



Prepared for New Hampshire  
Division of Travel of Tourism  
Development

## ***Business + Leisure***



Expedia released its latest research on business travelers taking time out for leisure.

- Business trips of two to three nights are most likely to result in bleisure trips.
- Other prominent factors influencing the decision to add on a leisure element include great entertainment, 48 percent, a bucket list type destination, 43 percent and proximity to the weekend.

The research was carried out with the participation of more than 2,500 American, British, Chinese, German and Indian business travelers who extend trips for leisure purposes.

**Source: tnooz**



## **DMO funding diverted to infrastructure**

DMOs include a wide range of entities, from state divisions to independent county non-profits to departments of municipal chambers of commerce.

Their sources of funding also vary, from funds bestowed by state legislators, to lodging and sales taxes to special tax increment financing districts.

But they face a common threat: loss of funding. That threat sometimes comes from officials who want to re-direct lodging tax revenue.

Here are some examples:

Under Florida law, the so-called bed tax can be spent only on tourism marketing, convention centers, arenas, auditoriums, zoos and other tourist attractions.

The budget passed in March will let Tourism Development Councils use some of those funds on road and sewer projects that benefit tourist attractions. The tourism industry

opposed the move over concerns local governments will use money originally intended for tourism promotion to balance their budgets.

Under a compromise, however, only tourist development councils that spend at least 40 percent of their revenue on marketing are eligible, and that excludes Orange, Seminole and Osceola counties, said Richard Maladecki, president and CEO of the Central Florida Hotel and Lodging Association.

His organization lobbied state House and Senate leaders for the requirement.

In South Carolina, tourists who slog through the flooded streets of Charleston when it rains could help pay for ways to prevent that flooding, if the state Legislature approves the plan.

The request will be a key test of how much leeway the Legislature will

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## U.S. Virgin Islands relies on social media post-storms

With local tourism still reeling from Hurricanes Irma and Maria, the Virgin Islands Department of Tourism is turning to non-traditional marketing platforms to maximize massively reduced ad dollars.

"We've been able to garner a lot out of social media, which is much more cost-effective," Tourism Commissioner Beverly Nicholson-Doty said. "In many cases, we were transitioning to social media and targeted media platforms as opposed to television and print

magazines because those are extremely expensive."

The Tourism Department receives advertising funding directly from hotel occupancy taxes. After the hurricanes, those revenues took a steep dive – down to \$1.25 million in April 2018 from \$3.19 million in the same month last year.

"We are looking at individuals' behavioral patterns in the arena of travel," she said. "If they're tracking warm weather vacation, we can serve up ads directly to individuals,

so it's more targeted instead of having the shotgun approach of traditional television and print advertising."

The department also ramped up its public relations effort, reaching out to news outlets in the mainland and around the world to spread the word about the tourism industry's recovery.

"We've had lots and lots of media that have been down," said Doty.

**Source: st.johnsource.com**

## Alabama suburbs eye increases in lodging tax to fund improvements

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give cities and towns on spending tourism tax money.

Lawmakers are expected to take up the matter the last week of June, their final session before they adjourn for the year.

Charleston Mayor John Tecklenburg has led the push for more flexibility. Tourists wading through water in Charleston's City Market after a heavy rain are a common sight, and The Battery was severely flooded during the storm surge from Tropical Storm Irma in September.

On the other hand, municipalities can't just tax tourists to pay for whatever they want: State law puts strict limits on how such money may be used.

The tourism tax money is primarily to be used to attract more tourists, either through marketing and advertising or by supporting festivals and events that draw visitors. But it can also be used for infrastructure

and services in tourist areas, such as beach renourishment, improving roads to tourist attractions or hiring more police officers in tourist areas.

The legislation would make it clear that cities can use up to 30 percent of their state and local accommodations tax from hotels and campgrounds, as well as the hospitality tax from restaurants and bars, over the next 10 years to alleviate flooding in tourist areas.

Duane Parish, director of the S.C. Department of Parks, Recreation and Tourism, said the agency does not support any change in the law. "If another visitor never comes to Charleston, it will flood the same," he said. "They are not impacting flooding."

The taxes were established to promote tourism and shouldn't be diverted from that goal, he said.

In Alabama, the Vestavia Hills City Council voted unanimously earlier this month to raise the city's sales,

lodging and leasing taxes as part of a major infrastructure push.

The lodging tax increased from 14 to 17 percent. Projects under consideration include improvements to a city park and ballfields, street paving and widening, sidewalks and storm water pipe replacement.

Another Alabama mayor, Hoover's Frank Bocato, is proposing sales, rental and lodging tax increases to offset a looming budget crisis for the city.

The City of Hoover could finish the 2018 fiscal year in some serious debt, according to a financial consultant hired by the city. The city could be facing a \$2.8 million deficit by the end of the fiscal year.

Brocato is proposing the Hoover City Council vote on the measure July 2.

Vestavia Hills and Hoover are suburbs of Birmingham.

**Sources: Orlando Sentinel, the Post and Courier, patch.com**