

2013-2014 Destination Marketing Plan

Mission

Mutually lead our membership and travel and tourism industry by marketing and guiding the Hilton Head Island destination brand experience to generate sustainable economic vitality.

Brand Commitment

Hilton Head Island renews and enriches a visitor's body and spirit through a sophisticated, relaxing, aesthetically beautiful and lush South Carolina seaside resort environment. The community offers a fun and restorative beach culture, world-class golf and tennis, vibrant arts and culture, and refreshing outdoor recreation in an ecologically sensitive setting.

Guiding Principles

- Serve as a voice and advocate for the business community
- Maintain the highest ethical standards in all we do
- Work to preserve and enhance the prudent growth, quality of life and character of our region
- Develop collaborative partnerships only in areas where the partnership can accomplish that which our organization cannot do alone
- Develop and implement programs and services that benefit the economic well-being and common interests of our members
- Initiate programs for which there is funding and staffing resources
- Make decisions based on long-term perspective

Hilton Head Island Marketing Council

The Hilton Head Island Visitor & Convention Bureau's destination marketing programs have been clearly focused on the following short term and long term goals, as set by our Hilton Head Island Marketing Council, under the leadership of VCB Vice Chairman Steve Birdwell, President of The Sea Pines Resort:

Short Term Focus (Now through Calendar 2014)

Top 5

1. Work with destination's top assets (events/attractions/ activities), especially those that target affluent travelers, and build/market robust packaging with lodging around them.
2. Expand our Social Media Strategy & Allocate Resources (Staff and Outsourcing) to fully optimize and adjust based on ROI Metrics.
3. Continue to enhance *our Get Louder! Campaign* to better communicate the story of our destination and organization's marketing programs and successes locally.
4. Improve partners planning together and creation of high impact coop programs (like US Airways) to market destination with partners.
5. Invest in sustaining and strengthening of digital SEO and keyword search.

Long Term Focus (Up to 10 Years)

Top 5

1. Funding – Grow destination marketing funding.
2. Tourism Product Development – destination engagement in planning and leveraging plan announcements, openings and new products.
3. Explore licensing of Lighthouse as iconic brand image for HHI as a destination.
4. Airport/ Air Service Improvement– push for proactive response to threat of Hilton Head Island Airport tower sequestration closing in May, terminal improvements, direct city service expansion at Savannah/Hilton Head International Airport, low-cost carrier needed.
5. Major New Fall/Winter event (different from Concours, while still growing existing marquee events): specifically, support Hilton Head Island Institute's new IMAGINATION event this fall.

Most demographers agree that a major shift in generational travel is underway; it defines changes in consumer thinking and behavior that will last well into the next decade and perhaps beyond.

Peter Yesawich, head of The MMGY Travel Group, first called this change *The New Normal*.

The Hilton Head Island Visitor & Convention Bureau has approached long range strategic planning for the destination from a New Normal perspective.

Our steps:

Proactive engagement with local stakeholders, influentials and industry thought leaders.

Elimination of single industry sector committees that silo our tourism community.

Direction from the Hilton Head Island Marketing Council with cross industry representation and voice.

The job of embracing, understanding and leveraging *The New Normal* is not necessarily linear – it's more of a **circle** that our organization has started, one that is dynamic & collaborative in nature and continuously moving forward as we work with the business community to lead along new pathways.

Tourism Industry Stakeholder's Priorities

Engage and seek input from tourism leaders which can be utilized to enhance our destination's marketing, sales, and visitor services

Our stakeholder engagement series this past year gave us valuable input on who the local tourism community wants the destination DMO to target:

Q The HHI Visitor: Who do we want & how will we go after them?

A : Pursue affluent travelers.

: \$150,000+ household income who spend on resort leisure travel.

: If targeting lower income levels, then target those that spend a significant percentage of their discretionary income on travel to resort destinations.

: Pursue aspirational younger visitors.

: Seek and secure next generation visitors.

: Peak and Shoulder season travelers are markedly different – focus on couples, small groups of friends and multi-gen travelers to grow fall, winter and spring travel.

: Encourage businesses to explore more cross marketing/ collaborative/ packaging opportunities by various industry sectors – lodging, golf, culinary, arts and cultural, outdoor, eco-tourism, weddings, group, etc.

The Dawn of a Brand New Day on the Island

Q If we know who our visitors are now, and who we want them to be – do we have the infrastructure, product and services to meet and exceed their expectations?

A : Core need to address our aging, tired product

We are happy to report that 2013-2014 brings the literal dawn of a new day on the Island and in the region in terms of tourism product development and redevelopment.

- Completion of a \$5 million renovation of the Holiday Inn Oceanfront to The Beach House a *Holiday Inn Resort*, completed spring 2012.
- \$30 million renovation of The Westin Hilton Head Resort & Spa, completed spring 2013.
- \$40 million redesign and rebuilding of The Sea Pines Resort's Plantation Club and Harbour Town Clubhouse scheduled for completion in two phases: winter 2013 & spring 2015.
- Flagship change of the former Hilton Oceanfront Resort to the Omni Hilton Head Oceanfront Resort with an accompanying \$17 million renovation underway during fall 2012/winter 2013 with completion scheduled first quarter 2014.
- \$30+ million complete restoration (flagship change spring 2012) of the Sonesta Resort Hilton Head Island, scheduled to reopen spring 2013.
- A number of our Select Service properties have completed, or announced future renovations to include the following properties:
 - Main Street Inn & Spa
 - Red Roof Inn
 - Hampton Inn Hilton Head
 - Hilton Head Quality Inn & Suites
 - Comfort Inn South Forest Beach
- Planning underway with the Town of HHI for a redevelopment of The Mall at Shelter Cove to be renamed Shelter Cove Towne Centre. First phase slated to open late fall 2013.
- Planning underway with the Town of HHI for a redevelopment of Coligny and the surrounding area to include Pope Avenue, Coligny Circle, Public Beach Parking and future campus of USCB.
- Development of a major new historic and cultural site called the Historic Mitchelville Freedom Park by the Mitchelville Preservation Project on land leased from the Town of Hilton Head Island is underway. Mitchelville was the first self-governed freedmen's village in the United States.
- Commitment by the Town of Hilton Head Island to a community-wide sustainability benchmark assessment, key to putting our destination on the modern path to being a true sustainable 21st Century destination.
- Opportunities exist to improve our home & villa product.

We've Put Out the Welcome Mat for First Time Visitors

As new product upgrades come online, stakeholders have agreed that the destination will need to particularly focus on:

- : Identifying and meeting the needs of the first time visitor.
- : Many repeat visitors will continue to come as they tend to overlook where our infrastructure falls short because their experiences here meet their emotional needs for a relaxing, refreshing vacation. Now that the major hotels are investing in major renovations and some new lodging product may well be developed, the push should ramp up for our home and villa regimes and owners to similarly invest in bringing their lodging product up to world class resort destination standards.
- : In order to court and win over the first time visitor, sustained investment in product and service upgrades is a must by all sectors of the tourism industry: lodging, attractions, retail, restaurants, services.
- : Focus on communicating the overall, aggregate destination offerings – not silo experiences.

Competing to Win

- : Create investment and resource incentives for infrastructure redevelopment
- : The Town of Hilton Head Island has made significant strides in making the process easier, friendlier to redevelop sustainably; these efforts need to continue.
- : The Town of Hilton Head Island has also worked with the private sector to improve digital wifi, mobile and wireless services – these efforts should be a sustained part of budgets so that the latest consistent and dependable digital services are available across the whole Island.
- : Identify and pursue economic development initiatives, and incorporate tourism as a lifestyle driver in drawing targeted business cluster sectors and entrepreneurs to the Island.
- : Work collaboratively to develop and evolve robust programming along with packaging promotions that highlight our area's arts & cultural, history & heritage, sports, outdoor, culinary, retail, ecological and intellectual resources, products & services to visitors.
- : Grow public and private investment in destination marketing.
- : Come together with a collective voice to impact change.
- : Champion a strong, collaborative plan for the future of tourism on Hilton Head Island.

8 Key Marketing Strategies

Strategically, the Visitor and Convention Bureau marketing, sales and visitor services staff will execute the day-to-day tactical implementation and management of the destination marketing program driven by these key strategies:

1. Sustain and grow Hilton Head Island's travel and tourism market share.
2. Continue to change/evolve our destination travel planning, marketing promotions, sales and visitor services to meet the needs and expectations of the affluent travel marketplace and consumers in 2013-14 and beyond into the coming decade.
3. Let consumer research, benchmarking and metrics drive our marketing program.
4. Utilize the Hilton Head Island Marketing Council to actively and collaboratively engage our partners in working with us to define changes needed in the local tourism marketplace and give them the communications information and tools they need to become vocal advocates for the destination and organization.
5. Utilize the Hilton Head Island Marketing Council to foster cross industry networking, co-operation, cross-marketing, packaging and sales, and opportunities for innovation in pursuing new market segments -- by promoting opportunities for the business community to work with each other proactively in developing and promoting a wide range of quality visitor experiences and packaged travel to Hilton Head Island.
6. Move the needle
 - : by doing our homework(research) to understand the changing consumer and the most powerful value proposition(s) we offer to meet their needs.
 - : by advocating for innovative and contemporary product redevelopment and packaging on Hilton Head Island.
 - : by advancing marketing promotions that target high value visitors with compelling, brand consistent messages.
 - : by championing authenticity and truth in advertising about Hilton Head Island as a travel destination and reflecting the community's and our organization's principles and core values in all we do.

: by beeline focusing our team on meeting the VCB's specific sales prospecting, lead and conversion goals.

: by energizing our partners to actively support and participate in our co-op marketing efforts.

: by expanding ways to measure the collective sales performance and success by the destination and our partners.

: by empowering our partners to network with each other to cross market the destination on their own, particularly in ways that support the overall destination brand.

: by continuing to enhance a strong working relationship with the directorate at the South Carolina Department of Parks, Recreation and Tourism, and leveraging state promotional opportunities and resources for our region.

: by developing a viable, long term plan to grow public and private investment in destination marketing.

: by focusing on seasonal growth: In group & leisure markets, focus destination marketing and sales programs on driving *new fall and spring shoulder season business*, and supporting winter season business growth as funding and resources allow. Service peak season visitors. Monitor summer fill needs through the V-Trip pace reports and make adjustments to marketing campaign deployment if required.

: by supporting sustainability and growth in travel and tourism jobs, economy and tax base, and quality of life benefits garnered by a strong and healthy Island tourism industry.

7. Utilize the Hilton Head Island Marketing Council to serve as ambassadors for the local travel and tourism industry and Chamber's VCB, and advocate for its success. Continue to invest time and resources in educational forums, workshops, research investment, spreading awareness of our www.thinkhiltonheadisland.com economic metrics portal, online dashboard metrics and ROI reporting, enhance local communications program and advocacy that gives a cohesive voice to common concerns.
8. Champion development of a strong, collaborative plan for the future of tourism on Hilton Head Island.

Research-Based Destination Marketing & Planning

The Hilton Head Island Visitor & Convention Bureau invests staff management time and resources, as well as significant budget investment with qualified research partners with these goals:

- Understand current and long term trends that drive consumer behavior.
- Develop strategic plans that weigh both local stakeholder input and the consumer's voice through quantitative and qualitative research.
- Follow the Destination Marketing Association International's DMO Best Practices in research, planning and reporting.
- Develop tools that both the VCB staff and the local tourism industry can use to improve marketing, sales and visitor services.
- Provide timely results metrics and tourism industry information, particularly through our new ThinkHiltonHeadIsland.com economic and business metrics portal.
- Provide transparent accountability metrics and travel industry data that local and state government and related agencies can use to make better public policy and program decisions.

Budgeted programs for FY 2013-14 include:

1. Smith Travel: Monthly & Weekly Hotel Lodging Report and Monthly Competitive Set Report.
2. V-Trip: Monthly Home and Villa Lodging Report and Monthly Combined Home & Villa + Hotel Two-Source Report, including 6 month "on the books" booking pace report. Includes access to national travel and consumer trend reports for our "[ThinkHiltonHeadIsland](http://ThinkHiltonHeadIsland.com)" web portal.
3. Raven / Google Analytics Web & Social Media: Year-long tracking tools.
4. Visitor Intercept / Virtual Guest Book: 12-month study of visitors via iPads at alternating locations on Hilton Head Island and in Bluffton, in conjunction with USCB: To be completed by Summer 2013.
5. 2013 Leisure Visitor Profile & Conversion Study - Economic Impact and Market Share: to be completed by USCB in 2013. Includes Economic Impact of Tourism on Hilton Head Island, Bluffton and Southern Beaufort County Study, with the Town of Bluffton and Beaufort County contributing to the cost. A comprehensive study of the past 10 years of tourism in our region and its economic impact. The study will include comparatives with South Carolina, Southeast and U.S. Travel economic impact data. We will also include U.S. Travel forecast information for the next several years, as available, and our own V-Trip booking pace data.

6. DMAI Group and Event Impact Calculator: Online tool to calculate economic impact of local meetings, groups and events, purchased through DMAI (Destination Marketing Association International).
7. Festival and Event Co-Ops: Co-op cost sharing with local festivals and events of USCB conducted on-site, online events survey. Current partners include: Concours d'Elegance, Wine & Food Festival and Island Rec Center events.
8. 2013 Tennis Market Study: Contracted with the National Tennis Industry Association, located on Hilton Head Island. Assessment of the Island's tennis brand position, tennis market economic impact and market share growth potential.
9. Savannah/Hilton Head International Airport: VCB investing in/ assisting with study of Canadian and top fly markets by Longwoods International Research for the Sav/HH Airport.
10. 2013-14 Visa International Travel Study: Partnership with the South Carolina Department of Parks, Recreation and Tourism to study spending patterns of international visitors through Visa transactions.
11. Marketing Assessment Study of VCB, Competitive Analysis with other resort area DMO's.
12. Chamber Business Barometers / Quarterly online survey of outlook, confidence levels and concerns of local business community – first one will deploy in spring 2013 and special topic is sustainability.
13. www.ThinkHiltonHeadIsland.com: Operate and staff ½ FTE to provide constantly updated Business Metrics web portal for members and public to assess local, regional and national/international research, including special monthly VCB Destination Dashboard.
14. A local promotion to generate more awareness of the research assets available to tourism stakeholders through "Think."

Budget: \$95,000

Facilitated by: VCB Marketing Staff managing projects with USCB Travel & Tourism Institute, Smith Travel, V-Trip, US Travel, US Tennis Association, DMAI and SCPRT.

Target Audiences

Leisure Travel

Focus on growing shoulder season fall and spring business -- where there is greater available inventory of product and occupancy growth potential.

Target Affluent Leisure Travelers – domestically, defined as having a household income of \$150,000+ who take at least one leisure trip requiring overnight accommodations in the past 12 months:

- : 92% are married
- : 51% are Boomers (born 1946-64)
- : 29% are Gen Xers (born 1965-78)
- : 11% are Matures (born before 1946)
- : 9% are Echo-Boomers (born 1979 – 1997)
- : Evenly split female (51%) – male (49%)
- : Predominately white (89%) with 2% African-American, 3% Hispanic, 4% Asian
- : Average 4.6 domestic travel trips per year and 2.3 international trips

CAUTION: This group comprises approximately 8% of the U.S. population, according to the 2008 Portrait of Affluent Travelers, Y Partnership

Segmenting the scope of this market further reveals that the majority (5% of U.S. pop) are in the \$150 - \$249K HH Income bracket; 2% in the \$250 - \$499K bracket and only 1% in the \$500K+ bracket. Overall, this is a narrow segment of the U.S. and global travel market.

While the local business community, as a whole, wants to target this market, the consensus of the Hilton Head Island Marketing Council and professional DMO staff at the VCB is that the realities of our destination product set combined with the narrow size and scope of the luxury travel market in the U.S. mean that we must be prudent and also focus on marketing and sales to a wider demographic to be successful in sustaining and driving growth in Island visitation.

Wider market segments (broadly) include:

- : Younger travelers (GenX and Echo-Boomers) that spend a higher portion of their discretionary income on travel.
- : Mature travelers that spend a higher portion of their discretionary income on travel, and will only grow the multi-gen market as Boomers retire.
- : NextGen visitors.
- : International visitors in targeted countries.

Leisure Target Brand & Specialty Interest Segments

Brand Strategy and Culture

Our brand promise tells visitors that your next vacation on the Island will be rejuvenating, relaxing, engaging and allow the traveler to reconnect with the people who are important in their life.

Hilton Head Island Brand's Three R's:

- *Relax*
- *Rejuvenate*
- *Reconnect*

This brand positioning stands out as a distinctive experience based on a personal promise. *Delivering on this brand promise is at the center of all of our communication strategies.*

Specialty Markets

Research points to a key to effectively marketing to specialty travel segments -- in today's New Normal, travelers want choices and options. They do not want to be "siloed" into a uni-dimensional travel experience. This makes the travel marketers job more complex, and the need to dig deeper to find and touch the emotional drivers of travel destination choices all the more critical.

Although any one of these types of vacations may be a travel passion, *the vast majority of travelers are seeking an overall trip and destination that offers a multi-dimensional travel experience* that may touch on any combination of two or more of these segments.

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|---------------------------------------|---------------------------------------|
| : Couples Getaways | : Outdoor Sports – active and passive |
| : MultiGen Family Vacations | : Locavores |
| : NextGen Travelers* | : Spa and Wellness Travel |
| : Deliberate Culinary Travelers | : Festival and Event Attendees |
| : Avid Golfers | : Travel with Pets |
| : Avid Tennis Players | : Weddings |
| : Nature-based Travel and Eco-tourism | : Travel for Learning |
| : Arts, History & Cultural Travelers | |

*NextGen Travelers are a relatively new category - not defined by age, gender, income or status in life. Rather, they are defined by their attitudes toward technology as an enabler of travel experiences, facilitator of transactions and a social vehicle to share provocative insights, opinions and commentary on travel destinations, experiences and travel service suppliers.

Next Steps by the HHI Marketing Council & VCB Staff

The Hilton Head Island Visitor & Convention Bureau's Marketing Council , in concert with the VCB staff, will continue to work this process of engagement, input and collaboration with our stakeholders and partners.

The Council's first steps will focus on its **Number One Short Term Goal: Developing a Robust Destination Packaging Program.**

Action Steps to Include:

1. Follow-up to well attended Travel Packaging Workshop by Joe Venito, The Opportunity Guy: Roll-up-your-sleeves workshop(s) for local attractions and events businesses/organizers to work with lodging partners and create at least 3 destination packages.

Budget: Workshops and 3 Package Landing Pages: \$10,000

Facilitated by: Joe Venito, The Opportunity Guy and packaged travel expert coordinated by VCB Staff and presented by the HHI Marketing Council; Landing pages by VERB

2. Integrate Packaging Promotions into VCB's Annual Calendar with Quarterly Target Package promotions. Feature in appropriate areas of HiltonHeadIsland.org, mobile site and mobile app, SEM promotions, PR, etc. These three will be an addition to the successful golf package promotions on our golf microsite. Packaging areas to be promoted may include:

- Eco Adventure Pass
- Savor the Lowcountry Culinary and Historic Tours
- Gullah Cultural and Folkways Experience
- Marina Villages and Exploring Hilton Head Island by Boat
- Marquee Events – RBC Heritage, Concours d'Elegance, Wine & Food Festival, HHI Institute's IMAGINATION 2013 or others TBD

Optimize SEO for each package promotion.

Budget: Covered in Monthly VERB Fee and VCB Staff & Operating Budget

Facilitated by: VCB Marketing Staff (content development) and VERB (implementation)

3. Support Package Promotions with E-mail_to targeted segments of our Hilton Head Insider's database.

Budget: 3 Package E-Promotions:

Facilitated by: VCB Marketing Staff with local freelance writers (content) and VERB (deployment)

4. Support Package Promotions with Social Media Promotions on FaceBook, YouTube, Twitter and Google Plus.

Budget: Included in VCB Social Media Budget

Facilitated by: Local video crew TBD and Chamber Communications Staff

5. Support Package Promotions with SEM media and in-market intercept mobile promotions – 12 months of package promotions.

Budget: \$4,000

*Spend each month will fluctuate based on performance needs and seasonal market changes

Facilitated by: Net Conversion/VERB, local mobile promotion with Adams and VCB Marketing Staff

6. Support Package Promotions with PR Pitches_to appropriate specialty and general travel writers/editors and media outlets.

Budget: Covered in general PR fees

Facilitated by: Weber Shandwick Worldwide and Chamber Communications Staff

7. Feature Package Promotions and Results/ ROI in Local Business and Community Communications/ PR.

Budget/ Facilitated by: Chamber Communications Staff

Package Workshops and 3 New Landing Pages \$ 10,000

Package E-Promos \$ Included in Email budget

Social Media Videos/Package Promotion \$ Included in Social Media budget

SEM and Local Mobile Promotions \$ 4,000

TOTAL \$14,000

Embracing the *NextGen* & Their Preferred Communications Channels: Social Media

The Hilton Head Island Marketing Council's #2 Short Term Goal parallels a significant trend in the travel and tourism industry – **Leveraging Social Media**. As technology changes increasingly pervade our modern lives, as our “instant gratification” world presses forward with a 24/7 news cycle and that *immediate need to know* mindset, as consumers no longer just want but expect to be in control of all their choices in travel -- savvy destinations have both the challenge and opportunity to find the sweet spot of travel communications: Stories and Storytelling.

Word of Mouth marketing has traditionally been the number one driver of consumer purchasing decisions. Today, WOM just takes on a new delivery mode: It's moved from lips to PDAs & iPads. For the NextGen consumer:

WOM = Social Networking and Media.

And in the world of consumer marketing:

Social Media Engagement = Brand Exposure = Fan Growth

- **Emotional connection** with the visitor takes precedence over chest-beating claims by marketers in differentiating and defining the destination experience.
- There is more to be gained by **pulling in relevant, interesting content** from our target audiences and using authentic voices than simply pushing out ad content as marketers have done in the past.
- People love to tell their stories – especially about travel experiences.
- **Word of Mouth** is one of the most powerful forms of marketing.
- And do we ever have incoming WOM (along with advertising) in today's digital society – to name a few of today's top media channels....

Text messaging *PDAs* *Mobile Websites* *Dopplr* *Pandora*
Siri *Foodspotting* *Google+* *TravellersPoint*
Voice mail *iPad4gLTE* *Triplt* *WorldWideWeb* *YouTube*
Email *Facebook* *Linked In* *Trip Advisor* *Sirius*
Hulu *Gogobot* *TripWolf* *Living Social* *Broadcast & Cable*

Digital versions of print and print versions of digital media

- Destinations that focus on **engaging visitors, locals and authentic voices** in telling their stories will win.
- Writers, content manager/ editors and marketers who craft relevant, timely and intriguing content will win the most important commodity that the visitor prospect offers in the destination decision making process – **their immediate attention and repeat attention to the content offered**
- Marketers who work with writers and editors to tell their stories through third party editorial and PR promotions will win.
- Destinations that bring the right technological tools forward that facilitate ongoing relevant storytelling, information exchange and conversations will win – including making all the social media tools available on the digital devices our target audiences turn to for travel content.

Hilton Head Island's Visitor & Convention Bureau's investment in destination digital content management, capable and qualified staff content managers/ editors and a professional, well executed public relations, digital social media and promotion program is key to operating a robust destination marketing program in today's competitive and cluttered travel communications environment – particularly with limited funding available for paid space media – this aspect of our work has become increasingly important – even over the past 12 months -- as new communications channels emerge and evolve to give consumers more choices, more channels and more content.

Working with the Best in the Business

Importantly, we see our Social Media campaigns as an integral arm of our overall Destination Public Relations Program. This past year, our staff worked with one of the top travel PR firms in the world, Weber Shandwick Worldwide, who are also the VCB's ongoing PR firm, to develop our Social Media program, in concert with our Communications and Marketing staff.

Our Social Media Program focused on:

- Best ways to engage destination customers
- Top ways to get customers to "like" our brand, and engage in online content
- Maintaining consistent brand "voice" to keep content authentic & relevant
- Effective methods for measuring Brand Perceptions and Influence
- Setting and Measuring Social Media Benchmarks and Goals
- Social media pitfalls to avoid
- Engaging customer content and interaction
- Maintenance of quality with limited staff resources
- Topline Recommendations Platform-by-Platform

In 2013, our online media program development will focus on the following SOCIAL aspects {to include Facebook, Twitter, Pinterest, Wordpress and YouTube}:

- Elevating Visit Hilton Head's presence on social media will require a commitment from Chamber leadership to carve out resources and support for a governing body to drive decision-making, guide editorial development, and champion social media strategies throughout the organization and among membership.
- Tell a compelling story as part of the editorial process and doing so in a manner that exploits the Island's available assets. This editorial will also be customized for each channel to ensure a consistent brand "voice" to keep content authentic & relevant.
- Stories as content packages ripe for sharing, search and discovery can humanize positioning and drive greater coverage and engagement. Producing and syndicating relevant, rewarding content with SEO and sharing capabilities—coupled with influencer relationships to broaden reach—ensures stories have the best opportunity for consumer engagement, media pick-up and distribution. Setting and Measuring Social Media Benchmarks and Goals
- While best-in-class destinations use social media to engage and entertain, they also has processes in place to utilize the medium in the event of a crisis. In the current information environment, digital and social channels are more central to issues management than ever before.
- Your web and social media assets share a goal: to inform, entertain and inspire travel to the destination. They should work together more often to provide a multiplatform, multimedia experience.

Next Steps for SOCIAL media platforms in 2013/2014:

- Continue with establish editorial calendar and story-sourcing practices and developed best practices documentation, benchmarks and channel strategy.
- Initiate an influencer identification, targeting and listening program that effectively tracks discussions and content; one that informs engagement and content production strategy.
- Ensure latest social media platform functionality is incorporated into crisis and issues response plans
- Develop multimedia storytelling campaigns with incentive that incorporate multiple platforms
- Support social media programs with advertising. Blog Center

The VCB's Blog Center for Hilton Head Island was recognized as a national MarCom Award winning program in 2011. In 2012-13, we further expanded our blog center to the next level of more robust user engagement.

Special Interest Blog Storytelling Categories

- Foodie – our most visited blog—focus on sustainable local culinary dining, chefs, markets and events

- Family Vacations (& activities while on vacation on the Island)
- Golf – engaging the active golfer, local pros tips & stories, events, packages
- Outdoor – Special focus on Tennis, Biking, Boating, Insider tips
- Arts – Performing, Visual, Cultural, Historic, Tours, local profiles, packages
- Ecotours – Visitor experiences with nature
- Wellness -- Spas, Yoga, Wellness activities and programs, visitor experiences
- Weddings – Insider tips, venues, bridal party stories

Our staff works with key influencers, affinity groups, associated blogs and Facebook/ Google+ communities to share and syndicate blog stories to attract engagement and content consumption. In addition, VCB marketing staff:

- Encourage partners to re-post blog content
- Added more visual content to blogs – larger photos, more video, infographics
- Keep blogs alive with fresh content from local freelance writers and storytellers

Budget:

Social Media Promotions – monthly with VERB Interactive	\$18,000
Blog Center – Freelance Writers:	\$30,000
Series of 3 short experiential videos/locally produced:	<u>\$ 3,000</u>
Total:	\$51,000

Facilitated by: VCB Communications & Marketing Staff, Weber Shandwick, Local Freelance Writers, Local Videographers, and VERB Interactive.

Destination Public Relations

Earned Media is a critical way that the Hilton Head Island VCB's destination marketing program puts brand voice into our overall marketing program. Our ongoing destination public relations program is a well oiled machine that churns out national and international stories, features, broadcast vignettes and mentions, news coverage on top travel digital sites, blogs, and video, AP wire stories, and non-paid media coverage that annually averages about \$10 million in ad equivalency value over the past 3 years.

In short, with limited media buying resources, we heavily depend on earned media/ PR to sustainably generate brand voice for Hilton Head Island...

..... "to the tune of about \$10 million annually (including proactive, reactive and serendipitous coverage), for roughly 4% of that investment in total PR firm and communications staff investment".

Several components remain critical to our PR success:

- Media relationships our staff builds and nurtures over time with key editors, journalists and publishers
- Connections and opportunities leveraged daily by our New York based PR firm, Weber Shandwick Worldwide, one of the most influential travel PR firms on the planet
- Our seasoned professional staff and firm that partner together on a daily basis to serve up the right information at the right time to target media
- Weber receives volume discounts through multiple vendors that are passed on to us as clients.
- Access to a variety of experts in specific industries throughout the United State, Canada and more.

We are planning new and ongoing public relations initiatives in the 2013-2014 fiscal year to support the overall destination marketing campaign:

1. Integrating Social Media and PR: As discussed in the previous social media section, we consider travel social media and PR to be twin sisters – they both are all about telling compelling, relevant and authentic stories that impact target communities of travelers. Therefore, we plan to engage our PR firm in helping us develop a strong and effective social media program.
2. Visiting Journalists Program: We will actively continue to pursue pre-qualified media travel journalists to visit Hilton Head Island and the surrounding region for story development. Traditional print and broadcast media outlets, freelance travel journalists and well-qualified travel bloggers, tweeters and the like will be pursued. We anticipate hosting at least 12-15 journalists on individual or collective customized visits in the coming year.
3. New York Media Outreach Program Senior staff will visit New York for pre-arranged desk-side media visits in concert with Weber Shandwick, our PR firm. Traditional journalists, bloggers and

other social media experts will be considered. Staff will also work with SCPRT and media events they plan for 2013-2014.

4. International Promotion:

Cision Broadcast Monitoring Service: In today's media world, the screen is king. Whether on a cell phone, iPad, computer, television or even the media screens found in skyscrapers and the back seats of taxis in major cities worldwide, video imagery is the way to catch the eye of today's heavily distracted consumer. With that in mind, it's not only critical that for our PR Agency Weber Shandwick and our internal communications staff are pitching broadcast but also when coverage results there is a mechanism for tracking ROI and showcasing results to our stakeholders. Currently Hilton Head's VCB does not have a contracted vendor to monitor for broadcast clips or provide ROI data for clips or provide the actual clip of coverage. Engaging such a vendor on an ongoing basis would allow for economies of scale when ordering coverage clips and would provide for more accurate and consistent ROI tracking (for audience number and advertising equivalencies) rather than having to order these important assets ad hoc. Additionally, the vendor's continual monitoring would better alert our staff to serendipitous coverage that occurs without our direct involvement or knowledge—for example, a character on a television show mentioning Hilton Head Island in the script. An annual contract could be negotiate to include ongoing monitoring, a designated amount of coverage clips, ROI reporting for each clip and an end of year report.

5. Broadcast Media Working with Weber Shandwick, we will actively pitch and respond to broadcast media opportunities for travel related stories on national and regional broadcast outlets.

6. Destination Travel Package PR: As covered in the package promotional section, the VCB will be developing a series of destination package promotion in concert with our partners to promote on a quarterly basis. Part of that promotion will be advanced long mead and short lead media pitches.

7. Festivals and Special Events: We will continue to work with local partners who produce area destination events to generate regional and national attention to the events and to support corresponding travel packages. Special Events that are being targeted include:

- RBC Heritage
- US OPEN Journalist Event- Summer 2013
- Hilton Head Island Wine & Food Festival
- Hilton Head Island Motoring Festival & Concours d'Elegance
- Historic Mitchelville Freedom Park and The Sesquicentennial Anniversary of the Civil War as it relates to Mitchelville & other area Civil War history
- Bike and Dine Promotion
- Town of Hilton Head Island's 350-30 event

9. Daily Communications Staff Management Writing regional and local media releases, monitoring news clips from Burrell's news services, monitoring and responding to HARO requests for story

development, hosting and coordinating visiting journalists and itineraries who are sourced from HARO, SCPRT and other sources, developing social media content that supports other destination initiatives (such as Getting Away Together national PBS television show and other national television commercial spots) and operational support.

Budget for Destination Public Relations:

Visiting Journalists, Broadcast Outreach, NY Media & PR Firm:	\$ 148,000
Cisian Broadcasting	\$ 8,000
Photo and Video Online Library and Out-of-Pocket:	<u>\$ 18,000</u>
TOTAL:	\$ 174,000

Destination Photography

The VCB is investing in a major brand image photo shoot in spring/summer 2013. There will likely be the need for some additional destination photography in the year ahead as more new product comes online, so this is a contingency to cover these needs.

Budget: \$15,000

Digital Marketing & Media Campaign

Placement Strategies:

Digital will be the primary media channel based on our budget parameters as well as its ability to offer cost-efficient message delivery to focused geography and lifestyle segments. Preference will be given to measurable SEM marketing strategies and sites that skew towards the affluent female audience, as they are the primary decision makers and vacation planners of the household, unless we are targeting a male oriented specialty market such as golf. Recent performance will also be considered in selecting sites and networks for the 2013-14 placements.

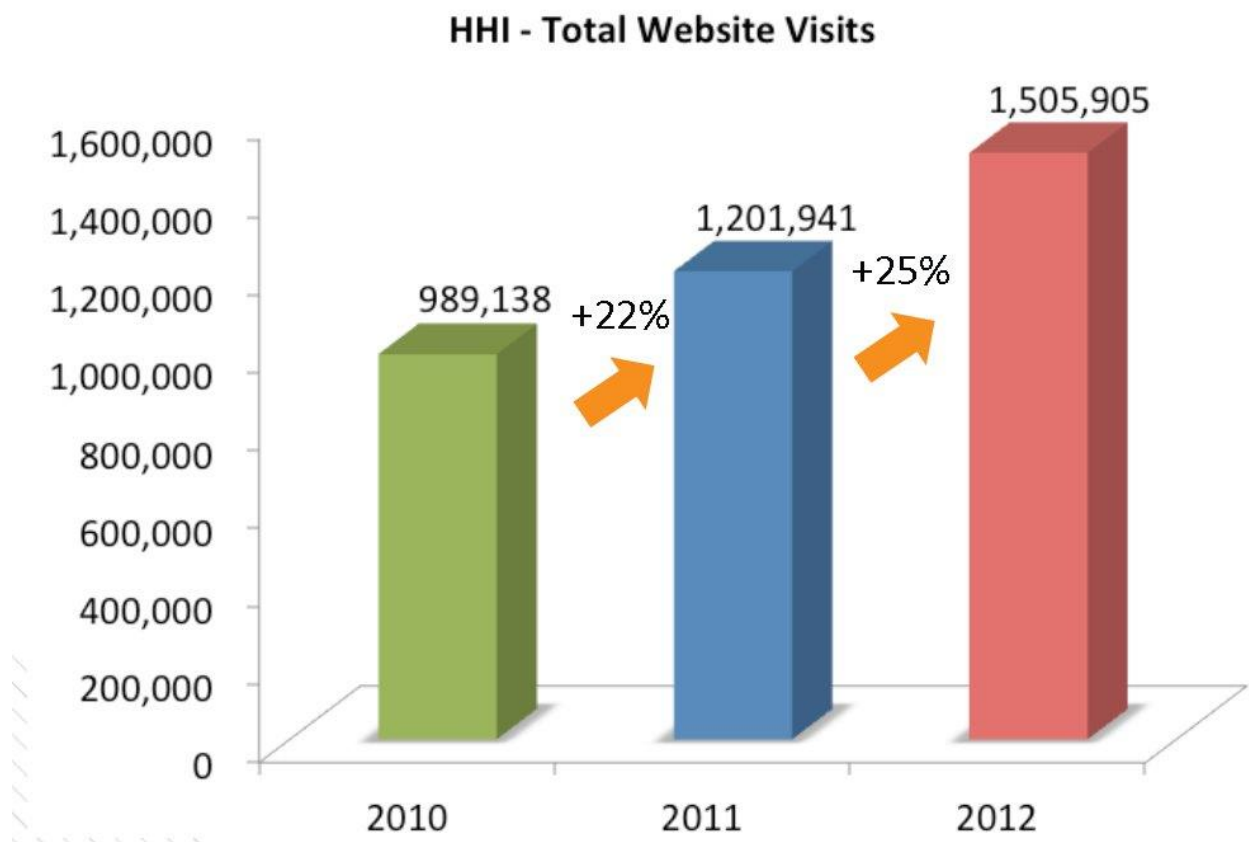
SEO Keyword Search

The VCB will execute an aggressive program to expand and broaden our organic keyword search engine rankings on Google, Yahoo, Youtube and Bing for a targeted list of key search terms that best correlate with the Hilton Head Island target visitor and visitor experiences.

In partnership with VERB Interactive, our digital marketing firm, the VCB accomplished one of its primary metrics goals in 2012 – increasing unique visitors to www.HiltonHeadIsland.org to over 1.5 million consumers, or a 25% year-over-year increase (see graph below).

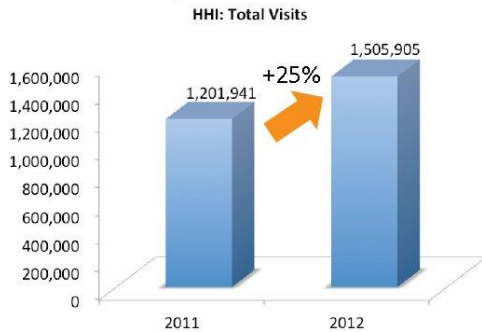
This was on the heels of a 22% users increase in 2011, and in both years we simultaneously extended time on our site, we improved our reach in both quantity and quality. A key focus area was keyword optimization by broadening and expanding our organic search engine marketing efforts.

HHI.org Total Website Visitation

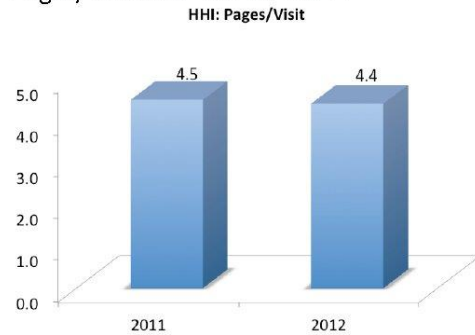


HHI.org 2012 vs 2011 Key Engagement Metrics

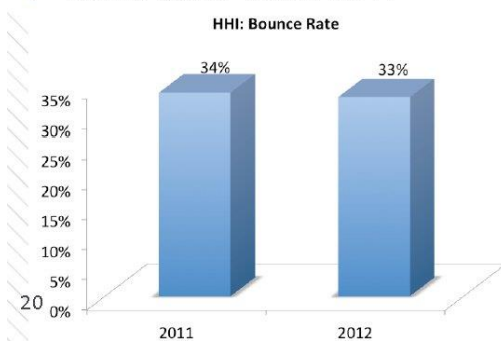
- Visits are up +25% vs. PY



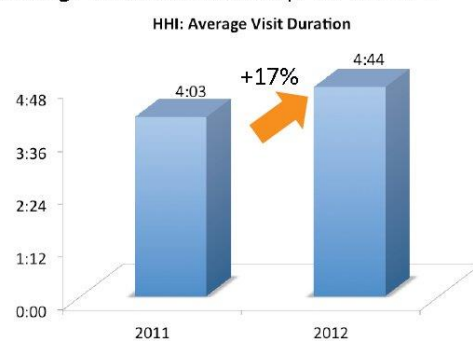
- Pages/ Visit are ~flat vs. the PY



- Bounce Rate is ~flat vs. the PY



- Average Visit Duration is up +17% vs. PY



HHI.org 2012 Conversion Performance

- In 2012, 1.5M website visits generated 527k conversions, 35% Conversion Rate
- 97% of conversion are outgoing links to partners



Website & Monthly Web Content Audits

In addition to keyword search strategies, the VCB staff implemented a new program to develop a steady, monthly stream of new relevant content on our website, in order to improve/broaden our search engine rankings, drive more qualified traffic, and engage both new and repeat visitors to the site with fresh content.

In the year ahead, we plan to further extend this strategy. Our new Director of Marketing also serves as our marketing team's Editor-in-Chief. To complement the editorial calendar that our marketing team has developed and is executing on a daily/weekly/monthly basis for 2013, the Director of Marketing will also develop a new annual web editorial content and content refresh calendar. Staff will work with area tourism businesses and event partners/providers to gather and write content/stories for the monthly web content refresh. Our Internet Services & Database Manager along with VERB work to implement the changes. It's a bit like painting the Golden Gate Bridge – the refresh work just keeps going year-round, based on the edit calendar.

Special Project/ Target Content Overhaul Areas of Site in FY 2013-14:

- Complete Gullah Cultural Microsite: Summer 2013
- Develop and Build New Meetings & Group Microsite: Summer/Fall 2013
- Develop and Build New Tennis Microsite: Winter 2013-14
- Refresh Culinary Microsite: Fall/Winter 2013
- Develop and Build New Weddings Microsite: Spring 2014

Hosting/Enhanced Analytics

Through Google Analytics and VERB/Net Conversion we receive enhanced reporting and tracking to understanding our visitor behavior and tracking results. With enhanced reporting and tracking, our campaigns, site navigation patterns, PPC, and SEO patterns are reviewed and reported weekly and in a comprehensive report each month.

Leisure Database

The VCB's investment in a dynamic new database in 2011 for leisure marketing has paid substantial dividends in our DMO's ability to market the Hilton Head Island business community to visitors. The Tourism Database feeds all of our digital platforms – our website, mobile site and mobile app – and is used for business listings for the Vacation Planner. It pulls basic partner data from Ungerboeck (Chamber Membership database), allows for non-member's listings to be added, and includes an admin tool to empower town businesses to add dynamic additional information (description, photos, videos, amenities, etc.). For example, the VCB wanted to show which lodging partners allow pets, and we have added that attribute to the lodging listings under Features & Amenities.

The Leisure Database pushes information to the VCB Website (HiltonHeadIsland.org) to feed the Partner Listings, Interactive Google Map and the Vacation Packages & Coupons Database; to the listings on the mobile site and the mobile app. In the future, more interactivity to feed social media channels with member content will be explored.

Our staff will continue to hold our popular workshops to train local partners on how to update and manage their information assets in our database, as well as take advantage of social media channels.

WEBSITE CONTENT MANAGEMENT & DATABASE BUDGET

VERB daily site work \$3,300 per month x 12	\$	39,600
Ad Serving/ SEO/ \$2,000 per month X 12:	\$	24,000
SPECIAL PROJECTS/ Target areas 4 @ \$15,000 each:	\$	<u>60,000</u>
TOTAL:	\$	123,600

Facilitated by: VCB Marketing Staff and VERB Interactive

Leisure Media Program

Media Objectives

- Generate interest in and brand Hilton Head Island as a preferred resort travel destination
- Drive qualified inquiries as evidenced by HiltonHeadIsland.org website traffic and behavioral metrics, mobile traffic, Insider program opt-ins, Vacation Planner requests, mail and phone inquiries, and visitor profile conversion and economic impact studies.
- Expand and improve Hilton Head Island's online presence and performance, as measured by key metrics.

Media Strategies

The following factors were weighed in selecting the high potential target markets for 2013-14:

- Percentage of market that is considered high income (\$150K+ HHI)
- Number of households meeting target criteria including HHI of \$150K+, lifestyle preferences, etc.
- Select vehicles that index well with the affluent target audience and have performed well in the past; and test new online vehicles to see which prove to be the most responsive for Hilton Head Island
- Evaluate past performance against market trends and new opportunities
- Weigh overall media costs and frequency/reach
- Penetrate highest-potential Eastern U.S. markets with a mix of digital and traditional media
- Support secondary markets with a digital presence as budget allows
- Time flights to run during key planning times for spring and fall travel; winter travel as budget allows

12-month Comprehensive SEM Campaign

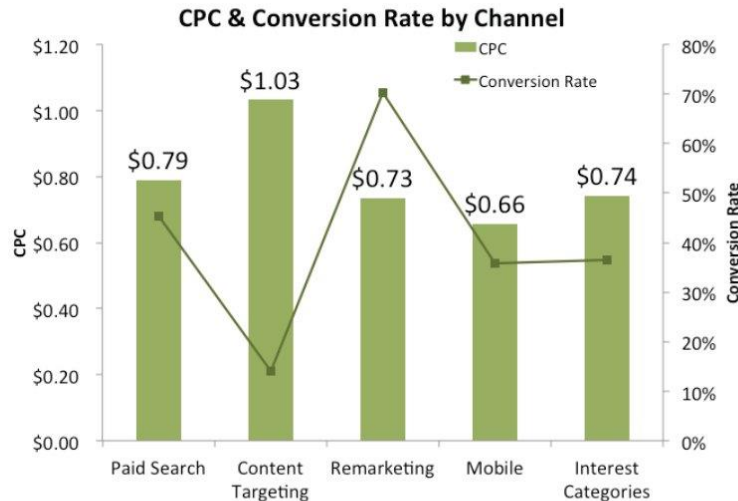
Pay-Per-Click (PPC) Marketing

A key ingredient in any successful online marketing effort is keyword buys or pay-per-click search engine marketing.

We plan to sustain and expand our successful monthly PPC / contextual ad campaign with Net Conversion/ VERB, with more concentration during August through November to promote fall and winter travel and December through March to promote spring travel.

2012 Results by Channel

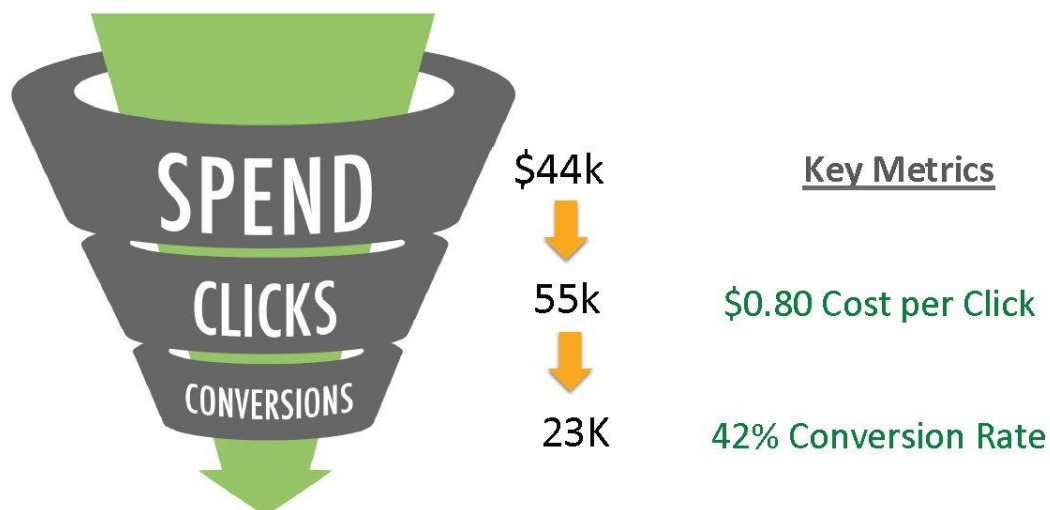
- ▶ HHI SEM/PPC was comprised of balanced mix of channels and individually targeted campaigns within each channels.



- ▶ All channels played a role in the success of the 2012 campaigns. Along with some adjustments and refinements, all channels will maintain a recommended place in the 2013-14 plan.

2012 SEM/PPC Results

- ▶ In total, the HHI 2012 SEM/PPC efforts proved to be cost-effective source of hhi.org website traffic and drove highly qualified traffic as measured by conversions



We will be driving traffic to the existing website and will recommend what pages or landing pages we will direct the PPC ads to and determine how they will be tracked. Our PPC program will be weighted to promote:

- 50% Hilton Head Island brand promotions
- 20% Festivals and Major Events Promotions
- 10% Culinary promotions
- 10% Culture, Arts, History and Eco-tourism Promotions
- 10% Outdoor Sports Promotions – emphasis on tennis, biking and boating

Note: Golf microsite promotions are separately covered through the special golf grant program. International promotions will be covered in the international marketing section.

Affluent Traveler Mindset

Agreement with 'Next Year' vacation statements



Source: Google Travel Study, April-May 2012, Ipsos MediaCT
(Q10) Which of the following online sources do you typically use to plan personal or leisure/
business trips? N = 1579 (Leisure only)

Google Confidential and Proprietary 5

We plan to run PPC/contextual ad campaigns to promote the four marquee destination events that drive overnight stays, including the RBC Heritage, the Hilton Head Island Motoring Festival and Concours d'Elegance, the Hilton Head Island Wine & Food Festival – and support packaging promotions for the new October 10-day event IMGINATION 2013 by the Hilton Head Island Institute.

Additional Hilton Head Island events to be promoted through PPC include:

- Hilton Head International Piano Competition
- Historic Mitchelville Tours and Sesquicentennial events
- Hilton Head Gullah Celebration
- Picnic & Pops
- Tennis Events
- Hilton Head Island Art Festival at Shelter Cove
- Art Center of Coastal Carolina performances
- Hilton Head Island Public Art Exhibits
- Heritage Library special events
- St. Patrick's Day Parade
- Various food festivals; WingFest, Seafood Festival, Oyster Festival, etc.
- Performing & Visual arts events
- Swim, Run and Bicycling events

Included in our fee to Net Conversion/VERB are weekly and monthly reports on the measurable metrics of the SEM programs. We will measure Cost Per Click, Resulting Time/Pages Viewed on our Website, Conversion to the VCB Insider Visitor Database, Fulfillment ordered, and where appropriate, Conversion to Partner Websites. *See Marketing Plan Appendix for 2012 Report.*

Contextual Campaigns on Google Display Network

Google users are actively searching/ready to search content online about travel or planning their next vacation. Hilton Head Island will target consumers utilizing Google's Ad Network with contextual display ads on a CPC basis. Placements on the Google Display Network will be used as a branding campaign, increasing awareness about Hilton Head Island's Insider programs; as well as, targeting niche markets through the use of keywords and themes.

- World's #1 ad network
- Reaches 90% of U.S. internet users, with ability to target consumers with combos of specific interests
- Response-based, efficient, cost-per-click pricing
- New similar users: targets users with similar profiles to current hhi.org visitors
- Placement Strategy for Hilton Head Island:
 - Late summer/ fall 2013 flight pushing fall and winter travel
 - Early 2014 flight to promote spring travel and travel packages
 - Target leisure and other niche markets
 - Geo-target Hilton Head Island's main feeder markets: Expanded from Top 10 to Top 15 markets in 2013-14

Remarketing campaigns

This technique enables HHI to remain in front of qualified consumers after they leave the HiltonHeadIsland.org website.

Advancements in targeting will allow more refinement of site visitors into multiple audiences. Consumer market origin, website content viewed, HHI video viewers and combinations of targeting elements will be used. The focus will remain on driving conversion.

Facebook "Like" Campaign

With more than 750 million users worldwide, Facebook is the leading social network. The average Facebook user spends 50 minutes on Facebook a day.

We will continue to use Facebook as an opportunity to efficiently drive "Like" fans that we can then market to via our ongoing social media program.

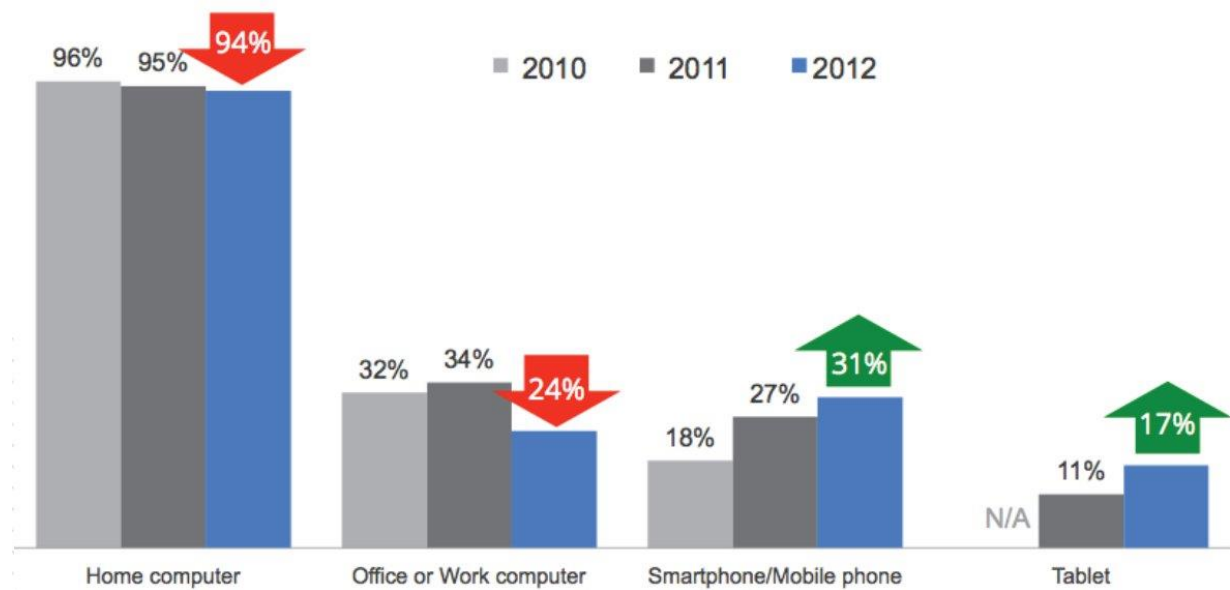
Mobile Campaigns

Mobile devices (including smart phone as well as tablets such as iPads) currently represent approximately 30% of overall website traffic to HiltonHeadIsland.org. Continued robust growth in the use of these devices by traveling consumers is expected in 2013-14. These users are also much more

likely to visit our URL while in the destination, which reinforces the need for more in-destination relevant content and tools.

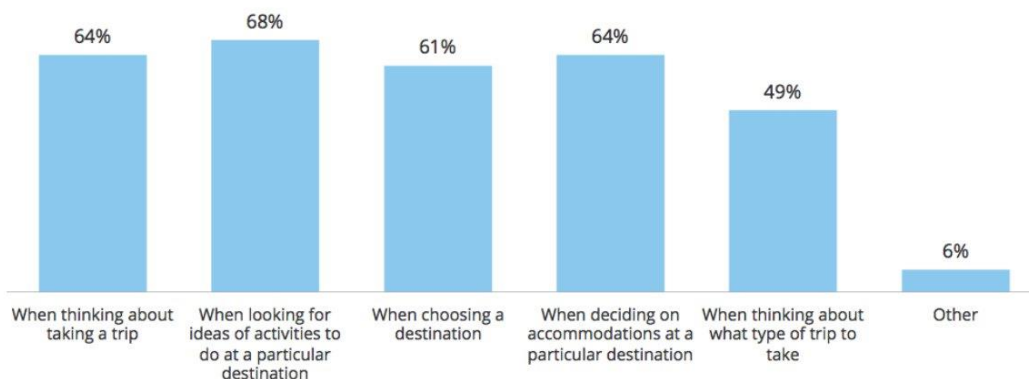
* Fewer Leisure Travelers Use Computers

Where Leisure Travelers Access Travel Information



An increase of SEM from \$12,000 to \$30,000 in mobile is planned to take advantage of this important consumer trend and buying audience.

Affluent Travelers View Videos Throughout the Travel Planning Process



Source: Google Travel Study, April-May 2012, Ipsos MediaCT
(Q5) At what points in your travel planning process do you view videos online?
Base: Watched/uploaded/commented on travel videos online N=786

Google Confidential and Proprietary

Utilizing True View Video, Net Conversion/VERB was able to deliver a remarkable 17 cents Cost per View of our full :30 pre-roll video about Hilton Head Island to targeted consumers. Since the videos are skippable after :05 seconds, we only paid for the completed :30 views.

It represents a cost effective, upper-funnel branding, reach and engagement marketing channel. The spend level is recommended to increase from \$12,000 in the current FY to \$30,000 over the 12 months of FY 2013-14.

TOTAL DIGITAL MEDIA BUDGET:

\$200,000 for SEM Media for 12 months, includes media and reporting.

Facilitated by: Net Conversion/ VERB and VCB Marketing Staff

The Rise of PDAs & Mobile Marketing: The Big Tether

Fortunately, the Town of Hilton Head Island is working to improve cell phone access on the Island. Local businesses know the value of this service to their customers – both residents and our 2.4 million visitors annually. PDA's and IPADS alike allow travelers to search for destination information and services at any time, from any location.

Engagement Tactics

1. The most important tool in mobile promotion is the mobile-friendly version of our website.
2. Keeping content clean, simple and straightforward, i.e. limiting messages to the top functions and most relevant information that consumers in the destination want and need.
3. VCB is re-allocating some staff content development and management resources/time to serve this dynamic new media in a responsive, quality manner.
4. Social and mobile are closely tied as much of the time spent on the phone involves sharing content with friends.
5. Location-based applications like Foursquare, Gowalla and Whrrl are great places for our industry partners to promote themselves and provide incentives for both in-market and out-of-market consumers to visit their resort, golf course, spa, restaurant or attraction.
6. Mobile applications like Zagat, Foodspotting, Open Table and Urban Spoon create opportunities to promote the cuisine in our area.
7. The VCB's new Director of Marketing will develop an editorial calendar for monthly content changes and promotions and implement with our internal team, local writers, and VERB.
8. VERB will execute an SEO program for the mobile version of our site.

Facilitated by: VCB Marketing Staff, Local Freelance writer/ editor and VERB

Videos

YouTube Destination Channel

YouTube ranks as one of the top search engines on the internet, along with Google and Facebook. Travelers are using YouTube to search for information about travel, to get a glimpse of their next vacation location, and to share their personal travel stories with their family and friends.

Statistics regarding YouTube: YouTube's demographic is broad, reaching a wide audience of 18-54 year olds. Over four million people are connected to YouTube and are auto-sharing to at least one social network, such as Facebook or Twitter. In addition, on mobile devices, YouTube mobile gets more than 100 million views a day.

Currently, the VCB has its own YouTube Channel, *Visit Hilton Head Island*, with the following URL address: <http://www.youtube.com/user/hiltonheadislandvcb>. On it there are 49 videos we have produced over the past several years and 51,465 page views.

Digital Video Engagement Tactics

1. Work with VERB to keep content updated/ fresh and optimized.
2. Use local videographer to shoot 3 new experiential video vignettes in 2013-14, plus adding the new video from the destination PGAT TV spot campaign.
3. Work with Net Conversion/VERB to optimize integration of our video assets on YouTube within the pre-roll and related digital campaigns.
4. Embed compelling video content into our website, mobile site, mobile app and social media platforms.

Budget

Production 3 short videos:

\$ Included in social media budget

Broadcast Campaign

As part of marketing the RBC Heritage PGA Tournament, the Chamber's VCB is producing new :30 and :60 television spots with local production company Crescent Moon in Spring 2013. We have also negotiated production, talent and music rights for re-airing the spot in the contract.

In addition, a longer 90 second video will be produced that ties into the campaign creative for the VCB to use on our website, in social media channels, for travel and trade presentations, and with on-site meetings. New b-roll footage from the 4 day video shoot will be available for PR use.

A fall 2013 broadcast campaign is proposed to run in several key regional drive markets and at least one key fly market. Top cable television channels that reach our affluent travelers are clearly defined in MMGY's Portrait of the Affluent Traveler:

- CNN
- Fox/ Fox News
- The Discovery Channel
- ESPN/ ESPN 2
- HGTV
- Food Network

We will also use the :30 spot creative as part of our SEM True-View pre-roll campaign.

Based on results from this campaign, we plan to apply for a supplemental grant each from the Town of Hilton Head Island and Beaufort County Accommodations Tax to run the spot the spot campaign more heavily in 2014.

In our separate golf budget, :30 spots will run on The Golf Channel, timed with key PGA Tour events in targeted drive markets.

Media Budget for Spot Cable TV Campaign

Fall 2013:	\$40,000
2014	TBD, based on supplemental grant allocations

Leveraging Partnerships

The VCB will leverage the larger media buying power of the state tourism office, SCPRT, as well as the Southeast Tourism Society that covers 12 states in the Southeast, by incorporating select co-ops they offer to DMOs within our media plan.

SCPRT Co-ops

SCPRT has not yet announced their co-op marketing offering for 2014. We will budget a contingency to take advantage of this program, which typically includes a mix of broadcast, digital, print and out-of-home media in 6-8 key East coast feeder and drive markets. Their negotiated media rates due to their media buying volume and the state “buying” down the cost for co-op participants make these buys compelling.

<u>Net Media Contingency Budget for SCPRT Co-ops:</u>	\$25,000
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Sweet Tea Partnership

The Hilton Head Island VCB has worked with the Charleston CVB, Savannah CVB and Amelia Island CVB on a variety of Southeast regional and national cooperative marketing and sales programs over the past three years. We call our program the Sweet Tea Partnership, as we are all authentically Southern coastal destinations where a refreshing glass of sweet tea is always a welcome visitor experience.

Atlanta Culinary Promotion

Great Southern food, restaurants and a vibrant culinary scene are all part of the ties that bind our four destinations along the Eastern Seaboard. With that in mind, since early 2012 our group has been the exclusive sponsor of the Atlanta Dining App in partnership with *Atlanta Magazine*.

Our four destinations have been featured in *Atlanta Magazine* in concert with app promotions, along with a promotion every time a user opens the Dining App with rotating links to each of our destination websites. We are also planning a new social media promotion with the *Atlanta Magazine* group for this year ahead.

We have a two-year agreement for this exclusive sponsorship, which runs through early 2014.

Collaborate Meetings Co-op

The Sweet Tea Partners also cooperate in promoting meetings business to our region. We work together cooperatively to sponsor the Sweet Tea Relaxation Station at the Collaborate Trade Show, targeting

corporate meeting planners across the U.S. Each Sweet Tea partner is guaranteed 40 appointments with pre-qualified planners at the Show. We also follow-up with a special e-news promotion from our group to the show attendees. We also make a presentation at the opening lunch at the conference about our four destinations to all show attendees.

Sweet Tea Partnership

Atlanta Magazine mobile and social media promotion: \$ 15,000

Collaborate Meetings Co-op: \$ 5,000

TOTAL: \$ 20,000

(Hilton Head Island's share of total \$80,000 program)

Facilitated by: VCB Marketing Staff, Sweet Tea Partners, MMGY, *Atlanta Magazine* and Collinson Media.

Consumer Promotions & Travel Lead Gen

*The print ad prospect is typically in the planning stage of travel funnel, and orders a Vacation Planner. They are prospects that may not be ready to book, like those who visit our website, as **they are often on the front end planning cycle of their vacation.***

Destination Marketers do well to leverage the opportunity to promote our destination on the front end of planning cycle, as well as at the end. Otherwise, we lose the opportunity to build demand.

In order to sustain this balance back in our media mix, we are recommending a maintenance level of a few traditionally strong performing print lead generators:

- *America's Best Vacations* -- Small space ads promoting our Vacation Planner that appear in special Eastern US newspaper inserts with Reader Service
- *Oprah Magazine* – small space display ads with Reader Service

Circulation buys will be limited to east of the Mississippi wherever possible.

Oprah Magazine

700,000 circulation in Eastern Region States covered: FL, GA, SC, NC, VA, WV, MD, DE, NJ, CT, PA, NY, RI, MA, VT, NH, and ME

The *O* woman is an authoritative and frequent traveler.

Compared to the average U.S. woman, she is twice as likely to:

- Serve as a personal travel influencer
- Spend \$3,000+ annually on domestic travel
- Shop and visit spas on vacation

- Be employed in a professional or managerial capacity
- 46.9 Median Age
- 115 index for HHI \$100K+
- 119 index for HHI \$150K+
- 133 index for college graduate+

1/6 page color ads with Reader Service:

- Sep. 2013 “Autumn Road Trips”
- Dec. 2013 “Beach/Spa Retreats”
- Feb. 2014 “Romantic Escapes”

As value added, we will receive:

- Hyperlink listing on VacationFun.com
- Opportunity to furnish sweepstakes prize to generate additional leads, we will tie to a couple’s oriented social media promotion
- Feature destination banner on homepage of VacationFun.com
- Lead generation with weekly delivery and filtering tool for sorting leads

NET MEDIA COST: 3X buy at 10% discount per 1/6 page color display ad = \$27,850 total for 3

America’s Best Vacations

America’s Best Vacations is a consumer newspaper insert program that is offered in the spring and fall. The insert reaches a predominantly female audience, most of whom are in the 35-54 age range with a household income of \$75k to \$200K (and above) and a propensity to travel. We plan to run a 1/8 page color ad with brochure page in the Southeast and Northeast regions, reaching over 5 million circulation each in the October 2013 and March 2014 issue.

The Southeast and Northeast circulation includes:

Maryland	Pennsylvania
Connecticut	Virginia
Massachusetts	D. C.
New Jersey	West Virginia
New York	Alabama
Ohio	Georgia

Kentucky

South Carolina

Mississippi

Tennessee

North Carolina

In addition to the newspaper insert, we will receive a second layer of exposure in each region with a direct mail component to an additional 1.3 million households. As added value, we will receive the following:

- 1 million banner impressions on Collinson Media & Events
- 3,000 guaranteed leads generated
- Destination listing on VacationPlanning.net
- Reader response list

NET MEDIA COST: 2X by @ \$4,995 color 1/8 page ad = \$ 9,990

Consumer Lead Gen/Print Media Summary:

Oprah Magazine/ 3 insertions: \$ 27,850

America's Best Vacations/ 2 insertions: \$ 10,000

Creative/ Ad Production : \$ 5,000

TOTAL: \$ 42,850

Golf, Culinary and Cultural Heritage Promotions

Through our specialty markets grant, we will place a variety of online, outdoor and print media for the Golf, Culinary and Cultural Heritage markets. Media promotions include:

- Golf Channel
- Sirius Radio golf promotions
- SEM and PPC for Golf, Culinary and Cultural
- I-95 Interstate billboard campaign for golf
- Golf Planner insert in *Georgia Golfer* and geotargeted mailings
- *Bon Appetit, Food & Wine, Local Palate* – Fresh on the Menu Sustainable Chefs ad series
- BATastings.com
- Facebook, True-vue video pre-roll, Pinterest, Twitter promotions
- *Preservation Magazine*
- *Oxford American*

- HistoryChannel.com
- Historynet.com
- AAA Bike & Dine Week Promotions
- Tennis Destination Benchmark Research Study
- Start development of new microsite for Tennis

Specialty Market Grant Allocations:

Golf:	\$150,000
Tennis:	\$ 25,000
Culinary:	\$ 50,000
Cultural Heritage:	<u>\$ 25,000</u>
TOTAL:	\$250,000

Insiders, Collateral & Fulfillment

Hilton Head Insider Program: Building on a Strong Foundation

In 2013-14, we will sustain and grow our successful “Hilton Head Island Insider” campaign to drive opt-ins to our database for ongoing Customer Relationship Marketing (CRM). In its fifth year, we have over 115,000 opt-in Hilton Head Island Insiders. Our website visitors are invited to opt-in to become a *Hilton Head Insider* and a subscription to our complimentary monthly enews and special access to travel offers and VIP benefits from our partners when they travel to Hilton Head Island. Our media messaging includes this value proposition with the call to action to *Vacation like an Insider*.

Escape of the Week: In addition, we are adding a special promotion at the bottom of the homepage of www.HiltonHeadIsland.org that will feature an “Escape of the Week.” Destination-wide promotions will alternate with specific package offers on a weekly basis. To get full details of the offers, we will encourage visitors to the site to become or sign-in as Hilton Head Insiders.

Hilton Head Island Insider Email Marketing

Email Marketing Best Practices

We currently have over 115,000 Hilton Head Island Insiders in our opt-in database. It is more difficult than ever before to get quality email results. For our ongoing Hilton Head Island Insider email marketing program to be successful, we are following these industry/ destination marketing best practices:

Engagement Tactics

1. Our staff develops an annualized editorial calendar for when messages will be sent, who will write them, how their success will be measured, managed by our Marketing team. *See appendix for the 2013 Digital Marketing Calendar.*
2. Continue to develop a quality opt- in database to receive Hilton Head Island Chamber/VCB messages.
3. Take a segmented marketing approach, but focus on cross marketing experiences to visitor segments in content and packaging.
4. Cultivate messaging that sustains or generates a sense of kinship with the destination brand and relationship with the sender so the messages feel personalized.
5. Create well-written messages that are optimized for click-throughs to the website; exemplify best practices in terms of unsubscribing, a link to a web version, etc., do not include spam trigger words.
6. Test to assure that the emails get through Spam filters and Outlook —Junk email settings.
7. We report actions based on the email including open rates and click-through rates in our dashboard reports.
8. Evaluate plans for improving performance.

Keep and build subscribers

9. Request two email addresses from subscribers.
10. Send an immediate response when people sign up.
11. Ask subscribers to include us in their address book or safe list.
12. We are careful about old lists, purchased lists and lead generation lists. They tend to dramatically underperform.

Segment lists Broadly

15. For e-newsletters, keep segments broad (family role, planning immediate vacation, golfer vs. shopper, etc.)
16. For destination marketing organizations, over-segmentation is sometimes a problem because top things people like to do includes the broad —sightseeing and women planning for their families need to know about all the activities available to their family.

Content and other considerations

17. One key that helps our open rate is simple but effective: we use Hilton Head Island in the "from" line, which tells recipients that we sent the email!

From lines help people evaluate which emails to open, which to delete and which to complain about. Testing shows that open rates and click-through rates increase when the “from” name, “from” address and subject line are appropriately branded. Exact target testing also shows that these practices reduce Spam complaints.

18. Design a plain text email version for AOL users and other subscribers who can’t view HTML emails.

19. Add text to have recipients view your email via a webpage or mobile version of a webpage.
20. Include text stating the offer at the top of the email so that the offer will be visible even if images are turned off or blocked in the recipient's email client.
21. Design emails to be viewed in the preview pane.
22. Place our logo in the top left quadrant of the page.
23. Grab attention with headlines.
24. Make sure the main graphic reinforces the offer.
25. Make sure we have the proper footer so people can unsubscribe.

Email Marketing Plan:

Goals for leisure e-newsletters and e-blasts

- : Develop relationships and retain existing repeat visitors to Hilton Head
- : Build a following for our content
- : Convert email lists into active leads
- : Position the VCB as an expert
- : Educate or inform about events and activities
- : Drive traffic to our website, mobile app, mobile site, and social media outlets
- : Promote packages tied to editorial content when appropriate

Strategies and Tactics

After we have segmented our Insider database early in the new fiscal year, we have the opportunity to build a series of periodic enews around broad themes. We also will continue to send emails/epromos that cross market the whole destination to the entire Insider database.

Some of the broader segmented themes may include:

- : Family Vacations
- : Golf, Tennis , Outdoor Adventures & Sports Trips and Events
- : Culinary Travel and Events
- : Cultural Travel
- : Marquee Events & Festivals
- : Girlfriend's Getaways
- : Weddings

Package E-Promos

We also plan to send four seasonal e-promos with partner travel package offers to both our Hilton Head Insiders and to geo-targeted databases of affluent travelers.

Promote Sharing

Many of our Insiders are already enthusiastic about Hilton Head Island. With a little prodding we hope to turn these enthusiasts into sharers. Sharers are people who pass content onto others, trust what you write and respond to your advice, offers, recommendations and promotions. In addition to the email marketing, similar information should be provided through Facebook and Twitter.

Specific Conversion and Open Goals

Our marketing team on staff will develop the editorial plan and write/manage the content for the newsletters, while production is included in the monthly web design fee with VERB as part of our monthly fee. We have been able to cut our email deployment costs by half by moving to a new provider, MailChimp.

Email Budget

Content Development	\$ 8,000
Database Segmentation:	\$ 6,000
MailChimp Email Annual COST:	<u>\$12,000</u>
TOTAL:	\$26,000

Facilitated by: VCB Marketing Staff, VERB and MailChimp

Event Promotion

Marquee Events

In 2013-14, we will support our Special Contract Marketing Agreements with (4) event holders, including:

- RBC Heritage PGA Tour Tournament
- Hilton Head Island Motoring Festival and Concours d'Elegance
- Hilton Head Island Wine & Food Festival
- Hilton Head Island Institute and IMAGINATION 2013 & 2014

These are events that have a research-based, proven track record of generating significant overnight visitation to Hilton Head Island by consumers who came to the Island specifically to attend the event, with the exception of IMAGINATION, which will launch in October 2013. Our promotion of these events will include:

- Rotational Website Features in current Festival & Events main page and on our home page.
- Special feature in our Vacation Planner
- Social media promotion via Facebook, Twitter, and Blogs
- Promotion via *Visit Hilton Head Island* mobile website
- Embedded content in website and blog feature stories

- RBC Heritage is promoted within the Golf Channel promotions, co-ops with local resorts to host planners during the event and our new HHI Social Media Lounge within the Fan Experience are on #17 at Harbour Town during the event.
- HHI Motoring Festival and Concours d'Elegance is promoted with special motoring media promotions and the Infinity PR promotion to host media during the event as well as theme tie-in with our Atlanta coop sales mission.
- The HHI Wine & Food Festival is promoted within the culinary promotion, sponsorship co-op and Atlanta Dining App.
- IMAGINATION 2013 promotions are in development at this time.
- Marquee and major events featured on www.TripAdvisor.com year-round destination section for Hilton Head Island through August 2013.
- Event holders can supply video content for use on VCB website

Other Island Festivals & Special Events

There are dozens of other wonderful events and festivals on Hilton Head Island, some of which are noted below:

- International Piano Competition in March
- Arts Center major performances year-round
- Picnic & Pops Concerts and Orchestra Performance Series year-round
- Choral Society Series
- New! Chamber Bike & Dine Week in May, with Town of HHI and Bicycling Advisory Committee
- HarbourFest at Shelter Cove Harbour & Marina
- Hilton Head Island Art Festival, Memorial Day Weekend
- Hilton Head Island Seafood Festival
- Hilton Head Island Oyster Festival
- Chamber Restaurant Week in January
- Taste of the Season in November
- Farmers Markets year-round
- Run, Bicycling, Swim and Tri-athlete events year-round
- Coastal Discovery Museum special programs year-round
- Historic Mitchelville Forums and Events year-round
- Hilton Head Island Gullah Celebration in February
- Heritage Library events year-round
- Public Art Events, TBD
- Celebrity Golf Tournament, Labor Day Weekend
- Other opportunities that may develop in the year ahead

These events will be promoted a variety of ways:

- Vacation Planner
- Online Calendar of Events
- Facebook, Twitter, Google+ and Blogs
- Rotating features on hiltonheadisland.org
- E-newsletters to Insiders
- Mobile site & app

Collateral/Fulfillment: Print and Online

I-Vacation

With the rapidly growing use of tablets by travel consumers, the VCB is currently researching options for development of a truly engaging, useful and relevant online Vacation Planner for tablets to complement our printed Vacation Planner, or an *I-Vacation* tool. This will not be just an online PDF of the printed planner – it will be designed and developed with the tablet user’s needs and use habits specifically at the forefront.

We plan to feature advertisers and content in both mediums in 2014.

All of the VCB’s print collateral printed on FSC recyclable and recycled paper stock and non-toxic inks, only using printing companies that adhere to sustainable industry best practices.

2014 Vacation Planner Print and Online

Our new primary print fulfillment piece offers a comprehensive look at planning a vacation to the Hilton Head Island area. 81% of VCB visitor inquiries said the Hilton Head Island information they received was somewhat or very useful in planning their trip. 56% of VCB visitor inquiries tell us that the Vacation Planner and related fulfillment was effective or very effective in persuading them to visit Hilton Head Island.

Many online, as well as media and home inquiries, still order our planner, as well as on-site use at state and local welcome centers, at trade shows and promotional events and with media.

In addition to working with a digital and print publisher, our in-house marketing staff provides the business directory, local photography and editorial content management, editorial review and proofing.

Qty: 100,000 printed Vacation Planners and Digital Tablet versions

Promotions/ Brochure Distribution at Airports

Included in our budget for fulfillment costs is a \$500/month fee to support brochure distribution for all area travel businesses at their Welcome Center at the bottom of the escalators at the Savannah/Hilton

Head International Airport and \$295/month fee for a four-sided display board and fulfillment distribution point in the lobby of Hilton Head Island Airport.

Vacation Planner & Mail Fulfillment Budget

Creative, Content Development, Production & Printing:	\$	125,000
New Tablet <i>I-Vacation</i> Planner:	\$	30,000
50,000 Fulfillment Envelopes:	\$	6,000
Mail Operations & Postage (all fulfillment except golf*):	\$	60,000
Toll-free phone number (annual cost)	\$	<u>4,000</u>
TOTAL:	\$	225,000

*Golf fulfillment is covered in the golf specialty market grant

Meetings/Group Sales & Marketing

According to the American Express Meetings & Events 2013 Global Meetings Forecast, the sluggish global economy will continue to hamper many meeting budgets next year. While the survey predicts that the number of meetings in North America will remain even, respondents believe that overall meeting spend will decline by one full percentage point in the States.

It's a climate of economic uncertainty, and it will continue to change the conventional responsibilities of meeting planners.

Staying Closer to Home

While meeting planners may be dealing with smaller organizational budgets, the survey predicts that attendees will be faced with their own financial concerns: higher travel costs.

With an estimated 4.2 percent increase in average group rates for hotels and a 3.3 percent increase in average group hotel expenses in North America, some organizations may rethink *where* they ask their attendees to go. The American Express survey highlights the potential for a shift toward more local meetings.

"Companies consider meetings and events to be a key strategy to driving revenue growth and change management, but acknowledge that they are proceeding with caution in a challenging global economy," said Issa Jouaneh, Vice President and General Manager, American Express Meetings & Events

Global Meeting Planning Trends

The Forecast also explores several challenges meeting planners are facing as they look to 2013, and identifies four distinct trends that are common across all markets:

1. **Budget Challenges Mean More Local Meetings** – To maintain current levels of meetings activity in an environment where budgets are likely not growing in step with costs, many companies are transitioning from global to national or from national to regional locations for more meetings. Also, there is a trend of holding meetings in unique destinations such as restaurants or aquariums for potential additional savings.
2. **Security and Stability Impacting Destination Choice** – A continued emphasis on duty of care is translating to a focus on safety and security amidst potential political instability when planning a meeting in 2013. Suppliers indicated that this can sometimes be an advantage; for instance, some major hotel brands located in regions with political instability said they are often chosen based on the perception amongst meeting planners that they offer a more consistent, higher level of security.
3. **Meetings Approvals Becoming More Challenging** – A significant portion of meeting planners in all regions indicated that gaining approvals for their meetings is becoming at least slightly more difficult. In addition, there is an emerging trend of meetings budgets not being approved until companies' latest financial data is available. This dynamic is putting even more pressure on already reduced lead times and can negatively impact hotel negotiations, potentially leading to higher costs.
4. **Increasing Engagement Via Social Media** – Meeting planners are responding to the expectations of today's meeting attendees by employing social media to increase the value of events throughout their lifecycle. Leading up to events, planners are using social media to connect with attendees and to connect attendees to one another so they can maximize their time at an event. During events, social media is being used to drive even deeper connections and more immersive education sessions, presentation Q&A and other activities. After events, social media is also being used to extend event communities and foster connections made during events.

One of the many strengths of the Hilton Head Island Visitor and Convention Bureau's Group Sales team has been its good, honest and loyal business relationships with clients and partners. Those relationships have been built on trust over the years and they have kept the Bureau as a key and critical component in the business of business matchmaking. Those relationships are especially important in an era when it's predicted that planners and suppliers will rely on existing relationships to work through challenges.

Relationships are key

- 26% of meeting professionals say that improved planner/supplier relationships are more important than ever before in order for both parties to achieve budget and performance goals, which will undoubtedly test the limits and opportunities of cooperation in the years to come.

Planners have also said that they “focus on destinations that are easy to work with and then we negotiate flexible attrition clauses and F & B costs.” It all starts with service. And although technology is important, some planners indicate that service and a personal touch will still trump technology. One planner surveyed in *Future Watch* said “suppliers who want to get ahead need to focus on personal relationships instead of technology.”

The VCB connects Hilton Head Island resources to site planners’ facilities needs for retreats, educational seminars, state, regional and national meetings and conferences of all kinds.

Sales Team Goals

The VCB Sales Team’s purpose is to generate leads for group business from throughout the spectrum of market segments, with these overarching goals:

1. To meet the varied needs of our diverse partner base, which includes hotels, home & villa rentals, event venues, and event service providers.
2. To generate qualified leads that book more room nights with improved RevPAR.
3. To assist our destination partners in their efforts to generate more meetings.
4. To refer more food and beverage sales – at the host property as well as at area restaurants.
5. To refer more golf bookings.
6. To refer more spa and amenity bookings.
7. To promote and refer more memorable recreational and entertainment experiences for group attendees and their guests.
8. To maximize opportunities for shoulder and off-season group bookings and business.

The Bureau’s position is to represent the entire destination, identify lead possibilities in all meetings and group market segments, predispose our contacts to strongly consider Hilton Head Island for their meeting or group event and prepare our lodging partners, first and foremost, to make the sale. Referrals to other local businesses that service groups are also a focus of the VCB sales staff.

In order to produce valuable, qualified leads for our lodging and facilities partners, the Bureau will “touch” planners through traditional and non-traditional techniques.

Strategy to Contact or Maintain Connections with Meeting Planners

Strategy to contact or maintain connections with meeting planners

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Goal	2014 Goal
Phone	3,472	3,091	3,127	2,737	3,100	3,150
Email	5,466	6,141	5,977	4,582	6,000	6,100
Letter/Fax	253	246	225	231	275	285
SDR *	644**	2,724	1,818***	2,700	2,800	2,800
DayBreak Promos	n/a	n/a	n/a	4,000,000	n/a	4,000,000
Total	9,835	12,202	11,147	4,010,250	12,175	4,012,335

DayBreak responses

400

425

Social Media Posts

12 times

12 times

*Includes calls for FAMS &
Blitzes

**Partial year due to funding reductions

***Partial year due to funding reductions

Group Sales Goals

Goal: #1

Increase the number of qualified leads by 34% in 2011

SALES	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Goal	2014 Goal
# of Leads	129	121	111	89	125	135
Potential Room	28,216	36,181	27,113	25,484	27,500	33,075
# of Definites	34	23	32	22	30	40
(signed contracts)						
Definites	6,993	3,467	3,285	3,387	5,250	5,750
(room nights)						
Conversion	26%	19%	29%	25%	25%	30%

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Tactics

1. Telemarketing/ lead generation/market and prospect research: Work with telemarketing vendor (SDR) for continued data-cleansing and target acquisition, prospect qualification and lead generation.
2. Increase customer “touches” – calls, visits, fairs, e-newsletters, invitations, contests, social media, interactive encouragement to keep Hilton Head Island top of mind with our planner clients.
3. The Hilton Head Island Sales Team is committed to respond to all group inquiries the same day they are received. The goal is to be the first responder to the client and deliver a clear service message that Hilton Head Island values their business and appreciates their consideration.
4. Commitment to continue to follow DMAI “best practices” for sales and marketing services. Continue to attend AENC , GSAE and SCSAE state and regional events, when budgets allow, to bolster marketing and direct sales efforts.
5. Work trade shows that have the greatest amount of potential for generating leads and new contacts with particular emphasis on appointment-driven shows, including, “Collaborate” for corporate and “Rejuvenate” for faith-based planners.
6. Plan and conduct a FAM of tour operators who have potential tours for Hilton Head Island.
7. Explore online marketing presence opportunities: Create enhanced destination profiles and actionable marketing offers in key planner search and source sites enabling destination searches of potential properties and direct RFP opportunities for new and existing customers.

Goal # 2:

Build on Hilton Head Island’s identity as a meetings destination and develop spheres of influence within networks of decision makers

Tactics

1. Feature promotions to planners of investments by our local partners in hotel, resort and attraction redevelopment and upgrades.
2. Develop a local business leader strategy and encourage locals to provide connections to national and regional committees and boards to influence selection of Hilton Head Island for their future meetings or event.
3. Network on a local, state and regional basis to keep the Hilton Head Island message in front of our target markets. Groups include AENC and SCSAE.
4. Produce electronic Meeting Planner Newsletters to update and engage our database of planners on new developments on Hilton Head Island in order to provide reasons to reconsider Hilton Head Island.
5. Work with VERB to develop the use of social media, specifically, Facebook and LinkedIn, as a portal to extend the Hilton Head Island message to targeted prospects.
6. Use past and upcoming booked business to identify affinity groups that would be inclined to consider Hilton Head Island based on testimonials from planner peers.
7. Work with local health care industry contacts to develop appointments targeting pharmaceutical, health care and medical meetings in the Washington and Chicago markets.

8. Develop strategic partnership with New Carolina Economic Cluster initiative to allow alignment and marketing to South Carolina corporate base, and marketing opportunities
9. Measure visitation to the hiltonheadmeetings.org site
10. Evaluate meeting planner usage of our site through a monthly review of microsite analytics.

Goal #3:

Leverage communications for planners and partners

Tactics

1. Continue to meet with our meetings lodging partners each month to review sales leads and discuss issues they are facing in an effort to uncover ways to leverage our sales program with their marketing and sales efforts.
2. Provide partnership opportunities to our members for fams, trade shows and other industry events.
 - Upcoming co-op FAMS & joint promotions: (funded through public-private co-op)
 - a. **April 2013 & 2014** – RBC Heritage Meeting Planner FAM
 - b. **August 2013** – HHI to host Meeting Planners & Media at the U.S. Open (tennis) in NYC
 - c. **September 2013** – HHI to host the SMU-SE event
 - d. **Winter 2013** – HHI to host a Meeting Planner Event in Atlanta
 - e. **Spring 2014** – HHI to host Meeting Planner event in fly market, TBD
3. Develop plan with VERB to enhance search engine marketing, blogs, optimized press releases, video, social media integration and RSS feeds on our meetings microsite.
4. Work with our membership (distribute internal meetings/group e-newsletter on a regular basis) to ensure that we provide them with the tools they need to stay in touch with us and learn about what is new and upcoming on Hilton Head Island.
5. Update meetings microsite content regularly to ensure information is always current and accurate.
6. Morph the “Hilton Head Island Difference” message into a group website integrated approach including corporate responsibility and sustainability philosophies and programs.

Conference Sales Initiatives

1. **Lead Prospecting/ SDR:** SDR (Strategic Database Research) has been our telemarketer off and on for the last 6 years. Due to funding gaps, we've had to start & stop the process during the last years. The services they provide to the HHI VCB are:
 - Lead Generation
 - Database Cleansing
 - Trade Show and Seminar Follow Up
 - Appointment Setting / Sales Blitz / Sales Mission

SDR generated on our behalf 2,109 outgoing phone calls in 2009; 9,106 in 2010; 5,413 in 2011 and year to date in 2012; 9,657. The number of leads that they have provided to the HHI VCB: 2009 – 52 leads, 2010 – 204 leads, 2011- 91 leads and in 2012 – 113 leads. The ongoing results of these leads are:

<u>Total room nights tied to leads</u>	<u>Lost room nights</u>	<u>Booked room nights</u>
2009 – 3,430 total rooms nights	2,492 lost room nights	938 booked room nights
2010 – 1,425 total rooms nights	910 lost room nights	515 booked room nights
2011 – 3,407 total room nights	3,347 lost room nights	60 booked room nights
2012 - 3,324 total room nights	2,169 lost room nights	1,155 booked room nights

Cost of this ongoing lead generation/database cleansing/trade show follow up, etc. is \$3,500 per month X 12 = \$42,000 per year.

2. **South Carolina Business Cluster Group Business Targeting:** to build relationships with affinity sectors representing innovation, entrepreneurship and core industries poised for growth in South Carolina. Reaching out to mine databases and build referral relationships within these clusters is a group sales strategy that has significant new economic development potential for the Lowcountry region. Clusters of special interest to government, economic development and private sector leaders in our four -county region have been identified as:
 - Healthcare and Insurance
 - Sustainability and emerging technology focused businesses
 - Aviation & Aerospace (due to proximity to Gulfstream in Savannah and Boeing in Charleston)

South Carolina's New Carolina Business Cluster Development Program for the whole state is working with these 15 business segments, and VCB staff will target programs within as many of these sectors as is feasible:

Advanced security	Distribution Services
Agribusiness	Engineering
Automotive	Hydrogen & Fuel Cells
Aviation & Aerospace	Insurance Technology
Life Sciences	Nuclear
Composites	Recycling
Creative	Tourism
Textiles	

3. **Appointment Format Trade Shows**: Attend appointment-driven trade shows, which provide one-on-one connections with buyers specifically interested in Hilton Head Island as a meetings destination.
4. **Trade Sponsorships**: Judiciously utilize sponsorship and bid fees to secure business opportunities (recognizing budget limitations) to score special groups with high potential impact for the whole destination. Two specific programs for the coming year include:
 - 2013 Southeast Corporate & Association Meeting Planner Event drawing 75 planners to Hilton Head Island in winter 2013 through Collinson Events.
 - 2014 South Carolina Governor's Conference on Tourism will be hosted by the Hilton Head Island/Bluffton Visitor & Convention Bureau
 - 2013 South Carolina / Florida Joint Motorcoach Annual Meeting - hosted at the Omni Hilton Head Oceanfront Resort, Hilton Head Island, August 2013.
5. **Leverage Healthcare Events**: Collaborating with local and regional health care providers and recruit healthcare related meetings and conferences to Hilton Head Island. Includes support for CareCore top clients incentive trip during the RBC Heritage PGA Tour Tournament.
6. **Southeast focus** on vertical markets within the overall corporate sector, including incentive, pharmaceutical and healthcare and technology. Association focus geo-targets include South Carolina, Georgia and North Carolina along with the national association market.

Select Service Co-op: Hotels partner with the VCB to work on various initiatives throughout the year in targeting mega churches, military, government, small corporate and transient business markets. This year, the Co-op will target group tour operators by supporting the upcoming Florida/South Carolina joint meeting being held in August 2013 at the Omni Hilton Head Island Resort. Group Tour operators from the Southeast will be in attendance and the select service properties will assist with both pre-conference and post-conference FAMS. Atlanta and Charlotte will be the group's main target drive markets for scheduling qualified appointments with planners affiliated with mega churches, government and small corporate businesses.

Sales Support Budget:

Lead Prospecting	\$ 42,000
Trade Sponsorships	
STS Meeting 2014:	\$ 10,000
SC Governor's Conference 2014	\$ 25,000
Contingency	\$ 5,000
SC/FL Motorcoach Conference 2013	\$ 12,500
Healthcare Events:	\$ 5,000
Backyard Marketing:	\$ 5,000
Select Service Sales Blitz:	\$ 7,000
Site Inspections/ Out-of-Pocket:	\$ 3,000
Sales Industry Dues and Subscriptions	<u>\$ 2,600</u>
TOTAL:	\$ 117,100

Group Sales Marketing

1. Website: Refresh content on the Meetings & Conferences section of our website as part of Web Content Audit Calendar.
2. Mobile: Build a template for groups to use to promote their Hilton Head Island meeting via a mobile enabled microsite, including the ability to add live texting and social media feeds during the conference.
3. Weddings: Create a special new section on our website for wedding planners. Capture database for future re-targeting for anniversaries, etc.
4. Social Media: Develop an editorial plan and allocate resources to train and manage a more robust strategy for LinkedIn and Facebook with our sales staff toward relationship building.
5. Sales Promotions Co-op: The VCB is developing a multiple platform proposal with Smart Meetings for a public-private sector co-op program using the SCPRT destination specific marketing match program to fund. Budget TBD.
6. Promotional Giveaways: Hilton Head Island logo items for giveaways during site inspections, fairs, trade shows and sales events.

Budget

Website Refresh:	\$15,000
Mobile Microsite Template:	\$ 5,000
Weddings Special Site:	Included in prior allocation to digital marketing
Group Social Media Content Management Program:	\$ 5,000
Sales Promotion Media Co-op:	\$17,000
Promotional Giveaways:	<u>\$ 6,000</u>
TOTAL:	\$48,000

Group Tour

The motorcoach market generates more than \$55 billion annually in economic transactions. One motorcoach spending one night at a destination generates as much as \$11,660 for that local economy in meals, lodging, and other spending. The American Bus Association estimates that motorcoaches account for 751 million passenger trips annually, moving more people in some years than commercial airlines do. Students and seniors use motorcoaches for educational trips, sports outings, and cultural and historical destinations.

Motorcoach consumers are becoming more knowledgeable. They seek more visceral, emotional experiences, including more hands-on and soft-adventure activities like culinary arts, water-based trips, themed dining and group participation in theater/cultural events, all of which are becoming more popular.

We intend to draw group tour visitors by:

- Building relationships with operators by attending various industry meetings (ABA, OMCA, SC Motorcoach Association)
- Educate our partners on what it means to be a group friendly community
- Offer tiered pricing/package attractions with accommodations

Group Tour trade shows provide an avenue for generating qualified group tour prospects and leads. We plan to target potential leads by attending:

- [The American Bus Association \(ABA\)](#), facilitates relationships between North American motorcoach and tour companies and all related segments of the travel and supplier industries and promotes travel by motorcoach to consumers.

ABA represents approximately 950 motorcoach and tour companies in the United States and Canada. Its members operate charter, tour, regular route, airport express, special operations and contract services (commuter, school, transit). Another 2,300 member organizations represent the travel and tourism industry and suppliers of bus products and services who work in partnership with the North American motorcoach industry.

- [Motorcoach Association of South Carolina \(MCASC\)](#) MCASC is an affiliate member of the American Bus Association and the United Motorcoach Association to stay abreast of issues and concerns at the national level. There is an annual meeting and marketplace when all the members come together for information sharing and selling. The Annual Meeting and Marketplace is held every August. Hilton Head Island has been chosen to be the official host of this meeting August 18-22, 2013 at the Omni Hilton Head Island Resort. Exposure from this convention will position our Island for future group tour trips by offering pre and post FAMS for attendees over the duration of the conference.

Trade Shows

Divergent trends surround the meetings trade show business these days. Planners expressed preferences for face-to-face meetings seem at odds with recent deep declines in trade show attendance by the planners themselves. A relatively new approach – appointment-driven trade shows with transparent agendas and measurable touches has emerged. These are “hosted shows”, with the shows’ producers vetting planners to assure they qualify to attend and then paying their way. The Group Sales team will attend both traditional and appointment-driven shows in 2013–2014 the schedule has been determined through research into shows’ reputations for productivity and by reaching out to determine our partners’ preferences.

Hilton Head Island Visitor & Convention Bureau’s 2013-2014 Trade Shows

Trade show	Market	Dates	Location	\$
SC/FL Motorcoach Association	Group Tour	August /2013	HHI, SC	1,200
ASAE – Annual Tradeshow	Association	August/ 2013	Atlanta, GA	1,300
Rejuvenate Marketplace	Religious	Nov/2013	Daytona, FL	3,950
AENC	Association	Dec/2013	Raleigh, NC	2,700
SCSAE	Association	Jan/2014	Columbia, SC	1,500
American Bus Association	Group Tour	Jan/ 2014	Nashville, TN	*
HSMAI’s MEET	Corp./Assn.	April 2014	Chicago, IL	8,000
ASAE-Springtime	Association	May/2014	Washington, D.C.	8,000
Collaborate Marketplace	Corporate	May/ 2014	TBD	**
TOTAL:				\$38,350

* Included in Beaufort County/ Bluffton Budget

** Included in the Sweet Tea Budget

International Marketing

The U.S. Travel Promotion Act, finally passed by the U.S. Congress and signed by President Obama in early 2010, has truly opened the door for a new world of opportunity for the US in promotion of our country to international markets.

Brand USA's mission:

Brand USA was created for the purpose of encouraging travelers from all over the world to visit the United States of America. In doing so, we aim to bring millions of new international visitors who spend billions of dollars to the United States, creating tens of thousands of new American jobs.

The public-private marketing entity was created to work in close partnership with the travel industry maximizing the social and economic benefit of travel in communities around the country. Brand USA, through its call-to-action "Discover America," will encourage and inspire travelers to explore America's boundless possibilities. Focus markets for the year ahead for Brand USA programs include:

- UK
- Japan
- Canada
- Brazil
- China

President Obama and his staff have worked over the past year with the travel industry to create a U.S. national travel and tourism strategy aimed at growing the U.S. economy through increased international travel to the United States. The plan includes:

- Expanding and making permanent the Global Entry program.
- Increasing efforts to expand the Visa Waiver Program and travel by internationals eligible to participate in the Visa Waiver Program, including through nomination of Taiwan to the program.
- Increasing non-immigrant visa processing capacity in Brazil and China by 40%.
- Creating an interagency government task force to work with Brand USA to promote travel and tourism opportunities in the U.S. to create jobs.

The Hilton Head Island Visitor & Convention Bureau, in concert with the South Carolina Department of Parks, Recreation and Tourism (SCPRT) and our *Coastal South Carolina USA* partners (Charleston Area CVB and Myrtle Beach Chamber of Commerce), is working cooperatively with Brand USA. Last year, this included a major promotion in London with Harrod's simultaneous to the Queen's Jubilee and Brand USA's launch in the UK market.

BRAND USA and HILTON HEAD ISLAND

The VCB is working with Brand USA and their agency Miles Media, as well as VERB Interactive to develop a series of special landing pages for Hilton Head Island on our website *as well as* on the Brand USA website.

Brand USA is offering a special limited time international marketing co-op to assist South Carolina destinations to build a foundational content and marketing program within BUSA's own marketing channels. This program includes enhanced destination page content and specific country native content programs and enhanced experience content on Brand USA's website, www.DiscoverAmerica.com. Plus, includes immersive exposure within BUSA's official Global Reach Program and within 2 Eastern Canadian In-Country Turnkey Campaigns.

Brand USA's \$100 million in 2013 marketing funds will drive international consumers and travel trade audiences to DiscoverAmerica.com, who will be looking for travel inspiration based on experiences and destinations. South Carolina would partner with Hilton Head Island, Myrtle Beach and Charleston to enhance international content about our cities and experiences international travelers are seeking. Brand USA is offering a special 30% incentive on content programs and an additional \$233,000 of bonus value to the whole South Carolina partnership package. South Carolina will in return approve a new flexible partner agreement (LOA) with Brand USA.

South Carolina will reserve an enhanced state page and with full participation from Hilton Head Island and the other 2 invited partners, each partner will receive their own enhanced destination pages on DiscoverAmerica.com, 5 native language videos and 5 feature stories highlighting unique experiences found within South Carolina and up to 90 photos. Plus, another 4-5 enhanced experience pages in all languages represented within DiscoverAmerica.com (with the exception of Chinese). This investment in international content will highlight South Carolina experiences and destinations and build a strong international marketing foundation to best leverage Brand USA's \$100 million in annual marketing funds.

Hilton Head Island Partner Package Components:

1. **An Enhanced City (State) page** on DiscoverAmerica.com. This includes a custom selected hero image, 500 word custom description in all languages, links to your city URL, 20 photo image gallery, video player module, email opt-in form, destination guide promo and form.
2. **Five Native Content Packages** customized to our destination. Each content package includes one 2.5 minute video, one feature story and up to 20 photos all customized, written and hosted by a travel writer from your selected target country.
3. **Five Enhanced Experience Pages** on DiscoverAmerica.com. This expands the Native Content units produced through this program and evolves them into a separate and highly visible component of the BUSA content marketing platform in all languages (with the possible exception of Chinese)
4. **2014 Global Reach Program** (Official Discover America Inspiration Guides and online marketing program). Two pages. Current distribution includes UK, Ireland, Germany, Austria, Switzerland, Canada, Mexico, Brazil, Japan, South Korea, China, India, Australia, and international show distribution. Print circulation is 400,000 and online impressions are guaranteed at 30 million.
5. **In-Country Turnkey Marketing Campaign** within Eastern Canada. This includes a 2-page spread within the print component in both the spring 2013 and winter 2014 editions. This also includes up to 10 million online impressions and up to 800,000 consumers for an email marketing promotion.

Bonus:

Brand USA will offer free translations for new languages added to DiscoverAmerica.com (excluding China) within the destination and experiences pages and free renewals of all content through the end of 2014. In addition, Brand USA will also offer a customized social media program for South Carolina and will offer a special early bird discount within their Global Reach Program (inspiration guides and online program). For partner agreements exceeding \$250,000 through this packaging, Brand USA will also provide a free homepage tile on DiscoverAmerica.com for two weeks.

The social media support for this program will include:

- Posts to highlight content on Facebook pages (Countries where we have current footprint and content will be available in language.)
- Image and video features within Facebook activity on appropriate DiscoverAmerica Facebook pages (Note: Brand USA is investing heavily in Facebook promotions and paid campaigns in 2013, driving incremental value and engagement, as well as visibility, to all your content that will be created within this program.)
- Twitter posts based on the content calendar of our social program (Note: Posts will also benefit from selective promoted posts campaigns running with our in-country social teams in Brazil, Canada, UK, Japan and South Korea.)
- Cross talk opportunities based on appropriate fit for content and seasonality.
- Video content placement within the appropriate language and category in our current and future enhanced YouTube channel experience.

Distribution:

The Enhanced City and Experience Page program will live on DiscoverAmerica.com and present a special inspirational overview of your state, cities and experiences, customized to your individual needs. The Native Content packages will also be linked to the South Carolina enhanced state page and the enhanced city pages. Plus, there will be direct navigation onto the travel journal pages from the homepage highlighting your extensive content. Plus, South Carolina can distribute this native content on Travel South USA's international sites and they will be available for South Carolina's International GSAs to use and to distribute. You also have the option of using the native language experienced based videos, feature stories and photographic content within your own marketing channels (website, social media channels, etc.).

South Carolina Program:

- 1 Enhanced State Page
- 3 Enhanced City Pages
- 12 - 18 Native Content Units
- 12 - 18 Enhanced Experience Pages
- 2 pages within the 2014 Global Reach Program

- 2 pages within the East Canadian In-Country Turnkey Marketing Campaigns for both the spring 2013 and winter 2014 editions

Total value of this special program for South Carolina is \$629,243.00, and for Hilton Head Island is \$157,311. Total package investment is \$264,200, and for Hilton Head Island is \$63,312.50. This represents a savings/value of 248% with included Brand USA incentives.

Co-op Package:

- 3 Enhanced City* and 1 Enhanced State Page
- 3 Native Content Units for South Carolina and 5* for each of the three cities participating, including Hilton Head Island – total of 18 content units
- 18 Enhanced Experience Pages*
- Half page for each of the four partners within a two page spread within the spring 2013 and winter 2014 Canadian In-Country Turnkey
- Half page for each of the four partners within the Global Inspiration Guide Program – all languages
- * Rights for Hilton Head Island to use any and all content developed on www.HiltonHeadIsland.org

*Total Investment for Partner Package - \$63,312.50**

**Part of this total paid in FY 2012-13.*

In addition, the VCB will work with Coastal South Carolina, USA and SCPRT :

1. Tour operator FAMS throughout the year, with special emphasis on development of an international tour operators FAM during the RBC Heritage 2014.
2. Visiting international journalists throughout the year.
3. Co-op support for high producing tour operators with our product, in concert with Coastal partners and SCPRT.
4. Coastal SC USA co-op promotionals in tour operator and major consumer digital and print media.
5. Trade Shows:
 - IAGTO (International Association of Golf Tour Operators)
 - Or World Travel Market in London, TBD
 - ITB (International Travel Berlin)
6. Annual Sales Mission and training programs for reservation agents.
7. Specialty website for consortium.
8. Receptive operator services for smaller tour operators through Coastal SC USA.

In addition to these programs through the consortium, the VCB also plans to support international marketing through:

9. Hilton Head Island booth and one-on-one operator and media marketplace appointments at Pow Wow International, the largest U.S. Travel international trade show
10. Participation in ITB Trade Show with SCPRT, Coastal and Brand USA
11. Participation in the Ontario Motorcoach Trade Show in Toronto with SCPRT
12. Support LGCOA booth at Toronto Golf & Travel Consumer Show 2014

Budget:

Coastal South Carolina USA	\$ 47,000
Brand USA Co-ops	\$ 45,000*
ITB Trade Show	\$ 6,000
IAGTO or WTM	\$ 4,000
Ontario Motorcoach	\$ 2,500
Sales Mission	\$ 5,000
Pow Wow International	\$ 8,000
RBC Heritage FAM	\$ 4,000
TOTAL	\$121,500

Destination Specific Grant: Public Private Sector Match Dollar Co-ops

Based on a strong track record of proven performance, the Visitor & Convention Bureau works with the South Carolina Department of Parks, Recreation and Tourism as a partner in the state's Destination Specific Grant program. This program provides much needed funding for a wide variety of destination promotions and includes a fund targeted at private sector match dollar promotions.

While programs for the 2014 grant have not yet been finalized, preliminary plans call for match grants in these focus areas:

- RBC Heritage Promotions
- Canadian Market Co-op Promotions
- Hilton Head Island Motoring Festival & Concours d'Elegance Sponsorship Promotions
- Customer Facing Group Sales Events and Sales Missions
- Hilton Head Island Wine & Food Festival Sponsorship Promotions
- Year-round Digital Co-op
- Travel Package Promotions
- Affluent Lead Generation Co-ops in Print and Online
- Social Media Promotions
- Specialty Market Promotions, such as golf, arts & cultural, outdoor, culinary, and tennis
- Air Service Development Promotions