

# BRANSON 4<sup>th</sup> QUARTER 2014 MARKETING REPORT

February 2015

Branson Convention & Visitors Bureau

BRANSON

# PRESENTATION OVERVIEW

U.S. Economic Outlook

U.S. Travel Performance

Travel Industry Update

Branson 4Q 2014 Performance

Branson Visitor Update

# ECONOMIC OUTLOOK

Consumer Confidence ended 2014 at 93.1, up 20% in 2014.



**+20.1%**

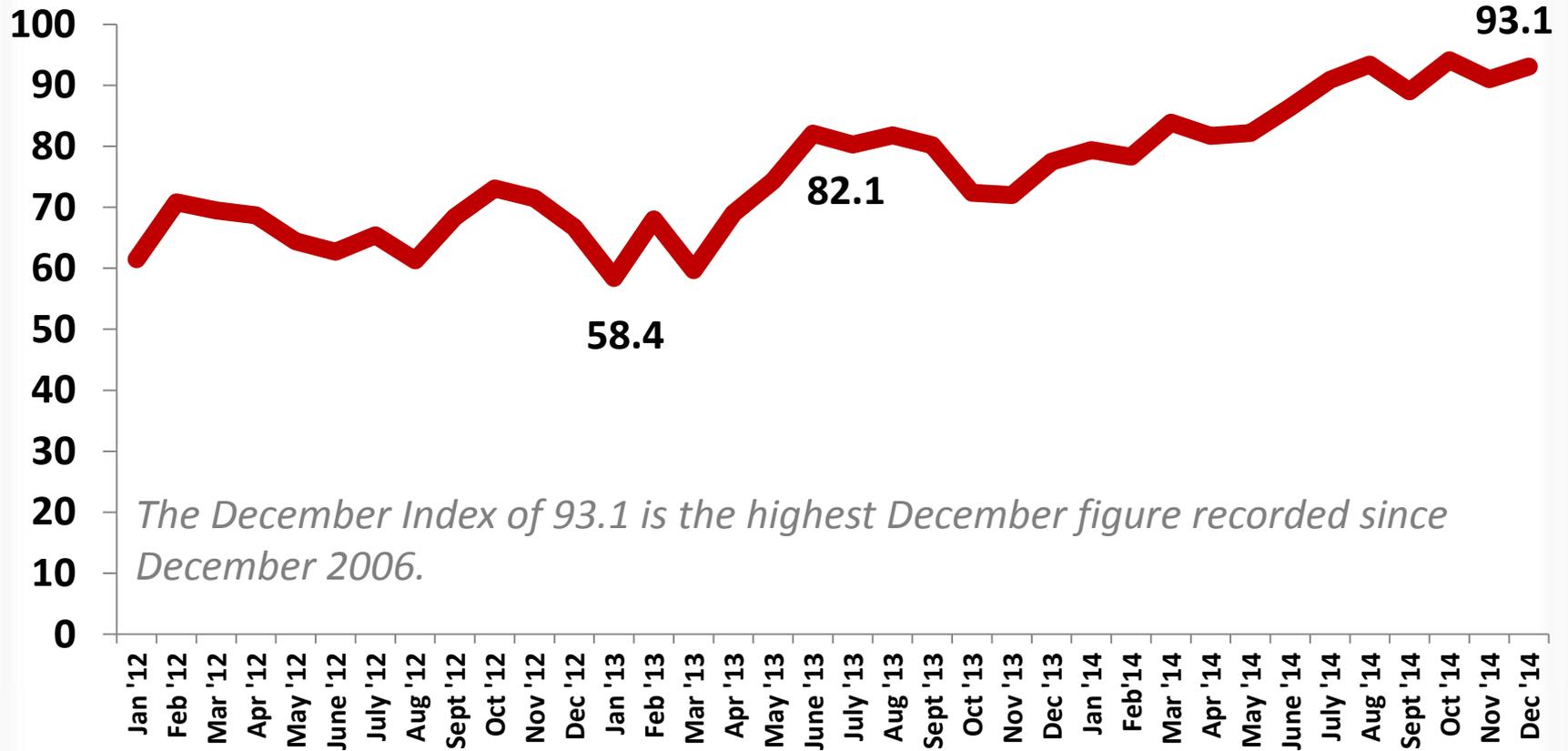
**In 2014**

An index of 90 is considered necessary for sustainability and 100 is required for growth. In Dec 2014 it was 93.1

Source: The Conference Board

**BRANSON**

# CONSUMER CONFIDENCE



*The December Index of 93.1 is the highest December figure recorded since December 2006.*

Source: The Conference Board

U.S. Unemployment Rate stands at 5.6%, the lowest it has been since June 2008.

*In 2014, the unemployment rate dropped from 6.7% to 5.6%.*

**5.6%**

**Dec 2014,  
falling 16.4% in  
2014**



Source: Bureau of Labor Statistics

U.S. Gasoline Prices averaged \$2.49 in December, down 22% compared to the same time the previous year.



Source: U.S. Energy Information Administration

**-22.5%**  
vs. Dec 2013

EIA reports that  
gasoline prices  
averaged \$2.49 in  
December.

The DJIA closed at 17,823 in December 2014.



**+7.5%**

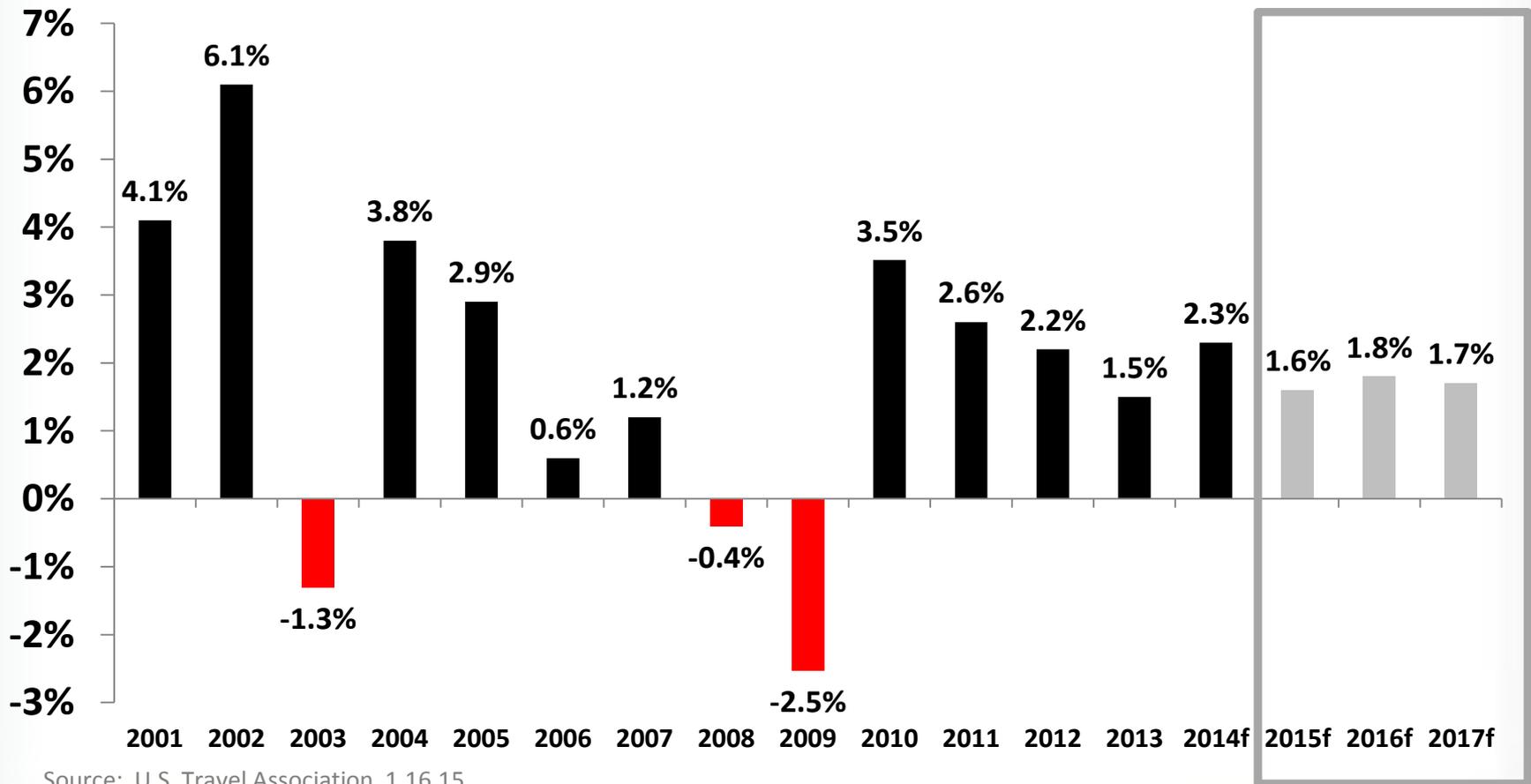
**In 2014**

The DJIA hit  
17,823 in  
December, up  
from the 16,577  
close in December  
2013

Source: Dow Jones Industrial Average

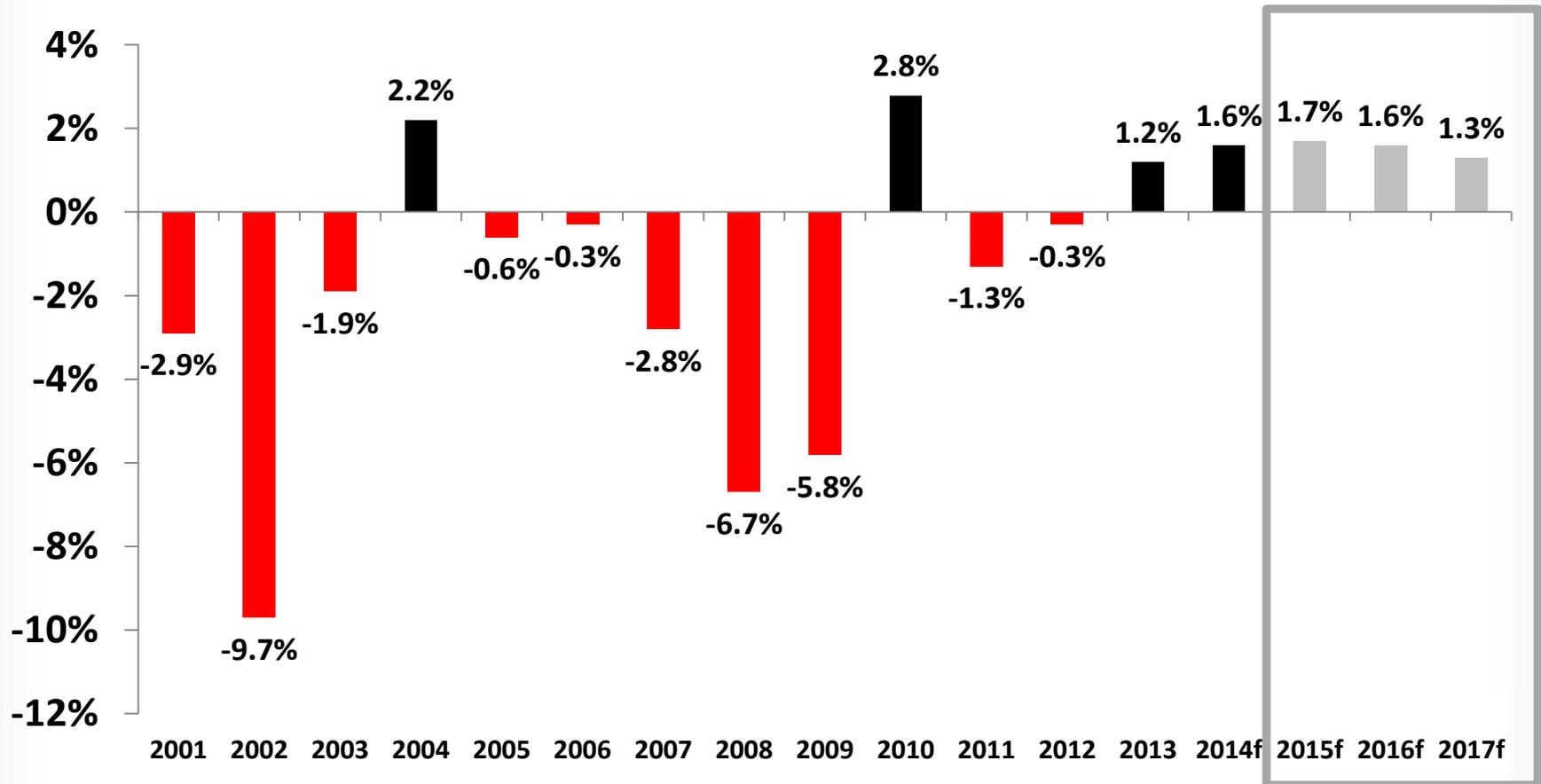
# U.S. TRAVEL PERFORMANCE

The U.S. Travel Association estimates Leisure Travel was up 2.3% in 2014 and is forecast to increase by 1.6% in 2015.



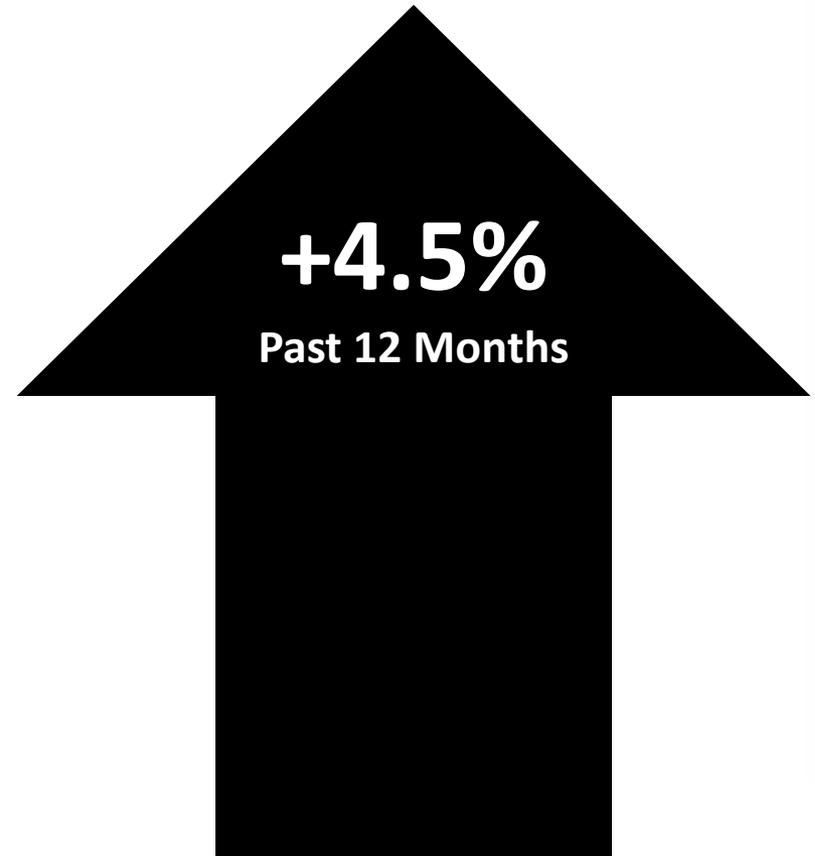
Source: U.S. Travel Association, 1.16.15

Business travel volume is estimated to have increased by 1.6% in 2014 and is projected to grow 1.7% in 2015.



Source: U.S. Travel Association, 1.16.15

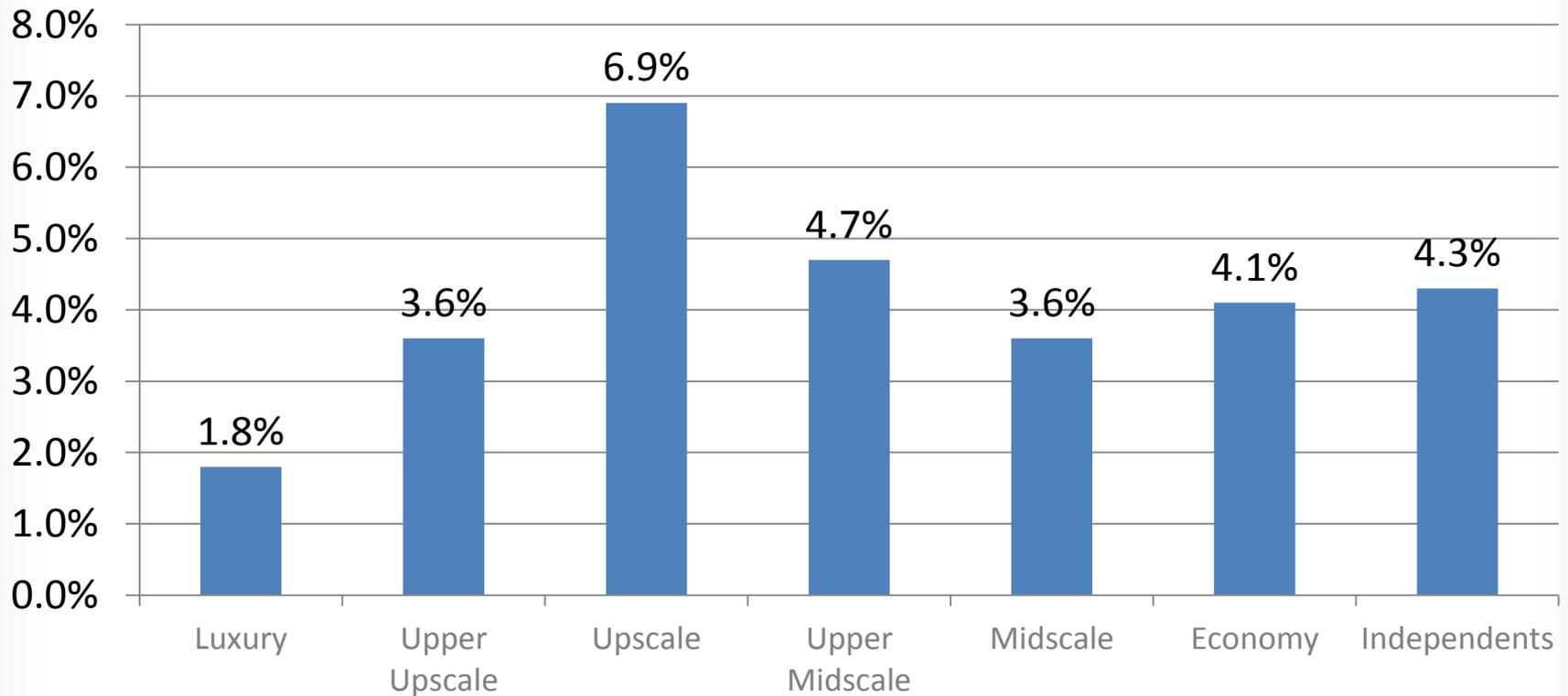
Nationwide, room demand was up 4.5% over the previous 12 month period at the end of December.



Source: Smith Travel Research, September 2014

# U.S. room demand varied by chain scale in 2014 with upscale and upper midscale growing by the largest amount.

*EOY Variance in Room Demand by Chain Scale*



Source: Smith Travel Research, December 2014

# TRAVEL INDUSTRY UPDATE

# TRAVEL INDUSTRY OVERVIEW

## U.S. Economy & Travel Growth

- Domestic travel rose an estimated 4.5 percent in 2014, based on STR hotel room night demand data. This was better than the 2.2 percent growth in 2013 and the 3 percent growth in 2012 - though below the 5 percent growth in 2011.
- Year to date (November) shows air passenger enplanements up 2.8 percent. In addition to this growth, load factors finished the year at 1.3 percent. That growth, combined with a drop in jet fuel prices helped airlines collect record revenues and profits for the fourth quarter.
- Travel pricing increases continued to be good news for the travel industry.

# TRAVEL INDUSTRY OVERVIEW

## Forecast 2014

- With a strong dollar and low energy costs, inflation is likely to run below 2 percent for the next couple of quarters.
- Domestic hotel occupancy in 2014 was 64.4 percent, up from 62.2 percent the previous year (and 61.3 percent the year before that). With a 4.6 percent growth in ADRs, RevPAR held up well (+8.6%). Luxury led all chain scales with 5.6 percent rate gain over last year.
- Disposable income continues a positive growth - a sign that leisure and hospitality spending will continue well into summer and perhaps beyond.
- Gasoline prices continue to decline, making drive-to destinations an easy value play for consumers.

# TRAVEL INDUSTRY OVERVIEW

## MMGY's Outlook:

- Airlines are not likely to decrease fares despite a drop in jet fuel prices. While not necessarily good for consumers in the short term; we're encouraged that carriers will reinvest profits back into the product - creating a greater flying experience.

Travel Industry Indicators' guidance for 2015, based on what they see for the travel industry, suggest the following:

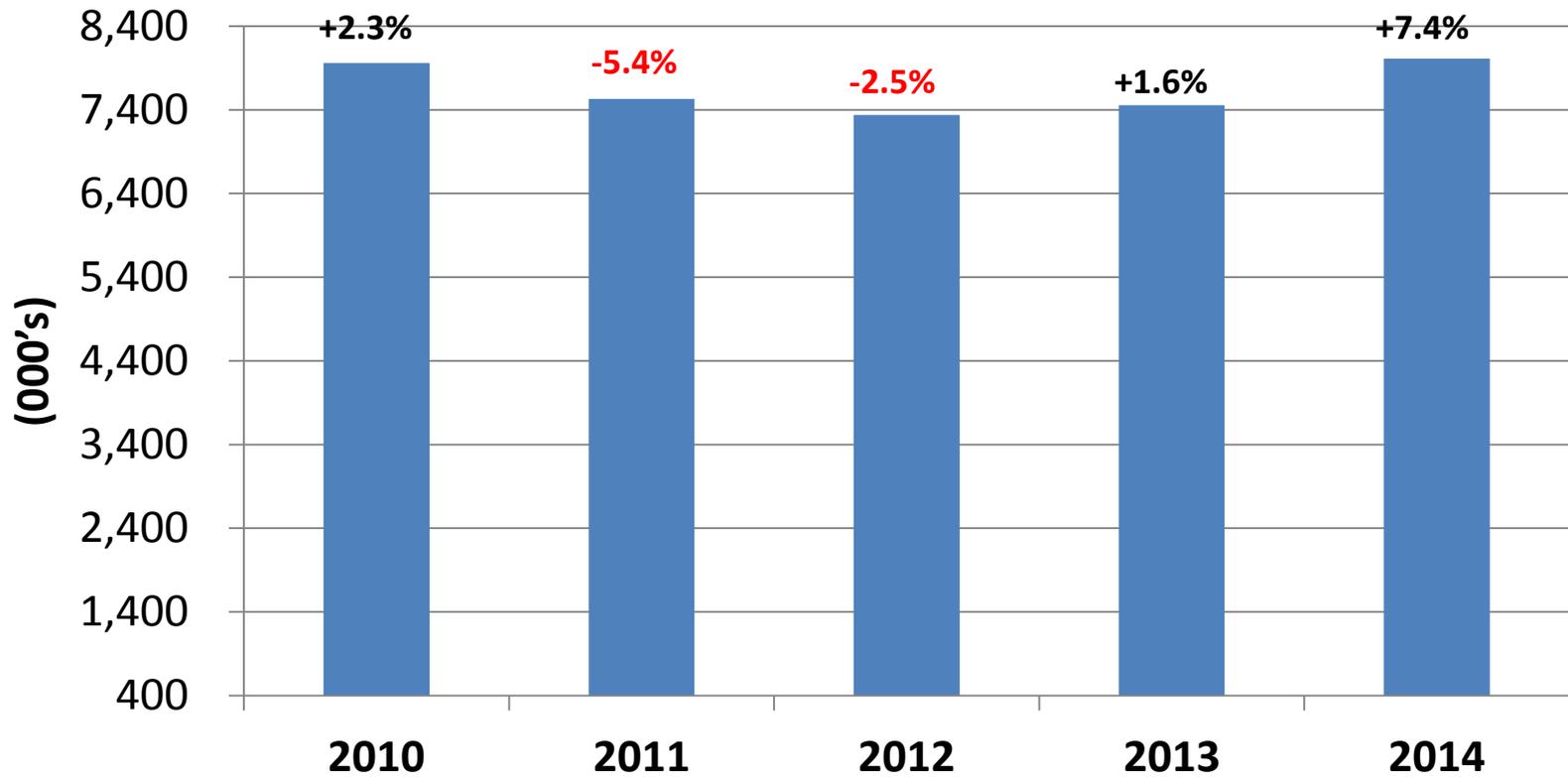
- Lower gasoline prices will lead to an increase in disposable income. It is estimated that this will equate to annual savings of \$3,000 per family per year. That savings will translate into more than a few additional weekend getaways. The question is whether this will benefit destinations like Branson, or will provide a bigger lift to places like Orlando, Washington D.C. or New York City.

The background is a dark green color with a subtle, repeating pattern of leaf silhouettes, likely maple leaves, in a slightly lighter shade of green. The leaves are scattered across the frame, creating a textured, organic feel.

# BRANSON 4Q 2014 PERFORMANCE

# BRANSON ESTIMATED VISITATION

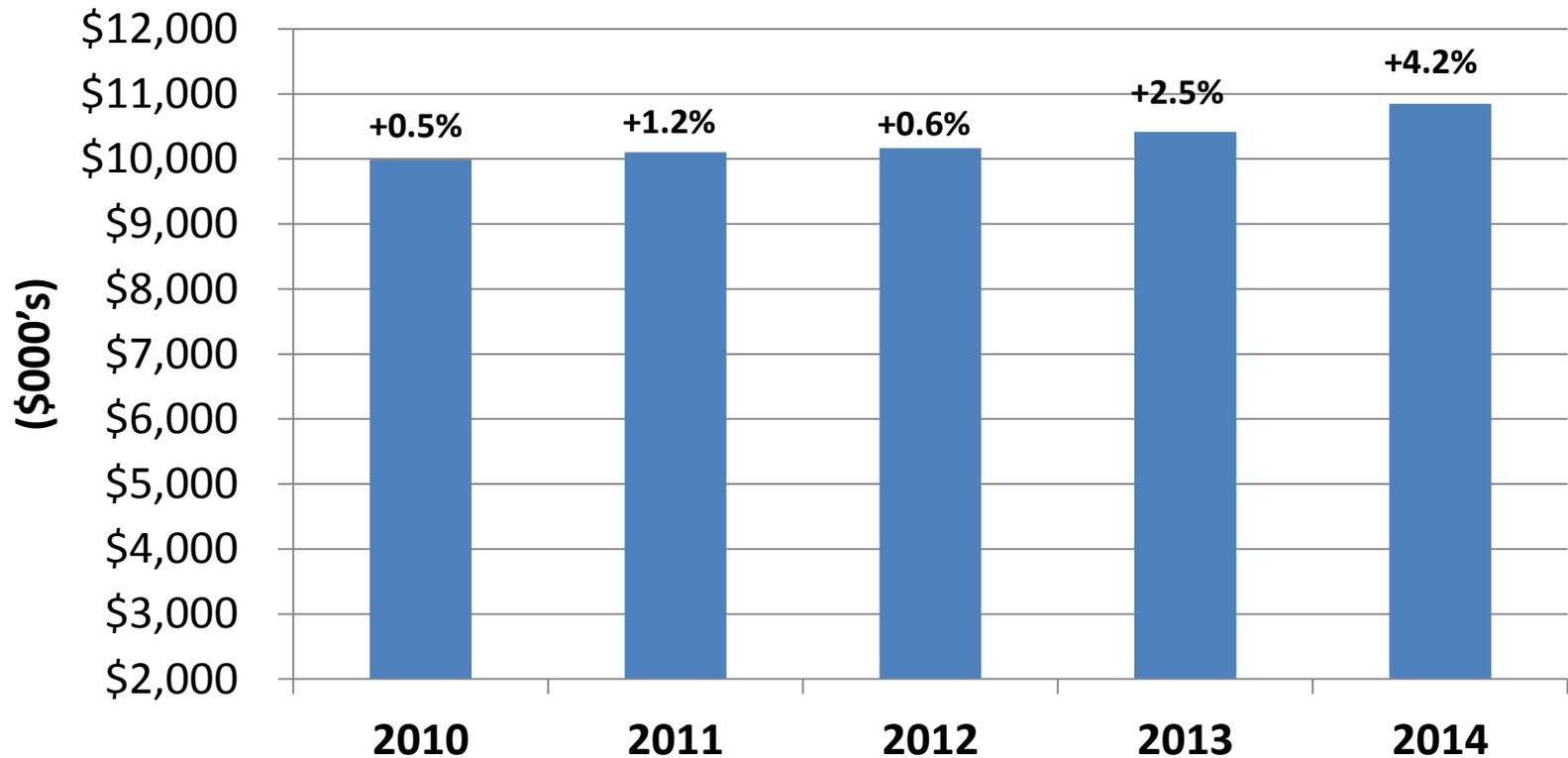
2014 End of Year



BASE = 7.0M (2000, DKSA)

# CITY OF BRANSON SALES TAX

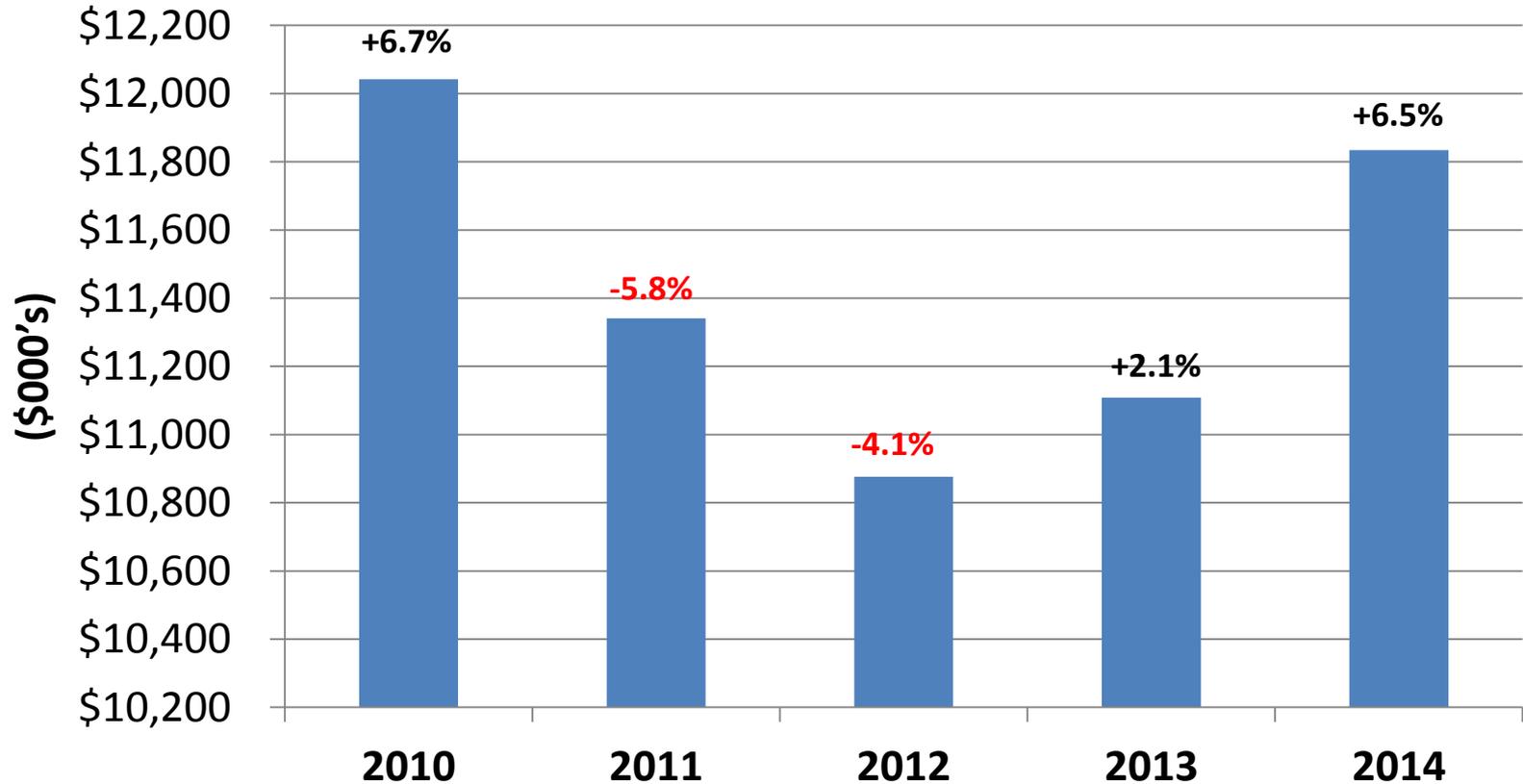
2014 End of Year



Source: City of Branson

# CITY OF BRANSON TOURISM TAX

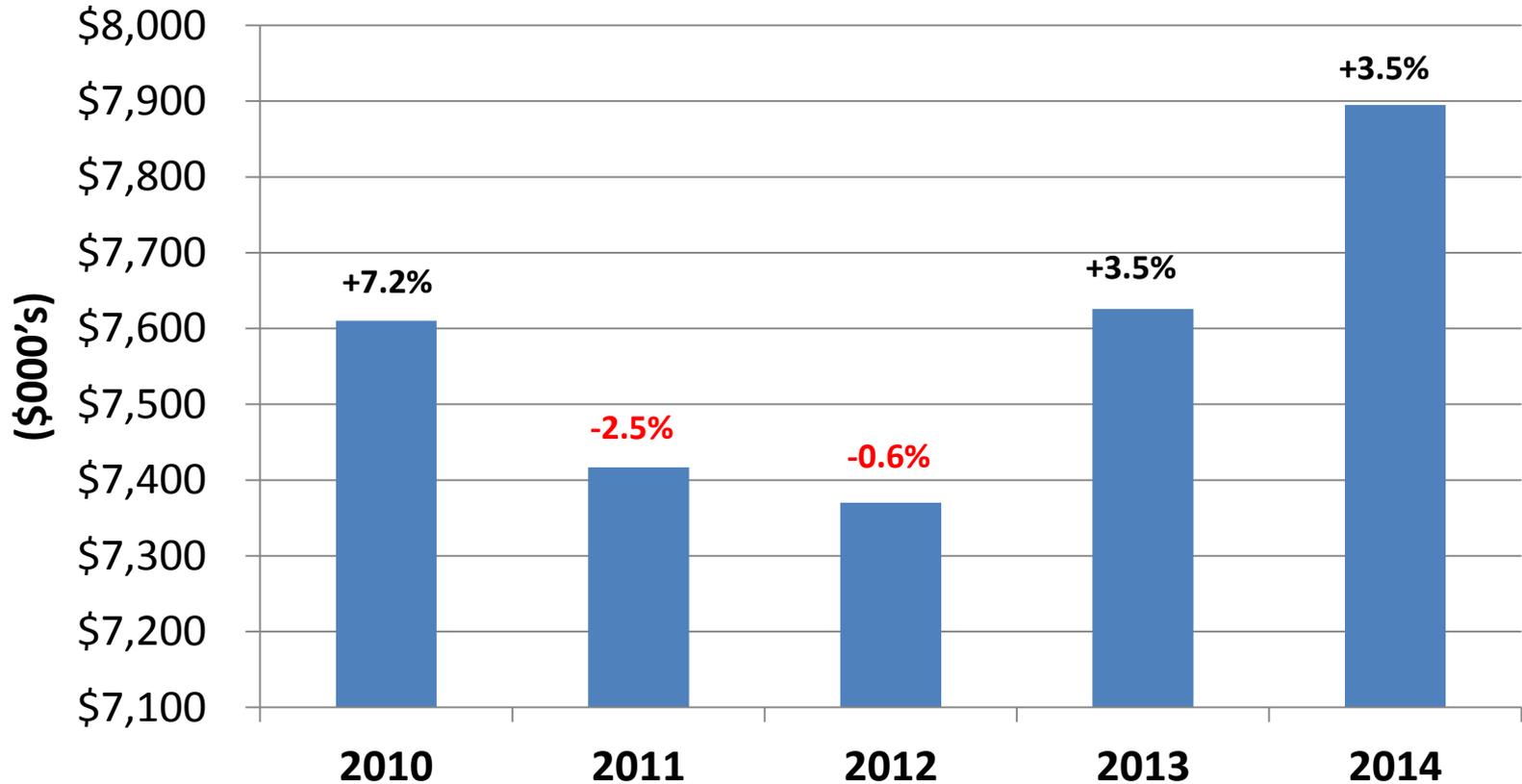
2014 End of Year



Source: City of Branson

# TCED TOURISM TAX

2014 End of Year

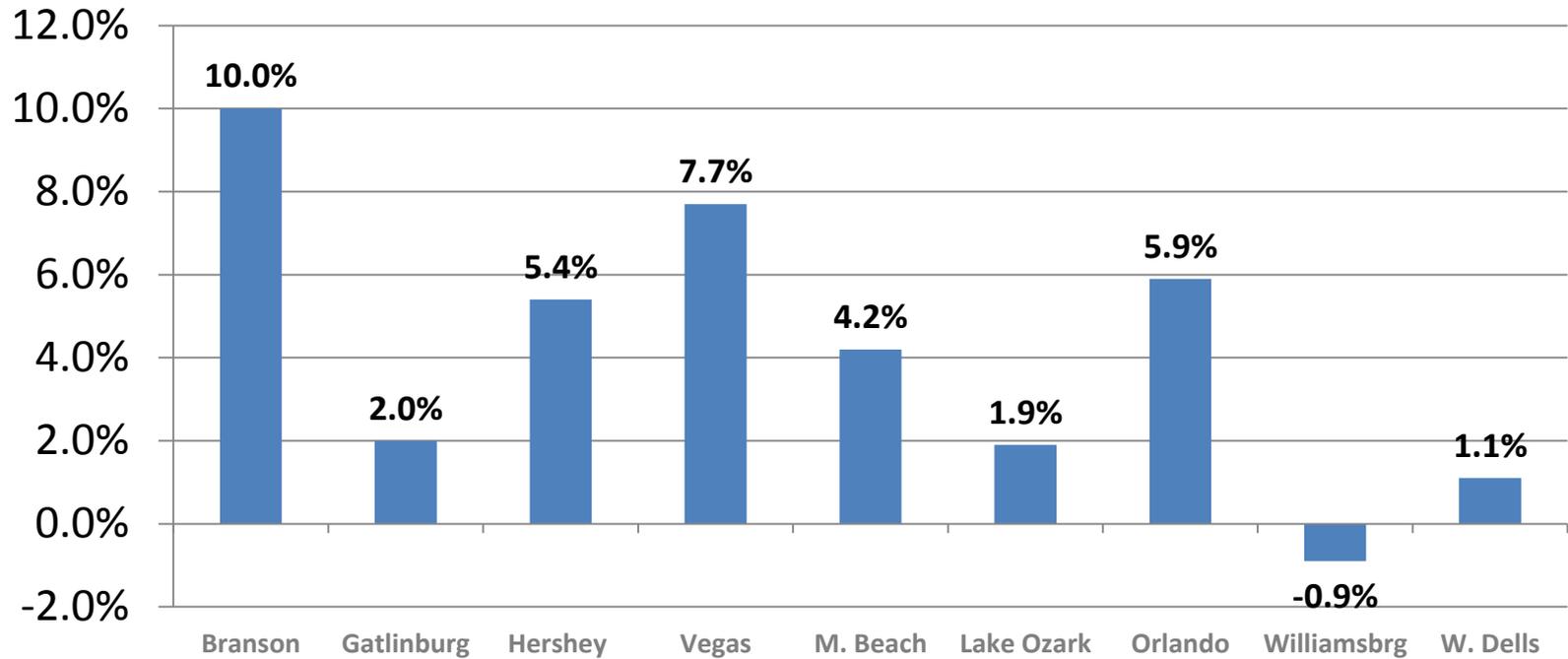


Source: TCED

# ROOM DEMAND COMPARISON

2014 End of Year

*YOY Variance in Room Demand*



Source: Smith Travel Research, December 2014

# BRANSON VISITOR UPDATE

# 2014 VERSUS 2013

## Branson Visitor Profile Insights (2014 EOY)

	<u>2014</u>	<u>2013</u>	<u>VAR</u>
Spending per party	\$916	\$982	-\$66
First-time visitors	21.7%	25.2%	-3.5%
% Families	36.6%	35.6%	+1.0%
Average adult age	59.2	58.2	+1.0
Length of stay	4.3	3.9	+0.4
% Saw shows	77.0%	80.6%	-3.6%
Avg. # shows seen	3.51	3.31	+0.20

Source: BCVB Visitor Profile Research; H2R Market Research

# 2014 VISITATION BY MARKET

## DMA Report Findings (2014 EOY)

% of Visitors	Market	Var. to 2013*
14.4%	Core Market (0-100 miles)	+1.6%
28.1%	Primary Markets (101-300 miles)	+16.3%
26.1%	Outer Markets (301-650 miles)	+5.2%
31.3%	National Markets (651+ miles)	+5.3%
100.0%	Total	+7.4%

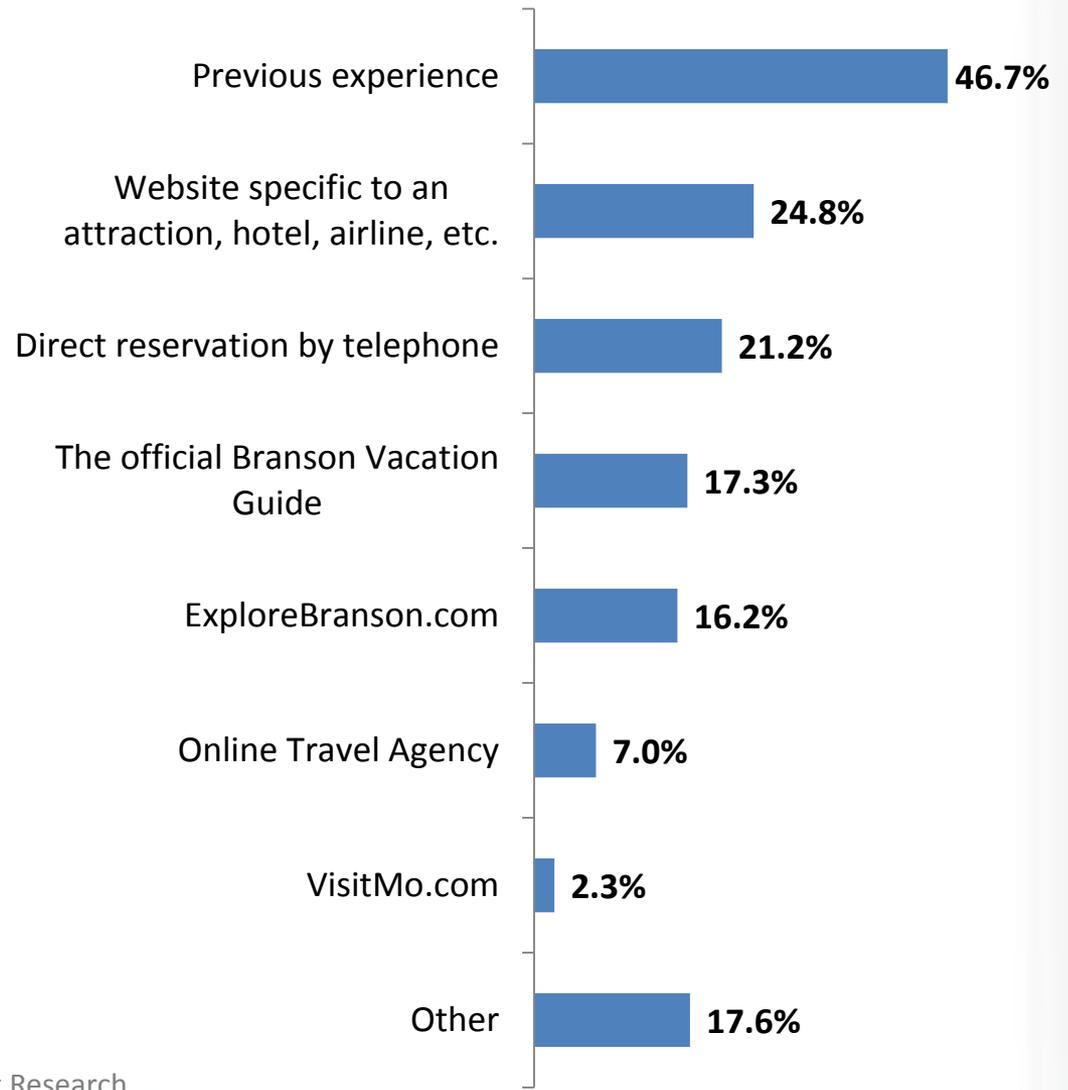
Source: BCVB Visitor DMA Report; H2R Market Research

*\*Weighted by estimated visitation*

## Planning Sources

Branson visitors say the source most often used to help them research and plan their trip to Branson is their own previous experience, visiting specific websites of area attractions, hotels, etc. or making a direct reservation by telephone.

### Sources Used to Plan Branson Trip



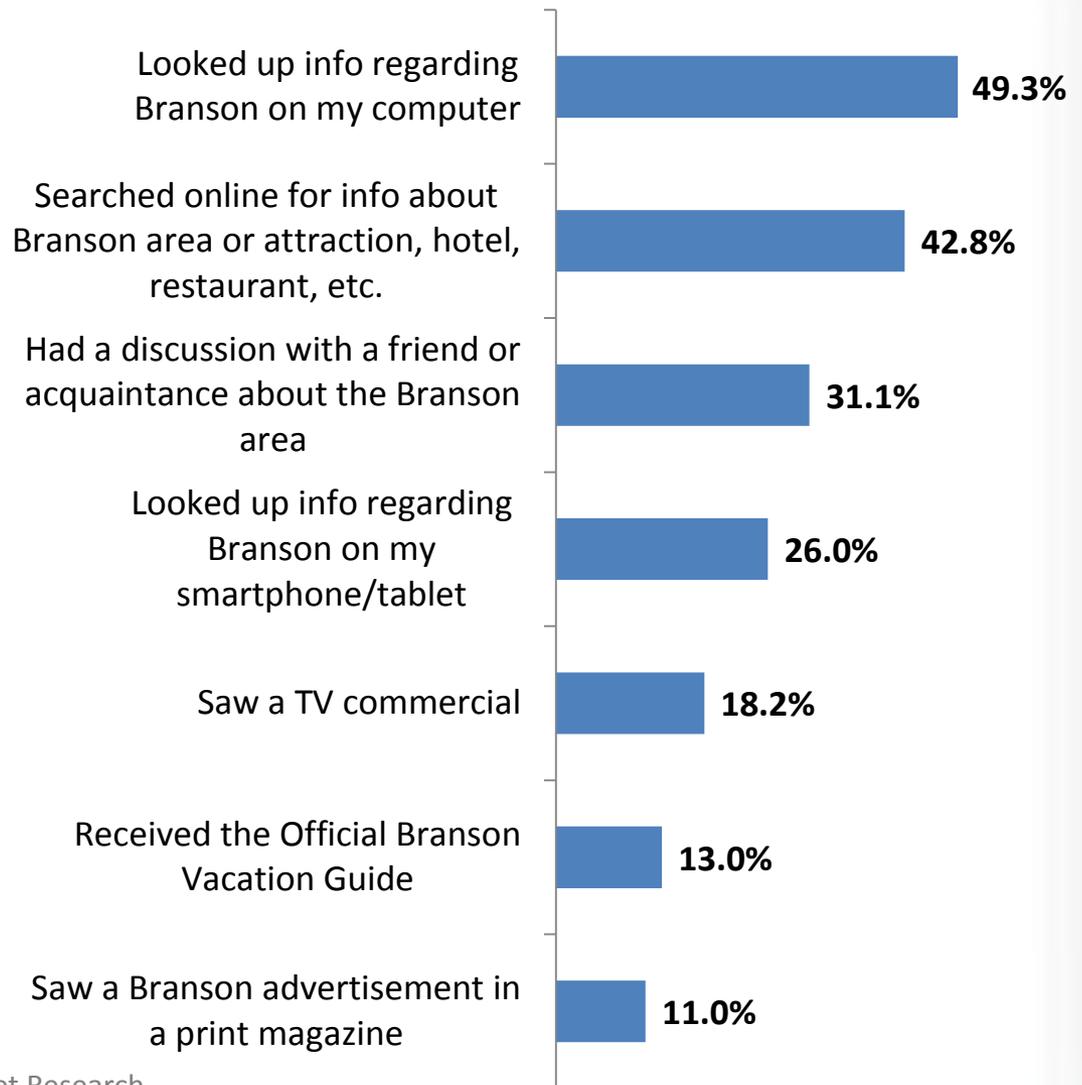
Source: BCVB Visitor Profile Research; H2R Market Research

## Branson Messages Received

Branson visitors say they are most likely to have received Branson messages by searching online at home via computer, talking with friends, using their smartphone to search for information or saw a television ad.

*[The list to the right includes all sources that generated an incidence of 10% or more.]*

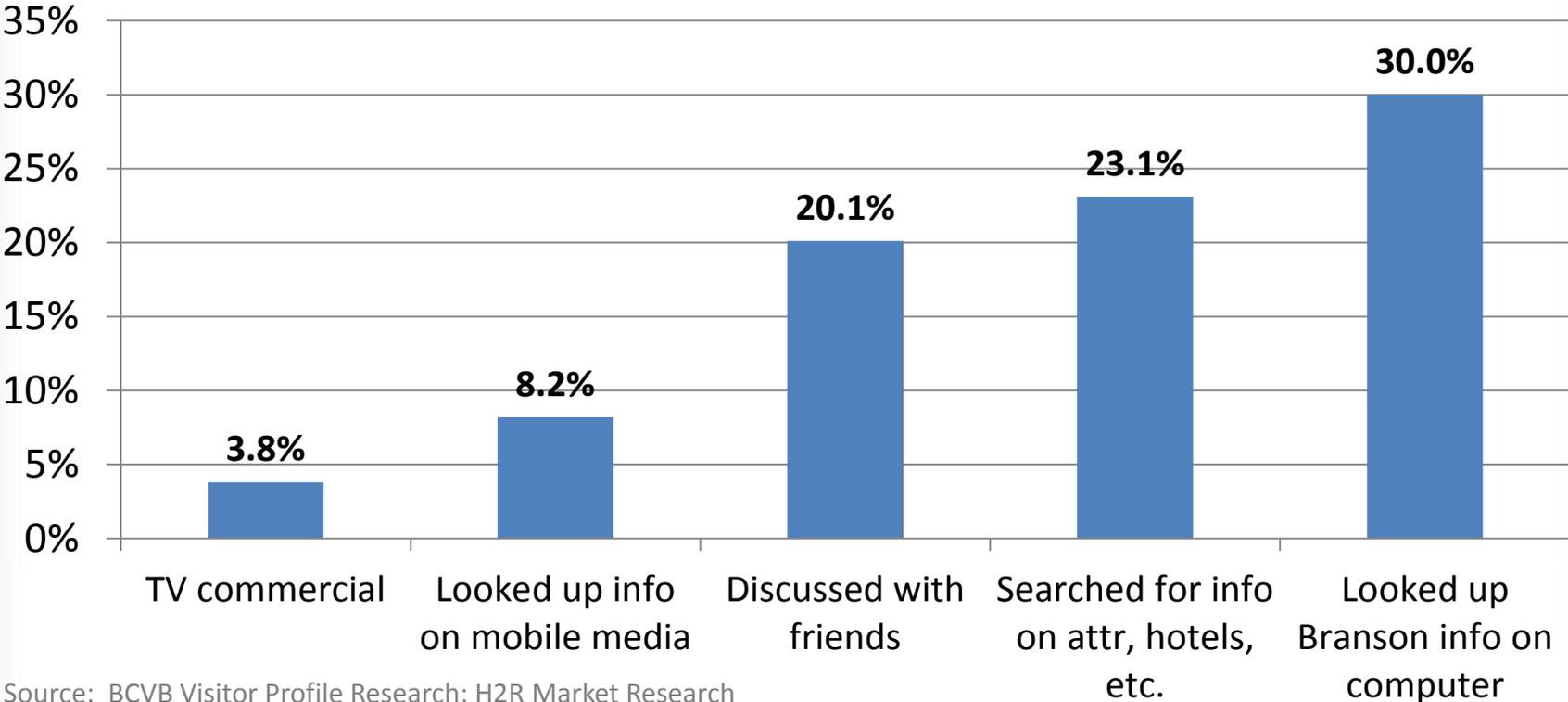
### Sources from Which Messages Received



Source: BCVB Visitor Profile Research; H2R Market Research

# MOST INFLUENTIAL MESSAGE SOURCES

Visitors say they are most influenced by messages they get by looking up information about Branson, or specific businesses, from their computers at home—or from talking with friends.

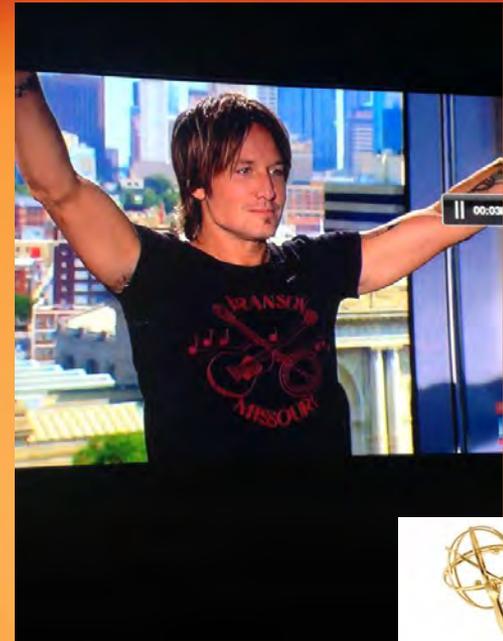


Source: BCVB Visitor Profile Research; H2R Market Research

# DEPARTMENT UPDATES

# Public Relations

- US Family Guide Bloggers Fams (4x)
- American Idol Bus in Branson!
- *Golf Vacations* article (1MM circ.)
- Rudy Maxa's World, #1 radio travel show with 1.4 million listeners (2x)
- Presenting co-sponsor at Mid-America Emmy awards
- Ballparks of America story by Associated Press
- Most Wonderful Time of Year parade broadcast in 4-states



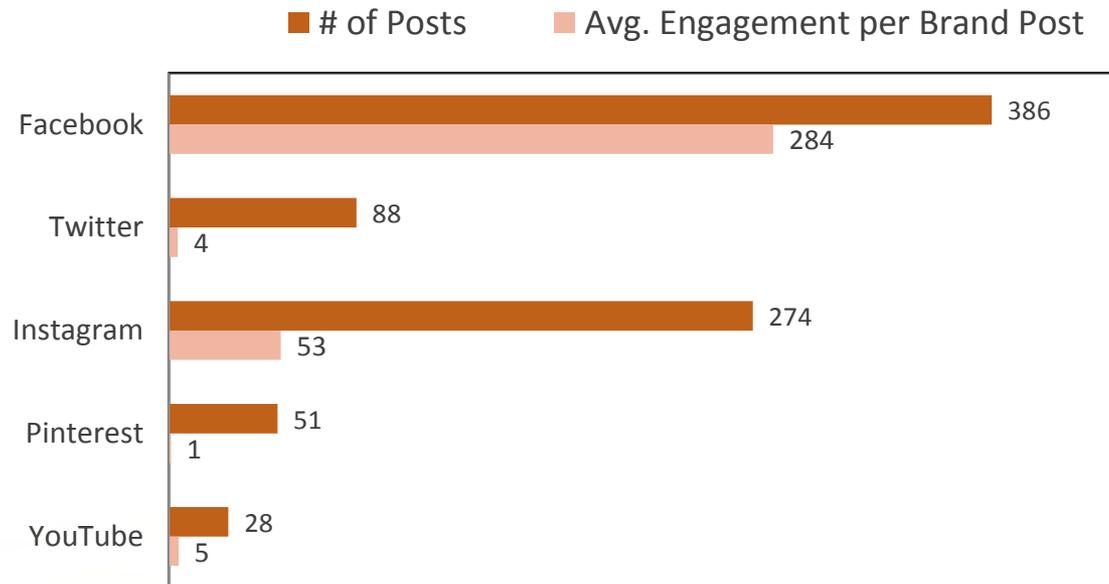
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# Leisure Group Sales

- Goal: Increase RFPs by 10% - Actual - Increased by 25%!
- Goal: Increase RFIs by 10% - Actual - Increased by 14.7%!
- Goal: Increase web traffic to groups pages by 10% -  
Actual- Increased by 35.35%!
- Goal: FAM satisfaction rate of 85% or higher
  - April - Professional Travel Planner FAM - 100%
  - June - Music Director FAM - 99.08%
  - August - Military Reunion Planners Conference - 99.08%

# Social Media

- Social audiences grew to a total of 155k in 2014.
- 827 outbound posts were made on social channels between Jan. 1 and Dec. 31, 2014 with an average of 150.3 engagements per post.



# Social Media

- Largest Promotion of 2014 - Ozark Mountain Christmas Gift Giveaway
  - Social Engagements: 66,046
  - New Facebook Likes: 11,092
  - Contest Entries: 12,531
  - Email Opt-Ins: 9,946

**BRANSON** Explore Branson  
Sponsored · 🌐

Enter by Nov. 14th to win an overnight stay & Christmas entertainment package in Branson!



**Win A Christmas Gift!**

Win a weekend getaway with a 2-night stay at the Welk Resort, 4 tickets to Silver Dollar City for An Old Time Christmas, 2 tickets to the Hughes Brothers Christmas Show & dinner at McFarlain's.

WOBOX.COM

# Internet Marketing

- 2014 Highlights
  - ExploreBranson.com reach: 1.4 million (+7.6%)
  - Facebook reach: 3.8 million (-32.2%)
  - Twitter reach: 7.8 million (+318.1%)
- 2015 Plans
  - Launch new website in Feb. 2015
  - Greatly expanded content-creation plans
  - Increased emphasis on social media advertising, outreach to social influencers

# Meetings & Conventions

YTD Comparison	Meetings, Conventions & Sports	Year to Date 2014			Year to Date 2013		
		Sales Activity*	RFPs	Total	Sales Activity*	RFPs	Total
	ASSOCIATION	646	56	702	578	42	620
	CORPORATE	408	20	428	346	34	380
	RELIGIOUS	395	46	441	226	30	256
	SMEF	260	36	296	169	40	209
	SPORTS	282	41	323	195	34	229
	<b>TOTALS</b>	<b>1,991</b>	<b>199</b>	<b>2,190</b>	<b>1,514</b>	<b>180</b>	<b>1,694</b>

We distributed 10% more RFPs in 2014 over the previous year.

Sales activity increased by 31% in 2014 over the previous year.

26,250 room nights were booked from CVB leads in 2014 (24,471 in 2013).

# Looking Ahead

- Brand Re-positioning
- Bass Pro Legends of Golf (April 22-26)
- Travel South
- Western Chapter SATW (May 9-13)
- Diva's Half Marathon & 5K (May 17)
- SYTA Conference (August 26-31)
- CenStates TTRA (Sept 15-17)

# 2015 Marketing Plan

Branson Convention & Visitors Bureau

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# 2015 MARKETING

## GOAL A:

*Position Branson as the top choice in consumer consideration set for meaningful, memorable and wholesome vacations.*

## Objectives:

1. Generate an advertising ROI of \$XX through increased incremental visitation and spending.
2. Increase “intent to visit” across all tiers, focusing specifically on growing Tier 1 and Tier 2, returning Core markets visitation to 2010 levels (1.3M).
3. Increase Advertising Awareness across paid and earned media channels.
4. Increase first-time visitors as a percentage of the visitor profile.

## **GOAL B:**

*Enhance and improve consumer perception of Branson.*

## **Objectives:**

1. Build budget and timeline for brand repositioning.
2. Develop a refreshed or new logo and tagline and corresponding creative campaign.
3. Establish ongoing brand equity metrics.

## **Goal C:**

*Grow Branson's position as a year-long, multi-season vacation destination.*

## **Objectives:**

1. Enhance shoulder season opportunities and extend the invitation further.
2. Leverage special events and limited engagements to drive visitation from “inactives.”

## **Goal D:**

*Enhance the effectiveness of and generate strong demand for Branson CVB's owned media channels.*

## **Objectives:**

1. Produce high quality publications to fulfill consumer and business needs.
2. Employ necessary updates and changes to ExploreBranson.com to align our website with traveler needs and expectations.

# DIGITAL & SOCIAL

## **Goal A:**

*Use digital media to inspire, inform and convert Branson visitors.*

## **Objectives:**

1. Provide a flexible and effective user experience on ExploreBranson.com.
2. Provide content and messaging that encourages new and repeat visitation.
3. Optimize and maximize investment of time and resources in social channels.
4. Foster relationships with social influencers to increase awareness/consideration of Branson as a vacation destination.
5. Implement a robust digital marketing strategy that coordinates and integrates advertising across all digital media, including desktop, mobile and social channels.
6. Provide ongoing customer service and engagement through digital channels.

# PUBLIC RELATIONS

## **Goal A:**

*Generate positive, new coverage of the Branson/Lakes Area in regional and national news outlets.*

## **Objective:**

1. Generate \$15 million in advertising equivalency as evaluated by a national monitoring service, representing a 40:1 ROI.

## **Goal B:**

*Host professional travel writer and outdoor journalists' conferences.*

## **Objective:**

1. Offer a reason for journalists who have never been to Branson to experience the Branson/Lakes Area.



# LEISURE GROUP SALES

**Goal A:** Increase the number of leisure groups to the Branson/Lakes Area.

**Objectives:**

1. Increase RFPs by 10% from 2014
2. Increase qualified FAM attendees by 10% from 2014

**Goal B:** Grow the effectiveness of Leisure Group earned media channels.

**Objectives:**

1. Increase web traffic by 10% from 2014
2. Increase RFI's by 10% from 2014
3. Increase sale kits distribution by 10%

**Goal C:** Partner and communicate with hospitality stakeholders to grow group business to Branson.

**Objectives:**

1. Increase partner participation in key sales events (FAMs, tradeshow, etc.) by 10% percent
2. Prepare 2015 calendar of key events, meetings and deadlines for partners.

# MEETINGS & CONVENTIONS

**Goal A:** Increase the number of meetings and conventions in the Branson/Lakes Area.

**Objectives:**

1. Increase qualified RFPs by 5% over 2014.
2. Increase definite room nights by 5% over 2014.
3. Increase community awareness about the importance of meetings & conventions. Measure meetings booked through Meet Me in Branson.
4. Increase PR exposure with editorial coverage in meeting & convention trade publications. Benchmark ad equivalency.
5. Increase web presence, search engine marketing and social media efforts to reach more meeting planners. Track page view traffic, keyword optimization, RFP production on site and social engagement.

**SPORTS**

**Goal A:** To increase the number of sporting events and participation in the Branson/Lakes area.

**Objectives:**

1. Increase the number of qualified RFPs by 5% over 2014 (numbers are combined with M&C).
2. Increase definite room nights by 5% over 2014 (numbers are combined with M&C).
3. Increase recognition of Branson as a destination for Athletic/Sports events on a National level.
4. Educate community on the economic impact of sports events.
5. Develop and oversee LOC's for the sports our community chooses to host