

CVB Member Marketing Presentation

January 2012

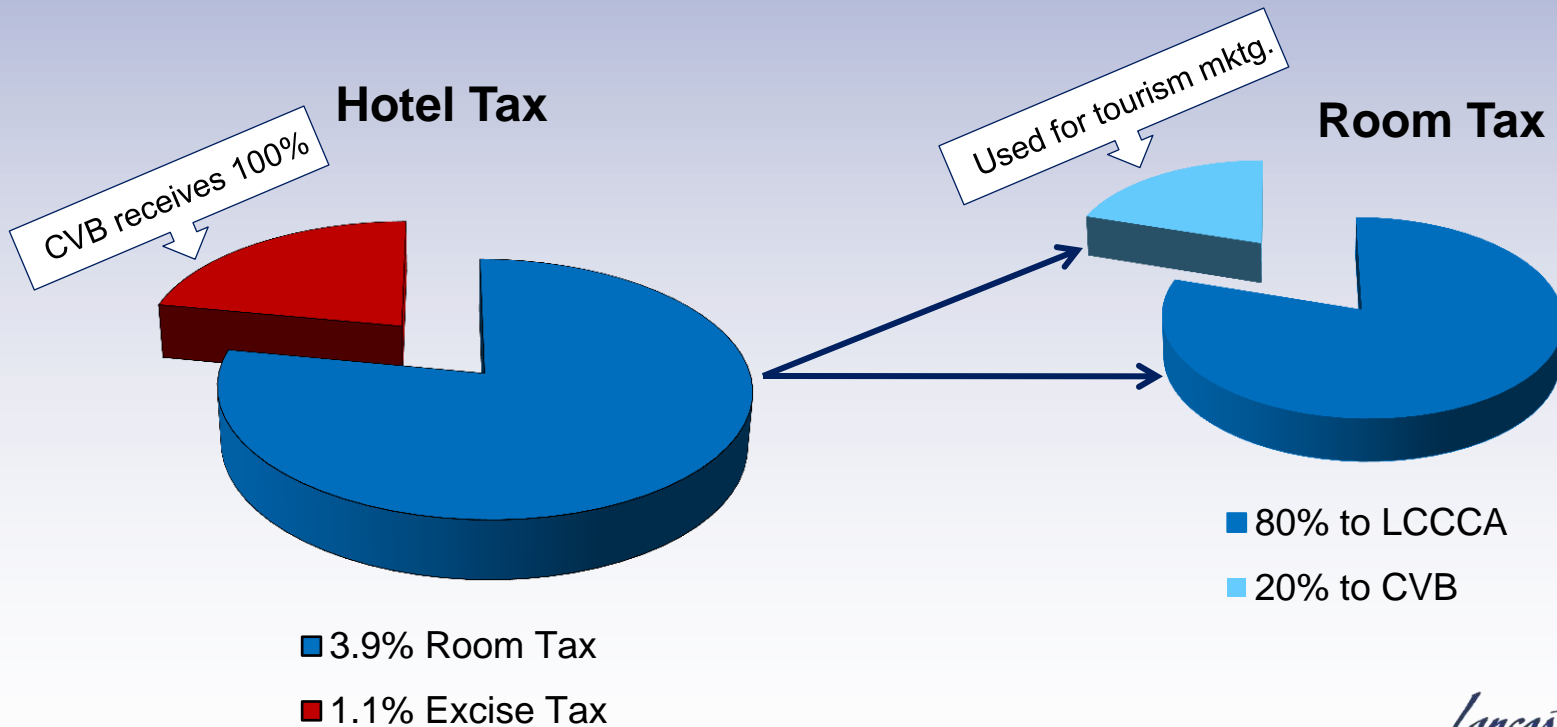


What is our Future?

- Hotel tax
 - How is it structured?
 - How will it affect our functions?
 - What are we doing about it?

Difference between Convention Center revenues and expenses is to be made up by LCCCA's portion of room tax

Lancaster County has a 5% levy:



Task Force 2: LCCC Fiscal Impact and Recovery

The Charge

- One task force will be charged with sustainability of the CVB; **the other will be charged with presenting to the board of the PA Dutch CVB a solution to solving the financing issues of the LCCC.**

The Group

- Al Duncan – Chair
- Blaise Holzbauer
- Deryl Stoltzfus
- Chuck Simmons
- Jim Smucker
- Rick Stammel
- Michelle Rondinelli
- CVB Staff: Mike, Janet & Chris

Topics

- Reviewed current position statements and materials
- Discussed what the task force should do with the charge given
- What makes the best sense to pursue with the time allotted?
- Will the identified stakeholders heed the recommendations?

First Steps

- Identify completely the scope of the financial impact (**debt** of the LCCCA).
- Share this with the members... all the cards need to be on the table and they have a right to know.
- Apply different revenue scenarios to the financial problem once identified. For example, what would the financial picture look like 20 years from now if the tax isn't raised?

First Steps

- What are the three- and five-year plans of the LCCCA in dealing with the debt scenarios?
- Once the full impact has been identified, what additional steps does the Task Force think are appropriate?
- We will schedule a next meeting after your briefing today to continue the program of work

Motion

“The board charges that the LCCC Fiscal Impact and Recovery Task Force will:

- Present the scope of the current LCCCA **debt situation** from the analysis of the financials and their impact on the destination and the CVB.
- Develop a list of recommendations.
- Present the recommendations to the board at the March meeting at which time the board will review those recommendations and put forth a solution(s) to key stakeholders.

and authorizes up to \$10,000 for the work of the task force.

Task Force 1: CVB Organizational Sustainability

The Group

- Scott Bowser – Chair
- Shane Ackermann
- Other possible experts if needed

What to examine?

- Current operations of the CVB and their relation to decreased funding
- Proposed revenue enhancements such as establishing an advertising agency or increasing the co-op programs
- New business models
- Staff will provide the task force with plans to review and recommend if comfortable with same

Motion

“For the approval of the 2012 budget which requires a commitment of \$1.2 million of the unrestricted fund balance be used to fund operational expenses and maintain current marketing expenditures planning for the projected loss of hotel tax revenue and PA state funding. The board further requires a task force be formed to develop a long-term funding sustainability solution that will provide a deliverable by June 2012.”

Questions to Consider

- What trends are you seeing in your business?
- Where are your guests coming from and has it changed drastically in the last three years?
- If you could choose one thing that you would have us do differently, what would it be?
- What else can we be doing that we aren't?

What we will look at today

- Recap 2011 with associated metrics
- How do we determine where to spend marketing dollars?
- Do we plan to open new markets?
- How does our advertising spend compare to other destinations?
- What will an integrated marketing plan look like?
- Our updated Strategic Plan

WE WANT TO HEAR YOUR FEEDBACK

How we “campaign”

- Selected 5 top markets (New York, New Jersey, Philadelphia, DC, Baltimore, HLLY) from zip code data supplied by hoteliers
- Deployed 90 second “story” TV spots that highlighted a specific topic derived from our strategic plan
- Deployed 30 second spots on cable TV that followed the 90 second spot storyline

How we “campaign”

- When each interest spot runs, the associated attractions/member categories are spotlighted on a special jump page on our website.
- The homepage highlights a special price point lodging offer. The guest can choose the activity and a lodging option.



EDIT PAGE

ADMIN

A Dash of Heritage with a Pinch of Flair

Many folks are drawn to Lancaster County for our Amish community, but soon discover and enjoy all the other things to see and do when they visit Pennsylvania Dutch Country.



Lancaster County Itineraries

Escape from the stress of a fast-paced life and linger in Pennsylvania Dutch Country, where there's no fast lane. Choose to "get lost" on your own or try one of our road trips or sample itineraries.

- Lancaster County Favorites
- Creative Exploration
- Food Lovers



PA Dutch Dining



Don't Get Hung Out To Dry, Try Out Our Easy To Use Trip Planner!

Once you find the best attractions, dining, and of course, places to stay in Lancaster County, why not add them to your own personalized trip plan?

Our Trip Planner will allow you to create and save multiple itineraries, locate attractions and then print everything out all with directions from the place you're staying! It's fun, easy to use, and best of all free!

- [Start planning your trip today](#)
- [Select one of our pre-planned itineraries](#)

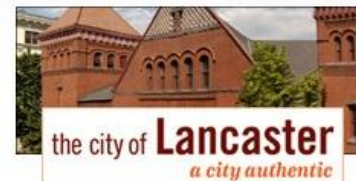
LOCAL EVENTS

ALL EVENTS

Come Stay With Us.
Book Your Room.

Hotel

B & B



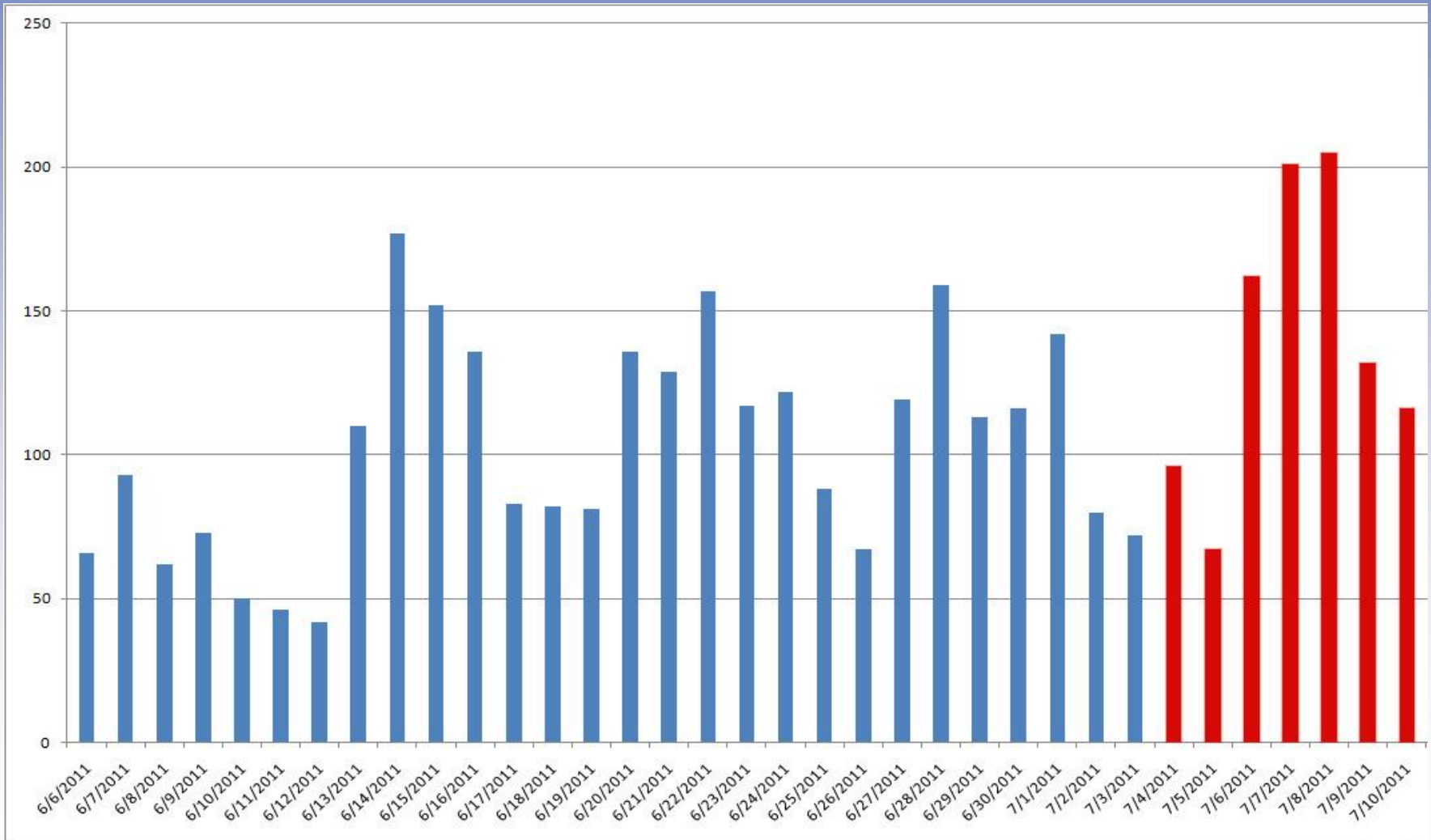
Where quaint meets cosmopolitan. A place where heritage and modern mingle and farmer's markets are hip. Home to innovators and artists, culture and creativity. A place where the people are real and the passion is genuine.

- [Explore Downtown Lancaster](#)
- [Watch the Lancaster City - A City authentic video](#)
- [Discover the city of Lancaster](#)

In which seasons do we campaign?

- Spring
- Summer
- Lancaster County Halloween (added in 2011)
- Lancaster County Christmas (added in 2010)

Web Activity During Media Campaign



Week of June 6-12, 2011

Heritage LCO Spots Running

Week of June 20-26, 2011

Dining LCO Spots Running

• Things to do Index	6,310	+71%
• Events	9,440	+69%
• Attractions	10,697	+51%
• Amish Attractions	10,530	+34%
• PA Dutch Dining	8,136	+29%

Week of June 27-July 3, 2011

Attractions LCO Spots Running

• Things to do Index	7,034	+140%
• Attractions	11,470	+101%
• Events	9,673	+92%
• Amish Attractions	11,470	+70%
• PA Dutch Dining	5,492	+46%

June 13, 2011 to July 10, 2011 Compared to the Same Period

- Visits +16%
- Page Views +20%
- Pages +4%
- Bounce Rate -11%
- Average Site Time +18%
- New Visits -6%

Week of July 6 - July 10, 2011

Downtown Lancaster LCO Spots

Running in Philly, NY, DC Markets

- Hotels/Motels 10,072: +20%
- Attractions 8,422: +72%
- Amish Attractions 7,678: +65%
- Events 5,993: +36%
- **Downtown-related pages 1,049: +19%**

Week of July 11 - July 17, 2011

Lodging LCO Spots

Running in Philly, NY, DC Markets

- **Hotels/Motels** **16,807: +24%**
- Attractions 11,818: +47%
- Amish Attractions 10,919: +47%
- Events 8,416: +27%
- **Bed & Breakfasts** **4,699: +41%**

Week of July 18 - July 24, 2011

Amish LCO Spots

Running in Philly, NY, DC Markets

- Hotels/Motels 15,402: +14%
- **Attractions 10,945: +51%**
- **Amish Attractions 10,133: +41%**
- **Things to Do Index Page 7,548: +57%**
- Events 7,323: +15%

Week of July 25 – July 31, 2011

Heritage LCO Spots

Running in Philly, NY, DC Markets

Week of August 1 – August 7, 2011

Dining LCO Spots

Running in Philly, NY, DC Markets

Week of August 8 – August 14, 2011

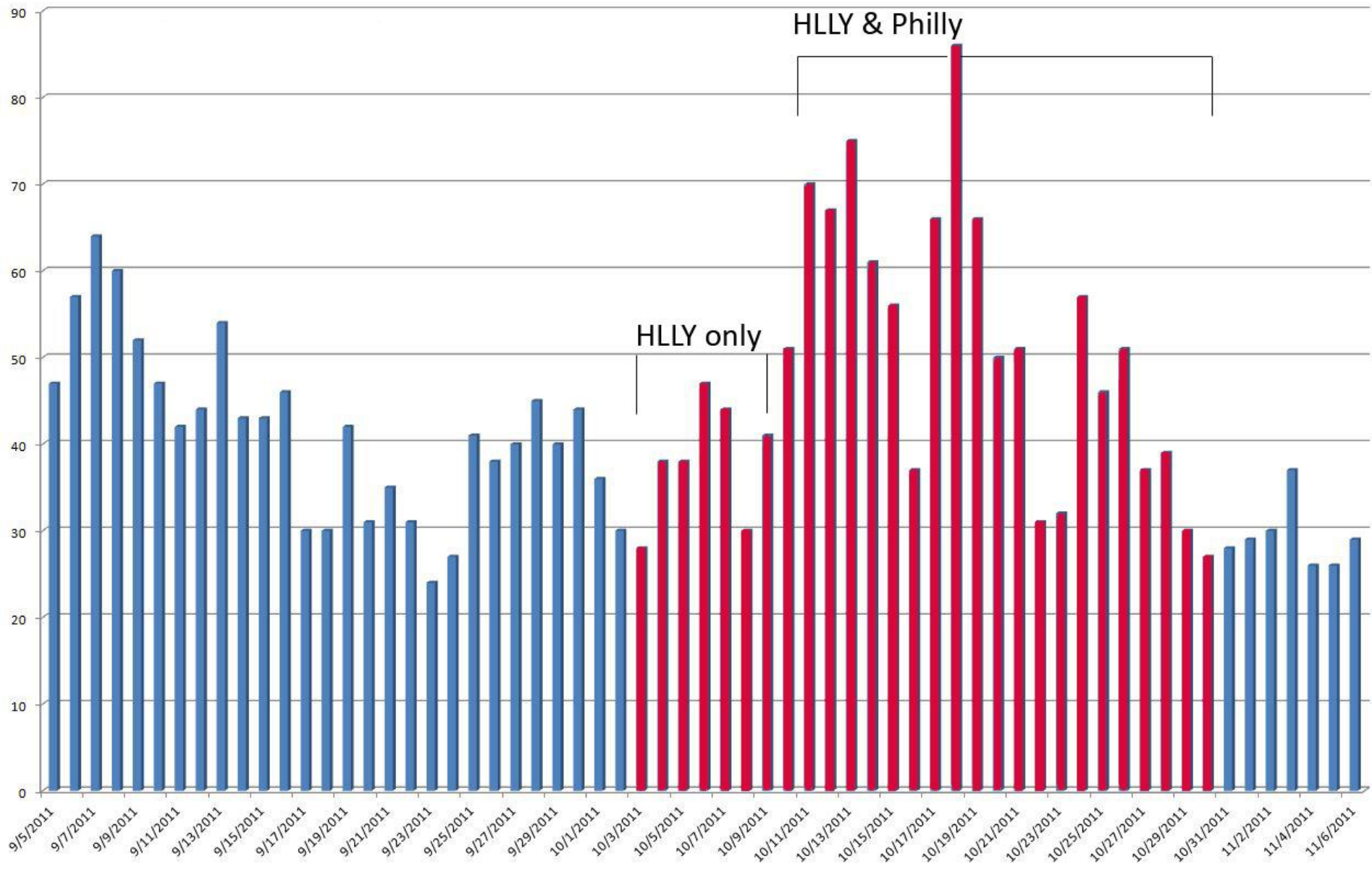
Attractions LCO Spots

Running in Philly, NY, DC Markets

- Hotels/Motels 17,449: +43%
- **Attractions 12,923: +31%**
- **Amish Attractions 10,311: +24%**
- Events 9,535: +9%
- Things to Do 8,558: +58%

SHOULDER SEASON CAMPAIGNS HALLOWEEN & CHRISTMAS

Web Activity During Halloween Media Campaign



Top Pageview Gainers in Pennsylvania

Period of October 3-30, 2011

Comparisons 2011/2010 Year to Year

• Lancaster	10,345	+113%
• Philadelphia	6,441	+41%
• Harrisburg	1,794	+24%
• York	1,749	+48%
• Lititz	1,414	+20%

Top Web Pageviews for the Period of October 3-30, 2011 Halloween Spots Running

Comparisons 2011/2010 Year to Year

- Hotels/Motels Index Page 41,155 +66%
- Amish Attractions Index Page 22,135 +44%
- Attractions Index Page 20,064 +97%
- General Attractions Index Page 19,363 +45%
- Lodging Index Page 16,643 +30%

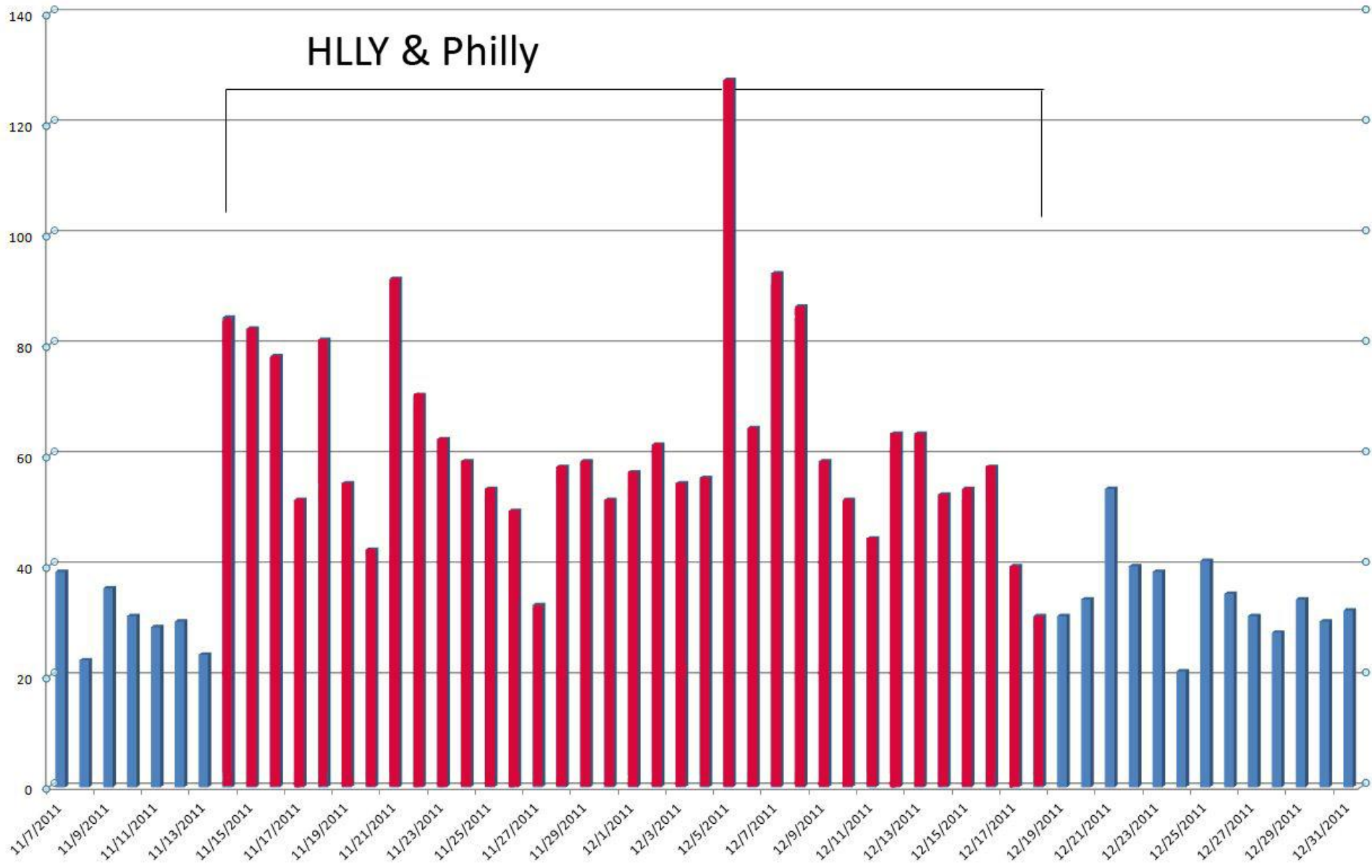
General Web Stats

Period of October 3-30, 2011

Comparisons 2011/2010 Year to Year

- Visits 166,109 +40%
- Unique Visits 123,614 +32%
- Page Views 863,370 +30%

Web Activity During Christmas Media Campaign



Top Pageview Gainers in Pennsylvania

Period of Nov 14 – Dec 18, 2011

Comparisons 2011/2010 Year to Year

• Lancaster	12,666	+143%
• Philadelphia	5,455	+42%
• York	2,261	+63%
• Harrisburg	2,032	+28%
• Lititz	1,844	+31%

Christmas Pageviews for the Period of Dec 1 – Dec 18, 2011

Christmas Spots Running

Comparisons 2011/2010 Year to Year

Top Web Pageviews for the Period of Nov 14 – Dec 18, 2011 Christmas Spots Running

Comparisons 2011/2010 Year to Year

- Hotels/Motels Index Page 18,310 +49%
- Christmas Page – Events 15,545 +235%*
- Amish Attractions Index Page 15,107 +57%
- Attractions Index Page 14,159 +126%
- General Attractions Index Page 12,610 +49%

**Christmas pages did not exist until mid-November 2010*

General Web Stats

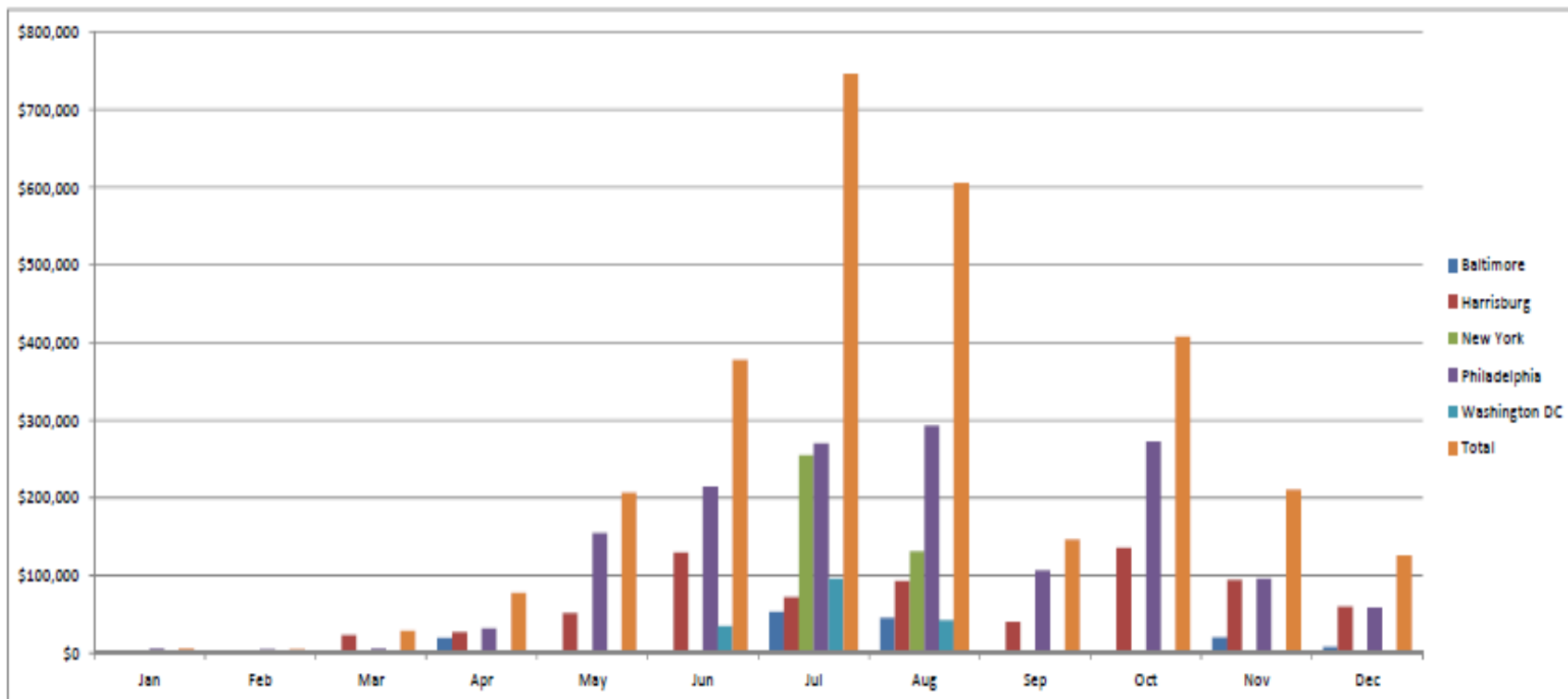
Period of Nov 14 – Dec 18, 2011

Comparisons 2011/2010 Year to Year

Overall 2011 Media Expenditures/Full Media Placement

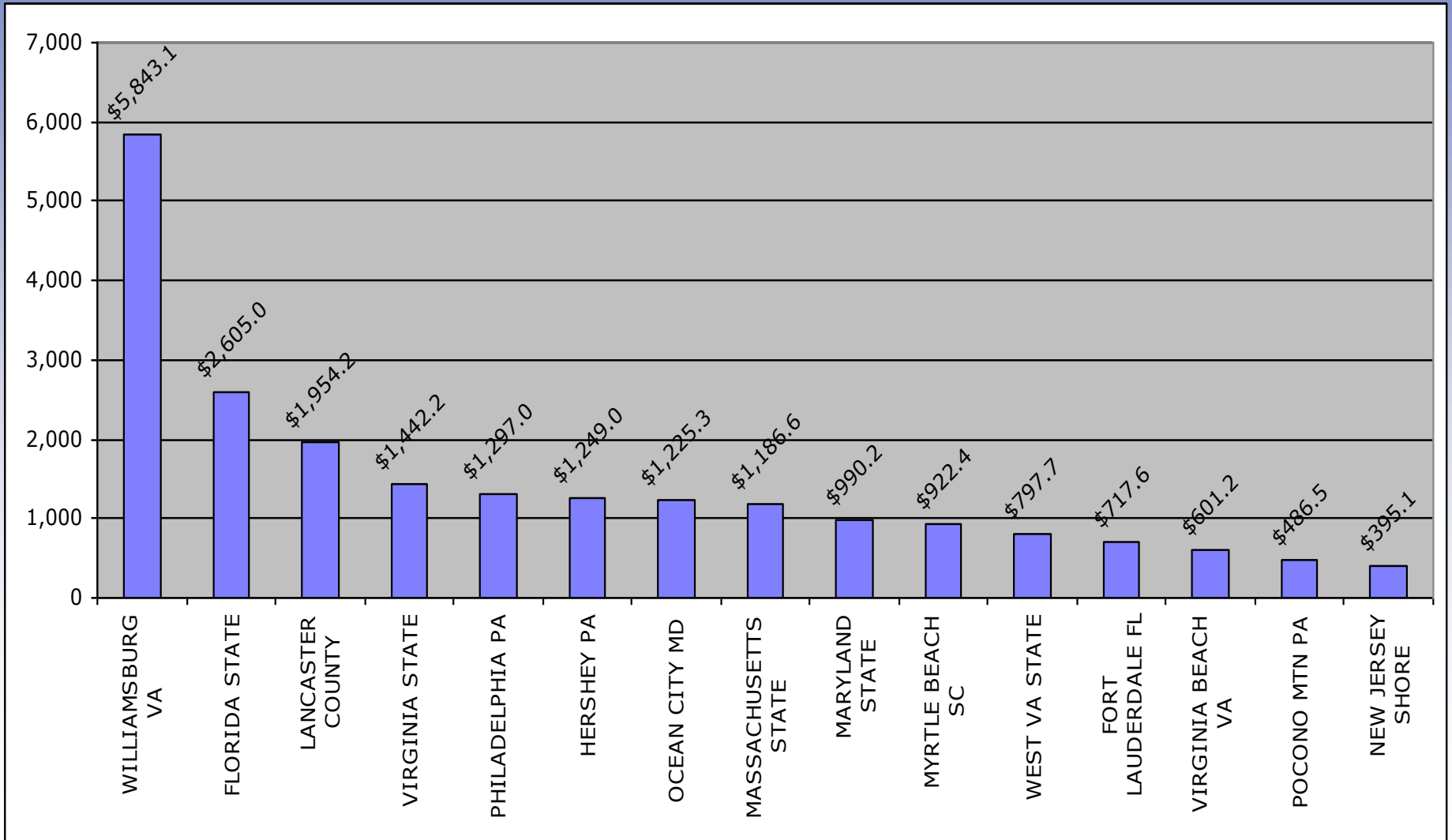
Includes Media Co-ops

Market	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	PADCVB	Member
Baltimore	\$0	\$0	\$0	\$18,960	\$0	\$0	\$53,142	\$45,096	\$285	\$0	\$20,163	\$7,932	\$145,578	\$107,672	\$37,906
Harrisburg	\$0	\$0	\$23,353	\$27,050	\$51,832	\$128,929	\$71,750	\$93,076	\$39,579	\$135,584	\$94,299	\$59,720	\$725,174	\$373,298	\$351,876
New York	\$0	\$0	\$0	\$0	\$0	\$0	\$254,803	\$131,361	\$0	\$0	\$0	\$0	\$386,164	\$386,164	\$0
Philadelphia	\$5,519	\$5,134	\$5,829	\$31,524	\$155,112	\$214,137	\$270,436	\$292,906	\$106,810	\$272,033	\$95,988	\$58,198	\$1,513,624	\$722,654	\$790,970
Washington DC	\$0	\$0	\$0	\$0	\$0	\$34,494	\$95,649	\$42,377	\$0	\$0	\$0	\$0	\$172,520	\$172,520	\$0
Total	\$5,519	\$5,134	\$29,182	\$77,534	\$206,944	\$377,559	\$745,780	\$604,815	\$146,674	\$407,617	\$210,451	\$125,850	\$2,943,060	\$1,762,308	\$1,180,751
% of Total	0%	0%	1%	3%	7%	13%	25%	21%	5%	14%	7%	4%	100%	60%	40%



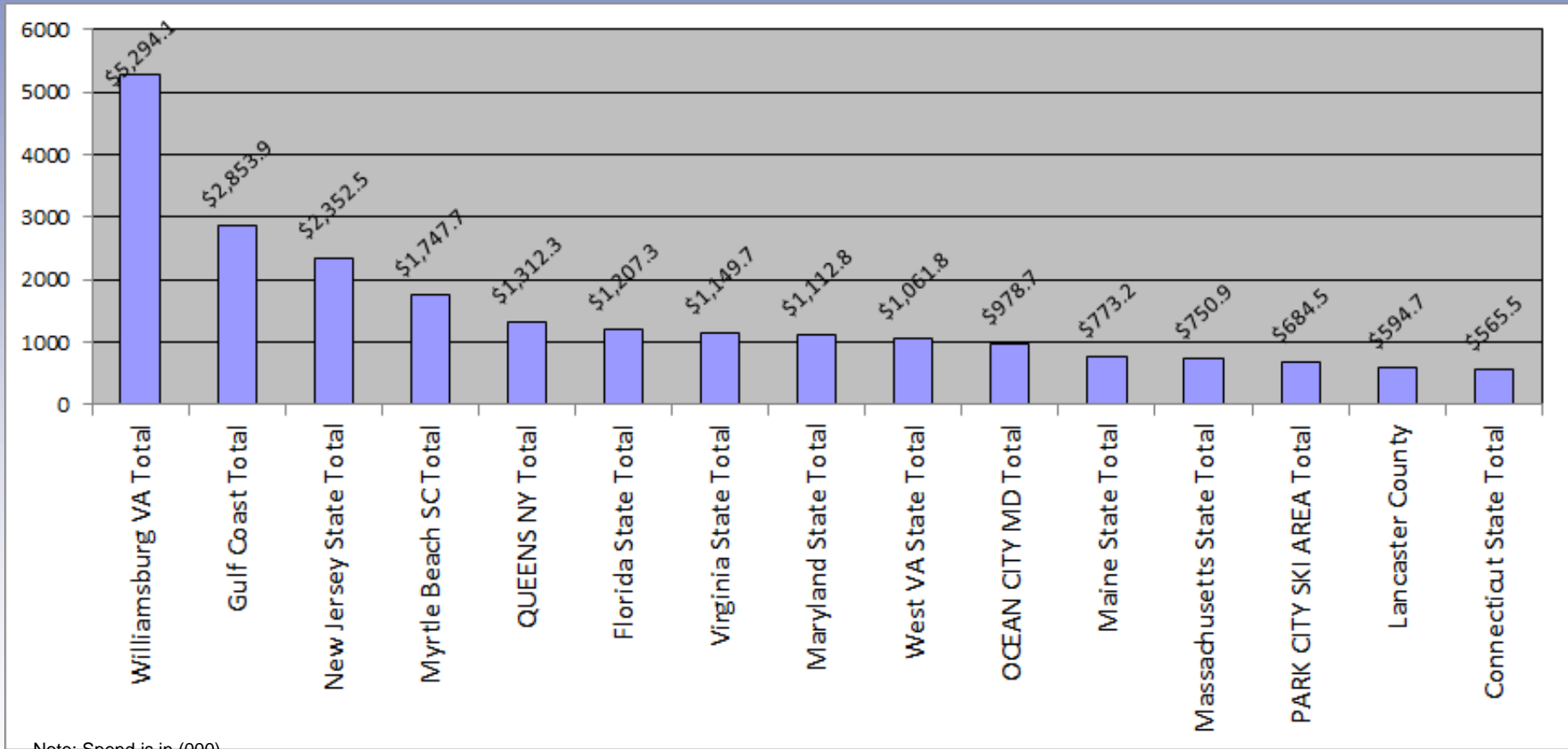
Competitive Media Spending 2010 Tourism Category

Top 15 Advertisers in our Key Target Markets



Competitive Spending 2011 (Jan – Oct) Tourism Category

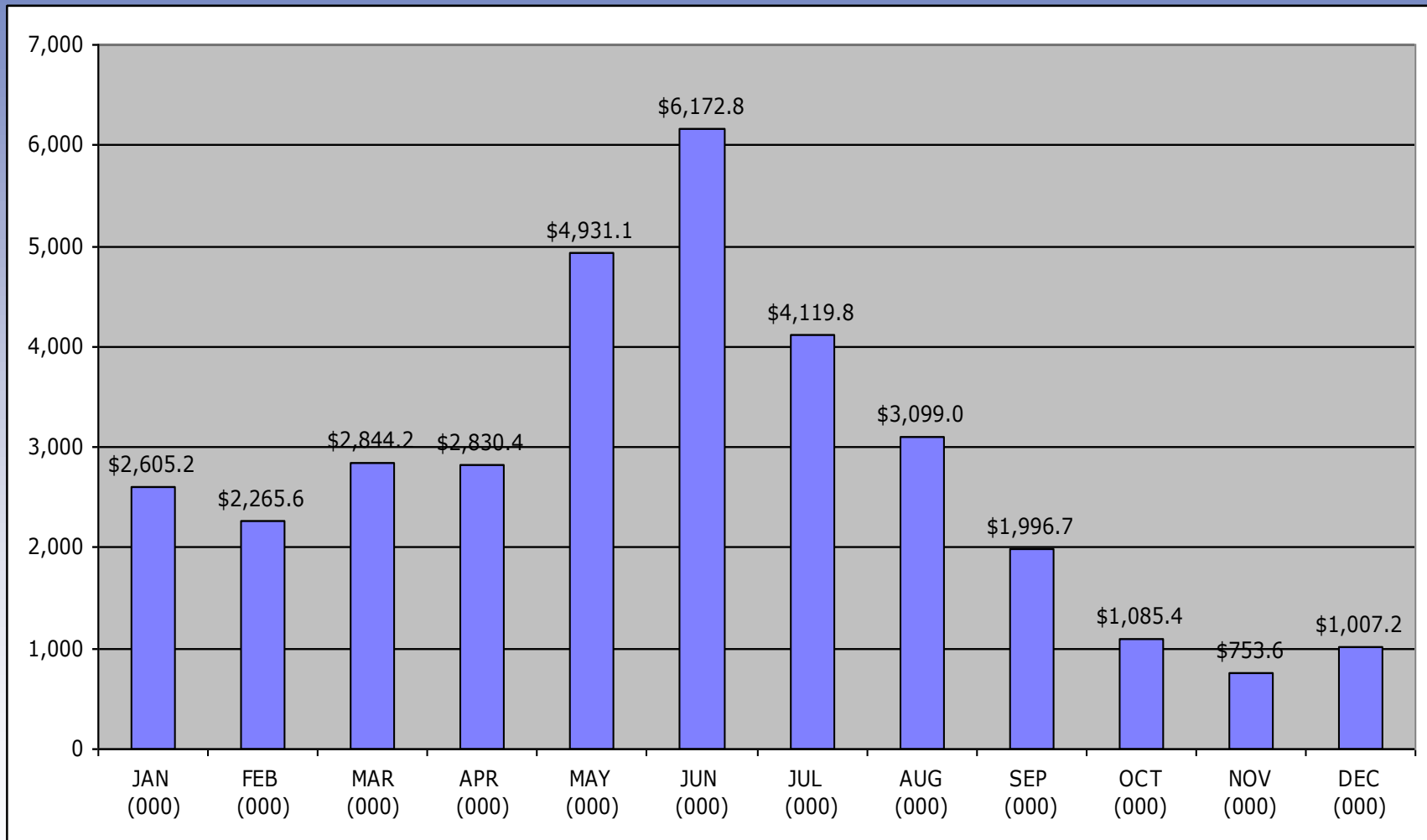
Top 15 Advertisers in our Key Target Markets



Note: Spend is in ('000)

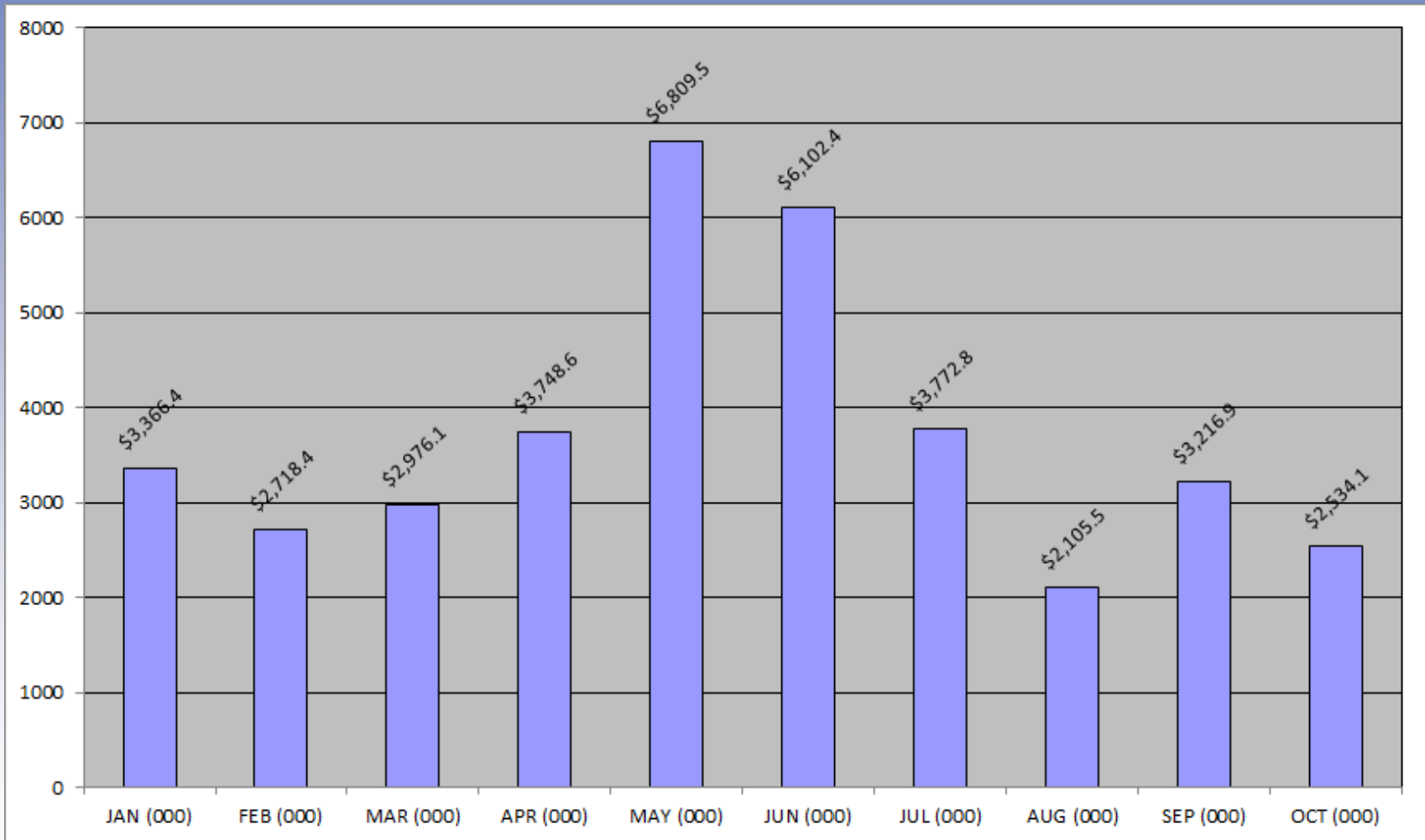
Competitive Media Spending 2010 Tourism Category

Spend by Month in our Key Target Markets

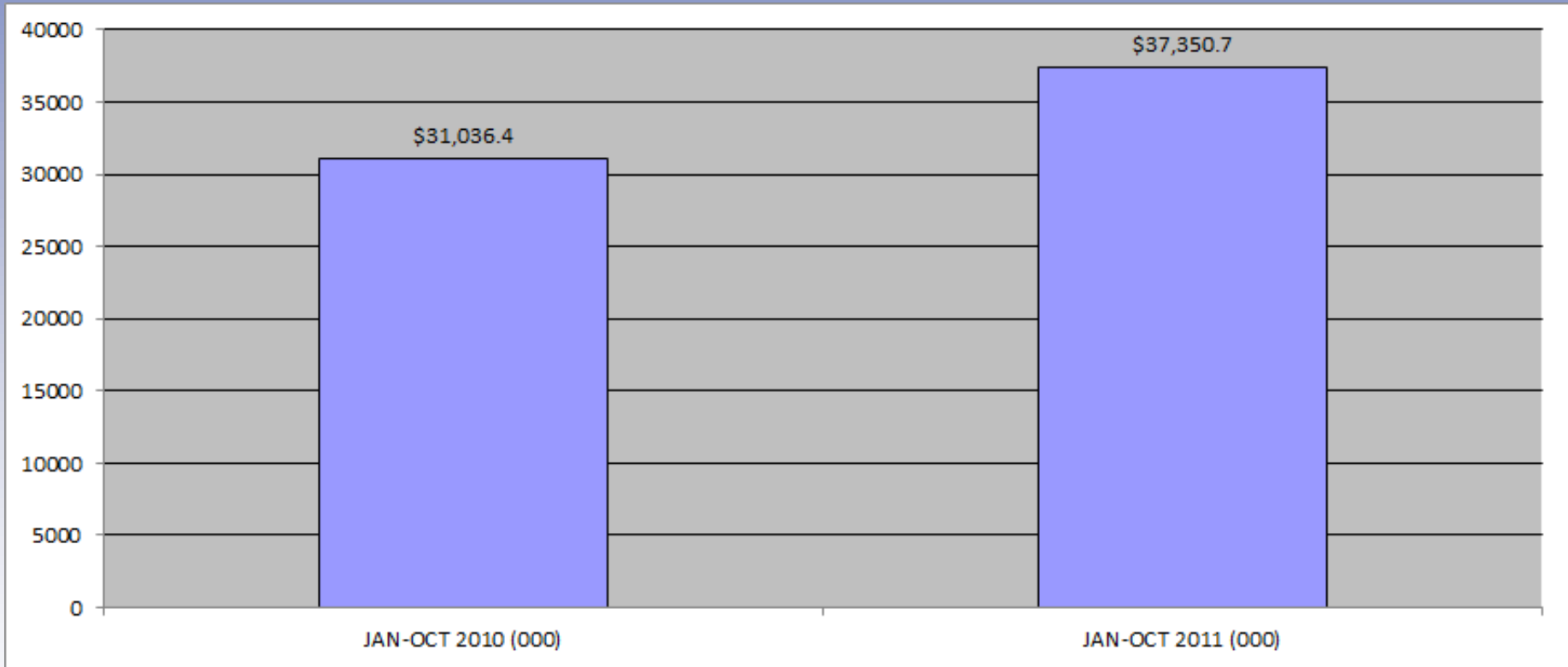


Competitive Spending 2011 (Jan – Oct) -- Tourism Category

Spend by Month in our Key Target Markets

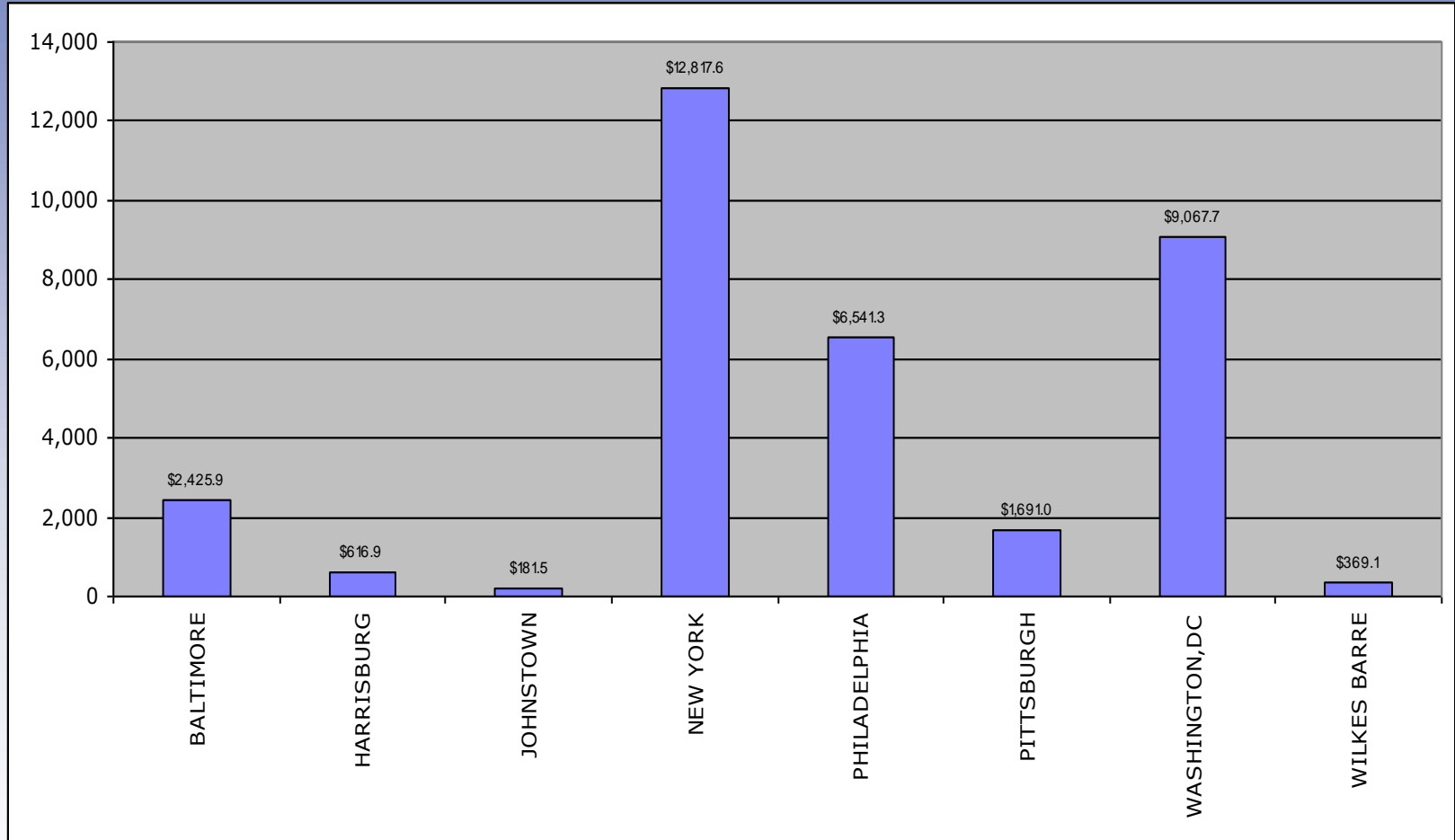


Competitive Media Spending Jan-Oct 2010 vs. Jan-Oct 2011 Tourism Category



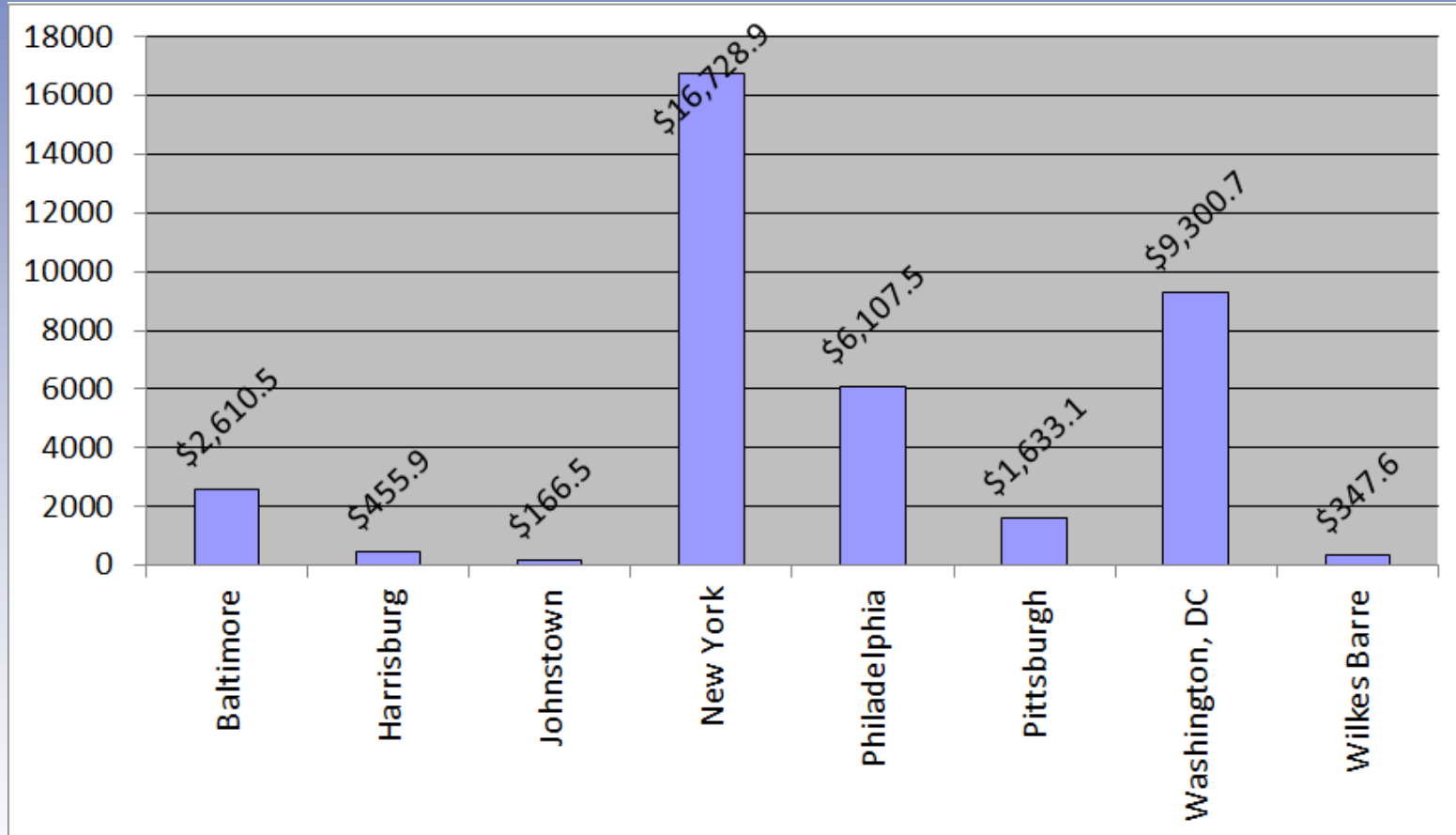
Competitive Media Spending 2010 Tourism Category

Spend by Market



Competitive Spending 2011 (Jan – Oct) Tourism Category

Spend by Market



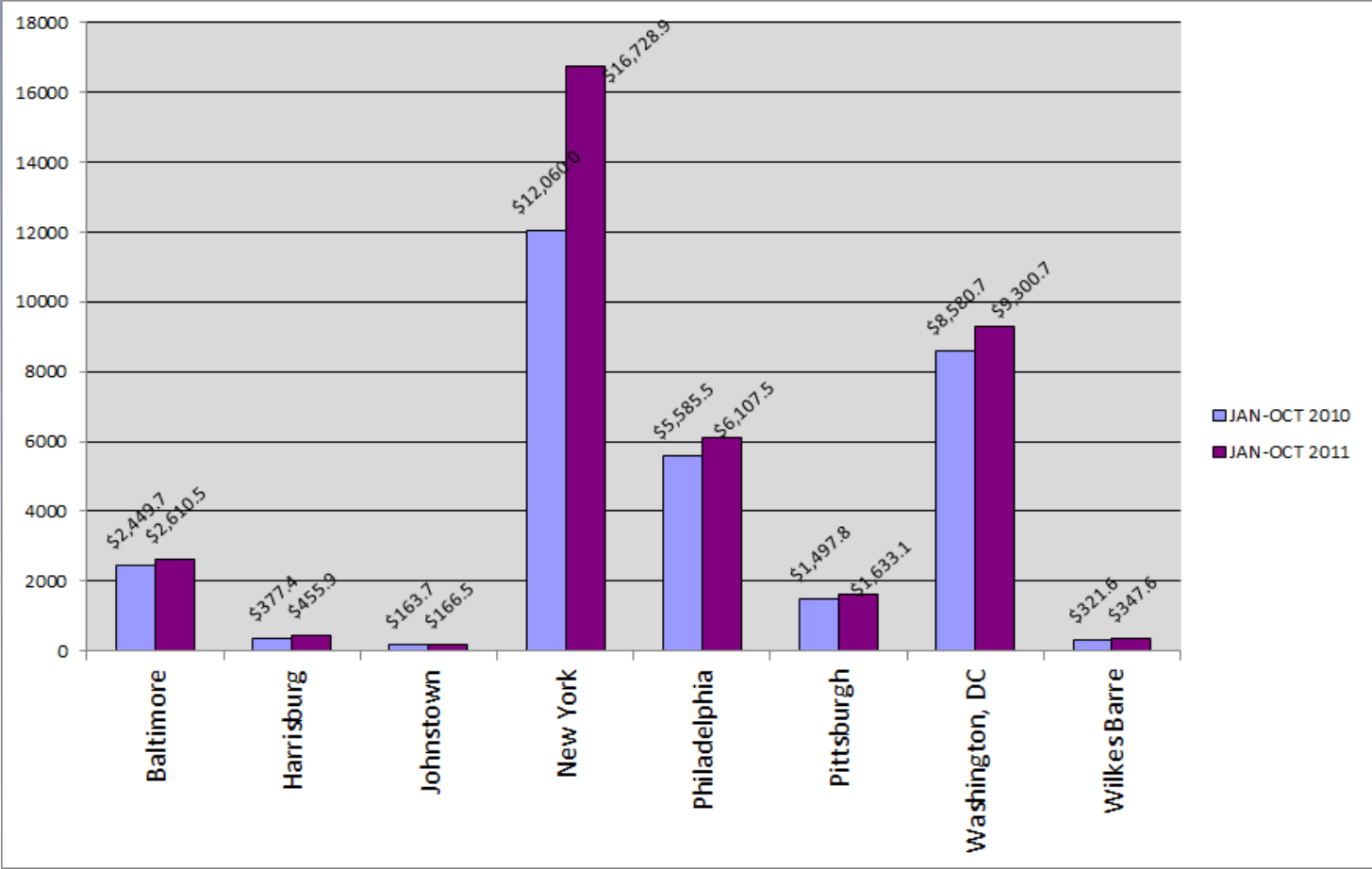
Note: Spend is in (000)

Source: Kantar Media

Competitive Media Spending

Jan-Oct 2010 vs. Jan-Oct 2011 -- Tourism Category

Spend by Market



Note: Spend is in (000) Source: Kantar Media



Competitive Media Spending 2010

Tourism Category

- Hershey - \$1,249,000
- Philadelphia - \$1,297,000
- Myrtle Beach - \$922,000
- Maryland State – \$996,000
- Virginia Beach - \$601,006

Competitive Media Spending 2011 (Jan – Oct) Tourism Category

- Hershey - \$203.7
- Philadelphia - \$219.6
- Myrtle Beach - \$1747.7
- Maryland State – \$1112.8
- Virginia Beach - \$367.6

Competitive Media Spending 2010

Tourism Category

- York County - \$53,200
- Pittsburgh - \$6,200
- PA State - \$28,400
- PA Dutch CVB - \$2,298,690

PA Dutch CVB

Advertising Spend

- 2010 - \$2,298,600 (includes media co-ops)
- 2011 - \$3,100,000 (includes media co-ops)

Updated Strategic Plan

5 Strategic Priorities

1. Develop new product to drive visitation to Lancaster County.
2. Create a business model for the PA Dutch CVB that introduces new funding streams, builds upon current ones, and re-establishes pre-existing ones to ensure this marketing organization continues to thrive to the benefit of its members.
3. The CVB will work with members to grow the number and quality of opportunities for visitors to experience the Plain culture in exciting and memorable ways.
4. Increase visitor traffic to Lancaster County's towns and villages.
5. Position Lancaster County as a premier small market destination for non-leisure markets.

1. Develop new product to drive visitation to Lancaster County.

As a mature destination with increasing competition from a growing number of tourism destinations, it is essential that we ensure our product remains fresh and relevant to the consumer. Based on an independent product assessment of our destination, resources will be identified to recruit new product capable of driving large numbers of visitors to Lancaster County.

- Lead effort to formulate a Lancaster County Tourism Council in 2012.
- Assist with creation of a 10-year comprehensive plan for new product development.
- Give an annual grant to the Tourism Council to identify and recruit new product to Lancaster County.
- Position Lancaster County as a top-of-mind Christmas and the holidays destination.

2. Create a business model for the PA Dutch CVB that introduces new funding streams, builds upon current ones, and re-establishes pre-existing ones to ensure this marketing organization continues to thrive to the benefit of its members.

The CVBs multi-million dollar marketing campaign, which accounts for the lion's share of the organization's expenditures, is inextricably linked to the prosperity of this destination. However, significant losses in CVB funding due to a faltering economy threaten these efforts, and potentially this destination's stronghold in key markets.

The CVB must identify alternative revenue streams, as well as growing new ones and building on past ones, in order to ensure the ongoing vitality of this destination and our member businesses, in an increasingly competitive climate.

- By end of 2012, secure local hotel tax and ensure funding isn't diverted.
- Convince lawmakers to reestablish grant funding at a level consistent with 2010/11 levels, beginning in 2013/2014.
- By 2015, identify and implement new revenue streams equal to 5% of the CVB's annual budget:
 - Advertising co-ops
 - Establish an internal agency to assist individual members with key marketing functions
 - Explore other possibilities for new revenue including member education, web revenue, etc.

3. The CVB will work with members to grow the number and quality of opportunities for visitors to experience the Plain culture in exciting and memorable ways.

Our Amish community and living heritage are at the very heart of who we are as a destination, and the decision for millions to visit us each year. While the breadth of our tourism offerings extends well beyond our Amish and cultural foundation to ensure a rich experience for visitors, it is of paramount importance that we continue to build upon our Amish legacy. The CVB will work with members to grow the number and quality of opportunities for visitors to experience the culture in exciting and memorable ways.

- Annually identify three new products and/or opportunities for growth of existing products.
- Establish law or regulation that enables the provision of meals in Amish homes. Work with PTLA, PACVB and state lawmakers to achieve this goal.
- Increase number of pageviews for Amish Attractions and Amish Country (education), using 2010 as a benchmark (225,100 and 129,600 respectively) for year-over-year growth of 5%.

4. Increase visitor traffic to Lancaster County's towns and villages.

The PA Dutch CVB will seek to extend guests' stays by aggressively promoting Lancaster County's several tourism-ready towns and villages, including Downtown Lancaster, Adamstown, Lititz and Strasburg to visitors, and developing tools to assist visitors in traveling off the beaten path to discover the distinct personalities of and experiences within each of these.

- Visitation to each highlighted T&V increases 2% year-over-year, as evidenced by annual survey of businesses, conducted in partnership with each town's/village's representative.
- Increased interest in and awareness of each highlighted T&V, as demonstrated by 5% year-over-year growth in website pageviews for Towns & Villages, Downtown Lancaster, Adamstown, Lititz and Strasburg, using 2010 as a benchmark (11,800, 31,800, 6,000, 5,100, and 6,500 respectively).
- (In the first half of 2012, work with T&V partners to identify the personality of each destination, and incorporate that personality in all relevant marketing materials.)

5. Position Lancaster County as a premier small market destination for non-leisure markets.

The PA Dutch CVB has an important role in selling our destination to groups, meetings and conventions, and sporting events. These markets have tremendous opportunity to bring in significant room nights and economic benefit to our region year round and we will dedicate resources to attract them.

- Establish an annual event fee budget to help attract conventions and events.
- Generate at least 60,000 meeting & convention room nights per year.*
* As compared with 50,000 in 2010.
- Build Lancaster's sports résumé by attracting at least two new major events each year.
- Utilize DMAI economic impact calculator to establish benchmarks and set goals for 2012-2015.
- In 2012/2013, create strategies and tactics for the group tour market to eliminate peaks and valleys in visitation.

Questions

- What trends are you seeing in your business?
- Where are you guests coming from and has it changed drastically in the last three years?
- If you could choose one thing that you would have us do differently, what would it be?
- What else can we be doing that we aren't?

Thank you for coming!