Minutes
NEW MEXICO TOURISM COMMISSION MEETING
Gallup City Council Chambers
110 West Aztec Avenue, Gallup, NM 87301
August 12, 2016
9:00 AM

Interim Chairman Chris Stagg called the meeting to order at 9:00 a.m.

Roll Call
Commissioners present:
Interim Chairman Chris Stagg
Commissioner John Garcia
Commissioner George A. Brooks
Commissioner Emerson R. Vallo

Commissioners not present:
Commissioner Jennifer Kimball
Commissioner Scott Hutton
Commissioner Belia Alvarez

Approval of Agenda: Motion was made by Chairman Stagg to approve the August 12, 2016, agenda and passed

Approval of Minutes: Motion was made by Chairman Stagg to approve the May 16, 2016, minutes and passed

Introduction of Guests:
Chairman Stagg asked everyone attending the meeting to introduce themselves and to state the district or organization they represent.

New Mexico Tourism Department Update:
Rebecca Latham, Cabinet Secretary

FY17 Strategic Plan
Our Mission Remains Clear: Make New Mexico THE PRIMARY Destination for Venturesome Travelers

FY17 Objectives by Market: Influence, Awareness, Conversion, and Advocacy
In-State
• Drive Market - Denver/Southern CO, Arizona, West Texas, Northern Mexico
• Fly Market - Chicago, Dallas, Austin, Houston, Phoenix, San Francisco
• Niche Markets – Arts and Artisans, Cultural Heritage, Culinary

Our FY17 Challenge: To do more with less
• Make every dollar work harder in a flat budget year
• Smarter targeting
• Efficient spending
• Eliminate waste/redundancies

Let’s start with our strategic priorities to continue to build a strong, magnetic brand in FY17
Build the Brand
• Grow fly market presence
  ○ Fly market now represents 2/3 of our total working dollars, focused on driving the highest revenue trips for New Mexico’s economy – fly market
  ○ FY17 planned spend will see a dramatic shift towards media: A proven investment yielding a strong ROI
  ○ Efficient shifts in resources will allow us to grow Fly Market media investment +$12MM vs. FY16
    ➢ Fly markets deliver proven 7:1 ROI
    ➢ Expansion of presence in High-impact Texas market: Texas markets highly responsive to True advertising (Longwoods ROI Study, 2015); Austin is a strong fit with our Venturesome Traveler target and now boasts direct flights to ABQ
    ➢ Continued use of proven, multi-media tools across core fly markets, including airport OOH, digital, TV (with behavioral targeting powered by PRIZM consumer data), and select print publications (with digital overlays)
    ➢ Mix shift towards video creative, due to strong proven impact
• Extend brand impact
• Strengthen the CTA payoff
• Evolve the Magazine
• Power up our PR

Our strategic priorities to fuel in-state efforts will escalate New Mexico True impact in FY17
Fuel In-State Advocacy
• Amplify advocacy efforts - 2-prong in-state advertising plan will inspire residents to put their pride into action
  ○ New Mexico True Certified (Fall 2016) – I’m proud to be a New Mexican, so I: Support fellow New Mexicans by buying authentic products made, grown, or born & raised in NM. There are 132 Applicants for the program, and 79 have been accepted into the program.
    ➢ 100% Made in New Mexico - to be used for products made or manufactured in New Mexico. Examples of potentially qualifying products for this mark include packaged consumer products such as wine, lotion, or salsa.
    ➢ 100% Born & Raised in New Mexico - to be used for animals and livestock that produce food and fiber products. Examples of potentially qualifying products for this mark include dairy products, meat products and other products such as wool from livestock.
100% Grown in New Mexico - to be used for plants or non-meat agricultural products. Examples of potentially qualifying products for this mark include herbs, fruits and vegetables.
- Keep New Mexico True (Spring 2017) – I’m proud to be a New Mexican, so I: Pledge to keep New Mexico True and participate in local clean up and beautification events. There’s $700,000 allotted for 42 Entities in FY17.
- Community Beautification
- Larger, more impactful projects
- Enhance effectiveness of True TV
- Increase True visibility
  - Find your New Mexico True Park 2016
  - New Mexico True Fest @EXPO New Mexico, Sept. 2016

The priorities under the 3rd plank will continue to empower and support our industry across the state

**Unify & Lead the Industry**

- Elevate cooperative partnerships
  - New Mexico True Partners – cities, counties, and businesses beyond tourism
- Refine focus of Regional Marketing efforts
  - Co-Op Advertising Program - $500,000 for 34 Entities in FY16
  - Event Sponsorship Program - $300,000 for 31 Events in CY16 (*Las Cruces Country Music Festival, Tucumcari Rawhide Days, Festival Flamenco*)
- Equip industry with timely tools
  - Skill development webinars in critical topic areas
  - Creating tangible tourism
  - Event development & implementation
  - Connecting with travel media
  - Maximizing social media impact
  - Integrating into the new newmexico.org
- Region Toolkits
  Visitor experience development “how to”

**Research**
Our commitment to rigorous analytics ensure we “do more with less” in FY17

**Require Rigor**

- Optimize performance measurement (performance overview):
  - 4th consecutive year of record-breaking tourism growth: 700,000 new trips in 2015 (2.1% increase over 2014); and 33.4M total trips in 2015, a 12.1% increase since 2010
  - More visitors coming from out of state than ever before: out-of-state trips increased from 70% in 2014 to 71.4% of all 2015 trips; out of state increased from 83% to 84% of total overnight trips, up from just 73% in 2010
All time high of 8.2MM marketable overnight trips, our primary focus for NM True advertising: Increased 3.3% - three times the U.S. average for 2015; Up 45.2% since 2010 (*3 times the U.S. norm)

New Mexico is excelling in attracting first-time overnight visitors that are planning ahead: 19% of overnight visitors were first-time visitors to NM (vs. just 13% U.S. norm); 44% of overnight visitors planned their trip to NM 3+ months in advance (compared to just 34% U.S. norm)

Fewer New Mexicans keeping their vacations in-state

- Maximize investment effectiveness
  - Marketing & Advertising investment has been reallocated to make every dollar work harder than ever
  - Total marketing/advertising investment at highest level ever – 70.5% of total NMDT budget – with every possible dollar working to grow brand impressions and drive trips
  - Shift of +1.2MM to Fly Markets represents increased investment in proven tools delivering 7:1 ROI to taxpayers
  - Overall advertising production spend reduced 15%, relying on robust, cumulative creative assets to maximize efficiency of advertising spend

- Resources: Taxpayer dollars working harder than ever: % of Tourism General Fund Dollars Spent on Advertising & Promotion:
  - FY2007-2011 (4-yr average) – 28%
  - FY12 – 42%
  - FY13 – 50%
  - FY14 – 60%
  - FY15 – 67%
  - FY16 – 69%
  - FY17 – 70.5%

Jordan Guenther, Brand Advertising & Marketing Director
Update on NewMexico.org

Website Evolution: The revamped newmexico.org will strengthen the CTA payoff and better deliver on our national advertising messages

- New platform fully integrates CMS (content management system) with content to enable customized web experiences based on user type and user location. We’ll now be able to further leverage the learnings from our Advertising Effectiveness Study and provide strategic and customized content based on what we know motivates travelers to take a trip from each of our specific fly markets.
- Better reporting provides stronger traveler insights, which provides more targeted and impactful messaging.
- We’ll incorporate more of what we know travelers look for when evaluating a visit. For the first time ever, newmexico.org will provide third-party API plug-ins for business listings to include TripAdvisor information.
- We’ll also be able to scrape business listings from other partner (DMO/CVB) websites:
- Modify the look/feel of the listing so it's representative of the structure and branding on newmexico.org.
- This will allow businesses to ensure that they have a listing on newmexico.org as long as they've created a listing on their DMO/CVB website.
- No longer will business owners need to create multiple listings on multiple websites for their businesses.
- We'll now be able to provide our out-of-state audience with a completely different user experience from that of someone from in-state.
- For in-state residents, we'll tee-up content that speaks to immediate action and planning and better provide answers for "What is there to do this weekend in New Mexico?" by leveraging New Mexico True Television and segments, and Fairs, Festivals, and Events.

Guest Speaker: Camille Ferguson, Executive Director, AIANTA (American Indian Alaska Native Tourism Association)

AIANTA's Mission: To define, introduce, grow and sustain American Indian, Alaska native and native Hawaiian tourism that honors traditions and values.

AIANTA is dedicated to the development of an American Indian tourism industry that promotes the authenticity of our cultural presentations and history.

AIANTA serves these tribal regions: Pacific, Southwest, Plains, Midwest, and Eastern. The states in the Southwest region are New Mexico, Utah, Colorado, Arizona, and Nevada.

- **International travel – America's #1 Service Export**
  - 77.5 million international visitors in 2015
  - Travel and Tourism supports 1.1 million jobs
  - Total employee compensation surpasses $220 billion annually

- **Tribal Tourism is Good for the U.S.A.**

  Visitors to Native American Communities:
  - Typically spend 12 additional days in the U.S.A.
  - 67% are leisure travelers, spending more than business travelers
  - Visit three destinations while in the U.S.A.
  - Are frequently returning visitors looking for new experiences
  - More than half of tourists come from Asia and Europe; AIANTA marketed in China, Germany, and Italy in 2014-2015
  - The estimated number of visitors to Native American sites between 2005 and 2015 ranges from a low of 693, to a high in 2015 of 1,958.
• **AIANTA provides the following services:**
  - Education and technical resources for tourism development
  - Research and data analysis for destination mapping
  - Creating and nurturing regional and national partnerships
  - Raising public awareness of tribal tourism
  - Providing national tribal tourism leadership
  - Providing domestic and international marketing

### Special Presentations:

**Bill Lee, CEO for The Gallup McKinley County Chamber of Commerce**

**Gallup Community Update**

- Update on the New Gallup Marketing Plan
  - Community input has been via focus groups and meetings with stakeholders.
  - The new Gallup marketing plan and branding for the city will begin before the end of 2016, pending full approval from the Gallup Lodger’s Tax Committee and the City Council.

- Participation in the A2D Hospitality Training program
  - Gallup will be partnering with the New Mexico Hospitality Association to participate in the A2D training program.
  - Initial planning stages are underway.
  - Roll out is expected to take place by the end of January 2017.

**Jen Schroer, President and CEO, New Mexico Hospitality Association**

- **Visitor Journey A2D** is our statewide customer service training solution and it has launched and available in several destinations, including Santa Fe, Farmington, Las Cruces, and Gallup. Its goal is to build destination ambassadors and enhance the visitor’s experience from arrival to departure. Taos and Taos Ski Valley are also considering partnering with us to offer Visitor Journey A2D in their destination as well.

- A new initiative that is launching this fall is the Lodgers Tax Best Practices Handbook. The goal of this initiative is to provide a toolkit to communities how best to administer lodgers tax at the local level. It will clarify key definitions like marketing, promotion and a room.

- In regards to public policy, it is the association’s intention to propose legislation to remove the lodgers tax exemption of 3 rooms or less from the state statute, as the term room is ambiguous and it created a loophole for Airbnb and VRBO.
- The Top HAT Awards Gala is November 17th at Isleta Resort and Casino. It is a night celebrating those deserving industry employees that continue to grow the tourism industry.

Updates from Commission Members

Public Comments

Next Meeting

Adjournment:

Meeting adjourned at 10:56 a.m.

Interim Chairman, Chris Stagg

Cabinet Secretary Rebecca Latham