

# BRANSON 1<sup>st</sup> QUARTER 2015 MARKETING REPORT

Branson Convention & Visitors Bureau

BRANSON

# PRESENTATION OVERVIEW

U.S. Economic Outlook

U.S. Travel Performance

Travel Industry Update

Branson 1Q 2015 Performance

Branson Visitor Update

# ECONOMIC OUTLOOK

Consumer Confidence reached 101.3 in March, up 8.8% this year.



**+8.8%**

**Year-to-Date**

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**

# U.S. Unemployment Rate stands at 5.5%, the lowest it has been since June 2008.

*In 2015, the unemployment rate has dropped from 5.6% to 5.5%.*

**5.5%**

**Mar 2015, down  
from 5.6% at EOY**



Source: Bureau of Labor Statistics

U.S. Gasoline Prices averaged \$2.35 in March, down 33% compared to the same time last year.

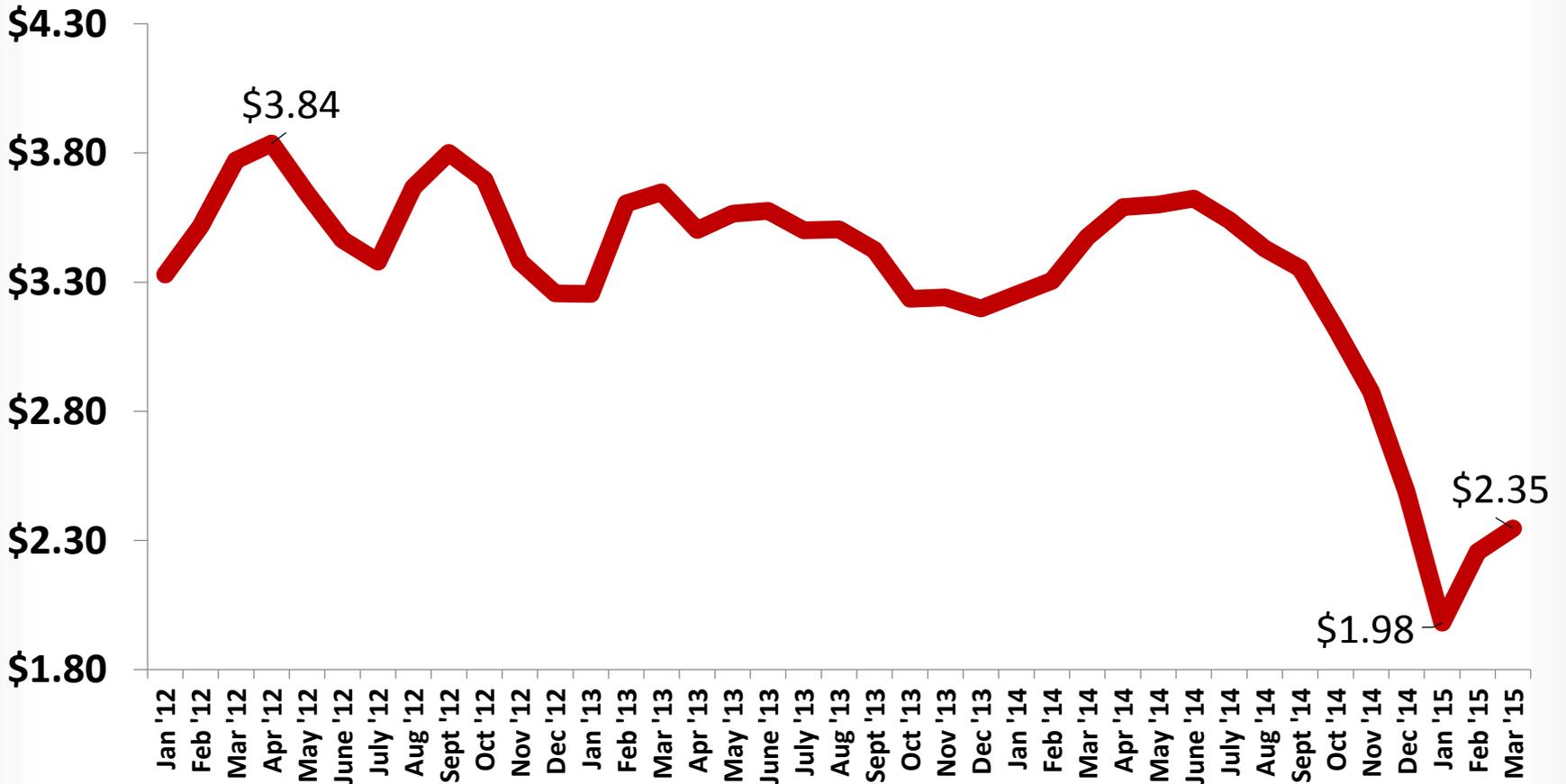


Source: U.S. Energy Information Administration

**-33.3%**  
vs. Mar 2014

EIA reports that  
gasoline prices  
averaged \$2.35 in  
March.

# HISTORY OF U.S. AVERAGE GASOLINE PRICES



Source: U.S. Energy Information Administration

The DJIA closed at 17,976 in March 2015.



Source: Dow Jones Industrial Average

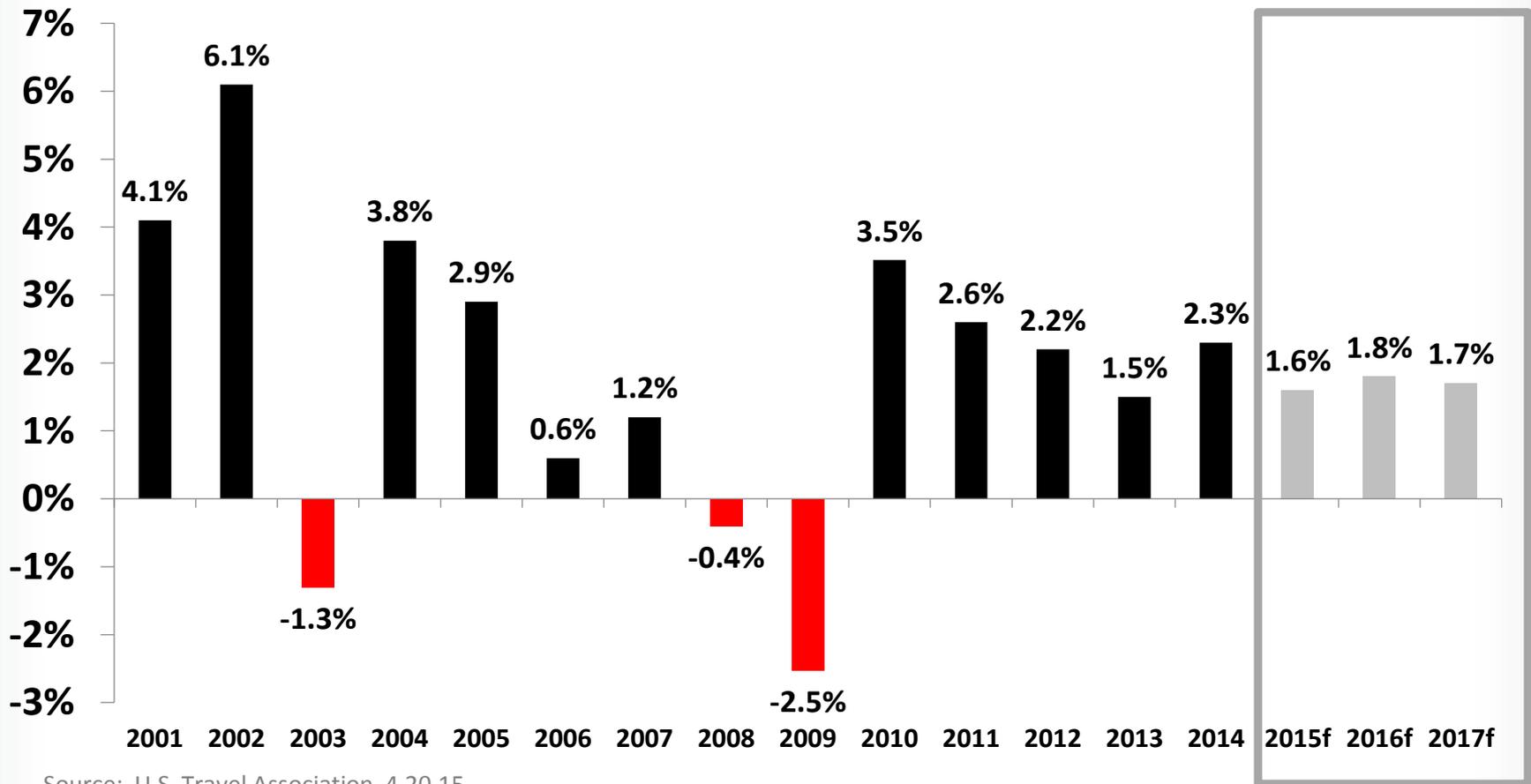
**+0.9%**

In 2015

The DJIA hit  
17,976 in March,  
up from the  
17,823 close in  
December 2014

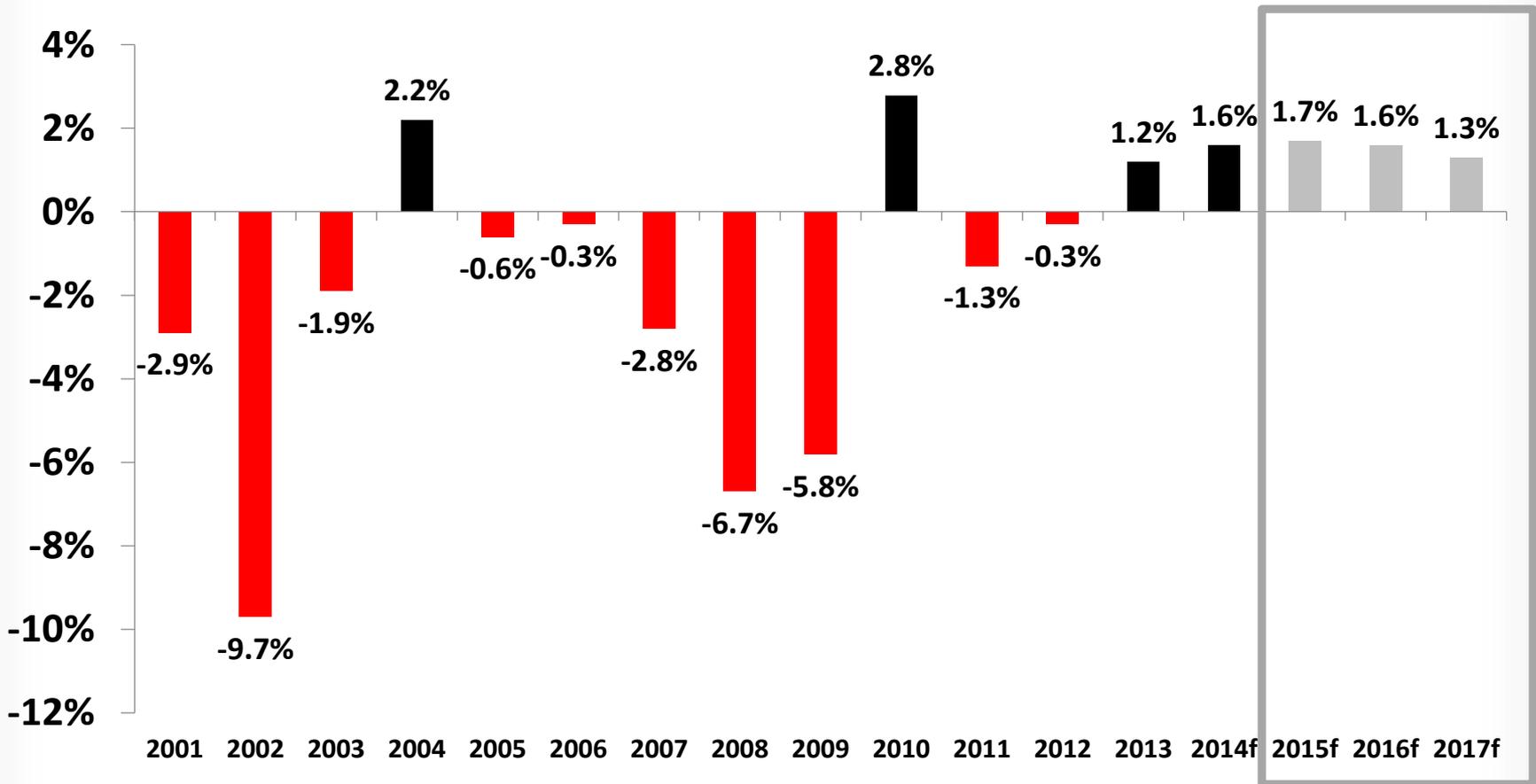
# U.S. TRAVEL PERFORMANCE

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



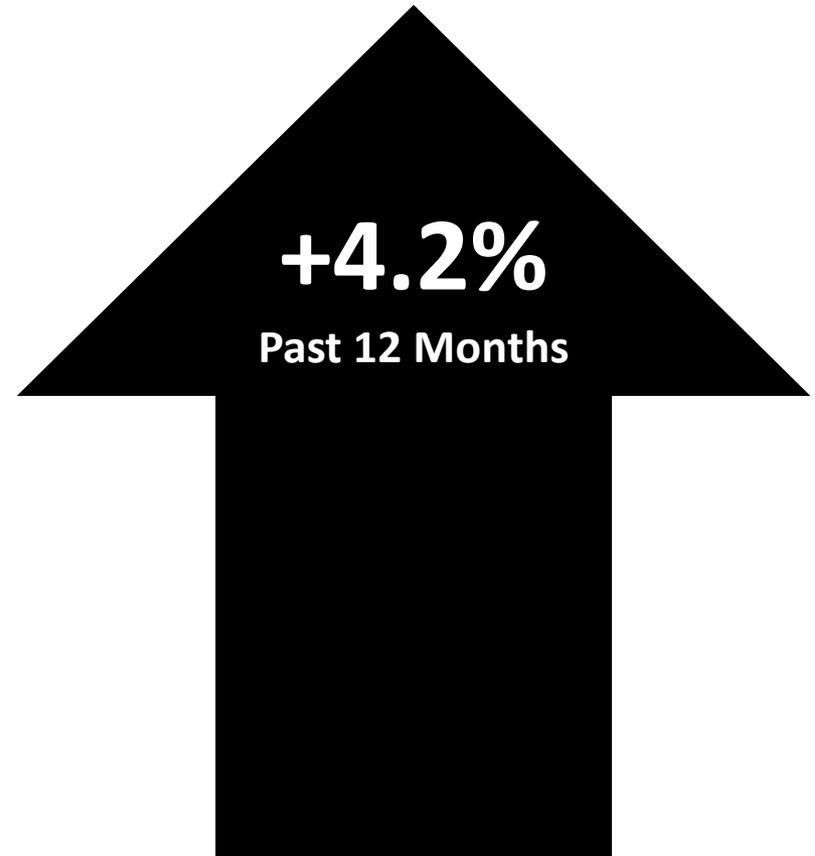
Source: U.S. Travel Association, 4.20.15

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, 4.20.15

Nationwide, room demand was up 4.2% over the previous 12 month period at the end of March.



Source: Smith Travel Research, March 2015

# TRAVEL INDUSTRY UPDATE

# TRAVEL INDUSTRY OVERVIEW

## U.S. Economy & Travel Growth

Private sector employment is a key indicator providing insights into the strengths and weaknesses in the overall state of the economy. According to Travel Industry Indicators analyst Brian London, there has always been a close correlation between employment and tourism demand.

Employment is up 2.8% from one year ago and hiring continues to grow. Similarly, hourly consumer earnings rose to \$24.75/hour, up 2.0% over the past 12 months. Spending has leveled off, but that is viewed positively since it is an indication of higher saving rates rather than consumers purchasing fewer items.

# TRAVEL INDUSTRY OVERVIEW

## Forecast 2015:

Travel experts believe these signs all translate into positive travel intentions- with general travel indicators showing increases in hotel occupancy and airplane trips. STR continues to report monthly gains in room demand nationwide and YTD through March.

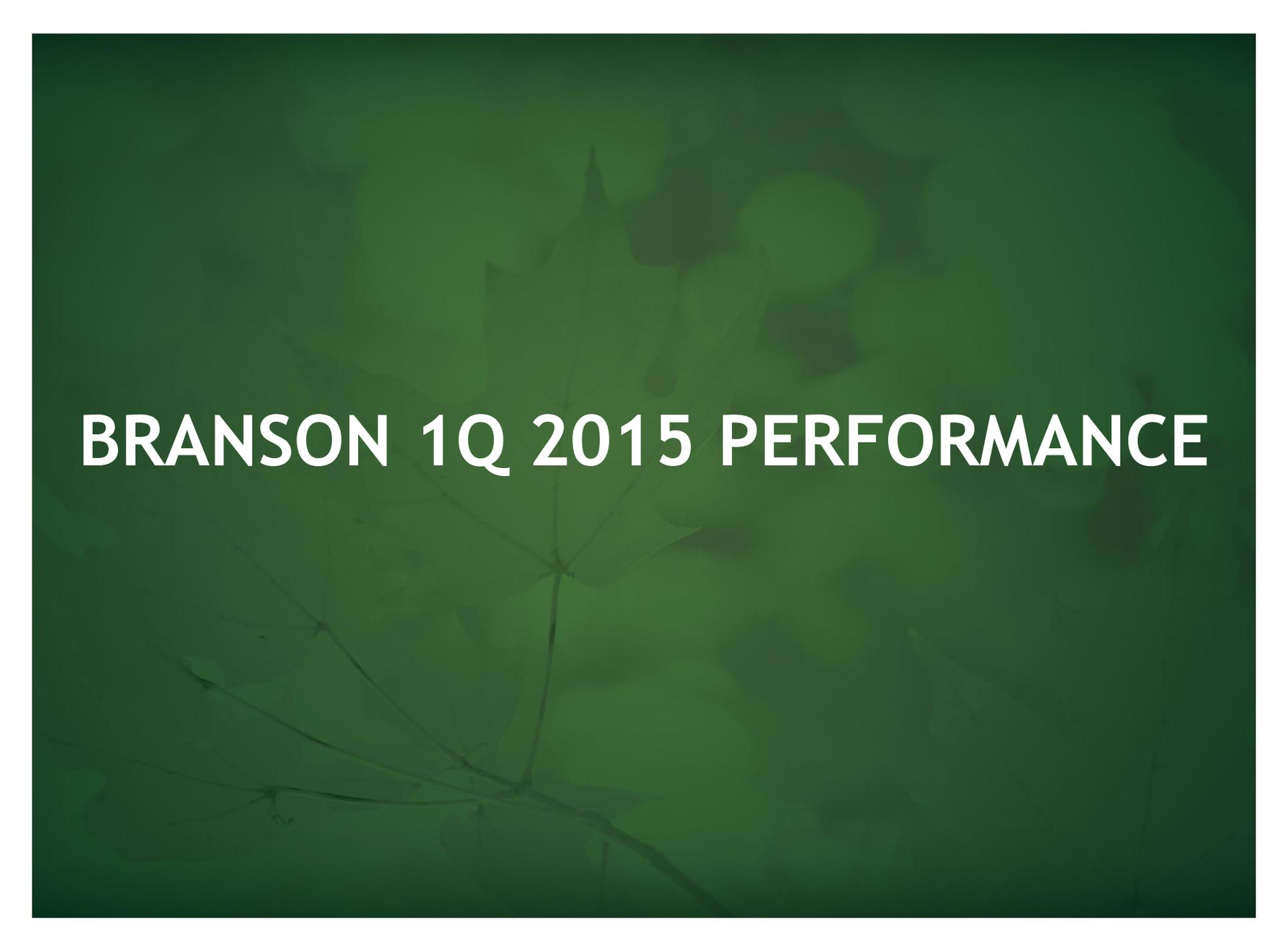
Of course, this positive momentum likely indicates that travel prices will be increasing in 2015. U.S. hoteliers are expected to hike corporate business rates from 6% to 8% this year.

# TRAVEL INDUSTRY OVERVIEW

## Forecast 2015:

Car rental companies would like to increase their rates as well. In 2014, the average corporate daily car rental rate fell 3%. At an average daily cost of \$46.89, rental car spending makes up 15% of on-the-ground costs of a business trip. In 2015, car rental firms are forecast to increase prices from 2% to 4%.

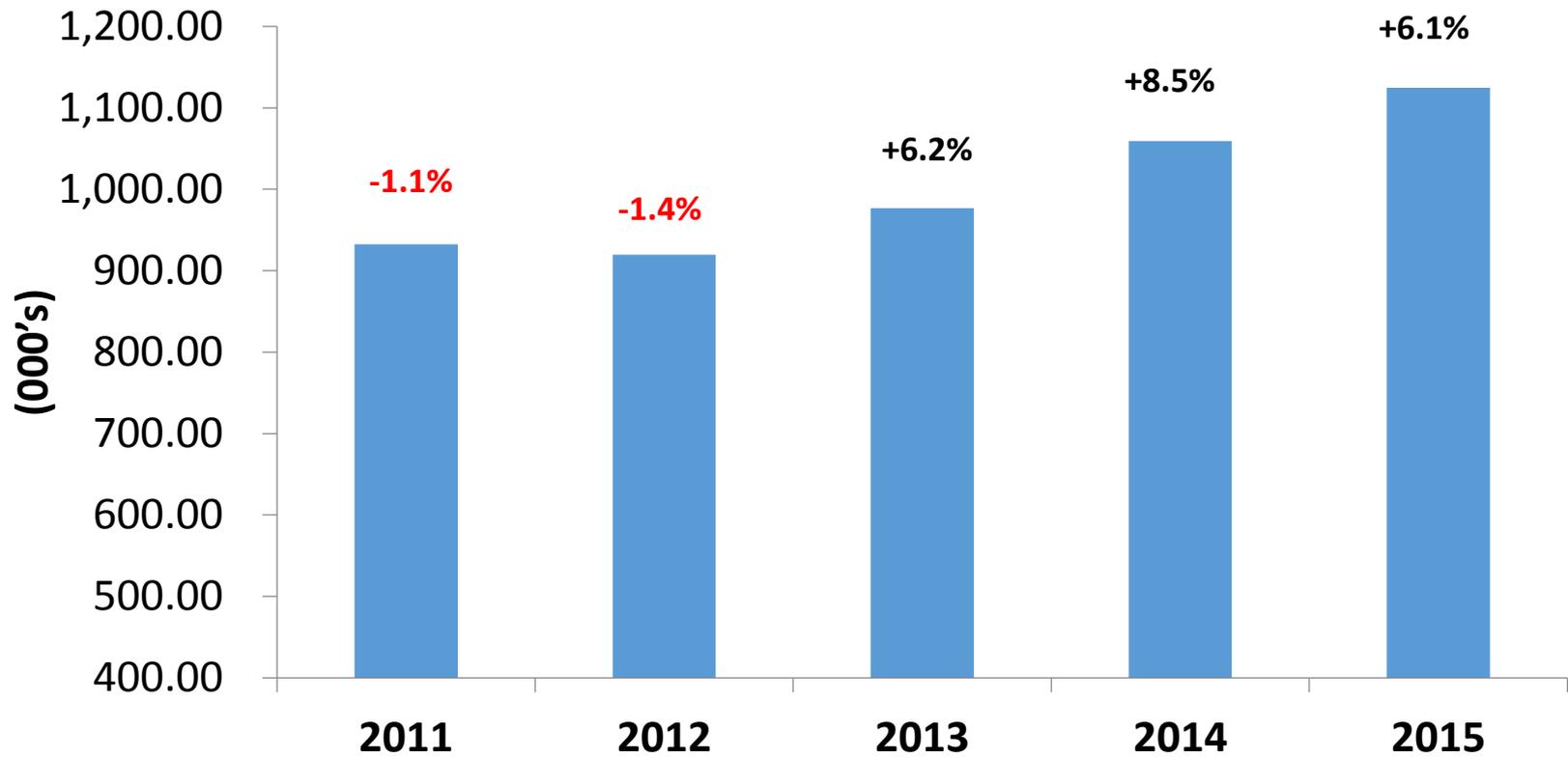
Dining accounts for 31% of daily on-the-ground business cost—and the average U.S. cost to eat three meals away from home per day was \$96.89 with some cities, of course, running much higher. It is estimated that corporate dining costs will increase 5% to 8.5% in 2015 and that transaction volume will increase 5.5%.

The background is a dark green color with a subtle, repeating pattern of leaf silhouettes. The leaves are lighter green and semi-transparent, creating a textured effect. The text is centered horizontally and vertically.

# BRANSON 1Q 2015 PERFORMANCE

# BRANSON ESTIMATED VISITATION

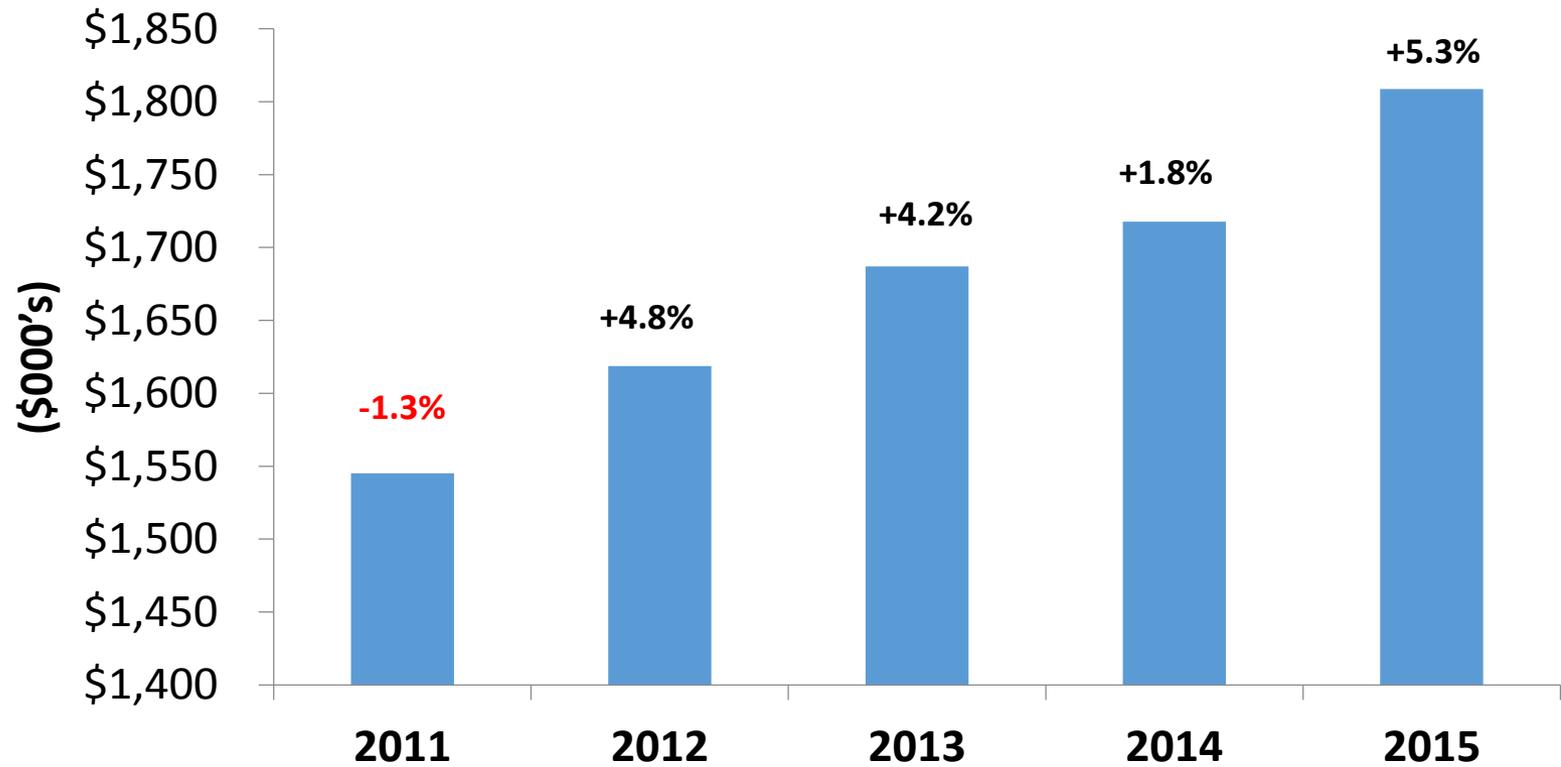
## First Quarter 2015



BASE = 7.0M (2000, DKSA)

# CITY OF BRANSON SALES TAX

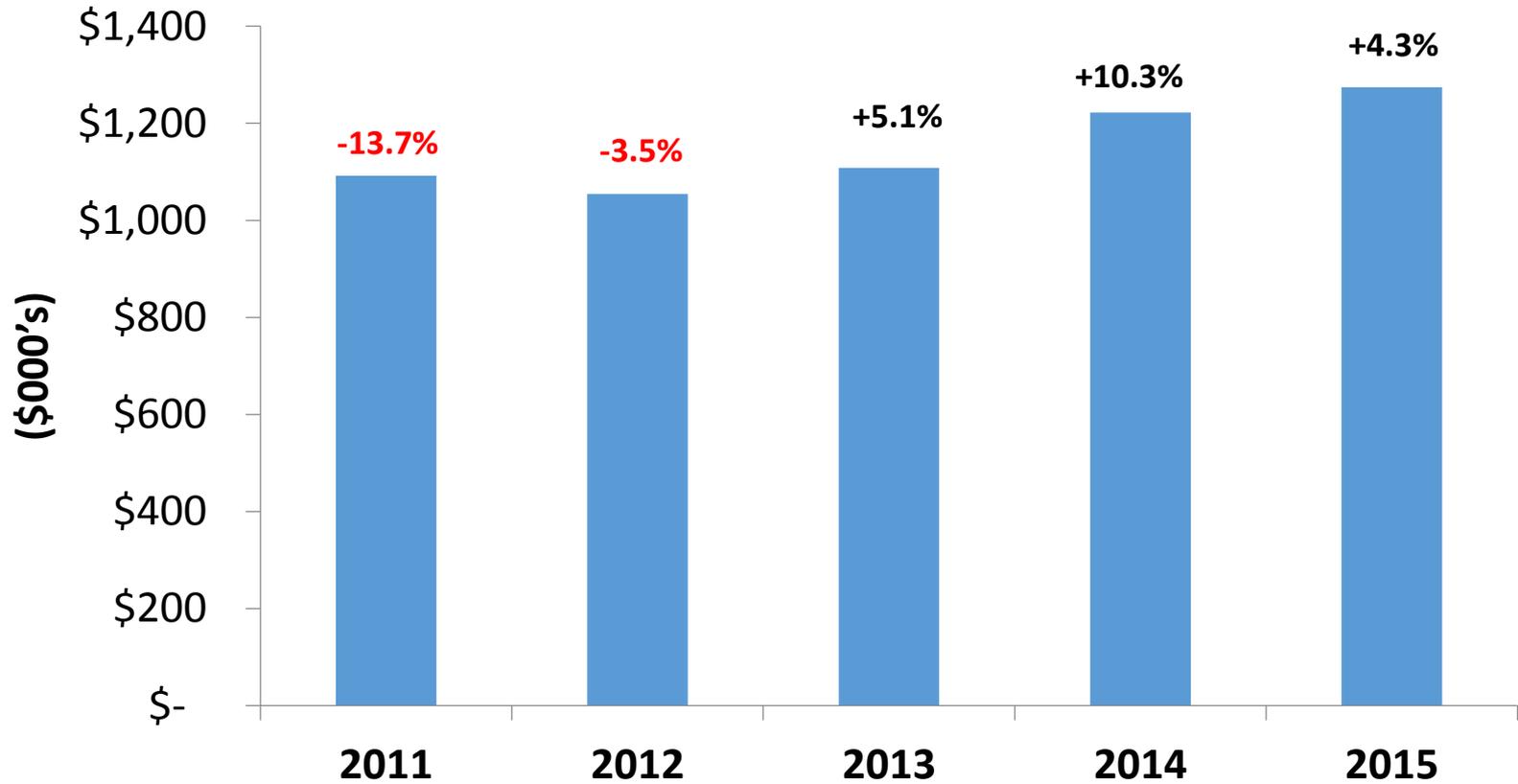
## First Quarter 2015



Source: City of Branson

# CITY OF BRANSON TOURISM TAX

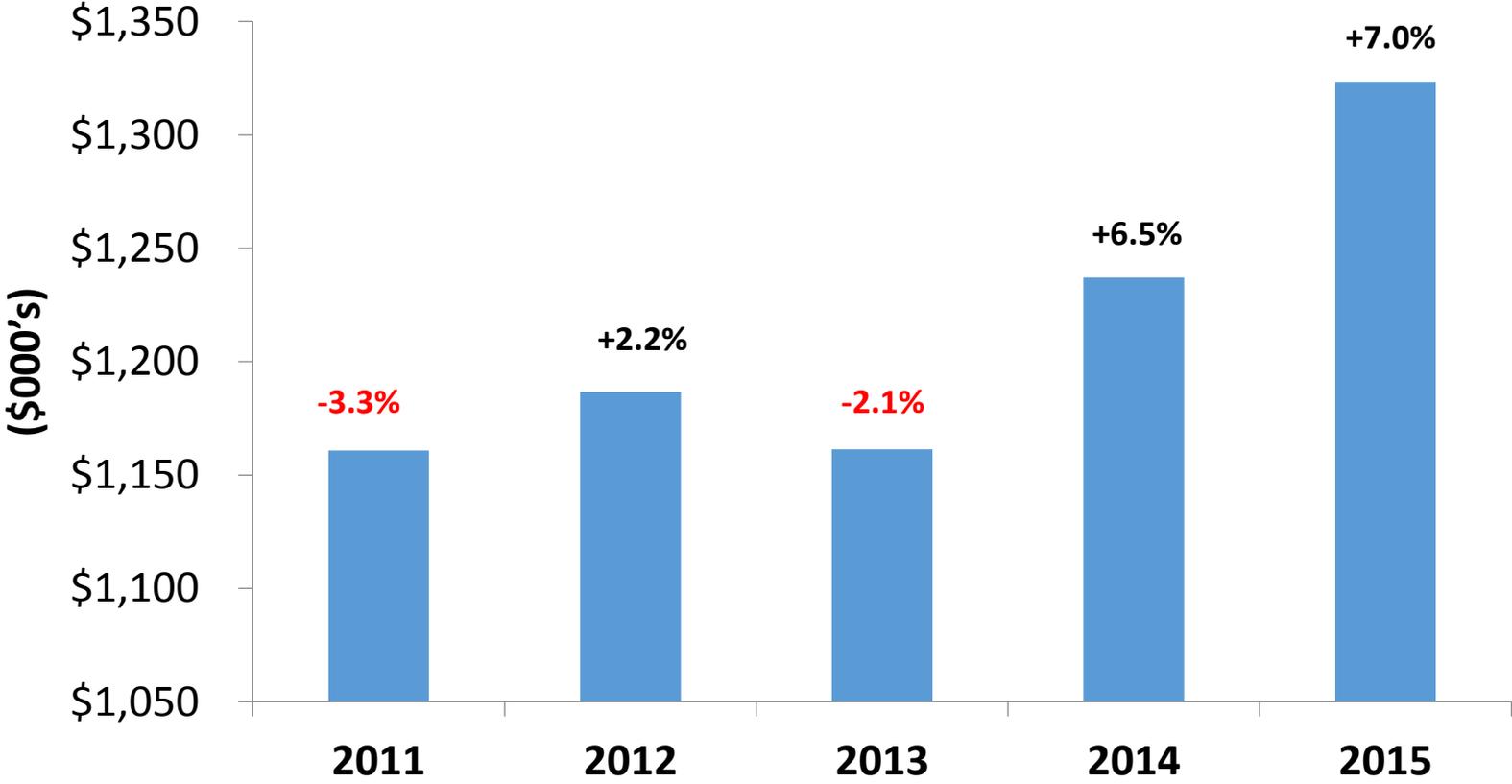
First Quarter 2015



Source: City of Branson

# TCED TOURISM TAX

First Quarter 2015

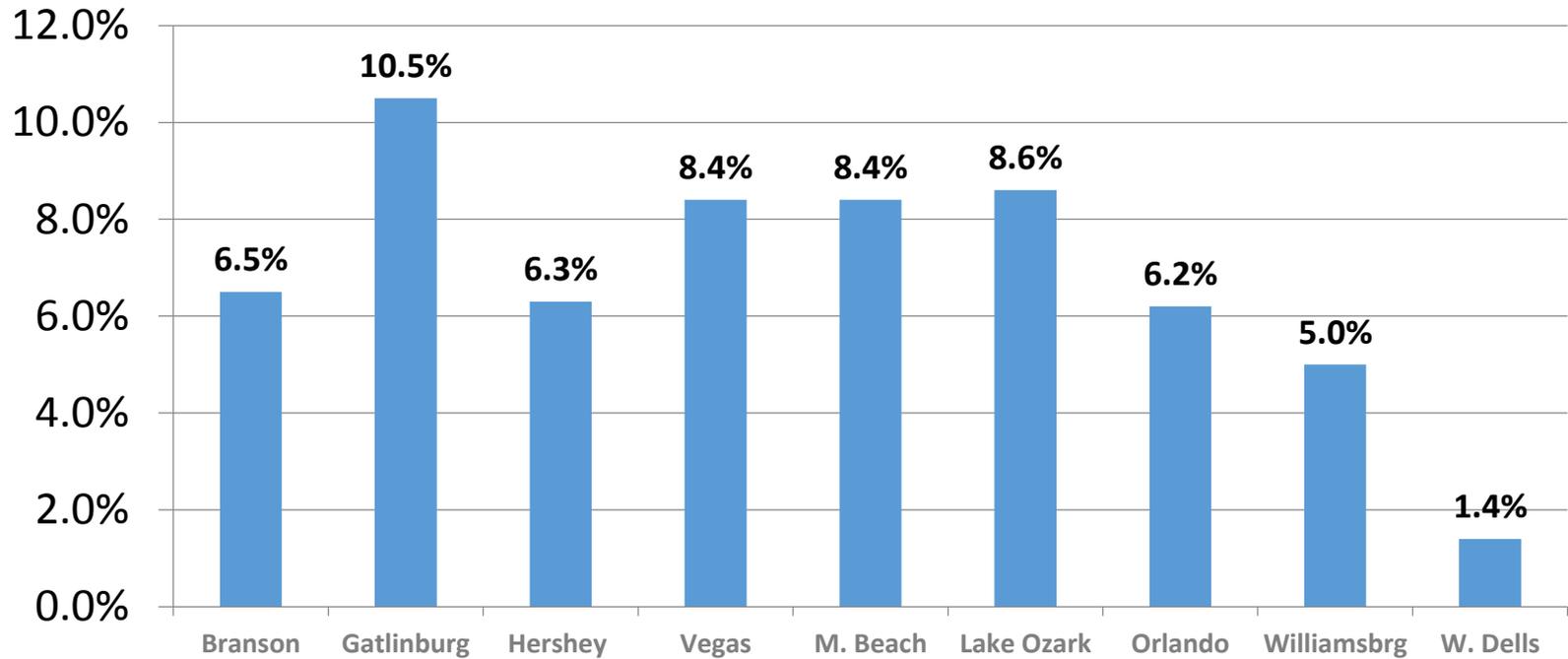


Source: TCED

# ROOM DEMAND COMPARISON

First Quarter 2015

*YOY Variance in Room Demand*



Source: Smith Travel Research, March 2015

# BRANSON VISITOR UPDATE

# YOY Visitor Trends

## Branson Visitor Profile Insights (2015 EOY)

	<u>2015</u>	<u>2014</u>	<u>VAR</u>
Spending per party	\$751	\$758	-\$7
First-time visitors	24.8%	21.3%	+3.5%
% Families	51.4%	34.4%	+17.0%
Average adult age	52.5	56.4	-3.9
Length of stay	3.4	3.7	-0.3
% Saw shows	62.0%	74.6%	-12.5%
Avg. # shows seen	2.4	2.6	-0.2

Source: BCVB Visitor Profile Research; H2R Market Research

# 2015 VISITATION BY MARKET

## DMA Report Findings (2015 YTD)

% of Visitors	Market	Var. to 2014*
17.3%	Core Market (0-100 miles)	+5.9%
43.8%	Primary Markets (101-300 miles)	+10.2%
22.1%	Outer Markets (301-650 miles)	-5.9%
16.8%	National Markets (651+ miles)	-13.2%
100.0%	Total	+0.1%

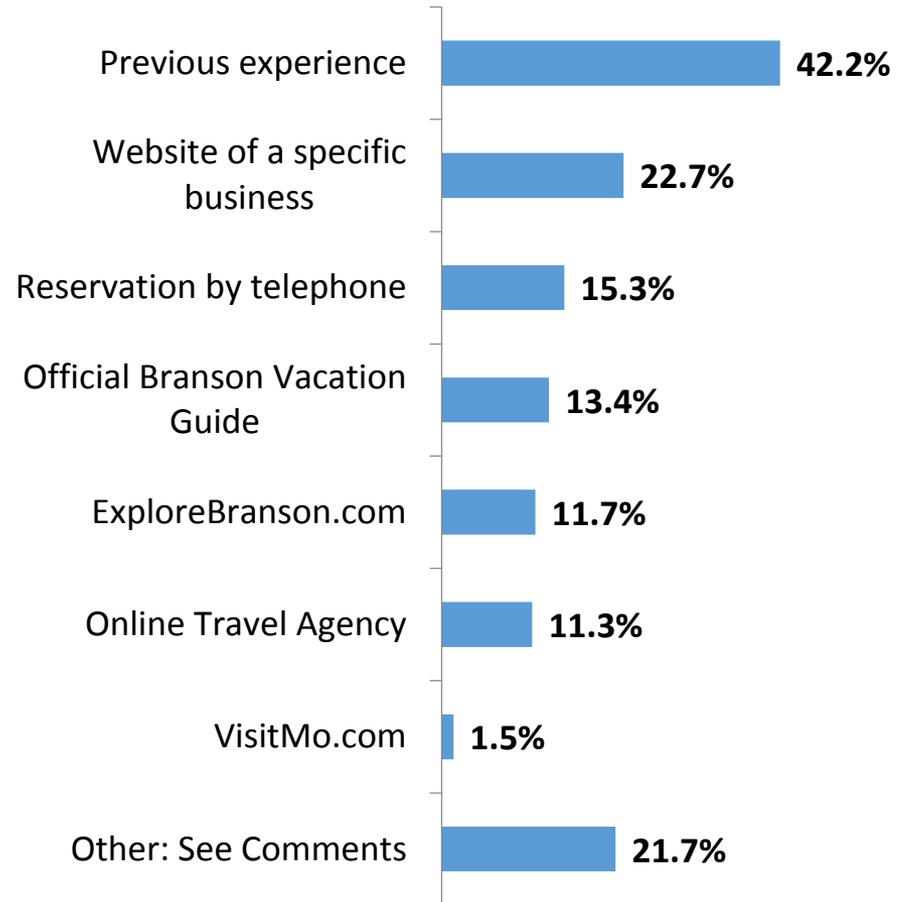
Source: BCVB Visitor DMA Report; H2R Market Research

*\*Weighted by estimated visitation*

## Planning Sources

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

### Sources Used to Plan Branson Trip



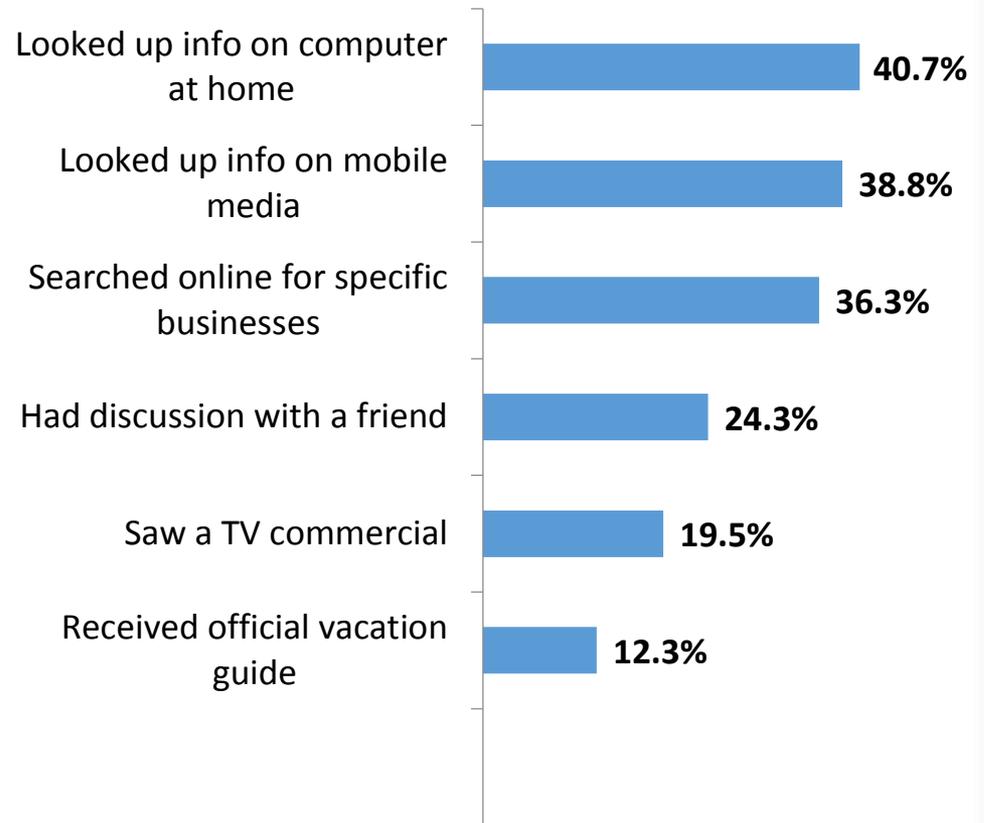
Source: BCVB Visitor Profile Research; H2R Market Research

## Branson Messages Received

Branson visitors say they are most likely to have received Branson messages by searching online at home via computer/smart phone/tablet, searching for information on specific businesses, talking to friends or saw a television ad.

*[The list to the right includes all sources that generated an incidence of 8% or more.]*

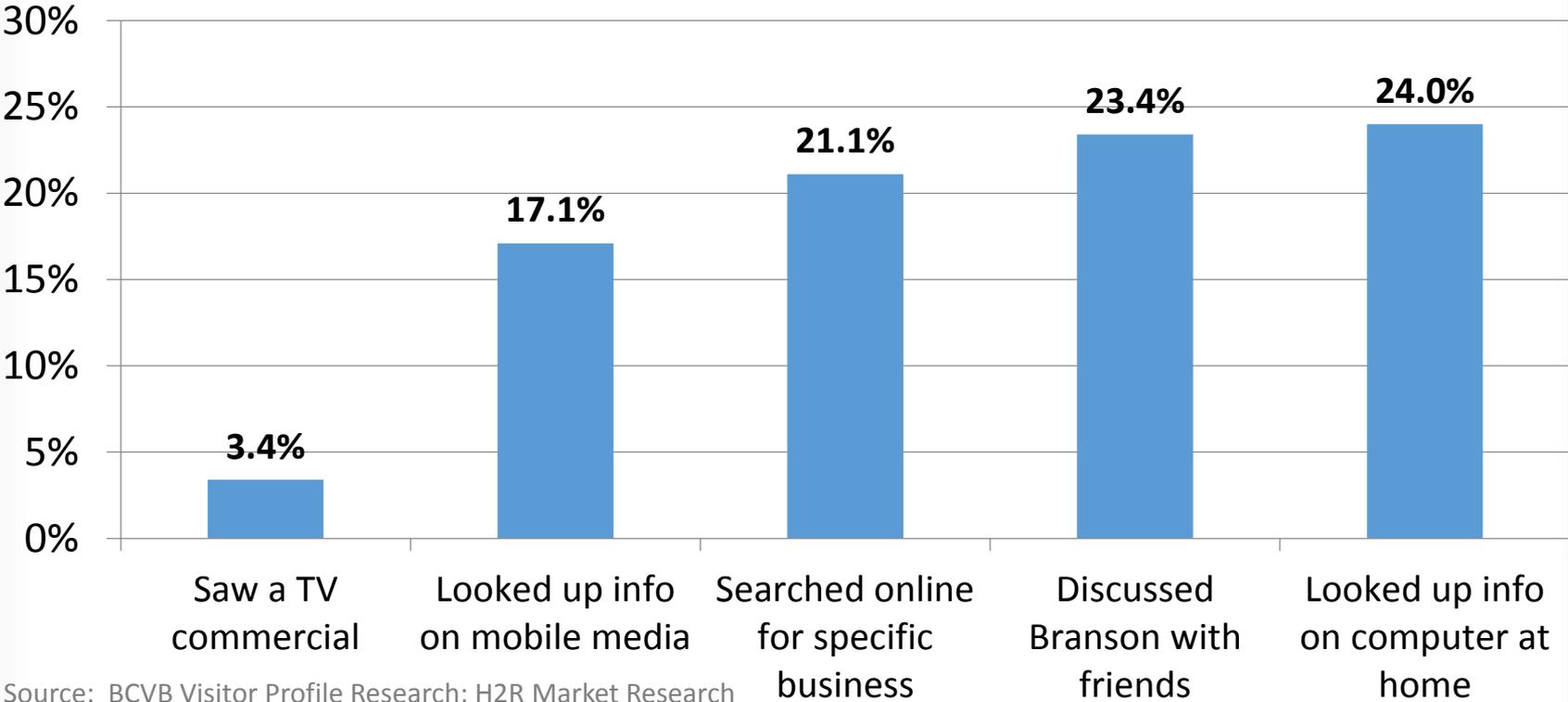
## Sources from Which Messages Received



Source: BCVB Visitor Profile Research; H2R Market Research

# MOST INFLUENTIAL MESSAGE SOURCES

Visitors say they are most influenced by messages they found searching online from their home computer, discussions with friends or searching online for specific businesses.



Source: BCVB Visitor Profile Research; H2R Market Research

# DEPARTMENT UPDATES

# Sports Marketing & Development

- **Branson Classic Gymnastics** returned for third year in late February.
- **NAIA Men's Division II National Championship** March 11-17, 2015
  - 31 out-of-town teams, average of 21 people per team (including players, coaches and staff)
  - Spectators were in town for an average of 4.03 nights
  - Over 14,000 tickets were sold
  - Explore Branson commercials were played throughout the week via the NAIA network and ESPN3 over 60 times throughout the tournament.

## SITE INSPECTIONS

- Missouri State High School Activities Assn. (MSHSAA) Soccer Tournaments
- American Junior Golf Association (AJGA) BPS / Payne Stewart Junior Championships

## 2015 SPORTS TRAVELER STUDY

- H2R Market Research started collecting to conduct study of Branson events throughout 2015.

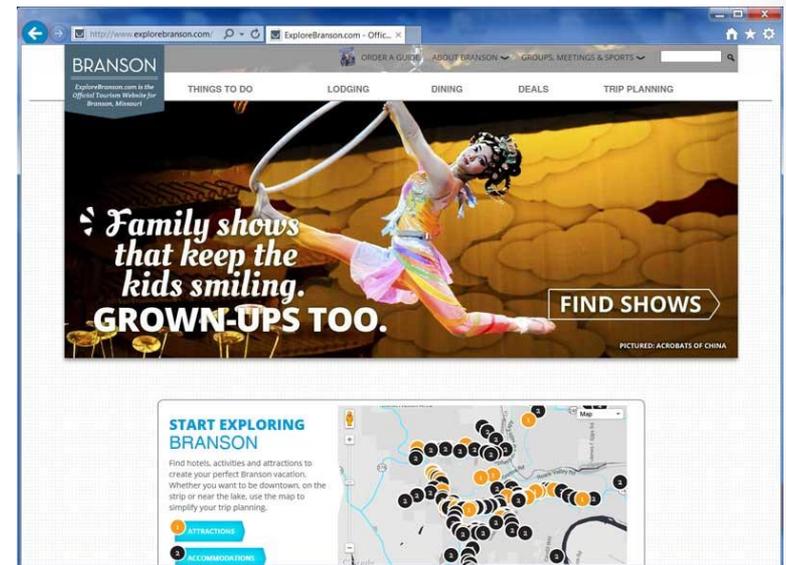


# Leisure Group Sales

- By end of March, Request for Proposals (RFP) thru reunion and affinity groups up 88% year to date.
- By end of March, Request for Information (RFI) thru tour groups, youth groups and affinity groups up 143% year to date.
- Hosted first Branson Breakfast Show at ABA in January 2015 in St. Louis, exclusively for buyers, showcasing Branson to 450 tour operators.
- First-time attendance to Travel South domestic sales conference in March made possible thru MDT investment for Missouri's membership. In addition, Travel South announced at the March conference that Branson will host the conference in 2017!

# Website and Digital Marketing

- New ExploreBranson.com launched on Feb. 16
  - Rebuilt to focus more on trip ideas for visitors
  - Mobile-first layout, more photos throughout
  - New listing management tool for area businesses
- Started new content creation and paid distribution program
  - Focus on creating articles, videos



# Social Media

- Launched Facebook advertising campaign highlighting spring events, including Branson Elvis Festival, Bass Pro Shops Legends of Golf at Big Cedar and Divas half-marathon & 5K.
- Received 546,283 impressions during the #BransonSpringBreak Twitter Party.
- Published 15 articles and slideshows from content plan on ExploreBranson.com



# Public Relations

- 1Q ad equivalency up 37% over previous year, \$4.6 million vs \$2.9 million.
- TripAdvisor names Branson #15 in Top 25 U.S. Destinations (Travelers Choice Award).
- Three Branson-area courses dominate Missouri Selections in Golfweek's "2015 America's Best Courses You Can Play."

# Meetings and Conventions

- Our team distributed 33 leads to the Branson Convention Center & 48 total leads into the community in Q1.
- The Central States Shrine Association voted officially to bring their 2018 convention back to Branson. This group represents 3,500-4,000 attendees.
- A series of sponsored videos are being developed that will feature virtual site tours of our major convention hotels and facilities. Branson Convention Center, Hiltons of Branson, Chateau on the Lake, Stone Castle and Big Cedar Lodge are taking advantage of this opportunity and these videos will be up soon on [ExploreBransonMeetings.com](http://ExploreBransonMeetings.com).
- We have hired an additional sales manager who will focus on sports, social, military, education, fraternal & car/motorcycle hobby groups.