Council Meeting Minutes
“Draft – Subject to Board Approval”

Date: Monday, January 22, 2018
Location: 633 Third Ave, New York, NY
Attendance:
TAC Members
Cristyne Nicholas, Elinor Tatum, Gail Grimmett, Thurman Thomas
Phone: Barbaralee Diamonstein-Spielvogel, Alana Petrocelli, Spike Herzig, Dan Fuller, Thomas Mulroy, Katherine Nicholls

ESD / NYS Staff
Ross Levi, Executive Director of Tourism; Markly Wilson, International Marketing Director; Kelly Garofalo, Project Manager Tourism Marketing & Partnerships; Sara Emmert, Special Tourism Projects Manager; Bob Miron, Research Analyst

TAC Guests
Michael Erdman, Longwoods International; Donna Keren, NYC & Company; Ralph Tragale, Port Authority of NY and NJ; Ashley Graf, JetBlue; Lisa Reifer, JetBlue; Richard Stone, Trajectory Sports & Media Group LLC; Sarah McGinnis, Maurice D. Hinchey Catskills Interpretive Center; Kayleen Scali, Emerson Resort Spa; Tamara Murray, Emerson Resort Spa; Cambria Tallman, Emerson Resort & Spa; Rick Remsnyder, Ulster County Tourism; Patricia Ornst, Delta Airlines; Rowena Shaulee; Jennifer Walden Weprin, Queens Borough Tourism; Priscilla Brendler, Greater Hudson Heritage Network
Phone: Linda Ayres, Finn Partners; Tom Martinelli, Amtrak by Rail; Kristen Hanifin, Lake George Chamber of Commerce; George Ntim, Marriott International

Meeting called to order: 11:07am

I. Approval of minutes – Cristyne Nicholas
   - Motion to approve by Elinor Tatum
   - Minutes approved with a second by Gail Grimmett

II. Chairman’s Report – Cristyne Nicholas
   A. Meeting Overview
      - Welcome, everyone, and Happy New Year!
      - With the beginning of the New Year comes not only the winter travel season, but also the opportunity to look back on the previous year. During this meeting, we will hear about both winter promotions as well as some 2017 highlights.
      - Ross will begin with an update on his yearend travels and I LOVE NEW YORK’s winter marketing campaigns.
      - Kelly Baquerizo, Director of the Market New York Grant Program, will be briefing us on Market New York Round 7
      - And we will hear from our guest speakers, Bob Miron from Empire State Development and Michael Erdman from Longwoods International. They will be explaining to us how and why New York State gathers and counts the years’ visitor numbers and spending.
      - First, I would like to begin by taking a few moments to brief you on the Governor’s State of the State Address.
   B. State of the State
      - As many of you know, Governor Cuomo’s 2018 agenda was set forth in his 8th State of the State Address, which took place in Albany on January 3rd. In his address, Governor Cuomo again emphasized the importance of tourism to the state’s economy and the returns the state is seeing from its investment in the industry. This is significant, as there have been numerous State of the State addresses prior to this governor that didn’t even mention tourism, so it is a real credit to all of us that Governor Cuomo used valuable time in his most high-profile speech of the year to highlight the importance of tourism.
      - The governor is committed to continuing the state’s investment in tourism and has proposed the following:
o Completing a new 136,000 sq/ft Expo Center at the New York State Fairgrounds, the largest exhibition facility north of New York City between Boston and Cleveland. The Expo Center will attract shows & special events that previously couldn’t come to the region because of a lack of suitable space.

o Completing the Hudson River SkyWalk, a 1.8-mile scenic pedestrian trail that crosses the Hudson River linking the Olana State Historic Site in the Town of Greenport to the Thomas Cole National Historic Site in the Village of Catskill.

o Investing in critical infrastructure improvements and additional year-round attractions at New York State ski mountains and Olympic Facilities. The governor’s budget proposal includes $62.5 million in new capital funding for ORDA, including $50 million for a strategic upgrade and modernization plan to support improvements to the Olympic facilities and ski resorts, $10 million for critical maintenance and energy efficiency upgrades, and $2.5 million appropriated from the Office of Parks, Recreation and Historic Preservation budget as part of the New York Works initiative.

o Supporting the bid to bring the World University Games back to Lake Placid in 2023.

o Providing the North Country region with tools and resources to catalyze private investment. The goal is to bridge the gap in the North Country’s tourism lodging needs with $13 million in capital funding through the REDCs and Upstate Revitalization Initiative to spur development activity.

o Modernizing, expanding and rebranding Stewart International Airport as New York International at Stewart Field. A $34 million investment by the Port Authority would increase access to world-class destinations and attractions throughout the Mid-Hudson Valley by supporting upgrades like the construction of a permanent U.S. Customs and Border Protection federal inspection station.

o Bringing the New York Islanders Home with a World-Class Sports and Entertainment Destination at Belmont Park.

o Building a New Metro North Station at Woodbury Common.

o Building the AirTrain to Create Train-to-Plane Access to LaGuardia Airport.

o Advancing the NY Parks 2020 Initiative and creating a new state park on the shores of Jamaica Bay by investing $15 million to transform the former Pennsylvania and Fountain Avenue landfills into the largest State Park in all of New York City with 407 acres of land and 3.5 miles of paths and trails.

• If anybody has questions about the commitment that this Governor has for the tourism industry, just reference this past weekend. He was working around the clock trying to, and succeeding in, keeping the Statue of Liberty open during the federal government shutdown. So we applaud the Governor on his efforts.

• That is all for me – are there any questions?

III. Executive Director Report – Ross Levi

A. Tourism Budget Proposal

• In addition to the 2018 State of the State proposals that Cristyne reviewed in her report, the governor announced his 2018 Budget Proposal last Tuesday, January 16th.

• The commitment to tourism that the governor displayed in his State of the State address was backed up in the Executive Budget proposal, where tourism funding remained mostly level—even in the face of a $4 billion deficit. That is quite an accomplishment, especially considering all the governor has proposed for the upcoming year.

• That level funding includes Market NY, which you will be hearing about later on in the meeting, with the governor proposing another $15 million in competitive grants to support tourism marketing plans and projects that demonstrate regional collaboration among counties to promote regional attractions.

• So it looks like, overall, so far so good. We look forward to reporting back in spring about what finally shakes out in the state budget, but we feel like we are starting with a very strong foundation for tourism in the Executive Budget proposal.

B. Travel Report

• Before all those governmental activities here in the New Year, I finished 2017 by doing some fairly extensive travel to a number of tourism-related industry events across the state.

• December 4th I was at the NYS Destination Marketing Organization’s Annual Meeting, where I had a discussion and listening session with our local TPA and DMO partners from across the state.

• December 5th there was an Adirondack Tourism Roundtable. This was put together by the governor’s office as kind of a mini-tourism summit for the North Country where I was able to hear from local tourism partners about the tourism needs in the Adirondacks.

• December 6th was the opening of the Central New York Welcome Center at Destiny USA, which you will be
hearing more about in a moment.

- Lastly, on December 7th was the Catskills Sullivan County Annual Meeting. I addressed and spoke with tourism stakeholders, and also got to tour some of the very exciting tourism construction projects coming to fruition in the region, including the Resorts International Casino Resort, the indoor waterpark and hotel being constructed by the same company that created Camelback in the Poconos, and the Yo1 Luxury Wellness Spa Resort. These new developments in the Catskills really could be game changers.

- It was very satisfying to hear that, in general, that the tourism industry is pleased with the work we are doing. There is an interest in continuing to grow the partnership between I LOVE NEW YORK and our local partners so programs can align and reinforce one another. They expressed the importance of I LOVE NEW YORK team members traveling to be part of trade shows and represent the state at key state and national events. And there was enthusiasm for state efforts to grow tourism infrastructure, from lodging—particularly in the Adirondacks—to transportation to wireless, cell phone and broadband access. It seems that the marketing is at this great place after a number of years and the next big step is how do we make sure the infrastructure is there. Of course there were lots of discussions about things to do bigger and different, but in general, what I’m hearing out there is that folks are very pleased with what’s happening with tourism in New York State.

C. Welcome Centers
- One of those visits, as I mentioned, was for the ribbon cutting with the Lieutenant Governor of our latest Welcome Center. You’ve heard about these at previous TAC meetings, but the newest is the Central New York Welcome Center at Destiny USA—the Super Mall in Syracuse.

- Most of the other Welcome Centers, with the exception of Javits, tend to be freestanding structures on roadsides. The Central New York Welcome Center, however, was integrated into what’s already a really important tourism magnet.

- It has a lot of the common elements that you see at a most of our Welcome Centers:
  - There’s an artifact wall that tell bits and pieces of the region’s story
  - A video wall—in this case, it’s actually inside an old silver Air Stream
  - Video kiosks with trivia contests to find out what kind of traveler you are
  - A Taste New York store
  - A wall map of the region
  - A walk of fame—in this case, it’s kind of a wall of fame of New Yorkers from the region

D. Winter Marketing
- Winter marketing has begun since we last met.

- Currently we’re on air with a winter commercial, which is broadcasting in our five-hour drive radius market.

- This year, we’re highlighting the fact that New York has more ski mountains than any state in the nation.

- In past years, you’ll remember our ads would often focus on one or two ski regions. This year we wanted to get across the idea that wherever you are in New York State, whatever major metropolitan area you are in, you are two hours from great skiing.

- Video presentation

- So that is running now and will continue running for a couple of weeks

- The last thing I want to quick touch on is the New York Times Travel Show, which is a week away.

- It’s the main consumer show that we do at I LOVE NEW YORK. It’s a great audience for us because we can reach those New York City folks and talk to them about planning a vacation plans early in the season.

- Friday is press day and we plan to do a lot of media interviews that day.

- Each year we try to build a brand presence by having an I LOVE NEW YORK “aisle” with our partners, which we plan on doing again this year. You can see a rendering of what the aisle entrance will look like on the screen.

IV. Market New York Round 7—Kelly Baquerizo
- **CHAIR NICHOLAS:** Moving on to Kelly Baquerizo, Director of the Market New York Grant Program. She’s been very busy lately with the announcements of Market New York Round 7 awardees. Unfortunately, Kelly is not able to join us here in person but she’s on the line to give us an update.

- **KELLY BAQUERIZO:** For those of you who may not be familiar, the Regional Economic Development Council, or otherwise known as the REDC, was established in 2011 by Governor Cuomo as a new way of doing economic development in New York State focused on bottom up instead of top down economic development planning.

- The REDCs are made up of business leaders, academics and elected officials.
• The CFA, otherwise known as the Consolidated Funding Application, is one application online that allows applicants to apply for multiple streams of State economic development monies through one process.
• This year’s awards were announced December 13th and, in 2017, over $800 million in State resources were made available to support the economic development priorities across the State.
• Market New York is a subset of the CFA. It was started specifically to strengthen tourism and to attract visitors to New York State through the promotion of destinations, attractions and special events. Funding through Market New York is available for marketing projects, capital projects, and special events—including meetings, conventions, conferences, festivals, agritourism and craft beverage events, athletic competitions and consumer and industry trade shows.
• Round 7 was the first year that agritourism projects were highlighted and funded up to $2 million.
• Initially, when the Market New York grant program began six years ago, there was only $3 million available. It has since grown to $15 million, which was awarded for programs that will take place in 2018 and in 2019.
• That $15 million of Market New York funding was awarded just this past December and went to 61 tourism projects. Those projects were broken down into:
  o Close to $7 million for marketing to 46 different regional recipients
  o Close to $7 million for capital projects to 18 different recipients
  o Up to $1 million for multiple special events in various regions
  o Up to $2 million for close to 18 projects for agritourism and craft beverage projects
• Some examples of successful tourism projects that received awards during this last round include:
  o The 50th Anniversary of Woodstock
  o A three-day special event in the Mid-Hudson Region
  o Corning Museum of Glass’ 2018 Glass Barge Statewide Tour from Brooklyn to Corning via the Hudson River, Erie Canal and Finger Lakes
  o The Long Island Regional Wine Tourism Marketing Project, awarded to the Long Island Wine Council, otherwise known as SANY
  o The Utica Zoo Primate Building capital program
  o Brewery Omegang’s upgrade and enhancement capital project for the brewery destination experience in order to better serve their guests and draw more visitors to the overall region.
• An important note that the $15 million for Market New York is only one small piece of the REDC projects that influence tourism; over $114 million for 371 projects were also granted to substantially tourism related projects.
• Mr. Levi: Before we take questions, I want to give a thanks and a shout out to Kelly. Between managing the projects that are currently happening, the ones coming up, and the ones from a couple of years, it's about $100 million worth of grants that she’s managing. It's an amazing amount of work. It’s also a very competitive process; this year there were 200 applications and 60 awardees. I think it's a sign that, not only is there an interest in the grant program, but there is a need for it.
• Chair Nicholas: I just have one question, Kelly, let's say that an application gets rejected. Are they then permitted to reapply the following year?
• Ms. Baquerizo: Absolutely. In fact, we provide them with some general information that's specific to their application as to why their application may not have been as successful as the applicants who did receive grants.
• Chair Nicholas: Terrific. And do you want to remind us where we can find a whole list of the awardees?
• Ms. Baquerizo: It's held on the Governor's Regional Council site, which is www.regionalcouncils.ny.gov
• Mr. Feinman: Question. Were there many cooperative applications, meaning by multiple counties or even multiple regions working together?
• Ms. Baquerizo: Yes, but not as many you would probably think. The reason for this is because of the way the Regional Councils are set up; an applicant has to apply within their region, so we don't see as many multiple regions applications. We also have to keep in mind that our group here uses tourism regions and the Regional Council uses economic development regions. So applicants have to be mindful of both of those regions; the way the scoring is set up, the regional economic development councils also have 20 points to the 100 total points in a scoring system. So there's not as many multi regional projects, multi counties, yes, but less multi regional than you would think in the tourism side of things.
• Mr. Levi: But the multi county we do see right?
• Ms. Baquerizo: Yes, absolutely. Multi counties that are within the same economic development region.
• **MR. LEVI:** The other thing we'll see is there are actually some statewide initiatives. So you heard about the Ski Association of New York. I believe the Campground Association of New York does statewide initiatives too. What they try and do is find a whole region that is particularly impacted or particularly interested in that project, which will become the home sponsor as it were. Then REDC will say, hey, this is really important and we want to see it happen, recognizing it may be very well a statewide effort.

V. Guest Speaker: Longwoods International—Bob Miron & Michael Erdman

• **CHAIR NICHOLAS:** We're very excited now to welcome Bob Miron and Michael Erdman as our guest speakers. Bob is the Commerce Policy Analyst and Research Manager for I Love New York. Michael is the Senior Vice President of Research at Longwoods International, the firm that we contract with to collect our tourism data. We've asked them to be here today because in some of the past meetings that we've had, questions have come up about how we come up with our visitor numbers and visitor spending. That will be the focus of their presentation. The presentation isn't so much an analysis or implication of what New York State's numbers are as that might be better discussed later in 2018 when we have the 2017 numbers available in the Spring time. But we've had discussions at previous meetings, and I know that from my work at NYC & Company this sometimes comes up at executive meetings or board meetings. So it's always good to have a refresher course, and I think that in January, when we're all gung-ho for the new year and excited we want to know. Without further ado, I'm going to hand it over to Bob and Michael.

• **MR. MIRON:** Well, thank you. My name is Bob Miron and I'm the Research Manager, as I call myself. I work in a policy group and my focus is tourism.

• We purchase a variety of data to understand how we're doing in tourism. We purchase visitor profile data and visitor volume data from Longwoods. We've used other sources in the past. We also purchase economic impact data from a company called Tourism Economics. We've been with them for quite a while. Finally, we purchase hotel industry data from a company called STR, or Smith Travel Research.

All of this data allows us to measure how we're doing. Both the visitor volume and the economic impact data is retrospective, meaning that I will get the data for 2017 around May of 2018. So really what we're doing is looking back and saying, okay, we've got all these wonderful initiatives and interesting stuff going on, but how many people came? How much money did they spend? How are we doing? It would be ideal, obviously, if we had more real time data, but trying to measure visitors is not a simple task—particularly when you're talking about a geography as big as New York State. It's not simple at the city level but at least in the city there are fewer points of entry and you've got other ways to kind of cross reference.

• So, why do we count? We count because the Governor and the people of the State of New York give us a lot of money and we have to show that we are shepherding and using that money effectively and efficiently.

• We also do this because it's a very competitive industry. Obviously, in the winter, we are exposed to these beautiful Florida beaches and other wonderful places to go to that want our tourism dollars. Visit Florida spends millions and millions of dollars attracting visitors. California and Texas also have substantial investments doing exactly what we're doing—trying to attract tourist dollars and getting potential visitors to choose us over alternatives.

• In the tourism industry, like many others, increases are slow and steady. As you can see, from 2010 through 2016, which is the most recent numbers we have, we've gone from 196 million visitors in the State to 239 million visitors. The top red section of the graph is the international side of things. The blue part is domestic. We're able to get international numbers from the U.S. Department of Commerce as well as some other sources. But that's approximately a 3.3 percent growth rate every year since 2010. So, we've been consistently increasing over time and we want to continue to show positive trends.

• The next slide shows visitor spending. So, this is direct visitor spending as measured by Tourism Economics. Again, you'll see consistent growth year-over-year, and if you look at the size of the red portion of the column there, you can see international visitors. Though they represent ten percent of visitors in terms of volume to New York State, they represent closer to 25 percent of the total spending. Why is that? Because international visitors come here for a long period of time compared to the average domestic visitors; their length of stay is much longer. International visitors largely are not staying in the campground or with friends and family, they're staying in hotels. We're putting heads in beds, as they say. And they're spending money in retail and other establishments.

• So certainly, I know that a lot of people were very concerned about the recent presidential election and how that might impact international visitors to the State. As you can see, there was a little bit of a dip in 2016. That was really more related to the exchange rate affecting the number of Canadian visitors coming to the State of New York. But we have largely weathered the storm I think thus far. In 2016 the numbers, though not
increasing are holding fairly stable.

- Now the hotel room data is much timelier than the economic impact and the visitor data that we get. Usually about the middle of the month I get data on what happened previously. What this slide shows is rooms sold. So really just comparing what were the total numbers of rooms sold in 2015 to 2016 for each month through the year. The blue line is New York City. The red line is New York State and the darker gray line is the U.S. In every month in 2016, the increase in the number of rooms sold, both in New York City and New York State were higher than the U.S. average. Compared to the U.S. average, New York State is doing an effective job because we are selling more rooms. Now this doesn't have anything really to do with occupancy. There are a lot of other pieces of data, but this is just because occupancy is impacted by both supply and demand. This is really just number of rooms sold.

- A large part of my job is managing and maintaining this information we get in house and then responding to questions that we may have. The economic impact data we get is luckily available at the county level, which means it's available at the tourism regional level. That data is then sent out to all of our tourism partners across the State and they get information on spending, employment and wages within the industry. This information is very helpful to them to prove to folks that they're doing a good job; its numbers they can use to show the impact of their efforts on a year over year basis.

- Another reason we measure visitors this way is because it's an easy metric to understand. How many people came to New York State last year compared to the year before? People ask that question all the time and so we try to provide that information. It allows us to compare our activity to what other states are doing. It also allows us to figure out how we're going to utilize our marketing resources. We need defensible numbers for program justification, and we use recognized companies that are using the latest and greatest techniques to try to get accurate and valid numbers.

- That's kind of an overview of some of the data we collect. At this time, I want to introduce Michael Erdman with Longwoods, the company that we do business with. He is going to go through a little bit more in detail about the methodology for how they actually come up with counting the numbers and getting us accurate estimates of visitors in New York State.

**MR. ERDMAN:** Thank you, Bob. I've been with Longwoods since 1986, if you can believe it. My background was in political economy, so I naturally fell into public policy research. I worked for every branch of government you can imagine—from the military to fisheries and oceans etc. But I also had clients when I came to Longwoods like hotels, Air Canada and Turnbull Burdner, which in those days if you can imagine, was spending over a million dollars on tourism research. Over the years, I've helped create some of our products, including Travel USA, which I'll give you a basic primer on. At the moment, I also oversee virtually everything that goes out the door.

- Longwoods started in 1978 in Toronto. We now have offices across the United States with our headquarters are in Columbus, Ohio. We tested everything under the sun, but we eventually settled in a vertical market for travel and tourism. While we are counting heads in beds, we are doing other things like image and branding research. Some of you may also have encountered us in the measurement of ROI for advertising campaigns and marketing. Our consultants aren't just researchers like me, but they include people that are very connected to the industry. Our U.S. president, Amir Elon, used to be the Travel Director for the State of Ohio. George Zimmerman was with Travel Michigan and created that wonderful campaign, Pure Michigan.

- Our client list includes, at any one time, about a third of the U.S. states. We've worked with Ohio, Rhode Island, and most of the places in between over the course of time. We also work with many large cities including Las Vegas, Los Angeles, New York City, etc.

- Earlier Bob talked about why we measure visitor volume and expenditures. So, let's talk about what it involves and how we eventually get there.

- The starting point is really basic. You can count visitors. You can count actual heads if you've got a place that's gated. If you're an island or a country you come across a border, so you've got to get off a boat or a plane. You can count those people. But what happens if you're not gated, if you're a state like New York where you've got umpteen ways of getting into the state? On top of that, you have no way of differentiating between people who are there for leisure, people who are there for business and people that actually live in the place. So what we are doing then is estimating, which involves replicating in a systemic and defensible way the universe of people that are coming in.

- This doesn't mean that we just pick every person that comes across the bridge and interview them. It's taking a selection or a representation of the total. Ultimately what we want to get is a percentage of people that represents your market share or the frequency of visiting and then be able to multiply by the population.
• I'll give you an example in consumer goods terms. Let's say that you're launching a new chewing gum. You'd do a survey and you'd get 20 percent strong interest in buying your product. Then we figure out how many people in the population are in your target audience. We multiply by the percent that are really interested and we say, okay, you've got 40 million potential sales the first time you go out to launch.
• That's similar to what we're doing here. We're finding out how many people—what percent of people meet your criteria—come to New York and we're multiplying by the population.

Ten years ago, there was no standardized way of counting or accounting for visitation to places across the world. Everybody did it differently. So about 1988—and over a 20-year period—the World Trade Organization started to formulate standardized methods of coming up with estimates of tourism economic impact. Ultimately what jurisdictions and stakeholders wanted was an understanding of how big travel and tourism was in the overall context of other industries. It had never been done like that before. It had always been, we're tourism and we're this big. We had never understood how tourism fit in relative to other industries. I'm not going to go into all the detail but we ended up with something called the Tourism Satellite Account Methodology.

The notion of satellite is a very interesting; it means simply that if you have an accounting system, it's sort of like the side page that represents tourism. The methodology evolved and was finalized around 2008. Virtually all the tourism ready countries in the world now use this methodology including a number of U.S. states and a lot of sub regions.

When you standardize, you need consistent terms, definitions and ways of describing things. Well, first of all, what's a trip? So a family of three comes to New York. Is that three trips or is that one trip? Well, the World Trade Organization decided that it is a three person trip. Ten million person trips is the equivalent of ten million visitors or ten million travelers. So the words are equal.

Then we've had to figure out how to count overnight and day trips. The most important trip is an overnight trip because that's heads in beds. Day trips are also important, but they're a little bit more difficult to quantify. So how do you count a day trip? The definition became a trip that's out of the ordinary; one of the ways that we differentiate it from commuting is by travel distance. The definition for overnights includes anybody that stays anywhere overnight that's not your home.

How do research firms go about estimating volume? You probably encountered in consultants' reports over the years several different methodologies. There are onsite or street intercept interviews at attractions or hotel lobbies. There are combination surveys. Bob mentioned STR trip estimation—they tend to be focused on brand properties like hotels or motels. There's tax-based modeling where economy metric firms go in and look at tax data and model backwards to come up with estimates of how much was spent in different industries like food & beverage, accommodations, etc. There are custom ad hoc surveys that a destination will order up on a periodic basis, but it's not regular.

All of these methodologies have issues with representativeness of the whole of visitation and the completeness of the data set. Take, for example, street intercepts; if you're outside attractions, you're not necessarily going to get people visiting friends and relatives or people not visiting attractions. If you're going to high end accommodations or brand name accommodations, you're missing the people that stay in bed and breakfasts, or with friends and relatives, or campgrounds.

Our solution and that of our major competitors, is to do national, ongoing, large scale surveys. Travel USA is the largest ongoing survey of travel behavior in America. We have consistent measures that start back in 1994. Why the national coverage? Well, destinations want to know about all the visitors that come to their place and not just the ones that stay at the major hotels or who are easier to talk to. We know that visitors coming to New York come from every state. For New York, and all our clients, the gold standard with the least skews is to talk to large representative, randomly generated samples of visitors to get your margin of error down to less than even a tenth of one percent.

To generate these samples, we use large consumer panels. We end up with a sample of 300,000 - 325,000 trips per year—overnight and day trips on a national basis—of which 15,000 are from overnight New York State trips and 7,500 are from day trips. We have a really large pool of respondents that we can profile in order to come up with estimates and provide further information for you.

One of the major outputs of a national sample is the total national estimate of travel. We can take your portion of that, calculate a market share, and multiply against the population of the United States that travels to come up with the final estimate. That's the magic number.

I don't know if you've ever tried to do door-to-door surveys or telephone surveys lately, but a lot of people won't open the door to interviewers, and people don't like to talk on the phone these days.
These types of techniques used to be used for travel surveys, but over the years they've declined because of expense and because declining response rates have made them impractical. This is why we do consumer panels. Panels also provide a large-scale replication of the universe that we're interested in. Panels are managed universes; they incent people to take surveys. They're normally a group of people that are chosen to represent the diversity of America. The proportion is based on census data so that we have a representative pool of people to draw from. We use the largest panel company in the world called Survey Sampling International. They have merged with Research Now and have 8 million or more households and individuals under their panel roof. We contact about 2 million potential respondents over the course of a year in our surveys.

• Similar to door-to-door surveys, mail surveys have become obsolete. We eventually migrated away from mail surveys to online surveys in the early 2000s. Through online surveys we collect more than just visitor numbers; we gather additional data on expenditures, trip characteristics, trip planning, types of activities, travel party size, demographics, etc.

• Travel research companies generally just give you a breakdown between leisure and business. We discovered something very interesting back before we set up Travel USA that has revolutionized how you can market using research: leisure travel is occasion based. What we discovered is, you can take different types of trips for different purposes. The same person can take a city trip one weekend, go camping with the kids two weekends away and go to a resort vacation in the winter and be the same person. Each of those trip purposes have an entirely different set of wants and needs. If you understand the size of those segments and how important they are to your destination and the characteristics and the wants and needs of the people that are interested in going on those trips, then you can market with a rifle rather than a shotgun. We built into our surveys on a routine basis since ‘94, trip purpose segments: ten different segments for leisure.

• When you try to measure travel, you invariably come across the issue of day trips, which are routinely underestimate in surveys. Day trips account for upwards of at least ten percent of all economic activity for most destinations. Getting it right is really important, and we make sure that survey respondents talk to us about all trips, including day trips.

• Surveys about travel and past behavior require memory, and respondent memory, unfortunately, tends to fade. We figured out a long time ago that for optimal timing of our surveys, it should be no more than three months recall. You'll see for us and for most of our competitors, quarterly surveys are the way to go. If you do a survey every three months, you make sure that you get a representative selection of travel across an entire year; it's not just peak summer or winter travel.

• Sometimes you need to jog people's memory to get them to remember where they went. For New York State and for other clients, we use lists of destinations. For New York State, we use regional maps and even sub-regional maps to get people to log in and determine where exactly they went on their vacations.

• Completion of online surveys has become the standard way of doing research for most consumer categories these days. Travel surveys are pretty simplistic; it doesn't require an interviewer to be an intermediary or to probe. Because people like to talk about their trips, a 45-minute online survey is usually no problem for people and we can ask a lot of detailed questions. We can also show images or videos to people to jog their memory.

• At this point, we're near the end of the process. Field work's done. The data is in tabulation and we are preparing the final estimates. We put data through a rigorous set of analyses and cleaning processes to make sure that we're including only valid responses. By the time you get the results, we've looked at other markers and estimates, like Smith Travel data and tax data. We make sure we understand how and why the numbers are what they are.

• As an example of how well our numbers stack up, Tourism Economics—one of the nation's most respected travel economist firms—routinely uses our volume estimates as inputs in their economic modeling.

• To sum up, ultimately our goal is to provide you with defensible estimates that make sense to your stakeholders. I hope that this has provided you with at least a non-technical overview, something that's accessible for you to understand how we count visitors.

• CHAIR NICHOLAS: Thank you, Michael. I figured we'd ask Donna how NYC & Company gets their data?

• MS. KEREN: Sure. New York City's in a unique position. New York State is the number two state in the U.S. for international arrivals. It is obviously one of the most popular domestic destinations as well. Within both of those categories, New York City is at the top of the list. We are estimating we are the number one international destination in the United States for 2017.

• So we use a Department of Commerce product that Bob talked about. On the domestic side, we have fewer domestic visitors than Orlando, but anyone who's heard me talk will know that I say the difference is ten
millions of children who don't have credit cards in their names. Because our region emphasizes economic development and the bottom line, the spending becomes the focus of so much of what we do.

We have worked at a couple of different levels. There are local level regular reports and the Smith Travel Research hotel data, which comes in weekly. I have 30 plus years of monthly hotel data from a company that used to be called PKF and is now part of CDRE, the real estate firm. We get weekly data from Broadway, which tells us basically what percent of its audience is local, domestic or international.

We subscribe to a number of syndicated research sources to cross check our numbers: airline passenger data, passport control data from the U.S. Government, etc. We also look at where people are coming from and where their flights are coming from. We look at tax collections and attendance at attractions; the Statue of Liberty being one of them that's also both public and private data. There's the Hornblower Cruises out to the statue and there's the Parks Department data. All of that goes into an econometric model. No single data source for a product as diverse and big as New York City and arguably for the State with its multiple regions can survive on a single data point or a single perspective.

We’ve been working with tourism economics as a company since 2004. They do this model for us. While the large syndicated surveys work well at the memory level they sometimes aren’t able to grab specifics. For example, if you’re an Australian who lands in LAX and spends nine weeks in the United States, by the time you list that you’ve been to New York, you’ve run out of lines in the survey to list all the places you’ve been. We look at multiple ways to get touch points and one of the most valuable things we’ve added to the mix in the last few years is something called Visa view travel. Not hyping the Visa credit card, but they are the largest credit card issuer in the world with more than a billion cardholders worldwide. Their benefit is that all transactions are centrally processed by Visa; they have figured out how to make that a travel friendly product. On a quarterly basis I know how many Visa cards and Visa debit cards were used in New York City by 170 countries, including Puerto Rico, because Visa considers it a country. We pull out the regional New York City and metro New York—that that 50-mile radius—information. We can then see how many cards are left, where they are coming from, and what they are spending. You put that next to attractions, hotels, arrivals, Amtrak non-commuter rail, etc. and you get a model that aligns very closely with the economic patterns.

In the beginning, tourism was a fairly limited statistical world. It has become increasingly sophisticated as local economies and state economies have become dependent upon it.

In essence, at the U.S. level, we’re an exporting distributor. We are the second largest export service industry in the U.S.—particularly so in New York City. Domestically for the city, our numbers look a little different than other places. Right now we receive 49.2 million domestic visitors and 12.6 million international visitors. That’s 20 percent of visitation to New York City from foreign visitors and accounts for almost 50 percent of the spending. International visitors stay longer and spend more. Our domestic market is local, regional and long haul with New York State, New Jersey, and Connecticut as our top metro market. Philadelphia is by and large the largest single metro area that feeds into New York City.

When people say to you, why are you doing this, it's jobs and taxes and really support for the economy of the city, region, or state. Always happen to answer specific New York City questions. E-mail is always the best way to get those answers.

CHAIR NICHOLAS: Thanks, Donna. I know this has been very comprehensive, and I do want to open it up for questions. I’m just curious, since you’ve been working with New York State for so long, if we are indeed now the second largest visitor state in our nation? What is the first and how far behind are we from number one?

MR. ERDMAN: Well, it shifts around on a day to day basis, but California and Florida are usually the top two.

CHAIR NICHOLAS: Has New York State ever been number one though?

MR. ERDMAN: It’s close.

CHAIR NICHOLAS: How far behind?

MS. KEREN: It's really close. Very close.

CHAIR NICHOLAS: All right. So what do we have to do? This is what the TAC has to think about for the next budget?

MR. ERDMAN: Theme parks in the budget?

CHAIR NICHOLAS: Well, we are opening a LEGOLAND in 2019.

MS. KEREN: Like I said, the person-trip model is counting kids. So Orlando and Southern California and parts of Florida, which are very heavy family travel destinations, have more person trips, but they don't necessarily have a higher economic impact. So, the cost of visiting some of the places makes the difference. For both better and worse, New York City has the highest ADR, average daily room rate, anywhere in the country on an annual basis. You were talking earlier about some of the things that are happening across the
State with infrastructure development. It's not simply "if you build it, they will come", but if you build it and you market it well, they may very well show up—starting first with the drive market and then a longer haul market and then a broader awareness. That's the rule and it's not just New York. So, I think the competition is not just counting people, but counting how many days they stay, and what they do, and how much they're able to spend.

- **MS. GRIMMETT:** For the last several years, NYC & Company has had the initiative to be a little bit more kid friendly; right?
- **MS. KEREN:** Oh, yeah.
- **MS. GRIMMETT:** To that point, you have the Dora the Explorer type of marketing campaign, among others. Has that made a difference? Is there more of a concentrated effort to get more families and kids to visit NYC, and is that one thing that we should think about through the rest of the State?
- **MS. KEREN:** So we have two things that happened in New York City at the same time. The hotel inventory in the City, which has grown by 50 percent in the last decade, swallowed the entire inventory of San Francisco. We’re now up to San Francisco and the Bay Area. A significant portion of that is located in neighborhoods outside the key business district in the boroughs around the ends and edges of Manhattan. They are hotels that make it easier for families to travel here. They are built to accommodate families. They offer free WiFi and free breakfast. Their locations and their pricing are much more accommodating to the family traveler. The second thing is that you have an opportunity as generations change the way they travel and you create opportunities to tell particular stories. The Family Ambassador Program, as we called it uses the Teenage Ninja Turtles. This is interesting because apparently if you grew up with them, you never grow out of them. You can feel like you outgrew Dora the Explorer and Sesame Street, but there's something about the Ninja Turtles that sticks. So, Gail, to your question, yes, we have seen an increase in family travel—particularly from the domestic market. The international market was always a very small share of family travelers; it's inched up maybe one point or two points. But in the domestic market, it’s a huge difference. The story you tell about the destination—the things that matter to family travelers, whether it's safety or sustainability—should be things that people care about when they travel with their kids. And both of those stories work really well at the State level.
- **CHAIR NICHOLAS:** Well, I have a million more questions, but we’re running out of time. I want to thank our guests for coming in. You're welcome to come to any TAC meeting. Our next meeting is in Albany on March 12th. It's tied to Tourism Advocacy Day. So some of you will be up there anyway lobbying our electeds on the importance of tourism. Okay, meeting adjourned?
- **MS. TATUM:** So moved.
- **MS. GRIMMETT:** Second.
- **CHAIR NICHOLAS:** Thank you. We'll see you on March 12th.

Meeting adjourned: 12:40pm

Next meeting:
Monday, March 12th, 2018
1:30pm - 2:30pm
Empire State Plaza
Albany, NY
NYS Tourism Advisory Council
2018 Meeting Dates

Monday, January 22, 2018
11:00am – 12:30pm
633 Third Avenue, NYC

Monday, March 12, 2018
1:00pm – 2:30pm
Empire Plaza
Albany, NY

Monday, May 21, 2018
11:00am – 12:30pm
633 Third Avenue, NYC

Monday, September 17, 2018
11:00am – 12:30pm
633 Third Avenue, NYC

Wednesday, November 28, 2018
11:00am – 12:30pm
633 Third Avenue, NYC

Please RSVP by the Friday before the meeting to:
tac@esd.ny.gov or 212-803-3689