



Southeast Volusia Advertising Authority
NSB City Hall Chambers – 210 Sams Ave.
New Smyrna Beach, FL 32168
October 17, 2017 – 11:00 a.m.

REGULAR BOARD MEETING AGENDA

- I. Call to Order: Betsy Baker, Chairwoman
Roll Call: Debbie Meihls
- II. Research Data Presentation: Walter Klages
- III. Turkel Brands Presentation: The Value of Tourism – Roberto Schaps
- IV. Approval of Minutes: August 15, 2017
- V. Chair Report
- VI. Treasurer's Report: Financials Statements: August and September 2017
- VII. Executive Director Report: Debbie Meihls
- VIII. Old Business/Public Comment:

Public Participation: Public Participation is limited to three minutes, unless otherwise granted by the Southeast Volusia Advertising Authority members.

- IX. Adjourn



SOUTHEAST VOLUSIA ADVERTISING AUTHORITY

NSB City Hall, Minutes of Regular Board Meeting
Tuesday, October 17, 2017

Members Present: Betsy Baker, Mike Arman, Donna Ruby, Chad Truxall, Tom Clapsaddle, Erik Lumbert and Jamie Dudley.

Members Absent: none

Betsy Baker, Chair, called the meeting to order at 11:00 a.m.

Debbie Meihls called roll.

RESEARCH DATA PRESENTATION: WALTER KLAGES

Walter Klages from Research Data presented the latest visitor profile data. He explained that what he was presenting was a little complex because he didn't really have any comparables. He decided to make the presentation with the comparison of winter and summer as a season because those are the most critical periods of time in terms of the business they are getting in the destination

Key Visitor Metrics October 2016- August 2017

Estimated number of visitors 334,100
Estimated Room nights 571,900
Direct expenditures \$221,393,800
Estimated economic impact \$343,588,900

Occupancy/ADR October 2016- August 2017

Occupancy 73.7%
ADR \$133.29
RevPAR \$99.37

Overnight Visitors Staying in commercial Lodging Winter 2017 (Jan-April) Summer 17 (May-Aug)

Estimated number of Visitor 120,900 winter, 153,700 summer
Estimated Room nights 242,100 winter, 229,400 summer
Estimated Direct Expenditures \$90,282,500 winter, \$99,846,400 summer

Winter season is inclined to be composed by snowbirds, seasonal visitors and is very surprising that is not a Canadian market. He expressed that is a condo market and this what is disrupting the numbers. That is why there such a big difference between winter and summer occupancy. It is a long term stay condo market. Airbnb is also affecting the market.

Occupancy/ADR Winter 2017 (Jan-April) Summer 17 (May-Aug)

Occupancy 82% winter, 71.8% summer
ADR \$137.25 winter, \$148.98 summer
RevPAR \$112.86 winter, \$108.05 summer
Party Size 2.4 people for winter, 3.0 people for summer
Length of Stay 4.8 nights winter, 4.4 nights summer
Total party Stay \$1,783.82 winter, \$1,910.71 summer
Per Person Stay \$742.79 winter, \$643.04 summer
Per person night \$154.48 winter, \$146.41 summer

Debbie Meihls wanted to know since hurricane season is over the summer, what were his thoughts as far as forecasting, Americans tend to forget things and move on. Walter Klages said that August was exceptional and then the hurricane in September completely destroyed the season. The impact from September carried over to October and November, even though hurricane season is over.

Walter Klages expressed that target marketing is going to be critical because of events such as hurricanes. It is not affecting only this area; it is affecting all of Florida. The impact has affected transportation, people just don't know what is happening here. Promotional efforts must clearly focus on that. How you target and where they target. Focus on Northern-east coast and the Midwest market. They have to be leading the marketing not trailing, it is going to be so critical.

Party composition Winter 2017 (Jan-April) Summer 17 (May-Aug)

Traveling with children 14.6% winter, 23.5% summer
Traveling with teenagers 16.8%, summer 28.7%

Walter Klages explained that the area is a couple's market, and it changes as the season changes. It is a family destination. Regarding transportation, is led by personal car, followed by plane, and then rental car.

Regarding airports deplaned, visitors flew in first Orlando International Airport, second Daytona International Airport, and then Sanford Airport.

Purpose of trip Winter 2017 (Jan-April) Summer 17 (May-Aug)

Vacation: 71.1% winter, 69.9% summer
Getaway 26.8% winter, 31.9% summer
Visiting with friends/relatives 18.3% winter, 15.7% summer
To visit Orlando attractions 4.4% winter, 6.9% summer

To visit Daytona Beach events/attractions 6.0%, 6.3%

First time visitation Winter 2017 (Jan-April) Summer 17 (May-Aug)

New market Share 6.8%, Gain from Florida 35.1% - winter

New market Share 7.3%, Gain from Florida 37.2% - summer

Sources of information Winter 2017 (Jan-April) Summer 17 (May-Aug)

Internet the most powerful source of information 78.9% winter, 85.9% summer

Maps you can write and recall how you got there 44.2% winter, 37.1% summer

Previous visit 35.2% winter, 29.7% summer

Recommendation is very important 20.2% winter, 25.7% summer

Mobile app growing, very important 17.8% winter, 18.4% summer

Satisfaction/Plan to return

Satisfaction with the area winter 96.3, summer 96.7

Plan to return winter 90.2, summer 88.0

Demographics Winter 2017 (Jan-April) Summer 17 (May-Aug)

Winter 54.9 years, Summer 49.2

Median Household Income Winter \$93,773, summer \$100,447

Walter Klages explained that they survey all the topics, but they focus on income and expenditures. He was surprised that the income was not higher, perhaps is due to the age level or the fact that the people are in early retirement. With the post visitation surveys, they don't rely exclusively on the face to face interviews, they also go back and use inquiry listing provided by the Bureau. They follow up and select a random sample and they contact people that have been in the destination.

Betsy Baker expressed that she has learned that it is not a rate driven market. She said that even if they drop the rate it doesn't mean that they are going to sell the rooms. If there is no demand, they are still not going to sell the rooms. She finds it that is a demand driven market. Walter Klages said that is a demand cycle. If the demand is not there, they are not going to attract the visitors even if they drop the rate.

Debbie Meihls said that it is a unique destination because you have to drive into, not driving up thru because A1A doesn't continue up the coast.

Walter Klages recommended focusing in marketing efforts on the seasonality and differences in the draw, especially where are you drawing your people from.

Erik Lumber asked Walter to clarify where are the Canadians going. Walter Klages explained that the area is not a high-level destination for the Canadian Market. Canadian splits in 2 sections, Quebec and Ontario market. Quebec is in a Florida market, but is South Florida, not Miami, it is a small geographic

area. Ontario market, English speaking market, focuses on the west coast and heavily goes into the Clearwater, Sarasota, Manatee and Collier Market. A fair number seek out Central Florida, primarily the attractions in Kissimmee because is a cheaper, they are budget oriented.

TURKEL BRANDS PRESENTATION – THE VALUE OF TOURISM: ROBERTO SCHAPS

Roberto Schaps from Turkel Brand explain the value of tourism. Tourism is very important for the community and it highly impacts all the residents. Is an approximately \$350 million economic impact that comes into the region. Thanks to tourism Floridians don't pay income tax. Tourism touches you. Tourism protects the things you love. It helps pay for things such as park improvements, highways, beautifications, coastal erosion responses projects. It also supports the art and many small businesses including restaurants and shops many of which employ over 5,000 longtime local residents.

Who knew tourism dollars payed for so much. It provides \$14 million in additional sales tax which helps pay for area improvements. Tourism dollars save over \$300 per household locally, it helps all have access to and afford the quality of life they love and want to preserve. Tourism dollars go far, it changes hands over 10 times.

Roberto Schaps explained the Garmin Idea/project that tracks the money. They are requesting teams to help them keep a diary to see what they are doing with the money they earned from tourism to see how far it travels. Select a couple of key employees to see the true impact, "a day in the life or a week in the life of this individuals", to get real information and help this campaign.

Roberto Schaps presented ideas of framed beach signs that could also be used as stickers or posters with messages such as: "We love our beaches. Thank you for helping us protect them." "We love our waterways. Thank you for helping us protect them." "We love our wildlife. Thank you for helping us protect it."

Mike Arman suggested that the signs could say "tourist dollars help protect our beaches, thank you", "tourist dollars help protect our waterways, thank you." Small and big business including hotels, restaurants, shop and more.

Chad Truxall mentioned that he is aware of the resistance to growth and sounds like they are trying to get ahead of it, making sure that both tourist and locals know that there is economic impact. He asked if it has been done before and how did they measure success. Roberto Schaps explained that they have communities that depend on tourism. One of his clients that are suffering right is Puerto Rico, the tourism industry is the most important one for them. He has learned so much while getting ready or preparing for the worst. The way to measure it is the growth of the community, if the next project was approved as well. They need to make sure they attract the right infrastructure, increase the house whole income and increase the ADR over \$100.

Debbie Meihls said that they want to protect the product, they are aware that not everything is sustainable, but they want to act in a sustainable way. Have the visitor, the resident and everyone in the

community do their part. Everybody must help by keeping the beach clean. Have the people be the ambassadors. They are trying to give back to the community with all these educational programs.

APPROVAL OF MINUTES AUGUST 15, 2017

Donna Ruby made a motion to approve the minutes from August 15, 2017, Chad Truxall seconded, all members in favor.

CHAIR REPORT: BETSY BAKER

Betsy Baker asked all board members if they fair alright during hurricane Irma. She said that they lost the dock and the business it generated.

Erik Lumber said that the damage was significantly less than the previous hurricane. They lost the business for 10 days, but other than that they did well.

Mike Arman expressed that Oak Hill did well except for the docks. Every dock in Oak Hill is gone; Goodrich's dock and awning is gone, but they are open for business.

Donna Ruby had more room damage due to the way the storm hit and the water was coming in. They lost the roof of the elevator shaft which damaged the control panel. They were without elevator far longer than just electricity. They called their guest and some were going up the stairs with luggage.

Betsy Baker also encourage all board members to have a pro-hospitality, pro-sustainability vision as a member of SVAA board and member of the community you must have a positive attitude. They are a pro-growth board.

TREASURER'S REPORT: FINANCIAL STATEMENTS: AUGUST AND PRELIMINARY SEPTEMBER 2017

Donna Ruby presented the financial information. They were under budget and they didn't have to touch the reserves. They continued with their advertising. They will have an audit in November. She will have all their figures, adjustments, and she will present them at the next meeting.

EXECUTIVE DIRECTOR'S REPORT: DEBBIE MEIHLS

Debbie Meihls gave her report:

- They hosted 8 travel agents from AER one of the premier travel agencies in Germany. They were in the area for a day and half for a Golf Fam.
- The destination was focus in Easy Living Magazine. It was additional PR.

- They were included in the Florida German Vista Point travel guide.
- They created a German sales piece that talks about the destination in German.
- Regarding the UK, they hosted 2 Scottish bloggers “Honey Pot Kisses and Forever yours Betty”, they have over 40,000 media followers. It was a last-minute opportunity from Visit Florida and they came from another destination.
- The marketing overview presentation will take place on November 2nd at the Brannon center at 5:30pm.
- Working on the Sales Mission that will take place in March in the UK. The last mission was very successful and that is how they secured the 10 operators that they work with now.
- She has been talking with Mackenzie Smith that has over 40,000 social media followers. She will be cooking brunch with some media while in the UK. Trying to align her with some talk shows in the area.
- They are going to be hosting 4 travel writers from UK at the end of November beginning of December from the top magazines and newspapers. They will be writing about the 250-year celebration.
- The office is working and taking step to lessen the carbon footprints. They are loading all the documents on the website for board members and will be loaded and showed at the board meetings. If a board member prefers paper just let staff know.
- They are working on the ambassador program and pulling it together. Asking people to learn about the destination and take a mini quiz. If they do that they get a pen, note pad, a certificate or something similar. It is a remote sales and training program. They have created 6 different modules. They can reach different levels such as bronze, silver, diamond and gold. They will have different requirements that they will have to comply with, such as posting in social media for them. It is a multi-phase program for Residents, hotels program, travel agent and tour operators. They can post or follow them.
- Airbnb was at the FADMO conference and they are working with 39 out of 67 communities in Florida. Some of them have reached agreements. Debbie Meihls feels that they are affecting their numbers.
- Adara has pixels from the ad they can track visitors, and track behaviors and where they go.
- Visit Florida is trying to work hard even though some DMOs are getting a little irritated because it is taking some time. They need that umbrella market.

OLD BUSINESS

None.

PUBLIC PARTICIPATION

None.

ADJOURN

Meeting adjourned at 12:45 PM.