

Year-End 2012

# Marketing Report

City of Branson

Branson/Lakes Area Chamber/CVB

February 26, 2013

**BRANSON**  
*It's Your Show*

# **Presentation Overview**

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- **US Travel Performance**
  - **Branson 2012 Year End Performance**
  - **Looking Back at Key Findings**
  - **Other Branson Insights**
  - **Travel Industry 2013 Outlook**
  - **The World is Changing**
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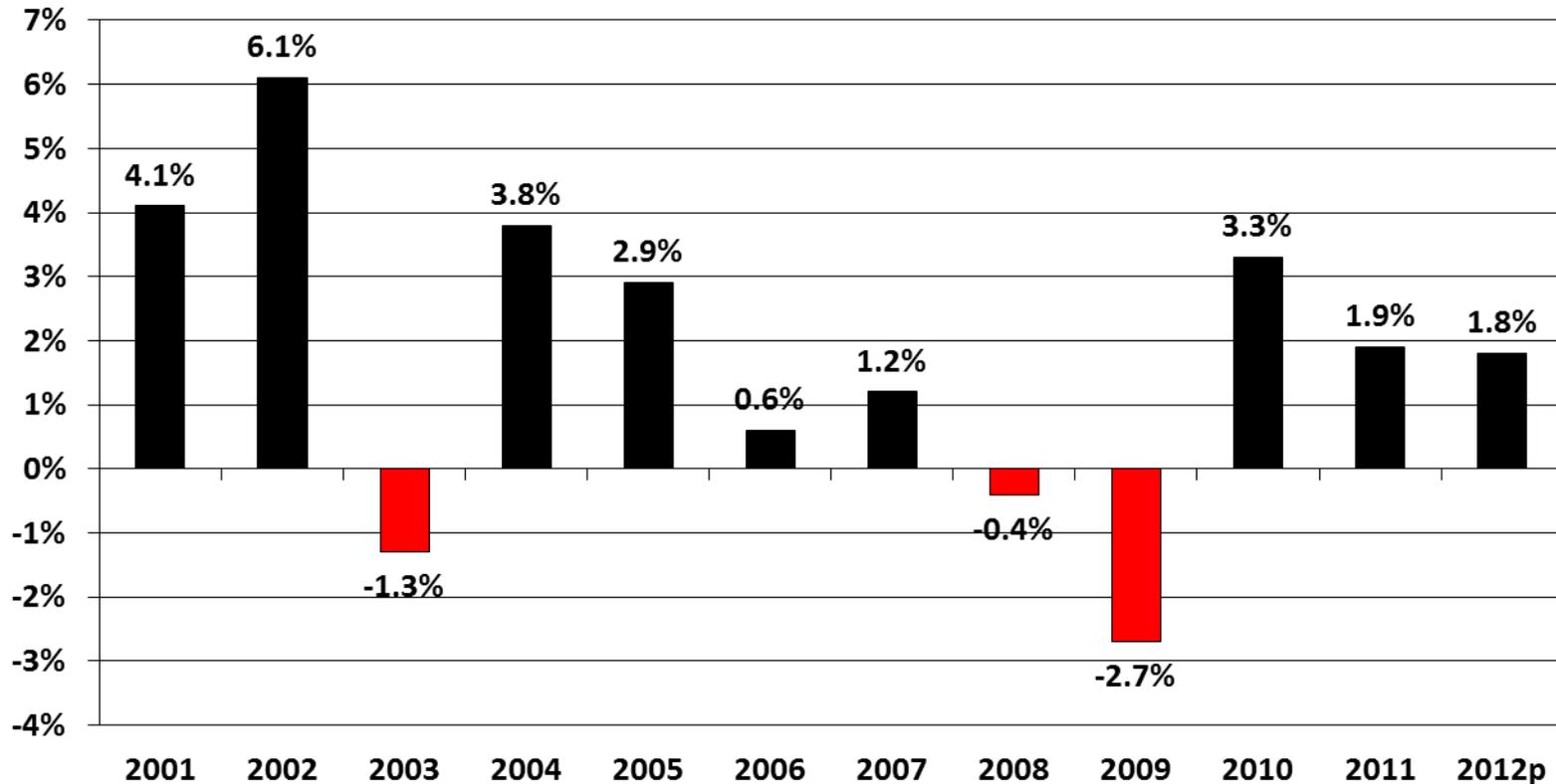
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## U.S. TRAVEL PERFORMANCE

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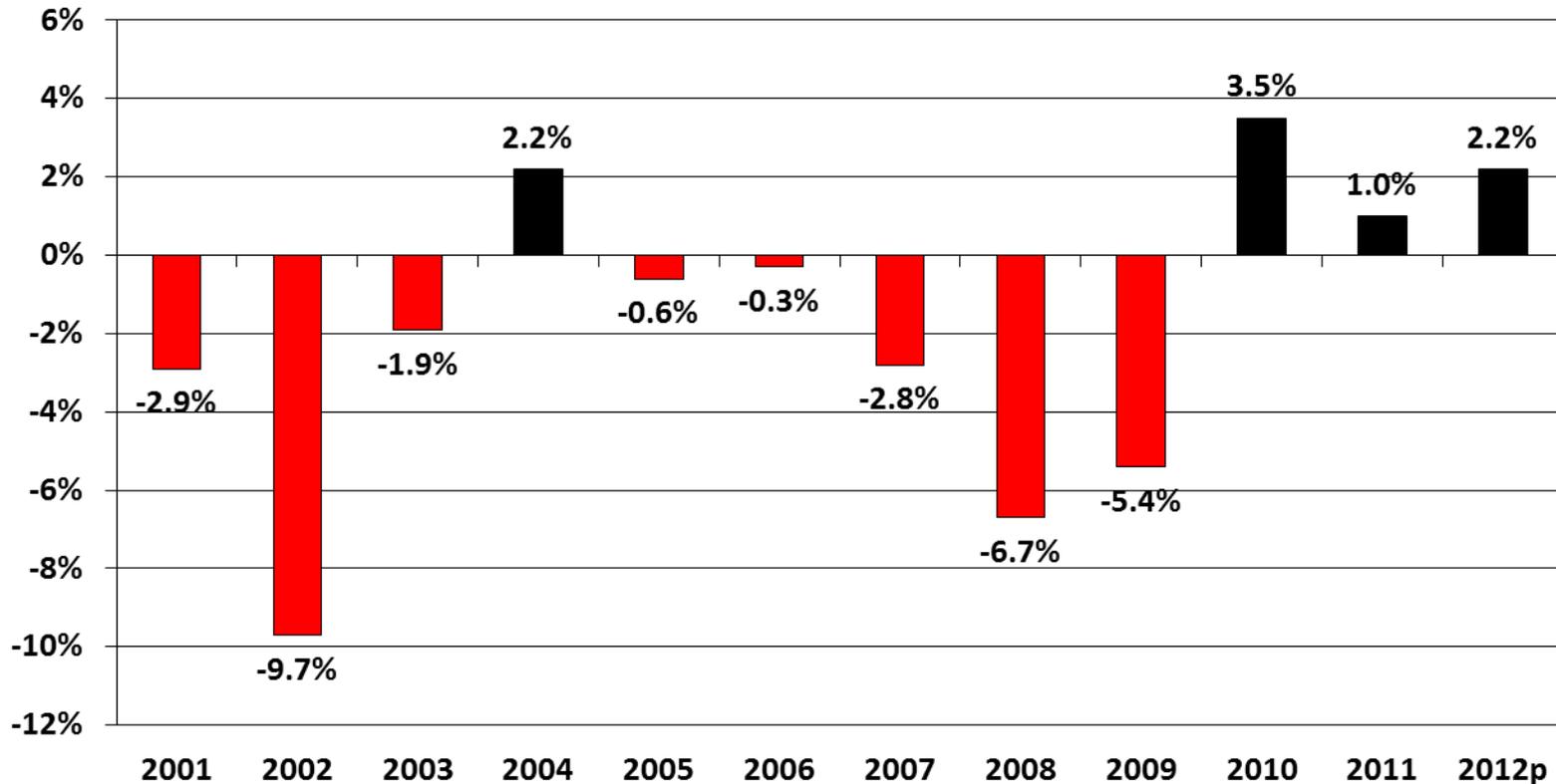
**The U.S. Travel Association estimates leisure travel person trips grew by 1.8% in 2012, slightly slower growth than 2011.**

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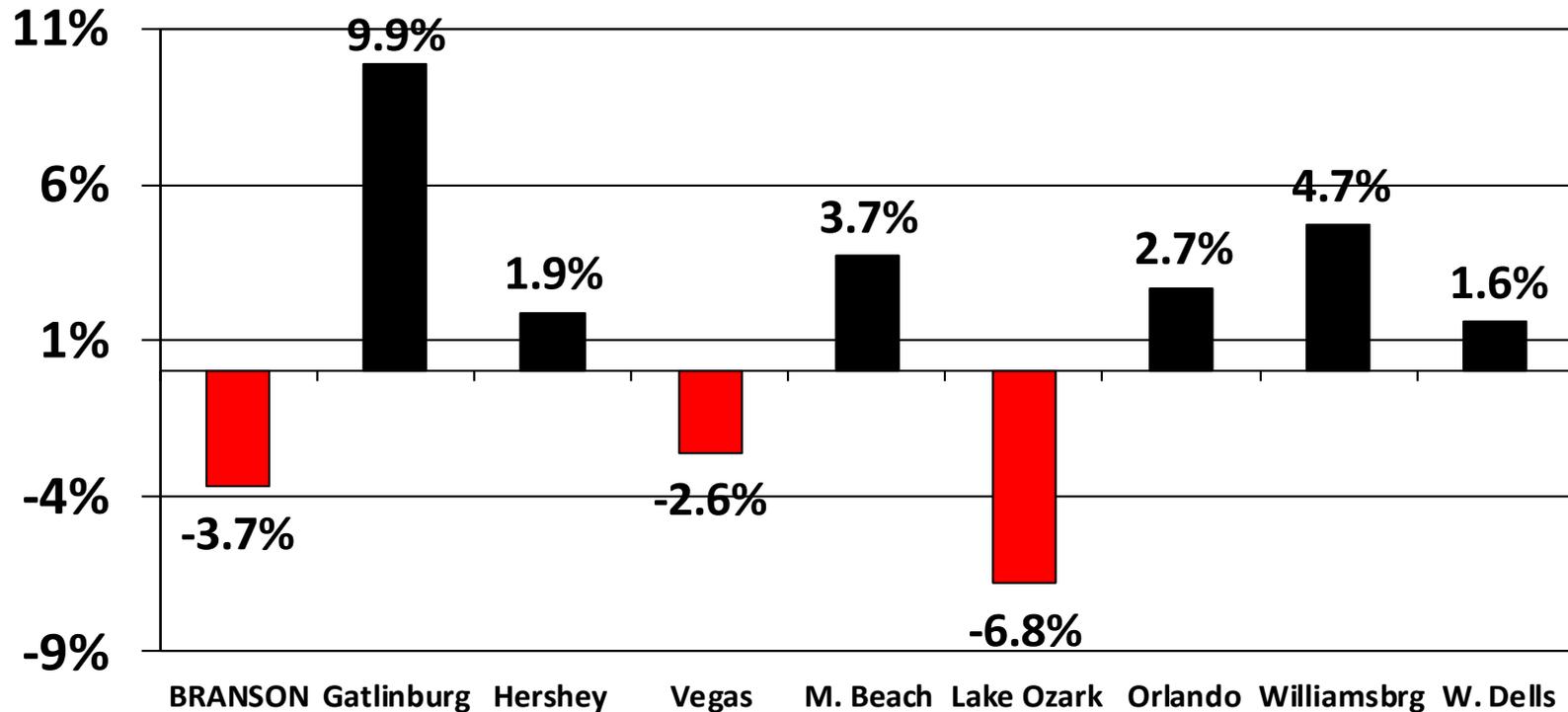
# Business travel growth (+2.2%) outperformed leisure travel in 2012 coming in at twice the ratio of growth experienced in 2011.

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# Direct Competitors Year-End Room Demand

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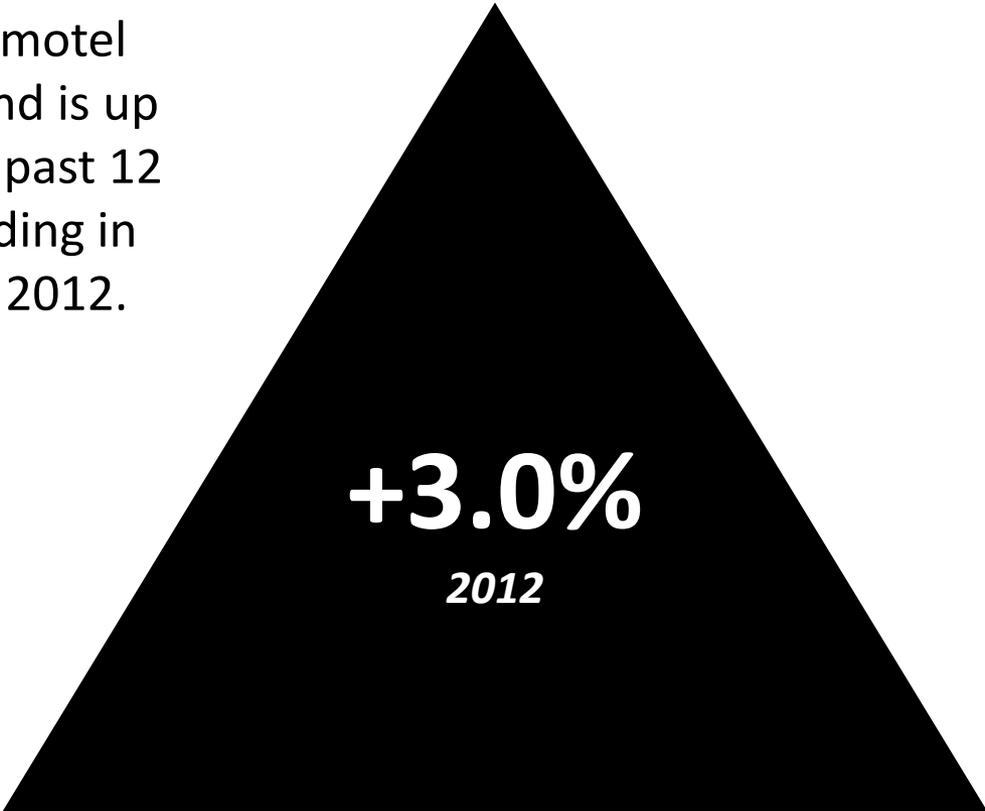


# Smith Travel Research

## Nationwide Room Demand Variance in 2012

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U.S. hotel/motel  
room demand is up  
3% over the past 12  
months ending in  
December 2012.



**+3.0%**  
*2012*

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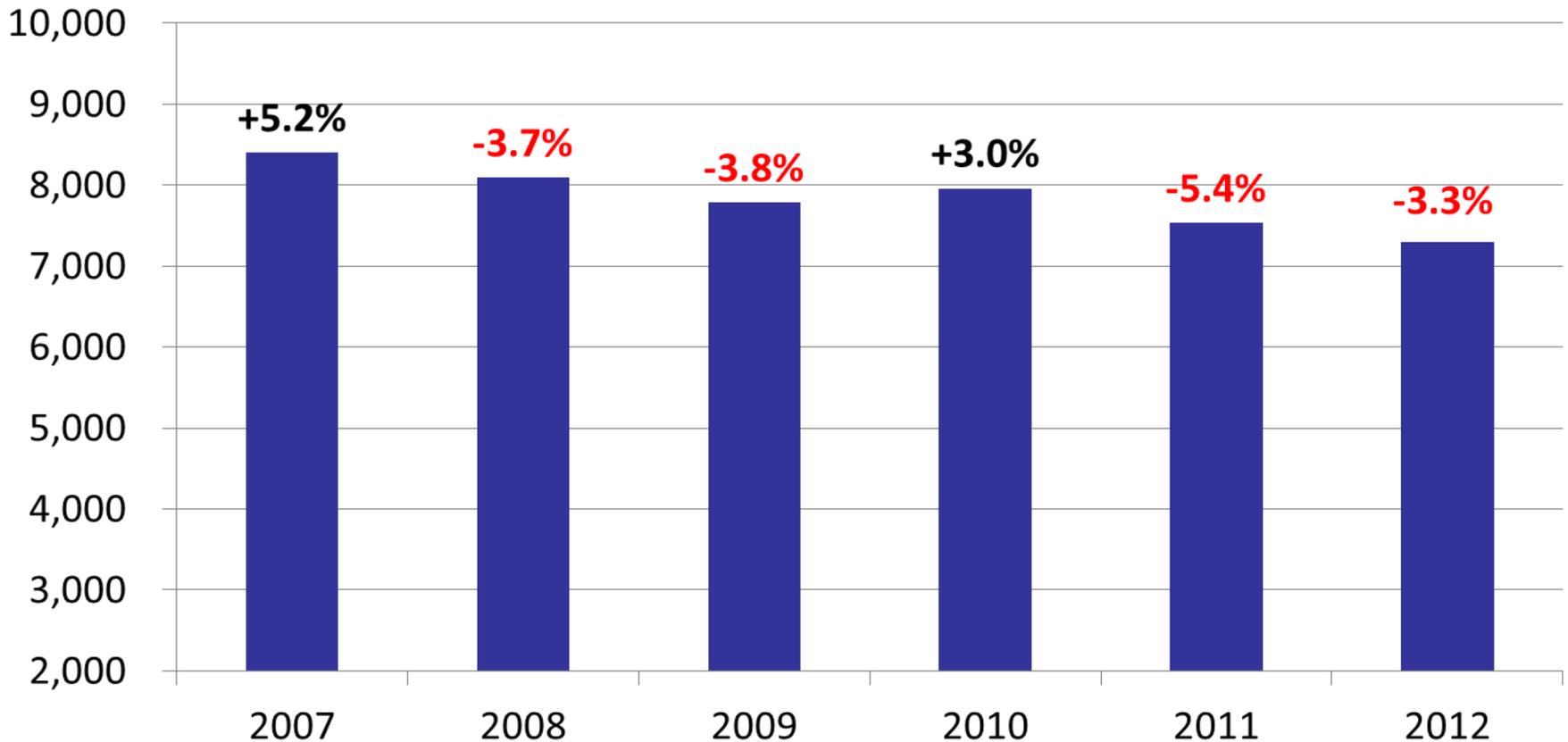
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**BRANSON 2012 YEAR-END PERFORMANCE**

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# Branson Visitation Year-End 2007-2012

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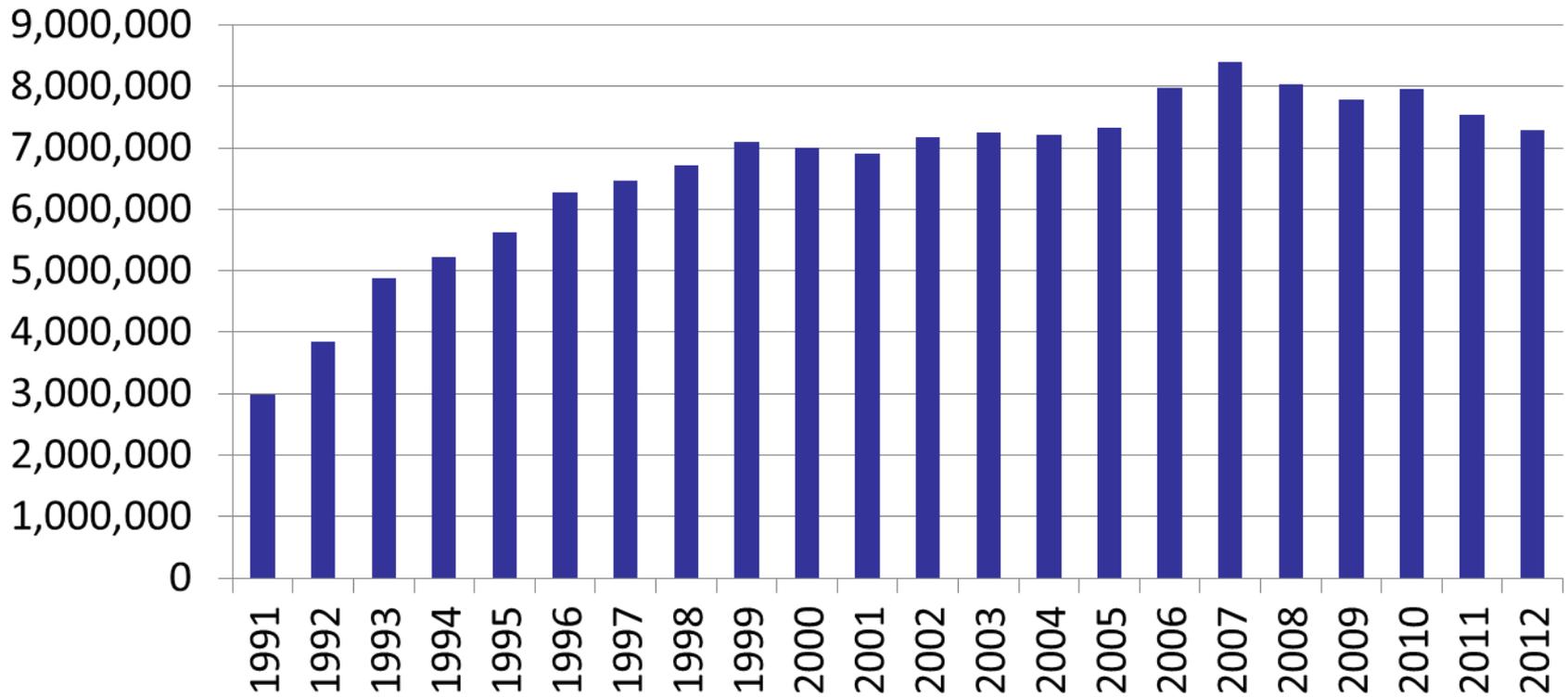


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Source: H2RMarket Research based upon STR, regional tax collections

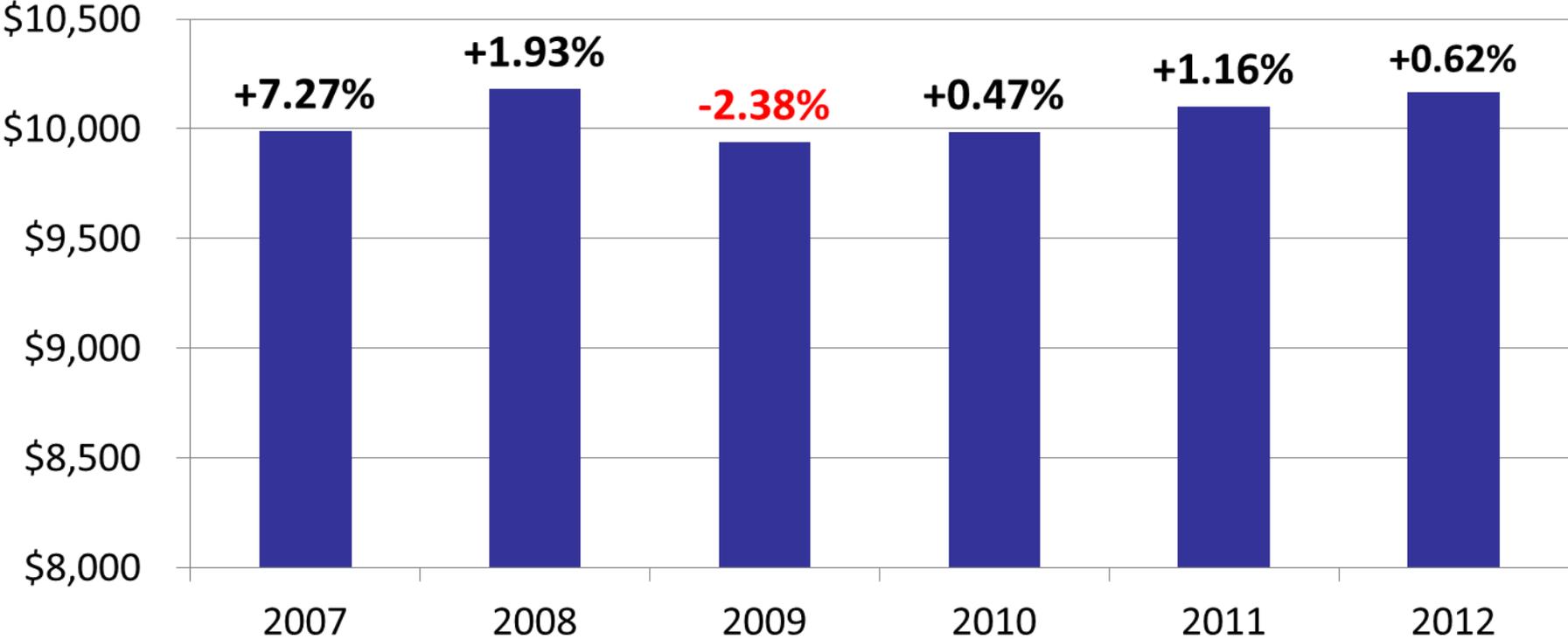
# History of Branson Visitation 1991 - 2012

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# City of Branson Sales Tax Year-End 2007-2012

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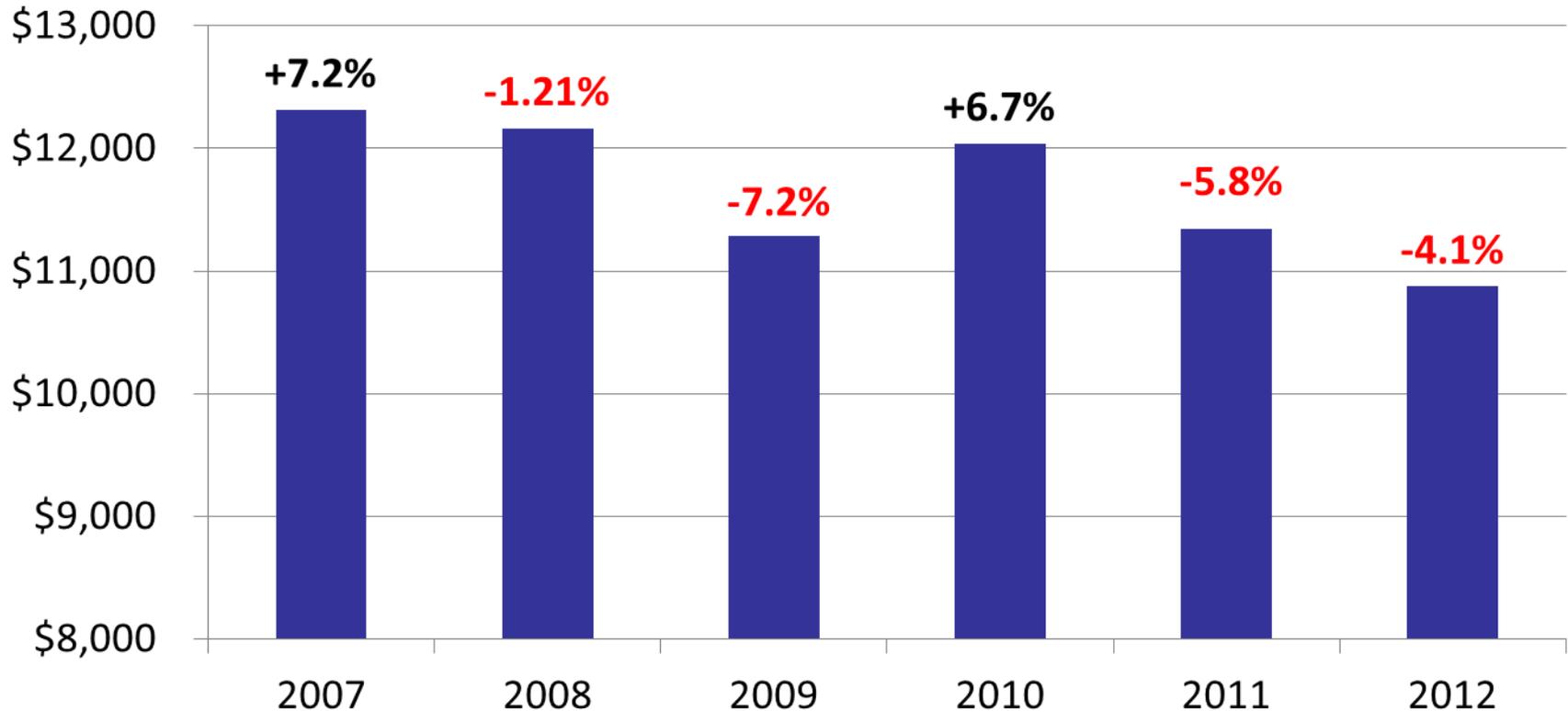


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Source: City of Branson

# City of Branson Tourism Tax Year-End 2007-2012

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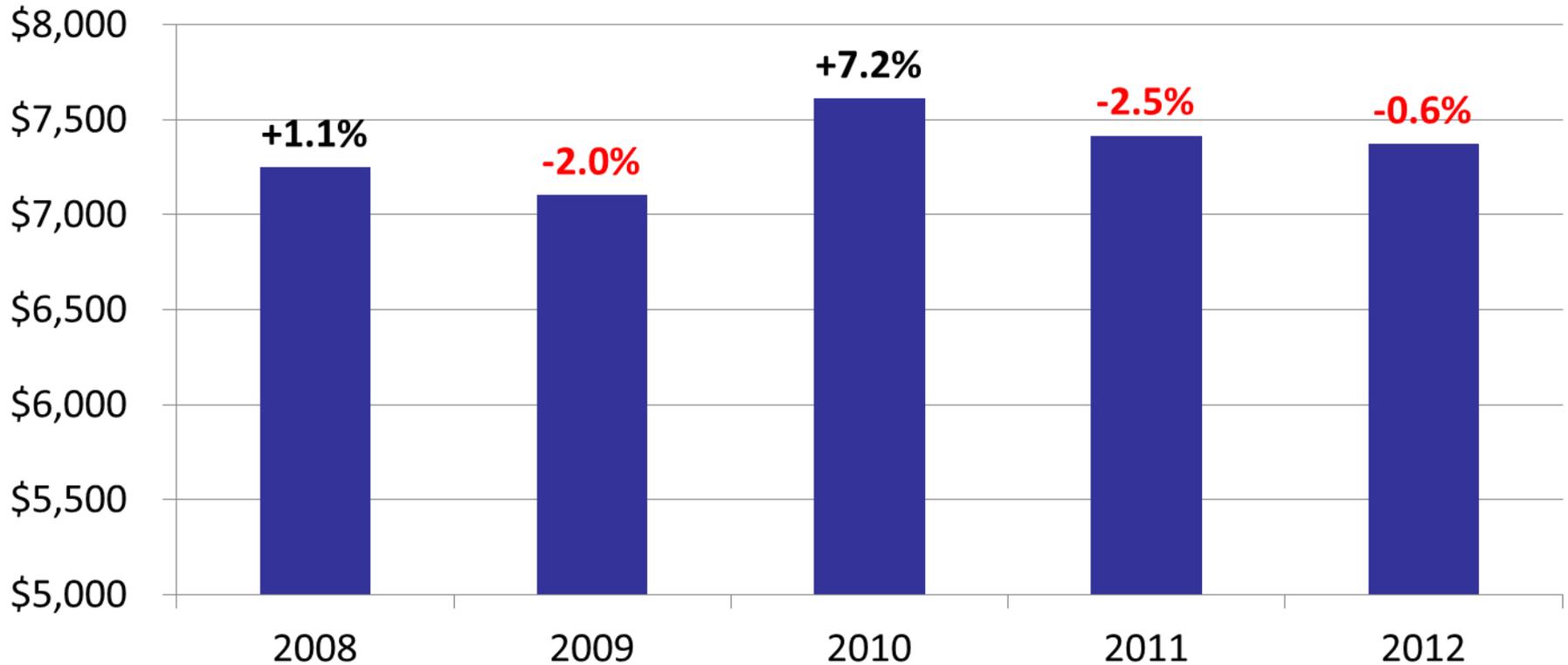


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Source: City of Branson

# TCED Enhancement Tax Year-End 2008-2012

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Source: TCED

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## LOOKING BACK AT KEY FINDINGS

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# Quick Look Back at 2012

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**Feb 29 Tornado**



**Record Summer Heat**



**Crop Withering Drought**



**High  
Unemployment**



**Roller Coaster  
Gas Prices**



**Winding Down  
of Staycations**

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# 2012 Geographic Distribution

*Based upon the collection of more than 120K visitor zip codes*

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<u>% of Visitors</u>	<u>Market</u>	<u>vs. 2011</u>
15%	Core Markets (0-100 mi.)	-13.9%
30%	Primary Markets (101-300 mi.)	-13.5%
27%	Outer Markets (301-650 mi.)	+ 2.7%
28%	National Markets (650+ mi.)	+13.1%

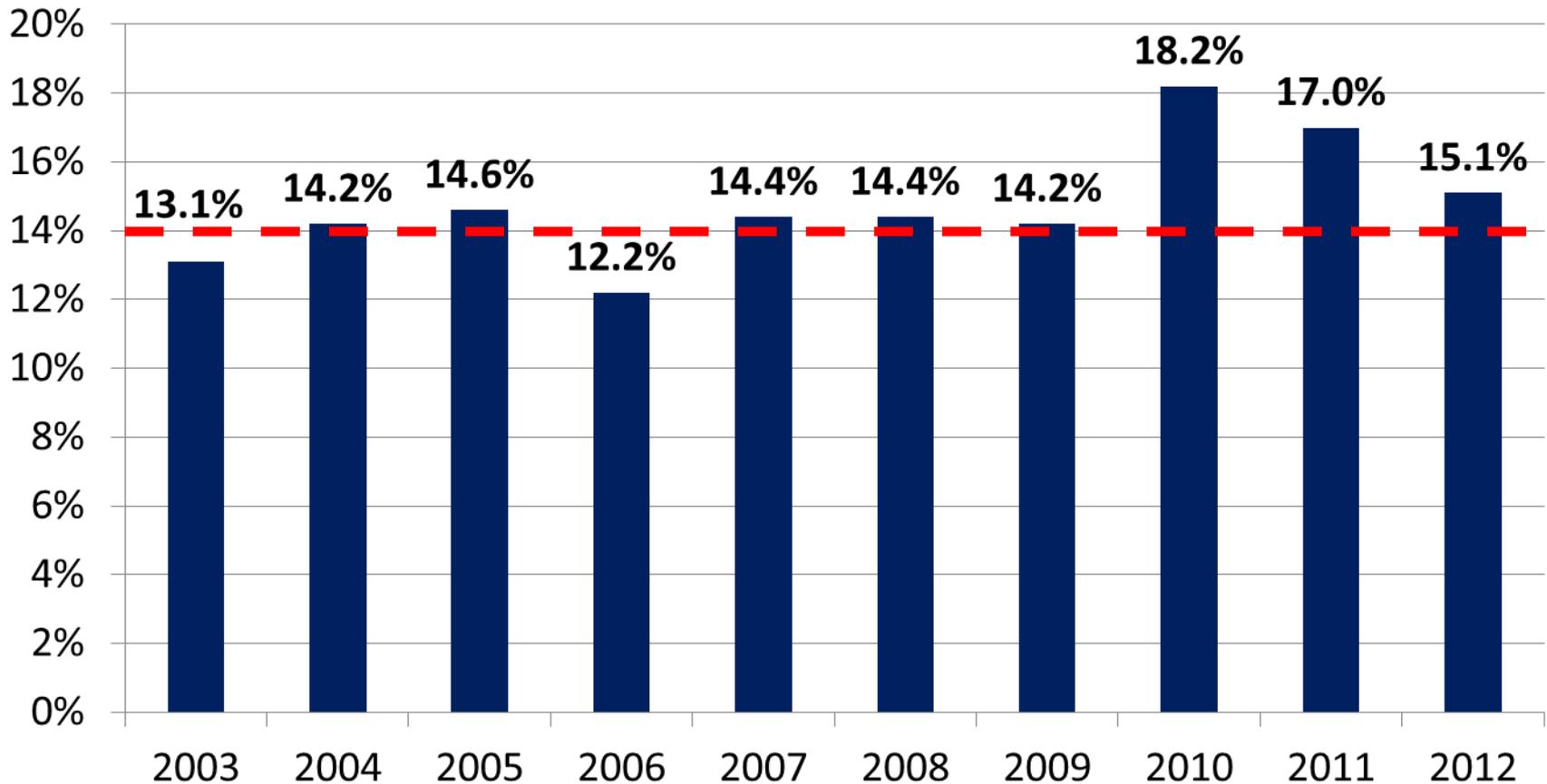
**TOTAL VISITATION** - 3.1%



**The core market is not down so much as it is back to “normal.”  
At 15.1%, it’s down from 2010-2011, but still well ahead of the  
10-year norm of 14%.**

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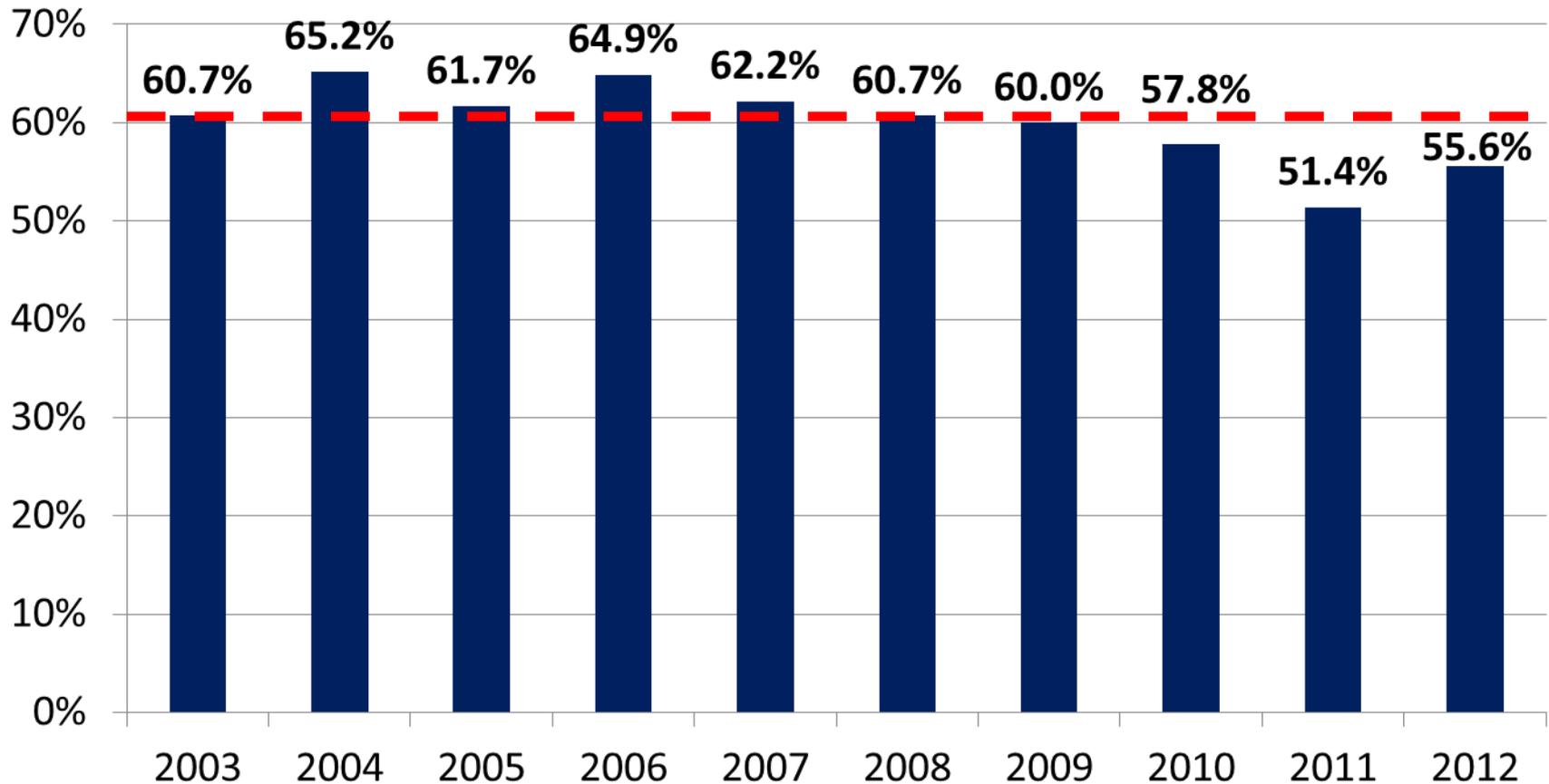
### History of Core Market Volume



**Outer markets rebounded nicely in 2012. But, from a macro view, remain below our historical norm of 60%.**

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**History of Outer Market (301+ miles) Size**



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**OTHER BRANSON INSIGHTS**

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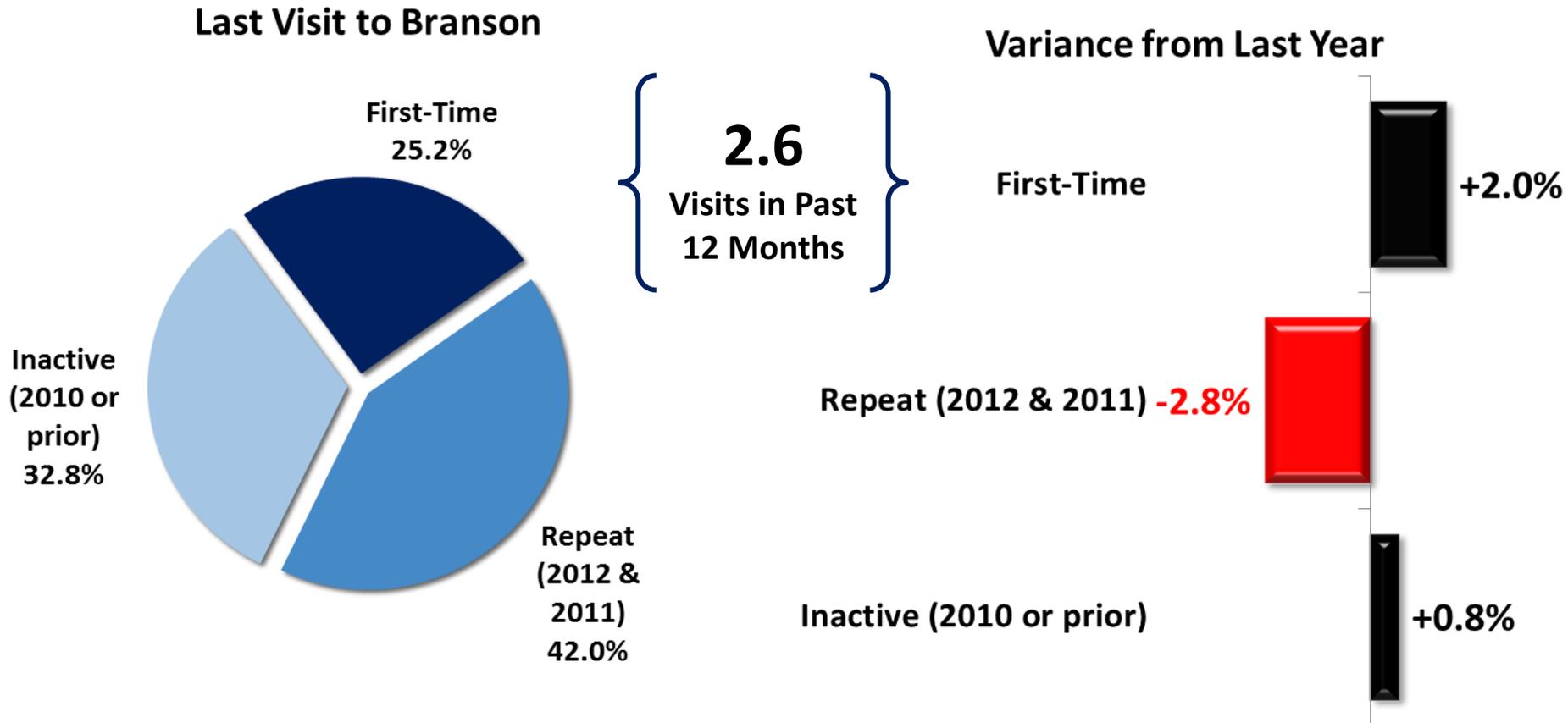
# Key Performance Indicators (KPIs)

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	<u>2012</u>	<u>2011</u>
▪ Spending per Party	\$957	\$917
▪ First-Time Visitors	25%	23%
▪ Families	37%	39%
▪ Average Adult Age	57.7 years	56.6 years
▪ Length of Stay	3.9 nights	4.0 nights
▪ Saw Shows	79%	81%
▪ Number of Shows Seen	3.2	3.2

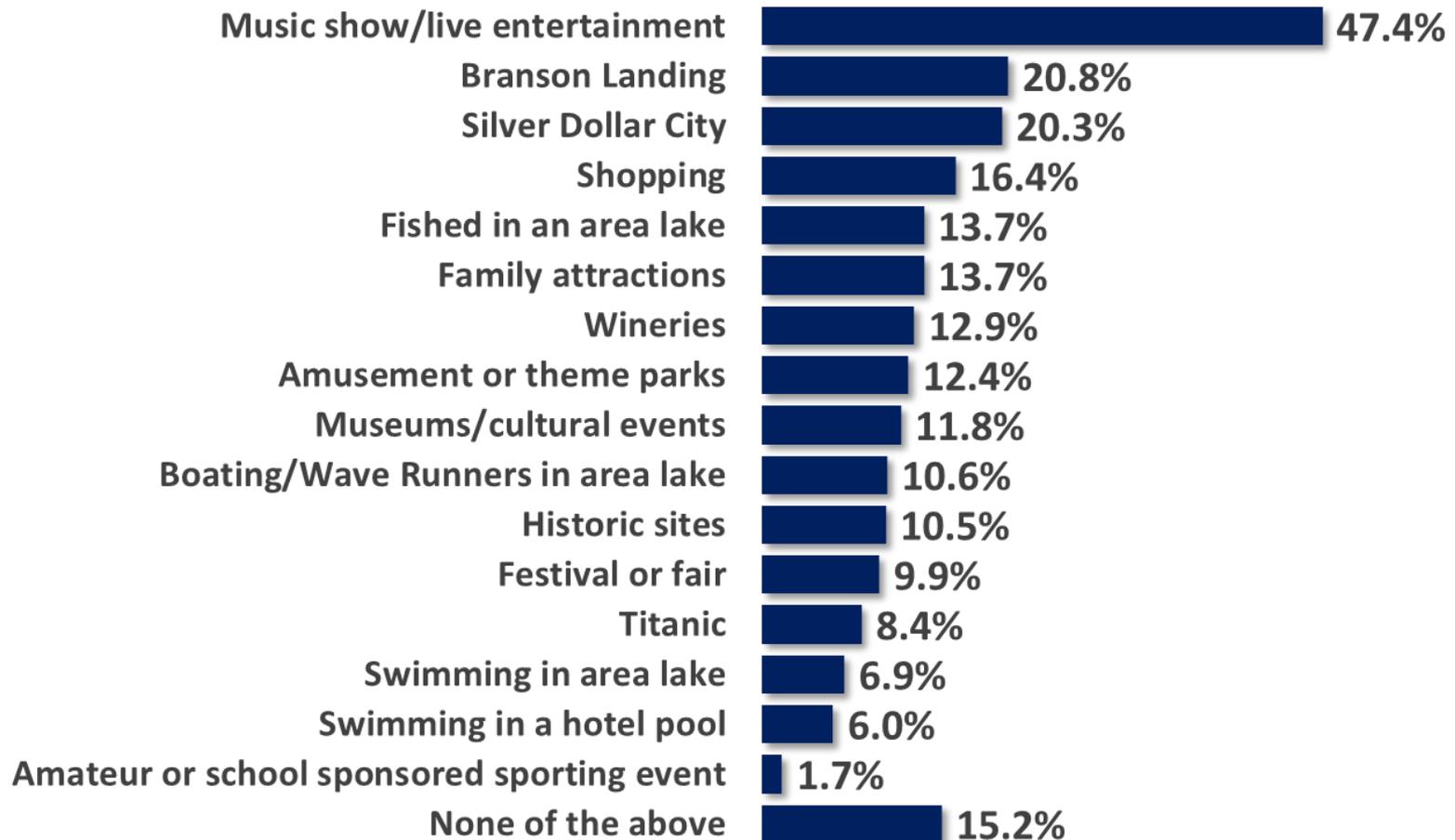
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**One-quarter of travelers visited Branson for the first time in 2012, up slightly from last year. Repeat visitors reported traveling to Branson an average of 2.6 times.**



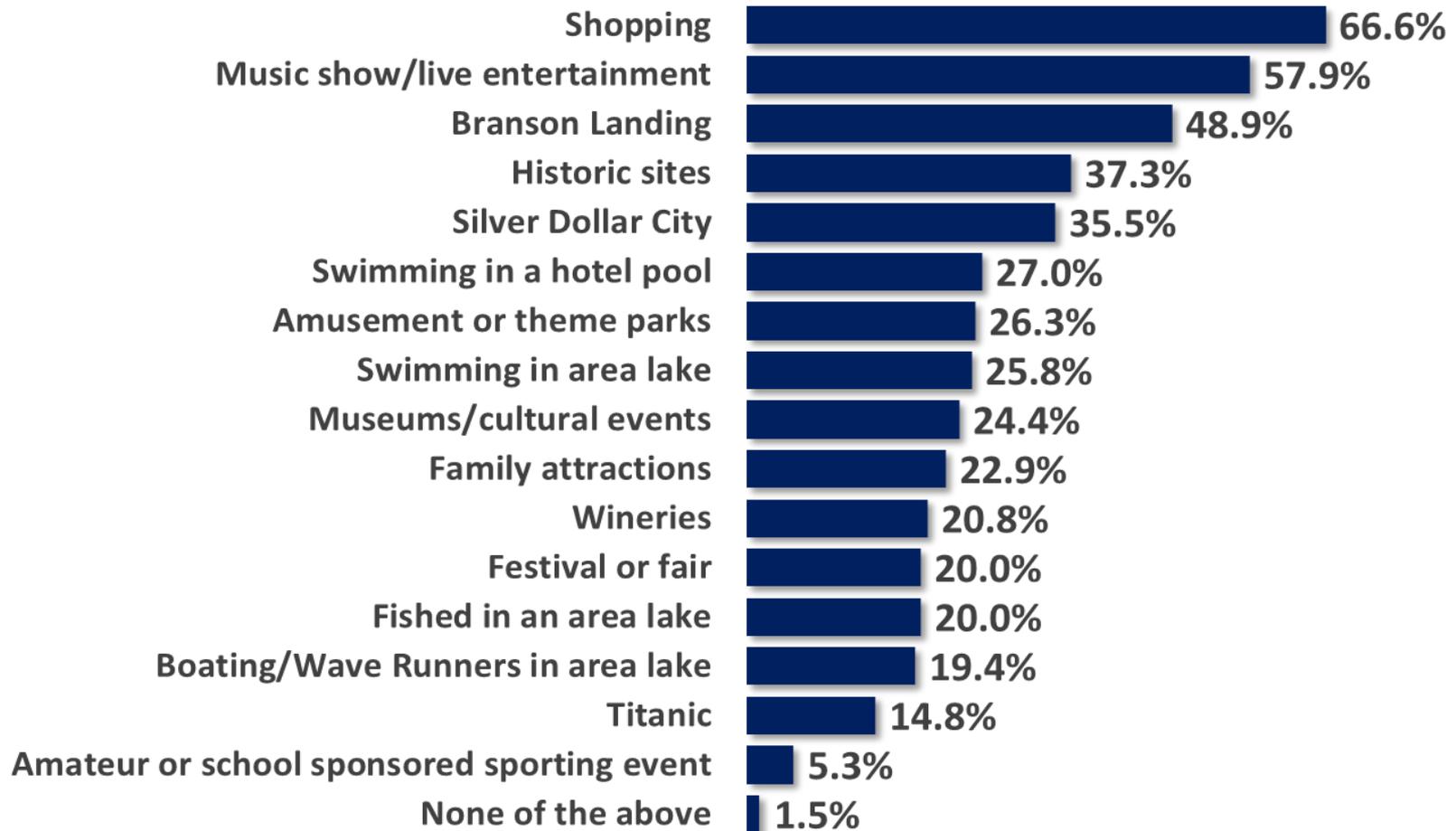
# Live Shows were a primary driver for visitation to the area, followed by the Branson Landing and Silver Dollar City.

## Area Activities that Influenced Visitation



# Shopping, Live Entertainment and the Branson Landing were the most popular activities enjoyed by travelers to the Branson area this year.

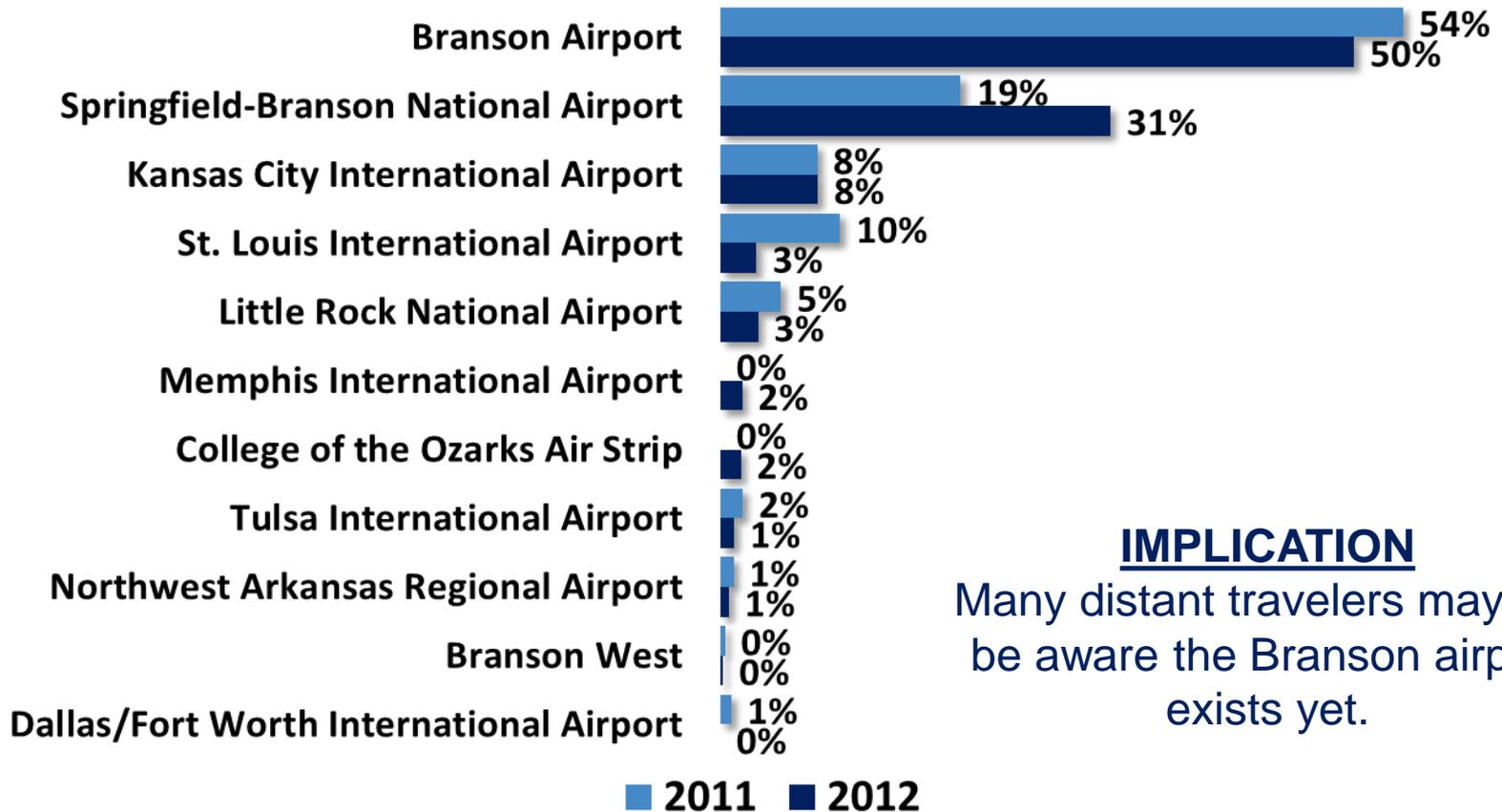
## Area Activity Participation



# The Branson Airport was the most popular airport, but the SGF airport rebounded significantly in 2012.

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Which Airport Was Used



## IMPLICATION

Many distant travelers may not be aware the Branson airport exists yet.

Nearly 20% of those who used the Branson Airport indicated they would not have visited Branson had the airport not been available.

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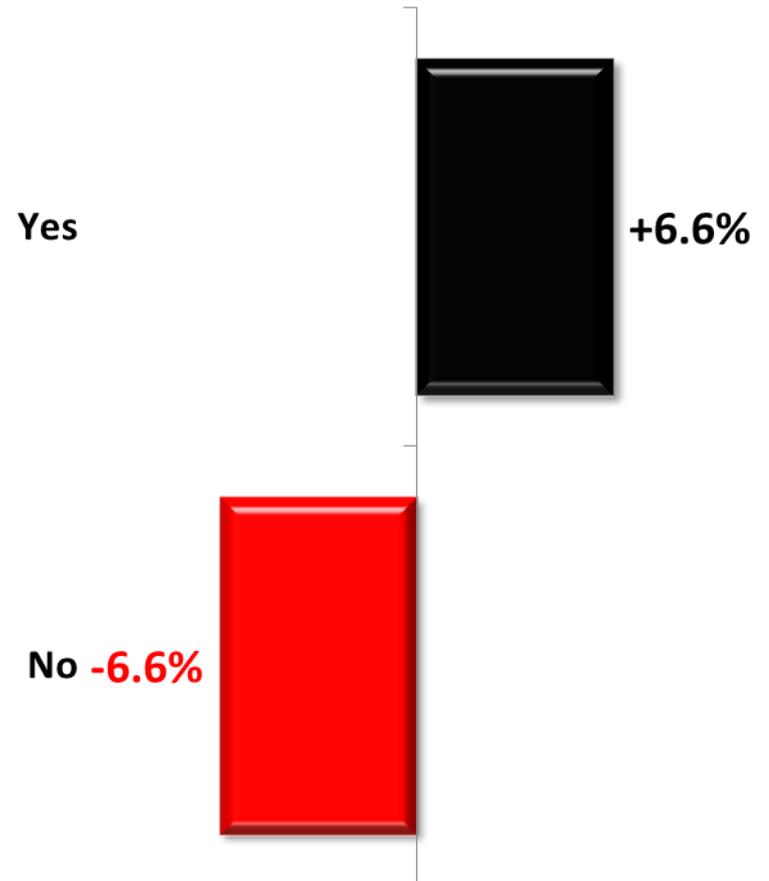
Visited w/o Branson Airport



**IMPLICATION**

One-fifth of BKG's travelers are *incremental visits*.

Variance from Last Year



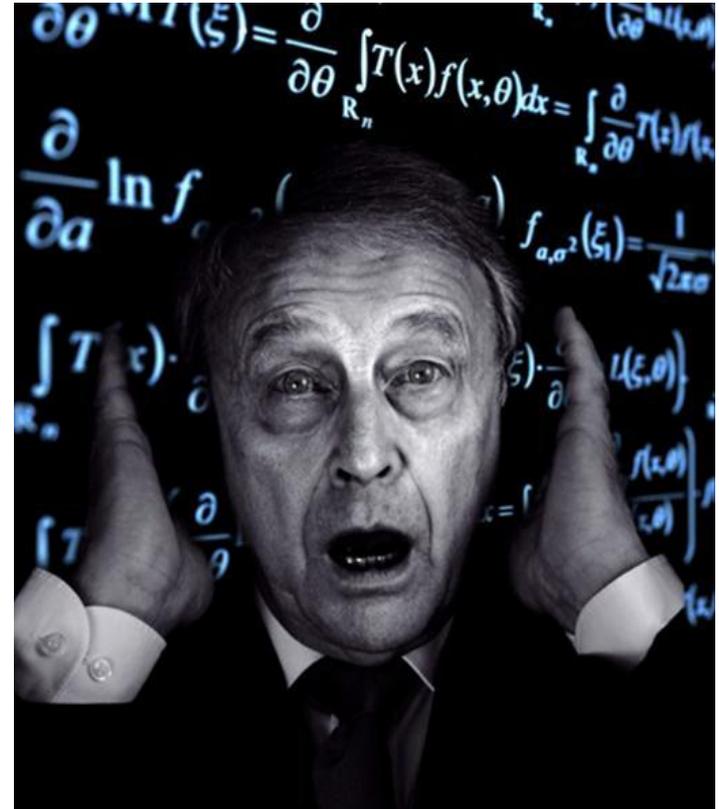
# Branson Research Programs:

*Voice of the Customer*

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**We conducted several different research studies in Branson over the past 12 months:**

- Performance Reporting, e.g., Smith Travel Research.
- Tornado Impact Study
- Branson Visitor Intercept
- Branson Youth Sports
- Ad Effectiveness & ROI
- Springfield Non-Visitors





## **BCVB 2012 ADVERTISING EFFECTIVENESS STUDY**

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*Prepared by H<sup>2</sup>R Market Research/October 2012*

# METHODOLOGY

## WHO

Leisure travelers nationwide in three advertised tiers 0-300 miles, 301-600 miles and 601+ miles

## WHEN

September/October 2012

## WHAT

Rigorous measurement of the incremental number of trips and associated spending generated from Branson's 2012 ad investment

## HOW

Professionally managed email panel of 1,712 respondents with a margin of error of +/-2.4% at a 95% confidence interval

## Ad Campaign Reach

Overall, **more than 26% of travelers nationwide recalled seeing at least one of Branson's television advertisements**, down slightly from last year's record 30% awareness but in line with previous years.

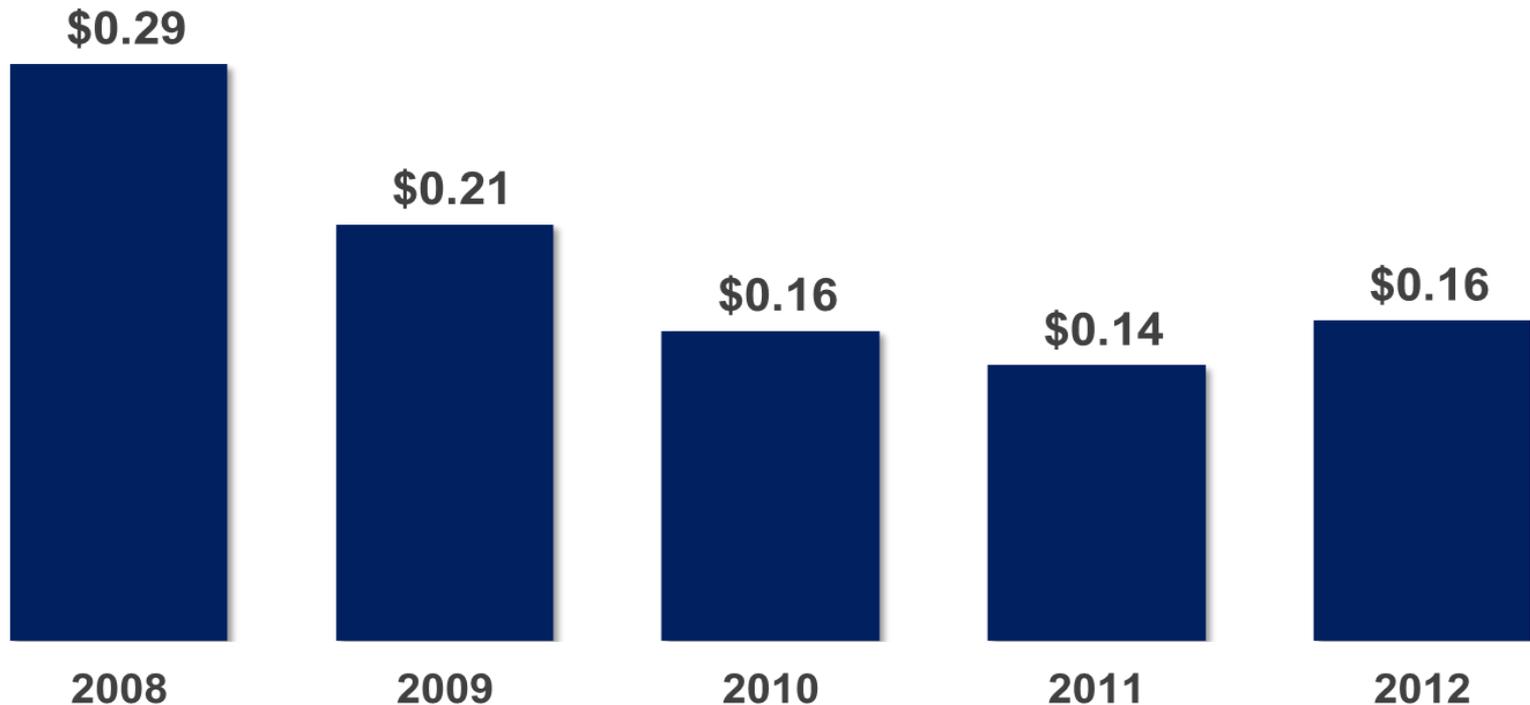
Extrapolated across the total number of travelers in these markets, it is estimated that **Branson's ad campaign reached 21.6 million traveler households** this year, down about 9% from the 23.8 million recorded last year.

**Cost per aware household only rose by \$.02**, coming in at \$.16 this year, similar to 2010's costs. Branson's cost per aware household (\$.16) is considered excellent relative to the industry norm. Anything below \$1.00 is considered acceptable and below \$0.50 is very good.



**Cost per aware household reached an all-time low in 2011 and remained in that same range this year, an indication that the media buy continues to provide very efficient results.**

**Overall Cost per Aware Household by Year**



## Advertising Satisfaction

The majority (85%) of respondents indicated that Branson's television advertisements had a positive impact on their perception of the area, and all of the key message points resonated well.

However, Branson recorded decreases in every message point tested this year. The largest setbacks came in the areas of "good place for an adult couple to visit" and "showed activities that would appeal to the interests of everyone in my travel party."



# National TV Spots



# National TV Spots





800-203-4662

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ExploreBranson.com

FEATURING OVER 100 LIVE SHOWS · SILVER DOLLAR CITY · TITANIC MUSEUM · THREE PRISTINE LAKES  
BRANSON LANDING · FISHING · BOATING · MUSEUMS · SPAS · GOLF · ZIP LINES  
OUTLET SHOPPING · DINING · RESORTS · HISTORIC DOWNTOWN



## Ads Generate Incremental Spending

To be effective an ad campaign must also drive travelers to Branson who would not have otherwise visited; Branson's 2012 television advertisements delivered well in this area.

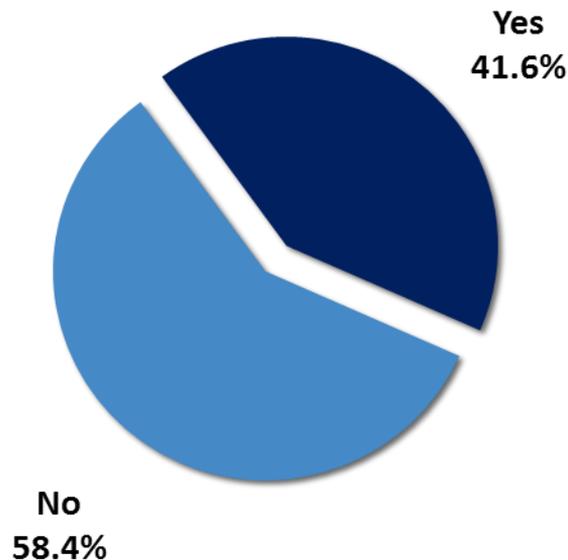
This year's campaign generated 301.6k *incremental* trips to the area and produced \$276 million in incremental travel spending, down \$14 million from last year, but still higher than 2010 or 2009 levels.

Hence, while the area may be down overall, things could have been much worse had it not been for the overall effectiveness of the ad campaign.



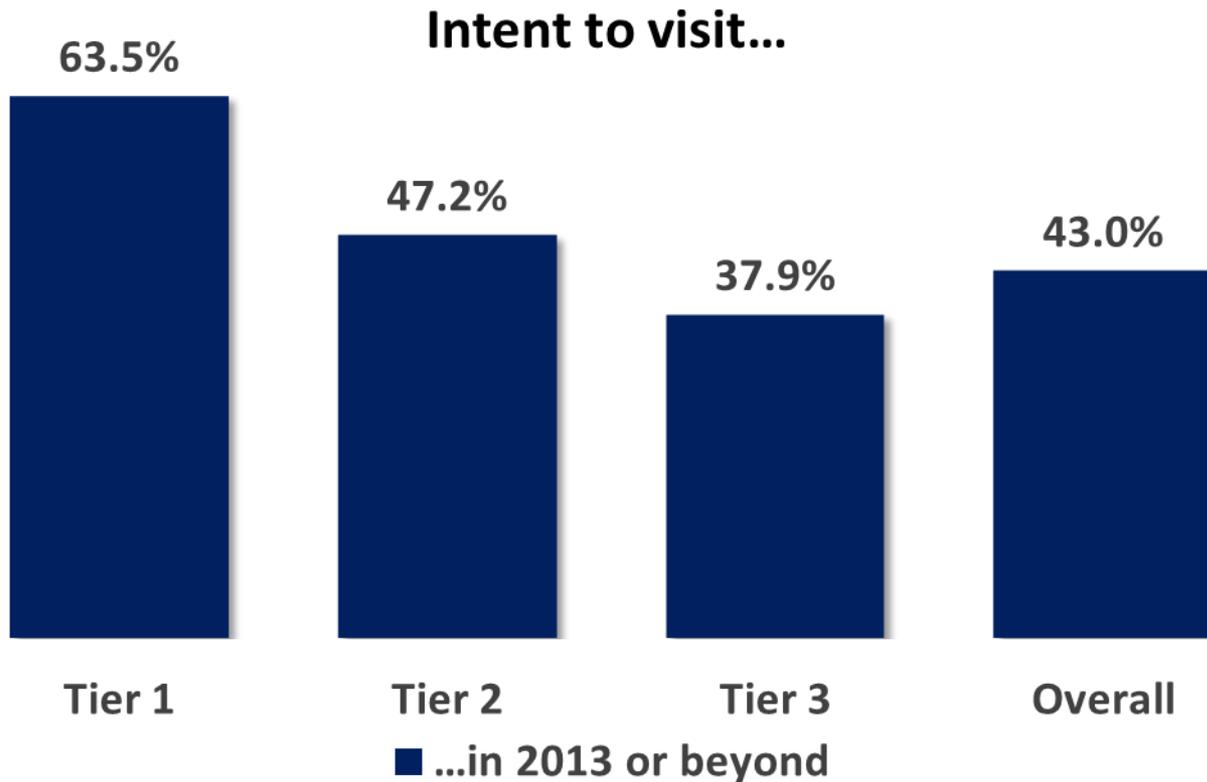
**Branson's ads rank 3<sup>rd</sup> in unaided recall behind Disney and Florida—and higher than Las Vegas, California, Missouri and Hawaii.**

**Did you see any travel ads, promotions or news stories about destinations this year?**



TRAVEL ADS/STORIES RECALLED	
1.	Disney 7.5%
2.	Florida 7.0%
<b>3.</b>	<b>Branson 6.4%</b>
4.	Alaska 5.5%
5.	Las Vegas 4.3%
6.	California 3.6%
7.	Michigan 3.4%
8.	Mexico 2.5%
9.	Missouri 2.0%
10.	Chicago 2.0%
11.	Hawaii 1.9%
12.	Texas 1.9%

**Overall nearly 43% of travelers indicated they intend to visit Branson in 2013 or beyond after seeing the travel ads.**



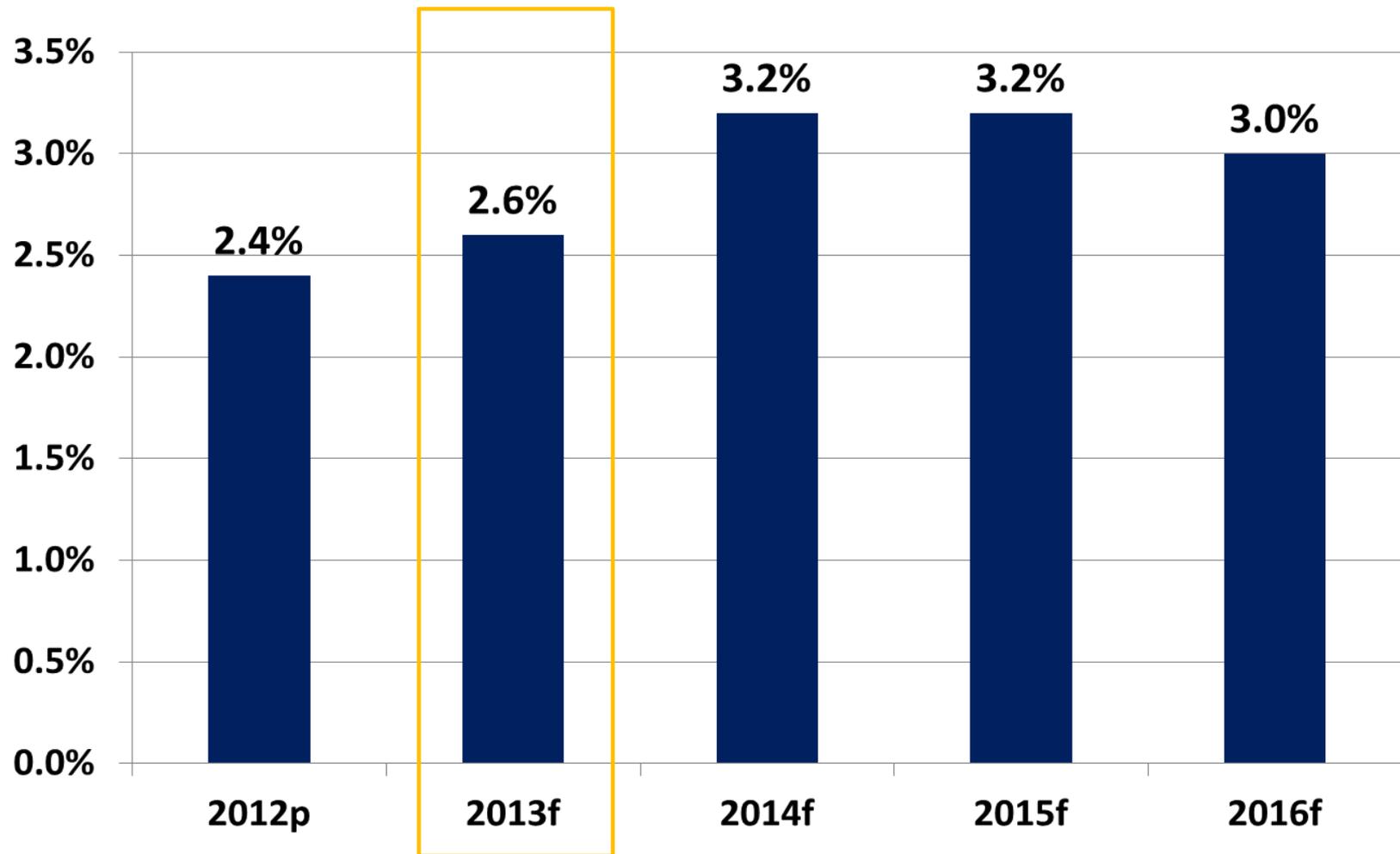
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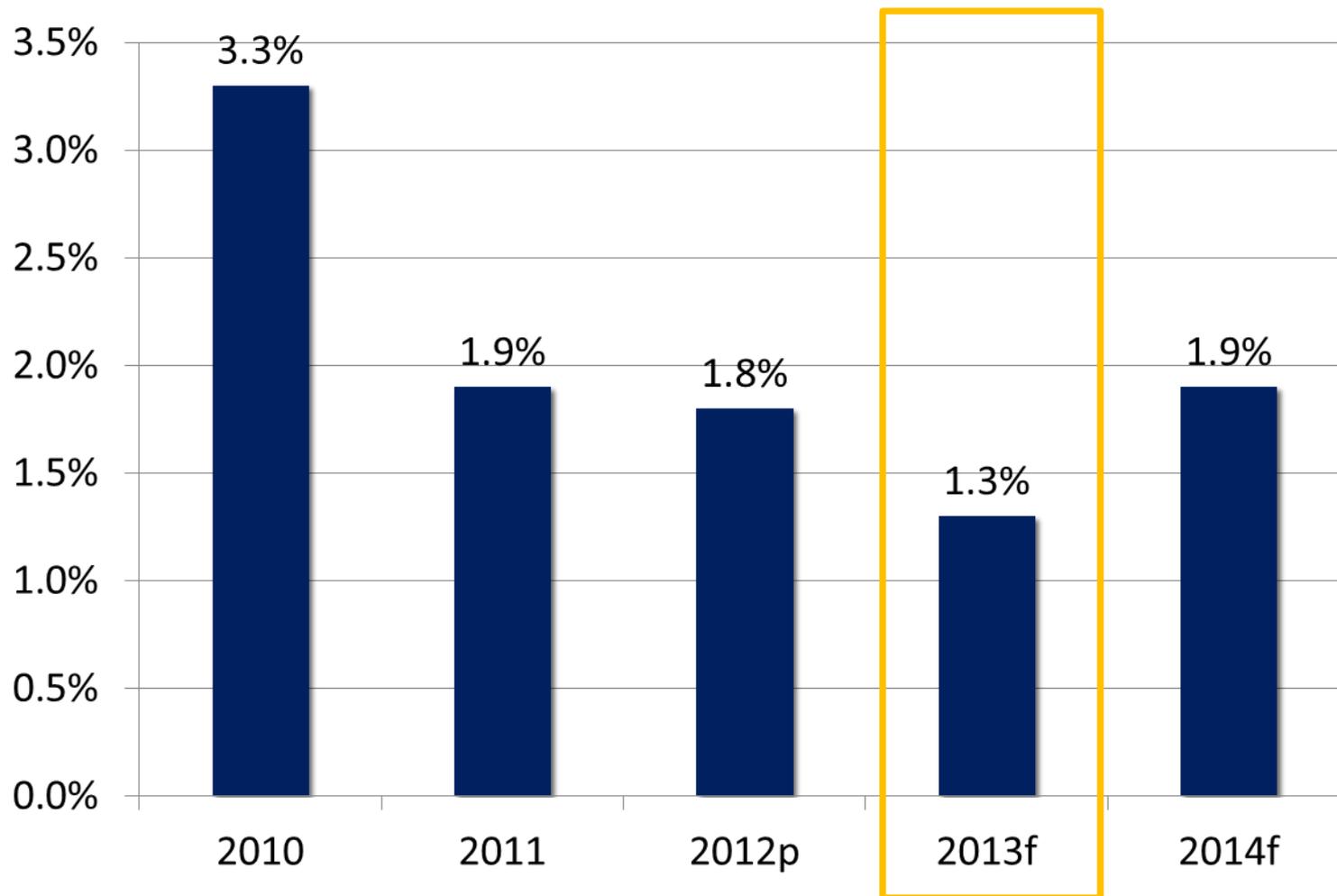
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**TRAVEL INDUSTRY 2013 OUTLOOK**

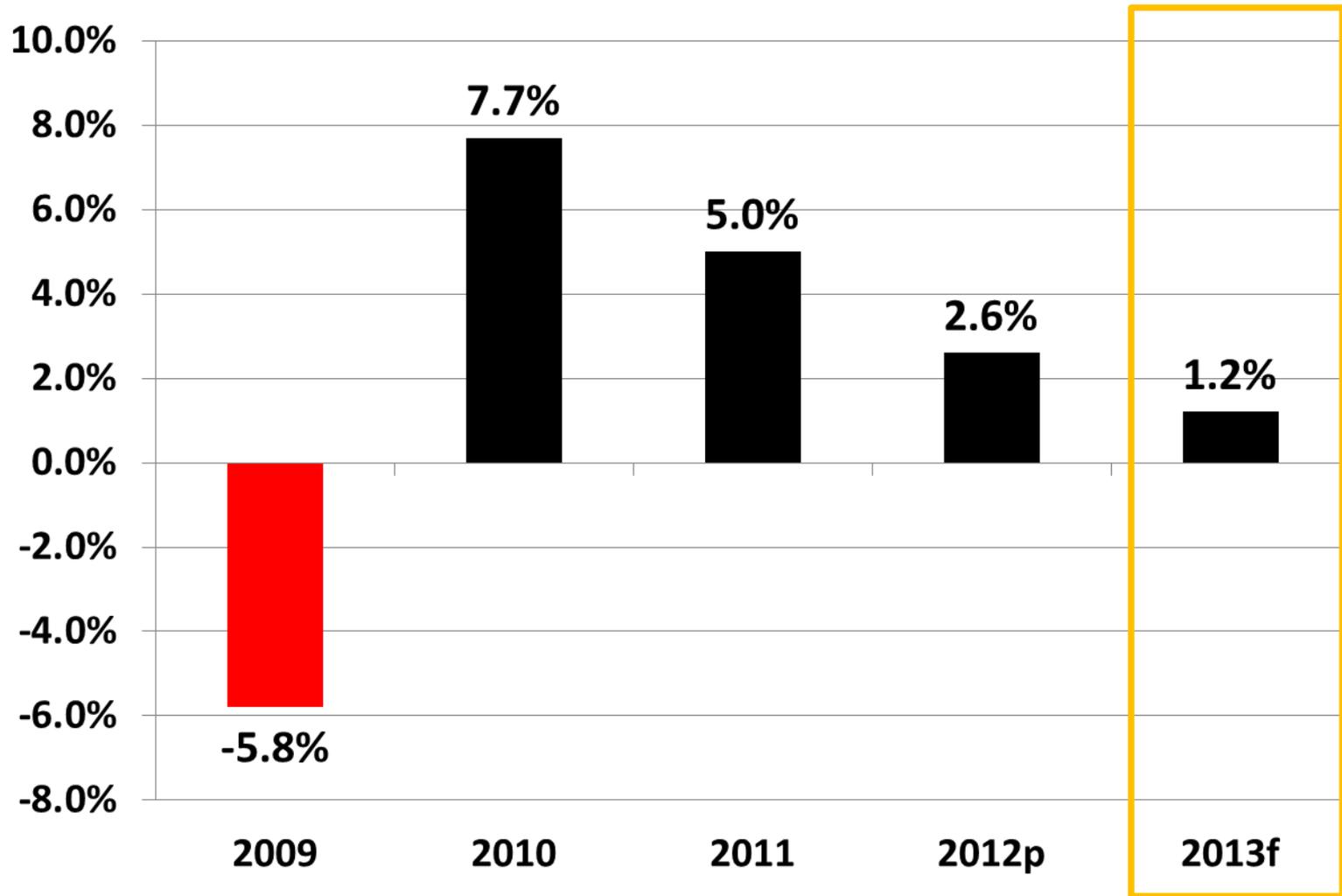
**Economic Outlook remains slow, but steady. Experts project another slow growth year before GDP begins to heat up in 2014 and 2015.**



## The U. S. Travel Association projects overnight leisure travel growth will slow to +1.3% in 2013.



**And, Smith Travel Research agrees with the USTA that growth in 2013 will be slower than in 2012.**





**Thank you.**

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