



Annual Report 2015

Alaska Travel Industry Association





Letter from the Chair

2014-2015 Alaska Travel Industry Association Board of Directors

Executive Officers

- Board Chair - Scott Habberstad, Alaska Airlines
- Vice Chair - Colleen Stephens, Stan Stephens Glacier & Wildlife Cruises
- Past Chair - Julie Saupe, Visit Anchorage
- Secretary/Membership Chair - Bonnie Quill, Mat-Su Convention & Visitors Bureau
- Treasurer/Finance Chair - Charlie Ball, Holland America – Princess Alaska Yukon
- Tourism & Policy Planning Chair - Deb Hickok, Explore Fairbanks
- Government Relations Co-Chair - Bill Pedlar, Knightly Tours
- Government Relations Co-Chair - Dennis McDonnell, Alaska Coach Tours
- Marketing Chair - Patti Mackey, Ketchikan Visitors Bureau
- ATIA President & CEO - Sarah Leonard, EX-OFFICIO

What a year it has been for the Alaska Travel Industry Association (ATIA) and the tourism industry in Alaska!

Following a year of record breaking numbers of visitors to our state, Alaska's tourism businesses kept strong in 2015 with the numbers of travelers and bookings reaching close to 2 million. And we continue to see those visitors spending money in Alaska with almost \$1.8 billion in economic benefit that reaches across every region of our state.

Alaska's tourism industry is a healthy industry. Over the past year, I was proud to be part of the ATIA team that advocated for continued strong reinvestment of revenue from tourism back into an efficient

and strategic marketing program. As the association that is the voice for our industry, the Board of Directors and staff worked together with the State of Alaska to ensure Alaska stays in the minds of the millions of travelers choosing vacation destinations.

The ATIA team believes tourism works for Alaska. With a solid marketing program, Alaska will continue to attract visitors. Those visitors will spend money on activities ranging from tours to accommodations to restaurants and more. That money supports businesses and creates jobs for Alaskans and all this activity helps business growth and funds services and infrastructure for residents and visitors.

Thank you to all of our members for continuing to provide quality visitor experiences in communities across Alaska. It is with your voices that ATIA will move forward in 2016 as a healthy industry and one that is vital to the economic well-being of Alaska.

Scott Habberstad
Past Chair

Board Members

- John Binkley, CLIA/Alaska Cruise Association
- Brett Carlson, Northern Alaska Tour Company
- Ken Dole, Waterfall Resort
- Kory Eberhardt, A Taste of Alaska Lodge
- Paul Goodwin, Holland America Line
- Peter Grunwaldt, Premier Alaska Tours
- Elizabeth Hall, John Hall's Alaska Cruises & Tours
- Shanon Hamrick, Kenai Peninsula Tourism Marketing Council
- Karen Harris, Bed & Breakfast Association of Alaska
- Deborah Hansen, Pike's Waterfront Lodge
- Kirk Hoessle, Alaska Wildland Adventures
- Dan Oberlatz, Alaska Alpine Adventures, LLC
- Thom McAleer, Alaska Denali Travel
- Tim McDonnell, TEMSCO Helicopters, Inc.

2014-2015 Alaska Travel Industry Association Staff

ADMINISTRATION

- Sarah Leonard, President & Chief Executive Officer
- Brianna Keisor, Executive Assistant & Office Coordinator
- Bobby Foster, VISTA Intern

MEMBERSHIP, ADVERTISING & TOURISM POLICY

- Jillian Simpson, Director of Membership & Tourism Policy
- Jackie Englund, Marketing & Sales Manager
- Laurie Booyse, Membership & Advertising Sales Manager
- Felipe Godoy Diaz, Tourism Policy Coordinator

MARKETING

- Tanya Carlson, Director of Marketing & Travel Trade Relations
- Moire Duggan, Travel Trade Marketing Manager
- Erica Hedma, Marketing Manager

FINANCE & HUMAN RESOURCES

- Sioux-z Marshall, Director of Finance & Human Resources
- Andrea Rayt, Accounting & Data Integrity Specialist

ATIA Team Values

Respect

With over 700 members, ATIA recognizes the diversity in views and opinions that make up our membership. While we may experience differing opinions on issues and processes, ATIA honors each member and partner and values each the same.

Professionalism

The ATIA team is committed, above all else, to follow ethical standards and be courteous and conscientious during any interaction and engagement with our customers, partners and team members.

Quality

The ATIA team strives to produce and provide the highest quality products, services and benefits for our members and partners. When working on any project or effort, the ATIA team follows industry best practices, thinks about new and innovative ideas and always considers safety and efficiency.

Customer Service

The first priority of the ATIA team is to provide quality customer service. If we don't know the answer at first, we commit to respond to our members as quickly as possible with the best information at hand.

Teamwork

We consider our colleagues, members and partners part of the ATIA team. We strive to remain positive, to be collaborative and to assume the best among our team members.

Letter from the President



This past year the ATIA Board of Directors and the ATIA team successfully operated and lead the association in a time of an unprecedented fiscal environment. Alaska's tourism industry saw an over 40 percent cut to tourism marketing funding – an investment that returns millions of dollars of revenue to the state and communities as well as supports almost 40,000 tourism jobs for Alaskans.

As ATIA advocated for continue strong reinvestment of tourism marketing dollars to the legislature and administration, we also strengthened our voice around issues important to our industry: cultural and sustainable tourism, daylight savings time and funding for public lands.

Perhaps our biggest news for members was the ATIA Board of Director's strategic decision to move the association to a new home in downtown Anchorage. ATIA leadership worked for many months reviewing commercial real estate and visiting offices spaces around the city before proposing a new home at 601 E. 5th Avenue. With this move, ATIA will realize cost savings and can use member dollars for supporting additional programs and benefits. The new building provides a more user-friendly and updated office environment for the ATIA team and offers ATIA members shared office and meeting spaces. We hope you come visit us any time you are traveling or doing business in Anchorage!

ATIA has been Alaska's voice on tourism issues for over 60 years. I know together we will meet any challenge and opportunity head on with continued commitment to quality customer service to our members and partners and a strong and healthy tourism industry for Alaska.

Sarah Leonard
President/CEO



Membership

ATIA's membership grew in 2014-2015 to over 700 members. The new dues structure launched in 2013 allowed ATIA to build a more broadly-based membership than before. The new program was accessible to small business and sole proprietors while giving larger member partners the opportunity to participate in customized packages.

One of the leading member benefits, the ATIA Annual Convention & Trade Show, was hosted in the "Golden Heart City" of Fairbanks in October 2014. Over 480 tourism business and partners attended the aptly-themed "Alaska Tourism - Good as Gold" convention to network and learn about the latest research and trends in the

industry. ATIA was honored to welcome esteemed guest speakers Brad Tilden, CEO of Alaska Air Group and Stein Kruse, CEO of Holland America Group, among others.

In 2015, ATIA continued to increase the content of the E-Learning Center, the web-based online learning program exclusive to ATIA members. Workshops at the annual convention were video recorded, as well as other trainings throughout the year, to give those unable to attend the events the opportunity to view them and learn at their own pace. New topics included "Working with International Visitors," "10 Tips for Credit Card Processing with Northrim Bank" and a variety of social media-focused videos, to name a few.

Local ATIA Chapter meetings and events were held in the communities of Fairbanks, Anchorage, Juneau, Ketchikan and the "Golden Circle" communities of Skagway, Haines and Whitehorse. These events provided valuable networking opportunities for ATIA members while raising money to support the chapter, future events and non-profit partners as well.

In an effort to continue to provide members with quality benefits, ATIA also partnered with the Family Assistance Foundation, ensuring all members have access to a network of volunteers who can support businesses and staff during an emergency or crisis.


MEMBER PARTNERS
Alyeska Level


A Signature of Excellence
HAP
 ALASKA · YUKON


Arctic Level







Orca Level









Gold Level






Alaska Dispatch News
Jade Level




ATIA MEMBERSHIP DUES LEVELS

Student.....	\$25
Individual	\$100
0-2 Employees/ Sole Proprietor	\$150
3-5 Employees	\$250
6-20 Employees	\$350
21-50 Employees	\$550
51-100 Employees	\$1,100
101-300 Employees.....	\$2,100
301-500 Employees.....	\$3,100
601-1000 Employees	\$4,100
1001+ Employees	\$5,100

ATIA also introduced a new DMO/CVB Member Discount Program, allowing members in good standing with their local DMO/CVB to qualify for a 20% discount on their ATIA membership cost.

Participating DMOs and CVBs:
 Explore Fairbanks, Juneau CVB, Kenai Peninsula Tourism Marketing Council, Ketchikan Visitors Bureau, Mat-Su CVB, Valdez CVB and Visit Anchorage





Alaska Tourism Marketing

Tourism marketing is necessary to spread the message that Alaska is a premier destination for visitors, and it's an essential component in ensuring Alaska's visitor industry remains a top economic force in the state.

As part of the Alaska Travel Industry Association's (ATIA) contract with the State of Alaska, ATIA worked alongside industry partners to establish a presence at a variety of trade events across the country and internationally.

ATIA team members provided trainings on Alaska tourism, hosted tour operators and travel agents on familiarization (FAM) tours within the state, managed the Alaska Certified Expert (ACE) online training program for travel agents and facilitated advertising sales both online and in the printed Official State of Alaska Vacation Planner.

Co-op Marketing

ATIA assisted with gathering materials for consumer and trade components including five consumer trade shows and an annual mailing to 3,500 domestic travel agents. The mailing allowed each participating partner to include their brochure in the packet sent to qualified agents either already selling Alaska or interested in adding Alaska product to their business.

Alaska Certified Expert (ACE)

ATIA distributed certificates to 282 graduates of the ACE online training program, bringing the total number of graduates to 2,617.

One of the years' priorities was to revamp the ACE program. With the assistance of the ATIA Trade Sub-Committee, the ATIA marketing team researched and selected Equator Learning as the new platform to hold the ACE program.

Over the course of the year, ATIA edited and updated the program content and quiz questions and added photos to correspond with each module. The new program includes an active agent database reaching around the globe. Benefits in partnering with Equator Learning include the ability to market directly to agents in the database as well as track their sales to Alaska. The new ACE program launched July 1, 2015.

Domestic Trade Shows

ATIA attended a variety of domestic trade shows as well as coordinated shipping materials to and from all shows. Shows included the National Tour Association Travel Exchange, American Bus Association Marketplace, Go West Summit, cruise3sixty, the United States Tour Operators Association and Cruise Shipping Miami.

Attendance at these shows connected Alaska with dozens of tour operators and travel agents through scheduled appointments, networking events and trade show booths. The qualified leads generated from these meetings were then passed on to tourism businesses in Alaska.

ATIA also attended two new shows in 2015, IMEX and Virtuoso Travel Week. Three booth share partners participated at IMEX, a show for incentive, meeting and event coordinators, highlighting Alaska as top destination for meetings and events. Virtuoso Travel Group, a travel agent consortium for luxury travel agents, hosted Travel Week in Las Vegas, Nevada where ATIA took meetings with over 350 agents over the course of four days.

Domestic FAMs

ATIA developed and conducted 2 domestic tour operator familiarization (FAM) tours, organized 2 unescorted tour operator FAMs and coordinated and escorted the state's first-ever luxury-focused FAM for high-end travel agents – for a total of 14 operators and agents. The FAMs featured different communities and businesses throughout the state and seasons, offering a first-hand experience of Alaska as a top quality visitor destination.

International FAMs

ATIA designed and executed 5 international FAM tours plus arranged 7 unescorted FAMs for a total of 33 international tour operators and travel agents. Various regions, experiences, businesses and seasons were featured and included attendees from the key overseas markets of Australia, Japan, Germany, Korea and the U.K.

International Sales Missions and Trade Shows

ATIA promoted and sold 3 International Sales Missions. Workshops were held in Australia, Japan and Korea. These workshops offered businesses exposure to hundreds of travel

agents, tour operators, wholesalers and media in Alaska's largest overseas markets.

With support from ATIA, the State of Alaska exhibited at two international trade shows: ITB in Berlin, Germany - the world's largest travel show with over 111,000 trade professionals in attendance; and WTM in London, England - where more than 50,000 buyers and trade visitors participate in scheduled and ad hoc meetings.

ATIA also joined a dozen other Alaska tourism businesses in the "Alaska Row" at U.S. Travel Association's IPW in Orlando, Florida, creating a large state presence. 184 appointments were conducted with international tour operators with the help of 4 booth partners.

Sales

ATIA continued to act as the sales force for the State of Alaska. Through consultations and bi-weekly e-newsletters, the ATIA sales team was the main point of contact for industry on cooperative marketing opportunities available in Alaska's marketing program. These opportunities included:

- Advertising in the Official State of Alaska Vacation Planner, along with Korean and Chinese Travel Planners.
- Advertising on TravelAlaska.com.
- Participation in trade shows, international sales missions and media events.
- Purchasing qualified leads.
- Co-op magazine advertising in Good Housekeeping, National Geographic Traveler, National Wildlife, Sunset and Backpacker.

Alaska Tourism Marketing Board

Finally, ATIA was the voice for the industry, carrying industry messages to the tourism Marketing Committee, and later, the newly formed Alaska Tourism Marketing Board (ATMB) regarding the state marketing program.

The ATMB was created as a Board within the Alaska Department of Commerce, Community and Economic Development (DCCED) to cooperate with the department in planning and executing a destination tourism marketing campaign that would be in the public's interest; and to make recommendations to the department regarding tourism marketing.

The ATMB consists of 21 members, including 18 members appointed by the Governor of Alaska, representing different segments of the tourism industry, company sizes and regions of the state. ATIA reviewed the applications and made recommendations to the governor based on the qualified applicants.

The first ATMB meeting was in November, 2014. The Board held several meetings in FY15 to discuss the significant budget cuts to the Tourism Marketing Program for FY16.



ALASKA Certified Expert



ATIA Foundation



Our Voice

The top priority for the Alaska Travel Industry Association (ATIA) in fiscal year 2015 was to advocate for the continued reinvestment of tourism revenues into the State's tourism marketing program.

Tourism Marketing

Implementing an efficient, cost effective and professional marketing plan keeps Alaska on the forefront as a world-class destination for visitors. ATIA worked closely with the Governor and legislative leadership to maintain the program; however at the session's close, the tourism marketing budget saw a 40 percent reduction.

The newly created Alaska Tourism Marketing Board (ATMB) met several times following

the legislative session to review program cuts. ATMB members kept an eye on retaining core program elements as well as provided recommendations for cost savings and efficiencies.

Despite the reductions, ATIA will continue to strongly advocate for a competitive, industry-led marketing program in order to sustain the health and future growth of the tourism industry in Alaska.

Public Policy

During The 2014 ATIA Annual Convention & Trade Show in Fairbanks, ATIA held the first Public Policy Summit which brought together over 70 members to discuss issues and policies impacting Alaska's tourism

industry. As a result, ATIA passed resolutions calling for increased funding of public lands and support of arts, culture and heritage as important components of tourism.

Additionally, ATIA took a stand against changing daylight savings time in Alaska due to the negative impacts it would have on tourism businesses operating evening tours.

The Alaska Travel Industry Association (ATIA) Foundation was created to reinvest in the future of the Alaska tourism industry. Through the support of scholarships for Alaskans pursuing their degree in or related to tourism in Alaska, the ATIA Foundation has continued to help sustain a healthy industry.

Originally established in 1997 under the Alaska Visitors Association (AVA), the Foundation has awarded scholarships to students accross the state from Ketchikan to Nome and Kodiak to Tok, with a special Rural Award benefiting villages and small communities. Since AVA transitioned into ATIA in 2001, the scholarship program has sponsored over 142 individuals and awarded over \$280,000 in scholarships.

ATIA Foundation scholarship funds are raised through annual events, pledges from industry members at the ATIA Annual Convention and donations from the Permanent Fund Dividend Pick.Click. Give Program.

2015 ATIA Foundation Scholarship Awards

- ATIA Anchorage Chapter - \$2,000 - Kamryn Froehle
- Kris Geldaker Memorial - \$2,500 - Elizabeth Jagusch
- Chuck West Memorial- \$1,450- Kaitlin Koch
- All Alaska Tours Scholarship-\$1,500- Paige Martin
- Holland America Line Scholarship-\$2,500 – Ellie Potter
- Un-Cruise Adventures Scholarship - \$2,500 – Austin Bottasso
- White Pass & Yukon Route Railroad - \$2,500 - Austin Erickson

Six 1-year scholarships funded through member pledges were also awarded:

- ATIA Continuing Education Scholarship - \$1,000 - Ashley Ritenour
- ATIA 1 year Scholarship - \$1,000 - Paige Martin
- ATIA 1 Year Scholarship - \$2,000 – Claire Kincaid
- ATIA 1 Year Scholarship - \$2,000 – Marin Durrenberger
- ATIA 1 Year Scholarship - \$500 - Mario Fulmer
- ATIA 1 Year Scholarship- \$500- Helen Renfrew





Finance



In Fiscal Year (FY) 2015, the Alaska Travel Industry Association (ATIA) team worked in collaboration with the board of directors to manage the association's budget and utilize member and partner investments wisely.

ATIA successfully performed the duties of the State of Alaska (SOA) tourism support services contract. As part of the sales efforts, the ATIA team collected nearly \$2.2 million in sales and advertising revenues, which were reinvested into the SOA tourism marketing program.

In October 2014, ATIA, along with the community of Fairbanks, hosted the ATIA Annual Convention & Trade Show. Over 480 members attended the convention,

surpassing the original goal of 450 registered delegates. Due to the success of the convention, ATIA was able to cover all of the costs of the event as well as raise funds for government relations support in 2015.

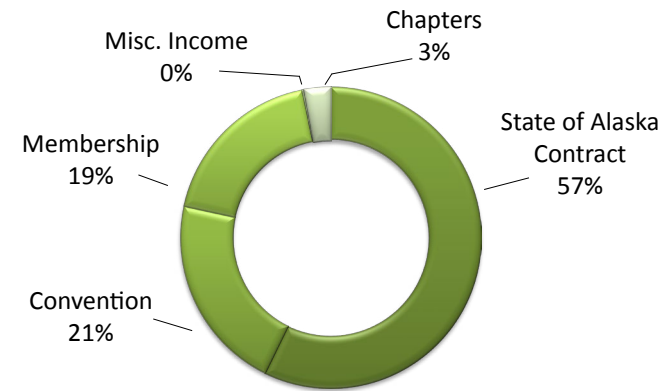
The ATIA Chapters in Anchorage, Juneau, and Fairbanks also largely contributed to the financial health of ATIA. ATIA chapters fundraise to support local scholarships, community events, and community non-profits. Thank you to the local ATIA chapters, who operate strictly on a volunteer basis, for their time and efforts to improve Alaska's communities.

ATIA and the ATIA Foundation financial statements underwent an annual audit.

Both organizations were found to be in good standing.

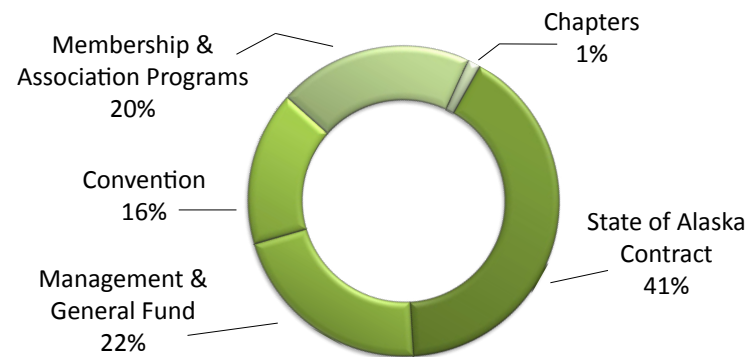
In May 2015, ATIA purchased an office building in downtown Anchorage. This allowed the association to consolidate its offices, storage space and meeting room needs under one roof. This strategic decision will provide cost savings for the association, allowing ATIA to enhance member programs and benefits.

FY15 Income



State of Alaska Contract	\$1,031,671
Convention	\$381,811
Membership	\$334,487
Misc Income	\$4,274
Chapters	\$50,658
Total Income	\$1,802,901

FY15 Expenditures



State of Alaska Contract	\$745,799
Management & General Fund	\$391,440
Convention	\$294,790
Membership & Association Programs	\$369,658
Chapters	\$23,921
Total Expenditures	\$1,825,609



Alaska Travel Industry Association
610 E. 5th Ave., Ste. 200
Anchorage, AK 99501

AlaskaTIA.org