



Special Legislative Commission to Study Methods for Growing Tourism in the
State of Rhode Island Through Coordinated Branding and Marketing Efforts
Commission

Rhode Island House of Representatives Report

May 19, 2017

Chairwoman Lauren H. Carson

Representative Kathleen A. Fogarty

Representative Kenneth A. Marshall

Representative Robert J. Quattrocchi

Representative Blake A. Filippi- House Minority Whip

Dr. Robert Billington

Louise Bishop

Jennifer K. Bramley

Trudy Coxe

Patti Doyle

Jon Duffy

Martha Sheridan

Evan Smith

Karen Jedson

Jessica Willi

Tourism Commission Report

Table of Contents

- **Capital Television Meeting Links**
- **Enabling Legislation 2016- H7278 2016- 8339 and 2017 H-5015**
- **List of Commission Members**
- **Cover Letter/Recommendations from Chairwoman Carson**
- **List of Accomplishments of Commission**
- **Agendas and Notes from July 2016 to present**
- **Metrics and Structure Reports**
- **Addendum –History of RI Tourism**



State of Rhode Island General Assembly
Capitol Television

1-14-2016 <http://ritv.devosvideo.com/media/kmiaefyv.mp4>

The Rhode Island State House

3-10-2016 <http://ritv.devosvideo.com/media/9gj3f70s.mp4>

The Rhode Island State House

5-26-2016 <http://ritv.devosvideo.com/media/1kxj8s64.mp4>

The Rhode Island State House

7-15-2016 <http://ritv.devosvideo.com/media/opehfdbv.mp4>

Old Colony House- Newport, Rhode Island

8-19-2016 <http://ritv.devosvideo.com/media/b9hgwucuf.mp4>

Matunuck Oyster Bar- Matunuck, Rhode Island

<http://ritv.devosvideo.com/media/gllbetzu.mp4>

8-29-2016 ***Legislative Insight Program: Attracting Crowds, Cash & Credibility***

10-14-2016 <http://ritv.devosvideo.com/media/w9er2job.mp4>

Museum of Work & Culture- Woonsocket, Rhode Island

11-4-2016 <http://ritv.devosvideo.com/media/5eah11sq.mp4>

Legislative Insight Program: Cultural Tourism Growing in RI



State of Rhode Island General Assembly
Capitol Television

- 12-12-2016 <http://ritv.devosvideo.com/media/f86aixsm.mp4>
The Rhode Island State House
- 2 -3 -2017 <http://ritv.devosvideo.com/media/fdb914db5983.mp4>
Theodore Francis "T.F." Green State Airport- Warwick, RI
- 3-16-2017 <http://ritv.devosvideo.com/media/6909274a5ac5.mp4>
The Rhode Island State House/Skype Oregon Travel Comm.
- 4-6-2017
- <http://ritv.devosvideo.com/show?video=4dd7e703c90e&apg=ed687894>
RI Convention Center
- 5-5-2017 <http://ritv.devosvideo.com/media/9fb8ce18b45b.mp4>
Commerce Corporation- Providence, Rhode Island

2016 -- H 7278

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LC004027
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

HOUSE RESOLUTION

EXTENDING THE EXPIRATION DATE OF THE SPECIAL LEGISLATIVE COMMISSION
TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF RHODE ISLAND
THROUGH COORDINATED BRANDING AND MARKETING EFFORTS

Introduced By: Representatives Carson, Reilly, Filippi, Marshall, and Carnevale

Date Introduced: January 21, 2016

Referred To: House Corporations

1 RESOLVED, That the special legislative commission created by resolution No. 414
2 passed by the House of Representatives at its January session, A.D. 2015, and approved June 23,
3 2015, entitled "House Resolution Creating a Special Legislative Commission To Study Methods
4 For Growing Tourism In The State Of Rhode Island Through Coordinated Branding And
5 Marketing Efforts" is hereby authorized to continue its study and make a report to the House of
6 Representatives on or before April 9, 2016, and said commission shall expire on December 31,
7 2016; and be it further

8 RESOLVED, That the expiration date authorized by resolution No. 414 passed by the
9 House of Representatives at its January session, A.D. 2015, and approved June 23, 2015, be and
10 the same is hereby rescinded.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

HOUSE RESOLUTION

EXTENDING THE EXPIRATION DATE OF THE SPECIAL LEGISLATIVE COMMISSION
TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF RHODE ISLAND
THROUGH COORDINATED BRANDING AND MARKETING EFFORTS

- 1 This resolution would extend the expiration date of the special legislative commission to
- 2 study methods for growing tourism in the State of Rhode Island through coordinated branding
- 3 and marketing efforts from June 9, 2016 to December 31, 2016.

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2016 -- H 8339

LC006207

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

HOUSE RESOLUTION

EXTENDING THE EXPIRATION AND REPORTING DATES AND AMENDING THE MEMBERSHIP AND PURPOSE OF THE SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING EFFORTS

Introduced By: Representatives Carson, Marshall, Filippi, and Fogarty

Date Introduced: June 14, 2016

Referred To: House Finance

1 WHEREAS, The Special Legislative Commission to Study Methods for Growing
2 Tourism in the State of Rhode Island Through Coordinated Branding and Marketing Efforts was
3 authorized by the House of Representatives on June 23, 2015, to study and report on statewide
4 tourism strategy and efforts; and

5 WHEREAS, Those efforts are ongoing and tourism continues to be an essential
6 component to the economic stability, success, and growth of our state; now, therefore be it

7 RESOLVED, That the special legislative commission created by resolution No. 414
8 passed by the House of Representatives at its January session, A.D. 2015, and approved June 23,
9 2015, entitled "House Resolution Creating a Special Legislative Commission To Study Methods
10 For Growing Tourism In The State Of Rhode Island Through Coordinated Branding And
11 Marketing Efforts" is hereby authorized to continue its study and make a report to the House of
12 Representatives on or before January 3, 2017, and said commission shall expire on March 3,
13 2017; and be it further

14 RESOLVED, That the expiration date authorized by resolution No. 414 passed by the
15 House of Representatives at its January session, A.D. 2015, and approved June 23, 2015, be and
16 the same is hereby rescinded; and be it further

17 RESOLVED, That the composition of said legislative commission is hereby amended by
18 increasing the membership to sixteen (16) members, by adding one new member of the Rhode

1 Island House of Representatives, and one who shall be a representative of the hospitality industry,
2 both to be appointed by the Speaker of the House; and be it further

3 RESOLVED, That the special legislative commission's purpose shall be expanded to
4 include, but not be limited to, the following areas of study:

5 1. A comprehensive analysis of the organizational structures used by other states to
6 develop, coordinate, and implement state-based tourism campaigns to determine the appropriate
7 framework to organize and direct a state-based tourism campaign;

8 2. A review of the formula used to fund regional and state-based tourism campaigns to
9 ensure Rhode Island utilizes an evidenced based structure to fund its state-based tourism
10 campaign;

11 3. Bi-monthly reporting from Rhode Island Commerce Corporation on tourism shall be
12 due in the months of August, October, and December. These reports shall serve as an interim
13 baseline measurement of tourism activity by listing statewide occupancy rates, hotel and meal tax
14 receipts, web activity, earned media, social media engagement, and public expenditure; and

15 4. Reviewing and establishing performance objectives and metrics to measure the
16 effectiveness of future statewide tourism plans and strategies.

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LC006207

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

HOUSE RESOLUTION

EXTENDING THE EXPIRATION AND REPORTING DATES AND AMENDING THE
MEMBERSHIP AND PURPOSE OF THE SPECIAL LEGISLATIVE COMMISSION TO
STUDY METHODS FOR GROWING TOURISM IN THE STATE OF RHODE ISLAND
THROUGH COORDINATED BRANDING AND MARKETING EFFORTS

- 1 This resolution would extend the expiration and reporting dates and amend the
- 2 membership and purpose of the special legislative commission to study methods for growing
- 3 tourism in the State of Rhode Island through coordinated branding and marketing efforts from
- 4 June 9, 2016 to January 3, 2017, and said commission would expire on March 3, 2017.

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2017 -- H 5015

LC000224

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

HOUSE RESOLUTION

EXTENDING THE EXPIRATION AND REPORTING DATES OF THE SPECIAL
LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE
STATE OF RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING
EFFORTS

Introduced By: Representatives Carson, Marshall, and Fogarty

Date Introduced: January 05, 2017

Referred To: House Corporations

1 WHEREAS, The Special Legislative Commission to Study Methods for Growing
2 Tourism in the State of Rhode Island Through Coordinated Branding and Marketing Efforts was
3 authorized by the House of Representatives on June 23, 2015, to study and report on statewide
4 tourism strategy and efforts; and

5 WHEREAS, Those efforts are ongoing and tourism continues to be an essential
6 component to the economic stability, success, and growth of our state; now, therefore be it

7 RESOLVED, That the special legislative commission created by resolution No. 414
8 passed by the House of Representatives at its January Session, A.D. 2015, and approved June 23,
9 2015, entitled "House Resolution Creating a Special Legislative Commission To Study Methods
10 For Growing Tourism In The State Of Rhode Island Through Coordinated Branding And
11 Marketing Efforts" and as amended by resolution No. 332 passed by the House of
12 Representatives at its January Session, A.D. 2016, and approved June 18, 2016, entitled "HOUSE
13 RESOLUTION EXTENDING THE EXPIRATION AND REPORTING DATES AND
14 AMENDING THE MEMBERSHIP AND PURPOSE OF THE SPECIAL LEGISLATIVE
15 COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF
16 RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING EFFORTS"
17 is hereby authorized to continue its study and make a report to the House of Representatives on or
18 before May 15, 2017, and said commission shall expire on August 15, 2017; and be it further

1 RESOLVED, That the expiration date authorized by resolution No. 414 passed by the
2 House of Representatives at its January Session, A.D. 2015, and approved June 23, 2015, and as
3 amended by resolution No. 332 passed by the House of Representatives at its January Session,
4 A.D. 2016, and approved June 18, 2016, be and the same is hereby rescinded.

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LC000224
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
HOUSE RESOLUTION

EXTENDING THE EXPIRATION AND REPORTING DATES OF THE SPECIAL
LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE
STATE OF RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING
EFFORTS

1 This resolution would extend the expiration and reporting dates of the special legislative
2 commission to study methods for growing tourism in the state of Rhode Island through branding
3 and marketing efforts from January 3, 2017, to May 15, 2017, and said commission would expire
4 on August 15, 2017.

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List of Commission Members of Tourism Commission

Representative	Lauren	Carson	Rhode Island House of Representatives
Representative	Kathleen	Fogarty	Rhode Island House of Representatives
Representative	Kenneth	Marshall	Rhode Island House of Representatives
Representative	Blake	Filippi	Rhode Island House of Representatives (Minority Whip)
Representative	Robert	Quattrocchi	Rhode Island House of Representatives (Minority Member)
Ms.	Louise	Bishop	President & CEO - South County Tourism Council
Ms.	Jessica	Willi	Director - Block Island Tourism Council
Ms.	Karen	Jedson	Director - City of Warwick Department of Tourism, Culture and Development
Ms.	Jennifer	Bramley	Chair - Providence Tourism Council
Dr.	Robert	Billington	President & CEO - Blackstone Valley Tourism Council
Ms.	Martha	Sheridan	President & CEO - Greater Providence Warwick Convention and Visitors Bureau
Mr.	Evan	Smith	President & CEO - Discover Newport
Ms.	Patti	Doyle	President - Patti Doyle Communications
Mr.	Jon	Duffy	President - Duffy & Shanley
Ms.	Trudy	Coxe	CEO - Preservation Society of Newport

To the Members of the Rhode Island House of Representatives:

According to a study entitled “The Economic Impact of Tourism in Rhode Island” completed by Tourism Economics for the Rhode Island Commerce Department earlier this year, Rhode Island hosted 24.1 million visitors in 2015 and that year the tourism economy reached \$6 billion dollars. One in eight (1-in-8) jobs are sustained by the tourism economy and over 80,000 direct and indirect jobs are supported by the industry. The tax revenues generated by tourism offset the average Rhode Island household burden by \$1750 per household and every 500 visitors to Rhode Island supports the education of one Rhode Island student for one year. Visitor spending has increased 21% cumulatively since 2010, and the lodging and recreation sectors have exhibited the strongest growth with 39% and 29% growth respectively since 2010. The House Study Commission on Tourism and Branding has been paying strict attention to this industrial sector since September of 2015.

Please accept this report from the Tourism Study Commission along with the following recommendations:

1. Extend the Study Commission through December 31, 2018 and expand the membership of the Commission.

While our efforts have been substantial and inclusive, our work is not done. We have taken the Study Commission on the road since July 2016, holding meetings in Newport, South Kingstown, Woonsocket, T.F. Green Airport, RI Convention Center and at the Commerce Department, engaging tourism professional and tax paying Rhode Islanders in the discussion. We have concluded that since this industrial sector plays a significant role in our state economy, and since our efforts are not done, we need to continue our work for the next eighteen months to act on our further recommendations.

During this next phase of our work, the Commission will recruit new and additional members to insure further geographic representation and to include additional private sector members to reflect these recommendations.

2. Modify the structure of our State tourism management and oversight structure in order to better serve Rhode Island tourism economy.

A workgroup of this Commission was established to study the structure, governance and financing of tourism divisions nationally. The purpose of this

workgroup was to examine how state tourism agencies are structured in other states across the US and determine if a new or modified model was warranted for the Rhode Island Tourism Division. Upon their evaluation of twelve other state structures, they determined that Rhode will benefit from a redesign. The full Commission agrees and their report and recommendations are included in the report.

3. Re-evaluate the formula used for the distribution of the State's Hotel and Lodging Tax to fund tourism marketing and branding and propose a new distribution formula to better reflect a 21st century tourism investment model that fits strategically with the State's tourism management structures.

A 5% hotel tax on the rental of rooms in hotels, motels or lodging houses is collected to support tourism marketing for the State of Rhode Island. Rhode Island General Law 42-63.1-3(b) titled "Tourism and Development – Distribution of tax" provides for state hotel tax returns and payments.

Following a presentation by the House Fiscal Office, the Commission determined that the current formula for tourism investment of the Hotel and lodging tax may not fit with the current management structure. In addition, we propose that any distribution model more closely reflect the state and local structure of our marketing efforts. We plan to evaluate the structure and funding in tandem in order to maximize our investments and make recommendations.

4. Implement a comprehensive and unified metrics framework for the state and local regions to make evaluations of all future tourism investments from state government.

The Commission also established a metrics workgroup in June of 2016 to investigate what types of performance measures should be in place to best evaluate the effectiveness of tourism branding and marketing efforts. This workgroup set out to: 1) benchmark what other state and regional tourism offices use for metrics and 2) propose a minimum set of metrics for statewide and local use and ultimately inform the future of tourism investment decisions. The workgroup proposes the implementation of a comprehensive and unified metrics framework for the state and local regions to make evaluations of all future tourism investments from state government possible to achieve. Their report is included in the report.

With regard to the current state of tourism performance metrics in Rhode Island, the workgroup found there was not commonality in measurements between the state and local district tourism offices as well as between district offices. The difference in measurement depth and methodology is not unusual across the US as was discovered. For Rhode Island's tourism industry, the ability to coordinate investment decisions, assess the impact of marketing efforts statewide and within the tourism districts would improve the health of this industry beyond the existing method which uses generalizations (e.g., growth in state lodging tax receipts).

The workgroup's research of other jurisdictions found a fairly common set of metrics for this industry. Specifically, performance metrics fall into four categories: 1) Marketing dollars spent and audience reached (e.g., website and media visits, social media followers, advertising spend, earned media); 2) Planning activity (e.g., group and attraction sales, site inspections, wedding planning, accommodation reservations); 3) Visitor tracking (e.g., tourist center guests, event and recreational site visits, transportation hub visits, surveys); and 4) Tax revenue and economic impact generated by tourist activity (e.g., lodging, meals, attractions, and transportation taxes, and job creation). In addition, the workgroup found that the sources of Rhode Island data came from a combination of tax information and third-party proprietary purchased reports.

5. Evaluate the impact of international visitors on the Rhode Island tourism economy.

Several times during our meetings, we had a discussion of the international visitor. With the expansion of international flights into Green Airport, the Commission would like to examine the impact the international tourist more closely.

Representative Lauren Carson, Chair
House Special Legislative Commission on Tourism and Branding

List of Commission Accomplishments, Future Agenda Items and suggested Additional Participants as Stated by Tourism Commission Members

Jennifer Bramley- Chair - Providence Tourism Council:

This commission has been very instrumental in bringing all parties and stakeholders together, helping foster dialogue on a very important industry for the State.

Evan Smith- President & CEO - Discover Newport:

This commission has been key to raising awareness and aiding the conversation on the benefits of Travel and Tourism for the State's economy. The state of the state's travel industry is very strong right now thanks to this increased collaboration between both the private and public sectors, but we can't stop there. This is a very competitive industry so a strong focus needs to be placed on planning, not only for 2 years but 5 and 10 year models should be in place to ensure our continued success.

Martha Sheridan- President & CEO - Greater Providence Warwick Convention and Visitors Bureau:

This commission has helped shine a spotlight on Travel and Tourism. It has also reconnected Commerce RI with the regional districts as well as legislators. The goal of a robust statewide brand supported by the regions is being realized.

Representative Fogarty:

Happy to see that interest has been raised thanks to this commission. Also pleased that the Commission was able to hear from the regions regarding tourism dollars being brought back to help facilitate a successful tourism season as discussed at TF Green Airport meeting.

John Rodman- (designee for Trudy Coxe) Preservation Society of Newport:

Felt that the commission provided a very important "seat at the table" when discussion takes place for Travel and Tourism in the state. This commission has been key in providing a forum for regions to present their ideas and data to the proper audience. A key view would be a continued commitment to both the regional and state levels.

Louise Bishop- President & CEO - South County Tourism Council:

Would like to see more South County properties involved with the travel and tourism dialogue. The Ocean House serves as a good example for a property, as well as more information regarding travel packages being offered in that part of the state. Labor issues would be a welcome topic in the future as well as any other issues that would look to help those partners in the travel industry.

Karen Jedson Director - City of Warwick Department of Tourism, Culture and Development:

Looking to have TF Green Airport at the table for future travel and tourism discussions. Especially since it plays such an integral part in this industry. Would also like to see focus regarding a Visitors Center at the airport in future discussions.

Chairwoman Carson:

Was very pleased with the tremendous amount of international exposure Rhode Island has received, thanks to the Volvo Races. As the races get closer only increased positive exposure will follow. Should the commission continue, more involvement from the private sector would be beneficial to our Travel and Tourism discussion. Continuing to hear more from the private sector by adding additional “on the road” venues. These were extremely instrumental in aiding the members get a first-hand look and listen of those partners who are actually on the “frontline” of this very important industry.

Geraldine Barclay-King- (designee) Blackstone Valley Tourism Council:

Would like to see more inclusion of the national parks for future meetings, possibly even including the input of DEM as well.

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS
FOR GROWING TOURISM IN THE STATE OF RHODE
ISLAND THROUGH COORDINATED BRANDING AND
MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Friday, July 15, 2016

TIME: 10:00 am-11:30 am

**PLACE: Old Colony House
Washington Square
Newport, RI**

***You can find parking in Washington Square on the street or use the Mary Street Lot**

***Please plan an extra 15 minutes with your commute to this venue**

AGENDA

- I. Introduction and Background on the Old Colony House by Ruth Taylor
- II. Introduction of Rhode Island Commerce Corporation Chief Marketing Officer, Lara Salamano
- III. Update by the Rhode Island Commerce Corporation
- IV. Public Testimony

Please contact Charles Donovan House Policy (401) 528-1765 CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with questions.



House Policy Office

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS
FRIDAY- JULY 15, 2016**

- Chairwoman Carson – House of Representatives
- Representative Kenneth Marshal– House of Representatives
- House Minority Whip Blake Filippi- House of Representatives
- Representative Kathleen Fogarty
- Louise Bishop- President, South County Tourism Council
- Jessica Willi-Executive Director, Block Island Tourism Council
- Karen Jedson- Director, Warwick Department of Tourism
- Jennifer Bramley- Providence Tourism Council
- Kristen Adamo (designee Martha Sheridan)- Greater PVD Warwick Convention
- Dr. Robert Billington- Chairman, Blackstone Valley Tourism Council
- Evan Smith- President, Discover Newport
- Patti Doyle-President, Patty Doyle Communications
- Trudy Coxe- CEO Preservation Newport

Meeting Link:

<http://ritv.devosvideo.com/media/opehfdbv.mp4>

Meeting Notes

Meeting was called to order at 10:00 am by Chairwoman Carson. In an effort to showcase some of Rhode Island’s Tourism treasures and places of interest the commission decided to take these Tourism meetings “On the Road”. [The Old Colony House in Newport, RI](#) was the setting for today’s meeting. Ruth Taylor gave a brief introduction, background and history of this historic building. (Please see attached link)

Chairwoman Carson explained that the commission was expanded and extended as a result of [2016 H 8339](#). A brief background about the commission and its responsibilities was provided. According to discussion it became very apparent early on, that this commission, which legislatively started out as a “hands off” working group originally formed to give local tourism districts a seat at the table in discussing branding efforts put forth by Commerce RI needed to be upgraded to an “oversight” working group.

This commission would now and in the foreseeable future act as the common thread bringing all parties together, creating a working partnership atmosphere to all stakeholders in the re-branding efforts put forth by Commerce.

It would now hold Commerce RI and its Tourism branding campaign accountable through a variety of legislated reports and benchmark measurements. The two new members added to the commission, were introduced and include Representative Kathleen Fogarty and Trudy Coxe as a member of the Hospitality Association.

Presentations from the new Chief Marketing Officer for the RI Commerce Corporation, Lara Salamano and updates by the RI Commerce Corporation were provided to the Commission. Epic Decade and Havas credited with helping this campaign. Highlights provided below:

TOURISM CAMPAIGN: TOP-LINE HIGHLIGHTS SINCE MAY 25

- Activities reflected across each of the six pillars being leveraged to drive tourism activity

Public Engagement	Earned Media	Paid Media	Social Media	Brand Tools	Group Tour and Trade Marketing
Branded events and partnerships created by Epic Decade	Online and offline coverage earned through PR	Advertising placements, all formats	Earned and paid content via social platforms	Outreach, content and collateral	Sales generation through trade-shows and tour-operator meetings
<ul style="list-style-type: none"> • Held Warwick Gaspee Day Parade Pop Up • Planning underway for Newport and South County video capture events • Results to date: <ul style="list-style-type: none"> - 565 people engaged - 22 article mentions - 800 images received - 1,640 hashtag mentions 	<ul style="list-style-type: none"> • Hosted 12 media participants through four fam immersion tours • Ongoing media outreach to national and regional travel and lifestyle outlets • Results to date: <ul style="list-style-type: none"> - 76 editorial features - 240.4 million impressions - \$2.214 million in advertising value equivalency 	<ul style="list-style-type: none"> • Completed creative development for summer digital advertising campaign that will launch late July 	<ul style="list-style-type: none"> • Amplified #MyRIStory posts from Gaspee Day parade • Executed #MySecretSaturdays activation over four Saturdays in May-June • Live posted from RI Pride events • Grew social media followers by 4% in June 	<ul style="list-style-type: none"> • Rhode Island Travel Guide was available in print starting May 28 have distributed 80,000 travel guides to date • Published the Discover New England fulfilment guide in cooperation with Discover New England in English, German and Japanese languages 	<ul style="list-style-type: none"> • Conducted sales meetings with 92 domestic group tour operators and 130 international operators • Participated in Canadian trade mission with airport authority • Hosted 5 top German travel writers in Newport and Providence

Representative Marshall emphasized to Lara about the importance of a partnership and collaboration between the local districts and Commerce R.I. Trudy Coxe spoke to the financial aspects of the campaign by asking that an outline be provided to the commission. Representative Blake Filippi cautioned about strategic placement and timing of ads going forward. He reiterated again the important role that this commission has played with the branding efforts, noting that it was this body who asked for and received an explanation for the failed rollout of the “Cooler-Warmer” branding effort while holding Commerce accountable on a go forward basis.

Per Rep Carson, Sub Groups are being formed to analyze 4 areas crucial to an effective and successful branding campaign: funding formula review, study of best practices from other states, review of performance objectives and bi-monthly reporting from Commerce.

Two more meetings scheduled for “On the Road” include Slater Mill and another South County destination.

Public Comments made, include:

- Separating Tourism and Business dollars because of the different marketing strategies needed for both.
- The importance of testing marketing strategies both in state and out of state was raised.
- The longevity of this Commission and the possibility of extending it permanently.
- Patty Goldstein of the R.I. Airport Corporation thanked the commission for its efforts and looks forward to a continued working partnership on behalf of TF Green Airport. A possibility to have a future meeting there as well was raised.

Meeting Adjourned 11:10 am

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Friday, August 19, 2016

TIME: 10:00 AM

**PLACE: Matunuck Oyster Bar
629 Succotash Rd, South Kingstown, RI 02879**

AGENDA

I. History and Background of Matunuck Oyster Bar

- Perry Raso

II. Update by Rhode Island Commerce Corporation

- Lara Salamano, Chief Marketing Officer & Havas
- August Report to the Commission

III. Discussion of Commission Workgroups

-Evan Smith, Metrics for Measurement
-Martha Sheridan, Researching other States Structures
-Rep. Carson Hotel Tax Discussion

**IV. Preparation of Tourism Commission Interim Report to the House of
Representatives**

V. Comments and Testimony from Public

VI. Next meeting: October

Please contact Charles Donovan House Policy (401) 528-1765 CDonovan@rilegislature.gov or
Kendra Cervone at kcervone@rilegislature.gov with questions.



House Policy Office

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS
FRIDAY, AUGUST 19, 2016**

- Chairwoman Carson – House of Representatives
- Representative Blake Filippi- House Of Representatives
- Representative Kathleen Fogarty– House of Representatives
- Diane Patefield (designee for Myrna George)- South County Tourism Council
- Karen Jedson- Director, Warwick Department of Tourism
- Jennifer Bramley- Providence Tourism Council
- Dr. Bob Billington-Chairman, Blackstone Valley Tourism Council
- Martha Sheridan-President, Greater PVD Warwick Convention
- Evan Smith- President, Discover Newport

Meeting Link:

<http://ritv.devosvideo.com/media/b9hgwucuf.mp4>

Legislative Insight Link:

<http://ritv.devosvideo.com/media/gllbetzu.mp4>

Meeting Notes

Meeting was called to order at 10:00 am by Chairwoman Carson. Perry Raso gave a brief overview and background of his establishment- [Matunuck Oyster Bar](#). Update provided by Lara Salamano, RI Commerce Corporation at today's meeting. Highlights below:

TOP-LINE HIGHLIGHTS SINCE JULY 2015 AND KEY RESULTS

PUBLIC ENGAGEMENT	EARNED MEDIA	PAID MEDIA	SOCIAL MEDIA	BRAND TOOLS	GROUP TOUR AND TRADE MARKETING
Branded events and partnerships created by Epic Decade	Online and offline coverage earned through PR	Advertising placements, all formats	Earned and paid content via social platforms	Outreach, content and collateral	Sales generation through trade shows and tour-operator meetings
<ul style="list-style-type: none"> • Planning under way for Newport and South County video capture events • Results from April 2016 launch to date: <ul style="list-style-type: none"> - 565 people engaged - 22 article mentions - 800+ images received - 1,640 hashtag mentions 	<ul style="list-style-type: none"> • Ongoing media outreach to national and regional travel and lifestyle outlets • Hosted Thrillist's Matt Meltzer for fam immersion tour; planning tours for Huffington Post and Go Nomad reporters • Results from Oct. 1, 2015 through Aug. 5, 2016: <ul style="list-style-type: none"> - 117 editorial features - 334.93 million impressions - \$3.097 million in advertising value equivalency 	<ul style="list-style-type: none"> • Digital campaign launched on Aug. 2 • All creative is performing well • Average CTR (click-thru rate) for banners is 0.15 percent vs. benchmark of 0.05 percent to 0.07 percent • Paid search is also performing well, with a healthy 0.83 percent CTR 	<ul style="list-style-type: none"> • Social media followership increased 16.1 percent since June 30 and 72.4 percent since Jan. 1 • Engagement is up on Twitter and Facebook, both over the previous month and YoY; Instagram engagement is down over the previous month (no data for YoY) 	<ul style="list-style-type: none"> • 99,500 requests for the Rhode Island Travel Guide since May 26 • Website visits in July were up 35.5 percent over June • New website visitors accounted for 80 percent of total visits in July 	<ul style="list-style-type: none"> • Met with 32 group tour operators • Met with/ hosted 12 international media outlets

COORDINATION WITH REGIONS

Collaboration

- Kickoff Meeting
 - Met with region leads as a group to understand history, goals, priorities
 - Developed best practices and approach for moving forward
- Monthly Regional Meetings
 - Established a monthly meeting with region leads
- CMO/Region Introductions
 - CMO to meet with full regional teams to understand goals and priorities
 - Have met the Providence, Newport and Blackstone Valley teams
 - South County, Block Island and Warwick TBD
- Individual Marketing Lead Meetings
 - Sitting with marketing/advertising heads from regions to collaborate on integrated plans
 - Have met with the Providence team
 - To plan Newport, SC, BI, BV and Warwick meetings

Feedback Process

- Marketing Plan and Agency Approach
 - Keep regions included in process for plan approach and agency hiring
- RFP Process
 - Share all RFPs with regions for feedback
 - Give at least five business days for review/feedback
- Material Sharing
 - Share all consumer marketing materials (website/ads/etc.) with regions for response/feedback
 - Give at least two business days for review/feedback

Events

- Partnering on National and Regional Events
 - The Big E, Discover New England Summit, National Governors Association meeting and more

TOURISM VS. BUSINESS ATTRACTION

Marketing Budget FY 2017	
Tourism	\$3,360,000
Business Attraction	\$840,000
Total	\$4,200,000*

In order to strategically support both Tourism and Business Attraction in the most effective and efficient approach below outlines the procedure and best practices utilized by the Rhode Island Commerce Corporation:

- Halo Marketing: Tourism drives business attraction and business attraction drives tourism—the halo of advertising and messaging to these segments helps to drive awareness and buzz for both areas
- Business Travelers: Business attraction drives hotel stays generating more tourism
- Buying in Bulk: Placing advertising across both budgets gives us more buying power, largest reach and greater impressions
- Collaboration with the Regions: We are working across the regions and Chambers to help round out ad buys to be most effective and robust
- Staff Time: 20 percent of CMO and applicable team (creative/project management/communications) dedicated to business attraction; one staff member wholly dedicated to business attraction; two dedicated 100 percent to tourism

*based on 2016 hotel tax

PUBLIC ENGAGEMENT: MAKE IT YOURS (MIY)

Activities

- Planning under way for Newport and South County programs in August-September

Results to date

- More than 565 participants engaged:
 - To date, 11 RI experiences, five 140-character stories and 10 comments received via MIYStoryStudio.com
- 22 press articles, generating 41 million impressions and \$246,072.53 in equivalent advertising value
- More than 800 #MyRIStory images
- More than 1,640 #MyRIStory hashtag mentions and 1.9 million impressions on Twitter



EARNED MEDIA

Activities

- Pitched storylines informed by travel and lifestyle outlet editorial calendars and pop culture moments
- Partnered with regions on responses to inbound requests from Thrillist, *People* and Travel + Leisure, among others
- Hosted customized “introduction and immersion” tour for Thrillist travel writer Matt Meltzer; working on customized tours for Huffington Post and Go Nomad reporters
- Continued to boost editorial coverage through native advertising

Results to Date*

	Mentions	Impressions (M)	AVE (\$)
Traditional Media	117	301.72	\$2.79M
Social Media Mentions	405	9.67	\$89K
Native Advertising	N/A	23.54	\$218K
Total	522	334.93	\$3.097

ESSENCE
16 Hotels with Fun Summer Vibes

THRILLIST The Black-Sheep Oddball Place in Each State

People President Obama's Favorite Death by Chocolate Cake from Gregg's Restaurant

TRAVEL+ LEISURE Taylor Swift's Guide To RI

USA TODAY Seafood Shacks Worth a Stop this Summer

PROVIDENCE Journal R.I. Goes Live with New Ad Campaign Promoting State in the Northeast

10 Turn To 10 Commerce RI Rolls Out First Set of Digital Tourism Ads

PAID MEDIA

- Digital campaign launched on Aug. 2
- Goal is to drive visits to RI over the summer and beyond
- Ads are appearing where visitors get information on travel and related topics:
 - Paid search, e.g., Google and Bing
 - Banner ads on sites such as Travel + Leisure and Trip Advisor
 - Digital and mobile banners on targeted regional and hyperlocal sites
- Creative developed from #MyRIStory user-generated content
- Initial performance is promising:
 - All creative placements are performing well
 - Average CTR (click-thru rate) for banners is 0.15 percent vs. benchmark of 0.05-0.07 percent
 - Paid search is also performing well, with a healthy 0.83 percent CTR



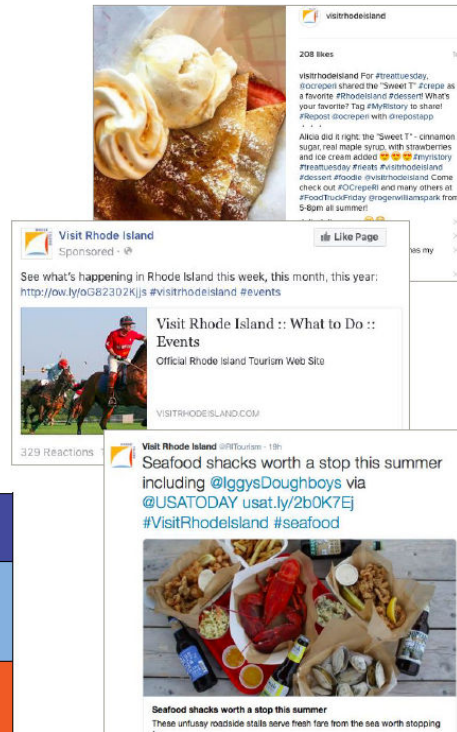
SOCIAL MEDIA

Activities

- Publishing content that showcases RI's must-see, must-do and must-eat highlights and visitor-driving events
- Sharing content from the regions about events, festivals and other activities
- Sharing positive editorial coverage about RI
- Engaging residents and visitors through #MyRIStory
- Amplified #GovBayDay across tourism social media channels
- Developing Instagram takeover program for the fall
- Planning monthly campaigns to drive engagement, starting with Labor Day weekend

Results to Date

Facebook	<ul style="list-style-type: none"> • Over 2 percent follower growth in July, to 31,843 • Engagement up 5.8 percent over June, to 13,814
Instagram	<ul style="list-style-type: none"> • 9.7 percent increase in followers in July • 36.2 percent decrease in likes in July • 27.8 percent decrease in comments in July
Twitter	<ul style="list-style-type: none"> • 4.4 percent increase in followers in July, to 2,145 • Engagement up 14.8 percent over June, to 271



Martha Sheridan spoke of the research going into compiling best practice data of other state structures and how we may learn from that and possibly utilize for our state. Evan Smith discussed his metrics for measurement report and the ability and sometimes inability to capture such information for marketing activity in relation to marketing results.

Meeting Adjourned at 11:30

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Friday, October 14, 2016

TIME: 10:00 AM

**PLACE: Museum of Work and Culture
42 South Main Street
Woonsocket, RI 02895**

AGENDA

I. History and Background of Museum of Work and Culture
-Dr. Morgan Grefe, Executive Director of the RI Historical Society

II. Update by Rhode Island Commerce Corporation
-Lara Salamano, Chief Marketing Officer

III. Update by Fiscal Staff: Hotel Tax and Year-To-Date Tax Numbers

IV. Discussion of Commission Workgroups

- Evan Smith, Metrics for Measurement
- Martha Sheridan, Researching other States Structures

V. Rhode Island Welcome Center- Representative Marshall

VI. Announcement of Final 2 Tourism Commission Meeting Dates, tentatively November 14, 2016 and December 12, 2016 at the Rhode Island State House

VII. Comments and Testimony from the Public

Please contact Charles Donovan at House Policy (401) 528-1765 CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with questions



House Policy Office

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS
FRIDAY, OCTOBER 14, 2016**

Commission members in attendance

Representative Lauren Carson – House of Representatives

Representative Blake Filippi – House of Representatives

Representative Kenneth Marshall – House of Representatives

Representative Kathleen Fogarty- House of Representatives

Natalie Carter - Blackstone Valley Tourism Council (designee for Bob Billington)

Diane Patefield- South County Tourism Council (designee for Louise Bishop)

Kaity Ryan- Preservation Society of Newport County (designee for Trudy Coxe)

Martha Sheridan- Providence Warwick Convention and Visitors Bureau

Evan Smith- Discover Newport

Karen Jedson- City of Warwick Department of Tourism, Culture and Development

Jessica Willi- Block Island Tourism Council

Meeting Link:

<http://ritv.devosvideo.com/media/w9er2job.mp4>

Legislative Insight Program: Cultural Tourism Growing in RI link:

<http://ritv.devosvideo.com/media/5eah11sq.mp4>

Meeting was called to order at approximately 10:00 am. Chairwoman Carson welcomed the commission and speakers to the meeting, which was held at the Museum of Work and Culture in Woonsocket, Rhode Island- a part of the Blackstone Valley Tourism Region. She indicated that the topic of tourism is of great importance to her. Chairwoman Carson stated that her district includes the entire commercial and waterfront portions of Newport, Rhode Island. She noted that this study commission was originally created through legislation in 2015 and was supposed to meet through April of 2016. However, through events that occurred earlier this year regarding statewide marketing and branding, the commission was extended through the end of the year. She indicated that the commission has been working on a variety of topics.

After roll call was taken, Chairwoman Carson explained that this meeting is the commission's third "on the road" meeting. Meetings have been held throughout Rhode Island, so that the commission could be brought to various tourism regions. She indicated that this commission expires at the end of the year, December 31, 2016. Chairwoman Carson next reviewed the items on the day's agenda.

Chairwoman Carson introduced Dr. Morgan Grefe, Executive Director of the Rhode Island Historical Society. She gave background information and a brief history of the Museum of Work and Culture, the setting of the day's commission meeting. Dr. Grefe explained that Museum was decided historically to be the perfect place to tell the story of labor and of work in Rhode Island and also the story of immigration. Historically, in the 20th Century, Providence was the fourth busiest immigration port in the country. She referred to the fact that there were many immigrants in the state of Rhode Island. The mayor of Woonsocket at the time, felt that there could be a museum which told these stories of work, labor, and immigration. The Museum of Work and Culture was opened

in 1997. She indicated that not only does the museum tell history and stories but it is also a visitor's center in Woonsocket.

At this time, Chairwoman Carson recognized two members of the House of Representatives who attended the meeting; Representative Phillips and Representative Casey. Chairwoman Carson next introduced David Richards, a board member of the Blackstone Valley Tourism Council. Mr. Richards thanked the commission and guests. He said that he and the tourism council feels honored that the commission chose to have their meeting at the Museum of Work and Culture. He explained that the Blackstone Valley Tourism Council is so proud of this museum.

Chairwoman Carson next introduced Lara Salamano, the Chief Marketing Officer from the Rhode Island Commerce Corporation and asked her to begin speaking.

**Lara Salamano, Chief Marketing Officer,
Rhode Island Commerce Corporation**

Ms. Salamano distributed a packet of information to the commission members. (See attached documents for further information). She indicated that the information is from June 2016 and into the future, so it is not from the entire year. She explained that they have had some large postings, including the Huffington Post and that they hosted USA today. She indicated that some very large media outlets are coming here to Rhode Island and doing FAM tours. Ms. Salamano feels that these tours that the media takes part in within Rhode Island are a great way for these media outlets to see the state and take it all in and understand the people and what makes Rhode Island amazing and unique.

In terms of paid media, she explained that they worked on this through the summer and have seen 5-times the national "click-through", which is 5 times the average digital campaign. She indicated that they are doing very well with regard to social media, in terms of followership and engagement. Ms. Salamano explained that their content is very engaging. Chairwoman Carson asked her what she attributes this improvement to. Ms. Salamano replied by saying that it is focus. They have a more robust team who is very focused and working collectively. Collective, strategic work and content has made a difference. Ms. Salamano explained that they are looking for long-term thinking and awareness when people look at their website and click on various areas of their content, even if they are not ready to take a vacation right away.

Ms. Salamano indicated that they have been working on a Rhode Island Travel guide as well as a robust website, www.visitrhodeisland.com. She explained that they are

working on marketing and awareness internationally and highlighted some of the methods. Ms. Salamano highlighted the 17-day “Big – E” event, which takes place in Connecticut, where there are physical structures and teams go there to work. She explained that there was higher attendance this year when compared to last year. Ms. Salamano noted that this is a great way to showcase Rhode Island.

At this time Chairwoman Carson thanked Lara Salamano and next introduced Sharon Reynolds Ferland, advisor from House Fiscal to begin speaking.

Sharon Reynolds Ferland, House Fiscal Advisor

Ms. Reynolds Ferland thanked the commission members and passed along a packet of information to the commission members for her presentation. (See attached PowerPoint.) Chairwoman Carson noted that Ms. Reynolds Ferland would be speaking about the hotel tax and how it is spent as well as helping the commission understand more about the hotel tax in general. Ms. Reynolds Ferland explained that her packet of information refers to how the hotel tax was distributed historically and how it has changed as well as recent changes and many other details with regards to the hotel tax.

Ms. Reynolds Ferland also noted that Paul Dion, the Chief at the Office of Revenue Analysis is also present at today’s meeting and people are welcome to ask him any questions as well. She noted that with most room rentals, people pay sales tax, the state hotel tax, and the local hotel tax. The local hotel tax has not really changed. She spoke about shared regional districts and areas with their own districts. During the 2016 Budget deliberations, they spoke about the 7% sales tax, 5% state hotel tax, the 1% local hotel tax. The distributions to the parties is shown on slide 7 (see attached PowerPoint). Most of the money that went to the campaign used to go to the state general revenues. During the 2016 session, the General Assembly approved some changes with regard to the hotel tax distribution.

According to the presentation packet:

The FY 2015 Budget, investment in state tourism and marketing campaign:

- Decreases shares for all districts & tourism/marketing entities
- General Fund share to Commerce Corporation
- Budget includes \$4.7 million for state campaign
- Expansion to unlicensed rentals to CC
- Districts must incorporate state campaign to receive share

Ms. Reynolds Ferland highlighted many of the details and changes that took place with regard to the hotel tax. With regard to the 2017 Budget, due to concerns over the Commerce Corporation statewide brand and marketing campaign earlier this year, there was a one year reversion from the old distributions to the regionals. The rates are now back to the old way. There is an increase in collections and receipts going to the

regional tourism regions and some of that is due to the expansion piece. There has been annual growth. Chairwoman Carson thanked Ms. Reynolds Ferland for her presentation. A few members of the commission asked Ms. Reynolds Ferland and Mr. Paul Dion, Chief at the Department of Revenue, some detail -oriented questions with regard to her presentation.

Evan Smith, chair of Metrics for Measurement Subgroup & Martha Sheridan, chair of Researching other State Structures Subgroup

At this time, Evan Smith and Martha Sheridan, both chairs of two of the Tourism Commission workgroups- Metrics for Measurement and Researching other State Structures, respectively gave an update on the work of their workgroups so far.

Evan Smith said that his subgroup committee has advanced the conversation with regards to metrics for measurement and how you measure tourism marketing and metrics for return on investments. He noted that his subgroup is also looking at the effects of marketing on the marketplace itself i.e. lodging, attractions, shopping, dining, recreation, transportation, etc. Mr. Smith stated that he and his subgroup would like to suggest having Longwoods come to present at a future tourism commission meeting to explain their research that they did for the state of Rhode Island.

Martha Sheridan, who is the Chair of the Researching other State Structures subgroup, highlighted the fact that her committee is looking at best practices in other states for tourism structures. She noted that there is no central depository of this information. This has to be done on a state-by-state basis. Essentially, they must count on their counterparts being forthcoming. Annual budget and primary funding sources are topics that they are looking at and it varies state to state.

At this time, Chairwoman Carson invited Representative Marshall, the final speaker, to begin speaking on his portion of the agenda, the Rhode Island Welcome Center.

Representative Kenneth Marshall

Representative Kenneth Marshall thanked everyone involved in advancing the state of Rhode Island in terms of tourism, marketing and branding. He noted that the visitor's center requires collaboration among the Rhode Island Commerce Corporation, Department of Transportation, the visitor's bureau, the chambers of commerce, and others to reveal various assets throughout the State of Rhode Island. He said he knows that the state of New Hampshire does this within their visitor's center by having resources that individuals can take with them and learn from so that they may experience different areas of the state as tourists. He recommends that this conversation continue and that the Department of Transportation and the Rhode Island Commerce Corporation take part in this collaborative conversation. Representative Marshall noted that a board should be created that can oversee that this visitor's center is being properly run, that it has sufficient staff, that it has the proper resources, and is

something of value to the State of Rhode Island. He noted that an invitation should be extended to the Department of Transportation and Department of Administration for a future meeting.

At this point, Chairwoman Carson discussed two of the upcoming tentative meeting dates with the commission.

Meeting adjourned: 11:35 A.M.

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Monday, December 12, 2016

TIME: 10:00 AM-11:30 AM

**PLACE: Rhode Island State House
Room 101**

AGENDA

- I. Rhode Island Department of Transportation Report on Visitors Center- Peter Garino, Rhode Island Department of Transportation Chief Operating Officer**
- II. Report from the Rhode Island Commerce Corporation- Lara Salamano, Chief Marketing Officer**
- III. Reports from Tourism Workgroups:**
 - Research from Other State Structures Workgroup- Martha Sheridan**
 - Metrics for Measurement Workgroup- Evan Smith**

- IV. Discussion to Create a Permanent Tourism Commission- Chairwoman Carson
- V. Next Steps and Discussion of Final Report

***No Public Testimony will be accepted at this meeting**

Please contact Charles Donovan at House Policy (401) 528-1765
CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with questions.



**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS
MONDAY- DECEMBER 12, 2016**

- Chairwoman Carson – House of Representatives
- House Minority Whip Blake Filippi- House Of Representatives
- Representative Kathleen Fogarty
- Louise Bishop- President, South County Tourism Council
- Jessica Willi-Executive Director, Block Island Tourism Council
- Karen Jedson- Director, Warwick Department of Tourism
- Martha Sheridan-President, Greater PVD Warwick Convention
- Evan Smith- President, Discover Newport
- Patti Doyle-President, Patty Doyle Communications
- Jon Duffy-President, Duffy Shanley
- Trudy Coxe- CEO Preservation Newport
- In attendance – Representative Elect Robert Quattrocchi

Meeting Link:

<http://ritv.devosvideo.com/media/f86aixsm.mp4>

Meeting was called to order at 10:00 am by Chairwoman Carson. Chairwoman Carson suggested to the committee that she would like to see this commission extended until April. A presentation from Rhode Island Department of Transportation Chief Operating Officer, Peter Garino gave the commission an update and history on the Visitor Center. According to testimony, after navigating federal government laws regarding visitor centers, a nine million dollar grant was applied for and awarded to Rhode Island for a visitor center. Originally the town of Hopkinton was viewed as the chosen site; however, focus is now changed to Richmond, RI.

Lara Salamano provided the commission a Tourism Campaign update regarding earned media, paid media, social media, brand tools as well as group and trade marketing.

TOPLINE HIGHLIGHTS AND KEY RESULTS (OCT. 11, 2016-TO DATE)

EARNED MEDIA	PAID MEDIA	SOCIAL MEDIA	BRAND TOOLS	GROUP TOUR AND TRADE MARKETING
Online and offline coverage earned through PR	Advertising placements, all formats	Earned and paid content via social platforms	Outreach, content and collateral	Sales generation through trade shows and tour operator meetings
<ul style="list-style-type: none"> • Hosted in-state visits for travel writers from <i>USA Today</i>, <i>Huffington Post</i>, <i>Thrillist</i> and <i>Condé Nast Traveler</i>. Results from October 2016 to date: <ul style="list-style-type: none"> – 27 editorial features – 104.6 million impressions – \$1.3 million in advertising value equivalency • Ongoing media outreach to national and regional travel and lifestyle outlets 	<ul style="list-style-type: none"> • Fall campaign launched on Oct. 17 and will run through Dec. 15 • Holiday-themed creative is performing very well and the average overall CTR over the past two-week period is 0.22 percent, which is well above benchmark of 0.05 percent to 0.07 percent • On a campaign-to-date basis, the average CTR is 0.23 percent, inclusive of display ads and search, in line with the performance of the summer campaign and comfortably above the benchmark. The average CPC for the campaign is a very efficient \$1.92. 	<ul style="list-style-type: none"> • Social media followership increased 48.7 percent YoY on Twitter and Facebook as of Dec. 1, 2016 • Reach in November 2016 on Facebook and Twitter—402,354 combined—has increased significantly compared to November 2015—21,867 combined 	<ul style="list-style-type: none"> • 99,500 requests for the Rhode Island Travel Guide since May 26 • Website visits in November 2016 were up 249.7 percent over the previous year • New website visitors accounted for 90 percent of total visits in November 	<ul style="list-style-type: none"> • Australia and New Zealand mission <ul style="list-style-type: none"> – 45 tour operator sales appointments – 450 travel agent trainings – 30 travel media appointments • Japan Association of Travel Agents (JATA) <ul style="list-style-type: none"> – 151 agent training appointments

Discussion centered on the Tourism Workgroups. Martha Sheridan and Evan Smith updated the commission on other states best practices and measurement metrics for the best return on investment. A comprehensive folder will be entered into the record to be shared with the commission.

Chairwoman Carson suggested that this commission could potentially be turned into a permanent commission meeting twice a year or at the request of the members. The next meeting will be scheduled in late January early February.

Meeting Adjourned 11:10 am

SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING EFFORTS

NOTICE OF MEETING

DATE: Friday, February 3, 2017

TIME: 10:00 AM

**PLACE: T.F. Green Airport
Mary Brennan Board Room**

2000 Post Road
Warwick, RI 02886

AGENDA

- I. Background and introductory welcome from T.F. Green Airport- Iftikhar Ahmad, President and CEO of Rhode Island Airport Corporation
- I. Report from the Rhode Island Commerce Corporation- Lara Salamano, Chief Marketing Officer, Rhode Island Commerce Corporation
- II. Report on Metrics and Proposal for Final Report from Metrics Workgroup- Evan Smith, President and CEO of Discover Newport
- III. Remarks by Chairwoman regarding Structural Materials, Martha Sheridan's binder of research, timeline of commission, the passing of the resolution to extend the dates, and final goals of the commission
- IV. Announcement of upcoming meeting dates (March 10, 2017, April 7, 2017, and May 5, 2017) and discussion of Travel Oregon/Oregon Travel Commission upcoming presentation by Scott West, Chief Strategy Officer

***No Public Testimony will be accepted at this meeting**

Please contact Charles Donovan at House Policy (401) 528-1765

CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with questions.



House Policy Office

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS
FRIDAY, FEBRUARY 3, 2017**

Representative Lauren Carson – House of Representatives
Representative Kenneth Marshall – House of Representatives
Representative Kathleen Fogarty- House of Representatives
Representative Robert Quattrocchi- House of Representatives
Barry Mechanic - Blackstone Valley Tourism Council (designee for Bob Billington)

Louise Bishop- South County Tourism Council

John Rodman- Preservation Society of Newport County (designee for Trudy Coxe)

Kristen Adamo- Providence Warwick Convention and Visitors Bureau (designee for Martha Sheridan)

Evan Smith- Discover Newport

Patti Doyle- Patti Doyle Communications

Susan Folco- City of Warwick Department of Tourism, Culture and Development
(designee for Karen Jedson)

Jessica Willi- Block Island Tourism Council

Meeting Link:

<http://ritv.devosvideo.com/media/fdb914db5983.mp4>

Meeting was called to order at approximately 10:00 am. Chairwoman Carson welcomed the commission and speakers to the meeting, which was held at T.F. Green Airport in Warwick, Rhode Island. She noted that this commission has been meeting since June of 2015 and that she has taken some of the meetings “on the road” to various tourism locations throughout the state of Rhode Island. Chairwoman Carson explained that most of this particular meeting would focus on the tourism metrics sub-group that meets. Chairwoman Carson reviewed the agenda for the day.

Iftikhar Ahmad, President and CEO of Rhode Island Airport Corporation

Iftikhar Ahmad, President and CEO of Rhode Island Airport Corporation explained that tourism is very important to the T.F. Green Airport. He noted that tourism develops job opportunities and increases economic development. He stated that he supports the work of this tourism commission.

Lara Salamano, Chief Marketing Officer,
Rhode Island Commerce Corporation

Ms. Salamano, Chief Marketing Officer at the Rhode Island Commerce, handed out meeting materials to the commission. She noted that regarding earned media, (online and offline coverage earned through PR) their tourism campaign has had 9 editorial features and 77.8 million impressions which is an equivalent of \$720.4K in advertising value equivalency. With regard to paid media, their fall campaign launched on October 17 and ended on December 15. Banner ads generated an average Click Through Rate (CTR) of 0.21 percent, significantly above the industry benchmark of 0.05 to 0.07 percent. Furthermore, search ads performed exceptionally well with a healthy 1.95 percent CTR, and cost per click for the campaign was \$1.47, well below the \$2 target. The campaign generated a total of 117,418 clicks to www.VisitRhodeIsland.com. With regard to social media, she noted that social media followership increased 47.8 percent YoY on Twitter and Facebook as of Jan. 1, 2017. Reach in December 2016 on Facebook and Twitter—427,991 combined—has increased significantly compared to December 2015—57,870 combined.

With regards to Brand Tools, there have been 99,500 requests for the Rhode Island Travel Guide since May 26, website visits in December 2016 were up 40.1 percent over the previous year, and new website visitors accounted for 83.9 percent of total visits in December. When speaking about Group Tour and Trade Marketing, Ms. Salamano noted that the American Business Association (ABA) Marketplace conducted 50 scheduled sales appointments with leading tour operators. They developed Discover New England International travel trade strategy for 2017. They planned itineraries for the following Familiarization (FAM) tours. Verena Wolf (Germany), Virgin Holidays Manchester Inaugural Flight FAM (UK), Visit USA Expo Australia Incentive FAM (Australia), United Airlines (New Zealand) Incentive FAM, Spartacus, Sky TV (Italy), Aer Lingus FAM (Germany), and DNE attended the Dublin Holiday Show.

She continued by highlighting the activities that took place. She next described the tourism bi-monthly report. Details are shown below.

<u>Category</u>	<u>Results</u>	<u>Notes</u>	<u>Results</u>	<u>Notes</u>
Statewide	69.5percent	September	67.4 percent	December

Occupancy Rates*	2016		2016	
	Hotel and Meal Tax Receipts**			
Hotel	\$13.9 million, +12.2 percent over prior year period	For fiscal year-to-date March 2016	\$19.4 million, +12.5 percent over prior year period	For fiscal year-to-date June 2016
Meal and Beverage	\$18.87 million, +8.7 percent over prior year period	For fiscal year-to-date March 2016	\$25.7 million, +7.5 percent over prior year period	For fiscal year-to-date June 2016
	Earned Media***			
Placed Editorial Coverage	269	For Oct. 1, 2015-Dec. 4, 2016	9	For Dec. 5, 2016-Jan. 27, 2017
Impressions	674,042,534	For Oct. 1, 2015-Dec. 4, 2016	77,889,488	For Dec. 5, 2016-Jan. 27, 2017
Advertising Value Equivalency	\$6,224,892.32	For Oct. 1, 2015-Dec. 4, 2016	\$720,477.76	For Dec. 5, 2016-Jan. 27, 2017
Website Activity	123,332 visits, +249.7 percent YOY	As of December 1, 2016	42,713 visits, +40.1 percent YOY	As of January 3, 2017
	Social Media Engagement***			
Followership	36,631, +48.7 percent YOY	As of December 1, 2016	36,800, +47.8 percent YOY	As of January 3, 2017
Reach	402,354 versus 21,867 in 2015	As of December 1, 2016	427,991, versus 57,870 in 2015	As of January 3, 2017

RHODE ISLAND TOURISM BIMONTHLY REPORT

Evan Smith, President and CEO of Discover Newport

Mr. Evan Smith began his report on metrics and building a tourism metrics dashboard by noting that his committee has been studying the best practices of measuring the success and outcomes of destination tourism companies and what indexes they use.

Mr. Smith highlighted what the national dashboard looks like. He noted potential tourism metrics to consider. These potential tourism metrics are: State Lodging Tax, State Meals Tax, State Sales Tax, State Gas Tax, Airport Arrival Statistics, Bridge Statistics, Amtrak Statistics, Gaming Revenue Generated, Attraction/Tour Attendance, Special Event Attendance, Recreational Activities – i.e. Golf, Beach parking revenue, City Parking Garage Revenue, Ferry Ticket Revenue, Cruise Ship Visitation, Motor Coach Visitation, Marina Slips & Mooring Revenue, and the number of Weddings in Rhode Island.

At this time, Mr. Smith explained marketing measurements. They are: Website Statistics, Social Media (Facebook, Twitter, Instagram, Pinterest) Followers & Engagement, Number of Media Fam Trips/Inquiries, Destination's Earned Media, Destination's Media Equivalency, Number of Visitor Guides Requested, and Destination Inquiries Via Website, Phone, Etc. Mr. Smith noted that when talking about meeting and convention measurements, there are two categories: group statistics associated with the Rhode Island Convention Center and group statistics independent of the Rhode Island Convention Center.

Mr. Smith continued by talking about Smith Travel, the Rhode Island Airport Corporation, and the Turnpike and Bridge Authority. He concluded his presentation by stating that if we can develop the Rhode Island Tourism metrics dashboard it will enable everyone to see how dynamic and important the travel & tourism industry is to our state's economy. It can be accomplished with the cooperation and collaboration between public and private sector organizations.

Chairwoman Carson asked the commission to think about questions they would like to ask Scott West, Chief Strategy Officer from Travel Oregon/Oregon Travel Commission during his upcoming presentation via Skype at the next tourism commission meeting.

At this time, some commission members asked Mr. Smith some questions regarding the data he presented and his presentation and he answered them.

At this time Chairwoman Carson noted the upcoming tentative commission meeting dates and tentative locations. Chairwoman Carson asked each commission member who represents a tourism council to state how 2016 was for them as a year.

Each member explained that for their own tourism council, how the year 2016 was.

Meeting Adjourned at 11:35 pm.

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Thursday, March 16, 2017

TIME: 1:00 PM

**PLACE: Rhode Island Statehouse
Room 101**

- I. Skype discussion with Scott West, Chief Strategy Officer of Travel Oregon/Oregon Travel Commission
- II. Opening Remarks- Chairwoman Carson
- III. Report from the Rhode Island Commerce Corporation- Lara Salamano, Chief Marketing Officer, Rhode Island Commerce Corporation
- IV. Report on Best Practices of Other States and their Tourism Structures- Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau
- V. Report on Metrics and Proposal for Final Report from Metrics Workgroup- Evan Smith, President and CEO of Discover Newport
- VI. Status on Report to the House
- VII. Discussion of next meeting- Thursday, April 6, 2017 at Rhode Island Convention Center

***No Public Testimony will be accepted at this meeting**

Please contact Charles Donovan at House Policy (401) 528-1765

CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with questions.



House Policy Office

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR
GROWING TOURISM IN THE STATE OF RHODE ISLAND THROUGH
COORDINATED BRANDING AND MARKETING EFFORTS**

THURSDAY, MARCH 16, 2017

Not intended as official meeting minutes

Representative Lauren Carson – House of Representatives

Representative Blake Filippi – House of Representatives

Bob Billington- Blackstone Valley Tourism Council

Louise Bishop- South County Tourism Council

John Rodman- Preservation Society of Newport County (designee for Trudy Coxe)

Martha Sheridan- Providence Warwick Convention and Visitors Bureau

Tim Walsh- Discover Newport (designee for Discover Newport)

Jessica Willi- Block Island Tourism Council

Jennifer Bramley- Providence Tourism Council

Meeting Link:

<http://ritv.devosvideo.com/media/6909274a5ac5.mp4>

The meeting was called to order at approximately 1 pm. Chairwoman Carson thanked the commission before informing them they would be hearing from Scott West from Oregon via Skype. Mr. West is the Chief Strategy Officer of Travel Oregon/Oregon Travel Commission. She went on to explain that the commission will be receiving the Rhode Island Commerce Corporation's Chief Marketing Officer, Lara Salamano as well as an update report on best practices of other states and their tourism structures by

Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau. Finally, an update on tourism metrics and proposal for the final report from metrics workgroup will also be given as well as the status on the report to the House. At this time, Mr. Scott West, began his presentation via Skype. Chairwoman Carson then introduced Mr. Scott West who began his presentation.

Scott West, Chief Strategy Officer of Travel Oregon/Oregon Travel Commission

Mr. West is the Chief Strategy Officer of Travel Oregon/Oregon Travel Commission. He noted that back in 2003, Oregon’s 2003 Tourism Budget was:

- 47th lowest of the 50 states
- Losing tourism market share to other states
- Oregon needed an economic stimulus

He explained that Oregon’s Tourism Strategy included the passing of House Bill 2267. It was signed into law and became the Oregon Tourism Investment Proposal. This 2003 legislation:

- Implemented 1% Statewide Lodging Tax
- State tax revenues fund Oregon Tourism Commission, dba Travel Oregon
- Protected local lodging taxes
- Existing local rates and allocations for tourism were “grandfathered”
- Future increases in local lodging tax rates require at least 70% dedicated to tourism

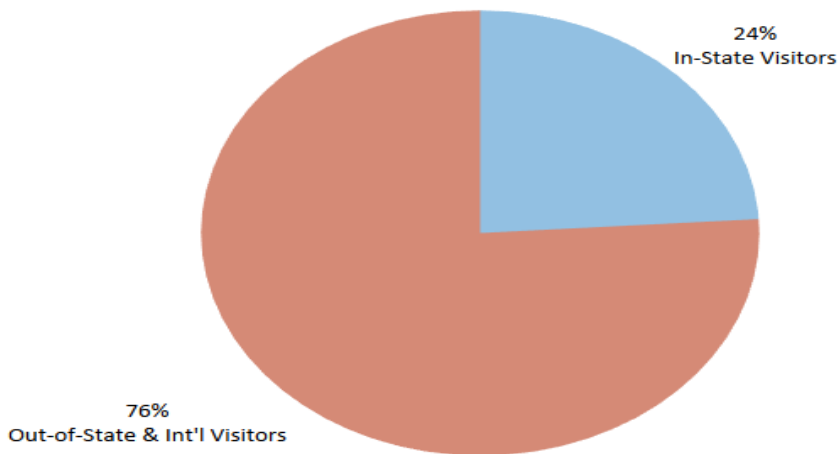
As a result, Oregon’s tourism performance increased from 2003 to 2015, in terms of direct employment, employee earnings, visitor spending, and taxes (state/local), as shown below in chart.

	2003	In 2015	Change
Direct Employment	85,600 jobs	105,500 jobs	+23%
Employee Earnings	\$1.7 billion	\$2.8 billion	+65%
Visitor Spending	\$6.5billion	\$10.8billion	+66%
Taxes (State/Local)	\$242 million	\$466 million	+93%

Mr. West highlighted that visitor spending and jobs have increased significantly when comparing 2003 to 2016. The Blue bars below signify Oregon visitor spending and the Orange bars signify jobs.



Mr. West identified the percentage of revenue from overnight visitors by showing the graph below.



With regard to Oregon's Travel and Tourism industry, Mr. West indicated that:

- 105,500 Oregonians are directly employed.
- Restaurants, hotels, wineries, attractions, guiding & outfitter businesses, tour operators, visitor information centers, convention and visitor bureaus
- Indirect: Gas stations, libraries, community centers, shopping centers, printers, art galleries and more (2015 Figures)

When speaking about Oregon's Tourism investment 2.0 House Bill 4146, he made note of the bill's chief sponsor, Representative Nancy Nathanson's, statement in her speech on the House floor:

"This bill increases resources for the Oregon Tourism Commission to invest in furthering the state's tourism industry, to promote all of Oregon. And we know that investing in tourism pays off, big time. Since the state lodging tax passed in 2003, there's been an 84% increase in local taxes from visitor activity. Every \$1 invested in Travel Oregon's advertising campaigns generates \$11 in state and local tax revenue. Since Travel Oregon started doing statewide marketing, there has been significant growth in out-of-state and international visitors. For example: international visitation to Oregon in 2014 increased 9% over 2013."

He explained that the 2016 legislation did the following things:

- Increases state lodging tax from 1% to 1.8% effective July 1, 2016
- Decreases state lodging tax to 1.5% effective July 2020
- Directs 20% of state lodging tax to implement a Regional Cooperative Tourism Program
- Allows for investment in marketing, services, sales and development
- Directs 10% of state lodging tax to a competitive grants program

It also established a work group to review the following:

- Policies for establishing regional boundaries and frequency of distributions
- Exempting homeless individuals from paying the state lodging tax
- Barriers to expansion and maintenance to recreational tourism in each region
- Information sharing between state and local governments

With regard to Travel Oregon, Mr. West noted both:

Their vision: "A better life for Oregonians through strong, sustainable local economies."

Their mission: "We inspire travel that drives economic development. Through innovation and partnerships, we share the stories of Oregon's people and places, ensuring the preservation of Oregon's way of life and natural places."

He indicated that Travel Oregon's Strategic Plans 2015-2017 Imperatives are as follows:

- Optimize Statewide Economic Impact
- Support & Empower our Partners
- Champion the Value of Tourism
- Run an Effective Business

Chairwoman Carson thanked Mr. West for presenting and asked the commission to think about everything he said. She now asked Ms. Lara Salamano to begin speaking.

Lara Salamano, Chief Marketing Officer at the Rhode Island Commerce Corporation

Ms. Salamano summarized the activities and progress of the Rhode Island Commerce Corporation thus far. She indicated:

In the past seven months, they have been hard at work building their foundation:

- Rounded out the marketing team to include business attraction, tourism, marketing and communications professionals
- Developed a brand voice and design guidelines. These elements provide design guidelines, brand personality direction, a graphic identity system, logo/text placement, and design do's and don'ts for end users
- Developing new robust tourism website
- All metrics are up -- social media followership/ reach, website visitors, earned media, and climate variables
- Hiring New Tourism and Business Attraction Public Relations and Advertising Agency

Ms. Salamano indicated that the Rhode Island Commerce Corporation continues to seek out and work with the most experienced and qualified vendors who are truly best in class. She noted that these projects are key components to their success and provide the needed foundation to allow them to continue to grow tourism and drive new businesses to Rhode Island in the coming months.

She explained the Request for Proposal (RFP Process). The RFP was a result of the Corporation's need to hire a new advertising and public relations agency to expand upon and grow the Corporation's marketing initiatives. In November 2016, the Corporation issued a request for proposals (RFP) for Tourism and Business Attraction Advertising and Public Relations services.

The Corporation received the following responses to the RFP:

- Tourism Advertising – 12
- Tourism Public Relations – 10

An evaluation committee comprised of internal team members and external industry partners thoroughly vetted all responses, reading through them and scoring them to determine the top contenders in each focus area.

Finalists:

- Tourism Advertising – 3
- Tourism Public Relations – 4

The Rhode Island Commerce Corporation sought firms that were able to develop advertising and public relations campaign strategies for business attraction; manage production and development of creativity that inspires, informs and drives action; evaluate regional and national media opportunities and plans media buys; identify promotional opportunities; cultivate strategic partnerships; and provide research & analytics. The advertising and public relations firms will work collaboratively with the Rhode Island Commerce Corporation website and social media partners.

Ms. Salamano indicated that Tourism is an important driver of the Rhode Island economy. As of 2013, tourism to Rhode Island contributed \$2.38 billion to the state's economy, supported over 39,000 jobs, and provided more than \$1 billion in wages and salaries.

She emphasized The Rhode Island Commerce Corporation commitment to growing the state's tourism industry by increasing:

- **Traveler trips to Rhode Island**
- **Average traveler spend per trip**
- **Resident spend on tourism activities**

She explained how the Corporation promotes Rhode Island in the domestic and international marketplaces, leveraging multiple marketing and communications tactics, including but not limited to traditional public relations strategies, advertising, social media, public engagement programs, travel trade and sales outreach adding that all of these efforts are directed at our target audiences—prospective visitors, previous visitors, Rhode Island residents, transportation partners, tour operators, travel agents, industry partners and NGO's. She noted that NAIL Communications, RDW Group, and NJF were hired by the Rhode Island Commerce Corporation.

At this time, Martha Sheridan from the Providence Warwick Convention and Visitors Bureau spoke regarding progress and research from the tourism subcommittee she chairs regarding Best Practices of Other States and their Tourism Structures. Paul McGreevey spoke with regard to Tourism Metrics and the Final Report from Metrics Workgroup that had been submitted to the commission to review.

Chairwoman Carson noted that there is more work to do regarding the topic of the commission. She then thanked the commission for their time before she entertained a motion to adjourn.

Meeting Adjourned at 2:00 PM

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Thursday, April 6, 2017

TIME: 10:30 AM

**PLACE: Rhode Island Convention Center
Level 1 West Lobby**

- I. Opening Remarks- Chairwoman Carson
- II. Remarks by Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau and Larry Lepore, General Manager of the Rhode Island Convention Center and Dunkin Donuts Center
- III. Report from the Rhode Island Commerce Corporation- Lara Salamano, Chief Marketing Officer, Rhode Island Commerce Corporation
- IV. Report on Best Practices of Other States and their Tourism Structures- Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau
- V. Preparing the Commission's Final Report to the House
- VI. Round Robin regarding Regional Summer Tourism Plans
- VII. Discussion of next meeting

***No Public Testimony will be accepted at this meeting.**

**Please contact Charles Donovan at House Policy (401) 528-1765
CDonovan@rilegislature.gov or Kendra Cervone at kcervone@rilegislature.gov with
questions.**



**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR
GROWING TOURISM IN THE STATE OF RHODE ISLAND THROUGH
COORDINATED BRANDING AND MARKETING EFFORTS**

FRIDAY- APRIL 6, 2017

Representative Lauren Carson – House of Representatives

Kathleen Fogarty – House of Representatives

Robert Quattrocchi – House of Representatives

Geraldine Barclay-King -- Blackstone Valley Tourism Council (designee for Bob Billington)

Louise Bishop- South County Tourism Council

John Rodman- Preservation Society of Newport County (designee for Trudy Coxe)

Martha Sheridan- Providence Warwick Convention and Visitors Bureau

Evan Smith- Discover Newport

Karen Jedson- City of Warwick Department of Tourism, Culture and Development

Jennifer Bramley- Providence Tourism Council

Meeting Link:

<http://ritv.devosvideo.com/show?video=4dd7e703c90e&apg=ed687894>

Chairwoman Carson called the meeting to order at 10:30am. Martha Sheridan began the meeting off discussing the often overlooked role and importance that meetings and conventions play in regard to the tourism industry. The value of these face to face meetings have a major economic and social impact on our state and with this industry. The need to recognize these participants cannot be stated enough.

One of those partners is Larry Lepore, General Manager of the RI Convention Center and Dunkin Donuts Center. According to discussion the major issue facing his group is not only working to make today's meetings and conventions successful but also planning out years in advance to meet the future needs and demands of those perspective clients. This will help foster continued success in the industry allowing them to compete and grow in a positive fashion.

Lara Salamano of Commerce RI, introduced the new agencies working in the Tourism sector. Jeremy Crisp from Nail Communications spoke of his efforts to create the content for the Tourism Campaign. Marla Pinto – RDW is working with media buying and planning strategy on behalf of Tourism. Courtney Long of NJF will handle the public relations and social media aspects as well as acting as the research arm for Rhode Island Tourism. Mark Brodeur was introduced and spoke to the Commission about sales efforts in place. (See below)



Rhode Island Tourism

Rhode Island Commerce Corporation

TOURISM TRADE DEVELOPMENT AREAS

Travel Trade

Tour Operators, Receptive Operators, Travel Agents, Online Travel Agents (OTA's)

Support: FAM Tours, Product Development, Itineraries, Photography, Trade Shows

International Media

Publications, Websites, Social Platforms and Blogs

Support: Media Tours, Story Pitching, Press Releases, Content Imagery, Fact Checking

2

TOURISM TRADE DEVELOPMENT AREAS

Consumer Shows



Discover New England, AAA Travel Show, The Big E

Support: Publications, Contesting, Show Presents

Industry Development

Expansion of Air Service, Industry Asset & Market Development

Support: Industry education, Trade Missions, Research, Marketing, Incentives Programs

3



Chairwoman Carson requested a breakdown of the 2017 RI Commerce Tourism budget for next meeting.

Round Robin discussion took place, with commission members expressing a list of accomplishments over the course of the creation of this special Legislative Commission. Other voices to include on commission going forward was discussed.

The next meeting will be Friday May 5, 2017 Room #101 at 10:00am. It will include Brad Read and discussion of Rhode Island as host to the International Volvo Races.

Meeting Adjourned 11:45am

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR
GROWING TOURISM IN THE STATE OF RHODE ISLAND THROUGH
COORDINATED BRANDING AND MARKETING EFFORTS**

NOTICE OF MEETING

DATE: Friday May 5, 2017

TIME: 11:00 AM

**PLACE: Rhode Island Commerce Corporation
315 Iron Horse Way
Providence, RI 02908
Suite 101
Narragansett Room**

- I. Opening Remarks- Chairwoman Carson
- II. Presentation by Brad Read, Executive Director of Sail Newport Inc. on Volvo Ocean Race Newport Rhode Island
- III. Report from Adam Sacks, President of Tourism Economics via Skype
- IV. Report on Best Practices of Other States and their Tourism Structures- Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau
- V. Preparing the Commission's Final Report to the House

***No Public Testimony will be accepted at this meeting.**

Please contact Charles Donovan at House Policy (401) 528-1765 CDonovan@rilegislature.gov or Kendra Maynard at kcervone@rilegislature.gov with questions.



**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

FRIDAY, MAY 5, 2017

Not intended as official meeting minutes

Commission members in attendance

Representative Lauren Carson – House of Representatives

Representative Blake Filippi – House of Representatives

Bob Billington- Blackstone Valley Tourism Council

Louise Bishop- South County Tourism Council

Trudy Coxe - Preservation Society of Newport County

Martha Sheridan- Providence Warwick Convention and Visitors Bureau

Evan Smith- Discover Newport

Karen Jedson- City of Warwick Department of Tourism, Culture and Development

Jessica Willi- Block Island Tourism Council

Jennifer Bramley- Providence Tourism Council

John Duffy- Duffy and Shanley

Meeting Link:

<http://ritv.devosvideo.com/media/9fb8ce18b45b.mp4>

Chairwoman Carson welcomed the members. She indicated that the meeting, which was held at the Rhode Island Commerce Corporation, would include presentations from Brad Read, the Executive Director of Sail Newport Inc. regarding the Volvo Ocean Race in Newport Rhode Island and that a report would be given by Adam Sacks, the President of Tourism Economics via Skype. The commission members would also discuss the final report. At this time, Chairwoman Carson asked Mr. Sacks to please begin.

Mr. Adam Sacks spoke to the commission via Skype. He is the President of Tourism Economics, a consulting group/company. Tourism Economics operates with a singular objective: combine an understanding of the tourism sector with proven economic tools to answer the most important questions facing their clients. Mr. Sacks highlighted many results. He indicated that:

- Rhode Island hosted 24.1 million visitors in 2015, including 7.5 million overnight visitors
- The total traveler economy reached \$6 billion in 2015, including visitor spending, tourism-related construction, and supporting industries.
- This supported 80,469 jobs, including direct, indirect and induced impacts. This equates to one job for every 300 visitors.
- 13% of all jobs in the state (1-in-8) are sustained by the travel economy.
- Tourism in Rhode Island generated \$719 million in state and local taxes in 2015. Each household in Rhode Island would need to pay \$1,750 in additional taxes in the absence of the visitor economy.

Mr. Sacks noted that Tourism impacts in Rhode Island are measured on two levels:

- Visitor industry: this includes only the spending of visitors to Rhode Island who spent the night or traveled at least 50 miles for a day trip. For comparisons with other industries, only the direct impacts are considered.
- Traveler economy: this includes the spending of all travelers, including non-commuters from within 50 miles as well as the impact of tourism-related construction, and industries providing services to resident travelers. All levels of impact (direct, indirect, and induced) are considered.

RI Tourism Impact Summary, 2015

	Visitor industry	Traveler economy
Expenditures (millions)	\$ 4,027	\$ 6,023
	Direct impacts	Total Impacts**
GDP (millions)	\$ 1,957	\$ 5,105
Employment	35,720	80,469
<i>Share of total employment</i>	5.7%	12.9%
Personal income (millions)	\$ 1,065	\$ 2,889
State taxes (millions)	\$ 259	\$ 358
Local taxes (millions)	\$ 262	\$ 361

** includes direct, indirect, and induced impacts

With regard to visits by market, Mr. Sacks explained that Rhode Island hosted 24.1 million visitors in 2015. The vast majority were from domestic markets (99%) and came for leisure alone (93%).

When speaking about visitor spending trends, he indicated that:

- Visitor spending in Rhode Island increased 5.4% in 2015, reaching \$4 billion. This includes overnight visitors and day visitors from at least 50 miles away.
- Visitor spending has increased 21% cumulatively since 2010, averaging 4% growth per year over the past five years.
- The lodging and recreation sectors have exhibited the strongest growth with 39% and 29% growth, respectively, since 2010.

With regard to visiting spending by sector:

- 24% of each visitor dollar is spent on food and beverages.
- The recreation sector, including casino gaming, is the second largest recipient of visitor spending at 21%.
- The lodging sector accounts for 18% of all visitor spending.

Mr. Sacks continued to highlight many of the results. When speaking about job growth, he indicated that tourism is continuing to drive job growth in Rhode Island.

- Direct visitor industry employment has led employment growth in Rhode Island.
- Direct visitor industry employment has expanded 14% since 2010 compared with 6% growth for total RI employment (BEA).
- Direct visitor industry employment has increased its share of total state employment to 5.7% in 2015 from 5.4% in 2010.

Mr. Sacks noted that tourism is the 5th largest employer in Rhode Island.

Rhode Island Employment Ranking, 2015		
1	Health care and social assistance	86,268
2	Retail trade	58,860
3	Manufacturing	49,900
4	Professional, scientific, and technical services	37,937
5	Tourism (direct)	35,720
6	Administrative and support and waste management and remediation services	31,258
7	Finance and insurance	34,397
8	Other services (except public administration)	32,213
9	Local government	35,833
10	Educational services	27,820
11	Construction	32,952
12	Real estate and rental and leasing	25,317
13	Accommodation and food services**	25,115
14	State government	21,381
15	Wholesale trade	18,638
16	Arts, entertainment, and recreation	14,852
17	Transportation and warehousing	12,721
18	Management of companies and enterprises	9,614
19	Federal, civilian	10,007
20	Information	12,280

Source: Bureau of Economic Analysis, Tourism Economics

** net of tourism-generated employment

With regard to tourism economy taxes, Mr. Sacks explained that:

- The travel economy generated \$1.5 billion in taxes and fees in 2015.
- State and local tax collections alone tallied \$719 million.
- These tax revenues offset the average household tax burden by \$1,750 per household. That is, were it not for visitors, each RI household would need to pay these additional taxes in order to maintain the same level of government revenue.

Travel economy tax generation, millions			
	Direct	Indirect/ Induced	Total
Federal	\$429.4	\$318.3	\$747.7
Personal Income	\$120.2	\$93.9	\$214.1
Corporate	\$59.9	\$61.8	\$121.7
Indirect business	\$58.3	\$28.5	\$86.7
Social Security	\$191.0	\$134.1	\$325.1
State and Local	\$516.2	\$202.6	\$718.7
Sales	\$174.2	\$63.0	\$237.3
Bed Tax	\$21.9	\$0.0	\$21.9
Personal Income	\$30.9	\$24.1	\$55.0
Corporate	\$8.6	\$8.9	\$17.5
Social Security	\$3.6	\$2.5	\$6.1
Excise and Fees	\$26.0	\$13.2	\$39.2
Property	\$250.9	\$90.7	\$341.7
TOTAL	\$945.6	\$520.8	\$1,466.4

*For additional details, please see attached presentation.

Please see below document from the Rhode Island Commerce Corporation with regards to requested budget information requested by Chair Carson:

RI Commerce Tourism Budget FY 2017			
	July 1 - March 31	April 1 - June 30	Total FY 2017 Estimate
Advertising (Ad Buys/ Boosting/SEO)	\$ 1,200,000.00	\$ 800,000.00	
Research (Tourism Economics/ Smith Travel)/ Content Development (Ad Development/ Photography)	\$ 375,000.00	\$ 275,000.00	
PR/ Familiarization Tours/ Social Media (Media)	\$ 550,000.00	\$ 135,000.00	
Meetings/ Conferences/ Dues (International Trade/ DNE Dues)	\$ 300,000.00	\$ 50,000.00	
Web (Current Support/ New Site Development)	\$ 90,000.00	\$ 60,000.00	
Salary/ Benefits	\$ 323,000.00	\$ 91,000.00	
Misc (Postage/ Printing/ Expenses)	\$ 20,000.00	\$ 10,000.00	
	\$ 2,858,000.00	\$ 1,421,000.00	\$ 4,279,000.00

Chair Carson thanked Mr. Sacks for presenting an asked Mr. Brad Read to begin speaking.

Mr. Brad Read, the Executive Director of Sail Newport Inc. indicated he would be speaking about the Volvo Ocean Race in Newport Rhode Island.

He explained that Newport, RI was a stopover port for the Volvo Ocean Race in 2015. It was the first time the port had hosted the event. The main purpose of this study is to ascertain the economic impact of the stopover. The economic impact was measured in terms of output and the number of jobs created. The geographical area of impact was the state of Rhode Island. In order for the organizers of the Volvo Ocean Race to compare the impact of the race on each

port, Performance Research aligned its economic impact approach with that used in Spain and replicated as many aspects of that study as possible while simultaneously meeting the unique needs of the Newport Stopover team. As well as assessing the economic impact of the stopover, additional questions of a more qualitative nature were covered. These included areas such as ratings of the attendance experience, likelihood to return to the state and the scope of visits within Rhode Island, beyond Newport.

Mr. Read began speaking about the main results of the Volvo Race in Newport, Rhode Island. He indicated that the Race Village was open for 13 days from May 5th to May 17th, 2015 with an attendance of 131,346. When those watching from boats or other viewing locations are included, the total increases to 147,706. The busiest day at the Race Village was Saturday, May 16th when the In-Port Races were held and the attendance was 21,920. Attendees travelled from near and far, with 16.4% from Newport, 31.0% from Rhode Island (beyond Newport) and 42.4% from other states within the US. The percentage of attendees who travelled from other countries was 10.3%. The countries most frequently represented were Canada (53% of non-US visitors), the United Kingdom (9%) and France (4%).

Spectators and organizations combined to infuse the Rhode Island economy with \$32.2 million by attending and supporting the Volvo Ocean Race. When this initial infusion of money for local businesses was spent and re-spent within the state, the effect led to a Total Economic Impact of \$47.7 million. The sectors which benefited the most were restaurants (\$9.0 million), hotels and motels (\$7.8 million), retail stores (\$3.4 million), real estate (\$2.0 million), catering (\$1.9 million) and transit/ground passenger transportation (\$1.7 million). The direct spending by fans and organizations due to the Volvo Ocean Race taking place in Newport created 353 full- or part-time jobs in Rhode Island. The industries gaining the most full- or part-time jobs were restaurants (151 jobs), hotels and motels (65 jobs), retail stores (50 jobs) and transit/ground passenger transportation (26 jobs).

The spending by spectators as a result of the Volvo Ocean Race's Newport Stopover was \$22.5 million. The areas benefiting from this spending were restaurants (\$7.9 million), retail sales (\$4.9 million), hotels (\$4.8 million), and transportation (\$4.2 million). In addition to the spending by spectators, many businesses, organizations and associations spent money in Rhode Island which they would not have spent without the Newport Stopover. The combined

expenditure was \$9.7 million. The industries predominantly benefitting from this spending were hotels (\$2.9 million), catering (\$1.5 million), additional staffing (\$1.1 million), equipment rental (\$0.8 million) and venue rental (\$0.6 million).

The Rhode Island Hospitality and Tourism Association's May 2015 data is consistent with increased visitor activity due to the Volvo Ocean Race. In May 2015, hotel revenue increased by 10.2% compared to May 2014. The number of passenger vehicles crossing the Newport Bridge increased by 15.3% from 2014 to 2015. Attendees reported a very positive experience attending the race with the vast majority (92%) rating their experience "8," "9," or "10" on a 10-point scale. Additional questioning revealed further "wins" for the state: The profile of Rhode Island was raised, with 45% of international visitors coming to the state for the first time and 21% of US residents (those who do not live in Rhode Island) doing the same.

Further good news for Rhode Island includes: Future income for the state has been boosted, as the majority of visitors (59% of non-RI US visitors and 65% of international visitors) plan to come back and visit again specifically because of their Volvo Ocean Race visit. Nearly all attendees will also spread the word about Rhode Island, with 93% of US residents (those not living in Rhode Island) and 84% of international visitors indicating they would recommend Newport as a tourist destination to others. While Newport made the headlines, many visitors also spent time in Jamestown, Middletown and Providence (around 20 - 25% of visitors). Many international visitors (51%) leveraged their Volvo Ocean Race-driven trip to the US to visit other states including Massachusetts (27%), New York (17%), Connecticut (14%) and Vermont (7%).

Martha Sheridan, President and CEO of Providence Warwick Convention & Visitors Bureau and chair of the subcommittee on Best Practices of Other States and their Tourism Structures, spoke with regard to their subcommittee final report. She indicated some tourism models that would potentially work in the state of Rhode Island and noted that the commission should further examine these structures and models and possibly try to implement them here.

At this time, the commission discussed the final report composition and agreed to meet on Friday, May 19, 2017 at 2 pm in Room 101 of the Rhode Island Statehouse to vote on the final report.

Meeting Adjourned at 12:35 PM

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING
TOURISM IN THE STATE OF RHODE ISLAND THROUGH COORDINATED
BRANDING AND MARKETING EFFORTS**

Chairwoman Lauren Carson

Final Report for Metrics Workgroup

March 2017

Chair: Evan Smith – Discover Newport

Members: Trudy Coxe CEO – The Preservation Society of Newport County

Jess Willi – Director - Block Island Tourism Council

Paul McGreevy – Consultant

Tim Tyrrell - Consultant

Rhode Island House of Representatives

Tourism Commission

Metrics Committee Report

March 2017

1. Introduction

The Tourism Commission was established by the House of Representatives in October 2015 to study Rhode Island's tourism industry and make recommendations for cultivating it through coordinated branding and marketing efforts. The Commission subsequently established a metrics subcommittee in June of 2016 to investigate what types of performance measures should be in place to best evaluate the effectiveness of tourism branding and marketing efforts. This committee set out to: 1) benchmark what other state and regional tourism offices use for metrics and 2) propose a minimum set of metrics for statewide and local use and ultimately inform the future of tourism investment decisions.

The committee's research of other jurisdictions found a fairly common set of metrics for this industry. Specifically, performance metrics fall into four categories: 1) **Marketing** dollars spent and audience reached (e.g., website and media visits, social media followers, advertising spend, earned media); 2) **Planning activity** (e.g., group and attraction sales, site inspections, wedding planning, accommodation reservations); 3) **Visitor tracking** (e.g., tourist center guests, event and recreational site visits, transportation hub visits, surveys); and 4) **Tax revenue** and economic impact generated by tourist activity (e.g., lodging, meals, attractions, and transportation taxes, and job creation). In addition, the committee found that the sources of data came from a combination of tax information and third-party proprietary purchased reports.

With regard to the current state of tourism performance metrics in Rhode Island, the committee found there was not commonality in measurements between the state and local district tourism offices as well as between district offices. The difference in measurement depth and methodology is not unusual across the US as was discovered. For Rhode Island's tourism industry, the ability to coordinate investment decisions, assess the impact of marketing efforts statewide and within the tourism districts would improve the health of industry beyond the existing method which uses generalizations (e.g., growth in state lodging tax receipts).

A comprehensive and unified metrics framework for the state and local regions would make evaluations of all future tourism allocations from state government possible to achieve.

The committee found the sources of data to populate the current (or future) set of metrics lacking. While there is good tracking of lodging and meals tax data, there is no means to collect data on other elements of tourist spending (e.g., attractions, events, recreation, retail shopping, transportation). This is based on either the lack of tax reporting requirements related to tourism spending, legal restrictions on the use of tax information, or no consistent access to third party data by the state and local tourism offices.

The picture that emerges from the committee's review is one of a data-starved metrics environment that inhibits needed analysis of the state of the tourism industry in Rhode Island. This report will present first, an overall framework to guide the establishment of a statewide performance management system. Second, a core set of metrics for common application statewide and properly data sourced. Third, a proposed implementation outline for further consideration.

2. Proposed Framework

The committee recommends the state and regional tourism offices jointly establish a statewide tourism industry performance metrics framework created along the following guiding principles:

1. Establish a portfolio of metrics that assess the ability of state/regional efforts to achieve desired **outcomes**. Specifically, these outcomes are grouped into four areas:
 - a. Growth of tourist (leisure and business) spending.
 - b. Growth in tax revenues attributable to tourism.
 - c. Growth in job creation attributable to tourism.
 - d. Effectiveness of state/regional marketing/PR investments.

2. Create a **"federated"** system of metrics that can support both state and regional requirements. This federated model should possess the following attributes at a minimum:
 - a. A core set of metrics common to the regional and state level so that investment and initiative planning and evaluation can occur at all levels of state tourism on a common basis of measure.
 - b. Regional measures "build" to form a statewide measure.

- c. Source data is able to "devolve" from state sources to regional level. For example, state revenue data can be easily parsed to reflect the regional contribution.
 - d. Accommodate specific regional only metrics as required.
3. Maximize the use of **common sources** of data to populate the portfolio of metrics to ensure a consistent standard of measurement. Specifically, the state and regions should agree to pursue the following initiatives at a minimum:
 - a. Develop cost sharing initiatives for external data purchases. Pursue statewide contracts with third party data providers that can accommodate specific regional requirements while providing common data to populate the portfolio of core metrics needed by both state and regional levels.
 - b. Push for state and regional data reporting to support the common framework. Investigate modifications to tax reporting requirements to better demonstrate tourism impact from other economic activity. Research the feasibility of a common technology platform to facilitate the collection and reporting of tourism related data.
4. Accommodate **uncertainty** into the framework. It is difficult for any performance metrics framework to account for all the gaps or errors in data that can occur in this type of economic activity. Consequently, once the framework is established and put into operation, phase into the underlying metrics equations that link the portfolio of metrics into the federated model a set of qualifying calculations that will compensate for known uncertainties. This will improve the quality of the resulting metrics and, in turn, the return on investment assessments and future decision-making.

3. Recommended Metrics

In order to build out the framework outlined in Section 2, above, the committee recommends the following portfolio of metrics tied to the outcomes identified in Section 2.1 with their respective potential data sources. This list is not meant to be exhaustive or final. It is meant to be the starting point of discussion for the core set of common metrics required to make the overall framework operate in a coordinated manner. Many of these metrics are already being collected and reported at some level within the state. In that case, it will be primarily necessary to standardize their format, sourcing, and periodicity. In the instance where a proposed metric is not being collected the main issue will be finding a reliable data source. Finally, not every metric need be implemented at the offset. Although the entire portfolio will be useful for a broad

range of policy and investment decisions (e.g., addressing why general tourism is up, but retail sales are down), putting in place some portion of the portfolio as soon as possible will provide near term trends about the effectiveness of investments, health of the tourism sector and its impact on economy.

1. Growth of tourist spending:

- a. Tourist spending broken out by type (i.e., attractions, events, lodging, meals, recreation, retail shopping, and transportation) and region.
 - i. To the extent possible, further break down type into subcategories (e.g., transportation: airport use, ferry tickets, gas purchases, public transportation use, etc.)
- b. Source: External purchase (and state data when possible).

2. Growth in tax revenue:

- a. Tax revenue broken out by type (i.e., same as 3.1, above, but currently only lodging and meals are supported by tax reporting system) and region.
- b. Source: Department of Revenue, cities and towns. Investigate legislative/regulatory changes to improve tax reporting to better reflect tourism impact.

3. Job Creation:

- a. Employment impacted by tourism broken out by field (i.e., generally the same as 3.1, above with other fields to be determined) and region.
- b. Source: Departments of Revenue and Labor, cities and towns, and external purchase. Investigate legislative/regulatory changes to improve employment reporting to better reflect tourism impact.

4. Effectiveness of Marketing:

- a. Inputs: State/Regional marketing/PR investments by type (e.g., websites, media buys, trade shows, etc.).
- b. Outputs: Direct/indirect impact on tourist activity (e.g., earned media, website visits, and survey results).

- c. Return on Investment: Correlation of specific investments to specific outputs by region and state.
- d. Source: Commerce Corp, regional tourism bureaus for investment spend, and external sources for tourism impact.

4. Implementation Plan

The committee recommends adopting an implementation road map and directing a single agency to oversee development and ultimately administration of the program. Specific actions include:

1. Commerce Corporation to serve as lead agency and long term administer of the program in accordance with the State Office of Management and Budget (OMB) guidelines for performance metrics development, implementation, and reporting.
2. Establish working group consisting of the regional tourism offices at a minimum, chaired by the Commerce Corporation to:
 - a. Adopt/Adapt the proposed framework.
 - b. Fully define the portfolio of metrics, data sources, regional/state reporting requirements, and procedures.
 - c. Define resource and technology requirements.
 - d. Establish a development and rollout timeline.
 - e. Propose legislative/regulatory changes as required.
3. Commerce Corporation to negotiate contract(s) to acquire source data in partnership with regional tourism bureaus.

5. Conclusion

Tourism is the fourth largest economic industry sector in Rhode Island. The lack of a statewide performance management system substantially hampers any attempt to monitor and enhance this critically important element of the state's economy and prosperity. We have an opportunity to correct this situation. This committee believes the proposals in this report can facilitate progress towards this goal.

**SPECIAL LEGISLATIVE COMMISSION TO STUDY METHODS FOR GROWING TOURISM IN THE STATE OF
RHODE ISLAND THROUGH COORDINATED BRANDING AND MARKETING EFFORTS**

Chairwoman Lauren Carson

Report

National Survey on Comparative State Tourism Structures

May 1, 2017

Chair: Martha Sheridan, President and CEO, Providence Warwick Convention and Visitors Bureau

Members: Representative Kathleen A. Fogarty
Karen Jedson, Director, Warwick, Department of Tourism, Culture and Development
Robert Billington, Ed.D., President, Blackstone Valley Tourism Council

Introduction

At a meeting of the *Special Legislative Commission to Study Methods for Growing Tourism in the State of Rhode Island through Coordinated Branding and Marketing Efforts* held on July 15, 2016 at Old Colony House, Washington Square in Newport, Rhode Island a Sub-Committee was established to study the Structure, Governance and Financing of Tourism Divisions nationally.

Chairwoman Carson asked for members of the Commission to serve on this Subcommittee. Commission Member Martha Sheridan was asked to Chair the Subcommittee. Commission members House of Representative Kathleen Fogarty, Karen Jedson and Dr. Robert Billington also agreed to serve. Martha Sheridan, as a past Chair of the Destination Marketing Association International, queried several state tourism officials nationally to gather information for the report to the full commission.

The purpose of this committee was to examine how state tourism agencies are structured across the US and determine if a new or modified model was warranted for the Rhode Island Tourism Division.

Current Scenario

In 2015 the RI legislature passed legislation that rededicated a portion of the hotel tax collections to fund a tourism and business development effort. Under the direction of the Governor's Commerce Office, Commerce Rhode Island created the position of Chief Marketing Officer to lead the effort. As of April, 2017 the tourism promotion effort is still managed by the CMO within the Marketing and Communications Department. There is a Director of Tourism position and five additional staff members that manage both tourism and business development marketing programs. According to the CMO, about 20% of the effort is directed toward business development efforts and with 80% of their time and resources focused on tourism promotion.

Note: Please see Addendum for a complete history of Rhode Island's Tourism Promotion Efforts

State Tourism Office Survey

Based on input from the US Travel Association and other feedback, the following states were queried to determine their funding sources, agency structure and governance, staff deployment, and metrics;

Maine, Oregon, South Carolina, South Dakota, Wyoming, Colorado, Maryland, Kentucky, Connecticut, Pennsylvania, Tennessee, and Virginia.

The following questions were included in the survey.

- What is your annual budget and what are your funding sources?
- How is the department/division/agency structured and governed, and who do you report to?
- How is your staff deployed?
- What are the key metrics on which you report?

Information from the survey related to funding and metrics was shared with other commission members and sub-committee Chairs for their information.

Note: A summary of the responses to each of these questions can be found in the addendum. (CT, PA and TE did not respond)

Subsequent to a review of the survey responses and conducting follow-up conversations with some of the respondents, the committee chair and other members suggested to Commission Chair Representative Lauren Carson that the model currently in place in Oregon might be worth further examination. A skype call with a representative from Travel Oregon took place on March 16th. During the presentation Scott West provided data and details on how their agency was formed in 2003. A copy of that presentation is available for review.

Additional Analysis

Since the primary focus of this subcommittee was to review tourism office structures specifically, the group met in late April to discuss findings in this area and analyze potential options.

Based on the survey responses (see addendum page) and a US Travel Association document that summarizes tourism office structures for each of the 50 states, it appears that there are five models to consider:

1. Division of the state's economic development or commerce division.
2. Public-private partnership with dedicated tax funding associated with SIC codes and significant private sector investment.
3. Stand-alone cabinet level position and agency reporting directly to the Governor
4. Co-located with Parks and Recreation Department
5. Independent Non-Government agency

For the purpose of discussion the subcommittee members determined that of these five options, three were worthy of consideration based on the current scenario in Rhode Island. Below is a pro vs con analysis of those three possible models.

Stand-Alone Government (Possible Cabinet Level)

Pro	Con
High Visibility	Director Serves at the Pleasure of the Governor which can impact continuity
Support from Government Leaders	Must follow state purchasing guidelines
Predictable and Dedicated Funding	Potential lack of independent decision-making
Benefits from state master purchasing agreements	Inhibited when trying to encourage private sector support
Elevated Profile for the Tourism Industry	Restrictive travel and entertainment policies can impact necessary activities
	Lack of private sector involvement and input

Part of Commerce Department (current scenario in RI)

Pro	Con
Synergy with Other State Agencies (ie. DEM, RIAC)	Vulnerable to Changing Leadership at Multiple Levels (Governor, Commerce Secretary, CEO)
Overhead Costs are Included as a Part of Overall Commerce Budget not Deducted from Hotel Tax Allocation	Restricted by State Purchasing and Hiring Processes
Support of the Governor and Commerce Board	Travel and Entertainment Restrictions Can Impede the Ability to Perform Certain Necessary Functions (fam tours, site inspections)
Ability to Market Tourism and Business Development Concurrently	Private Sector Involvement/Voice Limited to Commerce Board (currently not tourism representative on the board)

	Constraints Around Leveraging Private Sector Investment
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Independent: Non-Government Organization

Pros

Cons

Independent, Private Sector Driven Governance	Percentage of the Hotel Tax Allocation Would Need to be Allocated to Overhead
Ability to Adopt an Entrepreneurial Viewpoint	Vulnerable to Funding Challenges at the Legislative Level
Enhanced Ability to Attract and Retain Talent	Potentially Less Visible at the Highest Levels of Government
Greater Flexibility in Purchasing Processes and Decisions	Less Likely this Type of Agency Would Also Manage Business Development Efforts Potentially Jeopardizing Economies of Scale
Fewer Restrictions on Travel and Entertainment Policies Allows	
Ability to Leverage Private Sector Investment to Enhance Programs and Extend Reach	

Report Recommendations:

A further examination of the current structure for tourism and business development in Rhode Island if warranted to gauge its effectiveness and efficiency. This should take place concurrent with a review of established metrics to determine if the existing model is yielding measurable and meaningful results. If not, then other models should be strongly considered.

Addendum

Survey Responses* (unedited)

**Note: Referenced Attachments available upon request*

What is your annual budget and what are your funding sources?

- Maine** FY17 is \$13,450,000. (That figure includes the Film Office, our Regional Grants and Visitor Information Centers for which we contract staffing and operations.) Funding formula is in statute. Basically we receive 5% of meals and lodging tax collections. The other 95% collected goes elsewhere.
- Oregon** FY15-16 was approximately \$18 million. We were funded through a 1% statewide lodging tax which is 100% continuously appropriated to the Oregon Tourism Commission/Travel Oregon. However, the Oregon Legislature increased our budget this year by increasing the statewide lodging tax to 1.8%, so our estimated FY16-17 budget is \$32 million. Statutes governing transient lodging taxes in Oregon are in attached document 2.
- South Carolina** Total budget (not including capital projects & pass-through) \$95,513,640
State Parks \$35,576,464
Film Office \$13,897,939
Grants (not including DS and TAG) \$4,581,800
Tourism (TS&M, advertising, SCATR and DS) \$32,326,255
Welcome Centers \$5,362,654
Executive & Administrative Support \$3,768,528
The budget comes from the general fund except a portion of the grants above are federal grant. Also, state parks take in roughly 95% in revenue in what they spend.
- South Dakota** Tourism's annual budget \$14 million. Of that \$14 million, \$11 million is generated by a 1.5% tourism tax on things like lodging, rental cars, seasonal gift shops, etc. This tax was implemented in 1996 to replace general funds. \$3

million of our budget comes from Historic Deadwood gaming funds. See attached document 3

Wyoming

\$14 million. 100% from the general fund.

Colorado

A crazy quilt of funding: \$19.8 million -- \$14.5 m from casino gaming revenue; \$4.5 m from general fund, \$500K from interest on unclaimed property tax, about \$300K in revenue from sources such as governor's conference registration, trade show participation, coop revenues, etc.

Maryland

Our annual budget comes from general funds. Here is our budget history.
FY 2015 \$11,789, 194.
FY 2016 \$12, 337,938
FY 2017 12, 395,167

Kentucky

\$3.9 million, General Fund Budget

Virginia

General Fund Budget - \$22,383,835

Funding Sources: General Fund (82%) Carryover Funds (11%) VDOT Transfers (5%), Welcome Center/Safety Rest Area Revenue (1%)

Delaware

Budget - \$ 2.4 Million Funding =Public Accommodation Tax- DTO received 1 pt of the 8 pts collected

Rhode Island

2017: \$4.74M Hotel Tax + \$696K General Fund = \$5.43M (as best I know right now)

How is the department/division/agency structured and governed and to whom do you report?

Maine

We are a division of the Department of Economic & Community Development. We report immediately to the Deputy Commissioner.

Oregon*

We are a stand-alone agency governed by a nine member commission. I am their CEO and am not a cabinet secretary. I serve at the will of the Commission and all of our employees are at-will. Commission members are appointed by the Governor and confirmed by the Senate. Five of the nine members represent the lodging sector, three represent the tourism industry at large (not including lodging) and one represents the public at large. We have been granted "semi-independent" status as an agency which means we are exempt from state procurement, contracting, purchasing and personnel regulations. This was done so we can be more market-driven and responsive and function more entrepreneurially in support of the industry. Our agency statutes are in attached document 4.

South Carolina	We are a cabinet agency and I report directly to the Governor.
South Dakota	The department is a cabinet-level agency. As Secretary, I serve at the pleasure of the governor and report directly to him.
Wyoming	The Wyoming Tourism Board is the leading proponent of the state's tourism and hospitality industry; providing governance and policy oversight for the Wyoming Office of Tourism. The Tourism Board is made up of 9 industry members, all of whom are appointed by the Governor and approved/with consent by the Senate. Statute doesn't state the process for selecting the Executive Director of the Agency. I serve as the Executive Director and when hired, interviewed with the Tourism Board, and then met with the Governor Freudenthal for his approval. When Governor Mead was elected, I offered to step down, but he asked that I stay on and I've been serving as his Tourism Director since 2011.
Colorado	I report to the Executive Director of the Office of Economic Development; we are part of the governor's office staff.
Maryland	We are located within the department of commerce.
Kentucky	Governor, Secretary of Community and Economic Development.
Virginia*	Office of the Governor/ Secretary of Commerce and Trade (see attached)
Delaware	The Department is housed in the Economic Development Department and we report to the Cabinet Secretary
Rhode Island	Report to the Pres & COO of Commerce + Secretary of Commerce Executive Office of Commerce

How is your staff deployed?

Maine*	We are pretty linear and often cross over areas of responsibility since we are so small. Here is a link to the full team. We are missing one recent change on the directory. We added a Destination Development Specialist who is responsible for working primarily in the rural areas on tourism destination development acting as a liaison between government agencies for infrastructure needs, assisting with product development and helping to facilitate long-term planning with local stakeholders and others. See attached document 5
Oregon*	See attached document 6. The authority to hire staff and set salaries resides with the CEO and is not a legislative function (i.e. granting position authority

and funding). A description of our teams and their responsibilities is in attached document 7.

- South Carolina*** See attached document 8. This is the central office chart with a couple levels down. The state park system and welcome center field staffs are not in this.
- South Dakota** We are just finalizing a new organizational structure for our department after a 9 month strategic planning process. Once that new structure has been fully rolled out (within the next two weeks), I will send you a copy of it.
- Wyoming*** See attached document 9. One thing the org chart does not reflect is our respective contractors, such as our Ad Agency, our PR Agency, our Web Developer, our Publisher, our International Marketing contractors.
- Colorado*** See attached document
- Maryland** The org chart that I have attached is for the organization that I have the privilege of managing. I serve in a dual duty as the Managing Director of Tourism, Film and the Arts and the Executive Director of the Office of Tourism Development.
- Kentucky*** Attached. However, we also have vendors: Public Relations & Social Media agency, with a Creative agency subcontract; travel guide publisher who also sells advertising for our website and e-newsletter, manages distribution and fulfillment for the guide; and a call center.
- Virginia*** See Attached
- Delaware*** Org Chart Provided
- Rhode Island** 8 FTE/ 4 dedicated solely to tourism (director, manager, coordinator, comms); 2 that support both Tourism & Biz Attraction (creative & comms), 2 dedicated to Biz Attraction

What are the key metrics your agency reports on?

- Maine*** Visitation, visitor spend, first-time visitation, taxable sales (meals and lodging) our Annual Report, *attached document 10, and Fact Sheet, *[attached](#) document 11. Also, we have specific goals in our 5 Year Strategic Plan *[attached](#) document 12, on page 19 which include first-time visitation, spend, off-season growth and new market expansion.
- Oregon*** Our 2015-17 plan and budget, including key metrics, attached document 13
- South Carolina** Hotel REVPAR

Admission taxes (South Carolina’s tax on “entertainment” – golf, attractions, events, festivals, concerts, etc.)

State parks revenue

Or as we say – heads in the beds, feet in the fairways, and people in the parks.

South Dakota

We report annually on total economic impact and visitation. On a monthly basis, at a minimum, we are looking at the tourism promotion tax, hotel occupancy rates, local BBB taxes, and visitation at attractions, state parks and national parks and memorials.

Wyoming*

Attached our current FY17/FY18 Biennium Strategic Plan. Document 14

Colorado

We are revisiting this as part of a statewide strategic planning process, now under way. Currently, we measure success on economic impact of traveler spending, job creation and state and local tax revenue generation, all from Dean Runyon; increase in # of travelers and market share, from Longwoods; and ROI of marketing campaign, SMARI.

Maryland

Inquiry generation, Tourism Tax codes and public relations advertising equivalency plus our own public relations tracking system called M3, which further delves into how the media hits support strategic initiatives. Additionally, visitation numbers from D.K. Shifflet and Associates, and Economic Impact from Tourism Economics.

Kentucky

Rooms sold, ADR, RevPar, Visitor Spending, and Overseas visitation

Virginia

International Travel, Domestic Economic Impact (Jobs, taxes, domestic visitor spending), Film Industry economic impact

Delaware

Visitation from DK Shifflet, Economic Impact from Rockport Economics, Earned Media- Our own tracking, Sales Leads and Bookings through our CRM

Rhode Island

Hotel Tax/ Occupancy/ Rates, Earned Media AVE’s, Digital Click Thru, Website Visits, Social Media Reach, Followership & Engagement

Addendum

History of RI Tourism

A look at Rhode Island's tourism development history

May 1, 2017



Robert Billington

Resources were retrieved from the Rhode Island Historical Society's *Rhode Island History* Winter/Spring 2017 article titled: "Discover Beautiful Rhode Island" State Promotion of Tourism from 1927-2015, authored by Dr. Patricia Raub of Providence College. Additional resources from Olon Reeder Associates, Public Relations Specialist, North Providence.

Travel has been a part of world history since man began to record his movements. The Romans and Babylonians traveled throughout Europe. The young English elites of the sixteenth, seventeenth and eighteenth centuries often spent two to four years traveling around Europe in an effort to broaden their horizons and learn about language, architecture, geography, and culture in an experience known as the Grand Tour, a term introduced by Richard Lassels in his 1670 book *Voyage to Italy*.

Here on this continent Southern planters were attracted to Newport before the American Revolution. They wanted to escape the heat of the South and West Indies. This continued into the 19th century.

In 1845 Thomas Cook, considered the world's first travel agent, conducted his first trip for profit. It was a railway journey to Liverpool from Leicester, Nottingham and Derby.

According to Dr. Raub of Providence College "the more exclusive classes" were attracted to destinations such as Block Island, Watch Hill, Jamestown and Narragansett Pier.

The organization of work time during the Industrial Revolution in the 19th century gave rise to holidays and a week's vacation's with pay. Factory workers sought relief from their work at coastal amusement parks, and tourism began to grow and become a right of the working class.

The increasing number of summer visitors in Rhode Island during the second half of the 19th century was the result of marketing efforts by private companies and businesses.

Resort communities used guidebooks, paintings, lithographs and stereographs as well as articles in *Christian Review*, *California* magazine, *Scribner's*, *Harper's Monthly* and *New England* magazine to promote themselves.

Railroads, steamship lines and hotels placed advertisements in local and regional newspapers and published separate brochures to publicize locations of interest. Railroad companies touted destinations along their routes. Steamship companies posted timetables from major cities to shoreline ports of call and hotels detailing the region's scenic attractions.

Local governments left promotional activity in the nineteenth and early twentieth centuries to commercial entities likely to profit from tourism.

Public officials came to recognize that tourism provided economic benefits that extended beyond these specific enterprises to enrich the community as a whole.

Chambers of Commerce began to extol the natural beauty and other salient features of their towns and cities. State legislatures began to establish departments of tourism nationally, among the first being Florida, California and Maine.

In the 1920's Rhode Island began to actively promote tourism through various civic organizations. The private, non-profit Rhode Island Conference of Business Associations was organized to encourage the use of recreational facilities in the state.

In 1929 the organization surveyed 15 Rhode Island towns and discovered that summer residents were helping to raise the property tax revenue. Westerly found that thousands of girls who go to summer resorts each year brought \$100 to spend during their visits.

The General Assembly established a State Bureau of Information in 1927 within the Secretary of State's office. The purpose was "to promote the further development of the natural resources of the state and the collection, preparation, publication and distribution of information and statistics relating to its natural, historical, agricultural and industrial advantages...and to cooperate with any city, town, organization, corporation or person interested for the purpose of devising means to advance the attractions and resources of the state...."

The state appropriated minimal funds to attract new business and visitors at that time.

In 1930 the Rhode Island Conference of Business Associations produced a 14-page pamphlet intended to express the spirit of Rhode Island hospitality. It was titled "Rhode Island: A Little Bit of All Outdoors."

The Bureau of Information produced in the late 1930's an 11-minute film titled, *Rhode Island: Just a Little Bit of All Out-Doors*. It focused on the shoreline of Rhode Island.

According to Cindy Aron, many tourists at that time combined trips to historic spots such as Bunker Hill or Mount Vernon with visits to natural wonders like Niagara Falls.

When successive waves of new immigrants entered the United States settling disproportionately in Southern New England as well as New York and New Jersey, native-born white Americans felt threatened. To reinforce social and cultural position, those who could trace their ancestry back to the early colonists highlighted the role played by early English settlers in the formation of the American nation, publicizing this patriotic orthodoxy via history books, pageants, civic commercialization, highway markers and guidebooks.

The Providence Journal in an article in 1941 used a headline that read: "RI Bids Tourists, but in a Weak Voice: All Other States Except Two Spend More to Advertise Their Attractions"

In 1951 Governor Dennis J. Roberts introduced, and the General Assembly enacted legislation establishing the Rhode Island Development Council. The Council, aka the Rhode Island Port Authority and Industrial Development Council, were advisory groups headed by a Governor-appointed Executive Director, with three divisions: Research, Business & Industry. The Tourism Council's mission was to coordinate state economic development efforts to best promote the health, safety and welfare of the state.

The Rhode Island tourism experience was reshaped by postwar transportation developments, notably, the dramatic increase in automobile production and ownership as well as the construction of the national interstate highway system.

The Newport Jazz Festival began in 1954; the Newport Folk Festival followed in 1959.

In 1961 a new airport terminal opened as Hillsgrove State Airport on Post Road in Warwick. It was soon to become major air transport facility.

In 1967 Governor Chafee and the General Assembly approved the creation of the Rhode Island State Council on the Arts.

For first time, Rhode Island auto license plates were used to promote the state as a tourist destination with "Discover Rhode Island"

National Geographic magazine's September 1968 issues published a major story about Rhode Island's tourism assets.

In 1969 Governor Frank Licht established the "Little State Houses" public outreach. A recreational vehicle staffed by an official offered free public information on state history and visitor resources.

The Rhode Island Development Council published *Welcome to Rhode Island*, a multi-page magazine to attract visitors.

The Newport Bridge officially opened, providing for the first time motorist travel to Newport from points west. The bridge was the largest in New England and became a new icon for the state.

Rhode Island adopted "The Ocean State" in 1972 as a new nickname, and it first appeared on license plates and in visitor publications and brochures.

In 1973 the United States Navy announced closure of Quonset Point Naval Air Station effective July 1, 1974, and reduction of Navy operations at Newport Naval Station.

Governor Philip W. Noel submits legislation enacted by the General Assembly to create the new Department of Economic Development. The new agency took over the functions of the Rhode Island Development Council in January 1974. The Director of the Department was appointed by the Governor and confirmed by the State Senate. The Rhode Island Port Authority and Economic Development Council remained advisory.

Much of the focus then was on development and expansion of industrial parks and facilities. Tourism development was limited to promoting Rhode Island for recreation, beaches, boating, entertainment, with an emphasis on Newport.

In 1976 Rhode Island's contribution to the American Bicentennial celebration was held in Newport with the Tall Ships Celebration. A weeklong event featured international sailing and visits by President Ford and Queen Elizabeth II.

The Planning Division of the Rhode Island Department of Transportation reported in Rhode Island there were 70 miles of interstate highways, costing \$300 million.

The Development Council hired a consultant in the early 1950's to review Rhode Island's tourism efforts and to recommend ways to increase tourism revenue. The consultant reported that in 1953 the state lagged far behind other states in tourism funding.

In the 1970s Rhode Island trimmed its tourism budget because of the low priority Rhode Islander's placed on attracting tourists.

In its annual report for 1974 and 1975 the Development Council was renamed the Rhode Island Department of Economic Development and detailed a program of media advertising and public relations undertaken by the Tourism Promotion Division.

Governor Garrahy convened a Governor's Council on Tourism in 1981.

In 1982 the State of Rhode Island made a major investment in national and worldwide advertising to promote the state as a visitor destination, with the "Biggest Little State in the Union" campaign, which many considered to be a success. In 1983, Rhode Island Economic Development Director, Norton Berman, pulled the campaign saying it was too corny and did not represent the state's positive image for business and visitors.

The Wall Street Journal in June of 1983 publishes a derogatory article on Rhode Island, calling it "a smudge on the fast lane to Cape Cod."

That year at America's Cup in Newport, Australia defeated the American racing team. The city lost this signature boating event.

Governor Garrahy then unveiled the "Greenhouse Compact", a \$750- million, 7-year strategic development plan to revitalize Rhode Island's economy. The plan targets the Rhode Island tourism industry as one of the bright spots in the state's economy and provides a detailed outline of how tourism can boost state's revenues. In June 1984, by 4-1 margin voters rejected the "Greenhouse Compact" in a special election.

In April of 1985 the Blackstone Valley Tourism Council, Inc. is founded to develop tourism in nine post-industrial America communities.

Governor Ed DiPrete, from 1985 to 1991, increased tourism funding into the 1990's.

In 1985 Gov. Edward D. DiPrete and Providence Mayor Joseph R. Paolino, Jr. created a joint city/state authority to own and operate a new Convention Center.

South County Tourism Council is formed to promote the nine Washington County communities of Rhode Island.

In July of 1986 as part of the FY 1987 state budget, the General Assembly created a 4% hotel tax to fund and support statewide and local tourism development. Regional tourism authorities were authorized in legislation to receive funds from the new tax.

In 1987 the state moved into television promotion and worked to attract international visitors.

The General Assembly changed legislation in 1991 and gave the Convention Center full state control, with creation of the Rhode Island Convention Center Authority.

The Rhode Island Airport Corporation was established in 1992. Expansion of new T.F. Green Airport terminal began and is completed in 1996.

Legislation to make Block Island its own tourism district was introduced in January of 1992. Shortly afterward the Block Island Tourism Council was formed and began representing New Shoreham in early 1993.

In 1995 the Rhode Island General Assembly established the new Rhode Island Economic Development Corporation (EDC) replacing the Department of Economic Development.

Changes were made to legislation, most notably in 1995, to establish new funding and the new Providence/Warwick Convention and Visitors Bureau to support funding of the Convention Center.

The tourism office's share of hotel tax reverted to the general fund. The money for statewide tourism promotion dropped and the division's funding slid back down to the early 1980s level.

The Economic Development Corporation, now a quasi-public agency, had a focus on business development. A new agency setup established the Tourism Development Advisory Board to recommend changes to the state's tourism marketing, promotion and development. The Tourism Board was established by Governor's Executive Order in 1995 and 2003. The group very rarely met and recommendations were never enacted.

In 1999 Rhode Island became one of the first states to create a tourism website. By 2009 VisitRhodeIsland.com was the third best state tourism site in the nation.

The Station Nightclub fire in West Warwick in 2003, when 100 lives were lost, had impacts on many local public establishments. The Rhode Island General Assembly enacted new Fire Code laws.

The General Assembly approved a new 1 percent meals and beverage tax.

In 2011, in light of public financing concerns, the General Assembly reinvented the state's economic development program, abolishing the EDC and creating the Rhode Island Commerce Corporation (Commerce RI) effective in 2015. Commerce RI was to be overseen by a new Executive Office of Commerce, headed by a Secretary of Commerce, who appoints the President/CEO of Commerce RI.

Under a new Commerce RI reorganization in 2015, the State Tourism Office and Business Outreach Office combined into a new Marketing Division, headed by a new Chief Marketing Officer. To increase funding for statewide tourism the General Assembly reformulated hotel taxes impacting regional tourism agencies. A \$5 million tourism campaign was envisioned for Rhode Island.

In 2016 a new "Cooler & Warmer" campaign rollout was pulled by Governor Gina Raimondo after a number of problems and errors with its content and resignation of the Chief Marketing Officer after a number of controversies over the advertising.

The hotel tax was restored to the previous formula for one year by the General Assembly. A new Chief Marketing Officer was hired by Commerce RI to rebrand the state's business and tourism promotion efforts.

In July of 2016 the *Providence Journal* newspaper reported that tourism is flourishing despite that fact that Rhode Island is still rebuilding its brand for visitors after the "Cooler and Warmer" Campaign flopped.

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