

Subject: FY20 Operating Budget: Conference and Visitors Bureau Non-Departmental Account (NDA)	
Analyst: Gene Smith, Legislative Analyst	Committee: PHED
Keywords: #FY20Budget	

Conference and Visitors Bureau NDA		
FY20 CE REC:	\$1,584,260	0.00 FTE
Increase/Decrease from FY19	\$27,741 (1.8%)	0.00FTE (0.0%)

COMMITTEE RECOMMENDED CHANGES

None.

KEY CE CHANGES FROM FY19

None.

OTHER ISSUES

None.

This report contains:

Staff Report to the Committee

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MEMORANDUM

April 29, 2019

TO: Planning, Housing, and Economic Development (PHED) Committee
FROM: Gene Smith, Legislative Analyst *GS*
SUBJECT: FY20 Budget: Conference and Visitors Bureau Non-Departmental Account (NDA)
PURPOSE: Review and make recommendation to the Council

Those expected for this worksession:

Kelly Groff, President and CEO, Visit Montgomery (CVB)
Cory Van Horn, Director of Marketing, CVB

Budget Summary

The Executive recommends \$1,584,260 for the CVB NDA, an increase of \$27,741 or 1.8% from FY19.

Council Staff Recommendation

Approve the Executive's FY19 recommendation of \$1,584,260 for the CVB NDA.

I. Budget Overview

See the Executive's recommendation on ©1. The FY20 recommended increase is based on the estimated revenue from the Room Rental and Transient Tax ("Hotel/Motel Tax"). The Hotel/Motel Tax is an excise tax imposed on room rental rates for transients in the County, and the CVB receives a dedicated 7% from this tax to fund its operations. **The FY20 recommended budget includes only dedicated funding from the estimated portion of the Hotel/Motel Tax revenue.**

II. Organization Review

The CVB's mission is *to give its visitors useful information for a visit to the County and the D.C. area and to enthusiastically promote, market, and sell the County as a destination*. It develops and distributes marketing materials to promote the County as a destination for meetings, conferences, tourism, and event facilitation. The CVB also acts as a resource center for hospitality businesses in the County. To accomplish its mission, the CVB partners with the state and local governments and the hospitality industry.

A. Budget

The Council does not approve a line-item budget for WSM, but the County does execute a contract with the organization. The Executive negotiates the contract, which details disbursement conditions and performance expectations, including reporting, for the County's funding provided to the organization. The Council may also choose to identify specific programs/expenditures and reporting requirements through the Council's budget resolution. Executive staff will be available to discuss any questions that the committee may have about contracting with CVB for FY20.

See the CVB's unaudited FY19 financial statement as of February 2019 on ©2. The organization budgeted approximately \$1.99 million in expenditures for FY19, and its current expenditures are in line with that expectation.

See the CVB's draft FY20 budget on ©3-4. The organization estimates that FY20 revenues will be approximately \$2.0 million, an increase of approximately \$45,000 from FY19. The FY20 draft expenditures are equal to the estimated revenues.

The current staff complement of the CVB is seven, six full-time positions and one part-time position. Personnel costs account for 35.4% of the organization's expenditures in the draft FY20 budget. The remainder of the CVB's expenditures support marketing campaigns, events, and publications.

See excerpts from the CVB's FY18 Annual Report on ©5-10.¹ See the CVB's draft FY20 work plan on ©11-19. The plan, as it generally has previous years, is focused on marketing the County and efforts to generate greater sales in visitor spending and lodging nights. Below is a list of a few items that the CVB is implementing in FY20.

- In partnership with the State and private industry, development of a weekend package at Pike and Rose to be marketed in the Philadelphia and D.C. markets;
- Cultivate a sales strategy for greater weekend group room nights, since the County's weekend occupancy is lagging its weekday occupancy; and
- Create tour themes for the nascent brewery industry in the County, combined with culinary and/or agricultural tours of specific sites.

¹ The full report is available at https://www.montgomerycountymd.gov/COUNCIL/Resources/Files/REPORTS/FY18_CommReportTourism.pdf.

B. Revenues

The County's contribution from the Hotel/Motel Tax is estimated to be 78.0% of the CVB's total proposed budget. The CVB receives a monthly disbursement from the County based on actual Hotel/Motel taxes collected. The CVB also receives revenue from other sources, such as municipal taxes, State tourism grants, partnership dues, and hotel reservation service commissions.

The Department of Finance (Finance) estimates that the County will generate \$22.6 million in Hotel/Motel Tax revenue for FY20. This is a 2.2% increase from the amount estimated to be collected in FY19 as of March 2019. The CVB's dedicated portion is \$1,584,260. Finance estimates that Hotel/Motel Tax revenue will increase marginally at 1.1% per year through FY25. This projection translates into a relatively flat income stream for the CVB from the Hotel/Motel Tax.

Council staff recommends approval of the Executive's FY19 recommendation for the CVB NDA.

This packet contains:

	<u>Circle #</u>
Executive's recommended FY20 budget	1
CVB unaudited FY19 budget as of Feb. 2019	2
CVB draft FY20 budget	3
Excerpts of CVB FY18 Annual Report	5
CVB draft FY20 work plan	11

☀ Conference and Visitors Bureau

The Conference and Visitors Bureau (CVB) promotes Montgomery County as a destination for meetings/conferences, student group travel, group tours, leisure travel, and amateur sports events. The CVB develops and distributes publications on points of interest to tourists, implements public information campaigns promoting tourism and event facilitation in Montgomery County, and attends trade shows and sales missions in target markets. The CVB also serves as a resource center assisting small and large hospitality businesses considering new product development and/or expansions. The CVB coordinates with the Maryland Office of Tourism Development (Visit Maryland), Maryland Film Office, Capital Region USA (CRUSA), TEAM Maryland, and national and regional events to promote tourism growth, increased visitor spending, and visitation in Montgomery County. The CVB manages the tourism marketing grant provided annually by the Maryland Tourism Development Board. The CVB operates on contract with the Department of Finance. Funding is based on seven percent of the total hotel/motel tax revenues.

FY20 Recommended Changes	Expenditures	FTEs
FY19 Approved	1,556,519	0.00
Decrease Cost: Decreased Revenue from the Updated Hotel/Motel Taxes	27,741	0.00
FY20 Recommended	1,584,260	0.00

Visit Montgomery
Income Statement - Disclosures Omitted
For the One Month and Year-to-Date Ended February 28, 2019

	February 28, 2019	Year to Date FY2019	FY 2019 Budget	Remaining FY 2019 Budget
Public Revenues				
Occupancy Tax	59,676.86	863,368.86	1,556,519.00	693,150.14
Occupancy Tax-Municipal	4,239.91	58,667.24	78,000.00	19,332.76
Maryland Tourism Grant	0.00	66,068.00	115,000.00	48,932.00
Private Revenues				
Membership Dues	0.00	57,792.85	55,000.00	(2,792.85)
Membership Events	0.00	2,910.69	2,500.00	(410.69)
Interest Income	1,034.43	6,627.17	0.00	(6,627.17)
Miscellaneous Income	0.00	1,400.21	2,500.00	1,099.79
Marketing & Promotions Revenues				
On-Line Reservation Service	0.00	179,983.25	160,000.00	(19,983.25)
Cooperative Trade Shows	0.00	4,500.00	6,000.00	1,500.00
CVB Collateral Advertising	0.00	0.00	5,000.00	5,000.00
Coop Advertising/Print	0.00	2,641.37	3,000.00	358.63
Coop Advertising/Electronic	0.00	0.00	3,000.00	3,000.00
Total Revenues	64,951.20	1,243,959.64	1,986,519.00	742,559.36
Expenses				
Accounting	5,650.00	23,142.86	30,000.00	6,857.14
Advertising	4,710.00	128,764.99	150,000.00	21,235.01
Advertising/Electronic	12,982.70	103,537.72	305,000.00	201,462.28
Advertising/Production	0.00	4,532.80	15,000.00	10,447.20
Bank Charges	0.00	120.00	0.00	(120.00)
Consulting/Management	0.00	0.00	15,000.00	15,000.00
Depreciation/ADMIN	235.00	2,106.00	4,000.00	1,894.00
Dues/Subscriptions	0.00	4,110.00	5,795.00	1,685.00
Dues/Subscriptions (M)	625.00	4,110.00	760.00	(3,350.00)
Dues/Subscriptions (S)	1,445.00	7,709.00	6,662.00	(1,047.00)
Insurance/Commercial & Board	0.00	1,312.00	3,000.00	1,688.00
Insurance/Employee Health	3,040.90	31,260.12	35,000.00	3,739.88
Legal Counsel	0.00	0.00	6,000.00	6,000.00
Maintenance/Rent	6,125.38	52,646.93	59,928.00	7,281.07
Membership Marketing/Events	0.00	4,365.75	7,500.00	3,134.25
Miscellaneous/Mileage	945.99	4,747.22	6,000.00	1,252.78
Miscellaneous/Mileage (M)	104.92	11,714.89	4,000.00	(7,714.89)
Miscellaneous/Mileage (S)	470.60	3,931.15	6,000.00	2,068.85
Postage/Shipping/ADMIN	1,309.59	17,709.52	25,000.00	7,290.48
Publications/Collateral	0.00	9,363.70	50,000.00	40,636.30
Promotions/ PR	1,712.56	20,242.69	32,000.00	11,757.31
Professional Development/ADMIN	7,350.00	13,059.82	5,795.00	(7,264.82)
Professional Development (M)	0.00	2,186.64	2,850.00	663.36
Professional Development (S)	0.00	0.00	2,000.00	2,000.00
Research	0.00	9,740.00	30,000.00	20,260.00
Salaries/ADMIN	45,325.44	402,182.64	670,000.00	267,817.36
Sales/International	3,100.00	3,100.00	5,100.00	2,000.00
Sales/Meetings & Conventions	983.94	31,088.88	40,440.00	9,351.12
Salaries/Bonus	0.00	5,900.00	18,000.00	12,100.00
Sales/Group Tour	0.00	5,386.65	12,825.00	7,438.35
Sales/Sports Marketing	0.00	605.00	3,000.00	2,395.00
Sports/Group Housing	1,551.28	118,245.46	80,000.00	(38,245.46)
Sales-Miscellaneous	0.00	8,241.60	10,000.00	1,758.40
Sales-Leisure	0.00	0.00	74,615.00	74,615.00
Sales/ Sports Market Bid Funds	0.00	0.00	8,000.00	8,000.00
Sales-Fam Tours & Sales Missio	0.00	4,587.04	20,000.00	15,412.96
Supplies/ADMIN	129.00	3,471.29	5,000.00	1,528.71
Scholarship/Gift Expense	416.67	3,333.36	5,000.00	1,666.64
Taxes/Payroll/ADMIN	3,304.28	28,037.84	36,000.00	6,962.16
Technical Support	6,110.61	34,591.12	66,464.00	31,872.88
Telecommunications/ADMIN	0.00	1,717.56	7,000.00	5,282.44
Web Site/Maintenance/Design	0.00	2,240.50	30,000.00	27,759.50
Special Projects	13,584.65	55,085.65	87,785.00	32,699.35
Total Expenses	121,213.51	1,168,248.39	1,986,519.00	818,270.61
Net Income (Loss)	(\$ 56,262.31)	\$ 75,711.25	0.00	(75,711.25)

No assurance is provided on these financial statements

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BUDGET - Fiscal Year 2020 DRAFT

Conference & Visitors Bureau of Montgomery County, MD

REVENUES	FY 2019	FY 2020	Increase/ Decrease
Public Revenues			
Occupancy Tax - County	\$ 1,556,519.00	\$ 1,584,260.00	\$ 27,741.00
Occupancy Tax - Municipal	\$ 78,000.00	\$ 81,000.00	\$ 3,000.00
MD Office of Tourism Marketing Grant	\$ 115,000.00	\$ 115,000.00	\$ -
Private Revenues			
Partnership Dues	\$ 55,000.00	\$ 58,000.00	\$ 3,000.00
Membership Events	\$ 2,500.00	\$ 2,500.00	\$ -
Miscellaneous Income	\$ 2,500.00	\$ 2,500.00	\$ -
Marketing & Promotions Revenues			
Hotel Reservation Service Comms.	\$ 160,000.00	\$ 170,000.00	\$ 10,000.00
Cooperative Trade Shows/Sales Missions	\$ 6,000.00	\$ 6,000.00	\$ -
Coop Advertising/Print	\$ 3,000.00	\$ 3,000.00	\$ -
CVB Collateral Advertising	\$ 5,000.00	\$ 7,000.00	\$ 2,000.00
Advertising Revenues on CVB website	\$ 3,000.00	\$ 2,000.00	(\$1,000)
TOTAL REVENUES	\$ 1,986,519.00	\$ 2,031,260.00	\$ 44,741.00
EXPENSES	FY 2019	FY 2020	Increase/ Decrease
ADMINISTRATION			
Accounting/Payroll Services	\$ 30,000.00	\$ 32,000.00	\$ 2,000.00
Consulting/Management	\$ 15,000.00	\$ 10,000.00	\$ (5,000.00)
Depreciation	\$ 4,000.00	\$ 3,600.00	\$ (400.00)
Dues/Subscriptions - ADMIN	\$ 5,795.00	\$ 5,795.00	\$ -
Marketing	\$ 760.00	\$ 2,000.00	\$ 1,240.00
Sales	\$ 6,662.00	\$ 6,662.00	\$ -
Equipment/R&M/ADMIN(<i>included in rent</i>)	\$ -	\$ -	\$ -
Insurance/Commercial, D&O, Worker's Comp	\$ 3,000.00	\$ 3,100.00	\$ 100.00
Insurance Employee Health, etc.	\$ 35,000.00	\$ 35,000.00	\$ -
Legal Counsel	\$ 6,000.00	\$ 6,000.00	\$ -
Maintenance-RENT	\$ 59,928.00	\$ 61,725.00	\$ 1,797.00
Miscellaneous/Mileage - ADMIN	\$ 6,000.00	\$ 6,000.00	\$ -
Marketing	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00
Sales(<i>includes client meals/ent</i>)	\$ 6,000.00	\$ 6,000.00	\$ -
Postage/Shipping and Fulfillment House	\$ 25,000.00	\$ 25,000.00	\$ -
Professional Development - ADMIN	\$ 5,795.00	\$ 5,000.00	\$ (795.00)
Marketing	\$ 2,850.00	\$ 2,850.00	\$ -
Sales	\$ 2,000.00	\$ 1,500.00	\$ (500.00)
Research	\$ 30,000.00	\$ 30,000.00	\$ -
Salaries/Retirement Benefits (6 FT, 1 PT)	\$ 670,000.00	\$ 670,000.00	\$ -
Staff Bonus (Sales)	\$ 18,000.00	\$ 12,000.00	\$ (6,000.00)
SUB-TOTAL ADMINISTRATION	\$ 935,790.00	\$ 929,232.00	\$ (6,558.00)

EXPENSES	FY 2019	FY 2020	Increase/ Decrease
ADMINISTRATION			
Scholarship/Gift Expense-Montgomery College	\$ 5,000.00	\$ 6,000.00	\$ 1,000.00
Supplies/ADMIN	\$ 5,000.00	\$ 3,000.00	\$ (2,000.00)
Taxes/Payroll ADMIN	\$ 36,000.00	\$ 38,000.00	\$ 2,000.00
Technical Support/Technology Subscriptions (includes Simpleview Fees, Marketing, Sales Prospecting Tools)	\$ 29,064.00	\$ 30,233.00	\$ 1,169.00
Telecommunications/ADMIN	\$ 7,000.00	\$ 7,000.00	\$ -
SUB-TOTAL ADMINISTRATION	\$ 82,064.00	\$ 84,233.00	\$ 2,169.00
EXPENSES			
MARKETING DEPARTMENT			
	FY 2019	FY 2020	Increase/ Decrease
Advertising - Print	\$ 150,000.00	\$ 150,000.00	\$ -
Advertising - Electronic/Digital	\$ 305,000.00	\$ 305,000.00	\$ -
Advertising/Production/Photography Fees/Videography	\$ 15,000.00	\$ 14,295.00	\$ (705.00)
Leisure Tourism Programs	\$ 74,615.00	\$ 78,000.00	\$ 3,385.00
Membership Marketing and Events	\$ 7,500.00	\$ 7,500.00	\$ -
Promotions/Public Relations	\$ 32,000.00	\$ 32,000.00	\$ -
Publications/Collateral Materials	\$ 50,000.00	\$ 25,000.00	\$ (25,000.00)
Special Projects - campaigns/marketing agency fees	\$ 87,785.00	\$ 150,000.00	\$ 62,215.00
Website SEO/SEM and Development	\$ 30,000.00	\$ 27,000.00	\$ (3,000.00)
SUB-TOTAL- MARKETING DEPARTMENT	\$ 751,900.00	\$ 788,795.00	\$ 36,895.00
EXPENSES			
SALES DEPARTMENT			
	FY 2019	FY 2020	Increase/ Decrease
Lead Source Subscription + Simpleview	\$ 37,400.00	\$ 37,400.00	\$ -
Publications/Collateral Materials (budgeted in Marketing)	\$ -	\$ -	\$ -
Sales -Miscellaneous Industry Event Sponsorships	\$ 10,000.00	\$ 15,000.00	\$ 5,000.00
Sales - Fam Tours and Sales Missions	\$ 20,000.00	\$ 20,000.00	\$ -
Sales - Meetings Market Trade Shows	\$ 40,440.00	\$ 40,000.00	\$ (440.00)
Sales - Group Tour Trade Shows	\$ 12,825.00	\$ 13,000.00	\$ 175.00
Sales-International Marketing	\$ 5,100.00	\$ 5,100.00	\$ -
Sales - Sports Marketing	\$ 3,000.00	\$ 3,000.00	\$ -
Sales - Sports Market Bid Grant Program	\$ 8,000.00	\$ 8,000.00	\$ -
Sports Rebates/Housing Expenses	\$ 80,000.00	\$ 87,500.00	\$ 7,500.00
SUB-TOTAL- SALES DEPARTMENT	\$ 216,765.00	\$ 229,000.00	\$ 12,235.00
GRAND TOTAL	\$ 1,986,519.00	\$ 2,031,260.00	\$ 44,741.00

updated: March 20, 2019

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Fiscal Year 2018 Hotel Tax Collections

In Fiscal Year 2018, hotel tax collections continue to remain flat over the prior year.

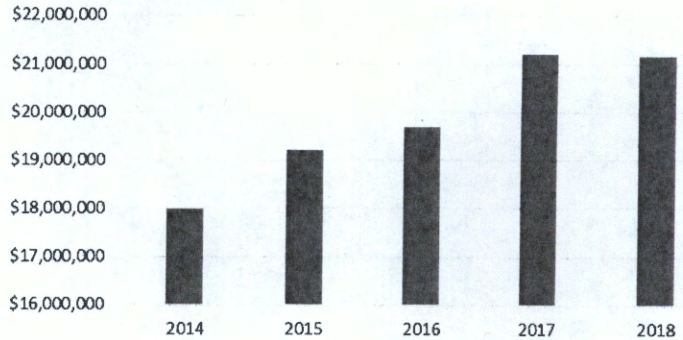
Hotel Openings:

- The Canopy by Hilton at Pike & Rose

Hotel Closures:

- Bethesda Court Hotel
- Hyatt House Gaithersburg

Montgomery County, MD Hotel Tax Collections Fiscal Year 2014-2018

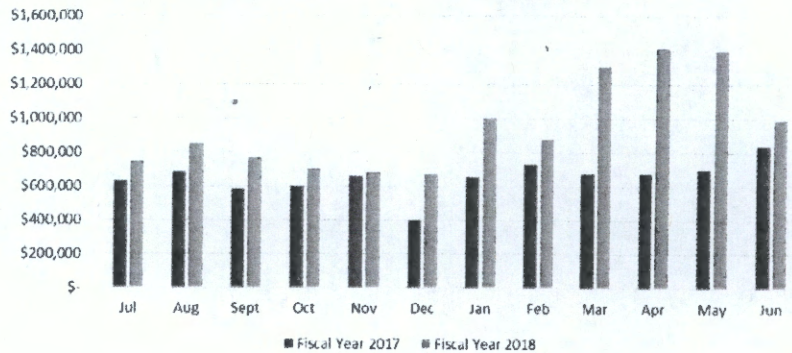


Fiscal Year 2018 Airbnb Tax Collections & Revenues

The short term rental market (STR) for Montgomery County saw significant revenue increases over Fiscal Year 2017. This growth can be attributed to shifts in consumer preferences, proximity to Washington, DC, and an increase in marches held in the nation's capital.

On October 10, 2017, the Montgomery County Council adopted zoning text amendment (ZTA) 16-03 and Bill 2-16 to define short term residential rentals and to establish standards and licensing regulations. The law became effective on July 1, 2018.

Short Term Rental Revenues (STR) - Montgomery County Host Fiscal Year 2017 - Fiscal Year 2018



Lee Callicutt and Leila Beltramo with the Courtyard by Marriott Chevy Chase.



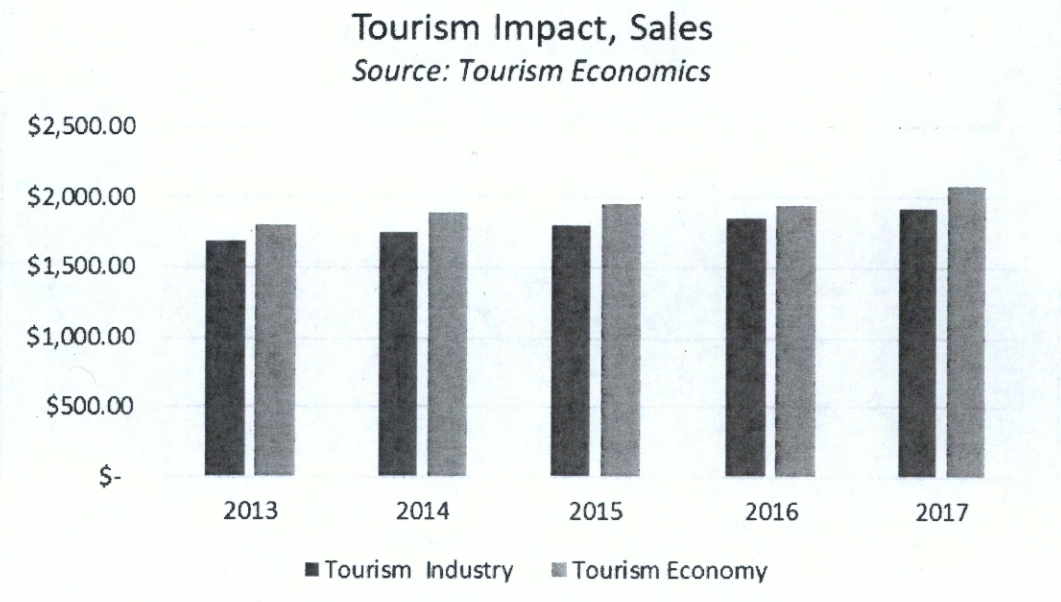
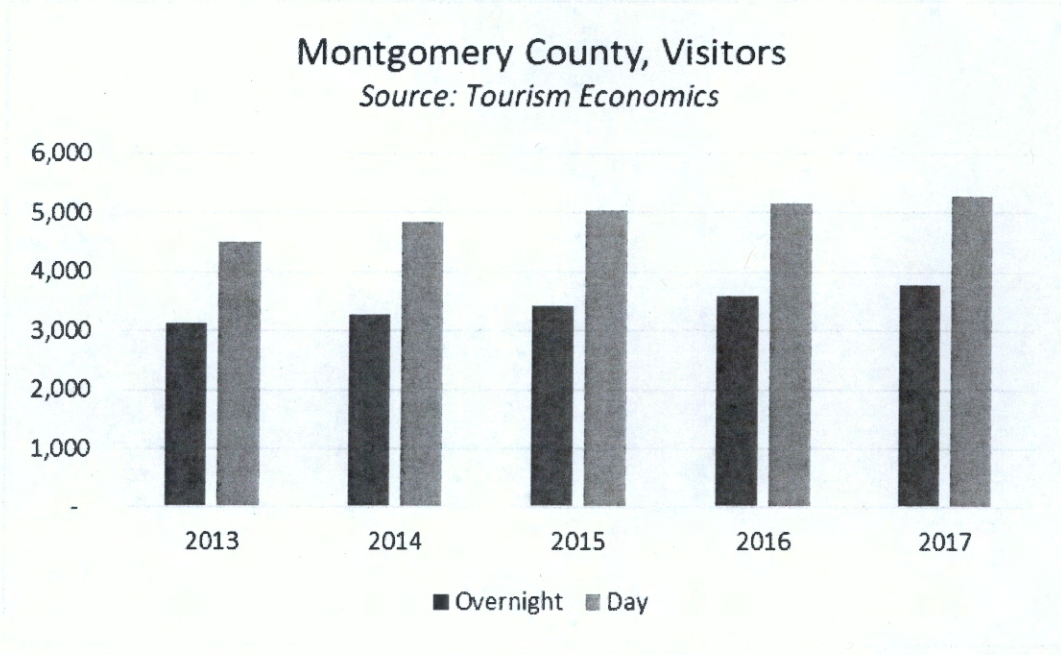
Immediate Past Chair Katie Doherty and the Visit Montgomery team at the Maryland Tourism Day in Annapolis.



The Visit Montgomery team during the Brand Launch Event at Pinstripes.

Montgomery County Travel Data

Visitation to Montgomery County remained consistent over the prior year. The over 9 million visitors consisted of 58.3% day and 41.7% overnight travelers. Tourism industry sales increased 3.8% and grew for the fifth straight year.




Tourism Industry: Measures the value of traveler activity within “tourism characteristic industries.” This concept measures only the direct impact of the travel industry.

Tourism Economy: Includes the tourism industry plus government spending and capital investment in support of tourism. This is the basis of the total economic impact analysis, including direct, indirect and induced impacts.

Marketing

Branding Research Results

Visit Montgomery hired Bethesda-based marketing firm, Streetsense, to facilitate a rebranding process. The rebranding steps included a community-centered approach, holding four focus group sessions throughout the county, a Sysomos Insights analysis (an online tool that monitors keywords and engagement as it relates to a tourism destination), an online panel study, and several design sessions. Community stakeholders also provided feedback throughout the creative development process. The research identified message positioning, target markets and communication medium guidelines to aid Visit Montgomery in future marketing efforts and initiatives.

	Message Positioning	Target Markets	Communication Mediums
	Comfortable Value Nature/Outdoors Urban Culture Weekend Getaway Destination	Outdoor Like-It-Alls Culture Vultures Comfortable Value Seekers DC Travelers Culinary/Beverage Enthusiasts	Friends/Family (Word of Mouth) VisitMontgomery.com (Website) Editorial & Public Relations Google Search Print & Digital Travel Guide Print & Digital Advertising Social Media Blog Posts Monthly Email Newsletter

New Branding

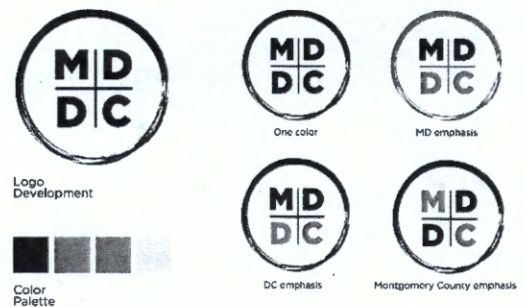
New Logo and Color Palette

The most prominent part of the new brand identity is Visit Montgomery's new logo, which represents Montgomery County's location within the state of Maryland and the short Metro ride to Washington, DC. The painted stroke circle speaks to the spontaneity and liveliness that a trip to Montgomery County offers.



New Tagline

The "Close. For Comfort." tagline is meant to capture Montgomery County as an accessible and comfortable value for travelers seeking to stay multiple nights.



New Travel Guide

A redesigned travel guide serves as Visit Montgomery's anchor publication in 2018. From the size of the guide to the cover design to the content and even advertising, every detail is carefully crafted to ensure each element cohesively represents Montgomery County's distinctive style and uniqueness as a destination.



Website Activity Results

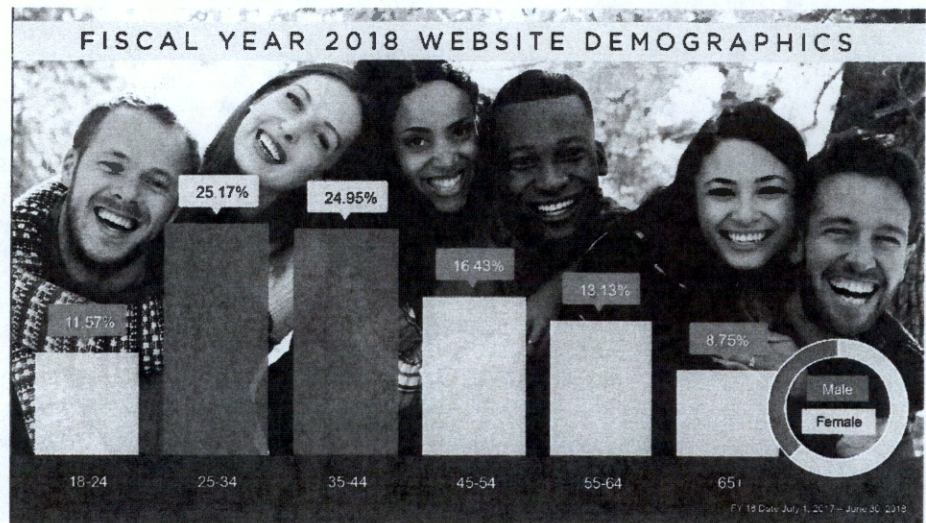
Fiscal Year	Total Sessions	Returning Users	New Users	Page Views	Bounce Rate
FY 17	429,081	93,636	335,445	531,255	74.59%
FY 18	437,471	97,941	337,730	755,856	71.51%
Change	1.96%	4.60%	0.68%	42.28%	-4.13%

Top Traffic by City (Out of County)

- Washington, DC: 21%
- New York: 2%
- Boston: 1%
- Philadelphia: 1%
- Arlington: 1%

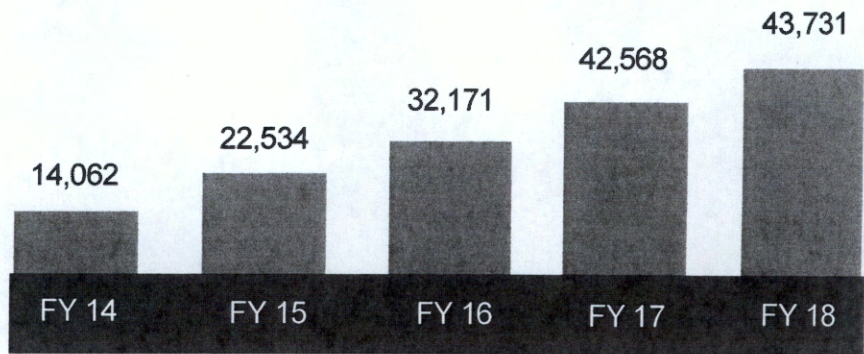
Top Traffic by City (In County)

- Gaithersburg: 6%
- Rockville: 6%
- Germantown: 5%
- Bethesda: 3%
- Silver Spring: 3%



Social Media Results

Visit Montgomery has over 52,000 followers across all social media channels - Facebook, Instagram, LinkedIn and Twitter. Facebook continues to serve as the dominant social media channel with 43,731 followers. Instagram has the fastest growing and most engaged following.



Facebook Followers Throughout the Years

Advertising Summary

In Fiscal Year 2018, \$401,000 was spent on print, digital and video advertising. Nearly 60 campaigns were deployed in drive markets within a 3- to 4-hour driving radius, and fly markets within a 2-hour direct flight to Baltimore/Washington Thurgood Marshall International Airport (BWI).

New advertising campaigns included print advertising in Southwest Magazine, in-flight video on JetBlue, Comcast commercials in the Pittsburgh market, and a paid editorial placement in WashingtonPost.com.

Other key publications include Google Adwords, Facebook, Destination DC Travel Guide, Destination Maryland Travel Guide, CRUSA Travel Guide, Southern Living, Better Homes & Gardens, Country Living, AAA World, Comcast Spotlight, The National/Amtrak, New York Magazine, Chicago Magazine and Philadelphia Magazine.



Editorial Summary

An earned and paid editorial strategy was implemented in Fiscal Year 2018. The team hosted two FAM tours with travel writer, Malerie Yolen-Cohen. Her writing expertise is off-the-beaten path experiences in the Northeast and Mid-Atlantic regions. As a result of these tours, Malerie featured Montgomery County in six articles in the Huffington Post.

In addition to proactively pitching to travel writers throughout the year, Visit Montgomery is an active member of the Mid-Atlantic Tourism Public Relations Alliance (MATPRA) and participated in their annual Media Marketplace in September 2017.

Southwest
The Magazine

Pittsburgh
Magazine

HUFFPOST

The National
USAE

The Washington Post

PITTSBURGH
CityPaper

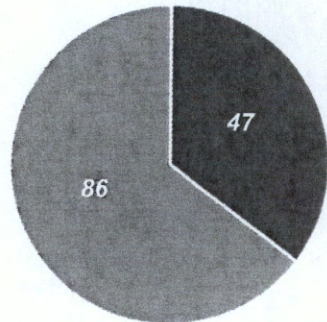
MARYLAND
SIP
and
savor

Sales: Total Bookings & Room Nights Booked

Fiscal Year 2018 Bookings by Market Segment:

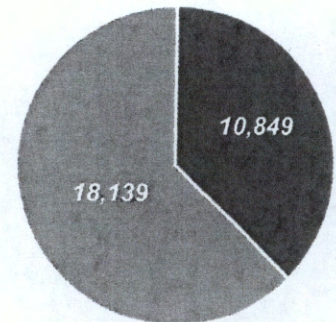
- Corporate: 5
- Sports: 10
- Association: 16
- Bio Tech: 2
- Religious: 3
- Government: 10
- Health: 4
- Medical: 3
- Social: 2
- Military: 1
- Tour & Travel: 25

Total Bookings



■ Fiscal Year 2018 ■ Fiscal Year 2017

Room Nights



■ Fiscal Year 2018 ■ Fiscal Year 2017

Tradeshaw Highlights

- 9 Meeting Market Tradeshaws
- 5 Group Tour Market Tradeshaws
- 1 International Group/Individual Tradeshaw
- 2 Sales Missions
- 3 Sponsored Hosted Events

Top Tradeshaws:

- Connect: Corporate, Specialty, Association, Faith, Medical
- Student Youth Travel Association Annual Conference (SYTA)
- American Bus Association (ABA)
- International Pow Wow (IPW)



Sales Missions:

- New Jersey and Philadelphia in November 2017: Association market
- New Jersey and New York in December 2017: Tour & Travel market



Sponsored Hosted Events:

- Global Industry Day in Philadelphia in April 2018: Pharma, Corporate and Association markets
- HelmsBriscoe Dinner in Washington, DC in May 2018
- Client Event at AMP by Strathmore in May 2018

DRAFT

Visit Montgomery
Work Plan – Fiscal Year 2020

Strategic Goals:

1. Reinforce Destination Marketing Presence

To increase the awareness of the county's community brand experiences resulting in higher leisure visitor conversion through targeted promotional strategies.

2. Increase targeted destinations sales and services

To achieve higher group visitor conversion through targeted sales and service strategies

3. Facilitate impactful destination development

To encourage and fully support the strategic branded development of the county's attractions, events, amenities, hospitality services and related tourism infrastructure.

4. Strengthen DMO membership communications

To regularly communicate to members the Visit Montgomery value proposition benefits and returns received.

5. Engage in influential DMO advocacy and community relations

To inform stakeholders of the importance and value of tourism and effective roles and beneficial impacts of Visit Montgomery.

6. Manage effective DMO resources and administration

To operate as a fiscally responsible and talent-based organization delivering optimal returns.

Fiscal Year 2020

Objectives and Action Plans – MARKETING

Marketing, Sales

- Collaborate with the sales division to ensure all marketing tools are in place to sell the destination
- Align marketing efforts with the conferences/meetings held in the county to capitalize on promoting weekday business travelers to extend their stay through the weekends
- Update all trade show banners and media presentations
- Maximize the CVENT relationship with regular updates to advertisements and content
- Design and distribute a venue guide (to promote non-hotel properties)
- Develop a community-centric marketing program to position the downtown centers as “conference destinations”
- Add tour groups and meetings market information as landing pages on visitmontgomery.com
- Foster sales strategies with focus on bringing weekend group room nights from the sports, tour & travel, religious, association, educational, reunions and social markets

Marketing, Partnerships

- Create a partnership level designed for Airbnb hosts
- Develop and design marketing materials that will better communicate the value of the partnership program to new member subscriptions and improve the retention rate
- Create a co-op advertising program that will give partners an opportunity to advertise in the Travel Guide to Montgomery County
- Continue the advertising offerings on Visit Montgomery’s own platforms including website, emails, social media, travel guide, signature events, etc.
- Strengthen communications between Visit Montgomery and partners to demonstrate value and results to the partnership
- Develop a customized partnership program with Montgomery County’s restaurant industry

Marketing, Partnerships, *continued*

- Leverage a sponsor for launching a new industry summit bringing together local and regional businesses to learn more about short term rental zoning and registration mandates, development project updates impacting tourism, the evolution of malls to town centers in the retail sector, event marketing, the next digital marketing trends, etc.
- Launch the Tourism Emerging Hospitality Professionals program, piloted in Fiscal Year 2019

Marketing, Leisure Weekend Travel

- Exhibit/Attend the New York Travel Show, January 24-26, 2020 targeting leisure weekend travelers
- Exhibit/Attend the Philadelphia Travel and Adventure Show, March 14-15, 2020 targeting leisure weekend travelers

Marketing, Publications

- Release the 2020 Travel Guide in June prior to the start of summer travel season
- Generate fresh and new ideas for editorial in the Travel Guide
- Implement a sales initiative to sell advertising in the Travel Guide to help off-set production and printing costs
- Produce self-guided trails for distribution at regional service centers, State Visitor Centers, parks, etc.
- Produce a wedding and event venue guide in Fall 2019
- Re-produce the Silver Spring downtown Visitor Map for distribution at hotels, Silver Spring Civic Building and Regional Services Center

Marketing, Digital and Print

- Manage a focused \$150,000 print advertising campaign and \$300,000 digital marketing/advertising campaign
- Increase the email database by 5,000 opt-in subscribers
- Implement a design and content strategy that will improve the consumer newsletter's open and click rates
- Automate the newsletter sign-up process to reduce the amount of manual entry that occurs internally with each sign-up
- Centralize the database into Simpleview and improve how subscribers are categorized by interest and geographic location

Marketing, Public Relations

- Formalize metrics and ROI on the public relations efforts
- Increase earned media through stronger programming of familiarization tours and direct contact with print media editorial digital bloggers and social media influencers
- Host one social media influencer event in FY 2020
- Identify ongoing thought leadership opportunities and proactively pitch seasonal stories
- Bid to host the Society of Travel Writers (STW) annual convention

Marketing, Communication Platforms

Website

- Make the website easier for consumers to request information (i.e. request a travel guide, download the guide, sign-up for email newsletter)
- Integrate multi-media content with emphasis on video
- Redesign the Moco-Sports.com website to be a more valuable resource for youth sports visitors to the county

Social Media

- Continue to grow Facebook and Instagram followers to 15,000 in the overnight markets
- Improve the monthly Facebook Giveaway program
- Place a higher emphasis on converting social media followers into email subscribers

Content Development

- Create a unified content editorial calendar that will align all content channels into a single document
- Publish three magazine-quality blog posts per month for the leisure market
- Add more website content—cycling and Civil War Trails

Event Pages

- Improve categorization/search tool to make it easier to find events on the platform
- Pursue providing a platform on Localist for ticket sales to events, venues, etc.
- Integrate the City of Rockville and City of Gaithersburg's event calendars to auto populate on Visit Montgomery's calendar.
- Further embed event content into other website pages

Marketing, Product Development

- Compile a work group to begin discussion and planning of a new signature event for Montgomery County with a music festival theme
- Implement a weekend package promotion in partnership with Federal Realty/Visit Montgomery and Private Sector Grant funds from the MD Office of Tourism to encourage weekend travel during need times of year
- Launch one Agricultural Themed Tour (day) to sell to the local, regional and mid-Atlantic consumer markets
- Encourage business travelers to extend weekday visits over weekends with the development of themed itineraries and hotel-encouraged special weekend rates
- Create themed tours to test with bloggers and influencers prior to potential retail tour launch. For example, tours themed around the growing brewery industry combined with culinary experiences, and agricultural tours of specific sites within the Agricultural Reserve
- Develop self-guided trails in the brewery/winery, arts/culture and outdoor activity segments to promote regional visitation.

Research

- Subscribe to Airdna, the data source for short term rental information on trends, tracking of average daily rate and occupancy, booking lead times and rental revenues to evaluate trends specific to Montgomery County
- Continue Smith Travel Data subscription to collect hotel industry data for Montgomery County and the region
- Participate in cooperative research program with MD Office of Tourism to gather industry data through Tourism Economics providing metrics in visitation, tourism tax impact, and total industry economic impact
- Track hotel tax collections and short-term rental taxes/revenues
- Conduct marketing conversion study of the previous year marketing programming including the email database and website traffic to determine incremental economic impact

Fiscal Year 2020

Objectives and Action Plans – SALES

Sales, Online/Digital Tools for Prospecting and Sales Data Reporting

- Cvent-specializes in meetings management technology. Web-based software for meeting site selection, online registration, etc.
- Simpleview – combines meeting sales, industry partner management, consumer marketing, forecasting, business analysis, and reporting. Simpleview CRM is the most widely used tool in destination marketing.

Sales, Sales Missions and Client Events

- Host two client appreciation events with one event inviting regional clients and the other a non-local client event in a feeder market
- Sponsor the "Spotlight on the Mid-Atlantic," a tour and travel industry trade show, in October 2019, hosted in Montgomery County for the first time
- Conduct a sales mission in Spring 2020 targeting Pharmaceutical/Corporate markets in the Boston, MA area, appointment based with invited hotel partners
- Sponsor the Society of Government Meeting Professionals Certified Government Meeting Professional conference
- Sponsor the Travel and Tourism Research Association Conference on October 7-9, 2019, Board of Director's Dinner and Opening Reception
- Host Helms Briscoe third-party meeting planners from Mid-Atlantic market for a familiarization tour of Montgomery County with sponsored dinner

Sales, Client Incentive Program (CIP)

- The FY 2019 program is designed to provide incentives to customers booking business through the Visit Montgomery Destination Sales Team.

- Categories of incentives for issuing American Express Gift Cards include:

50-100 room nights	\$75	\$50 bonus for need dates
101-200	\$100	\$50 bonus for need dates
201-300	\$150	\$50 bonus for need dates
301+	\$200	\$50 bonus for need dates

Sales, Client Incentive Program (CIP) - *continued*

- Reward guidelines include: Visit Montgomery must be part of the RFP process; minimum of 10 guest rooms must be booked peak night; booking must have a minimum of 50 total room nights; meeting rewards paid upon signed agreement; and, contracts must be signed before June 30, 2020
- Attendee Add-Ons include airport transfers, visitor guides, metro passes, credit towards welcome reception and/or happy hour, and scholarship or community partner donation

Sales, Sports Marketing

- Assist and providing funding matches to our county-based and non-local youth and amateur sports event organizers with securing grants from Maryland Sports (the Maryland Sports Commission) to help in growing their events attendance
- Work in partnership with the Maryland SoccerPlex to identify larger events to attract to the county generating more room night demand over need weekend and off-peak months, specifically USYSA Region I Championships

Sales, Trade Show Schedule – See excel grid – Trade Show Schedule Fiscal Year 2020

Metrics

- Increase overall visitor spending and tourism tax impact by 2% (results recorded through annual Tourism Economics Study, released in the Fall)
- Increase weekend lodging occupancy through leisure travel, group travel sales and marketing programming
- Increase the number of hotel rooms sold year-over-year through focused sales and marketing strategies
- Increase the number of sales bookings by 20% generated by the sales division from group travel segments that typically have weekend room night booking patterns
- Implement strategic advertising programs with data metric of increasing the number of visitor inquiries year-over-year by 10%
- Increase earned editorial coverage by 10% through development of social media influencer connections and direct contact with travel trade publications
- Grow social media followers across all digital marketing platforms by 15,000 year-over-year (current following is 45,000)
- Obtain with opt-in feature, 5,000 new email addresses collected for future marketing (current database is 40,000)

Fiscal Year 2020 - Trade Show Schedule, Sales

		Meetings		Group Tour	DRAFT				
EVENT NAME	Market Segment	Date	Location	Attending	Exhibitors	Invited	Total Cost	Partner Co-Op Fee	NOTES
Student Youth Travel Association (SYTA) Meeting	Group Tour	Aug 7-13, 2019	Birmingham, AL	Lee	\$ 1,350	\$ 1,900	\$ 3,250	\$ -	
Professionals International (MPI) Virginia Annual	Corp/Assoc	August 7-9, 2019	Norfolk, VA	Leila	\$ 200	\$ 1,200	\$ 1,400	\$ -	
SMART Meetings East Coast Annual NEW	Corp/Assoc	August 18-20, 2019	Marco Island, FL	Leila	\$ 6,000	\$ 500	\$ 6,500	\$ -	Hotel, F&B all included in registration
Connect Association	Assoc	August 26-28, 2019	Louisville, KY	Lee	\$ 3,950	\$ 1,250	\$ 5,200	\$ -	
Going on Faith NEW	SMERFE	September 4-6, 2019	Grand Rapids, MI	Lee	\$ 1,395	\$ 1,000	\$ 2,395	\$ -	
Connect Faith	SMERFE	October 28-30, 2019	Grand Rapids, MI	Lee	\$ 3,950	\$ 1,100	\$ 5,050	\$ -	
Spotlight on the Mid Atlantic	Group Tour	October 31-Nov. 1, 2019	Gaithersburg, MD	Lee	\$ 545	\$ -	\$ 545	\$500 (2 Max)	
Connect Georgia NEW	Assoc/Corp	November 18-19, 2019	Atlanta, Georgia	Leila	\$ 3,950	\$ 1,000	\$ 4,950	\$ -	
National Tour Association (NTA) Professional	Group Tour	December 8-12, 2019	Ft. Worth, TX	Lee	\$ 1,295	\$ 2,200	\$ 3,495	\$ -	
Convention Management Association (PCMA)	Assoc	January 5-8, 2020	San Francisco, CA	Lee	\$ 1,495	\$ 2,500	\$ 3,995	\$ -	
SUB-TOTAL					\$ 24,130	\$ 12,650	\$ 36,780		

		Meetings		Group Tour					
EVENT NAME	MARKET	DATE	LOCATION	LEADER	BUDGET	ACTUAL	REVENUE	NET COST	NOTES
American Bus Association (ABA)	Group Tour	January 10-14, 2020	Omaha, NE	Lee	\$ 1,595	\$ 2,000	\$ 3,595	\$0.00	
Religious Conference Management Association (RCMA)	SMERFE	February 4-6, 2020	Irving, TX	Lee	\$ 2,345	\$ 1,725	\$ 4,070	\$1500 (2 partners max)	
16th Annual Pharma Forum 2020	Corporate	March 8-11, 2020	New York, NY	Leila	\$ 1,200	\$ 2,000	\$ 3,200		
Christian Management Conference Association (CMCA)	SMERFE	April, 2020	TBD	Lee	\$ 2,000	\$ 1,450	\$ 3,450		
Conference Direct Industry Insight NEW	Corporate	April/May, 2020	TBD	Leila	\$ 2,800	\$ 1,000	\$ 3,800	\$1500 (2 partners max) will combine with Spring	TBD - registration is Gold Sponsorship
TAP		June 15-17, 2020	Branson, MD	Lee	\$ 1,595	\$ 1,650	\$ 3,245		
SUB-TOTAL					\$ 11,535	\$ 9,825	\$ 21,360		
TOTAL					\$ 35,665	\$ 22,475	\$ 58,140		

For consideration in FY 2021 but cut in FY 2020:

Boomers in Groups

Connect Diversity

African American Travel Conference

International Pow Wow