



# **PA Dutch CVB Chamber Briefing**

July 20, 2010



# Tourism...so what?

Is it important?



# Travel and Tourism is....

- One of America's Largest Industries: **\$704 Billion** in direct spending
- One of America's Largest Employers: **7.4 million** direct travel generated jobs
- **1 of every 9** US non-farm jobs is directly related to travel and tourism
- Travel is among the **top 10 industries** in 48 states and Washington DC in terms of employment



# Top Five US Industries

- Health Care
- Retail
- Manufacturing
- Administrative
- Travel and Tourism



# What about our State?

- Travel Expenditures: **\$21.5 Billion**
- Travel Generated Employment: **5.1 million**
- Travel Generated Payroll: **\$214 million**
- Travel Generated Tax Receipts: **\$3 Billion**



# What about our County?

- Travel Generated Employment: **40,000**
- Travel Generated Wages: **\$1.2 Billion**
- Travel Generated Tax Receipts: **\$460 Million**
- Travel Expenditures: **\$2.6 Billion**
- Visitors Hosted: **11.3 Million**

# What does the PA Dutch CVB do?

- Promote Lancaster County
- Member Based Advocacy
- Travel Information Repository
- Marketing Agency for the County and our Members
- Market and sell the Convention Center
- Reinvent and Repackage!



# Media Plan 2010



# Creative Approach

- Using 30-second spots highlighting activities for families and couples (same spots as 2009)
- Positioning value, closeness and density of activity
- Demo is females 25-54



# Lodging Zip Code Origins

- New York DMA: 37.9%
- Philadelphia DMA: 22.4%  
(encompasses Delaware & New Jersey)
- 6 of the top 10 performing counties were in NY & NJ
- 32% of bookings occur June - August
- Our backyard (HLLY) provided 15.4% of the total



# Lodging Zip Code Origins

- Top performing zip: 11701- Amityville, NY
- On average, 11% of bookings are at B&Bs



# 2010 Considerations

- Zip code analysis identifies Philadelphia and NY/NJ as primary markets
- We will target counties within the DMAs above that show the best promise
- A mix of radio and TV will be utilized with a heavier weighting on TV
- Use :15's to maximize reach and frequency in combination with :30's



# 2010 Considerations

- Deploy :30's in all markets to build brand awareness
- Radio to consist of :10 traffic sponsorships in Washington, DC in combination with online
- Increase buys in Philadelphia and New York (vs. 2009) leveraging existing brand equity
- Since 2005, \$2,972,143 has been spent in New York
- Since 2005, \$1,923,008 has been spent in Philadelphia



# Markets

- New York
- Philadelphia
- Washington, DC
- HLLY (Harrisburg, Lebanon, Lancaster, York)



# Spending Recap

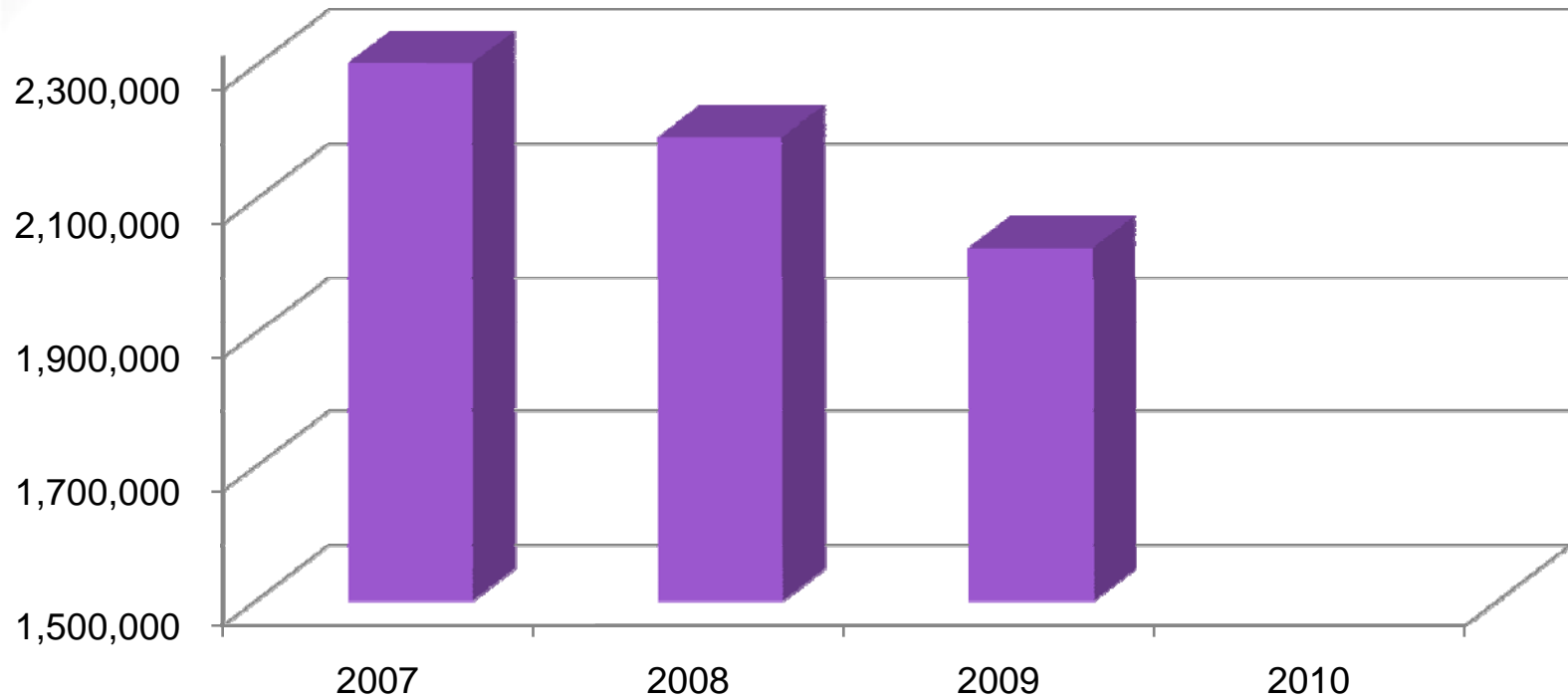
(2010-Proposed)

- 2005: \$1,111,069
- 2006: \$736,399
- 2007: \$1,231,463
- 2008: \$1,455,134 (with co-op)
- 2009: \$1,830,233 (with co-op)
- 2010: \$2,464,967 (with co-op)



# Current State of Affairs

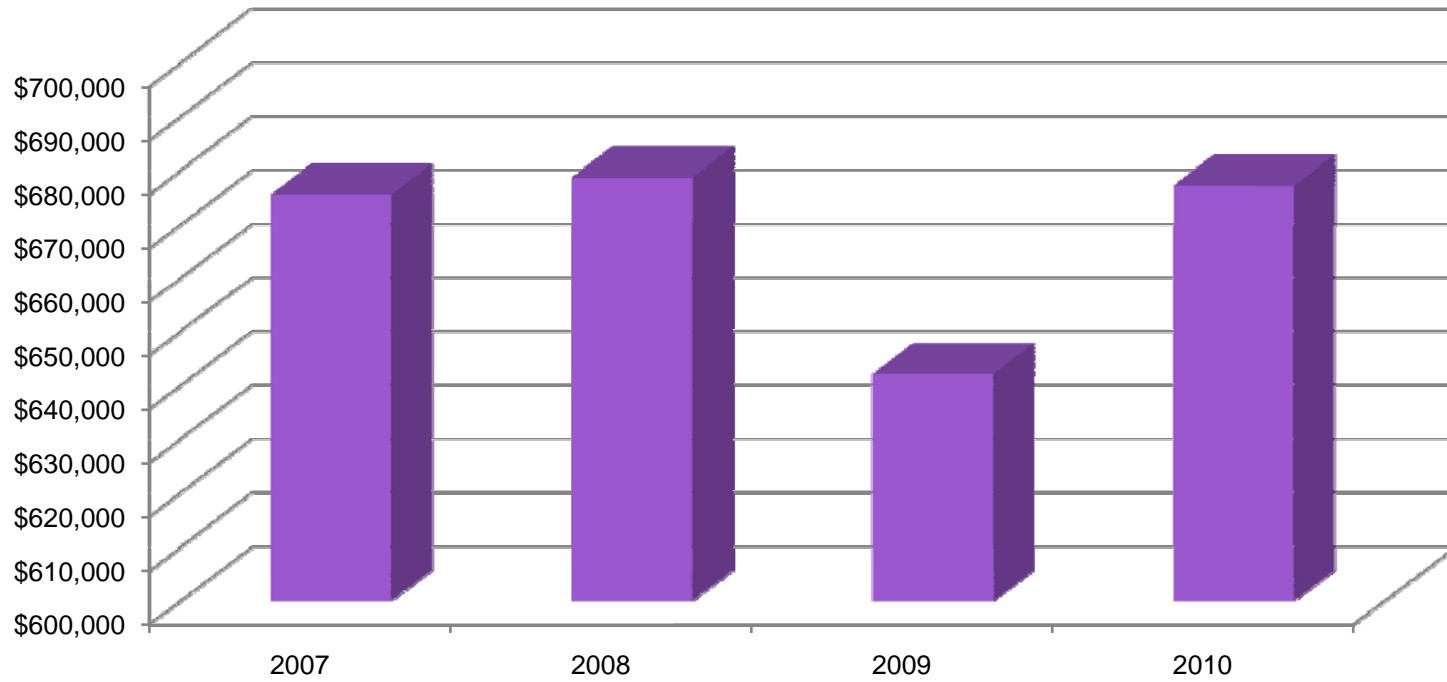
# Total Tax



	2007	2008	2009	2010
Total Tax	\$2,303,640	\$2,193,126	\$2,027,335	

# Hotel Tax

*Thru May 31*



	2007	2008	2009	2010
YTD	\$675,548	\$678,705	\$642,043	\$677,266



# Comparison

YTD – June	State	County
Occupancy	5.5%	6.8%
ADR	-1.1%	-0.6%
RevPar	3.6%	6.2%
Supply	3.1%	4.3%
Rooms Sold	8.8%	11.4%
Revenue	6.8%	10.7%

# Lancaster County STR Report Summary

Year-to-date (through July 10, 2010)

YTD	2010	2009	Variance
Occupancy	45.9%	42.9%	6.9%
ADR	\$87.96	\$88.64	-0.8%
RevPar	\$40.35	\$38.05	6.0%
Supply	1,413,092	1,348,718	4.8%
Demand	648,277	578,999	12.0%
Revenue	\$57,019,931	\$51,323,667	11.1%

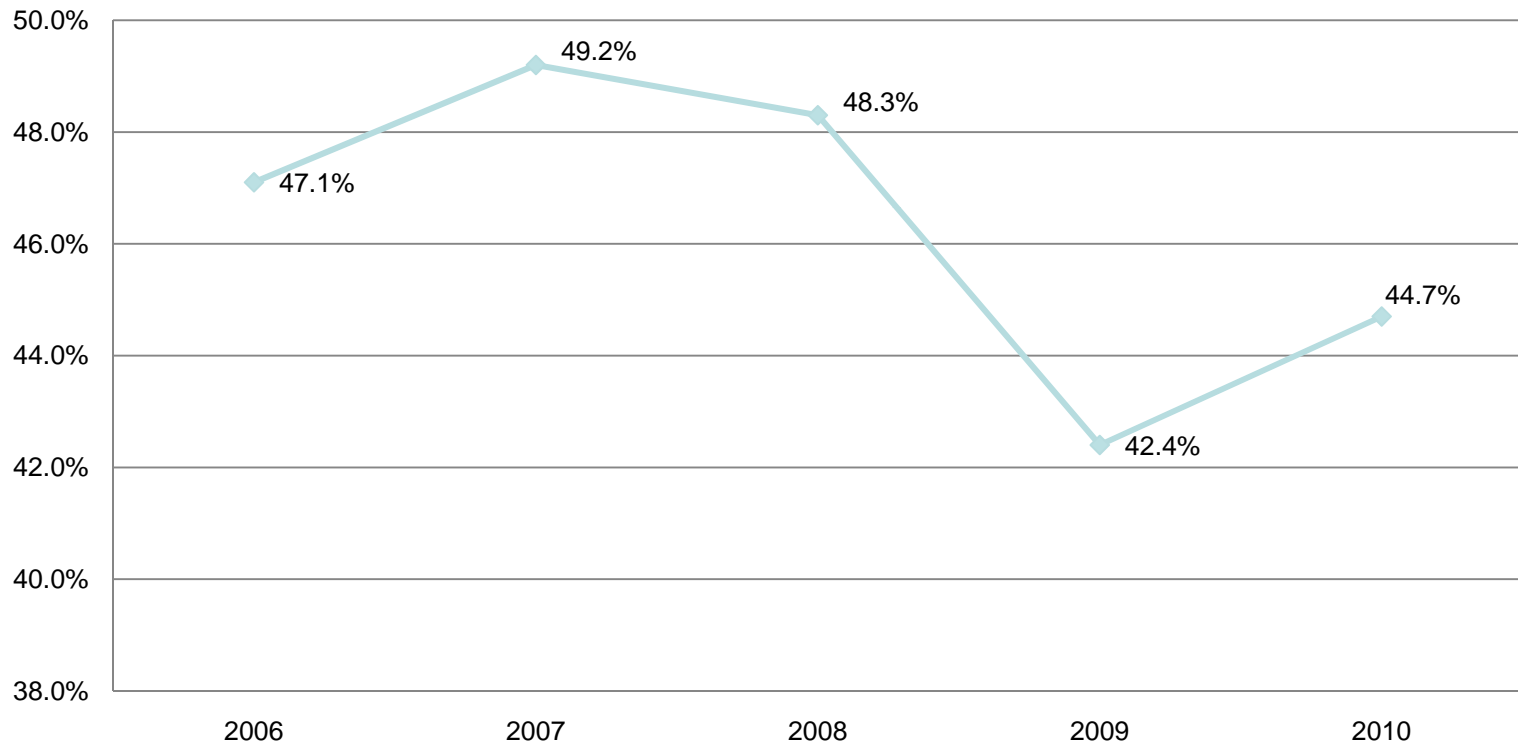
# PA Dutch CVB Sales Activity

## Leads Converted into Bookings

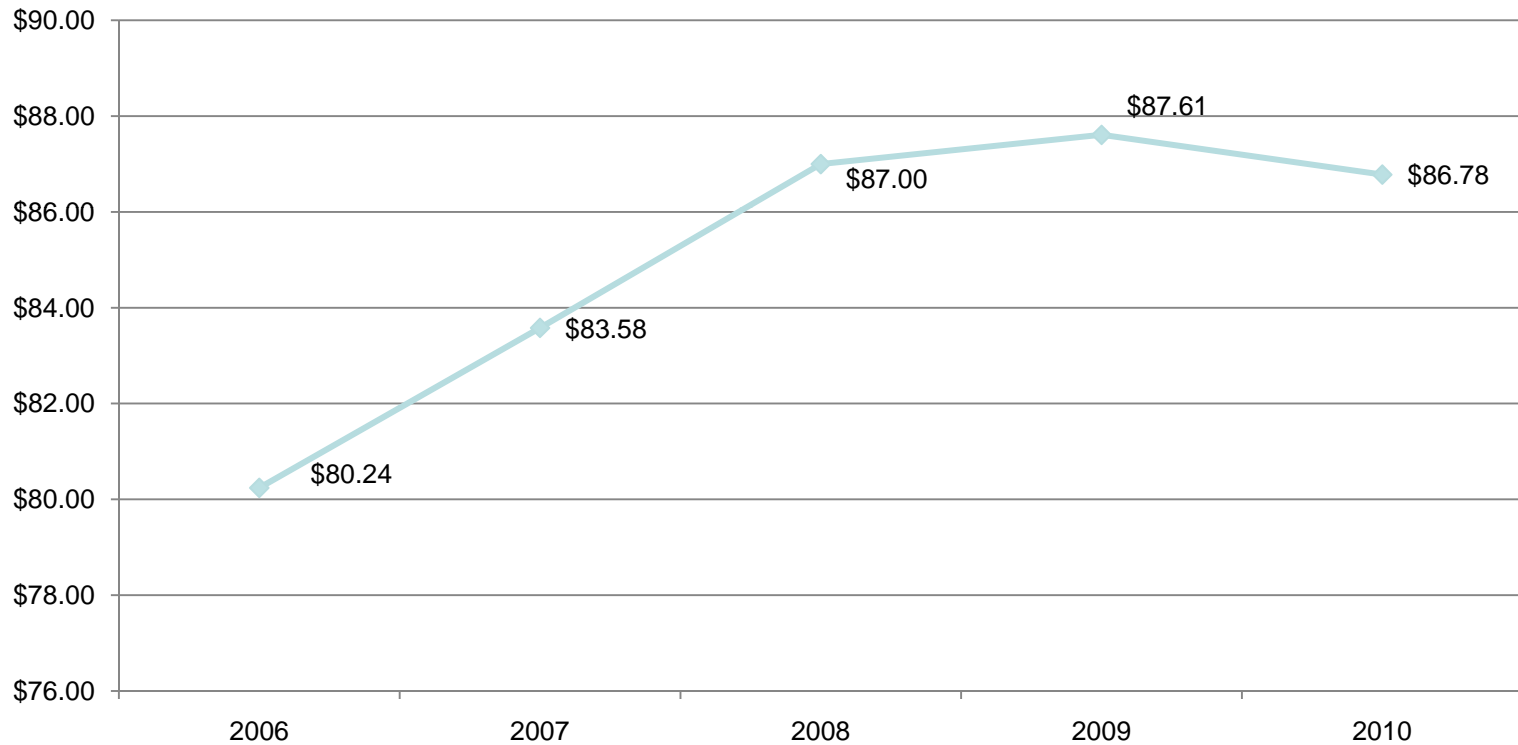
Bookings			Room Nights		
2010	2009	% Chg	2010	2009	% Chg
641	596	7.5%	78,576	28,310	171%

Bookings represent all markets for dates in the future.

# Lancaster Occupancy YTD June



# Lancaster Average Daily Rate YTD June



# Lancaster RevPar YTD June





# Convention Center Update

- June marked One Year Anniversary.
- Hosted over 850 events.
- Total attendance of over 300,000.
- Variety of events and flexibility of space – from large Association Conferences to Mixed Martial Arts events and Quilt Shows to Volleyball Tournaments.
- Industry Shows held at LCCC – PASAE (2010) and International Motor Coach Group (2011)



# Forecast – What We Know

- Experienced demand growth for four consecutive months for first time in more than two years.
- Average Daily Rate is stabilizing.
- Rooms on the books for future months are pacing ahead of last year (based on property response).
- Hotel tax revenue is outpacing last year.
- Attractions are reporting higher attendance and pre-sells.



# Forecast – What Can We Expect

- Smith Travel Research expects demand to increase by 4.4% this summer nationwide (compared to a 6.2% decrease in 2009) with rates decreasing slightly compared to 2009.
- Based on first five months, we predict Lancaster County will see a better than expected demand increase with a slight increase in Average Daily Rate.
- While this by no means gets us back to the levels we have experienced in the past, all indicators say we are headed in the right direction!



# Question & Answer