



# **An Overview of Pennsylvania's Public Private Partnership for Tourism Marketing**

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## **Introduction**

The Pennsylvania Tourism Partnership (PTP) has been in existence since the fall of 2013. Its mission is a long-term world class and inspirational brand for Pennsylvania tourism and to facilitate the direction, funding and execution of a research and data-based marketing plan for the Pennsylvania tourism industry.

Working with a new public administration, the PTP was, and continues to be, incubated within Team Pennsylvania Foundation (Team PA) to provide continuity. The work of the PTP is guided by a Steering Committee, made up of private sector business leaders and tourism professionals. The group has made great strides to advance its key initiatives outlined below including a brand and marketing communications plan for tourism.

## **Why Now?**

Tourism is a \$39.2 billion industry in Pennsylvania, which generated \$4.1 billion in state and local tax revenue and created 479,000 jobs in 2013. The Keystone State hosted 193 million domestic and international visitors in 2013.

Tourism, like other industries in the Commonwealth, is affected by the economy, increased competition for fewer consumer dollars and budget cuts at the state and local levels. While the state of Michigan spends \$25 million dollars, New York \$60 million, and Ohio \$11 million, Pennsylvania spends about \$3 million annually to promote tourism.

Pennsylvania's growth rate in hotel revenue has been lagging relative to states with strong marketing programs. According to Smith Travel Research, the average growth in U.S. hotel room revenue exceeded nine percent in 2014. Pennsylvania's growth rate was about six percent.

Travel and tourism is a highly competitive global industry where promotion is increasingly critical to driving visitation. It is essential that Pennsylvania have a consistent statewide marketing program – consistent in both funding and brand messaging – to drive visitation, support the state and local economies and travel and tourism-related businesses, particularly small businesses.

## **About the PTP**

The PTP represents the shared desire of the public and private sectors to move toward a collaborative and integrated approach to branding and marketing tourism in Pennsylvania.

The overriding objectives of this effort are to increase business and leisure travel to and within Pennsylvania and enhance tourism's role as a leading economic driver for the Commonwealth, which benefits every Pennsylvanian.

The mission of the PTP is to create a consistent, world class and inspirational brand for Pennsylvania tourism and to facilitate the direction, funding and execution of a research and data based marketing communications plan for the Pennsylvania tourism industry.

The PTP represents the value of a tourism effort that transcends the changes in leadership at the state level both in funding and messaging. Successful marketing relies on consistency, continuity and momentum.

The creation of the PTP is a collaborative effort among the Governor's Office, the Department of Community & Economic Development (DCED) and its Tourism Office, the Department of Agriculture, the Department of Conservation and Natural Resources (DCNR), the Pennsylvania Association of Travel & Tourism (PATT), Team Pennsylvania Foundation (Team PA) and tourism industry representatives from the public and private sector.

## Roles of Each Organization

PATT will continue to be a statewide advocate for the industry and work to establish long-term public funding so the PTP and State Tourism Office have the resources and support they need from the industry and legislature.

The PTP exists initially within Team PA for up to three years during the start-up phase, operating under its 501(c) 3 charter and funded with operational seed money from DCED.

Working with the PTP, DCED and the Tourism Office will continue to achieve its core mission of statewide tourism marketing. The PTP's strategic branding and marketing plan will help set the priorities and focus for the Tourism Office moving forward.

## PTP Steering Committee

The Steering Committee is comprised of business and industry leaders, representatives from key government agencies, and industry-related organizations from across the Commonwealth.

- This committee is tasked with directing the future efforts of the PTP including:
  - PTP organizational plan and governing bylaws
  - Brand and marketing communications plan for Pennsylvania tourism
  - Securing public and private funds
  - Rallying support for a public/private approach to tourism marketing
  - Serving as visible and vocal ambassadors for tourism and its vital role in Pennsylvania's economic development
- PTP Governance Principles were adopted by the Steering Committee in September 2014. A copy is included at the end of the brief.

ORGANIZATION	TITLE	Name	
<b>Aqua America, Inc.</b>	Chairman and CEO	Nicholas	DeBenedictis
<b>Keating Hospitality</b>	President	John	Kroll*
<b>Glades Pike Winery</b>	General Manager	Liz	Diesel
<b>Hershey Entertainment &amp; Resorts</b>	Exec. VP/CMO	Kim	Schaller
<b>Hilton Harrisburg</b>	General Manager	Joe	Massaro
<b>Longwood Gardens</b>	Chief Marketing Officer	Marnie	Conley
<b>PA Convention Center</b>	President & CEO	John	McNichol
<b>Pittsburgh Pirates</b>	Principal/Owner	Robert	Nutting
	CEO, Seven Springs Mountain Resort	Eric	Mauck*
<b>PNC Bank</b>	President, CEO	William	Demchak
	Regional President	Jim	Hoehn*
<b>Pocono Raceway</b>	President/CEO	Brandon	Igdalsky
<b>Sands Casino Resort</b>	Director of Sales	Patrick	Ryan
<b>Waldameer Park</b>	Owner	Paul	Nelson
<b>Winner International</b>	CEO	Karen	Winner Sed
<b>Zippo Case</b>	Pres/CEO	Greg	Booth
<b>Dept. of Community &amp; Economic Development</b>	Acting Secretary	Dennis	Davin
	Dep. Sec. Marketing,	Carrie	Fischer Lepore*

	Tourism, Film		
<b>Dept. of Conservation &amp; Natural Resources</b>	Acting Secretary	Cindy	Adams Dunn
	Senior Advisor	Gretchen	Leslie*
<b>Department of Agriculture</b>	Acting Secretary	Russell	Redding
	Policy Director	Erin	Smith*
<b>Project Team</b>			
<b>PA Association of Travel &amp; Tourism</b>	President	Rob	Fulton
<b>Team Pennsylvania Foundation</b>	Chief Operating Officer	Ryan	Unger
<b>PA Tourism Partnership</b>	Project Director	Lynn	Burkholder
	Project Support	Julie	Payne

\* Alternate

### **PA Tourism Brand/Marketing Communications Plan**

After a robust RFP process, driven by the PTP Steering Committee, the Pennsylvania Tourism Partnership selected Red House Communications from a field of 19 to lead its brand development process. During the evaluation, Steering Committee Members were impressed with Red House’s use of and reliance on data to drive the creative development. The \$494,200 proposal was broken into three phases: Market Analysis, Brand Strategy Development, and Marketing Communications Plan. The project is funded equally with public and private dollars.

Red House and the PTP worked closely to develop objectives for the branding initiative, including:

- 1) Develop a dynamic and inspirational brand that motivates internal and external audiences to action.
- 2) Energize stakeholders and provide tools to help them promote their destination.
- 3) Create a marketing plan that protects the volume of in-state tourism while driving volume of overnight tourism (in-state and out-of-state).

To ensure a well-focused, research-driven approach, Red House and the PTP embarked on the project’s primary research phase, November, 2014-January, 2015.

Campos Inc. was hired to conduct and assist with primary research, including interviews with the PTP and steering committee members, as well as with 100+ tourism stakeholders across PA; an online survey to 500+ statewide stakeholders assessing priorities, issues and expected outcomes; an online research survey of consumer targets (900 consumers, in- and out-of-state).

Secondary research included review of proprietary studies of PA Tourism, review of a 20+ variety of national studies (AARP, US Travel Association, etc.); review of media coverage and online travel resources; and an extensive audit of other North American travel destinations and brand positions.

Red House assembled a comprehensive report on research findings and analysis for the PTP. Red House synthesized these findings, in combination with competitor analysis and sound branding and integrated marketing communications principles to identify a compelling brand strategy and platform, which will provide the foundation and guiding direction for all future creative, marketing strategies and communications.

The research report and brand position were presented first to PTP’s marketing subcommittee for review and discussion. Then, Red House met with the full Steering Committee and made a comprehensive presentation accompanied by the written report for review and discussion. The research was shared with the tourism industry

during the annual Pennsylvania Tourism Summit, hosted by the Pennsylvania Association of Travel & Tourism. Currently, Red House is developing initial creative directions for the brand identity and copy platform.

## **Key Findings**

### *Both Family and Adult Travelers Are Critical Audience Segments for PA.*

The proportion of family travelers to Pennsylvania over-indexes national averages and is an indicator of the strength of family travel options here and the opportunities inherent in promoting them. At the same time, adults traveling without children are 67% of our overall audience. Rather than skewing to one or the other, the overarching Pennsylvania brand must appeal to both adult and family travelers.

### *Our Audience Spans All Generations.*

At the national and state levels, a variety of indicators within each of the three major age groups—Millennials, Gen X and Boomers—argue for their importance as target audience groups. Volume of travel, discretionary income, travel intent, travel frequency and more make every age group critical to our brand marketing campaign.

### *Pennsylvania is Primarily a Getaway Option, and Trips to the State are Overwhelmingly by Car.*

Here the data are clear...Pennsylvania travelers stay an average of two nights and the majority coming from within the state and its contiguous (and populous!) neighbors (led by New York and New Jersey). The good news, as state and national data indicate, is that travelers equally desire both vacations and getaways, and all trends point to increasingly shorter travel stays.

### *Pennsylvania Offers a Strong Tourism Product Well-Aligned with Audience Desires*

A comparison of the qualities, experiences and attributes travelers say they seek and the ones they say they find in Pennsylvania line up exceptionally well. So it's not a surprise that travelers give very high marks when ranking their overall satisfaction with PA travel. They also express pleasure with individual assets, qualities and characteristics—from scenic beauty to friendliness to value.

### *Pennsylvania is Primarily an Active Travel Destination.*

The lists of favored travel experiences and destinations that top Pennsylvania traveler's lists are active—whether that means outdoor sports and sightseeing, battlefield visits, shopping trips or weekends in the city.

### *Pennsylvania has Three Strong Groupings of Assets and Experiences: Outdoors, History and City Life.*

Across numerous survey questions, rankings and data, these themes emerge again and again. All three are essential, and even more persuasive in combination with one another.

### *Emotional/Psychological Motivators that Align with Active Travel Rank as Important both in National Studies and Among PA Travelers.*

Key words that emerge include “exciting,” “adventuresome,” “break from the every day,” “feel alive,” “energizing,” “try new things” and even “learning.” In addition, national data indicate that current and “up-and-coming” adventure travelers comprise 66% of U.S. travelers.

### *Moving Beyond Stereotypes and Updating Perceptions for Today's Travelers*

While research indicates PA has a very satisfied, repeat visitor audience, there's a challenge to that level of familiarity, especially for a brand that has minimally promoted itself in several years. To be meaningful and

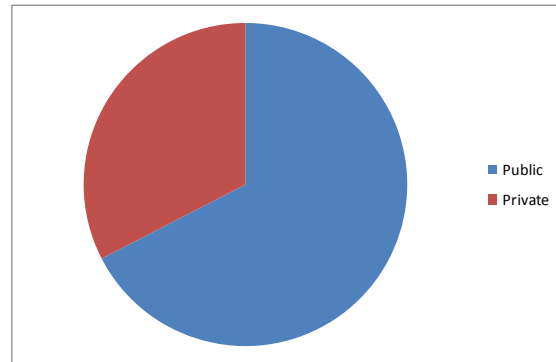
persuasive, the Pennsylvania brand will reinforce the levels of fun and excitement it offers--both the tried and true and the fresh and undiscovered. We need to reveal previously untapped assets aligned with contemporary desires, and bring travelers up to date on the surprising range new and improved attractions and leading-edge experiences.

## Funding

DCED provided \$150,000 in FY2013/14 and FY 2014/15 to pay for a project director and related expenses, such as travel and meetings.

The PTP has secured more than \$1 million in both public and private sector funds, which includes a \$750,000 D2PA Grant and more than \$300,000 in pledges and contributions from the private sector.

ORGANIZATION	Amount	Public	Private
Hershey Entertainment & Resorts	\$15,000		15,000
Longwood Gardens	\$30,000		30,000
PNC Bank	\$30,000		30,000
Pocono Raceway	\$30,000		30,000
Sands Casino Resort	\$30,000		30,000
Waldameer Park	\$30,000		30,000
Winner International	\$30,000		30,000
Dept. of Community & Economic Development (D2PA)	\$750,000	750,000	
Laurel Highlands CVB	\$30,000		30,000
Hollywood Casino	\$10,000		10,000
Hershey Hbg. CVB	\$20,000		20,000
Butler County CVB	\$20,000		20,000
PA Ski Areas Assn	\$25,000		25,000
Discover Lehigh Valley	\$25,000		25,000
VisitErie	\$20,000		20,000
PPL	\$7,500		7,500
PAPA	\$10,000		10,000
<b>TOTAL</b>	<b>\$1,112,500</b>	<b>750,000</b>	<b>362,500</b>



PATT is leading the effort to secure long-term, dedicated public funding for tourism marketing that will require approval from the legislature and administration.

## Tourism Industry Involvement

The Steering Committee strategically represents lodging, attractions, sports, entertainment, agriculture, manufacturing, history, arts, culture and other businesses throughout the Commonwealth that impact Pennsylvania's economic development.

The PTP has and will continue to collaborate with representatives from Pennsylvania's diverse tourism industry. Meetings and work sessions with the industry began in the summer of 2012 and will continue as the PTP tackles its scope of work. Progress of the PTP will continue to be shared and discussed with tourism professionals at industry events.

The road leading to the PTP's creation included industry surveys, national research and ongoing meetings between the public and private sectors. Research among stakeholders from the tourism industry was completed in 2012.

## Milestones

Summer/Fall 2012	<ul style="list-style-type: none"> <li>•Research/Industry Meetings</li> </ul>
January 2013	<ul style="list-style-type: none"> <li>•Survey Report on Public Private Partnership Completed</li> </ul>
Summer 2013	<ul style="list-style-type: none"> <li>•Memorandum of Understanding between DCED /Team PA</li> <li>•Project Director Hired</li> </ul>
October 2013	<ul style="list-style-type: none"> <li>•Begin Steering Committee Process</li> </ul>
November 2013	<ul style="list-style-type: none"> <li>•Development Plan Drafted</li> </ul>
December 2013	<ul style="list-style-type: none"> <li>•PTP Hosted Planning Session - PA Tourism Brand</li> </ul>
March 2014	<ul style="list-style-type: none"> <li>•PTP Organizational Plan and Bylaws Drafted</li> <li>•Outreach to Steering Committee Members Begins</li> </ul>
May 2014	<ul style="list-style-type: none"> <li>•Steering Committee Announced at PA Tourism Summit</li> <li>•Steering Committee Orientation</li> <li>•PTP Website Launched</li> <li>•D2PA Grant Approved</li> </ul>
June 2014	<ul style="list-style-type: none"> <li>•Steering Committee Meets at Bald Eagle State Park</li> <li>•Launched Private Sector Development Plan</li> <li>•Steering Committee Creates 4 Subcommittees</li> </ul>
July 2014	<ul style="list-style-type: none"> <li>•Steering Committee Meets in Harrisburg</li> <li>•RFP for Brand and Marketing Communications Plan</li> </ul>
September 2014	<ul style="list-style-type: none"> <li>•Steering Committee Meets in Lancaster for Brand/Marketing Communications RFP Presentations</li> <li>•Contractor for Brand &amp; Mktg Communications Plan Selected</li> <li>•Governance Principals Approved</li> </ul>
October 2014	<ul style="list-style-type: none"> <li>•Red House Communications/Campos, Inc. Engaged to Complete Part 1 of the RFP – PA Tourism Brand Plan</li> </ul>
November 2014	<ul style="list-style-type: none"> <li>•Steering Committee, Red House/Campos Meet in Somerset</li> <li>•Research/Discovery Phase Launched</li> </ul>
January 2015	<ul style="list-style-type: none"> <li>•Research/Discovery Phase Completed – Findings Presented to Steering Committee &amp; DCED</li> </ul>
February 2015	<ul style="list-style-type: none"> <li>•Brand Strategy Completed – Presented to Steering Committee at Meeting in State College</li> </ul>
March 2015	<ul style="list-style-type: none"> <li>•Red House Engaged to Complete Mktg Communications Plan</li> <li>•Brand Concepts Discussed with Brand/Marketing Subcommittee</li> </ul>
April 2015	<ul style="list-style-type: none"> <li>•Brand Concepts Discussed with Steering Committee</li> </ul>
May 2015	<ul style="list-style-type: none"> <li>•Share research/brand process at PA Tourism Summit, Harrisburg</li> </ul>
Summer 2015	<ul style="list-style-type: none"> <li>•Regional Meetings with DMOs - Discuss Brand/Mktg Comm. Plan</li> </ul>





(Appendix – PTP Governing Principles)

## **PTP Steering Committee - Roles & Responsibilities**

Recommendation is for the Steering Committee/Partnership to operate under agreed to Roles & Responsibilities until PTP is an officially recognized 501c (3). Then Bylaws and a Board of Directors will be put in place. The PTP serves as an AD HOC Committee of the Team Pennsylvania Foundation.

### **Roles & Responsibilities**

#### *Name and Purpose*

1. Body shall be called the Pennsylvania Tourism Partnership (PTP) and its purpose is to increase travel & tourism to and within the Commonwealth of Pennsylvania.
  - a. The Partnership will do the following:
    - i. Measure and strengthen Pennsylvania's position as a major national and international travel & tourism destination by engaging the public and private sectors in the strategic marketing and branding efforts of the Commonwealth.
    - ii. Develop a long-range marketing plan for the Commonwealth.
    - iii. Lead brand development for the Commonwealth, both short term and long term.
    - iv. Generate private sector support.
      1. Funding
      2. Time
      3. Resources
    - v. Support sustainable public & private funding.
    - vi. Identify and respond to future marketing trends, market conditions and issues impacting Pennsylvania Tourism's marketing and branding.

#### *Steering Committee*

1. PTP Steering Committee shall consist of 17 members appointed by the Governor.
  - a. 14 members from the private sector
    - i. Includes one member from the PATT Board and one member from the Team PA Foundation.
  - b. 3 from the public sector (DCED, DCNR and Department of Agriculture)
2. Future recommendations for the PTP Steering Committee and eventual Board of Directors will come from the tourism industry with the assistance of the Pennsylvania Association of Travel and Tourism (PATT).
3. Steering Committee members are appointed for 3 year terms.
  - a. Steering Committee will determine transition to 501 c (3) and Board of Directors at the appropriate time.
4. Duties are:
  - a. Provide direction on PTP organizational matters, including recommendations on Governance and bylaws.
  - b. Develop a strategic marketing plan and brand for the Commonwealth.
  - c. Assist with raising funds from the private sector in order to secure matching public sector funds.

- d. Serve as visible and vocal ambassadors for travel & tourism and its vital role in Pennsylvania's economic development.
- e. Leverage support for the PTP where appropriate.
- f. Attend meetings of the Steering Committee.
- g. Review any necessary materials prior to these meetings.
- h. Participate in subcommittee(s) as appropriate.

Vacancies

1. Any vacancies created by a member resigning or stepping down from the Partnership Steering Committee prior to the creation of the 501 c(3) will be filled by the Governor with recommendations from PATT and the Steering Committee members.

Leadership

1. The Steering Committee will have two Co-Chairs.
  - a. Private Sector Co-Chair
    - i. Private Sector Vice - Chair
  - b. Public Sector Co-Chair \*(Public Sector Co-Chair will be the Secretary of the Department of Community & Economic Development).
2. The Private Sector Co- Chair will be recommended by the Steering Committee and approved by the Governor's Office.
  - a. The Private Sector Co-Chair will provide leadership to set the agenda for the Steering Committee and help guide the accomplishment of the PTP's goals and objectives.
  - b. The Co-Chairs will serve for a one year term and may re-serve if so elected until Partnership is established as a 501 c (3).
  - c. Term of office conforms to the Commonwealth's fiscal year.

Meetings

1. The Steering Committee will meet at least 4 times a year.
2. The Annual Steering Committee meeting will be held in conjunction with the Annual Pennsylvania Tourism Summit held in May.
  - a. The Annual Meeting shall be a joint meeting with the Board of Directors of the Pennsylvania Association of Travel and Tourism (PATT).
  - b. The remaining regular meetings will be scheduled by the Private Sector Co-Chair.

***Approved by the Steering Committee  
September 22<sup>nd</sup>, 2014***