



# Alaska Travel Industry Association

*Promoting Alaska as a top visitor destination*

FY2011  
annual report





# CHAIRMAN'S MESSAGE

2010-2011 was an important year for the members of the Alaska Travel Industry Association (ATIA). Our statewide marketing message — delivered nationwide and to targeted overseas markets — was funded by the largest marketing budget in decades.



Tourism industry volunteer experts designed one of our most effective campaigns ever. New Alaska TV ads appeared on channel after channel, the largest paid media campaign in ATIA's history. Researchers have objectively analyzed the measurable results of last year's advertising campaign. ATIA now reports to you on the impressive successes of this campaign as well as other components of our aggressive marketing program.

In a year when our targeted markets were exposed to more Alaska advertising than ever, 2010-2011 was also one of the most trying for our volunteer Board of Directors and the ATIA Staff. As the regular and special legislative sessions proceeded, we were continually challenged to remind the Alaska Legislature that tourism marketing funding is both effective and essential to sustain, grow and diversify the Alaska economy. At times we felt near a breakthrough towards a long-term funding solution. However, at the close of the 2011 legislative special session, we faced the fact that we must continue this effort with renewed vigor in the upcoming 2012 session.

Because you and your business are willing to stand together with 1,100 other businesses as members of this Association, I am confident that we can, and will, achieve success together.

Warm Regards,

Deb Hickok,  
Chair, Board of Directors

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# PRESIDENT'S LETTER A YEAR IN REVIEW

I am proud of the Association's FY2011 accomplishments. If the State's one-year supplemental appropriations were considered a test, we couldn't be more proud of our grade — awareness of Alaska's tourism marketing campaign increased a staggering 45%. Traffic to TravelAlaska.com now tops 2.4 million visitors annually. ATIA programs overall generated 700,000 inquiries for Alaska travel information. Direct flights from key overseas markets such as Japan and German Speaking Europe are up, in both summer and winter.



Most important, this long-needed investment in the statewide marketing program will influence potential visitors to Alaska, which helps support nearly 40,000 tourism related jobs. Following years of visitor contraction and painful layoffs, 2011 was a possible turning point towards a welcomed recovery.

Planning for the future, I am thrilled that this one-time injection of state funds also created strategic assets that will benefit Alaska long into the future – fresh video footage and captivating high-definition photography. Every additional dollar appropriated in FY2011 was spent directly on marketing.

Looking forward, we caution that this successful marketing program will create maximum value to Alaskans only if it is 1) market driven, 2) research-based, and 3) industry led. At ATIA we are committed to these principals and I continue to ask for your help advocating in support of these ideals.

With Regards,



Ron Peck,  
President & COO

# VISION STATEMENT

THE ALASKA TRAVEL INDUSTRY ASSOCIATION WILL  
BE THE LEADING INDUSTRY ORGANIZATION.

## We will...

Promote Alaska as a top visitor destination

Communicate and promote the Alaskan tourism industry as one of the state's major economic forces

Be the respected voice for growth for the industry

Remain attentive to care for the environment

Recognize cultures and Alaska's unique quality of life



# STRENGTHENING ALASKA'S IMAGE

The Alaska Travel Industry Association launched a new series of television commercials this year, bringing an infusion of fresh, inspiring Alaska images to households across America. The commercials were designed to set Alaska apart from other destinations and motivate people to visit Alaska this year. Alaskans were put to work in the production of these commercials with an Alaska film crew, music producers and actors hired for the job. Creative concept testing was conducted prior to the commercials being finalized to ensure messages were appealing, motivational and conveyed the uniqueness of Alaska.

Alaska's presence on national television was the strongest it has been in over a decade, with media placement exceeding \$5 million. The 30-second commercials ran September through March on high-profile national cable programming, such as National Geographic Channel, History Channel, Travel Channel, Fox News, and the Discovery Channel.

LEAVE THE ORDINARY BEHIND  
**Take a leap of faith**

**Have a little adventure**



To view these videos & more search  
"alaskatia" at youtube.com  
or scan the QR Code to play  
on your smartphone.

If you don't already have a reader, visit  
getscanlife.com to download a free app.



# RESEARCH DRIVEN

Research validates the effectiveness of the statewide tourism marketing program and shows interest in Alaska is being converted into actual travel.

Increased funding allowed for investment in the Alaska Visitor Statistics Program (AVSP), an ongoing, comprehensive visitor study. ATIA co-funded the study with the State of Alaska and fieldwork for summer 2011 was completed. The report will be released in February/March 2012 and the data will be used to guide future statewide tourism marketing campaigns. Alaska businesses also depend on this vital information to drive expansion decisions or to introduce new product offerings.



The Images of Alaska study provided thought provoking information on Alaska's visitors and future market potential. Those living in western and southern U.S. states continue to offer the greatest potential for Alaska, but the study revealed a nine percent decrease in the number of U.S. residents indicating they are likely to travel to Alaska in the next five years. The study indicates the primary motivators for an Alaska trip are a long-term desire to visit, the beautiful scenery and wildlife, interest in vast, open spaces and the desire to experience things unique to Alaska such as the mountains, glaciers, national parks and wildlife.

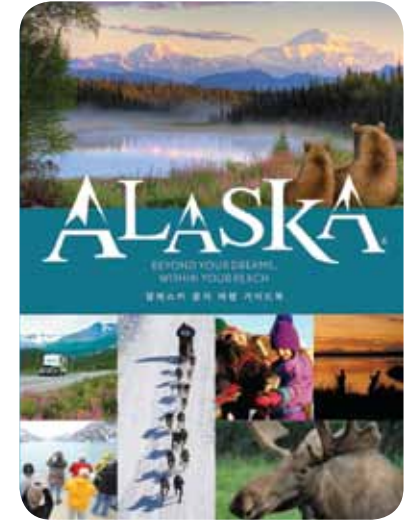
Learning more about visitors that travel to Alaska in the winter months was deemed a priority. Two studies were conducted and showed that 40 percent of past Alaska visitors would consider visiting during the winter months. Activities such as sightseeing, dog sledding and skiing/snowboarding were at the top of the list in terms of interest. Words used to describe Alaska included: adventure, unique, and off the beaten path.

# ATTRACTING OVERSEAS GUESTS

ATIA's global marketing strategy is to foster Alaska awareness and growth of tour product by working with the travel trade and media in targeted countries. Each of the primary markets of the United Kingdom, German-Speaking Europe, Australia and Japan has a representative office that locally promotes the destination. The secondary market of Korea also has a representative office and project work was conducted in the emerging markets of Latin America, China and Taiwan.

Sales Missions took place to both Europe and Australia last year with 17 members. More than 1,100 travel agents, wholesalers and media attended the week-long events. ATIA exhibited at 17 international trade shows including the U. S. Travel Association's International POW WOW. Meetings were conducted with 190 international tour operators and Alaska once again co-sponsored a lunch with the National Park Service.

Consumer awareness is accomplished through public relations efforts and joint marketing campaigns with large wholesalers. ATIA hosted media from each market on 14 separate press trips. The articles produced from these trips resulted in the equivalent of \$1,379,220 in paid advertising. New German and Korean visitor guides were produced and distributed to potential travelers. TravelAlaska.com was completely translated in both German and Japanese to make trip planning and research easier for consumers in those markets. The new Alaska-Travel.de and Alaska-Japan.com were launched last summer and provide more information than the previous foreign language sites.



Alaska has enjoyed seasonal non-stop service from Germany and Japan for several years and last year Korean Air re-entered the market with six charter flights, bringing the total international flights to 131. Destination marketing in each of those origin countries helps to ensure that flights continue operating and visitors travel to Alaska.



# EDUCATING INFLUENTIAL MARKETS

Since many consumers book their trips to Alaska through a tour operator or a travel agent, ATIA markets to the travel trade as another effective way of reaching potential visitors. This is accomplished by attending trade shows and meeting individually with trade representatives to help them package and sell the destination. The training we offer helps the trade to become knowledgeable about Alaska, ensuring they can sell Alaskan products with confidence and accuracy.

*Conducted in-person destination training for **801** travel agents*

Focus was also put on the cruise industry this year as ATIA partnered with Alaska ACT to promote Alaska at the Seatrade Cruise Shipping Miami trade show where Governor Sean Parnell proclaimed Alaska is open for cruise business.

*HOSTED  
**70**  
tour operators &  
travel agents  
from six countries*

However, the most effective way for the trade to understand Alaska is to experience our products first-hand. Throughout the course of the year, ATIA coordinated 10 familiarization tours for 70 tour operators and travel agents which featured different communities, businesses and seasons.

ATIA helped keep Alaska top of mind by having a sponsorship presence at many national gatherings of trade professionals including Global Event Planners Summit, National Tour Association, American Bus Association, Go West Summit and Cruise3sixty.

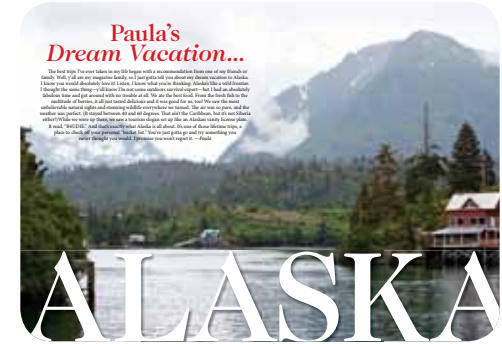
*Attended five trade shows &  
met with **171** tour operators*



# SHARING ALASKA'S STORY

The public relations program had a phenomenal year, with a steady stream of Alaska stories featured in publications/media outlets such as Travel Weekly, Gadling.com, TravelersNorth.com and the Los Angeles Times. All told, the advertising equivalency value for the FY2011 public relations program totaled over \$17 million, with total circulation of roughly 955 million.

Paula Deen and her crew from Cooking with Paula Deen visited Alaska, which resulted in 19 pages of Alaska content in the January issue. A two-page companion story also appeared in the June issue, keeping Alaska firmly in front of the magazine's readers. Another big hit came towards the end of the year when Al Roker from NBC's TODAY Show traveled to Alaska. Mr. Roker spent the day enjoying quintessential Alaska activities including a helicopter glacier tour, bear viewing, dog sledding and a visit to the Alaska Native Heritage Center. The TODAY show was so enthralled with the Alaska experience they later produced a live segment with an Alaska chef preparing recipes featuring Alaskan king crab.



A 19-page spread was published in the Jan/Feb issue of Cooking With Paul Deen with an ad equivalency of \$1,080,340 & a circulation of 725, 599.



Highly qualified travel writers met with ATIA members during the Alaska Media Road Show held in Santa Barbara, Calif., Oct. 23-25, 2011.



Dave Price with the CBS Early Show visited Anchorage to kick off the "No Way Home" feature, Nov. 12, 2010.

The Alaska Media Road Show and Experience Alaska media events held in California and New York remained popular with ATIA members and journalists. Again this year, several stories were published soon after each event. Relationships were also forged with journalists that will result in Alaska stories published well into the future.

Utilizing the power of social media, ATIA secured a visit from Dave Price with the CBS Early Show. Arriving with just \$50 in his pocket, Dave faced the daunting task of finding his way home from Alaska to New York, relying on the kindness of Alaskans and finding work to finance his travel expenses. Dave was successful in securing "jobs" packaging Alaska seafood, serving fresh-roasted coffee and shoveling snow. An estimated 2.56 million national viewers shared in Dave's Alaska journey.



# TRAVELALASKA.COM

Alaska launched a new consumer website this year. TravelAlaska.com features interactive maps, multiple navigational pathways and upgraded trip-planning tools. Built on new technology, the website provides consumers extensive information on Alaska's varied activities and communities. The new site also provides ATIA members administrative access to the site for managing their membership and advertising activity.

Phenomenal growth was seen in the number of consumers visiting TravelAlaska.com and clicking through to Alaska businesses. Site visits increased 56 percent over the prior year and click-throughs to ATIA businesses increased by 57 percent.

	FY10	FY11	CHANGE
<b>Pageviews</b>	8,293,567	9,911,078	+ 20%
<b>Visits</b>	1,756,307	2,746,107	+ 56%
<b>Visitors</b>	1,504,151	2,370,932	+ 58%
<b>Click to Members</b>	338,512	532,547	+ 57%
<b>Planner Request</b>	176,400	260,993	+ 48%

Research shows TravelAlaska.com is delivering a quality online experience. The Website Satisfaction study confirmed 94 percent of site visitors would visit the site again and 56 percent would recommend the site to others planning a trip to Alaska. Through Usability Research we found consumers were captivated by the homepage photos, with several indicating the images alone provoked their desire to visit Alaska.



# SELLING ALASKA

Alaska's message was delivered to millions of U.S. consumers via direct response campaigns. Due to changing media consumption patterns, there were shifts in the overall program including a reduced direct mail campaign and an increase in digital media. Campaigns were monitored on a daily basis and adjusted based on overall performance to ensure the greatest volume of responses.

Online media buys were optimized throughout the year, with low-performing ads replaced by high-performing ads. Text ads and links within copy were placed on relevant websites in order to put Alaska's message in front of consumers who may not already be thinking about Alaska as a travel destination. A new online campaign was launched to spur interest in adventure travel and to generate additional traffic to TravelAlaska.com. People responding to the campaign clicked through to a custom landing page and then were directed to relevant content within the website.

Alaska ads ran in 25 national publications ranging from AAA magazines to National Geographic Traveler, and Natural History magazine to Frommers Budget Travel. A headline test was conducted to see if modifications would boost responses. The test was successful and the new headline is now being used in all campaigns.

The Governor's direct mail letter, along with a business reply card, was mailed to roughly three million U.S. households. New and highly qualified lists were replaced by less productive lists to keep the program fresh.

The Official State Vacation Planner was updated to include a wide array of new images. Winter activities were showcased along with native culture and Alaska landscapes. Businesses advertising in the Vacation Planner stand to benefit as potential visitors begin dreaming of an Alaska vacation and envisioning themselves taking part in all that Alaska has to offer.

The North to Alaska marketing program scored another successful year, generating almost 81,000 requests for highway travel information against a goal of 65,000. Partners from Alberta, British Columbia and Yukon are showing increased interest in Alaska's highway marketing efforts now that the Canadian Tourism Corporation (CTC) has discontinued consumer marketing efforts in the U.S.

Consumer shows continue to be a popular vehicle for selling Alaska and reaching consumers in Minnesota, California, New York, Florida, Arizona and Texas. Alaska Vacation Planners, maps and member brochures were distributed and personalized assistance was provided to those trying to decide where to visit and/or finalizing their Alaska itineraries.



# RETURN ON INVESTMENT

## FY11 Marketing Campaign Highlights

### ATIA MARKETING PRIORITIES



1. Inspire a decision to visit Alaska.



2. Identify consumers who want to learn more about an Alaska vacation.



3. Provide the information needed to evaluate the destination and plan a trip.



4. Drive conversion and facilitate bookings by connecting consumers and businesses.



5. Test new methods and strategies.

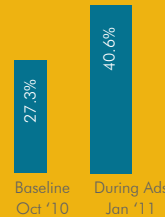
**20 MILLION\***

traveler households reached by the 2011 advertising campaign.

\*Approximately.



Total Advertising Recall



ALASKA INCREASED ITS ADVERTISING AWARENESS RANKING FROM

#10 TO #6

**80** LEADS per hour

**24** hours/day  
**7 days a week**



**701,214**  
responses generated

**2.4 million**  
web visitors to TravelAlaska.com



TOTAL COLLATERAL DISTRIBUTED

**927,000**

DIRECT MAIL SENT  
**2,975,133**



Click-thrus to member sites

**ROSE 57%**



**140,100**  
INCREMENTAL TRIPS

These trips generated **\$415** million  
IN INCREMENTAL VISITOR SPENDING.

\*including only in-state transportation.

For every **\$1** spent on advertising  
**\$108** is returned in  
visitor spending

# PLANNING FOR THE FUTURE

**WINTER TOURISM.** This year the Tourism Planning Committee (TPC) focused on the goals outlined in the board-approved “Winter Tourism Action Plan.” Research was conducted on this largely untapped market through the collaborative efforts of the TPC, the Winter Tourism Subcommittee, ATIA staff, and well attended break out sessions at ATIA’s annual convention in Whitehorse. An inventory of current winter tourism products in Alaska and a resource directory were compiled and included in the new winter tourism section featured on Alaskatia.org.

This section of insights and conclusions is dedicated to supporting our member’s efforts to enhance or start winter operations. The information includes “Destination Strategies for Winter Development” and “Guidelines for Businesses Operating Winter Products.”



**HIGHWAY SAFETY.** Timely action by the Tourism Planning Committee and the Board of Directors resulted in a commitment by the Alaska DOT to work towards improvement of pedestrian access at mile 231 on the Denali Parks Highway at the Nenana River Bridge, an entry point for a popular hiking trail into the park.

**RESPONSIBLE TOURISM.** During the ATIA Annual Convention the TPC coordinated two responsible tourism sessions. A panel of speakers discussed the compatibility of environmentally sound tourism and growth sustainability during the general session.

Another panel was held as a break out session. With the support of the TPC, the Board of Directors recognized “Adventure Green Alaska,” an Alaska-based, green certification program as an option for promoting sustainability in Alaska.

# ADVOCATING FOR MEMBERS

ATIA, with the help of over 120 grass roots volunteers and tourism associations, worked to gain support of our cause during the 2011 Legislative session.

Collectively we advocated to the Administration and the Legislature of the need to reach a long-term funding solution for an Alaska tourism marketing program led by private industry. The dedication of ATIA members was resounding and encouraging. Members across the state shared their personal, family and business’ stories with their elected officials by writing letters and providing testimonies before the House & Senate Finance Committees.

Ultimately the Legislature and the Administration reached an agreement to contribute \$12 million to the states tourism marketing effort but with substantially more involvement and input from the Department of Commerce, Community, and Economic Development.

In the Legislative session to come we will continue to advocate for a dependable tourism marketing program that has strong involvement from the private sector and stimulates travel for the benefit of Alaskan families and communities.



# SHARING & GIVING BACK

The eleventh annual ATIA Convention and Trade Show was held in Whitehorse Yukon Territory, Oct. 9-11, with the theme "Circle of Strength – Northern Neighbors: Powerful Partners." Attendees from Alaska, Canada, and the lower 48 had the opportunity to hear the Premier of the Yukon Territory Dennis Fentie and from other well known speakers on important topics for their businesses. Participants attended workshops, networked, exchanged ideas and experienced the warmth and friendship of our Canadian neighbors in yet another successful ATIA convention.



The Alaska Travel Industry Association and our 1,100 members were dedicated to giving back to our communities in FY2011. ATIA chapters and tourism businesses joined efforts to participate in a number of fundraising events for non-profit organizations such as the American Red Cross and local food banks.

ATIA also collaborated with local affiliate travel organizations to sponsor Visitor Industry Charity Walks in both Anchorage and Fairbanks.

Another important aspect of ATIA's members "giving back" is through the annual ATIA foundation scholarship program. The foundation obtains funding directly from the ATIA businesses and individuals who support continuing education for individuals desiring to improve themselves professionally. The seventh annual golf tournament was held on Sept. 3, 2010 at the Anchorage Golf Course to raise funds for the scholarship program.



# FY11 FINANCIAL STATEMENT

<b>INCOME</b>	<b>FY2011</b>	<b>FY2010</b>	<b>FY2009</b>
State Contract/Grants	\$15,999,142	\$9,000,000	\$9,000,000
Cooperative Marketing	\$2,883,335	\$2,859,269	\$2,551,479
Destination Marketing Organizations	\$180,188	\$183,675	\$196,919
Membership Dues, Events & Miscellaneous	\$760,915	\$1,074,455	\$388,647
<b>Total Income</b>	<b>\$19,823,580</b>	<b>\$13,117,399</b>	<b>\$12,137,045</b>
<b>EXPENDITURES</b>			
Contract Marketing	\$18,938,910	\$11,961,413	\$11,473,164
Management & General Fund	\$363,375	\$273,201	\$319,741
Fund Raising	\$101,149	\$332,851	\$329,939
Association Programs	\$128,835	\$140,632	\$199,777
<b>Total Expenditures</b>	<b>\$19,532,269</b>	<b>\$12,708,097</b>	<b>\$12,322,621</b>



# ATIA BOARD OF DIRECTORS

## EXECUTIVE COMMITTEE



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Fairbanks Convention  
& Visitors Bureau



VICE CHAIR

**Ken Dole**  
Waterfall Resort/  
Promech Air



MARKETING CHAIR

**Julie Saupe**  
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TOURISM PLANNING  
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FINANCE CHAIR

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Knightly Tours



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PAST CHAIR

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Cruises



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Alaska Travel  
Industry Association

## BOARD MEMBERS

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Cathy Shultz..... Sophie Station  
Ethan Tyler..... Alaska Tourism Solutions

## Alaska Travel Industry Association

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