

## **EXECUTIVE SUMMARY**

**Recommendation that the Board of County Commissioners reviews the Return on Investment (ROI) report on the enhanced tourism marketing program in the 1<sup>st</sup> Quarter 2010 using funds transferred from Catastrophe and Major Beach Renourishment Reserves**

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**OBJECTIVE:** Review the report on the ROI of the redirection of funds for marketing in FY 10.

**CONSIDERATIONS:** On December 1, 2009, the Board of County Commissioners unanimously approved (5-0, Item 16F4) additional tourism promotion funding from Catastrophe and Major Beach Renourishment Reserves (Fund 195). The additional funds were to help Collier County react to the world-wide economic downturn and attract new and repeat visitors to our community. These additional funds were to be added to previously approved emergency advertising funds and prior year carry forward funds to assist the Convention & Visitors Bureau (CVB) to expand and extend their destination marketing, research and promotional efforts to a more year-round effort.

At that time, the BCC requested that the results of the investment of those additional advertising and promotion funds be reported back to the BCC in May 2010. The attached PowerPoint presentation outlines the results of the new marketing efforts that were funded by that transfer of funds. Staff is requesting that the BCC review the results of the first quarter 2010 campaign. We plan to return to the BCC prior to the start of FY 11 to discuss a similar campaign and reinvestment of funds. By that time staff will have an opportunity to assess the potential impacts of the Deep Horizon spill, the summer Hurricane season and our efforts to obtain FEMA reimbursements for expenses incurred during prior hurricane events.

**FISCAL IMPACT:** There is no fiscal impact of this report review at this time.

**GROWTH MANAGEMENT IMPACT:** There is no impact to the Growth Management plan from this action.

**LEGAL CONSIDERATIONS:** This item has been reviewed by the County Attorney's Office and is legally sufficient for Board Action- CMG

**ADVISORY BOARD RECOMMENDATIONS:** The TDC recommended in October of 2009 the transfer of \$1 million per year for two years to offset the world-wide economic downturn and promote Collier County year-round as a destination of choice for vacationers and meeting attendees. They will review the ROI report at their May 24, 2010 meeting.

The Coastal Advisory Committee (CAC) met on August 13, 2009 and voted 6-2 to oppose the redirection and reallocation of beach reserve funds.

**RECOMMENDATION:** That the Board of County Commissioners reviews the Return on Investment (ROI) report on the enhanced tourism marketing program in the 1<sup>st</sup> Quarter 2010 using funds transferred from Catastrophe and Major Beach Renourishment Reserves.

**PREPARED BY:** Jack Wert, Tourism Director



# Incremental \$1.0M ROI Reporting BCC Meeting

May 25<sup>th</sup>, 2010

# Winter Northern U.S. Campaign

## OVERVIEW

- \$1.1 million leisure campaign carrying “Paradise Priced Perfectly” value messaging.
- Goal: Increase visitation during season, spring and summer.
- Markets:
  - New York/New Jersey, Chicago and Philadelphia
  - Some national exposure
- Campaign Timing: January 17<sup>th</sup> – March 14<sup>th</sup>, 2010
- Media: Spot and cable television, online, e-mail and print.

# Winter Northern U.S. Campaign

## OVERVIEW

Media Expenditures by Month:

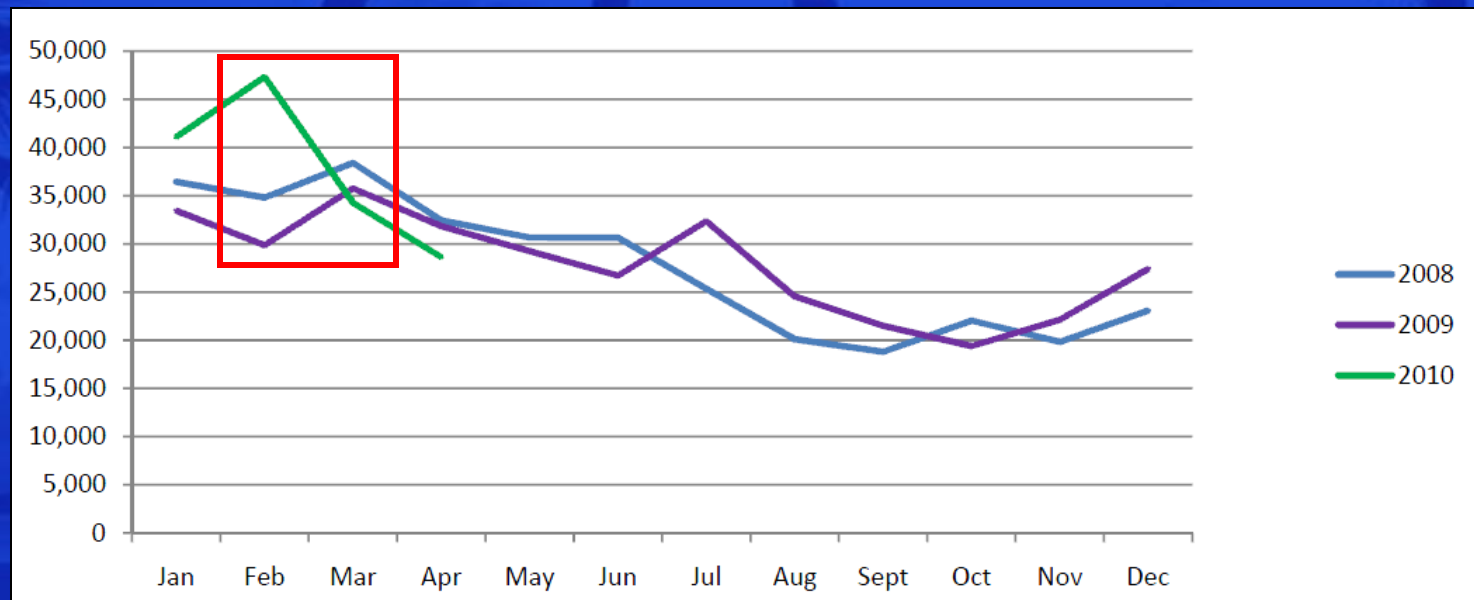
	<u>Jan</u>	<u>Feb</u>	<u>March</u>	<u>Totals</u>
<b>New York</b>	\$118,775.00	\$208,000.25	\$82,404.57	\$409,179.82
<b>Chicago</b>	\$89,689.81	\$145,646.28	\$46,389.39	\$281,725.48
<b>Philadelphia</b>	\$87,725.00	\$130,220.43	\$49,742.35	\$267,687.78
<b>TOTALS:</b>	<b>\$296,189.81</b>	<b>\$483,866.96</b>	<b>\$178,536.31</b>	<b>\$958,593.08</b>

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Web traffic up 24% over 2009



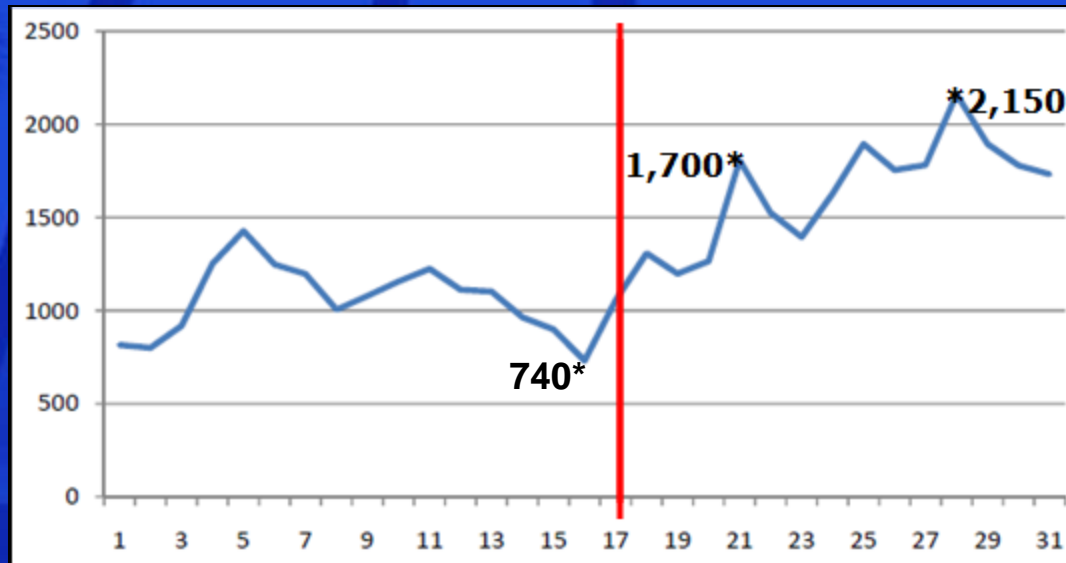
**Visits by Month – 2008 to 2010**

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Web traffic increased significantly following campaign launch, January 17<sup>th</sup>.



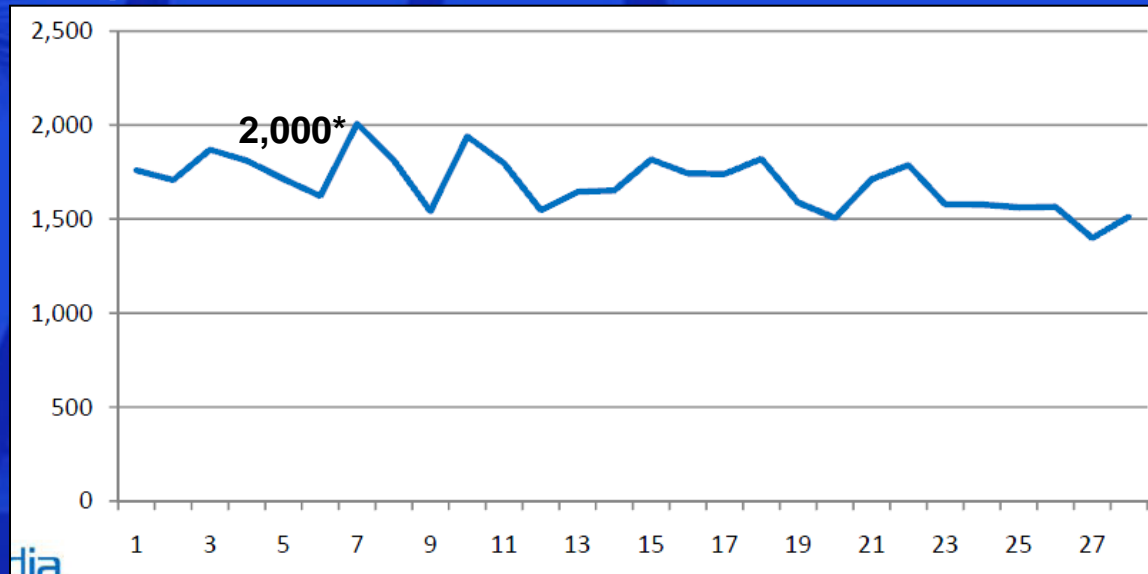
Visits by Day – January 2010

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Web traffic was 58% higher in February, over previous year.



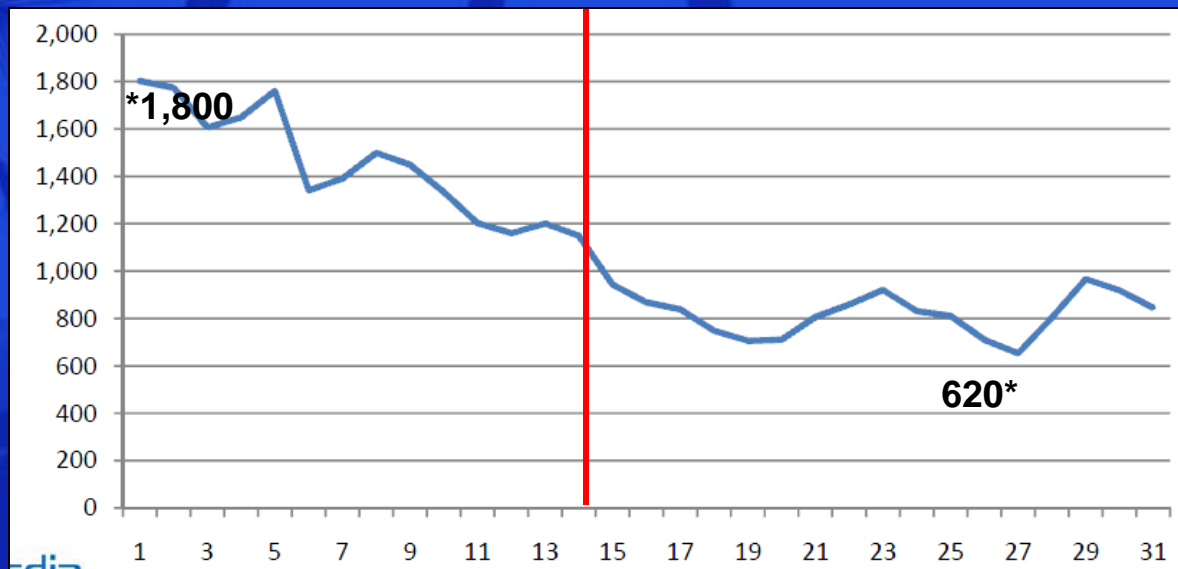
**Visits by Day – February 2010**

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Web traffic began to diminish once campaign completed on March 14<sup>th</sup>.



Visits by Day – March 2010



# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Philadelphia in top 4 markets



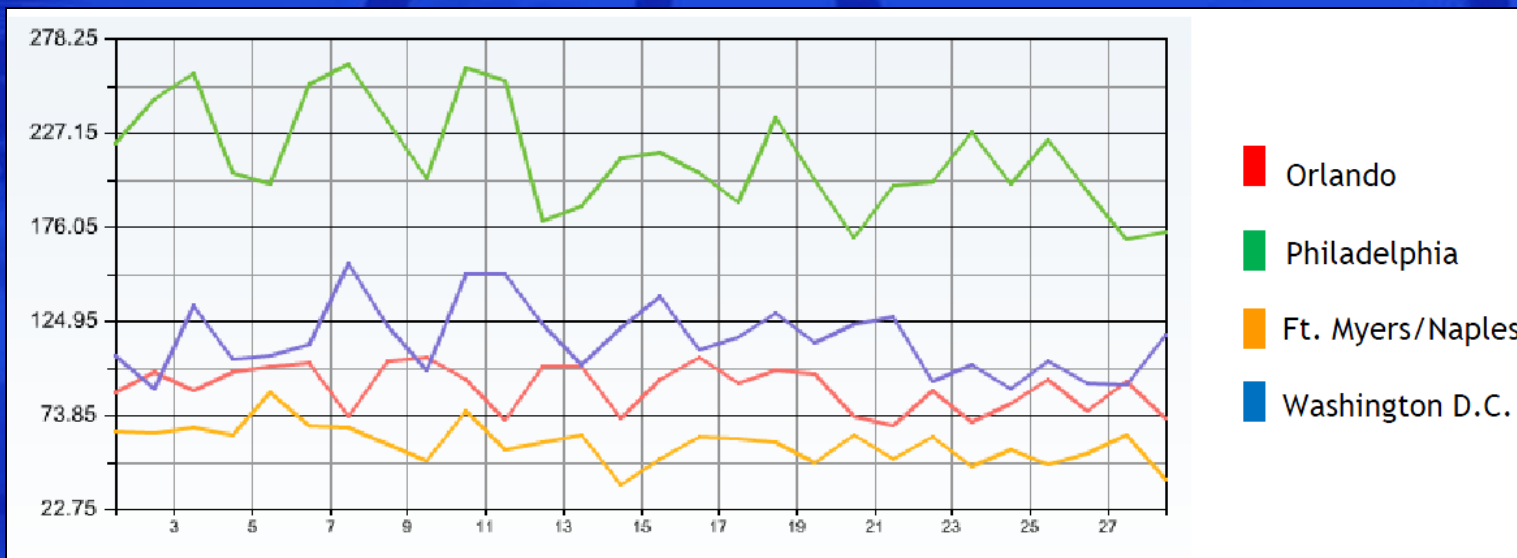
**Top 4 Web Visitation Markets – January 2010**

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)  
 - Philadelphia top market



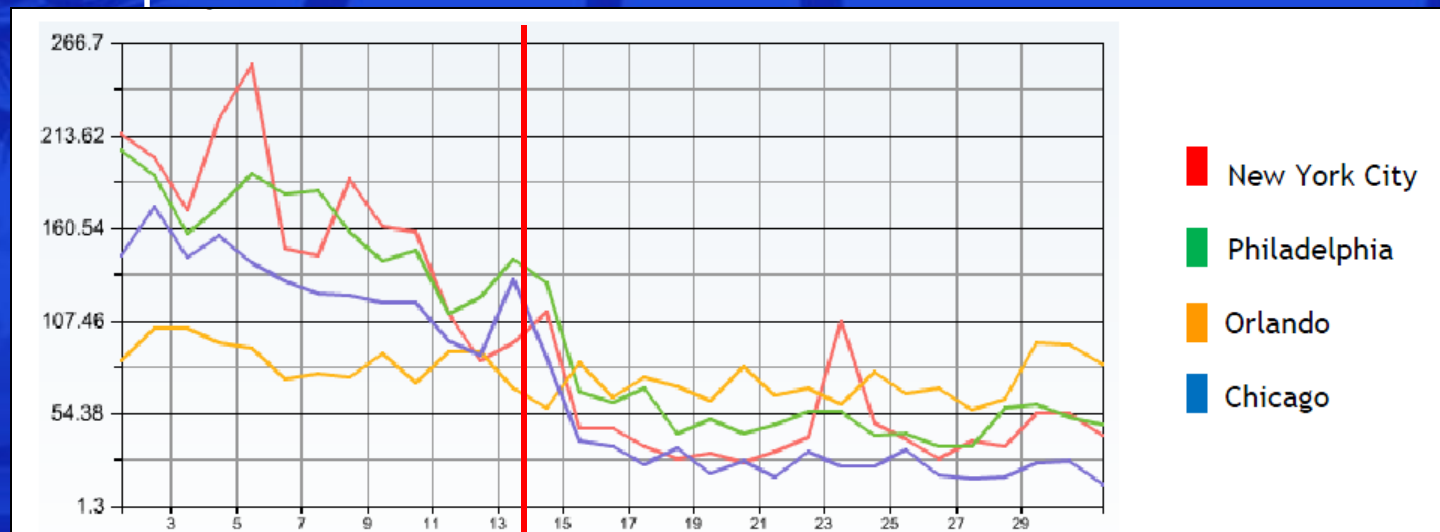
**Top 4 Web Visitation Markets – February 2010**

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- [ParadiseCoast.com](http://ParadiseCoast.com)
  - Philadelphia, New York City and Chicago in top markets.



**Top 4 Web Visitation Markets – March 2010**

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

### Web Inquiry 1<sup>st</sup> Quarter:

- Paradise Priced Perfectly web page visitation

January 1<sup>st</sup> – March 31<sup>st</sup>:

- Total web page visits: 40,256
- Click-throughs to partner site or CVB booking engine: 12,166

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Web Inquiry 1<sup>st</sup> Quarter 2010:

- Paradise Priced Perfectly web page
  - Web traffic increased significantly following campaign launch.

**Web Page Visits January 1 – March 31, 2010**



# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

### Information Inquiry 1<sup>st</sup> Quarter 2010:

- Requests for Visitor Guides has increased 72% over 2009.
- New York, Illinois and Pennsylvania are within top 5 markets for Visitor Guide requests, reflecting targeted markets and the strength of Winter Campaign.

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

### Area Visitation 1<sup>st</sup> Quarter 2010:

- Total visitation up 5% over 2009
- Regional breakout reflects targeted markets:
  - Northeast visitation up 9%
  - Midwest visitation up 6%
- Leisure business occupancy steady increased over 2009, per latest Smith Travel Research Reports
  - Up 1.5% in January
  - Up 3% in February
  - Up 6% in March

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

### Economic Impact 1<sup>st</sup> Quarter 2010:

- Additional 40,230 room nights
- Additional \$7.18 million in direct expenditures
- Highest Leisure Average Daily Rate within competitive set (\$224.85)
- Leisure Occupancy up 2.8%
- Leisure Average Daily Rate up 2.0%
- Leisure Revenue Per Available Room up 4.8%
- Competitive set on average saw downturns



# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

### Competitive Leisure Business 1<sup>st</sup> Quarter 2010 Highlights:

- Sarasota-Bradenton:
  - Average Daily Rate ↓7.7%
  - Revenue Per Available Room ↓7.9%
  - Occupancy ↓0.2%
- Fort Myers:
  - Average Daily Rate ↓1.9%
  - Revenue Per Available Room ↓3.0%
  - Occupancy ↓1.0%

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Competitive Leisure Business 1<sup>st</sup> Quarter 2010 Highlights:

- St. Petersburg & Clearwater:
  - Average Daily Rate: \$118.60 (\$224.85 in Collier)
  - Occupancy: 39.8% (40.8% in Collier)
- Why leisure consumers willing to spend twice as much?
- Perceived value, which destination has helped establish through marketing efforts

# Winter Northern U.S. Campaign

## KEY PERFORMANCE INDICATORS

Key Performance Indicators	1st Quarter		
	2009	2010	% Change
ParadiseCoast.com Web Visits	99,095	122,699	+23.8%
Visitor Guide Requests	12,153	20,943	+72.3%
Book Hotel Via Web Site	3,328	4,430	+33.1%
Room Nights (Research Data Services)	632,430	672,660	+6.4%
Visitors (Research Data Services)	470,700	495,300	+5.2%
Tourist Tax Collections	\$5,631,905	\$6,117,495	8.6%

# Collier Campaign ROI

## 2010

May 24, 2010  
Old Business VII - 2  
20 of 23

	Target Market Households <i>(U.S. Census)</i>	Number of Visitors Taking a Trip to Collier <b>Generated by Campaign</b> <i>(Heads in Beds)</i>
<b>New York/New Jersey</b>	<b>7,758,377</b>	<b>17,098</b>
<b>Chicago</b>	<b>3,547,069</b>	<b>11,630</b>
<b>Philadelphia</b>	<b>3,018,634</b>	<b>6,677</b>
<b>Total</b>	<b>14,324,080</b>	<b>35,405</b>

# Collier Campaign ROI

## 2010

May 24, 2010  
Old Business VII - 2  
21 of 23

	Total Visitor Expenditures	Winter Campaign Investment	ROI Per Promotional Dollar Invested
<b>New York/New Jersey</b>	<b>\$9,661,077</b>	<b>\$409,180</b>	<b>\$23.61</b>
<b>Chicago</b>	<b>\$6,571,765</b>	<b>\$281,725</b>	<b>\$23.33</b>
<b>Philadelphia</b>	<b>\$3,772,685</b>	<b>\$267,688</b>	<b>\$14.09</b>
<b>Total</b>	<b>\$20,005,527</b>	<b>\$958,593</b>	<b>\$20.87</b>

# Additional Uses for \$1.0 Million

- Visitor Center Coordinator Position: \$50,000
- Additional FAMs/Sponsorships: \$25,000
- PR New York City Media Event in February: \$25,000
- Web site enhancements: \$50,000
- Enhanced research: \$25,000
- TOTAL: \$175,000



# Discussion/Questions