

Agenda Item Title: Recommendations for Characterizing and Improving the Economic Benefit of Tourism to Los Alamos County

Purpose/Background:

The Los Alamos Tourism Strategic Plan (2018) identifies **"Increase the Capture of Visitor Dollars"** as a core strategic focus area and priority for the community. It acknowledges that Los Alamos County is "not currently capturing the maximum benefit of visitor spending" and has "limited options to capture this visitor spending". Current County activities are providing minimal information related to understanding visitor spending.

Feedback from local businesses, gathered through the Business Questionnaire reviewed by LTAB earlier this year, strongly indicates a **"Desire for Greater Economic Benefit from Visitors and Tourists to Local Businesses"**. Businesses are interested in identifying and evaluating projects to increase visitor spending and expressed a need to develop attractions and activities that encourage visitors to stay longer and spend more money within the community.

To effectively address these priorities, it is crucial for the LTAB to discuss and make recommendations on how to better understand (characterize) the current economic impact of visitors and implement strategies to improve and maximize these benefits for local businesses and the overall community. This includes examining current data collection methods, identifying high-value visitor segments, and proposing actionable initiatives.

Discussion Points for LTAB:

1. Characterizing Current Visitor Economic Benefit and Behavior:

- How can the County improve its data collection and analysis to accurately measure visitor spending patterns, length of stay, and direct/indirect economic contributions across various visitor segments (leisure, business, day-trippers, overnight guests)?
- What specific metrics (e.g., average daily expenditure, repeat visits, spending by sector, spending at local businesses) should be prioritized for tracking, and how can current tools (e.g., Datafy, NMDOT data, visitor surveys) be better leveraged or enhanced (e.g., considering higher-level Datafy packages or other data providers like Tourism Economics or Longwoods International) to obtain this information?
- How can we obtain and utilize more granular data on the economic impact from non-leisure visitors, particularly LANL-associated travelers, acknowledging their significant contribution to lodging demand and the broader local economy?
- What are the key strengths and weaknesses of the current visitor experience that impact spending and length of stay, as perceived by visitors and local businesses?

2. Strategies for Improving and Maximizing Economic Benefit:

- What specific initiatives, partnerships, or programs can be developed or enhanced to directly encourage visitors to stay longer and spend more money at local businesses (retail, dining, hospitality, attractions, activity providers) within Los Alamos County?
- How can local businesses be more effectively engaged in tourism planning and decision-making processes, ensuring their input is valued and that specific programs, incentives, or resources are provided to support them in attracting tourists and retaining visitor dollars?
- How can marketing efforts be refined to effectively target high-value visitor segments and direct them towards local businesses and services, maximizing the multiplier effect and mitigating "leakages" where revenue leaves the local economy?

3. LTAB's Role in Oversight and Transparency:

- What specific actions can the LTAB take to advise the County on funding initiatives that demonstrably increase economic benefits to local businesses and the community?
- How can the LTAB help ensure greater transparency in funding, resources, and expenditures related to tourism, addressing expressed concerns from businesses about clarity on expenditures and accountability?

Potential Recommendations for LTAB Consideration:

- **Form an LTAB working group and assign it the task of performing a comprehensive review of existing visitor data sources** (e.g., Datafy, NMDOT reports, visitor center surveys) to identify gaps in understanding visitor spending patterns and economic impact. Request that the staff make data sources openly available to the working group and arrange for presentations/interactions by County contractors.
- **Recommend and Request adjustments to tracking of locations, clusters, and combinations** to gain useful insights from existing purchased data.
- **Characterize options for investment in a higher-level data analytics package** that can provide metrics such as "average daily expenditure," "repeat visit" data, and insights into specific submarkets like LANL visitors and day-trippers.
- **Recommend explicit Return on Investment (ROI) metrics for tourism promotion and development activities**, requiring regular reporting to the LTAB to ensure accountability and effective use of Lodgers' Tax funds and other resources.