

Why Tourism Matters Toolkit

WHY TOURISM MATTERS

Tourism is a primary funding source and contributor to the livelihood of Tuolumne County visitors. While often greatly undervalued, tourism revenue lightens the tax load on residents, creates jobs and opens doors for economic development. By collecting Transient Occupancy Tax (TOT) from overnight guests, lodging properties in Tuolumne County contribute millions of dollars in tax revenues, which stay exclusively in the county. Seventy-five percent of TOT funds pay for emergency services, roads and other County infrastructure.

Without ongoing marketing and destination awareness initiatives, TOT funds would greatly decrease. The Tuolumne County Visitor Bureau, also known as Visit Tuolumne County (VTC), works to promote the region's many lodging properties, attractions, local businesses, activities and experiences available to visitors. The main goal is to inspire travel and persuade people to book overnight trips to the destination, in addition to increasing in-market spending by those visitors, in order to maintain and increase the tourism revenue stream for Tuolumne County.



THE DATA SPEAKS FOR ITSELF

- The 25% of TOT* invested into VTC has proven positive returns year-over-year.
- In 2019, every \$1 spent in tourism marketing resulted in \$11.32 in tax revenue for the county. That's an **11% ROI**.
 - o \$273 million total travel spending (7% increase over 2018)
 - 2,445 tourism industry jobs (not including Black Oak Casino Resort and Chicken Ranch Casino)
 - \$5.23+ million TOT collected:
 - Tuolumne County (unincorporated): \$4.73 million
 - City of Sonora: \$502,000

*As of July 1, 2021 and the increase of TOT to 12%, VTC receives 20% of TOT and the County of Tuolumne and the City of Sonora receive 80%.

WHY TOURISM MATTERS

An investment in VTC fuels economic activity in our community. Destination promotion is a crucial step in bringing back, maintaining and growing our travel and hospitality sector, and imperative for the economic recovery of the whole destination.

Tourism benefits local economies, businesses and residents alike. As VTC continues post-pandemic recovery efforts, economic recovery depends in part on robust tourism marketing tactics, which will ultimately generate more visitor spending and restoration of tax revenue, building upon the millions generated for the County.

With visitors making new plans and the competition heating up, there has never been a more important time for VTC. There's substantial opportunity to bring in more visitors during fall, winter and spring and improve the quality of the trip for summer visitors. And as groups/meetings and international travel bounce back, VTC is an imperative tool in reaching these audiences encouraging them to stay longer and spend more across a wider range of products and services.

And the benefits of destination promotion are not limited to the tourism industry. Destination marketing raises the profile of Tuolumne County, creating a positive brand that encourages businesses to locate here, attracts new residents, leads to real estate investments, contributes to our arts and cultural industries, and makes our destination a better place to live. Destination promotion is for the benefit and wellbeing of every person in the community. It is an essential investment to develop opportunities and build quality of life to benefit the people here.

This is not a short-term recovery effort, and we need to be able to rely on VTC funding if we hope to overcome the challenges from the pandemic.

Some friends throughout the community have voiced why tourism matters to them. <u>Check it out</u>.



DESTINATION MANAGEMENT AND MARKETING ORGANZIATION

As a Destination Marketing and Management Organization (DMMO), VTC not only markets to visitors, but also supports organizations and businesses through local communications and grant programs. Each year VTC sets aside funds to sponsor community events that drive tourism and to support tourism-related activities, such as trail building. Staff members also sit on various Board of Directors and committees throughout the county offering their expertise and leadership.

VTC is improving the quality of life for residents through understanding the impacts tourism can have and continues to keep sustainability top of mind. Sustainability and tourism are intertwined, and as a DMMO, VTC takes their role seriously in helping to ensure residents and visitors have a beautiful and resilient community and environment for generations to come. The plan is based on five pillars:

- 1. Protect the regional identity, environment and cultural/historical resources
- 2. Protect and enhance resident quality of life
- 3. Foster a vibrant economy
- 4. Provide for an excellent visitor experience
- 5. Ensure enjoyment by future generations

VTC also participates in discussions for Tuolumne County's Climate Action Plan and keeps in close contact with the Office of Emergency Services to ensure VTC's messaging for a sustainable future and fire safety aligns with Tuolumne County Government. This includes items such as the <u>Wildfire Toolkit</u> developed to help prevent wildfires and educate partners, visitors and locals on how to be fire safe.



And in times of crisis, VTC works with local government and other organizations to put into action the Crisis <u>Communication Plan</u>, a comprehensive evaluation of potential crises for the region, including a response plan for each crisis with steps specific to the onset of the crisis, what to do during a live crisis and evaluation post crisis. The plan also has a crisis tracker template to monitor responses in real time, outlines spokesperson and crisis communication team, media policies and procedures, prepared statements, sample news releases, email and social copy templates, key audiences and media contacts.

SUPPORT VTC

HELP SPREAD THE WORD

This is an ongoing conversation that will always be of utmost importance to ensure the uninterrupted health of our communities and local businesses. It's easy to show your support for Tuolumne County by utilizing the following resources:

- Write a letter to the <u>Board of Supervisors</u>.
- Submit a Letter to the Editor to MyMotherLode.com. Click on the below letter templates to help get you started.
 - o For lodging partners.
 - o <u>For businesses.</u>
- Attend <u>Board of Supervisor meetings</u> and show your support of tourism marketing during Public Comment.
- Keep in touch. Sign up for the <u>VTC eNewsletter</u>.
- <u>Email VTC</u> written and video testimonials highlighting why tourism is important to you and/or your business.

SOCIAL MEDIA

Social platforms are a great way to share the value of tourism and what it means to you and your business.

When posting, about tourism to our great county, please tag us:





We also ask that your post includes hashtags: #WanderFreely #WanderSafely

#VisitTCToday

#MyTuolumneCounty

PUBLIC RELATIONS

Should visitors or customers reach out to you directly, here are a few talking points to help inform them on why tourism funding is important to our community:

WHAT IS THE ROLE OF VISIT TUOLUMNE COUNTY?

- VTC is the marketing and advocacy voice for the local tourism industry and many small businesses rely on VTC marketing to bring visitors into the destination, thus supporting the county economically.
- VTC has also been committed to destination stewardship and sustainability touting responsible travel as that continues to move to the forefront of tourism marketing efforts and remains a top priority.
- VTC educates audiences on sustainable practices by inspiring responsible outdoor recreation and promoting a strong sense of community. This includes supporting national and state parks as well as the various towns within Tuolumne County to overcome trash issues. VTC encourages visitors to pack out what they pack in and leave no trace so others can enjoy the region for generations to come. VTC also urges people to stay on trails and to be aware of wildlife, which helps minimize search and rescue missions and limits county public service costs.
- VTC focuses on bringing national and international travelers to the county, encouraging visitors to make Tuolumne County their home base while in-market rather than in a neighboring county.
- Marketing tactics which include a well-rounded mix of owned, earned and paid channels.
 - Owned: this includes anything under VTC's direct control such as the website, newsletters, collateral, blogs and the various social media channels managed by VTC.
 - Earned: media is publicity or exposure gained from methods other than paid advertising. Things such as articles from various types of media publication and stations, influencer blogs and more.
 - Paid: external marketing efforts that involve a paid placement, whether for more traditional tactics (print, radio, TV) or digital ads (paid social, display, paid search, native, streaming audio, video, etc.).
- VTC treasures all visitors that come to Tuolumne County. The domestic and international travelers who are attracted to the region are here to experience the beauty and charm of unique Yosemite explorations, California Gold Country discoveries and High Sierra adventures. They stay in lodging properties, dine, shop, explore the abundance of experiences, wide-open spaces and charming towns. Visitors spend millions of dollars supporting the county and local businesses.
- Like most counties, Tuolumne County has been hit hard by the impacts of the pandemic and as a result, VTC completely shifted the approach and strategy for marketing efforts.

WHY IS VTC MARKETING IMPORTANT?

- The tourism industry was hit hard because of the pandemic, and the county continues to be in recovery mode.
- The travel industry is one of the few consistent and reliable private sector growth industries for the county. Now, more than ever, it is important for VTC to continue receiving support from residents and county officials.
- Tourism benefits local economies, businesses and residents alike. As the county continues postpandemic recovery efforts, economic recovery depends in part on robust tourism marketing tactics, which will ultimately generate more visitor spending and restoration of tax revenue.
- VTC represents hundreds of local businesses in Tuolumne County. Many of these businesses have suffered throughout the pandemic and are barely hanging on to survive.
- Maintaining marketing tourism efforts is crucial in the long run as it will allow TOT and sales tax dollars derived from travel spending to rebound.
- This will not only result in the well-being of local businesses in Tuolumne County but will also ensure services are provided by the county to residents.
- Yosemite is a major driver for the county, but Tuolumne County still needs to be promoted as an entrance. From 2011 – 2019 Yosemite traffic counts overall increased by 14%. Because of VTC marketing efforts, the Tuolumne County gateway increased by 29% bringing more Yosemite tourists to the county versus local competitors.
- Marketing supports overall brand awareness and reputation of Tuolumne County and helps shape public opinion of visiting the destination and spending money.
- VTC's track record also proves that tourism marketing plays a significant economic recovery role following a major crisis.
- Tourism spending lightens tax load on residents, creates jobs and opens doors for economic development.
- As groups/meetings and international travel bounces back, a focus of VTC's efforts will be to reach these audiences as they stay longer and spend more across a wider range of products and services.
- The COVID-19 crisis is bigger than anything the county has faced, and it's already facing more competition from other destinations than ever before, making it imperative to maintain a fluid strategic marketing plan. This is not a short-term recovery effort, and VTC needs to be able to rely on the county's support to overcome the challenges resulting from the pandemic.

HOW DO TRANSIENT OCCUPANCY TAX (TOT) FUNDS SUPPORT TUOLUMNE COUNTY?

- By collecting TOT from overnight guests lodging properties in Tuolumne County contribute millions of dollars in tax revenues, which stay exclusively in the county.
- VTC receives a percentage of TOT not a flat rate.
- 75% of TOT funds collected go to the general fund to pay for emergency services, roads and other county infrastructure such as libraries. Additionally, the visitor economy includes travel spending and sales tax revenues that also supports the county. The remaining 25% of TOT funds is allocated to VTC tourism promotion efforts.
- The county has very little to do when it comes to receiving or generating TOT funds. Hoteliers collect it and remit it to the county. The county sends VTC a check. The county does not have to pay employees and all their county benefits VTC is a private, nonprofit organization.
- Because of past efforts of the Tuolumne County Lodging Association (TCLA), TOT increased from 6% to 8% and in 2012 from 8% to 10%. Because of TCLA's leadership in heading the campaign, an agreement with the County and the City of Sonora was made that VTC would receive 25% of the generated TOT. This agreement has been in effect for more than 40 years.
- TOT increased again on July 1 to 12%. The county will receive the full 2% increase in TOT which goes into effect July 1; none of the additional 2% will be given to VTC.
- It's extremely important to maintain funding in order to support the county's economic recovery post-pandemic, specifically the local economy and services the county provides to its residents. Local tax revenue in 2019 was \$9.5 million, and \$6.9 million (72%) of that was generated just by visitors. In 2020, \$6.6 million in local tax revenue was collected with \$4.7 million (71%) generated by travelers alone. This proves why TOT funds are crucial. Without them, the county would begin losing millions of dollars in local tax revenue, and not just TOT.
- Total tax revenue equivalency per Tuolumne County household was \$960 in 2019. In 2020, it would have been on average \$635 if the number of households didn't change.
- Tourism marketing efforts have helped contribute millions of tax dollars to the county. Countless hours go into marketing the destination. Hoteliers and the hundreds of local businesses in Tuolumne County have poured blood, sweat and tears into the community, investing time, energy and money into making their business part of what the region has to offer both visitors and residents alike. Many look forward to welcoming the thousands of visitors year-after-year, which ultimately supports the county through TOT and sales tax revenues.
- TOT is a key measurement of success of VTC efforts. The 25% of TOT funds allocated to tourism efforts is the only portion of that tax that has a proven ROI.
- Destination marketing efforts supports the county's ability to compete for tourism dollars, especially when compared to neighboring destinations that are securely and well-funded.
- Because of COVID-19 in 2020 there was a 36.7% drop in direct travel spending and a 15.3% drop in employment. YOY from 2011, VTC had grown travel spending, with last year being the first dip, directly correlated to not being able to market travel to the county.
- Despite the pandemic shutting down travel, the county still received \$7.25 in tax revenue for every \$1 spent in tourism marketing. This is proof that tourism matters in Tuolumne County.

VISIT TUOLUMNE COUNTY

For questions or more information regarding the importance of tourism and its funding to our county, contact Lisa Mayo at <u>lisa@gotuolumne.com</u>, Jen Lopez at <u>jen@gotuolumne.com</u> or Sarah Spoljaric at <u>sarah@gotuolumne.com</u>.