

**State of Alaska  
FY2018 Governor's Operating Budget**

**Department of Commerce, Community, and Economic  
Development  
Tourism Marketing  
RDU/Component Budget Summary**

**RDU/Component: Tourism Marketing**

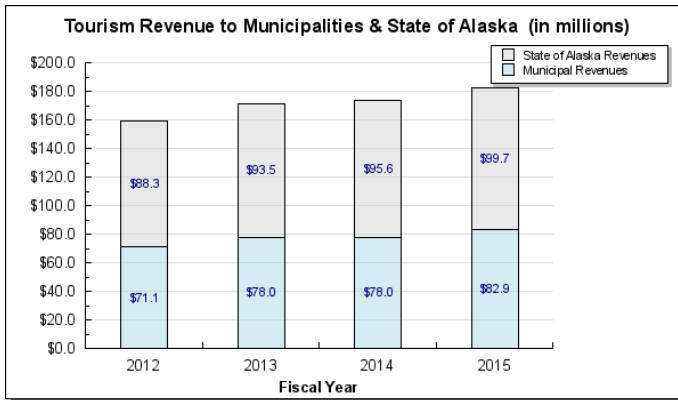
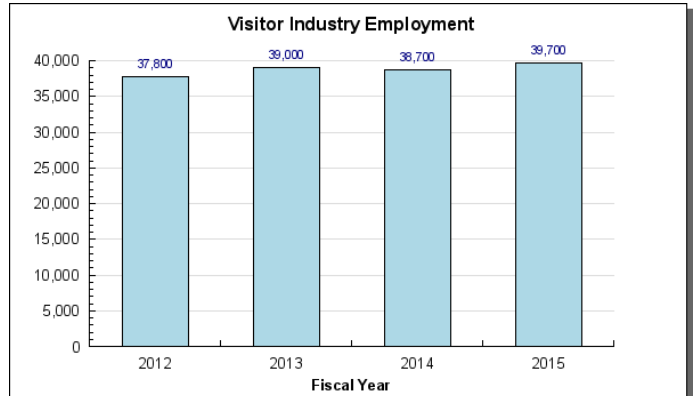
*(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)*

**Contribution to Department's Mission**

Promote economic development opportunities through the expansion of Alaska's visitor industry.

**Results**

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)



**Core Services**

- Tourism Marketing

## Measures by Core Service

(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

### 1. Tourism Marketing



## Major Component Accomplishments in 2016

### Tourism Marketing

- In calendar year 2016 Alaska hosted over 2 million visitors, the highest number ever recorded. Direct marketing efforts by the Tourism Marketing program directly contributed to the record visitation levels.
- Generated 589,308 visitor information requests for Alaska travel information, which were generated from direct response efforts such as the Alaska Vacation Planner and the TravelAlaska website.
- Contributed to the highest number of out-of-state summer visitors Alaska has ever seen, totaling 1.78 million in summer 2015.
- Collaborated with the governments of Alberta, British Columbia and Yukon to promote the drive through Canada and into Alaska. This North to Alaska Highway marketing program was recognized earlier by the International Economic Development Council (IEDC) with an Excellence in Economic Development Bronze Award for Regionalism and Cross-Border Collaboration.
- Worked with three air carriers to secure a total of eight charter flights between Japan and Alaska in the summer of 2017 to promote tourism to and from Japan. The carriers include Japan Airlines, Uzbekistan Airways, and new to Alaska, All Nippon Airways.
- Published a searchable image library of DCCED owned tourism imagery which is categorized by usage rights, key words, and is available to assist both travel trade professionals and media in their promotion of Alaska as a travel destination.
- Coordinated meetings with local tourism organizations for an Adventure Travel Association executive who visited Alaska in preparation for the Adventure Travel World Summit (ATWS) in Anchorage (September 2016). The ATWS, which is attended by over 700 adventure travel professionals, will be a catalyst to Alaska tourism product development and will lead to sustainable economic growth across the state.
- Partnered with Alaska Seafood Marketing Institute at the Japan Association of Travel Agents (JATA) Expo in Tokyo. Over the course of the three day event, 167,742 trade and consumer visitors attended the show representing a 6% increase over last year's attendance.
- Partnered with the Alaska Seafood Marketing Institute to host a media event in New York City to promote travel to Alaska. A total of 45 journalists attended the event, along with ten Alaska businesses/organizations, including the Alaska Railroad.
- Partnered with Brand USA and Alaska businesses and convention and visitors bureaus at the US Travel Association's IPW International Marketplace. The event included one-on-one meetings with tour operators from around the world. Partnering with Brand USA allows Alaska to be part of a larger national presence and increases visibility and awareness of Alaska.
- Secured an agreement with Brand USA to co-host the first ever UK MegaFam to visit Alaska. In partnership with British Airways, American Airlines, Brand USA and the State of Alaska a group of nine highly qualified travel agents and one Brand USA representative from the UK traveled to Alaska to visit communities throughout Southcentral Alaska.

- Public relations efforts yielded a total of 555 Alaska tourism stories that promoted Alaska as a visitor destination. These stories appeared in print and digital media with an advertising value that is equivalent to \$68.5 million.
- Generated 3.6 million site visits to TravelAlaska.com through all marketing efforts.

**Research**

- Conducted the Alaska Conversion Study to assess the effectiveness and efficiency of the Alaska tourism marketing program. The research shows that for each dollar the state invests in tourism marketing there is \$105.00 return in visitor spending. The study showed that 11 percent of the people requesting Alaska travel information will visit in the same year; over the course of four years, 26.3 percent will visit.
- Conducted the North to Alaska Conversion Study to assess the effectiveness and efficiency of the highway marketing program conducted with Alberta, British Columbia and Yukon. The research shows the benefit to Alaska far exceeds the benefit to the Canadian destinations. Alaska's return on investment totals \$69.78 for every dollar spent on marketing while the return on investment for Alberta, British Columbia and Yukon ranges between \$8.28 and \$23.08 for every dollar spent on marketing. The total amount spent in Alaska per traveling party increased by over \$400, increasing from \$3,938 to \$4,342.

**Business Assistance**

- Assisted Alaska businesses in determining which state cooperative marketing programs would be most beneficial to their business based on goals, objectives, target markets and budgets.
- Presented the Tourism Marketing Plan to delegates at the Alaska Tourism Convention in Juneau. This venue allows the state to increase awareness of the program and to encourage Alaska tourism businesses to participate – and benefit from – the statewide marketing program.
- Included Alaska businesses in hosted travel trade and media trips to increase visibility for their Alaska tour products.
- Highlighted Alaska businesses in the monthly news bulletin distributed to travel trade and journalists to ensure their news was being delivered to a qualified audience.

**Reports Completed**

- Alaska Conversion Study
- North to Alaska Conversion Study

**Key Component Challenges**

The tourism marketing and development programs transitioned from a state-managed program to an industry-managed program on July 1, 2016. Reduced marketing of Alaska as a destination will reduce the number of visitors to Alaska in the future.

**Significant Changes in Results to be Delivered in FY2018**

The legislature directed the Alaska Tourism Marketing Board (ATMB) to develop a plan for a self-funded program, and to present it to the legislature by January 1, 2017. The ATMB is exploring options and examining methods used by other state and local governments to fund tourism marketing.

**Statutory and Regulatory Authority**

AS 44.33.119      Tourism Marketing Program Purpose  
AS 33.44.120 (b)    Tourism Marketing Campaign Planning and Execution  
AS 33.33.136      Creation of Alaska Tourism Marketing Board

**Contact Information**

**Contact:** Britteny Cioni-Haywood, Division Director

**Phone:** (907) 465-2625

**Fax:** (907) 465-2690

**E-mail:** britteny.cioni-haywood@alaska.gov

**Component Detail All Funds**  
**Department of Commerce, Community, and Economic Development**

**Component:** Tourism Marketing (3102)

Non-Formula Component

**RDU:** Tourism Marketing & Development (640)

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	284.5	0.0	0.0	0.0	0.0	0.0	0.0%
72000 Travel	43.2	0.0	0.0	0.0	0.0	0.0	0.0%
73000 Services	9,271.2	0.0	0.0	0.0	0.0	0.0	0.0%
74000 Commodities	0.5	0.0	0.0	0.0	0.0	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	4,528.9	1,500.0	1,500.0	0.0	-1,500.0	-100.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>9,599.4</b>	<b>4,528.9</b>	<b>1,500.0</b>	<b>1,500.0</b>	<b>0.0</b>	<b>-1,500.0</b>	<b>-100.0%</b>
<b>Fund Sources:</b>							
1004Gen Fund (UGF)	7,229.4	4,528.9	1,500.0	1,500.0	0.0	-1,500.0	-100.0%
1108Stat Desig (Other)	2,370.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Unrestricted General (UGF)</b>	<b>7,229.4</b>	<b>4,528.9</b>	<b>1,500.0</b>	<b>1,500.0</b>	<b>0.0</b>	<b>-1,500.0</b>	<b>-100.0%</b>
<b>Designated General (DGF)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Other Funds</b>	<b>2,370.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Federal Funds</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0%</b>
<b>Positions:</b>							
Permanent Full Time	2	0	0	0	0	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

**Change Record Detail - Multiple Scenarios with Descriptions**  
**Department of Commerce, Community, and Economic Development**

**Component:** Tourism Marketing (3102)  
**RDU:** Tourism Marketing & Development (640)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
<b>FY2017 Conference Committee</b>												
	ConfCom	4,528.9	0.0	0.0	0.0	0.0	0.0	4,528.9	0.0	0	0	0
1004 Gen Fund		4,528.9										
<b>Reduce Tourism Marketing Program</b>												
	Veto	-3,028.9	0.0	0.0	0.0	0.0	0.0	-3,028.9	0.0	0	0	0
1004 Gen Fund		-3,028.9										
<b>Subtotal</b>		<b>1,500.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1,500.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
<b>Delete Tourism Marketing Grant to Alaska Travel Industry Association</b>												
	Dec	-1,500.0	0.0	0.0	0.0	0.0	0.0	-1,500.0	0.0	0	0	0
1004 Gen Fund		-1,500.0										
<b>Totals</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Eliminate unrestricted general fund authority in the operating budget for the tourism marketing grant to the Alaska Travel Industry Association (ATIA). The marketing plan is designed by the Alaska Tourism Marketing Board, and implemented by the grantee. A grant to ATIA is proposed in the capital budget.

**Line Item Detail (1676)**  
**Department of Commerce, Community, and Economic Development**  
**Travel**

**Component:** Tourism Marketing (3102)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		43.2	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>2000 Travel Detail Totals</b>			<b>43.2</b>	<b>0.0</b>	<b>0.0</b>
2000	In-State Employee Travel	In-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	2.6	0.0	0.0
2002	Out of State Employee Travel	Out-of-State Transportation - Transportation costs for travel relating to administration, conventions and meetings, boards and commissions.	40.6	0.0	0.0



**Line Item Detail (1676)**  
**Department of Commerce, Community, and Economic Development**  
**Services**

**Component:** Tourism Marketing (3102)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		9,271.2	0.0	0.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>3000 Services Detail Totals</b>			<b>9,271.2</b>	<b>0.0</b>	<b>0.0</b>
3000	Education Services	Training, educational conferences, agency memberships, tuition, books and fees for work-related courses.	163.0	0.0	0.0
3003	Information Technology	Information Technology - Training, consulting, equipment and software leases, licensing and maintenance.	0.6	0.0	0.0
3004	Telecommunications	Local, long distance, and cellular telephone charges, television, data/network, telecommunication equipment, and other wireless charges from outside vendors.	0.6	0.0	0.0
3006	Delivery Services	Freight, courier services, and postage.	0.1	0.0	0.0
3009	Structure/Infrastructure/Land	Structure, infrastructure and land repairs, maintenance, rentals and leases.	0.4	0.0	0.0
3011	Other Services	Other professional services.	9,016.9	0.0	0.0
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide Enterprise Technology Services - Computer services (EPR).	1.5	0.0	0.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Enterprise Technology Services - Phone and EPR services.	2.8	0.0	0.0
3021	Inter-Agency Mail	Admin - Department-wide Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	0.3	0.0	0.0
3022	Inter-Agency Human Resources	Admin - Department-wide Division of Personnel and Labor Relations - Human resource and	1.3	0.0	0.0

**Line Item Detail (1676)**  
**Department of Commerce, Community, and Economic Development**  
**Services**

**Component:** Tourism Marketing (3102)

Object Class		Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
			<b>3000 Services Detail Totals</b>	<b>9,271.2</b>	<b>0.0</b>	<b>0.0</b>
			personnel services.			
3023	Inter-Agency Building Leases	Admin - Department-wide	Linny Pacillo Parking Garage lease.	1.4	0.0	0.0
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting (ALDER) systems.	0.2	0.0	0.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services and Commissioner's Office support.	74.8	0.0	0.0
3038	Inter-Agency Management/Consulting	Commerce - DCCED State Facilities Rent (2472)	State-owned facility space rent.	7.3	0.0	0.0

**Line Item Detail (1676)**

**Department of Commerce, Community, and Economic Development  
Commodities**

**Component:** Tourism Marketing (3102)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
4000	Commodities		0.5	0.0	0.0
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
<b>4000 Commodities Detail Totals</b>			<b>0.5</b>	<b>0.0</b>	<b>0.0</b>
4000	Business	Supplies for office, library, training, and instructional needs, including small equipment, tools and subscriptions.	0.1	0.0	0.0
4002	Household/Institutional	Cleaning, food and other household supplies.	0.4	0.0	0.0

**Line Item Detail (1676)**

**Department of Commerce, Community, and Economic Development  
Grants, Benefits**

**Component:** Tourism Marketing (3102)

<b>Line Number</b>	<b>Line Name</b>		<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
7000	Grants, Benefits		0.0	1,500.0	0.0
<b>Object Class</b>	<b>Servicing Agency</b>	<b>Explanation</b>	<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
<b>7000 Grants, Benefits Detail Totals</b>			<b>0.0</b>	<b>1,500.0</b>	<b>0.0</b>
7001	Grants	Grant to the Alaska Travel Industry Association.	0.0	1,500.0	0.0

**Revenue Detail (1681)**

**Department of Commerce, Community, and Economic Development**

**Component:** Tourism Marketing (3102)

<b>Revenue Type (OMB Fund Code)</b> <b>Revenue Source</b>	<b>Component</b>	<b>Comment</b>	<b>FY2016 Actuals</b>	<b>FY2017 Management Plan</b>	<b>FY2018 Governor</b>
<b>5108 Stat Desig (1108 Stat Desig)</b>			<b>3,035.2</b>	<b>0.0</b>	<b>0.0</b>
5201 Statutory Dsgntd Prgrm Rcpts Pblc Prtctn - Permits and Fees		SDPR - Permits and fees.	3,035.2	0.0	0.0

## Inter-Agency Services (1682)

### Department of Commerce, Community, and Economic Development

**Component:** Tourism Marketing (3102)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
<b>Component Totals</b>				<b>89.6</b>	<b>0.0</b>	<b>0.0</b>
With Department of Administration				7.5	0.0	0.0
With Department of Commerce, Community, and Economic Development				82.1	0.0	0.0
Object Class	Servicing Agency	Explanation				
			FY2016 Actuals	FY2017 Management Plan	FY2018 Governor	
3017	Inter-Agency Information Technology Non-Telecommunications	Admin - Department-wide	Enterprise Technology Services - Computer services (EPR).	1.5	0.0	0.0
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide	Enterprise Technology Services - Phone and EPR services.	2.8	0.0	0.0
3021	Inter-Agency Mail	Admin - Department-wide	Division of General Services - Pro-rated share of expenses relating to central mailroom support and services.	0.3	0.0	0.0
3022	Inter-Agency Human Resources	Admin - Department-wide	Division of Personnel and Labor Relations - Human resource and personnel services.	1.3	0.0	0.0
3023	Inter-Agency Building Leases	Admin - Department-wide	Linny Pacillo Parking Garage lease.	1.4	0.0	0.0
3027	Inter-Agency Financial	Admin - Department-wide	Division of Finance - Computer services for State accounting (IRIS), payroll (AKPAY), and reporting (ALDER) systems.	0.2	0.0	0.0
3038	Inter-Agency Management/Consulting	Commerce - Administrative Services (1028)	Administrative Services and Commissioner's Office support.	74.8	0.0	0.0
3038	Inter-Agency Management/Consulting	Commerce - DCCED State Facilities Rent (2472)	State-owned facility space rent.	7.3	0.0	0.0