



Engaging Explorers

TRAVEL OREGON 2015-2017 STRATEGIC PLAN



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INTRODUCTION

It's working.

The world is taking note of Oregon. More people than ever are choosing to come to Oregon, and they are traveling farther than ever to get here. They are coming to enjoy the things we love: natural beauty, wilderness, adventure, amazing fresh food, wine, craft beer, world-class sports, and a vibrant arts and culture community. The result of all these visitors is a long list of powerful statistics and measures that show the profound economic power of tourism in Oregon.

And now *Oregonians* are taking note of the potential of tourism to develop sustainable local economies throughout the state. Since the last iteration of this plan in 2013, we have seen more people see the value of the tourism industry, and more people see themselves as a part of the industry.

We are seeing the bets we made in marketing and product development payoff in very big ways. In several markets we are running at capacity in prime season. The operational tempo of the industry is incredible. Even a cursory glance at the activity level in Oregon's travel industry shows there's a lot going on 24/7/365 all around the state.

You might say that we are at the end of the beginning. We have established a data driven, 21st century-ready, marketing-sales-and-development infrastructure. We are facilitating coordination with partners around the state to optimize public and private resources. And we have set clear priorities to keep us focused.

It's working, and we are just getting started.

Travel Oregon's vision is: *"A better life for Oregonians through strong, sustainable local economies."*

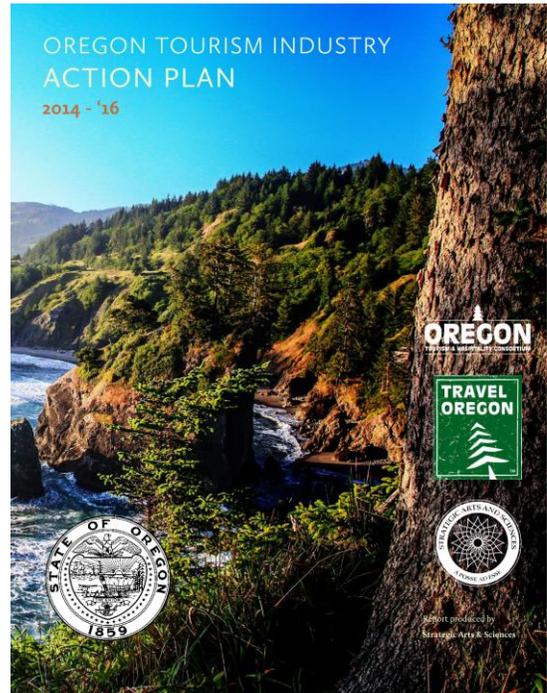
That is what this plan is all about. Over 2013-15 we have been working fervently to achieve this vision though focusing on four strategic imperatives:

1. **Optimize statewide economic impact**
2. **Support and empower our partners**
3. **Champion the value of tourism**
4. **Run an effective business**

In 2015-17, Travel Oregon will continue to pursue these four imperatives, with a special focus on building *aggressive regional partnerships* to achieve industry goals. This doesn't mean we'll slack off on our commitment to champion the value of tourism through highly effective marketing and promotional efforts. But it does mean we are doubling down on our efforts to build a strong foundation of support and collaboration across the industry.

2014-16 Oregon Tourism Industry Action Plan

In 2014, Oregon’s Tourism and Hospitality Industry Consortium (Consortium), in partnership with Travel Oregon, invited stakeholders from a variety of Oregon tourism industry groups and guilds to participate in an industry survey and a series of focus group sessions designed to identify key priorities for a statewide Oregon Tourism Industry Action Plan for 2014-16. This effort was an extension of the regional industry “Listening Sessions” conducted across the state in 2013 to incorporate regional-specific perspectives, needs and desires into the Travel Oregon 2013-15 Strategic Plan. The resulting 2014-16 Industry Action Plan calls out vital points of focus and shared values across the industry in order to prioritize *action steps* that industry leaders are willing and able to engage in.



The 2014-16 Tourism Industry Action Plan

Two-Year Cycles. The 2014-16 Industry Action Plan and 2015-17 Travel Oregon Strategic Plan will work in alignment, with alternating planning years for mutual reinforcement. They are meant to work together. For that reason, The Industry Action Plan will be referenced frequently in this strategic plan. You can find the Action Plan here:

industry.traveloregon.com/content/uploads/2015/04/IndustryActionPlan.pdf

Industry Alignment and Collaboration

Travel Oregon is twelve years old at the writing of this plan. Among the many lessons we have learned over the years is that when people work together with a clear, common purpose in mind—amazing things happen.

The quality of a visitor’s experience depends on the coordination of a thousand variables and interactions. And we know that this coordination is achieved through ongoing communication, preparation, alignment of values and goals, and the ability to *act* on those intentions. That’s why we believe it is so critical for this strategic plan and the Industry Action Plan to be in sync. The more alignment we achieve between these two plans, and the more we can support collaborative efforts across the region to bring these plans to life, the more we can rise above our individual limitations and gain the momentum that comes from achieving one success after another together.

STRATEGIC ANCHORS

With everything changing so fast it's easy to wonder about the value of a long-term plan. Certainly a big part of the thinking in this plan is to build change-readiness into our industry to ensure adaptability and success for the long term. But another part of the planning process—indeed maybe the most important part of the process—is to identify those things we *don't* want to change very much. The strategic anchors, the mission, the brand and core values remain more or less in place and they are the central lens through which we make choices and measure success. In other words, this stuff is important and we refer to it every day.

OUR VISION

A Better Life for Oregonians through Strong, Sustainable Local Economies

This vision puts local economies at the center of the bulls-eye for success. In other words, increases in travel and tourism are good things to the degree that they help create better lives and make a positive impact in the form of job creation, and sustainable economic growth. We believe that positive results will flourish in the context of *local* involvement, innovation and collaboration.

Tour Operators, Guides & Outfitters Training

Travel Oregon is hosting a robust 2-day Tour Operators, Guides & Outfitters Training aimed at connecting your business to the world by understanding and navigating the international traveler and helping you navigate permits and set up successful operations.

February 24 & 25, 2015
9:00 am - 5:00 pm both days

Jupiter Hotel
800 East Burnside St. | Portland, OR

Registration is required along with a \$10 fee (limited to the first 50 registrants)

Training is intended for Oregon guides, outfitters, operators, packers, entrepreneurs and tourism businesses looking to develop or expand upon their outdoor recreation tour product.

Industry.TravelOregon.com/TourismStudio

Tourism Studio



To this end, Travel Oregon is committed to reaching out to communities around the state and helping to build tourism resources from the basics. We will continue to offer support for communities working to get their message out with consistency, and with training designed to ensure that every community can offer a world-class experience for people who explore Oregon.

A 2015 training for tour operators, guides & operators attracted more than 50 guides from across Oregon to help hone their business acumen

With this vision in mind, Travel Oregon has made commitments to:

- Build from basics
- Leverage opportunity from existing actions and events
- Align with key partners and stakeholders locally
- Optimize alignment of resources with Oregon's Travel and Tourism Industry
- Identify long term product development cycles
- Establish specific pilot efforts and measure results
- Clarify local and state key performance indicators (KPIs)

Each of these commitments will be pursued with an eye toward supporting the Industry Action Plan and priority efforts identified over the next two years by Action Plan stakeholders and work groups.

While the vision tells us where we want to go; the mission and our unique value position describes exactly what we will do and why we are ready for the job.

OUR MISSION

We inspire travel that drives economic development. Through innovation and partnerships, we share the stories of Oregon’s people and places, deliver world-class experiences and ensure the preservation of Oregon’s way of life and its natural places.

We commit to sharing the stories of Oregon that promote industry success, but that’s not the only reason why we share them. Driving economic development means sharing stories that inspire and improve local business, provide good quality jobs, support entrepreneurs, and promote a sense of place and community. It’s about more than just inspiring travel: it’s about preserving Oregon’s unique vitality and spirit.

The stories of Oregon, innovations and partnerships are also about recognizing the interplay between the people and their natural surroundings. It’s a connection that demands authenticity, and a curious mix of reverence and irreverence, as we tell the stories of the people and places that make Oregon so inspiring. We understand we are in a position of stewardship, and we must protect the natural resources that this industry depends on.

We have worked hard to build a strong and inspiring story of Oregon that touches people in a visceral, moving way, eliciting an emotional connection to our state, people and culture. We know our Travel Oregon marketing and story-telling work is inspiring consumers to choose Oregon.

In 2013, we partnered with Wieden+Kennedy to build out our Oregon Explorer vision and create the enormously successful “7 Wonders of Oregon” marketing campaign. In many ways, the 7 Wonders campaign epitomized our chance to “bring it all together.” The effort was rooted in substantial industry research and marketing analysis. There were clear strategic objectives for the campaign. We were able to work with world-class partners. We engaged the substantial power of social media. And, we measured results and made adjustments all along the way.

7 Wonders represents what is possible when we act decisively and in unison. For all of its success, it, too, is just a first step.



OUR UNIQUE VALUE

Travel Oregon delivers unequalled tourism expertise to the entire state and tells Oregon's story to the world.

More than a decade of hard work is paying off now in the form of improved visitor levels across the state. Since 2004 visitor spending in Oregon has increased more than 49%. More importantly, we have developed the expertise and the infrastructure to optimize our efforts and drive even better performance in the future. Travel Oregon's industry-leading sales, marketing and development expertise continues to put Oregon on the map for explorers around the world. In the coming years we will continue to invite global visitors to come and spend time in our great state and experience our beautiful, wide open spaces; unique products; unparalleled restaurants and lodging; and tax-free shopping.

OUR BRAND INTENTION

Travel Oregon's partners feel connected, informed, empowered, optimistic and inspired.

Great brands offer a clear promise to the customer of the experience they will have with their people, products or service. At Travel Oregon, we are committed to providing support, education and resources to ensure our industry partners feel connected, informed, empowered, optimistic and inspired whenever they interact with us. We know the values of our organization must reflect what we value as a people and as a state. This close attention to who we are makes Travel Oregon the kind of partner the industry wants and needs. This does not mean there won't be times when we have differences of opinion. That kind of creative tension is often the catalyst for revelation and deeper respect. What it means is that our relationships are built on trust and a healthy, practical understanding of expectations.

2015-17 STRATEGIC IMPERATIVES

A good strategic plan is accessible and manageable. It offers clarity and focus. It is explicit about priorities and desired outcomes. The plan is supported by performance measures that reflect its priorities.

There are four strategic imperatives in this plan. Each is backed up with specific actions and initiatives that will help spin the flywheel and build momentum. Each area of focus will generate specific measures and performance indicators; these are the answers to the question, "How do we know if the plan is working?"

The four areas are:

1. **Optimize statewide economic impact**
2. **Support and empower our partners**
3. **Champion the value of tourism**
4. **Run an effective business**

Hopefully you look at those areas of focus and think, “Yeah, those make sense.” If you look at them again, you might even comment on the obvious interdependence between them: “They tie together.” If you’ve had a lot of coffee, or you are just prone to overanalyze things, you might call out their catalytic or synergistic potential—how they should work together to create an outcome greater than the sum of their individual parts.

And, if you look at them one more time you may realize that there is no way Travel Oregon can achieve these goals alone. Each will depend on stakeholders, partners, subject matter experts, public officials, business owners, and of course the traveling public. This plan, more than any other, is designed to connect with priorities and rhythms of Oregon’s travel industry and our statewide partners. We know that there is a spirit of competition between parts of the state, but we also know that our sense of unity and cooperation is far stronger. This plan celebrates the potential of working better together.

1. OPTIMIZE STATEWIDE ECONOMIC IMPACT

It is no accident that statewide economic impact is at the top of the list. Many counties and communities around Oregon are still struggling to find a foothold in the post-recession global economy. The industries that carried the day in the last 50 years may be weakened—or gone altogether. Most agree that continued economic recovery and development works best with a blend of service, manufacturing, and agricultural industries. Candidly, we know many people question the potential of travel and tourism to be a powerful, long term engine for Oregon’s economic development, but the numbers across the state tell a different story.

Championing the value of the travel and tourism industry is easy once we look at the details. The numbers speak for themselves. Oregon hosts nearly 26.8 million overnight person-trips annually.¹ Every dollar that Travel Oregon spends marketing the state generates an incremental trip and yields an average of \$237 in visitor spending in Oregon and \$11 in local and state tax revenue.² And, taking the industry as a whole, travel spending creates enough economic activity to support more than 100,000 jobs. You don’t need to be a financial analyst to see the power of the industry and the effectiveness of our investments. So what will it take to optimize the potential of the travel and tourism industry to drive statewide economic development in Oregon? In the next two years Travel Oregon will:

- Inspire overnight leisure travel through industry-leading branding, marketing and communications.
- Develop world-class tourism product in partnership with community leaders, tourism businesses and key agencies.
- Align and optimize strategies for integrating sales, marketing and destination development efforts at the local level.
- Drive business from key international markets. Deliver integrated sales/marketing plans leveraged with global partners.

¹ Oregon Travel Impacts: 2014, Dean Runyan Associates

² Advertising Accountability Study: 2013, Longwoods International

Oregon is becoming increasingly known as a place where majestic beauty meets creativity. This sort of X factor captivates imaginations, whether it's that of a *New York Times* writer or the millions who say they plan on visiting this year. Because it's difficult to comprehend great beer, wine, food, art, epic recreation, gorgeous nature, and friendly and civic minded people merging in a single place.

Oregon is too good to be true. That's not a bad problem to have.

It is this inspirational quality that is captured in our brand. People come here not to get away, but to bring something back with them. The folks who choose to visit Oregon are a lot like Oregonians themselves—they are *explorers* who value what they've seen, what they've done, and what they have found along the way. Explorers pride themselves on tracking down experiences that make for great stories, and products that become the envy of their friends. Explorers see these discoveries as both fun and meaningful.

The great news is that Travel Oregon's campaign efforts have been and continue to be successful.

Overall, Oregon's international markets (Asia, Europe, Oceania and Canada) have been trending upwards for the past five years. In fact, in 2014 the increase year over year was 9%. Canada continues to be Oregon's No. 1 international market. Emerging markets continue to demonstrate significant growth. China is Oregon's fastest growing international market with a 35% increase in 2014 vs. 2013, and is now Oregon's No. 1 overseas market. It's also the state's top-spending overseas market at more than \$48 million in 2014, up more than 30% YOY. The European Markets continue to demonstrate both stability and growth. Air service from Europe to PDX has increased, with three non-stop flights, one year round and two seasonal. Travel Oregon's leveraging of these flights support the mature markets of U.K., Germany, France, Benelux and Scandinavia. Oceania has transitioned from an emerging to a stable market, and through targeted trade and media opportunities will continue to gain market share. Working with Brand USA and West Coast partners in the Brazil, India and Mexico markets will ensure increased market share for Oregon. Domestic tour operator product is important for economic development in rural Oregon and has expanded with the creation of itineraries throughout the state.



International Arrivals to Oregon Increase 9% in 2014

	<u>2013</u>	<u>2014</u>
Total: All International Markets	1,870,000	2,034,000
Total: Top 15 International Markets	1,681,000	1,804,000
Canada	1,355,000	1,439,000
China	46,000	62,000
Japan	47,000	52,000
UK	40,000	43,000
Germany (+A,CH)	36,000	38,000
Australia, NZ	35,000	38,000

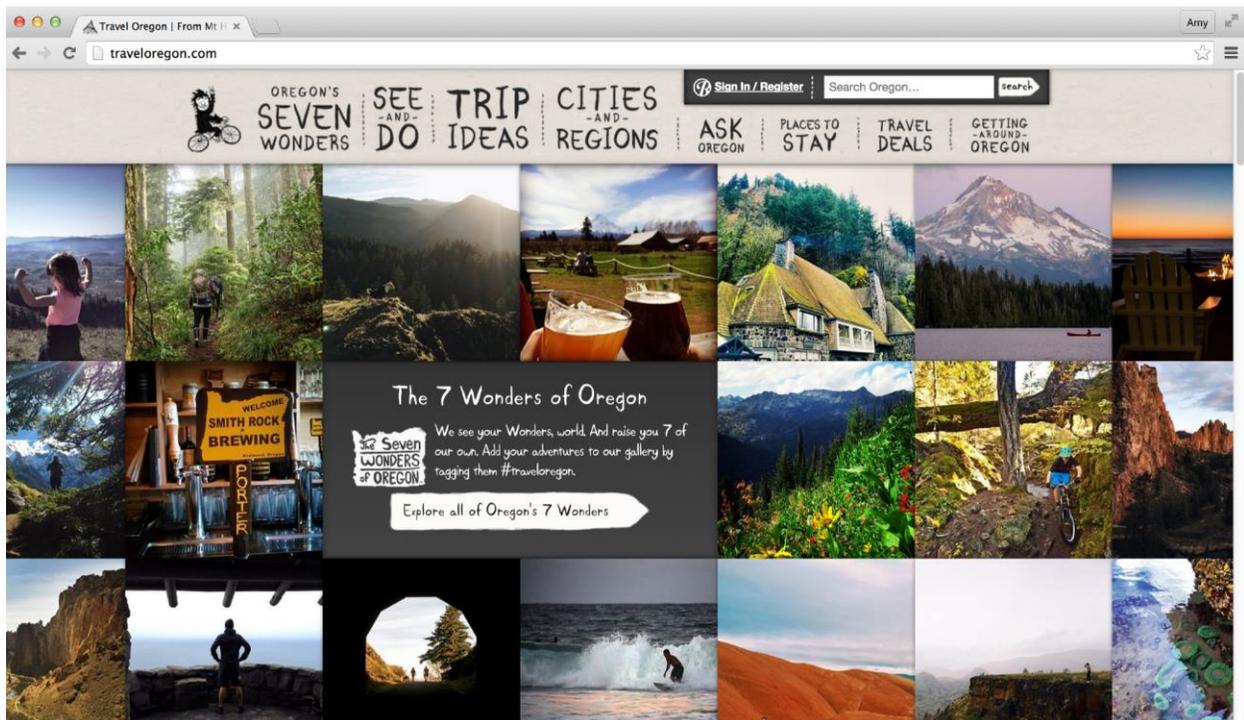
Scandinavia	24,000	25,000
Mexico	21,000	24,000
Korea	21,000	21,000
France	15,000	16,000
Brazil	11,000	13,000
Taiwan	11,000	12,000
India	9,000	10,000
Benelux	7,000	7,000
Italy	6,000	6,000

Travel Oregon estimates are based on and extrapolated from aggregate card usage data provided by VisaVue® Travel. They incorporated data from other independent research sources. Spending amounts and patterns are based on face-to-face Visa card transactions in Oregon. Transactions utilizing cash, pre-paid, phone, internet and other credit/debit cards are not included. Conversion factors are used to extrapolate arrivals, but spending per visitor is in its raw form (only Visa card purchases). Amounts on this sheet are rounded, with associated rounding errors. All calculations are done on un-rounded data.

The point is, you shouldn't be surprised to see busloads of ecstatic visitors from China shopping at the Woodburn Premium Outlets or visitors from Brazil standing in awe as they take in the panorama of Crater Lake on a bright summer day. Those economic activities don't just happen; they are the result of investments in travel and tourism as one of Oregon's vital industries.

More and more people from across the state, country and world are discovering the "Wonders" of Oregon. The 7 Wonders campaign, launched last spring, is resonating with visitors and Oregonians alike. The overall objectives of the campaign are to inspire people to consider Oregon as a prime travel destination and to encourage exploration throughout the entire state. The campaign has led to economic impact in communities and regions throughout the state. Consumer requests for Visitor Guides and information for every tourism region of the state was up 28-49% over 2013, indicating that more potential travelers are acting on their intentions to choose Oregon as their vacation destination in 2014.

What's more, Travel Oregon's fan base grew by more than 120,000 and TravelOregon.com experienced a record number of unique visitors during the campaign, giving a new audience a view of all Oregon has to offer in an ongoing and engaging manner. We've invited this new fan base to share their photos of



Oregon’s Wonders on social media using the hashtag #traveloregon. The best of these images are showcased on Travel Oregon content channels (TravelOregon.com, Facebook and Instagram) to inspire others long after the paid media portion of the campaign concludes. In 2014, people tagged more than 86,000 photos with the #traveloregon hashtag.

Another powerful testament to the strength of our marketing is the recognition of our peers across the country. To highlight a few recent accolades: in 2013, our culinary campaign, Oregon Bounty, was named the best overall campaign in the country and TravelOregon.com won the best state tourism website in the country, both awarded by the U.S. Travel Association. And it’s not just Travel Oregon’s Sales and Marketing programs that are gaining attention. It’s also our Destination Development program that was recognized as a Platinum-level



Travel Oregon accepting the HSMAI/National Geographic Platinum Award for Sustainable Tourism

“Leader in Sustainable Tourism” by the Hospitality Sales and Marketing Association International (HSMAI) and National Geographic Traveler for its work implementing Oregon’s Rural Tourism Studio. The Destination Development Program was also awarded a World Responsible Travel Award at the World Travel Market in London in 2014 for “Best Short Film for Responsible Tourism” for its *Communities Powered by Travel* video featuring the John Day River Territory. The award recognizes the residents of the John Day River Territory in Eastern Oregon and their collaborative work to improve the region through tourism.

Local Economic Development

We know that there are hundreds of great ideas out in Oregon’s local markets. The question is how do we get them off the ground? To be blunt, local markets in Oregon will never have enough time or money on their own to get their message out to the right potential travelers for the experiences they can deliver. Supporting local efforts is a primary focus for this strategic plan and the Industry Action Plan priorities. In order to support the efforts of the Industry Action Plan, Travel Oregon will place a high priority on facilitating and supporting efforts to increase regional collaboration and partnerships that help leverage local efforts, develop and showcase local products. Building strong bridges to the local markets is one of the biggest “aha moments,” that came from the 2013 Listening Tour and the 2014 Industry Action Plan sessions.

Resource Management

Our industry focus group sessions in 2014 served to reiterate the dynamic between our state’s tourism business and the policies regulating land-use and resource management. Through partnership with the Consortium we will continue to review and define the specific places where Travel Oregon can make a

difference in opening up the state's tourism potential while ensuring continued stewardship of our natural resources. The challenges and opportunities associated with land use policies and regulations are addressed in the Industry Action Plan and will be an ongoing consideration in Travel Oregon's support of action priorities over the next two years.

Excellent Data and Analytics

From day one, Travel Oregon has put stock into research, measurements and analysis. Over the years our belief in the power of research, data gathering and measurement has only increased. The more things change, the more important data becomes. So how will we know if we are succeeding in our goal for statewide economic impact?

Travel Oregon will measure the following Key Performance Indicators (KPIs):

- All regions show increase in year over year statewide lodging demand. Up 2.5% by 2016 and up an additional 2.5% by 2017.
- Establish a baseline measure for value of partner investment.
- Increase media impact index (earned, paid, owned).

Optimizing economic impact isn't only about building awareness and demand. It's about fostering and sustaining the critical partnerships that bring results across the state.

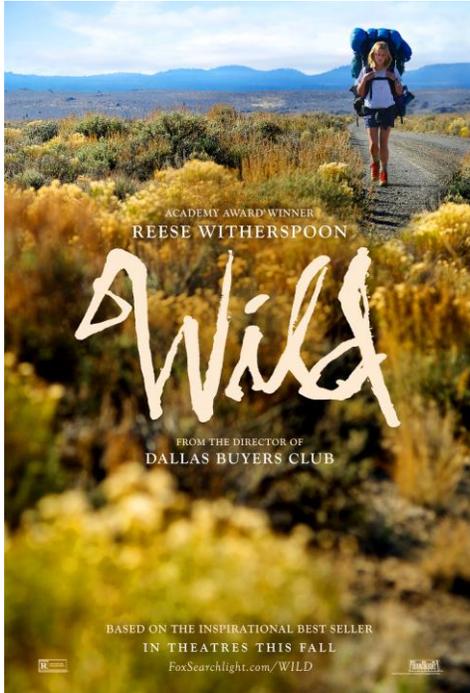
2. SUPPORT AND EMPOWER OUR PARTNERS

From the one or two person entrepreneurial businesses teaching fly-fishing or making artisan baked goods, to the large state or federal agencies working to manage transportation or wildlife habitat, Oregon is incredibly lucky to have so many talented people working on her behalf. A quick glance at our industry partners and you will be struck by the diversity they represent. The industry offers an employment continuum from entry-level jobs to strong career paths, requiring deep experience and advanced education from service industries to the sciences.

If you look a little deeper you will see that for all the diversity of the industry, it's incredibly skilled in the arts of collaboration, project management and team development. We get together. We talk—all the time—about issues big and small. We are an industry that believes deeply in the power of ongoing transparent communication with one another.

This strategic plan and the Industry Action Plan are examples of our industry commitment to collaboration and transparency. These values are absolutely essential to any vision of success in achieving statewide economic impact. We know we have much more we can do to grow and strengthen our industry partnerships to build a foundation of collaborators who have passion, time, resources and commitment to rise to *action* for increased success across communities. We have only begun to realize what is possible. When we can do a better job of clarifying and sharing goals and acknowledging the interdependence that binds our fates together, we will gain the maximum impact from our resources.

This plan is about continuing to build alignment across the industry that will firmly place Oregon as one of America’s premier global tourist destinations welcoming millions of visitors every year; each one leaving with an appreciation for the wine, beer, artisan food, history, culture, natural beauty and adventure lifestyle that makes Oregon so special.



A great example of the power of partnerships is how Travel Oregon was able to leverage the movie WILD beyond anything we could have achieved on our own. We worked with the Governor’s Office of Film and Television, Brand USA, iconic Oregon brands, and regional partners throughout the state to showcase Oregon’s starring role in the movie that Reese Witherspoon called her “love letter to Oregon.” These valuable collaborations with our partners gave Oregon a greater presence around the film than could have been achieved alone. The L.A. premiere of WILD was fashioned to look like a walk through Oregon’s portion of the Pacific Crest Trail, replete with a “Welcome to Oregon” sign that capped the red carpet, and a reception that featured Oregon wine, craft beers and spirits exclusively. Strategic partnerships with Oregon outdoor gear brands like Danner Boots gave movie goers a taste of what it feels like to take a walk through the stunning Oregon wilderness.

What’s more, the partnership with Brand USA gave Travel Oregon the opportunity to showcase Oregon’s outdoors to an international audience, with the 30-second 7 Wonders Anthem showing to audiences in Germany and Scandinavia directly before the beginning of the film.

Travel Oregon’s title sponsorship of *Feast Portland, A Celebration of Oregon’s Bounty* helps us spread the word about what makes Oregon a premier culinary travel destination to a whole new audience of consumers, media and influencers in the food world. But even more than that, it’s an internationally-acclaimed food festival where our partners from across the state can showcase all of the many culinary experiences and flavors that make every region of Oregon taste so good.

When partners interact with Travel Oregon, we want them to feel connected, informed, empowered, optimistic and inspired. We are committed to those relationships, and know they will lead to real economic impact, exciting and sustainable jobs, a built-in protection mechanism for our eco-systems, and permission to live fully and authentically for those of us lucky enough to call Oregon home.



Industry Partners are our greatest assets to help us showcase the very best of Oregon

Supporting the Statewide Tourism Industry Action Plan

The 2014-16 Industry Action Plan reflects a practical product development approach aligned with “guild-specific” and regionally-focused, industry priorities. It is crafted from the input of guides, winemakers, government officials, hoteliers, restaurateurs, artists, travel professionals, athletes, and entrepreneurs. All of these smart people contributed to a compelling and focused view of what must be accomplished in order to empower the entire industry. They contributed their ideas as stewards, looking well beyond the purview of their own particular professional point of view. They also considered the practical challenges of accomplishing anything else—when many are over-tasked and under-resourced.

Making the Industry Action Plan work raises specific challenges for harnessing resources, leadership and commitment. But failure is not an option. It is not about a “burning platform” or about “swinging for the fences.” It is about systematically aligning and mobilizing resources to make incremental progress year over year. It will work through a combination of formal project charters and informal agreements to get things done. Like everything else, the Action Plan depends on the good will and commitment of the people like you who are reading this plan. Travel Oregon recognizes that we have a special role as the connective tissue that will ensure the Action Plan gains traction in the next two years.

While Industry Action Plan projects will be chartered and supported under the leadership of the Tourism & Hospitality Industry Consortium, Travel Oregon will also play a critical role in facilitating and supporting the formation and implementation of action efforts across local communities.

Travel Oregon is ready to go to the next level in supporting collaborative industry work with clearer goals, more opportunity, and better aligned resources. In the past we have achieved success because we were able to count on the heroic commitment of a handful of individuals and partners around the state. The next two years will be about focusing efforts toward growing and expanding coalitions, project teams, and cross-industry efforts to build a long term economic engine for the future of Oregon travel and tourism. We will explore what is really possible when we work better together with practical plans.

Deliver Professional Industry Development and Training Opportunities

During the listening tour in 2013, and in the focus groups of 2014, we heard again and again that there is an ongoing need for training and human resource development across the state. Oregon’s amazing bounty and world class marketing will fall flat if the traveler’s experience is not supported with talented, travel-savvy professionals. Over the last two years we worked hard to raise the bar on the service experience our travelers find in Oregon. Travel Oregon has developed a top-quality suite of professional development opportunities in the form of online training and resources as well as customized programs for niche markets. We will continue our commitment to promoting best practices for great service experiences and local business development across the state. And we will continue to improve and evolve the educational opportunities from programs like the annual Governor’s Conference on Tourism, Global Sales Travel Trade Workshops and through the ongoing delivery of Travel Oregon 101 and Tourism Studios.

You need look no farther than the success of our Rural Tourism Studios and Bike Tourism Studios to see how communities like Oakridge and the McKenzie River Valley have been fundamentally transformed by embracing mountain bikers and outdoor enthusiasts from around the world. Or, how South Lincoln County, a recent Rural Tourism Studio alumni, is actively working to broaden the travel appeal of its coastal region by creating a local recreation trail system that is both land and marine based.

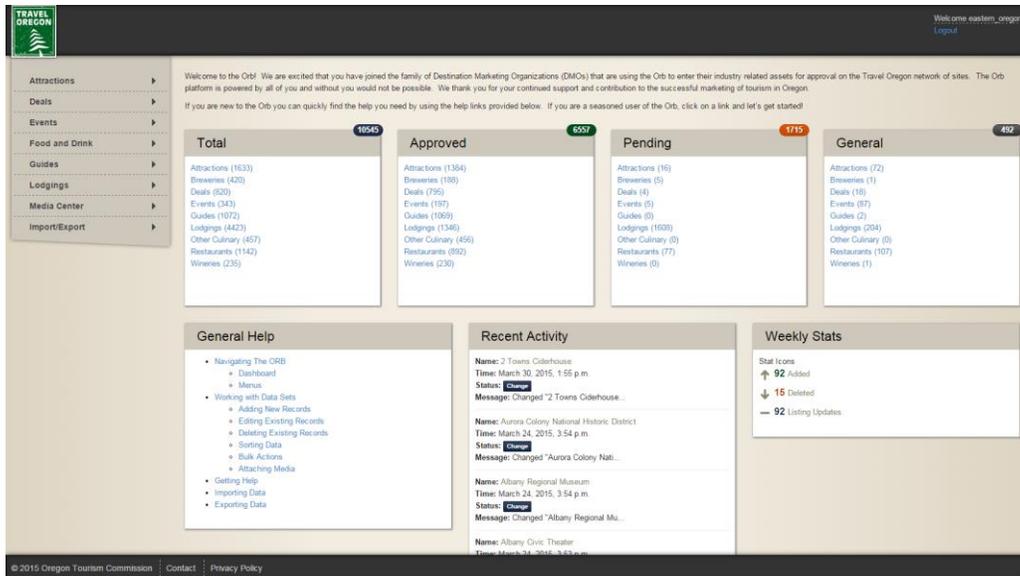
Realize Statewide Strategic Integration of Technology

One of the hallmarks separating Oregon from other states' efforts to optimize tourism is its passion for research, data and information technologies. Travel Oregon continues to be an industry leader in leveraging technology to lure and support visitors. Travel Oregon's website is remarkable for its design, user interface, and the freshness of its information. It's clear this website wants to really help travelers, and is a trusted tool for planning and inspiration.

Oregon seems to attract explorers—and these are the very same people who push the boundaries in their use of mobile and social media technology to inform most every aspect of their travel experiences. We are seeing a world where our digital tools and resources offer more clear and actionable views of who is coming to our state, where they're coming from, why they come—and what they expect. We're poised to deliver more customized content through our industry database, based on this digital intelligence. We are also able to see more of what they say about Oregon when they go home and how they make recommendations to their social networks, spinning a virtuous cycle and driving success for our tourism efforts.

This biennium we will leverage new technology to gain deeper insights into our consumers' needs to receive content more closely matched and customized to their interests. Knowing what type of device a visitor to TravelOregon.com is using, or what their specific interests are, will help us provide improved experiences for each user. Deeper understanding of how consumers engage in our channels will help us segment and personalize our outreach through retargeting, e-communications, social media and other owned channels. The goal of this is to increase the relevance of the Oregon travel message, engage consumers with world-class content, and encourage Explorers to get out and travel the state of Oregon. Furthermore, we'll be able to use this consumer insight to better serve qualified leads to our partners.

As far as we have come, there is still a long way to go. We recognize that information management is going to be a key capacity for Travel Oregon and our partners across the state. It is not enough that we have accurate and comprehensive information, we need to ensure that Destination Marketing Organizations and trade group partners are also equipped with the relevant analysis to help make smarter, more aligned decisions.



The Orb allows our industry partners to input data directly to share on several platforms

Our ability to mine data from our online visitor interactions allows us to get smarter every month, serve up what visitors need, and anticipate important consumer trends. Every day the database at Travel Oregon, nicknamed the Orb, is growing to feed not only TravelOregon.com, but also websites across the state and country, with places to eat, drink, stay and things to do. It is about efficiency and making smart choices with limited resources. But it is also about being relevant and engaging in real-time interaction with the modern traveler. Our goal moving forward is to use this information backbone to help drive confidence for resource investment and to measure performance in a way that allows us to make small changes that yield big results.

To that end we are committed to:

- Statewide integration of the Orb with Destination Marketing Organizations and trade group partners.
- Launch a business intelligence platform that surfaces marketing analytics and consumer insights to benefit Oregon’s tourism industry.

Implement an Industry-Leading Visitor Information Network

As we hinted above, travelers in Oregon are becoming increasingly sophisticated in their use of mobile and social technology. A quick look at any high-tech magazine will confirm that the trend of driving everything to “the cloud”, empowering people to monitor their homes, cars, blood pressure, weather, and practically anything else, will not slow down.

While we have no illusions about the complexity of optimizing this high tech future, we also know we have the benefit of great momentum and early success. The combined expertise of our partners and the increasing sophistication of the Orb will coalesce to allow Travel Oregon to launch a state-of-the-art Visitor Information Network. This effort will be a perfect example of how Travel Oregon is able to

develop and deploy strategic resources that no single agency or business could achieve on its own. It's a resource that will benefit everyone, beginning with the traveler. In the world of cloud-based services, there is a reciprocal value relationship between the traveler who benefits from the rich information resources we can provide and our ability to better understand the desires and patterns of the travelers.

The best place to start this dialogue is to leverage the Welcome Center program, one of the primary ways Travel Oregon interacts with visitors while in the state. It's important to understand that these centers are simply one piece of the state's overall visitor information environment. This environment contains regional and local destination centers, as well as private sector locations also functioning as visitor information outlets. The mission of this environment is to deliver first class customer service and information to Oregon visitors. The desired outcome is to enhance visitor experience in hopes of extending stays and creating return customers. In the next two years, we plan to help create a stronger overall information environment by:

- Assessing the overall opportunities of the existing environment, including integration of Ask Oregon and We Speak programs.
- Support the development of the planned Siskiyou Welcome Center in Ashland and planning for needed upgrades at the Welcome Center in Ontario.



Key Measures for Supporting and Empowering our Partners

Travel Oregon will be successful when our industry partners are engaged and collaborating actively to help Oregon reach its potential as a world-class destination. We will be doing our job if people feel confidence, clarity, and momentum. They will see real results showing up at a bottom-line level.

We'll be measuring the local engagement baseline and looking at the utilization of our tools and resources by our partners and travelers. And we will create measures to effectively monitor the success of the Orb as well as the visitor information network. But really, we will know right away if we are missing the mark. We know our industry partners are smart, and they are not shy. Like we said at the top of this section, we are in communication with our partners every day and we treasure that interaction and candor. We sleep well when we have done our very best for the industry. So, "a good night's sleep" is also a reasonable performance measure.

3. CHAMPION THE VALUE OF TOURISM

In a world dominated by bad news and pessimism, travel and tourism is a great go-to good news story for Oregon. The data is amazing, showing year over year growth statewide. It's not a fluke. It's evidence of a powerful economic engine that can stand side by side with manufacturing, agriculture, education and health care as a platform for Oregon's economic future.

- In 2014, visitors to Oregon spent \$10.3 billion, employing more than 101,000 Oregonians and contributing more than \$429 million in tax revenue to the state.
- In 2014, tourism contributed \$3.9 billion in GDP, making it one of the top three industries in rural Oregon
- A 2011 research project looking at consumer behavior of Oregon visitors found that 56% of them bought Oregon products once they returned home and nearly 3% said they would be interested in relocating or starting a business here (which equates to several hundred thousand prospects)

Travel Oregon will continue to work with research firms to bring up-to-date evidence of the industry’s performance. Data is crucial to our understanding of how the travel industry is maturing in Oregon and how we can better anticipate the market trends and opportunities in the global marketplace.

Conduct Research and Build Toolkits to Enable Partners to Take Action

We will continue ad accountability studies to understand how our advertising is shaping perceptions of Oregon and driving travel to the state. We will constantly refine our ad spends and messaging strategies to optimize every dollar spent. We will cooperate with agencies like Oregon State Parks and Oregon Department of Fish and Wildlife, among others, to combine data and analyses to maximize our stewardship and the opportunity for travelers to find the hidden gems in Oregon. And we will continue to share what we know. Our local partners rely on us for up-to-date information that not only promotes Oregon tourism at the state level, but can be adapted easily for relevant local advocacy and planning efforts.

We are discovering that championing the value of travel and tourism can be a challenge. Even armed with great facts and evidence of economic success, there are many who continue to see tourism as a lesser priority to other “tough” economic and political issues. This is why telling the story of this plan and the vision of economic impact statewide is up to all of us. For all the momentum that we have, we can’t rest in our efforts to educate local politicians and opinion leaders about the transformative power of tourism.

Develop and Deliver Key Value of Tourism Messages



We also need to develop and focus on key messaging points that can galvanize the industry. With that, Travel Oregon created more internal capacity to promote the power of tourism with the media and policy makers throughout the state. We’ll work to strengthen relationships with local media and the state’s policy makers and we’ll serve as a resource for industry partners in need of advocacy in the travel and tourism industry realm. This includes building and implementing a new Policy-Maker Engagement Plan and an Industry Communications and Media Outreach Plan. We will perform analyses and will support key policy changes that positively impact Oregon’s tourism industry. Finally, we will work to

support the industry with intelligent engagement and research on policy positions that could help or hinder the growth of the tourism industry.

Ironically, these efforts will often take the form of limiting and summarizing information to what's most important. Through the listening tour we heard that one of the difficulties with Travel Oregon is that there is too much information, too many reports, and the data can be extremely complicated. While we want to keep the transparency and access for those who like to "go deep" into the data (you know who you are), we are also committed to packaging and publishing data in a way that is more locally relevant and actionable.

Key Measures for Championing the Value of Tourism

We know we will be on the right track when we see industry partners and opinion leaders reaching out to Travel Oregon and utilizing the resources and toolkits we are producing on their behalf. We want to see the research echoed in city council and town hall meetings. We want to hear tourism talking points finding their way into plans and speeches for economic development

The image shows a screenshot of the Travel Oregon website. The main content area features a toolkit titled "7 Wonders Creative Assets for Digital & Print" with a large image of a person rock climbing. To the right, there is a "Travel Oregon Industry TRAVEL OREGON" banner with a "Painted Hills - One of the 7 Wonders of Oregon" image and the text "Align Your Messaging with the 7 Wonders Campaign". Below this is a "Travel Oregon BREAKING NEWS" section with a headline "World Travel Market Recognizes Travel Oregon for Responsible Tourism" and a sub-headline "Communities Powered by Travel - John Day River Territory". A sidebar on the right lists "Upcoming Events" with dates and locations. The website navigation includes "SALES & MARKETING", "RESEARCH", "PRESS", and "Governor's Conference".

Toolkits and Industry E-Newsletters allow Travel Oregon to deliver important key messages and campaign assets to industry partners

throughout Oregon. We want to be invited to meetings, debates, and discussions focusing on developing jobs and economic prosperity in Oregon.

We also want to see the earned media impact index increase. We will continue to share the message of our powerful industry with local and regional media, engaging them in storytelling about Oregon's tourism community, and reporting on the positive impact it's having on creating better lives for Oregonians. And we will continue to execute on our plan to eliminate identified policy barriers that hinder the achievement of these goals.

Expand Participation in Travel Oregon Forever Programs

An interesting outcome of the Seven Wonders campaign is that we had to confront the question of our success. What if lots more people go to Crater Lake, or Multnomah Falls, or Smith Rock? Is it possible that we are endangering the very wonders we are seeking to protect? For many Oregonians, calling these locations “Wonders of the World” is not hyperbole; these places are sacred, magical and irreplaceable.

It is a distinctly Oregonian issue. A look back at Oregon’s history reflects a state that has been conflicted over its stewardship of amazing timber, water, mineral, and agricultural resources. From the comedic environmental obsessiveness referenced in episodes of Portlandia to economically critical debates over land use, Oregonians are operating with the belief that our environment is foundational—and there are better ways to do things. Oregon now stands as a state fully dedicated to finding a balance between the needs of people and the needs of the environment. Certainly this is one of the major attractions to the potential of travel and tourism as a sustainable economic driver for Oregon. Travel and tourism offer a win-win opportunity in that *there are clear economic advantages to preserving the natural wonders of Oregon*. It is no longer an “either/or” issue; either jobs **or** the environment it is a “both/and” issue; create jobs *and* protect the environment.



Our commitment to balance and sustainability shows up strongly in the **Travel Oregon Forever** programs. More than 55 million Americans think of themselves as sustainable travelers. Most people want to do the right thing—if they know what to do. **Travel Oregon Forever** programs connect people and businesses with the resources they need to participate in sustainable business practices and further enhance their triple bottom line (people, profit, planet).

Travel Oregon’s Sustainable Business Challenge allows partners to share their sustainability commitment with the world and our **Oregon Travel Philanthropy Fund** allows visitors to financially contribute directly to local projects. Travel Oregon leads the nation’s tourism efforts in this field simply because it is the right thing to do.

Simply put: Travel Oregon’s goal is that Oregon is a premier destination for sustainable travel and the Oregon tourism industry is recognized globally, and by Oregonians, for its leadership in sustainable development.

4. RUN AN EFFECTIVE BUSINESS

Working with the team at Travel Oregon, it is easy to get swept up in the quick pace of activity and the compelling values that ground what we do. The work is dynamic, changing from one place and one season to the next. It can feel like we are dealing with different worlds as we talk to a city official on the coast, a rancher in Eastern Oregon and a wine maker in Dundee all in the same hour.

As much as we think about big ideas and big values; we also recognize that Travel Oregon must operate with the pace and intensity of a world class competitive business—**and** the transparency and public interest of a high performing government agency. It means that we take our jobs very seriously and we are very conscious of the integrity that must be a part of every business decision.

Over the years we have refined “what works” at Travel Oregon. We know our people are the heart and soul of our business; their intelligence, experience, rapport and talent to get things done is what drives the business. We know we need to work systematically, with constant connections to our strategic goals on hand at all times. We have learned to love data, feedback, information, and charts and graphs of all kinds because these feedback points help us make subtle (and sometimes substantial) course corrections in real time. And we recognize that, more than ever, we depend on key technologies to keep our partners, the public and ourselves empowered and informed.

That is why we will continue to focus on the following four areas for the upcoming biennium:

- **Measure and drive improvement in employee engagement**
- **Perform strategic portfolio management**
- **Develop and deliver strategic dashboard**
- **Implement and evolve the technology roadmap**

Measure and Drive Improvement in Employee Engagement

Within Travel Oregon there is a lot of talk about “going to the next level.” As the agency has found success, they have also found the stakes going up. Oregon has captured the attention of other state tourism programs and is considered a national leader for innovation and world-class marketing. As such, Travel Oregon is committed to making sure that team members have the opportunity to learn and grow from formal development programs as well as ongoing informal “on the court” coaching.

Perform Strategic Portfolio Management

Like many modern organizations, Travel Oregon recognizes that the world doesn’t always work in a way consistent with departmental boundaries. As such, Travel Oregon is committed to managing its work along the lines of strategic portfolio management. Every department will work towards each of the areas of strategic focus. This will result in the deployment of cross-departmental project teams that will

come together as needed to optimize results. It's a new way to work, but it's not unfamiliar to the team at Travel Oregon to flow and adapt to the work and do what is necessary to get the job done right.

Develop and Deliver a Strategic Dashboard

Sure, the idea of a strategic “dashboard” is a well-worn metaphor, but we think the metaphor is more apt than ever. Travel Oregon is currently managing terabytes of data; images, maps, analytics, plans, surveys, research, videos, etc. It's all in there. The trick is *curating* that information with an eye towards the practical needs of real people doing real jobs all over the state. Nobody needs a thousand pages of numbers; they need clear trends, clear thresholds of opportunity and risk, clear answers. So yes, a *dashboard* that could be configured to suit the particular needs of an industry or regional partner who could monitor progress at a glance—or be warned when performance is slipping below par would be extremely helpful.

Like most things that are intuitive to use and apparently simple—building a dynamic information reporting dashboard for the industry is an extremely complex task. But it's a task that we believe is essential to the long term success of the industry and well worth the effort and iterations. It's not just about “pushing out information.” It's about understanding what people need and developing an appetite for trended data. It is about educating people about what information we have, the trends we can see, and learning to make inferences from those data about new situations and opportunities.

We understand that this kind of effort isn't just complicated—it's complex. By complex we mean changing, dynamic, with quick and confusing cycles of cause and effect. A complicated system can be worked out...eventually. A complex system requires ongoing adjustment and iteration. It demands that we ask new questions year over year and not fall into the trap of believing we have it all figured out.

Over the next two years you will see more efforts to dynamically gather and report data for the travel and tourism industry. From the new Action Plan Engagement tool being rolled out at the 2015 Governor's Conference to compelling tools that can be used by professionals around the state, we are committed to getting more actionable data into the hands of our partners.

Implement the Technology Road Map

Throughout this plan you have seen references to digital consumer trends that demand 24/7 interaction on mobile devices. At Travel Oregon we see technology as one of our greatest strategic strengths—allowing us to achieve quality and scale. That said, we are aware that the pace of change in the world of digital technology is incredibly fast.

Over the next two years Travel Oregon will refine and implement our technology roadmap, allowing us to optimize our current investments in technology and take steps in a market-wise fashion to improve our service quality and efficiency. This plan will take into account the priorities of the Industry Action Plan as well as the needs of our industry partners. It will ensure that we invest time and money in the hardware and software resources that will take us where we want to go. Getting out in front of technology issues is a critical factor in running an effective business.

Key Measures for Running an Effective Business

Travel Oregon has a history of “gold stars” from third-party auditors. You will frequently hear employees talking about “the highest and best use of resources.” This value shows up in smart decision making and unflinching integrity in the management of resources. Travel Oregon will continue to employ the highest level of business ethics and pay close attention to the details that create an atmosphere of care and professionalism.

Travel Oregon will continue to increase employee engagement across the organization, with special areas of need clearly identified. And we will also continue to participate in Oregon Business Magazine’s “Top 100 Nonprofits to Work for In Oregon” survey. This in-depth survey allows Travel Oregon to get an anonymous, unvarnished look at how their employees feel about their work—and how they compare with other industry leaders. You might guess that our real goal is to be the best nonprofit workplace in the state.



CONCLUSION

So, here we are. Two years of conversations and thousands of miles traveled boiled down to 20+ pages filled with important words, sophisticated metrics, industry awards and images from around the world. Yes; all important stuff. Yet, when all is said and done, what we really discover (or more likely rediscover) from the time on the road is how much we treasure Oregon and our fellow Oregonians. We realize it’s why we do what we do. We love the essential idea of Oregon and know that by sharing that idea, in fact, that ideal, we find the path back to ourselves. We do it because Oregon is worth it; and, as we find, so are we.



2015-17 BIENNIAL BUDGET

State Lodging Tax Revenue	\$34,671,472
Other Sources	<u>\$1,268,800</u>
TOTAL	\$35,940,272
Global Marketing	\$17,211,250
Global Sales	\$5,139,026
Destination Development	\$4,833,540
Industry & Visitor Services	\$2,952,022
Operations	<u>\$5,804,434</u>
TOTAL	\$35,940,272

OREGON TOURISM COMMISSION

Nine commissioners oversee the activities of the Oregon Tourism Commission. The Governor appoints all Commission members with five representing Oregon's lodging industry, three representing the tourism industry at-large and one representing the public-at-large:

Karen Utz, Chair
Alana Hughson, Vice-Chair
Don Anway
Nigel Francisco
Al Munguia
Ryan Snyder
Kenji Sugahara
Kara Wilson Anglin
Scott Youngblood

Travel Oregon

2015- 2017 Strategic Clarity Overview

OUR STRATEGIC ANCHORS

OUR VISION: A better life for Oregonians through strong, sustainable local economies.

OUR MISSION: We inspire travel that drives economic development. Through innovation and partnerships, we share the stories of Oregon's people and places, deliver world-class experiences and ensure the preservation of Oregon's way of life and natural places.

OUR UNIQUE VALUE: Travel Oregon delivers unequaled tourism expertise to the entire state and tells Oregon's story to the world.

OUR BRAND INTENTION

Travel Oregon's partners feel connected, informed, empowered, optimistic and inspired.

OUR VALUES

INTEGRITY COLLABORATION

We are passionate Oregonians committed to achieving success through mutual respect, innovation and leadership.

LEADERSHIP EXCELLENCE

PURPOSEFUL

INNOVATION

OUR STRATEGIC IMPERATIVES

- Optimize statewide economic impact.
- Support and empower our partners.
- Champion the value of tourism.
- Run an effective business.

2015—2017 STRATEGIC IMPERATIVES

- | | | | |
|--|--|---|-------------------------------------|
| ① Optimize statewide economic impact. | ② Support and empower our partners. | ③ Champion the value of tourism. | ④ Run an effective business. |
|--|--|---|-------------------------------------|

2015—2017 KEY INITIATIVES

- | | | | |
|---|--|--|---|
| <ul style="list-style-type: none"> • Inspire overnight leisure travel through industry-leading branding, marketing and communications • Align and optimize locally integrated sales, marketing and destination development • Drive business from key international markets. Deliver integrated sales/marketing plans leveraged with global partners. | <ul style="list-style-type: none"> • Support implementation of statewide tourism master plan • Enhance existing niche markets and investigate emerging opportunities • Provide strategic professional industry development & training opportunities • Realize statewide, strategic integration of technology through the ORB • Implement industry leading visitor information network | <ul style="list-style-type: none"> • Conduct research and build toolkits to enable partners to take action • Establish industry leading sustainability standards and implementation tools • Develop and deliver key Value of Tourism messages • Build and implement policy maker engagement plan • Perform analysis and create a plan to identify and support key policy changes that positively impact Oregon's tourism industry | <ul style="list-style-type: none"> • Measure and drive improvement in employee engagement • Perform strategic portfolio management • Develop and deliver strategic dashboard • Implement technology roadmap |
|---|--|--|---|

2015—2017 KEY MEASURES

- | | | | |
|--|---|---|--|
| <ul style="list-style-type: none"> • All regions show increase in year over year statewide lodging demand. Up 2.5% in year 1 and up and additional 2.5% in year 2. • Establish a baseline measure for value of partner investment • Increase media impact index (earned, paid, owned) | <ul style="list-style-type: none"> • Local Engagement Baseline increases • Utilization index of Travel Oregon program leads and tools increases • Increase statewide ORB usage by 100% • Develop and implement qualitative visitor survey | <ul style="list-style-type: none"> • Industry utilization of Value of Tourism data and messaging in their communication efforts increases • Earned media impact index increases • Continue to execute on plan to eliminate identified policy barriers • Establish a baseline measure for sustainability adoption and implementation | <ul style="list-style-type: none"> • Exemplary ratings of fiscal processes from third party evaluators are maintained • Employee engagement increases in identified areas of need. • Final development, launch and utilization of new enterprise-wide dynamic industry database |
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AWESOME BOX

Optimize locally integrated sales, marketing & development

AWESOME BOX

Realize ORB utilization

AWESOME BOX

Deliver Value of Tourism messages

AWESOME BOX

Be one of Oregon's top non-profits to work for