

KENTUCKY

RECOVERY ACTIONS FOR TOURISM

EXECUTIVE SUMMARY | FEBRUARY 2021



KTIA KENTUCKY
TRAVEL INDUSTRY
ASSOCIATION

EXECUTIVE SUMMARY

Due to the devastation of Kentucky's travel and tourism industry brought on by the COVID economic crisis, the Kentucky Travel Industry Association (KTIA) has undertaken a strategic planning process with the goal of developing a plan consisting of multiple recommendations that will contribute to the industry's recovery. Titled RAFT – **Recovery Actions for Tourism** – the planning process has included KTIA's membership of destination marketing organizations (DMOs); hotels; the vast array of Kentucky attractions; restaurants; marinas; state agencies; industry suppliers and media; and other associations representing industry segments and stakeholders.

Recommendations for legislative action occupied a significant place in the process and KTIA's 2021 legislative agenda has been incorporated into the RAFT plan. However, many other recommendations speak to action by the industry, state agencies and offices, including the Governor's Office, local government, KTIA and others.

Below are the general areas of recovery and related recommendations within each area. Industry background information, crisis impact data, and complete descriptions of the recovery areas and recommendations are contained in the full plan. Because the crisis is continuing and a multitude of uncertainties still lie ahead, the RAFT process will be a continuing work in progress for the foreseeable future.





GENERAL AREAS OF RECOVERY & SPECIFIC RECOMMENDATIONS

Over the course of the RAFT process the following four themes emerged for the industry's recovery:

- 1 **INDUSTRY SUSTAINABILITY**
- 2 **TRAVELER CONFIDENCE AND DEMAND**
- 3 **RESPONSIVE MARKETING**
- 4 **ADAPTATION AND INNOVATION**

1

INDUSTRY SUSTAINABILITY

KEY POINTS

- Short-term funding support is critical.
- Imperative that existing tourism funds be protected.
- Enactment of policies that support the industry.
- Recognition by state and local policy makers and key stakeholders that the complete recovery of Kentucky's economy requires the recovery of the industry and its renewed productivity.

RECOMMENDATIONS

- Continuing need for federal support.
- The Governor should allocate relief funds to the tourism industry.
- There should be no reduction, re-direction or repurposing of existing tourism funding mechanisms.
- The industry is supportive of adjustments to the restaurant tax to allow an expansion of the ability to enact to the tax, but only on the conditions that expansion preserves current restaurant tax requirements in those cities that have previously enacted it and if a reasonable portion of the monies from the tax in newly eligible cities are dedicated to the city's tourist commission.
- Methods of increasing revenue from the local transient room tax should be explored.
- Make adjustments to the state's Film Incentive Program in ways that make the program more attractive to film makers and thereby more beneficial to the tourism industry.
- Enact COVID-related liability protection for businesses and events.
- No legislation should be enacted that is contrary to the commonwealth being open and welcoming to all visitors.
- The industry should actively engage in a process of identifying racial justice and equity tourism-related issues and best practices.
- Enact take home cocktails on a permanent basis.
- Gaming legislation should be enacted, specifically historical racing, sports wagering and a constitutional amendment to legalize casino gaming.
- Continue addressing human trafficking.

2 TRAVELER CONFIDENCE & DEMAND

KEY POINTS

- Traveler confidence must be bolstered including a sense of security and safety.
- Commitment by every industry sector to matters of health.
- Resuscitate the meetings and events sector.

RECOMMENDATIONS

- All industry partners must adhere to best practices in regard to healthy environments, masks, social distancing, cleaning and sanitizing.
- Health and safety efforts need to be clearly visible in every visitor experience.
- Marketing and messaging for the foreseeable future must address health and safety.
- Hotel brand health and safety actions and marketing should be modeled.
- As circumstances permit, the Governor can support the industry by actively expressing his own confidence regarding safe travel.
- DMOs and tourism businesses should be responsive to travel generators' client marketing.
- Special efforts, including by smaller DMOs and KDT, would aid in resuscitating business meetings and conventions.
- In addition to building confidence by protecting and messaging health and safety, the affirmative case needs to be made about the importance to travel for 'wellness.'
- Vaccine messaging should become a part of the industry landscape.
- DMOs can lead in fostering confidence.
- Tourism businesses must prepare to compete.

3 RESPONSIVE MARKETING

KEY POINTS

- Marketing strategies need to be adjusted and calibrated to be effective within a new and evolving environment.

RECOMMENDATIONS

- Outdoor activities should continue to be heavily promoted.
- Destinations that are not typically thought of as outdoors-oriented should continue the development of outdoor experiences.
- The crisis-oriented outdoors marketing can usher in a long-term emphasis.
- Nimbleness and flexibility will be needed in targeting geographic markets.
- Local tourism business and businesses can be aided by producing local packages consisting of hotel stays, attractions and restaurants.



4 ADAPTATION & INNOVATION

KEY POINTS

- Adaptation and innovation is essential.
- Embraced with enthusiasm and boldness.
- Go beyond short-term crisis management to long-term transformative action.

RECOMMENDATIONS

- As soon as practical, KDT can provide a significant value for the industry by activating its interest in developing a statewide strategic plan.
- DMOs should develop non-traditional partnerships.
- Hotels should more fully engage with their DMOs and local partners.
- The industry – all sectors – needs to undergo a transformation in becoming much more engaged, aggressive and effective as advocates.
- KTIA needs to adapt its education programming to new realities.
- Collaborative marketing should be viewed as an imperative.
- Industry efforts should be made locally and at the state level to usher in a new era of awareness and support of the tourism industry, with a goal of establishing a view of Kentucky as a “tourism state.”
- DMOs and their local elected officials are encouraged to consider holistic models for marketing their destination.
- KTIA should work toward assisting attractions and events in having a common voice.
- KTIA should consider resurrecting the member benefit program through which association members receive discounts when visiting other members’ properties, destinations and attractions.
- KTIA should work with the Kentucky Restaurant Association (KRA) to help KRA member restaurants more fully understand and utilize tourism industry resources and relationships.
- DMOs and hotels should increasingly view themselves as partners with the broader business community to assist in developing a vibrant economic climate and increased business activity, a by-product of which is business travel to the destination.
- Where they don’t already exist, relationships should be developed between DMOs and their local economic development agencies.