

WILD REVIEW

A VISITOR INDUSTRY UPDATE PUBLISHED BY
VISIT ANCHORAGE

FEBRUARY 2020

REPORT TO THE COMMUNITY

Tourism fueled community growth, with 2019 setting records for Anchorage tourism in many ways. There are plenty of positive signs for 2020 as well. Visit Anchorage President & CEO Julie Saupe presented details Jan. 16, 2020, at the Report to the Community. The event is an annual summary of Anchorage tourism performance and predictions. The report recapped industry gains in 2019 and shared forecasts, research findings, and important trends for travel in 2020.

“By many measures, 2019 was the biggest year we’ve ever had,” Saupe said. “And by we, I mean we – all of us in this room working together. These accomplishments are yours.”

(Continued on page 3)

2019 By The Numbers



2.5% growth in air arrivals



12% growth in cruise arrivals



\$100 million in conventions held,
\$90.9 million in future conventions booked



Year-round growth in hotel performance –
Demand up **7%**, average daily rate up **8%**

2020 Beyond the Numbers

- ✓ Member survey shows **high business confidence**
- ✓ Air service and cruise capacity **remain strong**
- ✓ Greater resources **reinvested** in tourism marketing programs
- ✓ Continued emphasis on **driving demand** based on destination perception research
- ✓ **Opportunities** for cultural tourism, winter offerings, and sustainable travel practices

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Visit Anchorage

LETTER FROM THE PRESIDENT



Tourism had a strong year in 2019, and that means big benefits for Anchorage. Last year was one for the record books, both in financial terms and in more subtle ways felt far beyond the balance sheet. We recently summed up tourism in 2019 and looked ahead during Visit Anchorage's annual Report to the Community.

There is certainly plenty worth celebrating. Tourism is one of the bright spots in Anchorage's economy, and we intend to keep it that way. Please help us share the power of our industry with your friends and neighbors. In these pages you'll find plenty of numbers that speak to our industry's community contributions,

but I encourage you to look beyond dollars and cents for the full measure of our benefits.

In financial terms, we anticipate hotel stays in Anchorage will generate approximately \$31.2 million in municipal bed taxes for 2019. Combined with local vehicle rental taxes, Anchorage should see approximately \$38 million in tax collections for the year from tourism. More than \$18 million stays in the general fund, paying for projects and services we all enjoy. In addition, the bed tax pays for and maintains the convention and civic centers. A portion of the bed tax is also reinvested in tourism marketing. This marketing powers future growth and has proven to be a sound strategy for Anchorage for 44 years now.

Aside from tax revenue, travelers spend \$297 million a year in Anchorage on visits, and that doesn't include the cost of the transportation that got them here. Leisure and hospitality employment hit record levels in Anchorage in 2019, with modest gains predicted this year.

Numbers tell a good story, but tell only part of our story. Visitation helps increase the number of cities connected to Anchorage by airlines. It helps local businesses grow, flourish, and expand. It allows us to share Alaska's stories, traditions, and lifestyles and connect with those of travelers from all over the map.

It's going to be a tall order to repeat the kind of performance we saw last year, but early indicators point to solid returns in 2020. We are reinvesting our gains with broader marketing and sales efforts. In the year ahead, we will continue to focus on strengthening demand, aided by new research into our best potential travelers, their perceptions of the destination, and what they hope to get – and give – during a visit.

We will also advocate for projects that help people explore our community from Eklutna and Eagle River to Girdwood and the Portage Valley, and all points in between. We'll partner with local businesses and entrepreneurs to foster new and novel travel offerings. And, of course, we'll help travelers understand why they should visit long before they arrive. Our aim is to make life here better. That work benefits visitors and improves quality of life for residents at the same time.

Sincerely,

A handwritten signature in black ink, appearing to read 'Julie Saupe'.

Julie Saupe
President & CEO

REPORT TO THE COMMUNITY (CONT.)

Anchorage tourism is on solid footing. Last year saw growth in both cruise ship capacity and the number of available seats on flights into Anchorage's airport. Visit Anchorage expects both to stay at or near historic highs for 2020. State data shows leisure and hospitality jobs in Anchorage hit a record last year, with modest growth of just under 2% forecast for 2020. Tourism is 1 in 9 jobs in Anchorage. Hotel performance was positive in 2019 as well, with strong rates, and a growth in demand for hotel rooms, both in the summer and from fall 2018 to spring 2019.

Anchorage is growing demand year-round, eclipsing the national average for hotel performance in 2019 in terms of demand, rate, and RevPAR. Hotels saw more than \$300 million in revenue last year. Preliminary estimates put annual bed tax collections at \$31.2 million for Anchorage, a new record. Those collections are split three ways: a third is reinvested in tourism promotion, a third pays for the civic and convention centers, and a third stays in the municipal general fund.

"By reinvesting in promotion, Visit Anchorage was able to expand our reach last year significantly," Saupe said, "doubling the number of impressions in our print and digital buys compared to 2018."

It's estimated that there were 76 million impressions for Anchorage travel messages in 2019.

2020 expectations are good. The national economy is strong, though showing some signs of slowing. Anecdotally, local tourism businesses report positive outlooks for 2020.

Anchorage will also maintain similar air capacity to 2019, and may even add some. Cross-Gulf cruise capacity – trips beginning or ending in Seward or Whittier, or making day calls in Anchorage – is expected to decline slightly, making 2020 the second biggest year on record. Apart from tourism, state and local discussions about budgets and revenue continue to be a source of uncertainty to the broader economy.

Visit Anchorage will continue to focus on growing demand year-round in 2020, expanding its marketing and sales efforts aligned with results of recent traveler sentiment research.

"Going wider by doing broader ad campaigns, going deeper by doing more nuanced targeting for our digital buys. I can't say it enough, we are thrilled to have the increased marketing funds available on the heels of fresh research," Saupe said.

VISIT ANCHORAGE WELCOMES NEW BOARD LEADERSHIP

Following elections in January, the Visit Anchorage Board of Directors has new officers: Lisa Kruse of Phillips Cruises and Tours is board chair, The Kobuk's Nina Bonito Romine is vice chair, Mandy Hawes of Alyeska Resort is board treasurer, Rasmuson Foundation's Sonya Wellman is board secretary, and Jacob Lyon of Premier Alaska Tours has stepped into the role of past chair. Directors Raquel Edelen of Hotel Captain Cook and Doug Thompson of Princess Cruises & Tours have also been reappointed to the board.

NEW VIDEO SHARES POWER OF TRAVEL

**Tourism matters for
Anchorage.**

Visit Anchorage debuted a new video sharing the economic and social benefits of tourism at Report to the Community in January. The 70-second production includes facts on visitor spending, employment, and tax revenues from tourism, but also some of the contributions it has for quality of life. Find the video at www.Anchorage.net/TourismMatters.



TOURISM EMPLOYS

1 in 9 Anchorage jobs is in tourism.



TOURISM PROVIDES

Visitors spend **\$297 million** in Anchorage annually, on top of what they pay for a cruise or airfare.



TOURISM SUSTAINS

Travelers contribute **\$38 million** in local hotel and car rental taxes to the Municipality of Anchorage each year.



TOURISM IMPROVES

Visitation helps **expand the number of cities connected to Anchorage by airlines**, and helps local businesses – from restaurants to retailers and beyond – rise, thrive, and expand.

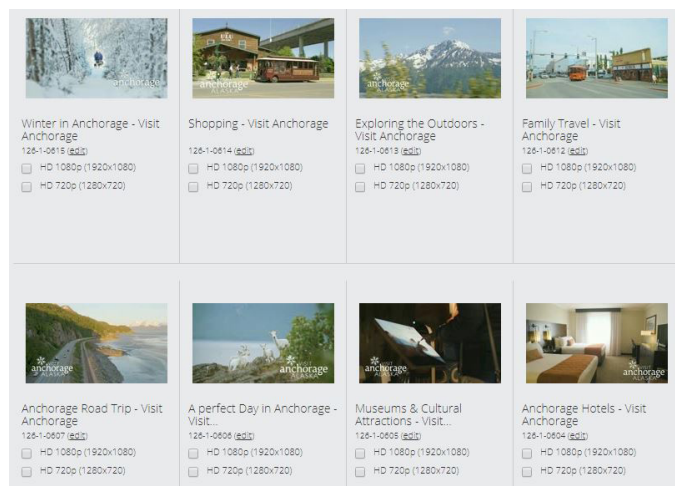


TOURISM CONNECTS

Travel **links Alaskans with the world**, sharing our stories, traditions, and lifestyles and discovering those of others.

NOW AVAILABLE: EXPANDED IMAGE ARCHIVE FOR MEMBER MARKETING NEEDS

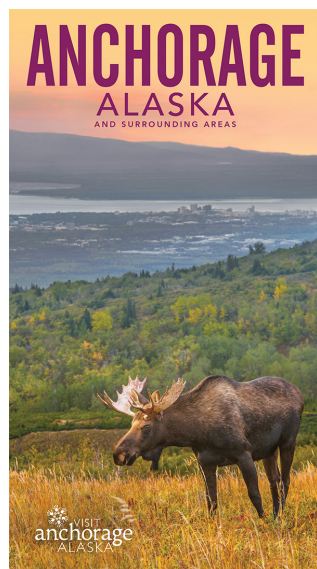
Need an eye-catching image or compelling video clip? From outdoor adventures to fine dining to local arts and culture offerings, Visit Anchorage's newly expanded Barberstock library provides members with access to hundreds of photos and videos for use in promoting Anchorage. To access the library, go to Anchorage.barberstock.com. Questions? Contact your member representative.



A selection of video clips available for member use.

2020 VISITORS GUIDE ARRIVES IN MAILBOXES

Packed with important information about everything to see, do, eat, and enjoy in Alaska's largest city, the 2020 Official Guide to Anchorage is now in circulation, reaching Alaska travelers by mail and through national and international travel shows, information centers, statewide airports, convention registration desks, and hotels. View a digital copy of the guide at Anchorage.net/PlanYourTrip.



WHAT TRAVELERS WANT – NEW RESEARCH BETTER DEFINES TRAVELERS

Visit Anchorage is wrapping up an extensive research project through Destination Analysts. The study focused on perceptions of the destination and the characteristics of our best traveler. What people think we offer, what motivates them, and their travel habits.

The study included thousands of surveys, followed by moderated, one-on-one interviews with potential travelers.

The findings were a reminder that there are still plenty of people in America who don't know Alaska, and aren't familiar with what Anchorage offers. It is important to redouble efforts in core domestic markets with good access and many likely travelers.

Those likely travelers still tend to have a high household income, lower barriers to travel, close proximity, and good connectivity in terms of air travel. They can also further be defined by personas. Three personality types scored particularly high for likelihood for long-haul travel, excitement about Alaska, and an affinity for exploring the state's population centers:

- Experienced travelers who are actively seeking new travel destinations. Conventional destinations and experiences hold little appeal with this set. In their eyes Anchorage remains an unconventional, off-the-radar choice.
- Travelers who only invest in trips and destinations that are buzzed about, on trend, and brag-worthy.
- Travelers who factor a destination's local food scene into their travel decision. They take trips specifically to visit craft breweries, take tours, and tastings.

Despite their enthusiasm for Anchorage, few fully understood what the destination offered. There's also plenty of opportunity to expand Anchorage's product offerings in the aim of appealing to these likely best customers. The northern lights lead winter motivation for Anchorage, and companies considering more winter product should keep the allure of auroras in mind. Regardless of season, experiences that incorporate local foods, people, and stories, especially Alaska Native perspectives, are of interest.

Full findings should be available in late February. In addition to finer detail, the final study will include added data for travel trade and meeting planners. Expect more information shared through member emails and Wild Review in the coming months.

JOIN US ON THE ROAD

Traveling with the Visit Anchorage sales teams gives members an extremely effective marketing tool. Meet one-on-one with tour operators, travel advisors, and meeting planners who bring thousands of people to Alaska every year.

Consumer shows allow for one-on-one sales with qualified consumers interested in visiting Alaska, while travel trade shows promote to travel advisors and tour operators, who focus on commissionable product. Meeting planner shows focus on convention logistics, including transportation, meeting venues, group tours, and package deals. Shows sell out fast, so contact Visit Anchorage today to secure your space.

MARCH

1

FDM Travel USA Show | Copenhagen, Denmark

Contact: tourism@anchorage.net

Cost: \$300. Annual consumer show hosted by the largest travel advisor in Denmark, featuring a one-hour seminar for consumers.

2

Discover America USA Travel Show | Copenhagen, Denmark

Contact: tourism@anchorage.net

Cost: \$300. Discover America Denmark organizes the largest USA industry workshop in Scandinavia for travel trade.

4-8

ITB Berlin | Berlin, Germany

Contact: tourism@anchorage.net

Cost: \$4,000. With more than 170,000 visitors, including 113,000 trade visitors and 11,000 represented companies from 180 countries, ITB Berlin is the leading B2B-platform for the global tourism industry.

7-8

Travel & Adventure Show DC | Washington, D.C.

Contact: tourism@anchorage.net

Cost: \$900. Consumer show offering seminar time on the Destination Theater.

9-12

Peninsula Travel Shows | Virginia/Maryland/New Jersey

Contact: tourism@anchorage.net

Cost: \$800. Pre-show travel trade training tradeshow and dinner.

14-15

Travel & Adventure Show Philadelphia | Philadelphia, PA

Contact: tourism@anchorage.net

Cost: \$900. Consumer show offering seminar time on the Destination Theater.

21-22

Travel & Adventure Show San Francisco | San Francisco, CA

Contact: tourism@anchorage.net

Cost: \$900. One of the largest consumer shows, heavily attended by Alaska suppliers, featuring seminar time on the Destination Theater.

23-26

Peninsula Travel Shows | Massachusetts/Rhode Island/Pennsylvania

Contact: tourism@anchorage.net

Cost: \$800. Pre-show travel trade training tradeshow and dinner.

23-27

Chicago/Minneapolis Sales Blitz | Chicago, IL/Minneapolis, MN

Contact: meet@anchorage.net

Cost: TBD. Meet with meeting professionals and planners.

APRIL

6-9

Texas/Oklahoma Sales Blitz | Houston and Dallas, TX/Oklahoma City, OK

Contact: meet@anchorage.net

Cost: TBD. Meet with travel professionals and planners.

16

Fairbanks Sales Blitz | Fairbanks, AK

Contact: meet@anchorage.net

Meet with meeting professionals and planners.

24-26

Fairbanks Outdoors Show | Fairbanks, AK

Contact: tourism@anchorage.net

Cost: \$300. Alaska's second-largest summer market consumer travel show.

(Continued on page 6)

(Continued from page 5)

25-29

Western Association of College and University
Business Officers Attendance Promoter |
Las Vegas, NV

Contact: Kathie Evingson, kevingson@anchorage.net

Cost: TBD. An opportunity to reach attendees of an
upcoming conference held in Anchorage.

27-30

Seismological Society of America Attendance
Promoter | Albuquerque, NM

Contact: Kathie Evingson, kevingson@anchorage.net

Cost: TBD. An opportunity to reach attendees of an
upcoming conference held in Anchorage.

MAY

2-4

Global Travel Marketplace West | Tucson, AZ

Contact: tourism@anchorage.net

Cost: \$900. Conference featuring pre-scheduled
appointments with top-tier travel advisors based in the
Midwest and West Coast.

4-8

Colorado Sales Blitz | Colorado Springs/Boulder/
Denver, CO

Contact: meet@anchorage.net

Cost: TBD. Meet with meeting professionals and planners.

12-18

Cruise360 Conference | Vancouver, BC

Contact: tourism@anchorage.net

Cost: \$1,000. Cruise Line International Associations' annual
conference, attended by 1,400 travel advisors specializing in
selling cruise experiences worldwide.



COMING SOON: THE 2020 FRONTLINE TRADE SHOW

The busy summer season is right around the corner. Are you ready? Visit Anchorage's 2020 Frontline Trade Show is the perfect opportunity to connect with local visitor industry members and frontline staff, learn about new offerings, and prepare for an influx of summer visitors. Mark your calendars – it takes place May 7 at the Dena'ina Civic & Convention Center.

WINTER FAM DRAWS A CROWD

Visit Anchorage's upcoming Winter FAM is shaping up to break records.

The FAM, or Familiarization Tour, gives meeting planners a chance to come to town, tour hotels and convention centers, enjoy local entertainment and Alaska adventures, savor the city's unique culinary scene, and fall in love with everything Anchorage has to offer.

Three dozen meeting planners have signed up for the March event, making it the largest winter FAM in 30 years. It's also one of the largest FAMs Visit Anchorage's Convention Sales team has ever hosted.

The meeting planners come from around the country, seeking space on behalf of diverse organizations like the National Indian Council on Aging, Parent Project Muscular Dystrophy, and the National Association of Health Underwriters. All told, they represent thousands of potential visitors and millions of dollars in potential estimated direct attendee spending.

Thank you to our members who help make it happen.

For information on future FAMS and how you might possibly contribute and work with the CMSS team, please contact Kathie Evingson at (907) 257-2312 or kevingson@anchorage.net



Participants enjoy sunny weather and canine companionship on the 2018 Winter FAM.

WILD RECOGNITION

Congratulations to Members of the Month for December through February!

DECEMBER



JANUARY



FEBRUARY



MEETING CHAMPION

Jim Raymond knows his community is the complete package – so, as president of the National Association of Letter Carriers 4319, he put together a proposal to bring the union's Committee of Presidents Meeting to Anchorage for the first time this spring.

The pitch received his organization's stamp of approval, and NALC leaders from around the country are making plans to visit Anchorage in April, delivering citywide economic benefits and another chance to share the good news about everything Anchorage has to offer.



Jim Raymond, president, National Association of Letter Carriers 4319, in his Anchorage office on Jan. 16, 2020. Photo by Kirsten Swann/Visit Anchorage.

WELCOME TO THE FAMILY

Get to know these new members; they could be your next business partners!

- Alaska Backcountry Cottages
- Alaska Grizzly Lodge
- Alaska Small Business Development Center
- Alaska Wildlife Adventures
- Alaskan Luxury Cruises
- Aspen Suites Hotel Homer
- Aurora Chocolate
- Chelatna Lake Lodge
- Drill Team Six Fishing Excursions, LLC
- Fish Em LLC
- Iditarod Trail Roadhouse
- Jitters...Where Coffee is an Art
- Karen Sobolesky & Co.
- Kodiak Helicopters
- New Wave Adventures LLC
- Northern Exposure Adventure Tours
- Odd Man Rush Brewing
- Seward Wilderness Collective
- Sunderland Ranch
- Tent City Taphouse
- United Way of Anchorage

READING LIST

Great reads that should be on your shelf and screen right now.



“Selling the Sights” | Will Mackintosh

Tracing the evolution of – and distinction between – tourists and travelers.

“Factfulness” | Hans Rosling

Rosling's book (and TED talks) shares some of the gains worldwide, and unpacks why we're so bad at seeing progress made on a global scale.



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VISIT ANCHORAGE EVENTS CALENDAR

Visit Anchorage.net/rsvp to RSVP or find changes to dates, locations or times.

MEMBER EVENTS

Luncheons and business exchanges are the perfect opportunity to meet, mingle, and market with other Visit Anchorage members.

February Business Exchange: A Southside Soiree

Thursday, Feb. 27 | 5 - 7 p.m.

South Restaurant + Coffeeshouse | 11124 Old Seward Hwy. | RSVP by Feb. 19

March VIC Volunteer In-Service

Tuesday, March 10 | 4 - 6 p.m.

Main Event Grill | 1041 E 76th Ave. | RSVP by March 6

March Membership Luncheon: Downhills Don't Come Free with Jerry Holl

Thursday, March 19 | noon - 1 p.m.

Dena'ina Civic & Convention Center | RSVP by March 16

March Business Exchange: Who, What, FisheWear

Thursday, March 26 | 5 - 7 p.m.

FisheWear | 4011 Arctic Blvd. Unit C | RSVP by March 25

CELEBRATE THE SEYMOUR AWARDS

Visit Anchorage's annual Seymour Awards takes place Friday, April 3. The black-tie-with-a-twist event is a chance to celebrate our tourism industry's shining stars, and recognize their year-round efforts to support our community and make Anchorage the place to be. This year's theme is Aurora Nights. Table and event sponsorships available.

Friday, April 3 | 6 - 9 p.m.

Dena'ina Civic & Convention Center | RSVP by March 29