

## Advance Meeting Theater Profile Draft: Visitor Theater

### Introduction

An advance team met July 30<sup>th</sup> and spent the day going through each of the program theater questions. Attendees were sector experts who discussed job creation and impediments to job creation for the tourism industry.

### 1. Theater Definition

**Definition of Visitor (Tourism) Theater:** The Visitor Theater of job creation is focused on the creation of new economic base jobs where salaries are paid directly from the local sale of goods and services to visitors from out of state. While the bulk of job creation activities in this theater fall under the definition of tourism, defined as any journey for business or pleasure more than 50 miles outside your community, when you spend more than one night away from home, the IJC process would exclude journeys for business or pleasure by New Mexico residents.

**Definition of an Economic Base Transaction / Metrics and Methodologies:** In this theater, an economic base job is created when there is a marginal increase of visitor days or dollars spent per visit that creates an increase in net revenue generated. An economic base transaction in this theater is defined as a net scale increase in X number of visits per year required to support an economic base job. This way, the theater would be able to account for new economic base jobs by measuring a given net increase in visitors. The visitor theater is segmented into 5 or more modes, each of which could have a different economic base transaction formula and metric. Many have their own program attributes.

**Modes:** (different ways to create economic base jobs in this theater)

Job creation program efforts in this theater will focus on one or more of these six areas.

1. **Transit services;** this could include out of state residents passing through the state stop for services or an overnight. Activities could include billboard add buys, building truckstops, casinos, hotels.
2. **Short term Personal;** this mode targets leisure travel lasting less than a month. leisure tours, events, vacations, weddings, space tourism, cultural tourism, eco-tourism, health tourism, entrepreneur-tourisms Activities include add buys for major attractions (spaceport, balloon fiesta, etc.), building sports complex.
3. **Extended stay Personal;** directed toward temporary or part time residents, RVers, snowbirds. These must be in state less than 8 months of the year and not pay state income tax to be considered visitors and not retirees. Activities include advertising extended stay attractions, building subdivisions to accommodate visitors, finding existing properties that could be rented to visitors.
4. **Short term Business;** members could be visitors on business related travel lasting less than a month. Includes trade shows, conferences individual and small group business meetings or trips, non-international. Activities include recruitment of conventions/trade-shows to maximize occupancy of convention centers/hotels, construction of new convention centers/hotels.

5. **Extended stay Business;** *These are visitors who are conducting business for longer than one month; SF Opera, film project, construction, seasonal out of state workers, vendors at Balloon Fiesta This category requires clarification on if it qualifies as economic base. (Would these be paying NM income taxes?)*
6. **Halo Impacts;** Leads in Retirement, Solowork, Industry Recruitment and other job creation theaters generated by tourism activity.

**Synonyms:** Tourism, leisure traveler, business traveler, snowbirds, part-time residents, extended stay visitors, RVers, campers, entrepreneurial tourism, eco-tourists, agri-tourists, outdoor adventurers, foodies, truckers.

**Attributes:**

**Advantages**

- Produces programming with positive impacts on other economic base theaters and factors of production. (A study on the extent of the impact is pending)
- Any size of community can participate
- Direct generator of local tax revenue

**Disadvantages**

- Lower wage rates
- Job creation in the theater requires annual scale increases in visitors for economic growth to be sustained.

**2. Players/Procuring Agents**

<b>Program Categories</b>	<b>Players</b>	
Transit Services	-Visitor Centers/Rest Stops -Restaurants - Hotel Associations	- Culture - Casinos - State Parks
Short term Personal	- Hotel Associations - Lodgers Tax boards - Special event boards - Churches/ wedding locations - Sport Venues - State Attractions - Culture - Tour Operators	- Casinos - Airports - Tourism Associations - Food/wine - Mainstreet - Chambers - Conv. & visitor bureau - B&Bs
Extended Personal	Culture -Tour operators -Casinos -Food/wine	-Tourism Associations - State parks - Realtors Association - B&Bs
Short Term Business	- Hotel Associations - Convention Hotels - Lodgers tax boards	- Special event boards - Airports - Chambers

Extended Business	- Airports - Chambers - Lodgers tax boards	- EDOs - Hotel Associations - Realtors Association
Halo Impact	- Culture - Tourism Associations	- Chambers - Realtors Association

### 3. Economic/Industry Sectors

What industry or occupational codes are exclusively related to the Visitor Theater?

### 4. Jobs

The Jobs Council deliberations around the state over the last two years have estimated that 20,000 Jobs could be created over a ten year period with reasonable amount of support from public and private stakeholders.

### 5. Program Reliant

Any marginal increase in how many visits/economic base jobs in this theater will be program reliant.

### 6. Creating Tourism Jobs (Sales and Marketing)

A lead is someone who is exposed to programmatic outreach, such as an ad campaign or website. A suspect asks for information or visits a website related to visiting the state (price research, attraction comparison, etc).

A prospect is someone who makes a reservation in New Mexico

A transaction is when someone visits the state.

**The goal is to turn leads into suspects, suspects into prospects, and prospects into transactions.**

We need to know what the changes in state funding of tourism have been in recent years. Also, we need to know what the budget need is to reach the scale we have defined. Do we have enough agents at each level (state, region, county, city) to scale the goal of 20,000 new jobs in the next ten years? These questions must be asked for each of the 5 categories since each has a different answer.

#### Gaps:

- Local data is limited; most data aggregated on a state level.
- New Mexico has a lower repeat visitation rate than other states.
- No incubators are focused on tourism in the state.
- New Mexico isn't well known or well understood.
- New Mexico has still not reached pre-recession tourism levels.

**Solutions:**

- Data needs to be collected locally and tied to individual attractions
- Increase visitation by holding more events
- Create new events during times with no events
- Create training programs for those who would launch tourism-related initiatives and events.
- Fund the Tourism Department to support and publicize more events.
- Instead of marketing the entire state, market familiar places; once they're here, market other places in the state.
- Require private match to receive state marketing funding.
- Use "New Mexico True" in other theaters.

**7. Real Estate, Infrastructure, Capital****Gaps:**

## Real Estate:

- Do you have the right quantity and variety of service points in key areas? (truck stops, restaurants, hotels)

## Infrastructure:

- Too few nonstop flights, difficult to get here
- Interstate highways move traffic toward some attractions, but others lack good highway access. Too few of the freeways go through major attractions.
- Railrunner doesn't go to the airport, shopping centers. General lack of public transportation makes it difficult to fly to the state without renting a car. The ease of access is a major factor in area appeal.
- Limited broadband access; this is an issue across multiple theaters.
- Limited cellular provision in key attractions. Visitors will not stay long without cell coverage.
- Too few high-end resorts. Arizona has modeled that a harsh climate can still have appeal by building 5 star resorts.
- Too few services and opportunities for experiences

**Solutions:**

- Improve connections, increase flights
- Improve highways to tourist destinations.
- Keep improving the Railrunner. Use Uber and Lyft to add connections.
- Create Native American Visitor Center on I-25 with information about visiting the northern pueblos. (This action would stimulate Solowork in the arts)
- Look at restrictions set by PRC that discourage broadband investment.
- Involve counties in discussions of infrastructure related to tourism.
- Start a civic incubator for developing new businesses to capture tourism

**8. Workforce, Housing and Community Quality****Gaps:**

## Community:

- There is not enough to do in the state. Communities have been inactive in creating attractions.

- Need hospitality employees trained to advise visitors about attractions, activities and giving directions

**Solutions:**

- Disseminate information about other communities
- Establish a collaborative program between tourism and hospitality to train service people in marketing nearby attractions.

**9. Leadership, Organization, Business climate**

**Gaps:**

Leadership:

- There is a lack of leadership in product improvement. The state is being undersold and is not actively working on improving or adding attractions

Business Climate:

- Lack of Liquor licenses is an impediment to tourism especially in smaller counties where a single license can provide a center of community.
- Air B&B, BRBOs don't pay lodgers' taxes.
- Data on the causal relationships between tourism marketing efforts and actual resulting change in visitors is difficult to acquire due to firewalls at the Department of Labor.

**Solutions:**

- Provide incentives to organizations that enhance the state's appeal.
- Improve liquor license laws to improve tourism and not just to increase access.
- Discourage sale of liquor licenses in small towns.
- Liquor license stock split (All existing liquor licenses would be split for one to continue with the owner and one to be sold by the owner) This would double the number of licenses for the state without causing a major reduction in equity of existing licenses.
- The Governor should say this is the best place in the U.S.
- Leaders should show more pride in state.
- Tax Air B&B, BRBO
- Address the obstacles preventing collection of relevant data with the DOL or find a way to acquire data by other means.

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