

**GOVERNMENT OF
THE UNITED STATES VIRGIN ISLANDS**



U.S. VIRGIN ISLANDS™
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DEPARTMENT OF TOURISM

Testimony on Bill No. 35-0232

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Department of Tourism

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Good morning, Economic Development & Agriculture Committee Chairman, Honorable Senator Javan E. James, Sr., Committee Members and Senators of the 35th Legislature of the United States Virgin Islands, legislative staff, members of the media, and the listening and viewing audience.

I am Alani Henneman, Assistant Commissioner of Tourism. Today, I will be testifying on behalf of Commissioner Joseph Boschulte, who is unable to attend today's hearing. Pursuant to your invitation, Director of Festivals Ian Turnbull, Assistant Director Shamari Haynes, Assistant Director Halvor Hart III, and I are here to provide testimony with regards to Bill Number 35-0232: An Act amending Title 3 Virgin Islands Code, Chapter 19, Section 339a, in relation to eliminating assistant directors within the Division of Festivals and increasing the number of directors to three with each director submitting a financial report to the Chairperson of the Committee of Budget, Appropriations and Finance of the Legislature of the Virgin Islands.

This new bill infringes on the executive branch's ability to manage its operations, staffing, and departmental practices. The Commissioner of Tourism, as the lead of this agency, should be the only designated representative reporting on all legislative matters or the Commissioner's appointed designee. Changing the title of each Assistant Director per island does not negate the Tourism Department's internal procedures and checks and balances. As it stands, each Assistant Director composes an outline for his/her upcoming festival event and submits each request to the executive team, which includes the Director of Festivals, the Assistant Commissioner, and the Commissioner of Tourism or a Commissioner appointee. The executive and festival teams then vet the proposed outline together as one inclusive unit to finalize and compose the upcoming festival schematic.

For many years, the festivals of the U.S. Virgin Islands operated as siloed entities, building successful events that created the base groundwork for the platform we use today. However, in hindsight, it is clear that operationally, it lacked a unified base connecting one to another and limited the growth of any individual entity, as one metaphorically competed with the next.

Since its inception in 2019, the Division of Festival, as a part of the Department of

Tourism, has grown our territory's festival events, including the three carnival celebrations, the Crucian Christmas Festival, St. John Celebration, and St. Thomas Carnival, into a unified powerhouse brand whose entity is respected and admired within the region and throughout the diaspora. Our department has also proven to be community-friendly and adaptable to community needs. We will continue to be nimble and make the necessary changes to improve, strengthen, and execute world-class events.

The growth of USVI Festival events, which positively impacts the Tourism Advertising Revolving Fund (TARF), has increased visitation around the said events throughout the territory by **over 200%** in hotel bookings from 2022 to 2023. The increase is a direct result of the Department of Tourism's ongoing marketing and communication tactics. From digital advertisements to in-person marketing activations, the integration of festival messaging into the overarching strategy, including the "*Three Reasons to Fete*" campaign, benefits the constantly expanding reach and interest in visitation around events.

The current structure of the Division of Festivals is a strong proponent of this success; our three islands, unified by a single director who works directly with the Commissioner of Tourism and the executive team, can operate with the broader and more expansive brand ideation that correlates to the overarching Tourism brand. While, together the Director and Assistant Directors support, ideate, and execute events that have showcased expansive maturation, as exhibited in the 65 percent growth in troupe participation, 40 percent increase in vendors, 43 percent territory-wide increase in airlift, and an increase of over 10,000 passengers leading directly to increased overnight stays in attendance when comparing the 2018-2019 and 2022-2023 combined carnival seasons.

This collaboration is beneficial not only for external growth but also internally, as the aggregated unit without competition allows for the sharing of contacts and elevates the negotiating power for top-tier acts, which brings spotlights to the territory for local and up-and-coming artists to use as catalysts for their own shining moments.

Within the past two years, as the territory resurged from the COVID-19 pandemic, we have seen firsthand how the power of the current Festivals' structure has benefitted the territory with our executive and festival teams' cross-collaboration, broadening the aspects of festivals and providing support to integrate aspects into the overarching marketing strategy to showcase our festivals' culture at major events including Uber Soca Cruise, National Football and Major League Baseball games, major mainstream music and lifestyle events, and other hybrid in-market events.

I would be remiss if I didn't acknowledge our advertising, earned media, and influencer campaigns, which are other benefits of having the combined Festivals team integrated into the Department of Tourism. Within the past year alone, we have garnered more than **3.2 million** website sessions from paid media campaigns, earned media placements in outlets including Travel + Leisure, Essence, and Caribbean Journal, amounting to more than **560.7 million** media impressions and more than **12.8 million** social media impressions. All in all, marketing our festivals has contributed to an impressive **\$379 million** generated in hotel room revenue in 2023, as a direct correlation to our paid media results.

In the tourism industry, a less-mentioned key performance indicator (KPI) is the

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complementary adaptation or incorporation of one's marketing operations converted and included in industry peers' portfolios. The integration of festivals under Government tourism departments/divisions in countries like Trinidad, St. Kitts and Nevis, Antigua, and even our neighbors in the British Virgin Islands have been publicized as major industry advancements.

As a department, we stand firm in the belief of - One Band One Sound - which signifies the strength and impact of the current structure. The Festival's division is not only beneficial to the promotion of the USVI in individual markets and events, but it is also beneficial to the overarching marketing strategy of the Territory. Moving in sync as one US Virgin Islands under unified districts elevates the presence of our festivals and Territory - as a leading travel destination - allowing us to grow our footprint in this extremely competitive tourism market and the Caribbean region. This is exhibited in our recent inclusion of the United Nation's Best Performing Destinations in 2023 list, where they spotlighted the U.S. Virgin Islands having a more than 23% increase in global traveler arrivals versus 2019.

In closing, I want to thank the members of the Senate, Governor Bryan, Lieutenant Governor Roach, and the prodigious members of the Department of Tourism for their unwavering commitment to elevating the U.S. Virgin Islands.

Thank you for the opportunity to testify, and we stand ready to answer any questions you may have.

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