

Brunswick County Tourism Development Authority

February 26, 2019

Meeting Minutes

In Attendance: Maryann Azzato, Glenda Browning, Bonnie Cox, Dana Fisher, Jerry Helms, Melaney Robbins, Buddy Rudd, Whitney Sauls, and Eddie Walters. **Absent:** Billy Bernier. **Also in Attendance:** Mitzi York, Executive Director and Jack Yager,

I. Call to Order:

Bonnie Cox, Chairman, called to order the TDA's regular monthly meeting at the Brunswick County TDA office at 712 Village Rd SW in Shallotte at 3:00 pm.

II. Public Comment:

No one requested to speak during the public comment period.

III. Approval of January 22, 2019 minutes

Jerry Helms motioned to approve the minutes of the January 22, 2019 Board meeting. The motion was seconded by Buddy Rudd and approved unanimously.

IV. Conversion Study Presentation – Jack Yager

Mitzi York stated that the TDA tried to do a conversion study every 2 to 3 years to ensure that the media we are buying is meeting our expectations and gauge the spending habits of people visiting the area, what they like about the area and where they are visiting from. She advised the Board that the agency will be listening in on the presentation by speaker phone. Bonnie Cox asked Jack Yager how many of studies he had done for the TDA. He replied that the first report he had written was in 2007. In that case, the data had already been compiled but he prepared the report. In the early ones we had some mail backs but now they are by email.

Jack Yager reviewed the highlights of the study:

- Conversion rates remained high (29.6%) and consistent (26% in 2016)
- ROI on inquiries continued to project to large visitor volume and revenue amounts. Jack Yager explained the methodology for determining the value of an inquiry – per day spending per person x party size x length of stay x effective conversion rate.
- Visitors rated their experiences positively and would highly recommend NC's Brunswick Islands to family and colleagues
- Sources that produce the most inquiries tended to have higher conversion rates
- Summer inquiries produced higher conversion rates. Jack Yager clarified that at the request of Mitzi York he was going to go back and see when the media ran as opposed to when the lead came in
- By state, North Carolina inquiries delivered higher conversion rates and higher percentages of visitors

- Newer sources of information such as travel blogs, YouTube videos, and social media were not high volume producers or influencers, but are now present in responses
- Conversion rates varied significantly by income. Those earning \$75,000 or more were twice as likely to have already visited as those earning under \$75,000.
- This year's sample was older, more affluent, still positive about visiting, but slightly less disposed to prefer vacationing in the same location each year
- Gaining participation in online surveys has become more challenging the past few years. Research experts cited several reasons; an overwhelming increase in email volumes, offers by almost every retailer and service provider for incentives for surveys that are perceived to have little or no chance of reward, and a tendency for consumers to believe that reviews are more important for "improving" service than surveys.
- The increase in older participants may have been due to "email or survey" fatigue and younger people using other forms of communications than email. We would caution any assumptions that inquiries in general are getting older.

He further discussed key findings:

- The 29.6% conversion rate remained fairly consistent with previous studies: 3 in 10 inquirers already having visited and 1 in 4 still planning to visit.
- Compared to previous years, actual visitation increased from 19.9% in 2013 and 25.7% in 2016 to 29.6%. The numbers are very similar to 2009 when 29.7% had already visited, 27.2% decided to visit but were not sure when, 35.1% were undecided about visiting and 8% went elsewhere
- The effective conversion rate, which also includes those likely to visit in the next year, remained at half of all inquiries. Effective conversion rate may reach 51.4%, similar to 51.1% in 2016. (Higher than the 46.1% in 2013.)
- 38.7% of those who intend to visit but are yet to make plans, feel they would be likely to visit within the next six months. (28.3% in 2016, 25.3% in 2013, 32.2% in 2009)
- Conversion rates for summer inquiries are higher than for other times of year. For June through August inquiries, conversion rates were 54% in 2017 and 46.3% in 2018.
- By source of inquiry, the NC's Brunswick Islands Vacation Website converts at the highest rate, 51.5%. The larger media sources of inquiries tend to have higher rates, MMSI (28.3%), Interfuse Leisure (23.8%), and Madden (22.0%)
- While some sources may be converting at lower rates, they may represent good values because of the volume of inquiries, the ROI, or the niche they may represent.
- North Carolina had the highest conversion rate by state, 47.8%. This was higher than 42.6% in 2016, 38.8% in 2013 and 43.3% in 2009.
- Conversion rates are higher for those earning over \$75,000 (36.6%) than those under \$75,000 (17.2%).
- Average spending per person, per day is estimated at \$175.20, with each inquiry worth \$5759 based on an average length of stay of 6.3 days and an average group size of 5.2 people.
- Based on the study universe of 157,743 inquiries and the potential or effective conversion rate of 51.4%, total revenue projects at \$467 million (\$283 million in

2016 and \$218 million in 2013, primarily due to fewer number of inquiries).

- Based on the 29.6% conversion rate to date, the total revenue would be \$269 million (\$142 million in 2016 and \$94 million in 2013).
- Revenue is also higher than previous years due to an increase in average party size from 5 to 5.2, and length of stay from 6.2 to 6.3 days.
- The projected revenue per party estimates were \$5225 in 2016, \$4546 in 2013, and \$4562 in 2009.
- Inquirers generally recalled seeing the Vacation Guide (60%) and Website (74%). Visitors were more likely to have seen them than inquirers.
- 42% found the website url through online search engines such as Google.
- 4 in 10 visitors had not decided to visit before searching for, and finding information; 29% do not recall exactly when they made the decision
- 38% searched for information because they were specifically interested in NC's Brunswick Islands, while the majority of the remainder were interested in beach vacations. People who eventually visited were more likely to be interested specifically in Brunswick (48%).
- While the most frequent reason for requesting information was "looking for an interesting place to visit" (38%), other frequent answers were previous visits and being prompted by an ad or promotional email.
- The Vacation Guide information that was most useful for visitors in planning their trip were attraction and activity listings (66.9%) and island and town descriptions (61.2%).
- Accommodations listings (73.5%) and island and town descriptions (75.2%) were the most useful sections of the Website for visitors.
- While family and friends were selected most often as the "most useful sources in helping learn about NC's Brunswick Islands," the Website was now selected more often than the Vacation Guide.
- Half of visitors planned their visit more than two months prior to their trip.
- Google (60%), destination websites (43%) and accommodation sites (31%) were the online sources used most often among inquirers.

Jack Yager advised that 26% of inquiries in the study were from North Carolina. There was not much change in the demographics except that the conversion rate for inquiries from South Carolina in the study had declined and percentage of people participating in the study over 65 increased significantly. Spending time at the beach was still the primary activity. Overall enjoyment of the area was 9.39 out of 10. Golfers spent more than the average visitor. Wedding/honeymoon inquiries spent the most per day but because of the small sample size findings are inconclusive. Visitors spent an average of \$175 per day per person.

V. Executive Director's Report:

Mitzi York reviewed the financial statement for the month of January. Revenues for January totaled \$37,165.96. The major expenses in January were the agency fee, media, the vacation guide and production/research which included our first payment to SimpleView. Mitzi York advised that bulk mail postage was not reflected in the report and would be in next month's report. Expenditures included \$89,522.62 in actual expenses (minus bulk mail postage as just discussed) plus \$142,217.11 in accruals. The ending bank balance in January was \$1,097,809.34.

Mitzi York pointed out that at the last meeting, November was incomplete, and we were showing about negative 40%. We received significant additional revenues for November. October is now up 22% over last year and November is up nearly 14%. December is up as well. We are now up 2.38% for year-to-date. Maryann Azzato motioned to approve the financial report, seconded by Glenda Browning. The motion was approved unanimously.

Mitzi York introduced the Resolution to award the audit contract for FY 18-19 to Martin Starnes and Associates in the amount of \$5000. She advised that \$5000 is the same amount we paid Martin Starnes for the last audit. Jerry Helms motioned to approve the resolution, seconded by Dana Fisher. The motion was passed unanimously.

Mitzi York advised the Board that she participated in the media mission VisitNC held in Canada last week. Only 4 partners participated in multiple events in Toronto and Montreal. No other beach destinations participated giving more opportunities to meet all the media one on one. She reported that VisitNC's international reps will visit Brunswick County on March 30 prior to the 365 Conference in Wilmington. For public relations in January, Fishy Fishy Café was featured in Our State in a section on small towns. We were included in an Atlanta Journal Constitution online article "8 Southern scenic cities that double as movie, TV filming spots". The Travel 100 featured the Sunset Beach Swing Bridge in the online article "Bridge with its Own Museum". Southern Styles & Steads online picked up the Atlanta Journal Constitution article about filming. Reader's Digest included Bald Head Island in an article on the coolest secret location in each state. MSN picked up the Reader's Digest article. The total circulation was 25,679,897. The media value \$225,386.98 and the editorial value \$676,160.94.

Staff is working on the FAM trips with the leisure FAM to be held the end of April and the golf FAM in early May. Mitzi York is also working with Pineapple PR who will be conducting deskside visits in Charlotte next month on our behalf. Two years ago we did a Best Beaches pitch which was very effective in generating lots of coverage in 2017 including the National Geographic article. We are doing that again but this time featuring regional publications and writers. We have some native content that will run in March in Atlanta Magazine. We also have some native content that will be on VisitNC in March as well as an Instagram story on VisitNC's page.

Mitzi York advised that she met with a representative of VRMA which is building software to track vacation rental booking stats. The software would allow rental companies to compare occupancy and rates against other companies anonymously. It would pull from rental companies' booking systems. The program has been offered to us for free. The program however would not always be free. He said most of the larger rental companies in Brunswick County are members of VRMA. If they participated, it would allow us to compare our occupancy to other areas of the state. It would also provide us another source to

verify where our visitors are coming from. Whitney Sauls advised that there are other platforms out there that have participation in this market. She advised that at least 4 companies need to participate in order get enough data. There was a brief discussion about how these programs might work.

VI. Marketing Committee Report

Mitzi York reviewed the Marketing Report for January. In January, we received 5,306 leads/request for guides including downloads and views. There were 22,432 new visitors to our website and 28,913 views of the partner pages and from there 7,051 visits to our partners' websites. Year-to-date, we have received 43,494 leads compared to 42,449 in January last fiscal year. Top states for leads were North Carolina, New York, Ohio, and Pennsylvania. In January, we had 22,432 new users and 33,698 page views. The bounce rate was 50%. New users was up 3% over the previous January. The top sources of traffic were Google organic followed by our cost-per-click program and direct traffic. Traffic from VisitNC is still about 50% down from last year. Top keywords were North Carolina beaches and dynamic search ads. There were also several wedding related keywords on the list again. The top pages viewed were the home page, accommodations, weddings and Oak Island. The home page, wedding page and Holden Beach were the top landing pages. Top states were North Carolina, Ohio, Pennsylvania, Virginia and Illinois. Top cities were Charlotte, Wilmington, Raleigh-Durham, Chicago, and New York.

VII. Old Business:

No old business.

VIII. New Business:

No new business.

IX. Adjourn:

Buddy Rudd motioned to adjourn, seconded by Jerry Helms. The motion passed unanimously. The meeting was adjourned at 4:26 pm.

NEXT MEETING: March 26, 2019 at 3:00 pm at the TDA's offices in the Red Apple Building, 712 Village Rd SW Unit 105 in Shallotte.