



Georgia Tourism

Georgia Department of Economic Development



Kevin Langston- Assistant Commissioner

Tourism Satellite Account System



- The TSA allows for **true comparisons** of tourism to other industries. The measures are consistent with the way other industries are measured.
- The TSA provides **greater detail**. Full detail of economic contribution by industry shows the composition of tourism. Detail on supporting industries shows how non-tourism industries benefit from tourism activity.
- The TSA is **more comprehensive**. By including all spending both by and on behalf of travelers, the TSA provides a complete picture of the demand and thus the supply related to tourism in the state.
- The TSA is **more credible**. By utilizing the international standard for measuring tourism's economic contribution, the TSA approach garners credibility. The U.S. Bureau of Economic Analysis utilizes this standard, thus providing a national benchmark.

How does this help us tell our story ?



- Enables comparisons of the importance of tourism to other sectors of the economy in terms of GDP, employment, and income
- Allows for benchmarking to other destinations
- Tracks the economic contribution of tourism over time
- Monitors strength by tracking capital investment
- Allows for extension analysis for taxes, scenarios, full impact

GOOD NEWS!!!

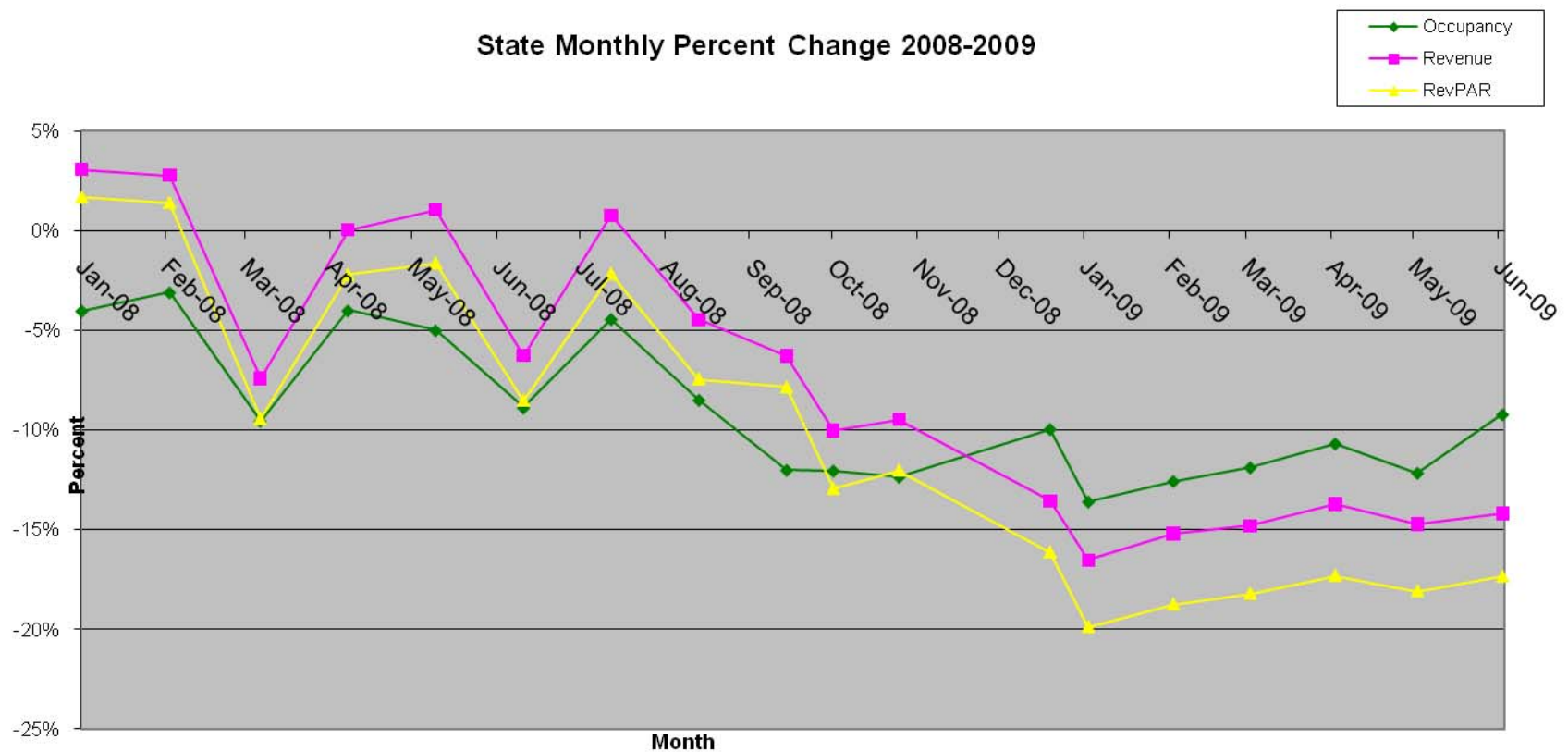


- **Direct demand of \$28.5 billion generated \$45.6 billion in business sales – indirect and inducted impact**
- **Sustained 400,000 jobs = 9.8% of all employment**
- **\$2.4 billion in State and local taxes and \$3.2 billion in Federal taxes**
- **5th largest employer in the State**

Smith Travel Data 2008-2009



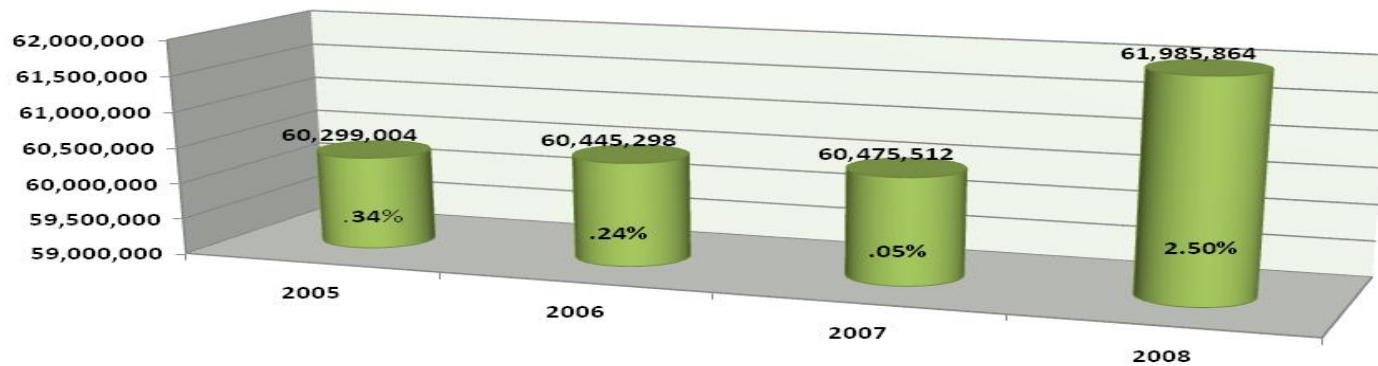
State Monthly Percent Change 2008-2009



Room supply.....



Room Supply in Georgia 2005-2008



Source: Smith Travel-Georgia Data

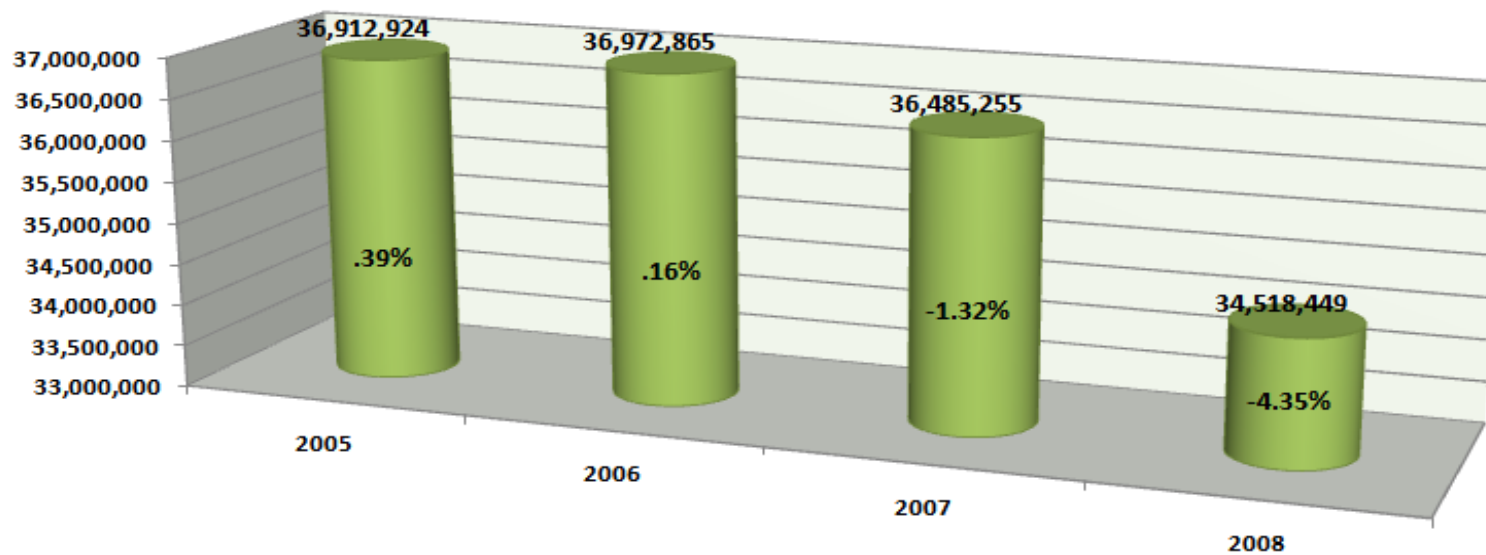
Hotel construction was up 34% in 2008 –Source: CPN

3.2 % supply growth puts pressure on occupancy and rate- Mark Lomanno, STR's president

Supply outpacing demand



Room Demand in Georgia 2005-2008

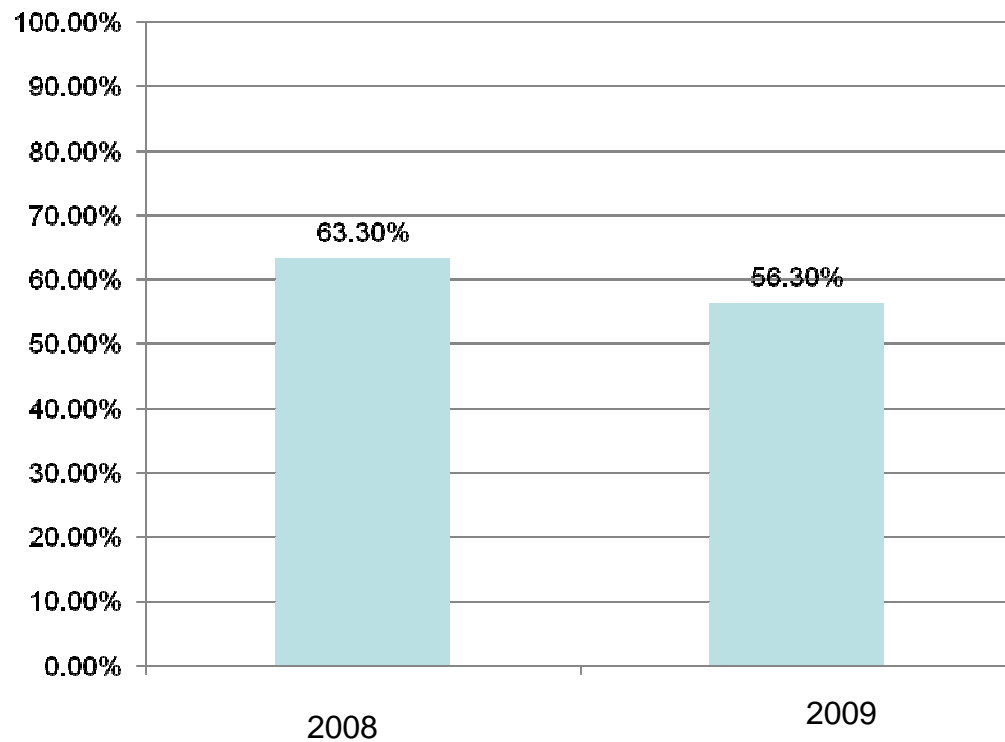


Source: Smith Travel-Georgia Data

Hotel Occupancy June '09 vs. June '08



Atlanta Metro



June

Atlanta Metro -11.1%
State -9.2%
US -9.7%

YTD

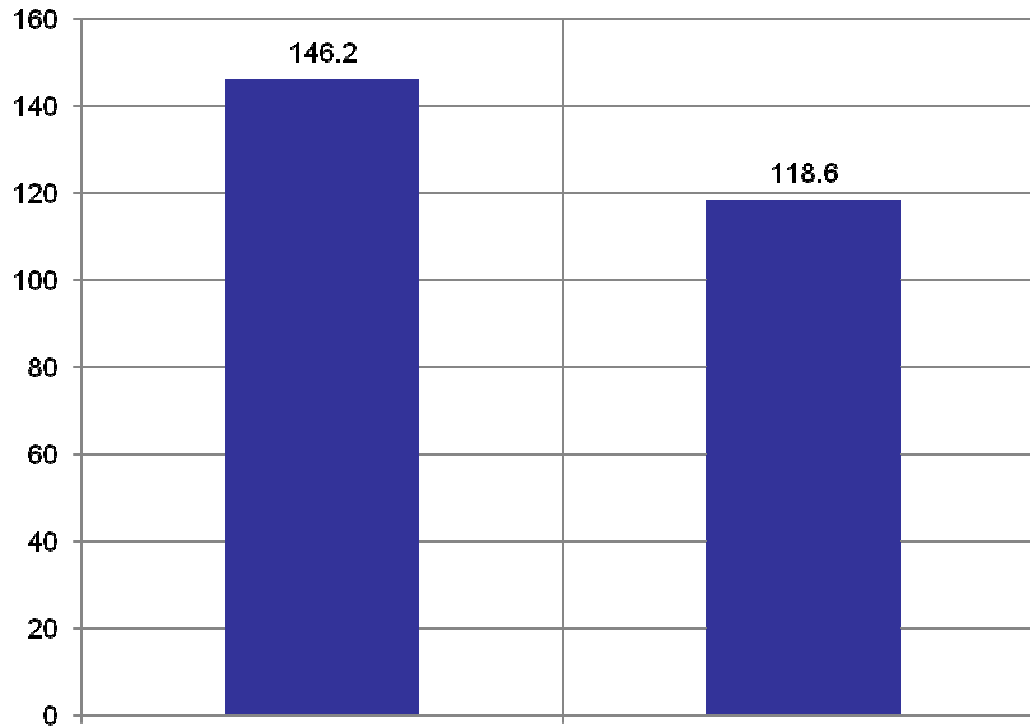
Atlanta Metro -13.6%
State -11.5%
US -10.9%

Source: Smith Travel-Georgia Data

Hotel Revenue June '09 vs. June '08



Atlanta Metro



June

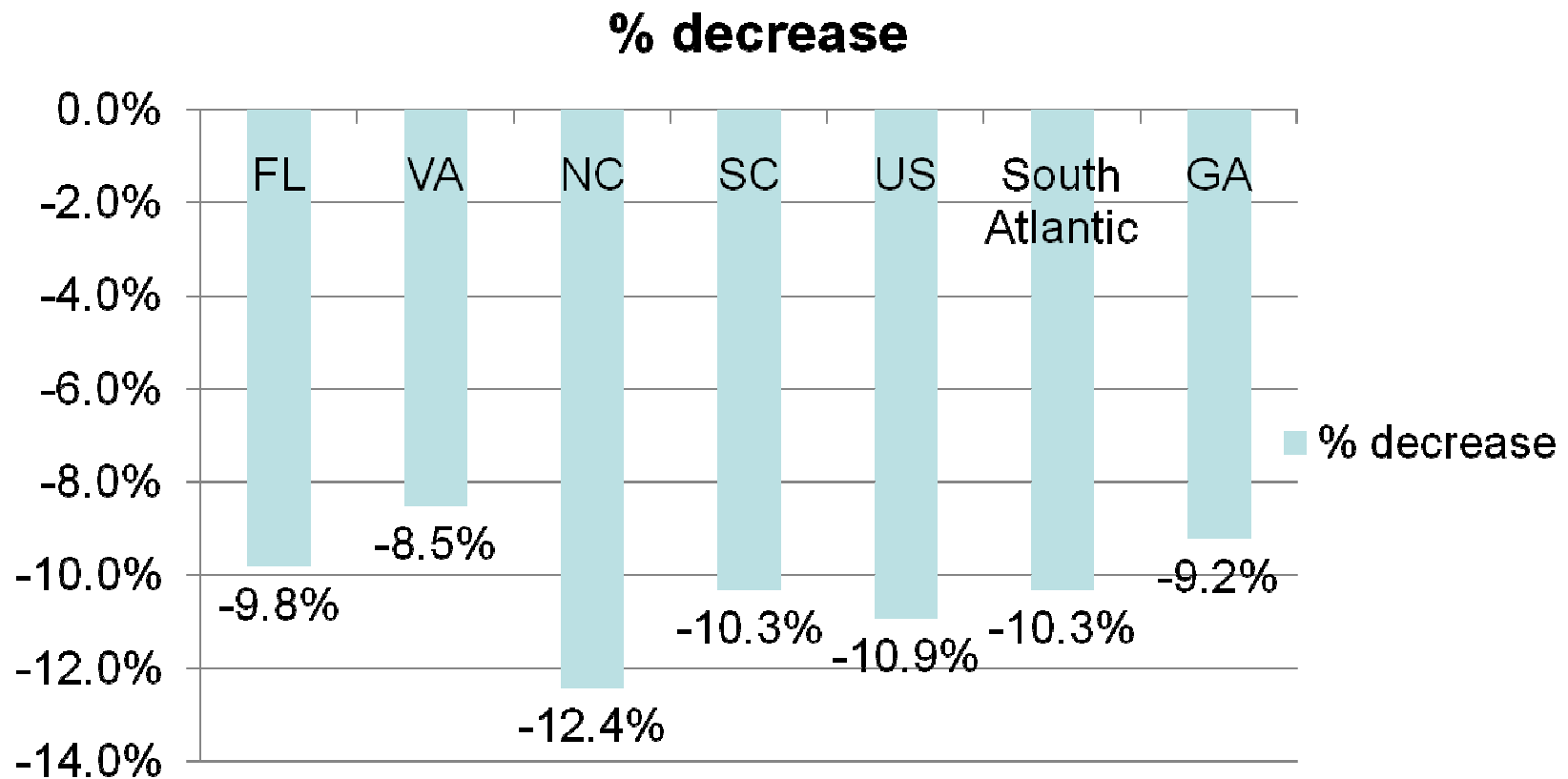
Atlanta Metro -18.8%
State -14.2%
US -16%

YTD

Atlanta Metro -18.7%
State -14.21%
US -16.1%

Source: Smith Travel Data

Hotel Revenue June '09 vs. June '08



Travel Indicators from TIA



U.S. Travel Dashboard

TE Leading Travel Indicator



Source: Tourism Economics

Employment and Consumer Confidence



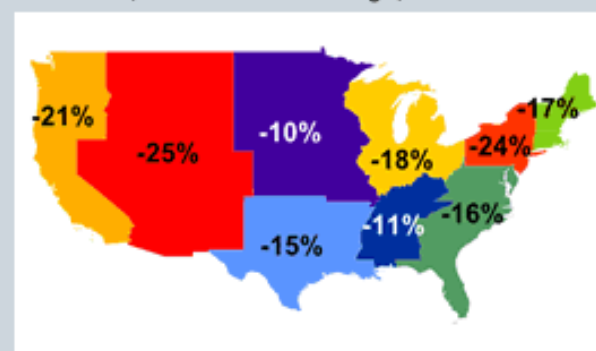
Source: Bureau of Labor Statistics, The Conference Board

Lodging Performance



Source: Smith Travel Research

RevPAR, YTD Percent Change, June 2009



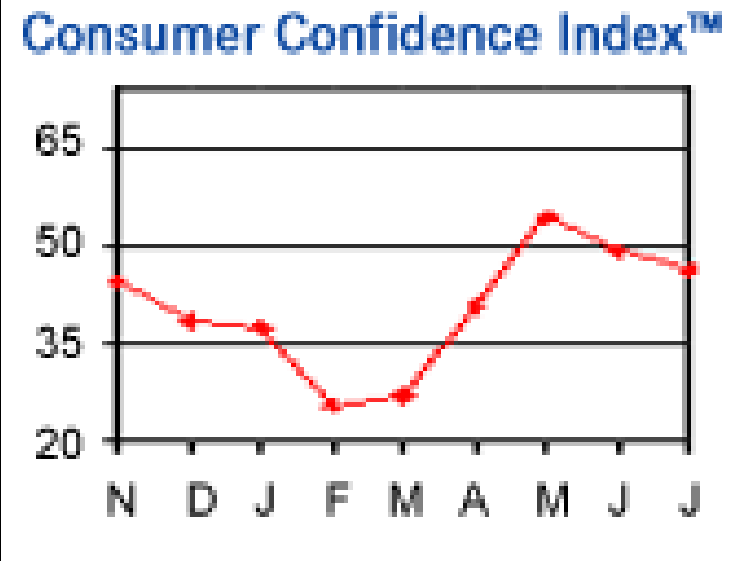
Source: Smith Travel Research

Source: US Travel Outlook Aug. 09

Looking ahead...



The Conference Board Consumer Confidence Index®, which had retreated in June, declined further in July. The Index now stands at 46.6 (1985=100), down from 49.3 in June. The Present Situation Index decreased to 23.4 from 25.0 last month. The Expectations Index declined to 62.0 from 65.5 in June.



Any good news?



- **Hotel industry much more adept at making profit. In 1990 when occupancy was at 64% the industry lost \$5.7B. In 2008 occupancy was at 60% industry profits are expected to be over \$20B. With 4% less occupancy industry was about \$25B more profitable.**
- **Venture capitalists are being attracted by the billions of dollars being spent on travel each year: Forrester Research predicts online travel alone will grow from \$115.6B to \$157.8B by 2013. Investors and entrepreneurs are excited about travel and believe it is once again ripe for innovation. The 1990s**

Source: Hotel News Now

What are the experts saying ?



Source	Findings
<p>Yesawich-> Traveler Sentiment Index – July 14, 2009</p>	<ul style="list-style-type: none"> •Economic environment is apparently influencing consumers' interests in certain types of lodging. •Preference for independent operated hotels and resorts is up, while preference for chain affiliated properties is declining. •Leisure travelers are also more likely to cite “ value for the price” as a key consideration when selecting lodging accommodations. •Top 3 factors currently are 1.) value for the price. 2.) location of the property. 3.) room rate.
<p>Mark Lomanno, STR's President- August 5, 2009</p> <p>“It appears to me that many revenue managers are beginning to price rooms based on what competitors are doing,”</p> <p>This means there is not a good match between pricing and demand</p>	<ul style="list-style-type: none"> •STR's forecast projects 2009 ADR to decline 9.7 percent to US\$96.37. It projects RevPAR to end 2009 at US\$53.41. <p>ADR has declined consistently no matter the day of the week,</p> <ul style="list-style-type: none"> •Despite hopes of a busy summer occupancy is expected to be down 8.4 percent from June through August. •ADR is predicted to decrease 10.4 percent, and RevPAR is projected to decline 18.7-percent. •The outlook for 2010 looks slightly better than 2009 •Occupancy is projected to end 2010 with a 0.3-percent decrease, ADR is forecasted to end 2010 with a 3.4 percent decrease, and RevPAR is expected to end 2010 with a 3.7-percent decline

What are the experts saying ? Business Travel



Source	Findings
PhoCusWright	<ul style="list-style-type: none"> •Corporate travel is expected to decline 15% this year •Total U.S. travel market is projected to decline only 11% in 2009, dipping below 2006 levels •Corporate travel has comprised about 40% of the total U.S. travel market, but that share is expected to shrink to 35% in 2010
<p>Nate Fristoe , Director, RRC Associates</p> <p>“There’s still a taboo of luxury perception among business travelers,” Fristoe said. He added that even though there’s pessimistic feelings throughout the survey, consumers appear to be willing to pay more for hotel rooms than hotels are currently charging.</p>	<ul style="list-style-type: none"> •Moderate business travelers who usually take between 4-10 trips per year plan to continue that pace. •15 % of business travelers expect to trade down during this recession •83 % are expect to stay within scale •2 %percent are looking to trade up

ABA



- 2008 has the motorcoach industry at a historic growth pace - taking advantage of the opportunities...glass is half-full approach rather than half-empty
- Outlook for 2009 is good as growth is expected to continue
- Newer, younger demographics find traveling green on a bus as the “cool thing to do”- iPod hook up, flat screen TV’s, personal climate control, reclining seats, other amenities with the added perk of shrinking their carbon footprint
- Take an educational marketing approach
- Involved with lobbying approach and working closely with the transition team

Understanding the market

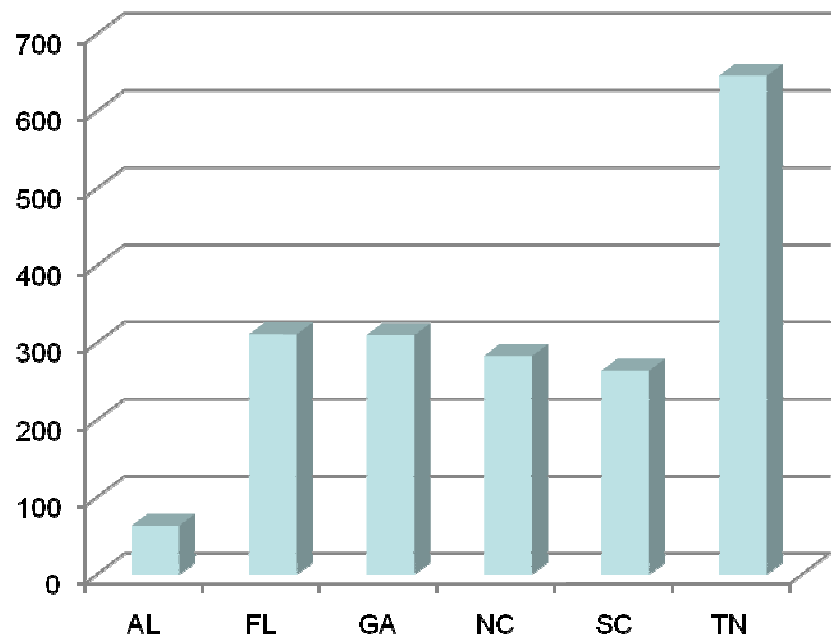


- **Groups are the growth segment in the travel industry and will continue to travel. They are least affected by economic downturn.**
- **65-year-old seniors traveling today have 18 years of life expectancy and will travel until the age of 83.**
- **This is a new senior on group tours and they will be the bread and butter of the travel industry for the next 20 years.**
- **The fact is most seniors own their own home with no mortgage and have been mostly unaffected by the banking crisis as well as drops in the stock market.**
- **Mass growth of the 55-plus market as boomers become seniors...all indicators are that the senior market will continue to grow and become the largest age sector of America in the next 10 years.**
- **Increase in niche markets.**
- **Frequency of day trips increasing.**

Detailed Itineraries



Number of tours



State	Number of tours
AL	63
FL	311
GA	310
NC	283
SC	264
TN	646

Visitor Information Center Marketing



- Partnership with the Georgia Music Hall of Fame to promote Georgia's music heritage
- Kids' Corner at the VICs, sponsored by Cabbage Patch
- Partnership with Department of Agriculture
- Sales Blitz Program- Promote YOURSELF!!
- Visitor Information survey's another look at travelers impressions
 - 92% of respondents said they would return to Georgia because of the information at the VIC
- GOMM Days
- Statewide - June visitation was down 4%

Expanding your efforts...departmental efforts



- **Optimize your listing → ExploreGeorgia.org**
- **Community Outreach → What is your approach ?**
- **Promotions:**
 - What is Your GA Story?
 - Scavenger hunt through Georgia
 - Postcard campaign
- **Music Initiative→ SGA**
- **Partnerships**
- **Universities → Student/Alumni/ Parents**
- **You Tube- Regional**
- **Targeted media push-→ GH**
 - Group Tour
 - Reunions
 - African American

Use of Technology – make it work for you



- **Facebook – Page, Profile, Group ??**
- **Twitter - REALLY?**
- **Blogs- take another look-tool to feed your Facebook at Twitter seamless updates**
- **LinkedIn - what groups are you involved with ?**
- **Use of mobi sites? A What ??**
- **ECRM's – do they allow consumer to share, tweet.**
- **Travel Wiki...huh ?**

Facebook at a glance



- **More than 250 million active users**
- **More than 120 million users log on to Facebook at least once each day**
- **More than two-thirds of Facebook users are outside of college**
- **The fastest growing demographic is those 35 years old and older**
- **Average user has 120 friends on the site**
- **More than 5 billion minutes are spent on Facebook each day (worldwide)**
- **More than 30 million users update their statuses at least once each day**
- **More than 8 million users become fans of Pages each day**
- **More than 1 billion photos uploaded to the site each month**
- **More than 10 million videos uploaded each month**
- **More than 1 billion pieces of content (web links, news stories, blog posts, notes, photos, etc.) shared each week**
- **More than 2.5 million events created each month**
- **More than 45 million active user groups exist on the site**

Twitter



- **140 Characters minimum**
- **Follow.. Being followed**
- **Search your keywords on summize.com**
 - Use of Tiny URL's in your title
 - TweetStats.com
 - TweetEffect.com
- **Twitter is fickle popularity is up and down**
- **Tweets must be relevant or you will be dropped**

Twitter



- Twitter is ranked as one of the 50 most popular websites worldwide by [Alexa's web traffic](#) analysis. Although estimates of the number of daily users vary because the company does not release the number of active accounts, a February 2009 [Compete.com](#) blog entry ranked Twitter as the third most used social network based on their count of 6 million unique monthly visitors and 55 million monthly visits.
- In March 2009, a [Nielsen.com](#) blog ranked Twitter as the fastest-growing site in the Member Communities category for February 2009. Twitter had a monthly growth of 1,382 percent, [Zimbio](#) of 240 percent, followed by [Facebook](#) with an increase of 228 percent. However, only 40 percent of Twitter's users are retained.

Source:Wikipedia

Mobi ?? Mobile Marketing for the Travel Industry..



- **95% of US Travelers take their mobile phones (2007)**
- **Travel industry is best suited to take advantage of this stat**
- **100% of the US population will own a mobile device - by 2013**
- **85% of iPhone users are using the web, while 35% are watching video**
- **Mobile marketing helps you bridge the disconnected process of traditional advertising**
- **MADE FOR MOBILE devices**
- **A good example can be found at www.bgicvb.mobi**
- **Georgia will be one of the first if not the first to have a mobi platform for the travel guide**

Source: ITI Marketing

Georgia Strategy



■ Facebook

- ExploreGeorgia.org page - become a fan POST your info
- Close to 2,000 Fans on Facebook
- Add your URL to Google search...SEO!!

■ Twitter

- Most states have Twitter accounts
- ExploreGeorgia.org has 4,550 followers
- Twitter centers concept of direct response to questions

■ Mobi

- Travel guide offered on a mobi site but with the same URL for seamless access to hotels, attractions and events
- Enhanced listings available - listing of special offers
- Looking at developing an i-Phone application

Upcoming Events



- **Governor's Conference – Aug. 31-Sept. 2, 2009 - Lake Lanier Islands Resort (www.georgiagtc.com)**
- **GA Municipal Cemetery Association- Sept. 17-18, 2009 - Rome**
- **Group Tour Boot camp - December – kbaasen@georgia.org**
- **History and Heritage Tourism: Discovering Georgia's Community Landmarks - Warm Springs – March 25-16, 2010**

