



1110 W. Washington St., Suite 155
Phoenix, Arizona 85007
602-364-4158
www.azot.gov

**Five-Year Strategic Plan
FY2014-2018**

December 2012

Contents

Overview of the Agency	2
Tourism Background	2
Mission	3
Vision	3
Values	3
Strategic Issues	4
Issue 1: Global Market Competitiveness	5
Issue 2: Research	5
Issue 3: Technology	6
Strategic Goals	7
Goal 1: Marketing & Promotions	9
Goal 2: Education & Tech Assistance	12
Goal 3: Communications & Outreach	15
Goal 4: Collaboration & Partnerships	17
Goal 5: Authenticity	18
Goal 6: Standards & Stewardship	19
Resource Assumptions	21

Dear Arizonans:

Arizona is a place like no other, a land of authentic abundance, where residents and visitors alike can experience life to the fullest. This is what distinguishes Arizona from other destinations, and it is these qualities that capture the vision of the Office of Tourism's Five-Year Strategic Plan.

Arizona's travel and tourism industry is operating in a new landscape driven by sustained economic challenges, evolving demographics, emerging technology and shifts in consumer travel patterns.

We see this as an opportunity to strategically market Arizona in a way that is responsive, creative and forward-thinking. The FY2014–FY2018 Strategic Plan is our roadmap for getting there.

Arizona's travel and tourism industry is well positioned to ensure that the Grand Canyon State is recognized globally as a world-class travel destination, generating additional revenues that contribute to the vitality of Arizona.



Sherry Henry
Director
Arizona Office of Tourism

Overview of the Agency

The Arizona Office of Tourism (AOT) is a state government agency dedicated to developing, implementing and maintaining marketing programs that keep Arizona top-of-mind as a world-class travel destination all directed at strengthening and expanding Arizona's economy.

As the only public agency that provides a statewide platform to market Arizona, the local travel and tourism industry relies on AOT to create an umbrella marketing campaign, promoting Arizona as the destination of choice against competitive brands.

As the leader of the Arizona travel industry, AOT fulfills several important functions that are not carried out by anyone else in the state:

- AOT has defined a strong brand for Arizona that resonates with consumers, and is used in all our marketing efforts.
- AOT works with communities to utilize this brand to further leverage their marketing efforts and dollars.
- AOT takes the lead in marketing Arizona internationally, with ongoing efforts in Canada, Mexico, the United Kingdom, Germany and France.
- AOT also works to open new and emerging markets, most recently adding China and Brazil (FY2013) on behalf of the Arizona travel industry.
- AOT's research program supports its own work and the work of many communities in Arizona. As defined by statute, AOT provides the only available documentation of the statewide and county economic impact of the travel industry in Arizona.
- In addition to providing tourism promotion and research leadership, AOT collaborates extensively with communities and tribes, providing educational programs and technical assistance.
- AOT works closely with public land agencies to promote the magnificent national parks, state parks, public lands and tribal lands that constitute 70% of our state's geography, which are critically important to our appeal as a leisure destination.

Tourism Background

Tourism is big business in Arizona, really big. No other Arizona industry produces the same economic impact and directly impacts all 15 counties. Ranked #1 among Arizona's export-oriented industries - Microelectronics, Aerospace, Agriculture and Mining - the travel and tourism industry's total economic impact of \$18.3 billion generated more than 157,700 jobs, and when combined with indirect employment impacts nearly 300,000 jobs statewide. Federal, state and local taxes of \$2.7 billion directly generated by tourism in 2011, saves each Arizona household \$1,030 of additional taxes annually. In terms of domestic U.S. visitation in comparison to other states, Arizona ranks #15 with 2.8 percent of the market share.

Mission

To strengthen and expand Arizona's economy through travel and tourism promotion.

Vision

Arizona is recognized as a world-class destination.

Values

AOT's organizational culture is defined by core values that form the basis of our code of conduct, describing how we expect our staff to act and interact.

Respect

- We will demonstrate respect for each other, for our state, its lands, and its people.

Accountability

- We are responsible to the people of Arizona for the effective, efficient and appropriate use of our resources. We are passionate and determined to attain the knowledge regarding statewide visitor attributes to accurately represent the State of Arizona in our global marketing efforts.

Integrity

- We honor our commitments and carry out our work according to the highest personal and professional standards. We are honest and adhere to a moral and ethical code of conduct in all of our actions.

Leadership

- We take pride in being the only entity promoting Arizona as a world-class travel and tourism destination to global audiences. We, as individuals and as an agency, are honored to provide leadership to statewide industry partners in the marketing of our state.

Strategic Issues

1. **Global Market Competitiveness and Market Share**
2. **Research**
3. **Technology**

Strategic Issue 1.

Global Market Competiveness

The global travel market has become increasingly competitive. Not only other states, but also other countries actively market themselves to potential travelers and new destinations are aggressively competing for market share.

Travel and tourism are critical to the Arizona economy. No other Arizona industry produces the same economic impact as the travel and tourism industry and directly impacts all 15 counties. As Arizona's and the U.S. economy begins to improve, it is more crucial than ever for Arizona to be competitive with marketing efforts that inspire visitors to come here and that speak directly to the needs and wants of target customer segments.

Unfortunately, the economic downturn forced a loss of Arizona's full tourism funding for the past five years. As a result of this year-over-year budget decrease and the absence of Arizona's national and international consumer campaigns, AOT must begin rebuilding its global brand presence in this increasingly competitive environment.

In order to recover from staying competitive in the market and increase the overall economic impact of tourism during the next five years, additional and consistent investments will need to be made in AOT's marketing efforts.

Strategic Goals

1. Marketing & Promotion
2. Education & Technical Assistance
3. Collaboration, Cooperation & Partnerships
4. Authenticity

Strategic Issue 2. Research

Research has served as the foundation of all that we do to market Arizona since AOT's inception in 1976. In fact, A.R.S. §§ 41-2305 requires AOT to undertake a comprehensive research program designed to establish the office as the central repository and clearinghouse for all data which relates to tourism; perform research necessary to determine a long-range tourism development plan for this state; and, conduct research at the request of the governor, the legislature or state or local agencies, pertaining to any of its objectives.

While AOT continues to provide annual research measuring our advertising effectiveness, the economic impact of the travel industry to Arizona's economy and tracking tourism indicators, much needed consumer research related to our marketing efforts has not taken place for several years due to funding cuts. The evolution of the way visitors approach their travel combined with the series of economic shocks that have impacted our industry's performance has created a critical need for timely, quality research such as consumer focus groups, behavioral research and niche audience surveys to better understand how to reach our visitors and guide our marketing decisions.

Strategic research projects must be phased in over the next five years to analyze our advertising efforts. The data accumulated will allow us to conduct a series of evaluations on our FY2014 new advertising and marketing campaigns to determine if the message is reaching the intended audience, help us identify areas of opportunities to develop targeted marketing initiatives, and determine trend analysis for changing demography related to age, gender and culture. This much needed information will also assist in developing strategic marketing plans for future campaigns with an overall goal of achieving the maximum return on investment for Arizona.

Strategic Goals

1. Marketing & Promotion
2. Education & Technical Assistance
3. Collaboration, Cooperation & Partnerships

Strategic Issue 3. Technology

Rapidly evolving technologies are changing the way consumers access information and make their travel decisions. And, new ways to communicate continue to change how people get and share information. The proliferation of mobile devices, smart phones, apps and social networking has redefined the way people plan for and experience travel.

Given these trends, it's critical that AOT continue developing accessible and diverse content that can engage consumers in multiple ways.

AOT must update and continually develop meaningful mobile strategies, applications and services that would provide real time information to travelers and recreationists as well as continuously update and meet the needs of our consumer website **arizonaguide.com**.

Strategic Goals

1. Marketing & Promotion
2. Education & Technical Assistance

Strategic Goals

1. Marketing & Promotion

To expand the Arizona brand through effective mediums at the regional, national and international levels to attract and retain visitors; being recognized as a world-class destination.

2. Education & Technical Assistance

To provide comprehensive research, educational and technical assistance programs for partners and stakeholders in order to further our mission and vision.

3. Communication & Outreach

To clearly, accurately and consistently communicate the agency's messages to various audiences including internal and external partners, stakeholders, media, and consumers. To reach out to these audiences in a timely manner using effective and efficient methods that will increase the awareness of the agency, the travel and tourism industry and Arizona as a world-class destination.

4. Collaboration, Cooperation & Partnerships

To foster or strengthen collaborative processes and partnerships between and among state agencies, local governments, stakeholders and private sector organizations in order to achieve a more coordinated approach to travel and tourism to help grow Arizona's economy.

5. Authenticity

To be internationally recognized for Arizona's rich and authentic opportunities to experience our natural, cultural, and historic resources.

6. Standards & Stewardship

To know and conform to government compliance as well as our agency standards at all times, and provide responsible planning and management of our resources.

Strategic Goal 1: Marketing & Promotions

Description: To expand the Arizona brand through effective mediums at the regional, national and international levels to attract and retain visitors; being recognized as a world- class destination.

Strategic Issues:

Global Market Competitiveness
Research
Technology

Strategies:

1. Redesign the Consumer Website.

Objectives:

- Based on receiving SPO statewide marketing and/or website contract companies, review available companies that provide the spectrum of work required; by February 2013
- Establish a consumer website “task force” and complete internal plans and concepts for the redesign of the consumer website as well as define consumer research required for redesign project; by February 2013
- Launch new consumer website; by January 2014

2. Develop a new national/international advertising campaign.

Objectives:

- Based on receiving SPO statewide marketing and/or website contract companies, review available companies that provide the spectrum of work required; by November 2012
- Send Scope of Work to companies with AOT eligible for agency work; by December 2012
- Evaluate submissions by companies and determine AOT’s agency; by January 2013
- Selected agency and AOT begin immediate planning of new national/international campaign; by February 2013
- Determine research required in order to implement a new advertising campaign and strategy; by March 2013
- Launch new campaign; by October 2013

3. Implement a Social Media Strategy.

Objectives:

- Social Media “Ark” Team will determine tactical decisions and strategy focusing on awareness; by November 2012
- Blog name and direction will be finalized and determined; by January 2013

4. Prioritize Emerging International Markets.

Objectives:

- Contract with a firm in Brazil and China, begin launch to promote Arizona as a travel destination to media and tour operators; by December 2014
- Review and reestablish mature markets and consider reentering these markets i.e. France, Germany and the U.K.; by July 2015
- Review and consider adding one new international market during FY2016, FY2017 or FY2018

5. Research, Prioritize and Expand Niche and Target City Markets.

Objectives:

- Meeting with goal setting and timeline for research studies; by December 2013
- Review and make recommendations about bicycling niche target based on the results from the ADOT bicycling tourism research study; by March 2013
- Complete website survey; by June 2013
- Review and make recommendations based on the results of the ad effectiveness study; by May 2013
- Develop white paper for golf research study; by June 2013

6. Develop a strategic plan to utilize Super Bowl XLIX (2015) as a media opportunity.

Objectives:

- Provide input and support of media mission at Super Bowl XLVII in New Orleans; February 2013
- Negotiate with Super Bowl Host Committee to have AOT/tourism industry representative on its Board; coordinate appropriate staff to be involved on planning committees; by April 2013
- Provide leadership in advance of media mission for Super Bowl XLVIII in New York City; ongoing in FY2014 and coordinate by November 2014
- Implement AOT internal strategy for Super Bowl XLIX; by March 2014. *Considerations for strategy include: focus on areas outside of Metro Phoenix; search and/or optimizing campaign; social media campaign; what if team is from a target city; PR Outbound campaign; provide B-Roll for Television shows and news; provide photo library.*

7. Develop an internal promotional calendar.

Objectives:

- Utilizing the Editorial Calendar as a template, establish a promotional calendar to include and serve all divisions of work; by March 2013
- Review draft promotional calendar with Division Directors and discuss strategic opportunities based on brand and niche targets; by January 2013
- All divisions will utilize the agreed upon promotional calendar for Fiscal Year planning of their program of work; by March 2013 for FY2014 and annually in February thereafter

Strategic Goal 2: Education & Technical Assistance

Description: To provide comprehensive research, educational and technical assistance programs for partners and stakeholders in order to further our mission and vision.

Strategic Issues:

Global Market Competitiveness
Research
Technology

Strategies:

1. Develop a research strategy reestablishing research as our foundation for all decisions pertaining to marketing.
Objectives:
 - Create an inventory of all research AOT tracks for the industry, invests in monetarily and is available to AOT; by December 2012
 - Present the inventory information at Division Director's meeting to obtain direction on what research should continue, change or be contracted through procurement; by January 2013
 - A research strategy and program of work will be determined to include a timeline and resources required; by June 2013
 - Schedule tutoring class to learn how to access data and research about and for B2B website www.azot.gov; by January 2013
2. Elevate the quality and stature of our educational workshop program Arizona Tourism University (ATU)
 - Create a plan for ATU by May 2013. *Consideration will be to provide ATU through webinars only, especially if regional meeting strategy comes into fruition.*
3. Develop a plan for annual regional meetings that incorporates several aspects of AOT work and promotes tourism in each of the regions.
 - Create a draft agenda to present to Division Directors; by March 2013
 - Determine a list of educational topics for presentations; by May 2013
 - Pending approval and funding, implement regional meetings to begin in FY2014 and annually thereafter; initially by May 2013

4. Analyze and determine future of AOT's Local Visitor Information Center (LVIC) program.

Objectives:

- Provide recommendation to Director for future LVIC program with implementation in FY2014; by April 2013
- Implement a Customer Service program of work; by FY2016

5. In partnership with community partners, determine and provide specific technical assistance.

Objectives:

- Review outcome and value of the FY2013 Marketing Assistance for Rural Communities (MARC) and make recommendation to expand and/or increase percentage of match for future Fiscal Years; by August 2013
- Review success of the FY2013 pilot Rural Assessment Program and make recommendation for future Fiscal Years; by August 2013

6. Provide data to American Indian tribes based on outcomes from the FY2013 year-round Visitor Study; ultimately providing important information for a comprehensive tribal tourism strategic plan.

Objectives:

- Data retrieved from Visitor Study will be evaluated and presented to AOT, and in turn AOT will compile information into a formal presentation; by December 2013
- A series of presentations will take place across Arizona for tribes to learn the outcomes from the Visitor Study; by June 2014
- Based on the outcomes of the Visitor Study and input from the tribes, review the possibility of contracting for a comprehensive tribal tourism strategic plan to be utilized by each tribe; by September 2014

7. Develop an internal American Indian (AI) strategic plan to include marketing, outreach, education and technical assistance. *Specific strategies and goals will be placed within each strategic goal and identified as AI goal; by May 2013 for FY2014*

Objectives:

- In consultation with Community Relations, continue the annual American Indian AOT on the Road giving consideration to adding this component to regional meetings immediately prior or after; by May 2013

- Develop a “Power of Travel” chart for Arizona American Indians, similar to US Travel Association; by September 2014
- Develop ongoing content for AOT on the Road that can be in rotation i.e. customer service, itinerary building, how to work with international markets/tradeshows/tour operators, crisis communication; by August 2013

Strategic Goal 3: Communications & Outreach

Description: To clearly, accurately and consistently communicate the agency's messages to various audiences including internal and external partners, stakeholders, media, and consumers. To reach out to these audiences in a timely manner using effective and efficient methods that will increase the awareness of the agency, the travel and tourism industry and Arizona as a world-class destination.

Strategies:

1. Develop formal internal meetings and communications plan.
Objectives:
 - Provide recommendation to Director for staff and director meetings to include ongoing strategic planning within the agenda; by January 2013
2. Develop formal external meetings and communications plan.
Objectives:
 - Provide recommendation to Director for annual regional meetings to include timeline, schedule and agenda; by March 2013
3. Develop an outbound corporate public relations strategic plan.
Objectives:
 - Create a current communications product inventory to include information about readership; by January 2013
 - Complete a survey about what information readers would like to review in *AOT in Action*; by January 2013
 - Present communications product inventory to the Division Directors for review of relevancy and additional needs; by January 2013
4. Determine usage of ACT Database; analyze policy and upkeep for future use.
Objectives:
 - Create an internal "task force" to review and determine who has access to create/delete, research formal training opportunities for additional staff usage; by April 2013

5. Develop internal plan for the continual update and content of the B2B Website www.azot.gov.

Objectives:

- Review GITA regulations for agency website; by November 2013
- Develop guidelines based on GITA regulations to redesign agency website; by December 2013
- Create a timeline with input from Advertising, Trade and Media Relations and Communications for redesign; by January 2014

Strategic Goal 4: Collaboration & Partnerships

Description: To foster and strengthen collaborative processes and partnerships between and among state agencies, local governments, stakeholders and private sector organizations in order to achieve a more coordinated approach to travel and tourism to help grow Arizona's economy.

Strategic Issues:

Global Market Competitiveness
Research

Strategies:

1. Determine and Prioritize existing and new Partnerships.
Objectives:
 - Survey staff on existing partnerships; review at November 2012 staff meeting with results by December 2012
 - Prioritize partnership list; by January 2013

2. Develop plans to create strategic opportunities for AOT and partners that leverage our marketing plans.
Objectives:
 - Expand partnership list based on strategic advertising/trade/media relations goals; by April 2013 and finalize by June 2013
 - Reevaluate partnerships quarterly based on strategic advertising/trade/media relations goals; by September, December, March and June each Fiscal Year beginning in FY2014

3. Facilitate stronger industry and community inclusiveness, cooperation & cohesiveness; not competitiveness.
Objectives:
 - Create strategic external presentations by the Director to foster cohesiveness i.e. annual or monthly DMO/association board meetings; by April 2013
 - Create strategic internal presentations by agencies and travel related associations to foster inclusiveness; by April 2013

Strategic Goal 5: Authenticity

Description: To be internationally recognized for Arizona's rich and authentic opportunities to experience our natural, cultural, and historic resources.

Strategic Issues:

Global Market Competiveness

Strategies:

1. The agency will continue to promote authentic experiences relating to our American Indians, Hispanic and Old West cultures.

Objectives:

- As research progresses through FY 2014, the outcomes will be reviewed and the AOT marketing staff will devise a specific implementation plan for FY2015; by end of FY2014

Strategic Goal 6: Standards & Stewardship

Description: To know and conform to government compliance as well as our agency standards at all times, and provide responsible planning and management of our resources.

Strategies:

1. Process and facilitate Arizona's new Personnel Reform Standards.

Objectives:

- Establish AOT performance and compensation plans, with consideration of selective items pertaining to professional development and education; by June 2013
- Based on approvals of the Attorney General and Department of Administration, an agency policy manual will be finalized and distributed to staff; by January 2013
- Position definition summaries will be created to supplement AOT organizational chart; by March 2013

2. Develop guidelines for staff professional development & education opportunities.

Objectives:

- The administrative division will determine 10-15 "How To" presentations for AOT staff meetings; by February 2013
- The administrative division will provide a "How To" presentation at monthly AOT staff meetings; beginning February 2013
- Implement guidelines for staff professional development and education opportunities; by July 2013

3. Develop a template to guide staff on contract and procurement planning.

Objectives:

- Reissue AOT procurement policy to include a requisition form and timeline for the internal and external process; by February 2013

4. Develop timeline to begin the process of ADOA approval for FTE positions in FY2014 and FY2015.

Objectives:

- Establish job description and timeline for one FTE in the Advertising division in FY2014; by July 2013
- Establish job description and timeline for one FTE in the Research division in FY2014; by July 2013

- Establish job description and timeline for one FTE procurement position, transferring the management of procurement solely to the Administrative division in FY2015; by July 2014
5. Develop timeline to transfer management of procurement contracts from divisions solely to the administration division.
- Objectives:*
- Begin process of ADOA approval for procurement position that will transfer the management of procurement solely to the Administrative division; by July 2014
6. Actively pursue Vendors to convert to Arizona's ACH Direct Deposit
- Objectives:*
- Enclose with processed checks a GAO flyer informing vendors how they can convert to ACH Direct Deposit; between January-March 2013
 - Make three to five phone calls a month informing vendors how they can convert to ACH Direct Deposit; between January-March 2013
 - Review results of flyer distribution and phone calls in regard to converting vendors to ACH Direct Deposit. Establish new or updated objective based on results; by April 2013

Resource Assumptions

Resource Assumptions (\$ Thousands)						
	FY 2013 Actual	FY 2014 Request	FY 2015 Estimate	FY 2016 Estimate	FY 2017 Estimate	FY 2018 Estimate
Full-time-equivalent (FTE) Positions	26	28	30	32	34	36
General Fund	7,000.0	12,000.0	15,000.0	18,000.0	21,000.0	24,000.0
Other Appropriated Funds	0.0	0.0	0.0	0.0	0.0	0.0
Non-Appropriated Funds – Indian Gaming Compact Fund (Prop 202 in 2002) + *	6,000.0	6,300.0	6,615.0	6,945.0	7,292.0	7,656.0
Non-Appropriated Funds – Maricopa County Grant (Prop 302 in 2000) + **	6,800.0	7,200.0	7,623.0	8,071.0	8,545.0	9,047.0
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0
Total Agency Funds	19,800.0	25,500.0	29,238.0	33,016.0	36,837.0	40,703.0

- + FY2013 is estimated, *not actual*, due to a percentage of collected taxes being allocated quarterly throughout the Fiscal Year to the Tourism Fund
- * Annual Indian Gaming Compact Fund increase estimated at 5%
- ** Annual Maricopa County Grant Fund increase estimated at 5.88%