



April 15, 2018

CBJ Assembly members:

Thank you for the opportunity to report on Travel Juneau and present its proposed fiscal 2020 budget.

Since our last presentation, I'm pleased to note the following highlights:

- In FY18, Juneau saw over 9800 room nights associated with meetings and conventions which generated an estimated impact of \$3.59M. The ROI in convention sales was \$13.32 for every \$1 invested in sales and marketing. This number was down from FY17 due to a lack of production and cuts in state travel. Convention Sales production is rebounding and has over 20,000 rooms booked or pending into 2023.
- Travel Juneau generated over \$34M in media advertising equivalency and assisted more than 40 vetted travel writers and bloggers. We received a big push with the production of *Wild Alaska Live*, the BBC and PBS venture that aired in July 2017.
- During FY18, the TravelJuneau.com website had more than 171,000 unique website visitors, up 32% from the previous year.

Survey initiatives

Travel Juneau completed three survey projects over the last two fiscal years: a visitor survey and conventions impact survey, both delivered by McDowell Group, and DestinationNEXT, delivered by NextFactor, Inc.

McDowell Group's "Juneau Air and Ferry Visitor Survey" was conducted during the 2018 summer season. Highlights:

- Approximately 78,000 independent travelers arrived by air or ferry, which is approximately 6% of the total number of visitors to Juneau
- 65% of those arriving by air stayed at hotels; another 25% stayed with friends or family, and another 10% stayed at either a B&B or Airbnb/VRBO.
- Among ferry arrivals, 43% stayed at hotels, 11% stayed with friends or family, and 13% stayed at either a B&B or Airbnb/VRBO.
- Average length of stay for air arrivals was 4.3 nights, and 3.7 nights for those arriving by ferry.

- On average, visitors arriving by air planned their trips 6.6 months in advance and made their major travel arrangements 4.6 months in advance. Ferry visitors began planning their trip 7.1 months in advance and made major arrangements 3.9 months in advance.
- Top activities included visiting the Mendenhall Glacier, shopping, hiking, taking the Goldbelt/Mt. Roberts Tram, and wildlife/bird viewing
- 29% of air visitors and 28% of ferry visitors who were here for vacation/pleasure reported using the TravelJuneau.com website; 17% of air visitors and 30% of ferry visitors in Juneau for the same purpose reported using the Juneau Guide & Travel Planner.
- McDowell Group calculated average independent air arrival visitor spending at \$704 per person, per trip; ferry arrival visitors spend \$440 on average per person per trip.

McDowell Group's "Economic Impacts of Juneau Conventions and Meetings" was conducted from October 2017 through September 2018. Highlights:

- Meeting spend, on average, is \$1720 per attendee per event.
- Average length of stay is 3.4 nights.
- 93% of attendees are very satisfied or satisfied with their overall Juneau experience.
- McDowell Group recommends that, "to continue attracting this market, Juneau needs to be competitive on multiple fronts including travel time and cost, conference facility size and amenities, and the quality and cost of local services". McDowell also noted that "Juneau's meeting facilities need to keep pace with competitive facility upgrades and evolving needs for power, Internet bandwidth, and audio-visual capabilities."

The reports for both McDowell Group surveys are available at <https://www.traveljuneau.com/about-travel-juneau/>

The DestinationNEXT (DNEXT) surveys gauged community perceptions of Juneau as a destination today; one survey was aimed at Travel Juneau stakeholders (partners, CBJ leadership, JEDC board, DBA board, Juneau Chamber board) and the other at the wider community. Both surveys were available from early November 2018 until March 2019.

Overall, the respondents rank Juneau in the quadrant designated for "developing" destinations. Key challenges include rallying the community to work together towards a realistic vision and strategy, building community recognition and acceptance that transformative change is needed, and implementing the strategy with limited resources. The following graphs are taken from the stakeholder section of the results workshop.

Destination Strength Rankings – Juneau, AK

DESTINATION
NEXT



		Relative Importance	Perceived Performance
	Mobility & Access	1 st	6 th
	Air Access	2 nd	9 th
	Convention & Meeting Facilities	3 rd	10 th
	Brand	4 th	1 st

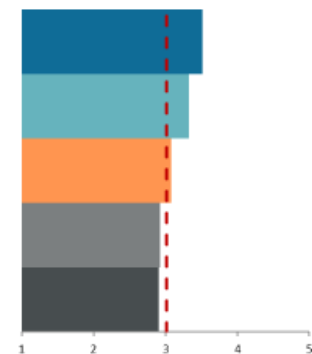
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The following tables show perceptions of Juneau benchmarked (dashed vertical line) against the other 190 destinations who have participated in the DNEXT project.

Mobility & Access

DESTINATION
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- Has great directional signage and highways that make it easy to get around
- Known as a walkable destination
- Provides good access and mobility for those with disabilities
- Has adequate public transportation that makes it easy for visitors to get around
- Is a bicycle-friendly destination with easy, well-marked bike routes

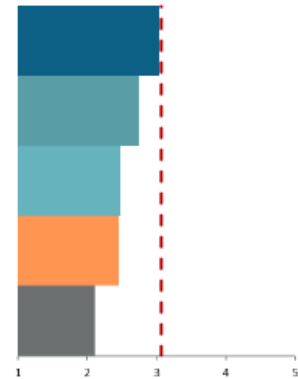


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Convention & Meeting Facilities

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- Has good, unique off-site venues for special events
- Has the necessary convention, meeting, and trade show facilities to compete today
- Convention center meeting and networking space is well branded
- Offers an abundance of professional and experienced convention services suppliers
- Has the necessary convention, meeting and trade show facilities to compete for the next 10 years

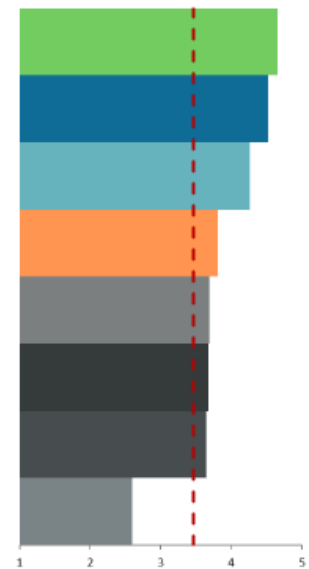


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Brand

DESTINATION
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- Known as being healthy and an outdoor, active destination
- Known for having a lot of things to see and do
- Appeals to a wide range of visitors
- Tourism industry uses and leverages social media to support the brand
- Has an established brand that is simple, memorable and market-tested
- Known for being safe, clean and secure for visitors
- Known for being an environmentally conscious and sustainable destination
- Known as a high-tech, innovative destination

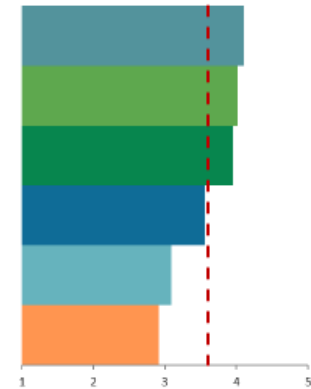


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Attractions & Entertainment

DESTINATION
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- Has the type of famous attractions that cause people to stay an extra day in the destination
- Has an assortment of authentic and unique attractions and entertainment opportunities
- Has high-quality and wide-ranging arts and cultural attractions
- Has unique and high-quality dining options
- Has unique and vibrant neighborhoods that are attractive and accommodating to visitors
- Destination offers diverse and high-quality shopping opportunities

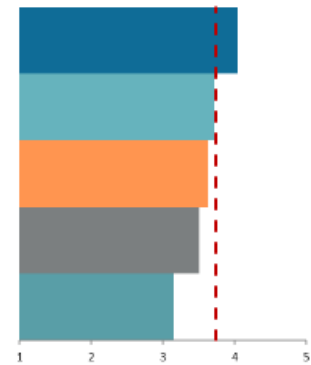


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Destination Performance

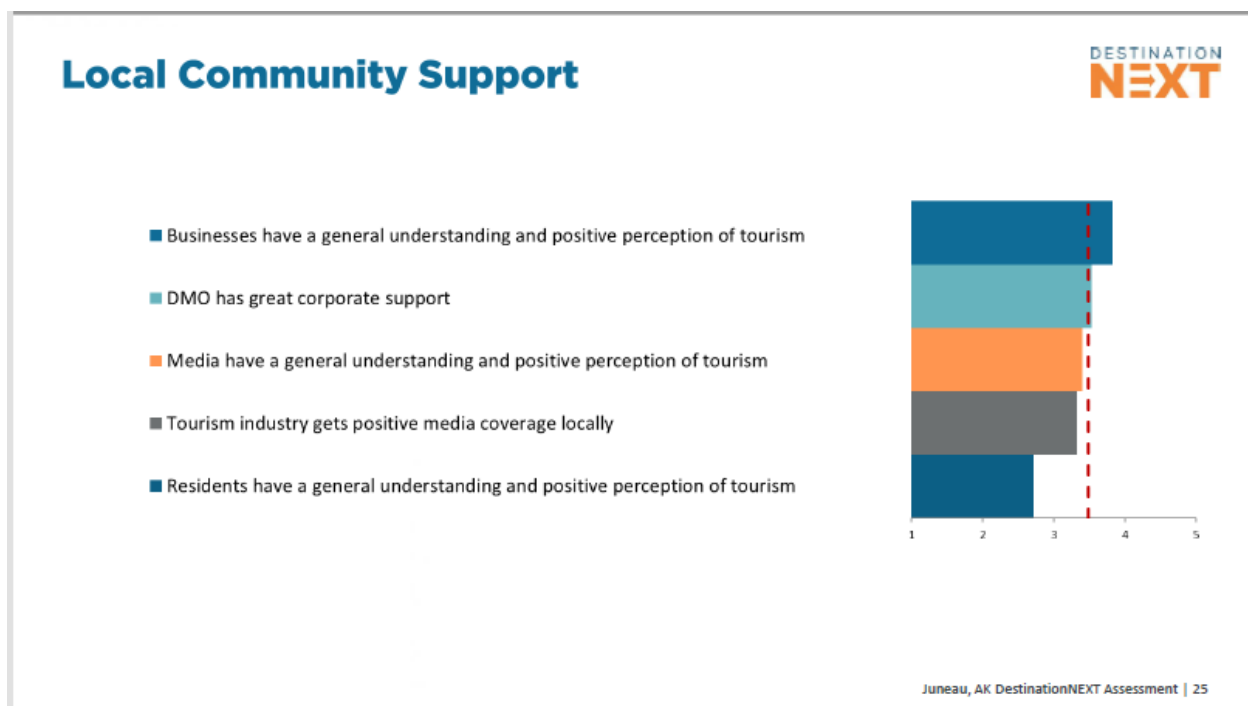
DESTINATION
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- DMO adequately measures and tracks the performance of our tourism industry
- Successfully converting leads for meetings and conventions
- DMO does a good job at communicating the economic impact of our tourism industry
- Seeing a positive growth in overnight visitation
- Hotels are performing well



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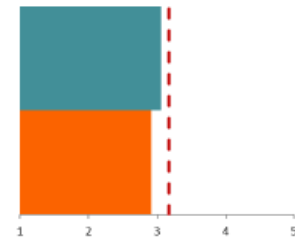
Respondents also ranked community support for the DMO (10 options):



Funding Support & Certainty

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- DMO has sufficient revenue sources to fund their strategies and initiatives today
- DMO revenue sources are stable and sustainable for the future

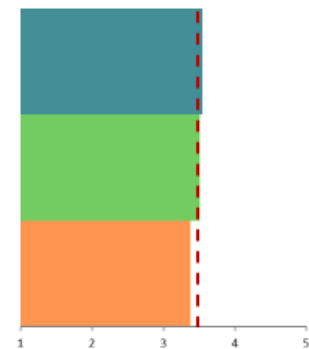


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Effective Advocacy Program

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- Local government relies on DMO for input on destination management
- Local government is supportive of DMO programs and the tourism industry
- Advocacy program is successful in educating/informing government policy

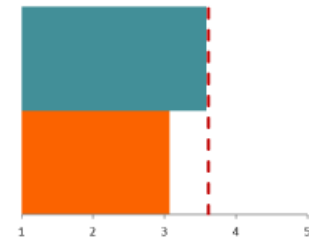


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Hospitality Culture

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- Hospitality-minded culture that welcomes visitors and improves their experience
- Reputation for offering high-quality customer service

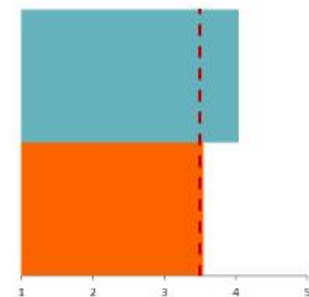


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Partnership Support & Certainty

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- Businesses that benefit from tourism/conventions find value in being a partner
- Partners are active, engaged, and supportive



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The community/public survey mirrors these results. Both sets of results can be found in the DestinationNEXT slide deck at <https://www.traveljuneau.com/about-travel-juneau/>.

Proposed FY2020 Budget

Revenues:

Travel Juneau's proposed FY20 budget was approved by the Board of Directors at the March 28, 2019 regular meeting. In planning the budget, Travel Juneau consulted with CBJ's Finance Director, who calculated the grant amount at \$885,000.

The \$325,460 Marine Passenger Fee Grant was included in the City Manager's recommendation and funds the downtown crossing guard program. An additional MPF request for \$148,300 provides partial support for Travel Juneau's Visitor Services program, which includes two regular FTE, the recruitment, training and management of our 140-person volunteer corps, seasonal staff, and visitor materials distributed primarily at the two downtown visitor information centers.

Travel Juneau again anticipates increasing its earned revenues through its efforts in partnership sales, ad sales, and listings sales.

For FY20, Travel Juneau requests \$120,000 in incremental funding from the Hotel Bed Tax Fund Reserve to support new and enhanced marketing initiatives. No portion of the requested increment will support operations.

Strategic highlights for FY20

- Completing the goal of a KPI-focused internal marketing plan to better track and report important metrics of success.
- Participating in planner trade shows as a sponsor to develop strategic relationships with meeting planners in the western US.
- Continuing to increase the production and roll-out of video and social media campaigns, continuing the shift from print to online marketing, and increasing TJ's social media presence for both the Destination Marketing and Convention Sales departments.
- Partnering with the Alaska Travel Industry Association for a sales mission to Australia designed to engage travel agents and tour operators in this growing market.

Data from the research projects and observed trends in destination marketing will inform Travel Juneau's development and implementation of fresh campaigns to bring independent travelers and meetings to town. We thank the Assembly for its continued support of our role in bringing long-term economic benefit to our community.