

## ROUNDTABLE

### ► PARTICIPANTS

## THE ONE EXPERIENCE YOU CAN'T MISS

Each month we gather leaders from various industries for a roundtable to talk about the challenges and opportunities in their sector.

On Feb. 14, statehood day in Arizona, we talked with several leaders in the tourism and hospitality industry. We asked them what they would recommend — aside from the Grand Canyon — as the top thing they would encourage visitors to see. Here's what they had to say:



A road trip through Arizona to experience the culinary scene

**STEPHANIE DOWLING**, deputy director, Arizona Office of Tourism



Schnepf Farms

**KIMBERLY FREER**, senior vice president of sales and marketing, Visit Mesa



The air show at Luke Air Force Base

**ED GOWAN**, executive director, Arizona Golf Association



Tempe Town Lake

**STEPHANIE NOWACK**, president and CEO, Tempe Tourism Office



Hiking in Sedona and Tucson

**GREG MILLER**, vice president and managing director, Two Roads Hospitality



The McDowell Sonoran Preserve, then patio hopping at the resorts

**RACHEL SACCO**, president and CEO, Visit Scottsdale



Hike Camelback Mountain

**STEVE MOORE**, president and CEO, Visit Phoenix



Explore your own historic downtown

**LORRAINE ZOMOK**, president and CEO, Visit Glendale



Arizona's tourism marketing efforts through the years often involve highlighting the state's natural beauty.

# Marketing budget always a concern for tourism leaders

Arizona's tourism industry consistently has outdone itself year over year in both the numbers of visitors and the amount of money they spend.

Although a report has not yet been released, early data show 2016 in terms of the number of visitors and their spending will eclipse 2015's results, and that Arizona outperformed the national average in every major performance indicator, according to the Arizona Office of Tourism.

All of that has been done without an increased budget.

In 2015, the Arizona Office of Tourism had its general fund budget cut by \$2 million. The office has since been working with \$28 million, with \$7.1 million of that coming from the general fund. Much of the remainder is collected from gaming and tourism bed taxes on hotel rooms and other amenities.

"Tourism supports all 15 counties in this state, which is one of the only industries that does that," said Stephanie Dowling, deputy director for AOT at the *Phoenix Business Journal's* tourism roundtable Feb. 14. "We'd always love more money, and we know what the return on investment is: For every dollar spent on the state, we receive a return of \$11. We're continually talking to the legislature and working with the governor's office. Certainly they have a lot of priorities."

Although Arizona is working with a static budget, other markets with which the state competes are seeing bigger challenges. The *Orlando Sentinel* reported in early February that Visit Florida, the state's tourism mar-

keting group that received \$76 million in funding this year, would be eliminated under a bill to kill state funding for tourism marketing and other economic development programs.

That's something Arizona tourism officials are keeping their eye on.

"We always have to keep bringing home the message that our customers don't live here, and we can't take for granted what we have," said Steve Moore, president and CEO of Visit Phoenix.

While there are no similar plans to cut Arizona's tourism budget, there have been moments when state legislation has hurt one of Arizona's biggest

industries.

In 1991, the National Football League decided not to hold Super Bowl XXVII in Tempe after lawmakers chose not to observe Martin Luther King Jr. Day. In 2010, the passage of Senate Bill 1070, an immigration enforcement bill that was largely viewed as anti-immigrant and anti-Latino, caused many entertainers and businesses to boycott the state.

"You'd see large impacts, and we saw it in the early '90s with the Super Bowl leaving and with the recession. We've seen it," said Moore. "And we're not seeing legislation that has created any kind of social tension. It really allows us to be on equal footing with our competitors. I get it that they're better funded, but we work harder than they do, and we make better product."

As Moore said, the secret behind Arizona's success simply may be the industry puts in a little elbow grease.

Part of that work is to constantly remind both business and government how valuable tourism is to the state.

"We can never be complacent. There's always going to be a challenge about whether or not tourism is valuable. What we do is important, and we need to show it," said Stephanie Nowack, president and CEO of the Tempe Tourism Office. "We will always need to do that and be at the forefront, showing the results, sharing the experiences. We need to advocate and do it again and again and again. There will always be new leaders, so it's really up to us. We will stand together on behalf of our industry."

— Steven Totten



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**STEPHANIE NOWACK**, president and CEO of the Tempe Tourism Office