

Hospitality Communications Group
Answers to Warren County Board of Supervisors Questions
January 30, 2021

1. What specifically is the task force asking for?

The Hospitality Group's principal goals are to increase the economic contribution of tourism broadly across Warren County and to foster a year-round tourism season. Our immediate objectives are to increase visitor spending, increase sales and occupancy tax revenue, and increase employment opportunities. As we pursue these goals, we believe the best interests of the county and the private sector are to make decisions based on reliable, up-to-date data. The hospitality industry and the county have access to good retrospective market data (Smith Travel reports, for example) but very little information that can be used to increase visitor spending prospectively. Our specific request to the county is to join us in engaging a consultant to collect information on the 10 to 20 Northeast destinations with which Warren County competes for visitors; to compare the growth of the Warren County tourism economy with these competitor regions, and to study the most successful regions' best practices that support sustainable year-over-year visitor spending growth and foster year-round tourism. Tourism is dynamic and highly competitive. Customer preferences and expectations have been changed by the pandemic and will continue to change rapidly. In the new environment in which we are operating, our goal is to optimize the county's and the private sector's efforts to attract visitors and generate revenue, sales tax and occupancy tax.

2. What information does this capture that we have not previously had?

To the best of our knowledge, none of the previous studies of tourism in Warren County have focused on collecting data to assess the performance of the Warren County's tourism economy by comparing it to its competitor destinations and identifying best practices to increase visitor spending. The 2006 Pinnacle Advisory Group study evaluated the level of market demand for an exhibit/trade center in the county. The 2010 ConsultEcon Study, commissioned by EDC, addressed the organizational elements of how tourism is marketed. The 2015-16 BBG&G report dealt with organization, strategy and funding. We believe the past studies, while not addressing the immediate need for competitive data, still contain valuable ideas and recommendations. We hope the supervisors will join us in reviewing these prior studies to determine which recommendations remain valid and how best to implement them now.

3. What would be the county cost/share of this?

The cost of the study has not been determined because no request for proposals has been issued. We propose to work jointly with the county to finalize a request for proposals. Once these are received, we can both evaluate the likely cost vs. benefit. We are open to seeking a cost-sharing arrangement

with private-sector partners. Tourism is a vital economic asset*¹ for Warren County and, as with any asset, it warrants periodic review to ensure it's performing efficiently. The study we propose is that periodic check-up to ensure our collective tourism economy is operating at peak performance.

4. Why should the study be done?

Warren County, like virtually all local governments, faces major economic challenges, with increasing demands for public services, rising operating costs, pressure to contain property tax increases, and imminent and substantial capital investment needs. Tourism is a sustainable source of additional revenue to Warren County. As the county looks ahead to spending and investment over the next several years, the supervisors will need reliable information in which they have confidence about how much additional revenue tourism could generate. This study, as we envision it, would assess whether the county's tourism promotion investment is producing results on par with that of the competitive destinations and what might be done to increase revenues. It would also provide information we don't currently have on the best practices of the best-performing tourist destinations with which Warren County competes.

5. What expectations do you have for the board upon receipt of the information?

Our expectation would be that the supervisors and the private-sector hospitality businesses carefully review the information and, based on their judgment, consider implementing the best practices which would lead to increased visitor spending and increased tax revenue and foster the development of a 12-month tourism economy.

Hospitality Communications Group

The Hospitality Communications Group is an independent group of local hospitality employers and business people. We are interested being a resource for information and a collaborative partner with the Warren County Board of Supervisors to grow tourism for the benefit of Warren County and its residents and taxpayers.

¹ In 2019, tourism generated \$654 million in direct spending in Warren County and nearly 10,000 jobs. About one-quarter of all jobs in Warren County are tied to tourism. Visitors also generated \$44.3 million in local taxes and \$35.7 million in state taxes. Tourism spending in Warren County grew by 4.1 percent in 2019 compared to 4.7 percent in Essex and 3.4% for a six-county region of the Adirondacks. (*Tourism Economics 2019 study for the State of New York, attached*)

The following are the 2021 priorities of the Hospitality Communications Group:

HOSPITALITY COMMUNICATIONS GROUP 2021 PRIORITIES

Increase the Economic Contribution of Tourism in Warren County

1. Recognize Warren County's natural, historical, cultural and community resources as the provenance and bedrock of our hospitality tradition
2. Increase total visitor spending and daily visitor spending by providing visitors with safe, healthy, memorable experiences
3. Progress toward a year-round tourism economy benefiting the entire county
4. Promote inclusiveness and diversity to make all visitors feel warmly welcomed
5. Eliminate barriers and create greater opportunities and incentives for our residents to develop careers in hospitality
6. Foster policies to preserve the overall number of hospitality lodging rooms
7. Base policies and decisions on comprehensive, up-to-date and actionable data
8. Ensure the greatest share of occupancy tax revenues are spent efficiently to attract overnight visitors and replenish the occupancy tax

Foster Countywide Public-Private Sector Teamwork

1. Work with public and private stakeholders to craft an up-to-date strategic plan for growing tourism in Warren County
2. Make the most of our finite marketing resources by establishing best practices for joint and cross-promotion of events and businesses and breaking down silos and reducing overlap and duplication of effort among public and private organizations.
3. Adopt a simple, shared creative branding message with local community enhancements to highlight the breadth and depth of what our region offers to visitors
4. Provide for coordinated event organizing to build on the strength of the entire region without limiting the creativity of the many small, community-based events.