

# COVID-19 tourism recovery interim report



Interim report on the \$12 million allocation for state tourism marketing from the 2021-22 operating budget

**OFFICE OF ECONOMIC  
DEVELOPMENT AND  
COMPETITIVENESS**

September 15, 2022

Report to the Legislature

**Director Lisa Brown**

# Acknowledgments

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# Executive summary

## Overview

This interim report covers tourism marketing activities from July 1, 2021, to June 30, 2022. Funding was provided by the Washington State Legislature in the [2021-22 operating budget \(ESSB 5092\), section 129\(57\)](#). The legislation allocated \$12 million to assist in the recovery of tourism in Washington state after the COVID-19 pandemic. The funding is subject to Section 601(a) of the Social Security Act, as amended by section 5001 Coronavirus Aid, Relief, and Economic Security Act (CARES ACT), and Title V and VI of the CARES Act. This was a one-time allocation, covering activities from July 1, 2021, to June 30, 2023. A final report will be submitted June 30, 2023.

A sole source contract was awarded to the Washington Tourism Alliance (WTA), the agency of record for tourism marketing. A contract outlining the deliverables was negotiated with the WTA and executed by representatives from the WTA and Commerce. The final contract was for \$11,640,000 for the 2021-2023 biennium, with \$4,343,121 spent in the first year and \$7,256,879 to be spent in year two. Commerce retained a portion of the funds for contract administration and oversight.

This interim report was required by the Legislature. A final report will be submitted June 30, 2023. This report was prepared by the Department of Commerce and its vendor of record, State of Washington Tourism.

## Highlights

- The Washington Tourism Alliance (doing business as State of Washington Tourism or SWT) made measurable progress to rebuilding awareness of Washington as a destination for both in-state and out-of-state visitors. As public health concerns eased and destinations reopened, the WTA worked closely with destination marketing organization (DMO) partners to safely reopen while slowly increasing visitor volumes, so as not to overwhelm destinations, workers and supply chains. A DMO is an organization that promotes a location as an attractive travel destination. They are alternately referred to as tourist boards, tourism authorities or "convention and visitors bureaus."
- As part of the strategy, the WTA focused on in-state day trips for residents before expanding to overnight stays and extended stays as tourism began to return to pre-pandemic levels, spurred by the state's marketing efforts as well as the return of cruise ships and extended stay packages.
- In the midst of the pandemic, the WTA launched a comprehensive rebranding of the state's tourism marketing. This included a new website, organization renaming (State of Washington Tourism) and launching True to Nature, the first of several new planned campaigns. These efforts are intended to differentiate and elevate the state's branding in news, travel and social media advertising, and the minds of consumers to compete more effectively with other state tourism attraction efforts.
- The WTA expanded staffing to add capacity for more state-level activities, such as webinars and tradeshows, and handling more queries from the public and the news and travel outlets.
- The WTA undertook additional activities to strengthen tourism in rural areas and historically marginalized communities. These communities and many counties are tourism dependent, and tourism/hospitality is their primary industry and source of employment.

## Recommendations

As the WTA is in year one of a two-year plan to expend the funding, there are no recommendations in this interim report beyond continuing to develop and execute the planned activities as outlined in the initial contract, many of which are represented here in the activities section of this report.

The pandemic and subsequent recovery has demonstrated that tourism attraction and marketing is location dependent. While some parts of the state have experienced tourism at pre-pandemic levels, counties such as Pacific County continue to struggle to meet overwhelming demand for tourism services while dealing with worker housing shortages and continued supply chain issues creating shortages in restaurants and food outlets. This has required the WTA to modify some of its strategies to recognize the continued effect workforce and housing shortages are having on specific communities as well as supply chain and transportation disruptions. Most of these are outside the sphere of tourism marketing and attraction, but affect the ability of communities to recover to pre-pandemic levels.

As Commerce nears the end of this contract cycle, it will continue to work with the WTA to develop a sustainable, effective and scalable tourism marketing plan that meets the expectations of the public and the tourism and hospitality industry.

To that end, a projected spend for the coming year is included in [Appendix B](#), along with the previous spend for the past fiscal year.

# Introduction

## Background

Pursuant to [section 129\(57\), Chapter 334, Laws of 2021 \(the 2021 operating budget\)](#), this grant agreement and interim report covers marketing and communication services related to COVID-19 recovery of tourism-related businesses, generating tourism demand for state communities and businesses, recovering market share with competing western states, and two written reports for the Legislature.

For the first year of this contract, July 1, 2021, through June 30, 2022, the Washington Tourism Alliance (hereinafter referred to by its dba State of Washington Tourism or SWT) initiatives focused on a combination of consumer marketing and communications, travel trade development and destination development and management.

This report was prepared jointly by the Department of Commerce and State of Washington Tourism, which serves as the contractor of record.

## Legislative mandate

This report was produced to satisfy the portion of the requirements of section 129(57) of the 2021-22 operating budget:

"\$12,000,000 of the coronavirus state fiscal recovery fund— federal appropriation is provided solely for a single contract with the non-profit statewide tourism marketing organization that is party to the contract pursuant to RCW 43.384.020. The funds will be used to assist recovery for tourism-related businesses, generate tourism demand for Washington communities and businesses, and sustain recovery market share with competing Western states. The department and the contractor shall submit a report to the legislature June 30, 2022, and June 30, 2023."

## Activities report

State of Washington Tourism (SWT) led numerous activities to enhance and support tourism across Washington in the previous fiscal year. A summary of those activities follows.

### Consumer advertising and marketing

State of Washington Tourism created a strategic consumer marketing plan with high-level objectives and month-by-month activities through June 2022. The plan began with digital placements and a regional/feeder market campaign. With the launch of the new destination brand, State of Washington Tourism, it scaled up to a fully integrated campaign running in select domestic and Canadian air markets.

### Expedia advertising partnership

A partnership with Expedia boosted the presence of Washington with consumer travelers already searching for and booking travel. Display ads on Expedia properties drove customers to a custom landing page with additional Washington inspiration for seasonally targeted regions of the state.

### Explore Washington's Backyard campaign

The Explore Washington's Backyard summer 2021 marketing campaign encouraged regional travelers to explore the state's natural wonders through an incentivized passport program and itineraries built around

scenic byways. This initiative included paid social media marketing on Facebook and Instagram launched in June 2021 to drive travelers to campaign landing pages and encourage downloading the campaign’s mobile passports.

## True to Nature campaign

The True to Nature campaign ran from January to June 2022. The \$1.6 million consumer campaign focused on awareness and interest in the diverse visitor experiences available year-round in Washington for both in-state and out-of-state tourists. It emphasized increasing shoulder-season and off-season visitation (September through April), when destinations around the state have capacity to welcome visitors. The goal was to direct visitors away from the most popular destinations to promote social distancing and safe tourism practices. The fully integrated campaign was themed to True to Nature and included video and digital and social components plus a partner toolkit, showcasing the beauty of the state and its residents.

During the high-season summer months, the campaign focused on marketing and messaging about responsible and safe travel, encouraging visitors to think about less-visited attractions and locations, and engaging with tools like the TREAD Map App to explore new trails.

### Key ad campaign elements

- **Targeted consumer:** Based on previous persona research, the "Pathfinder" was identified. This target customer loves travel, is open minded, active, and is interested in both urban and rural experiences.
- **Target markets:** Washington, Oregon, California (specifically San Francisco, Palm Springs, Chico, Eureka, Santa Barbara), Montana, Arizona, Colorado. Vancouver, B.C., was included pending travel guidance from the federal governments in both the U.S. and Canada.
- **Channels:** Broadcast and connected TV, digital, social media
- **Ad campaign results:** 100 million impressions across media partners. This doesn't yet include broadcast television impressions.
- **Web traffic:** More than 250,000 new website sessions. Notably, digital video placements drove significant web traffic.

### Full campaign website metrics

Medium	Sessions	New users	Page views
Display	101,720	94,500	114,694
Native	2,379	1,848	3,430
Social	64,389	50,695	69,299
Video	49,377	32,016	62,848
Direct (includes on display partner)	33,636	31,120	38,329
CTV	20	10	22
<b>Total</b>	<b>217,885</b>	<b>179,069</b>	<b>250,293</b>
<b>Website total</b>	<b>251,521</b>	<b>210,189</b>	<b>288,622</b>

## True to Nature ad campaign ROI

SMARI Insights, a national marketing research firm, compiled an independent return on investment (ROI) study of the impacts on visitation and visitor spending from those who viewed campaign media. The True to Nature advertising effectiveness report, released June 27, 2022, indicated:

- The initial True to Nature campaign influenced approximately \$52.7 million in out-of-state visitor revenues.
- The campaign had an ROI of \$33 generated per \$1 spent on paid media (33:1 ROI).
- The campaign reached 41% of travelers in Washington's target markets.
- Ad-aware visitors spent more, stayed longer and did more activities during their trips.
- Millennials, BIPOC and people with children in the home were more aware of the advertising.
- 77% of ad-aware travelers in target markets researched visiting Washington, vs. 49% of unaware travelers.

## Consumer analytics

SWT maintains a contract with Datafy for ongoing consumer data and analytics (travel, spending, demographics, and psychographics [the study of consumers based on their activities, interests, and opinions]) for Washington visitors. SWT and industry members use the resulting data to develop marketing strategies and campaigns.

SWT offers 30% discounted subscription to state communities that do not have a destination marketing organization DMO. DMOs are offered a 20% discount.

## Direct consumer marketing

The direct consumer newsletter was suspended during the pandemic. It re-launched in April 2022 upon more general state reopening efforts across the country. Since April 2022, it has an open rate of 32% (above the industry average of 16.97%) and a click through rate of nearly 3%.

## Washington State Visitor Guide

The Washington State Visitor Guide is a printed brochure distributed to visitor centers, airports and other places frequented by visitors. It includes suggestions for activities, maps and other essential information for travelers. It is also available online for visitors to browse before arrival.

- Distributed annually in June
- 375,000 copies distributed to potential visitors nationwide

The [visitor guide is available online](#). Print copies can be requested.

## Multimedia library

More than 1,440 photos were added to the library for SWT and partner use to promote tourism to the state since mid-2021. The online library can be used by travel partners, travel writers and publications, DMOs, influencers and social media content managers.

General scenics, beauty shots and B-roll video was created for 10 state regions:

- Mount Rainier
- Spokane
- North Cascades



- Snoqualmie Pass/Roslyn
- San Juan Islands
- Olympic and Kitsap Peninsulas
- Columbia River Gorge
- Wine Country in Eastern Washington
- Trails and lakes statewide
- Puget Sound and U.S. portion of the Salish Sea

## Destination website redevelopment

The advertising program drives out-of-market consumers to the website [www.stateofwatourism.com](http://www.stateofwatourism.com). In conjunction with the new destination brand, SWT developed a responsive, modern website with enhanced regional information and trip planning tools. The website serves as a hub for incoming visitors.

The site redevelopment included a focus on generating new and more expansive content, such as city and seasonal guides, to add more value for visitors. The campaign's ratings were in the top 10% of all campaigns measured by SMARInsights, indicating SWT's newly launched destination brand and campaign messaging resonates with targeted visitors.

Performance metrics include:

- 191% increase in page views year-to-date (June 2022) – 532,000 in 2022 vs. 183,000 in 2021
- 302% increase in new users
- 568% increase in mobile traffic
- 211% increase in new page views

## Social media channels

Social media's overall audience has increased 55%, with total engagements (views and clicks) up 231%, since April 2021.

- Twitter: 687% increase
- Facebook: 8% increase
- Instagram: 105% increase

## Travel public relations campaign

SWT retained GreenRubino as its destination PR agency beginning in August 2021 to create positive earned travel and features media coverage across the state.

This includes:

- Targeted media pitches for travel and features media in the U.S. and Canada
- Press release distribution
- Promotion at top media marketing places
- Media hosting in Washington destinations
- Year-round tracking and reporting of earned media coverage
- Distribution of media leads to state industry partners

## Hosted media

SWT hosted about 30 travel journalists from August 2021 to June 2022 as part of group press trips and individually hosted trips, all based on confirmed assignments from media outlets to gather stories. Group press trips included sponsorship of the Travel Bloggers Exchange conference in the Tri-Cities in April 2022 and SWT-funded group press trips to the Olympic Peninsula, Seattle Southside, Spokane, Eastern Washington, the Long Beach Peninsula, Bellingham, and other areas.

### PRSA Conference

SWT also helped host the visits of media members attending the Public Relations Society of America (PRSA) Conference in Spokane in May 2022. Journalists hosted included:

- Kellee Edwards, “Kellee Set Go!”, Travel Channel
- Emma Banks, freelance, Thrillist
- Keith Hanson, Passport magazine
- Nils Bernstein, food editor, Wine Enthusiast
- Kat Kinsman, senior editor, Food & Wine
- Nisreene Atassi, “Out Travel The System” podcast
- Jenne Peters, freelance travel journalist
- Heather Greenwood Davis, travel journalist and on-air storyteller, National Geographic
- Jill Robinson, travel journalist/freelancer
- Sally Braley, managing editor, Northstar Meetings Group
- JT Long, editorial director, Smart Meetings
- Dana E. Givens, freelance, Fodor’s Food & Wine, Skift, Business Insider
- Kelsey Ogletree, freelance, Travel + Leisure, founder of Pitchcraft
- Travis Levius, freelance, Conde Nast Traveler, Travel + Leisure, AFAR
- William O’Connor, The Daily Beast
- Megan Spurrell, senior editor, Conde Nast Traveler
- Jennifer Barger, senior editor, National Geographic
- Melanie Lieberman, global features editor, The Points Guy
- Daniel Schiffler, New York Times’ “52 Best Places”
- Kate Loweth, Tiny Beans
- Liza Weisstuch, Washington Post
- Valerie Stimac, Valise and Valerie
- Lauren Kramer, Open Road Driver
- Megan Spunnell, Conde Nast Traveler
- Malik Coherel, Quebecor

## Editorial media engagement

There were 1,074 media engagements, including story pitches, media visits, media assistance (such as photos, research, quotes), media marketplace interactions and more.

### Earned media

There were more than 165 million media impressions of secured coverage through June 2022 (direct SWT public relations agency engagement).

GreenRubino also evaluates media coverage with the Barcelona Principles scorecard. Scores are derived from the following equation: Quality (1-10) + Visibility (1-10) = BP Score (max score of 20).

- Quality is measured and evaluated on content, writing, photography, links, sentiment, compression, accuracy
- Visibility is measured and evaluated based on media tier, publication type, reach, engagement, reputation of outlet, platform, target audience
- Median BP score for Washington state: 17.58 out of 20

## Industry Recovery and Destination Development Program

SWT created the Industry Recovery and Destination Development Program to promote and assist rural and underserved communities and businesses throughout the state. Ongoing program elements educate, support and develop tourism readiness that, in turn, strengthens local economies and regional resiliency in pandemic recovery.

The program began with regional tourism assessment workshops in each of the 10 geographic regions across the state to assess needs and products, share best practices, conduct training, and identify funding needs and strategies. Subsequent work in 2021 and 2022 included:

- Comprehensive tourism development workshops. The curriculum included visioning and planning, marketing and communications, and active team development.
- Creation of low- and no-cost tools, technical assistance, resources and opportunities for rural and underserved markets. This includes consumer website advertising programs for communities not served by DMOs and inclusion in larger SWT marketing campaigns and social media activities.
- Educational seminars and webinars, including the Tourism Skillshop series beginning in 2022.
- Development and promotion of cross-region assets and partnerships, including with state agencies and national partners.
- Programs and communications that assist in managing visitor flows related to destination need, seasonality, community sensitivities, public health orders, infrastructure capacity and development.

## Rural Tourism Support Program

SWT created and implemented the Rural Tourism Support Program in fall 2021. It is a pillar of SWT's destination development strategy and a resource for rural and underserved communities. The program serves as a model for communities across the state striving for sustainable tourism growth.

The program features a community tourism approach to destination development and is facilitated by sustainable-tourism expert Kristin Dahl, founder of Crosscurrent Collective. A committee of local stakeholders determines key action items, including a 10-year vision for the evolution of the destination and a better understanding of how regional, national and global travel trends apply locally, with the goal of improving the quality of place for visitors and residents.

Program applicants must identify tourism as an economic development strategy and intend to work collaboratively with regional partners as a visitor destination. Upon successful completion of the program (six to eight months), tourism stakeholders are encouraged to apply for financial assistance from SWT and other funding sources to support projects identified as priorities in a series of community workshops.

The first participant was the [Tri-County Economic Development District \(TEDD\)](#) in northeast Washington, which includes Ferry, Stevens and Pend Oreille counties. Work began in fall 2021 and was completed in spring 2022.

TEDD held four community workshops, three networking events and several workshops. These included:

- March 29, Chewelah: Kickoff networking event at the Chewelah Golf & Country Club
- March 30, Chewelah: All-day visioning and scenario planning workshop at the Chewelah Golf & Country
- April 26, Republic: All-day outdoor recreation and adventure travel workshop at K-Diamond-K Guest Ranch
- April 26, Republic: Evening networking event at the Republic Brewing Company
- April 27, Republic: All-day destination development/management workshop at K-Diamond-K Guest Ranch
- May 17, Usk: All-day destination promotion and visitor communications workshop at the Camas Center for Community Wellness
- May 17, Usk: Evening networking event at Kalispel Casino

Twenty-two destination representatives participated in the program: TEDD, Spokane Tribe of Indians, Kalispel Tribe of Indians, Confederated Tribes of the Colville Reservation, Ferry County Sunrise, Washington State University Extension Ferry County, National Park Service, Colville National Forest, Rural Resources Community Action, Colville Together, Vaagen Brothers Lumber, Visit Spokane, Nordlig Motel, Chewelah Creative District, Pend Oreille Regional Tourism Alliance, Pend Oreille County Economic Development Council, Northeast Washington Forest Coalition, 49° North Mountain Resort, Fruitland Valley Vineyard & Winery, Wuesthoff Excavation Inc., Audubon Washington/the Great Washington State Birding Trail, Colville Rotary Club/the Blazing Saddles Bike Ride.

## Agritourism and DMO development and recovery grants

In mid-2021, SWT operated industry grant programs in partnership with the state departments of Agriculture and Commerce. SWT administered and distributed \$1 million in grants to nonprofit destination marketing organizations and helped administer \$2 million in grants to agritourism businesses throughout the state. Correspondingly, SWT hosted an agritourism webinar in June 2022 that featured nationally renowned experts and a panel discussion with local business owners that successfully implemented agritourism to supplement their businesses. More than 200 people registered for the webinar.

## Destination management

In spring 2021, SWT partnered with [TREAD](#), an outdoor advocacy nonprofit organization, and Dharma Maps to deploy the new TREAD Map App pilot program. The program combines a consumer-facing, location-based app with robust, real-time trail and recreational data, updates and advisories.

The program pilot began in summer 2021 in the trails and lakes region of Central Washington (Kittitas, Grant, Douglas, Chelan and Okanogan counties), which experienced heavy public lands use in the summer and needed assistance to balance the flow of tourism.

The TREAD Map App expanded statewide in spring 2022, incorporating participation from community sponsors, recreational user groups and state land managers. The app offers real-time updates and advisories to travelers and recreation users, and routes them to less-frequented destinations, seasons and days of the week.

## Travel trade sales and promotion

SWT focused on tour operators, travel retailers and consumer media for new and expanded tour products in key North American and overseas markets. Goals included:

- Increase consumer sales through retail distribution systems (including travel agents, tour operators and travel suppliers)
- Work with travel partners and DMOs
- Promote the state as a destination and offer partnership promotional opportunities at industry trade shows
- Leverage travel trade channels, advertising and online webinars to build destination awareness
- Develop packages of state destination itineraries
- Host familiarization tours (as pandemic travel allows)

## Trade shows

### **Go West Summit, Los Angeles, March 1-4, 2021**

The Go West Summit introduces the world's top international tour operators to specialty travel suppliers offering tourism-related products or services in the American West. SWT held 23 meetings with tour operators, receptive tour operators or media and held a caucus for Washington DMOs to update, plan and sell.

### **ITB, Berlin, Germany, March 9-12, 2021**

In partnership with the Port of Seattle, SWT held 12 virtual meetings with European tour operators. ITB is the world's largest travel trade show, typically convening 10,000 exhibitors from 180 countries (the ongoing COVID-19 pandemic resulted in a virtual show in 2021). SWT and Port staff sent follow-up emails to each participant with itineraries and other information.

### **Brand USA Global Marketplace, virtual, June 30, 2021**

SWT promoted Washington to tour operators and retail sellers from 28 international markets at this virtual marketplace. SWT and Port representatives conducted 14 business-to-business meetings. Follow-up emails were sent to each participant with itineraries and other information. Sales leads were distributed to Washington tourism industry travel trade representatives.

### **IPW Convention, Las Vegas, September 18-22, 2021**

SWT promoted Washington virtually and in person at IPW. IPW is the largest inbound travel trade show, with group tour buyers from across the globe meeting to do business with U.S. destinations and travel suppliers. SWT held 34 in-person meetings and 19 virtual meetings. The SWT public relations representative met with 16 journalists and travel writers during the media marketplace. More than 100 follow-up emails were sent to each participant, in addition to introductions to local DMOs, local tour operators and other potential partners.

### **National Tour Association Travel Exchange, Cleveland, November 14-16, 2021**

The NTA's annual conference features buyers of all specialties from across the U.S. and the world, who meet with tour suppliers and DMOs to build partnerships, collaborations and sellable itineraries. SWT represented Washington in 24 in-person meetings. More than 50 follow-up emails were sent to participants, as well as introductions to local DMOs, local tour operators and other potential partners.

### **Go West Travel Exchange, Reno, February 14-16, 2022**

SWT promoted Washington in person at the Go West Travel Exchange. The annual Go West conference features buyers of all type and specialty from across the world who meet with tour suppliers and DMOs to

build partnerships, collaborations and sellable itineraries. SWT held 32 in-person meetings held over two days. More than 60 follow-up emails were sent to participants, as well as introductions to local DMOs, local tour operators and other potential partners.

### **RTO Summit, Los Angeles, March 22-23, 2022**

The RTO Summit connects destinations, hoteliers, attractions and tour operators with receptive tour operators who help sell room nights and experiences internationally. SWT provided an incentive for local DMOs to bring partners to the event. Three DMOs joined, creating opportunities for two extra hoteliers, an attraction and a tour guide. SWT represented Washington in 25 in-person meetings. Over 50 follow-up emails were sent to participants, as well as introductions to local DMOs, local tour operators and other potential partners.

### **London Sales Mission, March 28-April 1, 2022:**

SWT joined the Port of Seattle and Visit Seattle as a delegation. The group hosted events for key tour operator clients and media, and conducted sales and media calls throughout the city. The initiative was part of ongoing industry recovery efforts in one of the destination's primary overseas markets, with the intent to re-engage the British travel trade through sales and media coverage.

The delegation promoted destination news, such as Sea-Tac's new International Arrivals Facility, Seattle Homeport cruises, Washington wine, outdoor recreation, and diverse attractions and tours throughout the state, in addition to promoting SWT's newly launched destination brand. Delegation participants included SWT's David Blandford and Mike Moe; Port of Seattle Commissioner Fred Felleman and the Port's Dave McFadden, Patti Denny and David Yeaworth; and Visit Seattle's Liz Johnson.

There were about 130 tour operators and media members. A schedule of tour operator sales calls were conducted throughout the city. Broadcast media interviews included Skye News Radio, Share Radio, Talking Feature Network and others, with a total combined audience of more than 25 million people. The London mission press release was published in *Selling Travel*, the U.K.'s leading travel trade training magazine, which is distributed to 26,000 travel trade professionals.

## **Overseas promotion**

In addition to in-person and virtual meetings, SWT coordinated industry co-op advertising in the U.K. and European trade journals. This reached key tour operators and retail travel sellers:

### **2022 Visit USA Travel Planner**

Publication date: November 2021

Opportunity: Must Visit Feature. Six destinations showcased on one page with a photo and description.

Cost per partner: \$1,200

## **Performance metrics**

### **Annual state destination and county metrics**

According to the SWT's annual report "Economic Impacts of Visitors in Washington State,"<sup>1</sup> both tourism and visitor expenditures in Washington increased dramatically since 2020. The report was released in April 2022

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<sup>1</sup> The full report is privately published. A [press release summarizing it is available online](#).

and is compiled by national travel research firm Tourism Economics. The report profiles annual visitor volume, expenditures, tax generation, employment and other data for the state overall and its 39 counties.

Highlights for Washington include:

- Visitor volume increased 19.7% over 2020 to 95.3 million, indicating significant growth but still just 87% of 2019 levels.
- Visitor expenditures increased 36.2% to \$17.7 billion, 81% of 2019 levels.
- Tourism supports 205,000 jobs (both direct and induced), an 8.7% increase over 2020. There were 131,000 direct jobs.
- State and local tax revenue increased 27.6% to \$2.4 billion, offsetting the average state household tax burden by \$669 per year.

The data is compiled from a combination of survey data from Longwoods International, the Bureau of Economic Analysis and Bureau of Labor Statistics by industry, STR lodging performance data, tax collections including lodging tax receipts, U.S. Census Bureau data on business sales by industry and seasonal second homes, and international travel data for overseas, Canadian and Mexican travel to the U.S. based on aviation, survey and credit card information.

## Out-of-state (non-resident) visitation

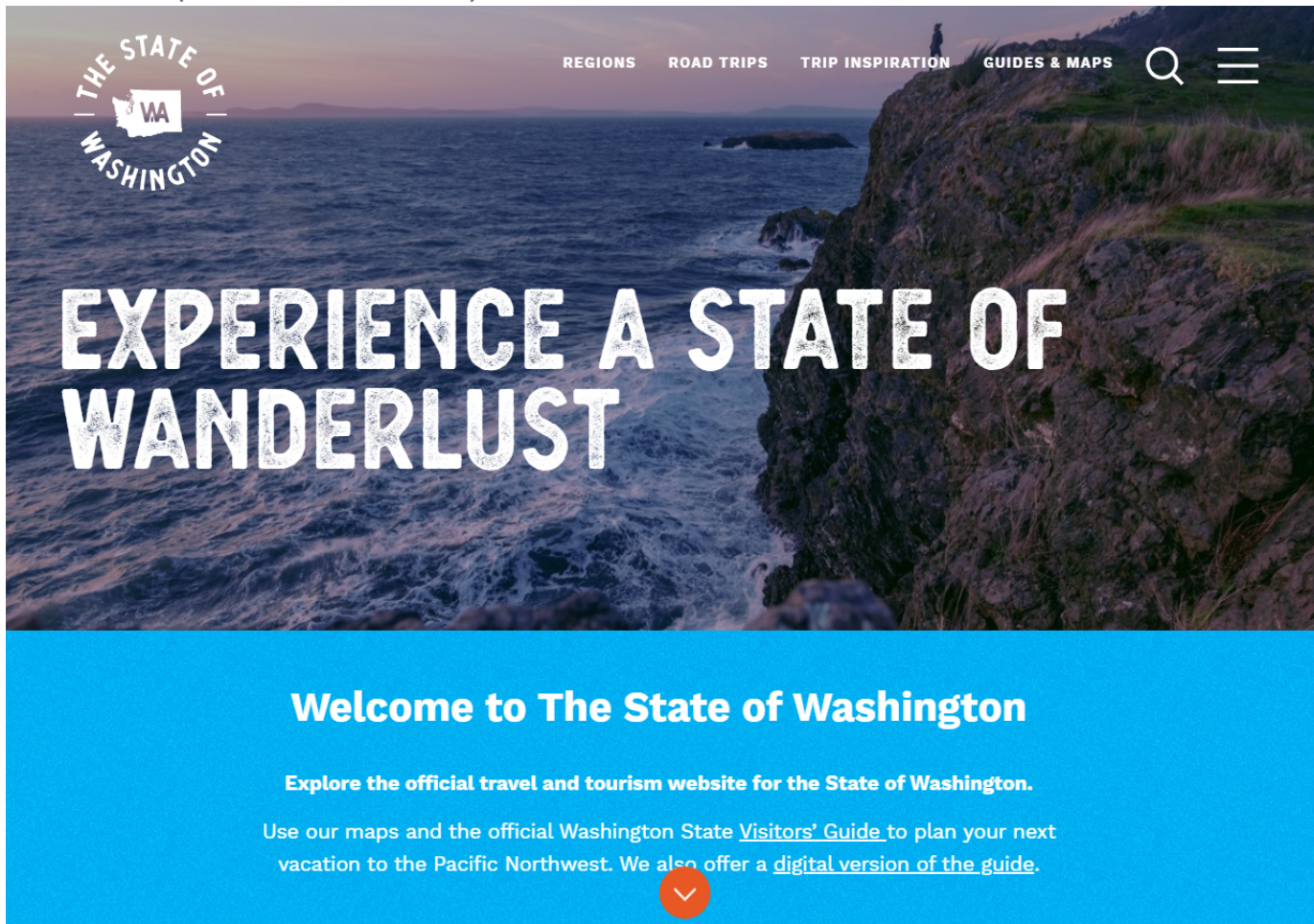
Out-of-state visitors bring new revenue into Washington. They are a central part of the state's tourism attraction strategy. Their contributions to the state's economic recovery include a multiplier effect as visitors tell others about their experiences in the state and tend to spend more money than in-state residents on visits.

- According to tabulations by Tourism Economics, 47% (44 million people) of the total annual domestic visitor volume in Washington in 2021 was from out of state. The breakout was compiled from survey and other statistical data assembled in the creation of "Economic Impacts of Visitors in Washington State" for calendar year 2021.
- Hotel guests spend twice as much as visitors staying with friends and family, and 1.5 times more than vacation rental guests. According to Tourism Economics, these statistics indicate an important opportunity for destination marketers to attract out-of-state overnight visitors who stay in hotels and allocate trip expenditures on dining, shopping, entertainment, recreation, culture, transportation and other activities.

## Appendix A: Campaign samples

Following are examples of the campaigns executed through June 2022.

New website (stateofwatourism.com)





# Discover the Natural, COVID-Smart Wonders of Washington State

Washington State is full of little-known destinations and natural wonders that few have seen. With this all-new passport program, you can get rewarded as you check in at COVID-smart locations in your region and beyond! Each location is easy to socially distance.



## Explore Washington's Backyard

- Visit COVID-smart outdoor adventures in your own region and track your progress.
- Enjoy Washington's amazing outdoors and #recreate responsibly.
- Don't delay, prizes are limited and the sooner you start collecting your check-ins, the better your odds of winning!

[Sign Up](#)

## True to Nature branding example



[home](#) > [trip inspiration](#)

# Trip Inspiration

Insights, travel tips, and all the must-do lists for Washington State.

# Appendix B: Actual and projected budget spend

## Washington Tourism Alliance Grant Agreement Through Office of Economic Development and Competitiveness (OEDC) #22-73103-001

Pursuant to Engrossed Substitute Senate Bill 5092, this one-time FY 2021-23 \$12 million grant agreement covers marketing and communication services related to the recovery of tourism-related businesses, generating tourism demand for Washington communities and businesses, recovering market share with competing Western states and providing written reports to the legislature. Funds under the contract are made available and are subject to Section 601(a) of the Social Security Act, as amended by section 5001 Coronavirus Aid, Relief, and Economic Security Act (CARES ACT), and Title V and VI of the CARES Act. The Department of Commerce uses \$400,000 of this total grant as an administrative fee.

This grant of federal funds is separate from the statutorily funded \$3 million per biennium state general funds through the Washington Tourism Marketing Authority (WTMA), which provides base funding for programs and operations. These funds are derived from 0.2% of sales tax proceeds from lodging, restaurants and rental cars in the state. According to statute, these funds must be matched 2:1 by non-general funds to access the state general funds; non-general fund matches may be cash or in-kind.

The contracts for #22-73103-001 and the WTMA base funding are performance based, rather than expense reimbursement, and require the same deliverables in the FY 2021-23 biennium.

State of Washington Tourism (legal name Washington Tourism Alliance), the nonprofit marketing organization contracted to administer the statewide tourism program, procures income from non-general funds from multiple sources each year, including:

- Domestic marketing program revenue: advertising and research co-op programs with the state tourism industry
- International marketing co-op program revenue
- Partnership programs including a one-time recovery contract with Port of Seattle; web site advertising sales, tourism conference and other event sponsorship; publication revenue
- TREAD Map App partnership income: county sponsorship, advertising and other
- Travel trade program revenue: trade show registrations and other

During the #22-73103-001 contract period, State of Washington Tourism maintains five FTEs that are supported by its state base funding and private funding. These FTEs are necessary to establish and maintain statewide operations and programming. The office operates virtually to mitigate operational costs.

Operational and administrative costs associated with maintaining the program include office supplies, insurance and licensing, taxes and tax preparation, postage, collateral, IT support and backup, storage facility, on-line services, telephone/internet, industry memberships, travel around the state and other miscellaneous necessary operational costs. Many of these costs increase in relation to work associated with fulfillment of contract #22-73103-001.

## Year 1 expenditures: July 1, 2021 to June 30, 2022

Amount spent	Medium/information on spend
<b>Domestic marketing</b>	
\$990,003	Consumer marketing campaigns Brand assets (video, photos, etc.), industry tool kit Travel media campaign Destination publicity program/PR agency
\$224,000	Expedia 'Explore Washington' campaign Dates: June 2021-February 2022 Target markets: Oregon, California, Idaho, Washington, Montana, Alaska
\$72,800	Expedia co-op (SWT contribution, \$50,000) Dates: March-May 2022 Target markets: Top origin markets based on Expedia search/booking performance Participants: Visit Seattle, Visit Vancouver, Seattle Southside, Okanogan Tourism Council, Visit Everett, Visit Tri-Cities
\$25,760	Bandwango Explore Washington's Backyard passport, social promotion and prizes Ongoing program encouraging responsible exploration of Washington's outdoors based on locations identified by local destination partners
\$871,918	True to Nature pulse 1 paid media Dates: January-March 2022 Markets: Oregon; Vancouver, Canada; California (San Francisco-Oakland-San Jose Metro Area, Palm Springs Metro Area, Chico-Redding Metro Area, Santa Barbara-Santa Maria-San Luis Obispo Metro Area, Eureka Metro Area), Arizona, Idaho, Montana, Colorado
\$594,001	Photo and video production (includes photo/B-roll shoots in each region of the state, campaign photo and video)
\$388,883	Retain creative advertising agency/rebranding
\$44,044	Retain PR agency for statewide pitching
\$2,979	Media hosting
\$24,370	Travel Bloggers Exchange conference sponsorship enabling familiarization tours around the state, staff attendance Tri-Cities, May 2022
\$27,722	Website redevelopment (additional \$30,000 spent in August 2022 for work completed during spring/summer)
<b>\$3,266,489 Subtotal: Domestic Marketing</b>	
<b>International co-op marketing</b>	
\$66,693	Co-op/industry ads and promotions in key markets

Amount spent	Medium/information on spend
<b>Other marketing</b>	
\$49,500	Tourism conferences/webinars Staff travel/industry events and programs Miscellaneous other marketing
<b>Travel trade development</b>	
\$101,095	IPW Trade Show, Las Vegas National Tour Association, Cleveland Go West, Reno RTO Summit, Los Angeles UK Sales Mission, London IPW Trade Show, Orlando
<b>Destination Development Program</b>	
\$396,872	TREAD Map App development, statewide launch  Rural Tourism Support program
<b>Research and marketing data</b>	
\$120,884	Tourism Economics (Destination and 39 county reports, domestic and international research) Datafy mobile geolocation data including sponsorship for rural cities/counties SMARInsights ad accountability
<b>Administration/overhead</b>	
\$341,597	Miscellaneous operating expenses Payroll Professional fees
<b>Total Year 1 Proviso Expenditures</b>	
<b>\$4,343,121</b>	

## Projected year 2 expenditures: July 1, 2022 to June 30, 2023

Amount spent	Medium/information on spend
<b>Domestic marketing</b>	
\$2,096,154	True to Nature pulse 2 paid media Same markets \$2 million is needed for impactful reach in each major market (TV, out-of-home billboards, etc.) but with uncertain sustainable operating funds this level allows the office to invest in other industry programs and assets that aid in recovery
\$300,000	Paid social and community management for SWT channels
\$300,000	Paid search advertising and search engine optimization
\$133,873	Industry co-ops (ex: statewide SEM co-op, future Expedia partnerships, video co-ops to help destinations reach a wider audience with high quality content)
\$200,000	Passport program, incentives and marketing
\$200,000	TREAD Map marketing
\$70,000	DEI research
\$60,000	Paid content creator partnerships
\$400,000	Creative asset production for strategic marketing
\$400,000	Web content, photo and video production
\$70,000	Marketing contractor (graphic design, special web projects, strategic consulting, etc.)
\$600,705	Retain creative advertising agency and media buying agency (monthly fees for active travel publicity program)
\$91,800	Retain PR agency for statewide pitching
\$45,000	Media missions and tradeshow in key markets
\$15,000	Media hosting (increased post-pandemic)
\$77,740	Website redevelopment, hosting and maintenance (focus on updates and added industry features/resources)
<b>\$5,060,282 Subtotal: Domestic Marketing</b>	
<b>International co-op marketing</b>	
\$120,000	Co-op/industry ads and promotions in key markets
<b>Other marketing</b>	
\$250,000	Tourism conferences/webinars Responsible Outdoor Travel Summit Staff travel/industry events and programs Miscellaneous other marketing

Amount spent	Medium/information on spend
<b>Travel trade development</b>	
\$200,000	IPW Trade Show National Tour Association Go West RTO Summit IPW Trade Show UK/Germany sales calls State branded trade show booth creation
<b>Destination Development Program</b>	
\$725,000	TREAD Map App development, statewide program maintenance Rural Tourism Support program (fall and spring curriculums) Industry grants
\$350,000	Destination Development grants to industry businesses and communities
<b>Research and marketing data</b>	
\$210,000	Tourism Economics (Destination and 39 county reports, domestic and international research) Datafy mobile geolocation data including sponsorship for rural cities/counties SMARInsights ad accountability Additional dashboards that aggregate data for industry use and planning
<b>Administration/overhead</b>	
\$341,597	Miscellaneous operating expenses Payroll Professional fees
<b>Total Year 2 Proviso Expenditures</b>	
\$7,256,879	

## Total Biennium Expenditures

\$11,600,000