

## Return on Investment - Tourism Works for Washington

Other states and provinces are spending millions of dollars each year, yet Washington is the only state with no state tourism budget.



\*No state funding, no tourism office. The nonprofit Washington Tourism Alliance contributed \$400,000 to distribute visitor guides, maintain a website, and provided limited marketing activities.

Washington State is at significant risk of losing market share without a state-wide destination marketing program

“The state of Washington serves as a chilling cautionary tale about what can happen when tourism promotion is cut, or worse, eliminated.” – US Travel Association

- Travel spending growth 13% slower than national growth
- Travel-generated tax revenue growth 26% slower than national rate
- Neighboring states increase market share by raising their own marketing budgets
- **Montana** - increased funding by 30%
- Traveler spending in Montana grew 70% faster than in Washington
- Travel-related tax revenue in Montana also outstripped the more populous Washington

### LOSS OF INVESTMENT = LOSS OF REVENUE:

**Pennsylvania** - \$30M on tourism in 2009 – cut to \$7M in 2014 – the results:

- Every dollar cut from cost the state \$3.60 in lost tax revenue.
- Between 2009 and 2014 \$600M lost tax revenue

**Colorado** – ended its \$12M tourism marketing program in 1993 – the results:

- Within 2 years market share dropped 30%; By 1999 loss of \$2.4B in revenue annually
- 2000 Colorado Tourism Office reestablished with \$5M from the state.
- July 2016 - 77.7M visitors spent \$19.1B, generating \$1.13B in state and local taxes, representing an increase of almost 7%.

### TOURISM INVESTMENT WORKS:

**New Mexico** – targeted \$1.2M ad campaign to Texas, Colorado and Arizona – the results:

- 264,000 additional visitor stays
- \$35.1 M in visitor spending
- \$3.6 M in state and local taxes
- \$3 in tax revenue for every \$1 spent on campaign