



Austin Convention & Visitors Bureau

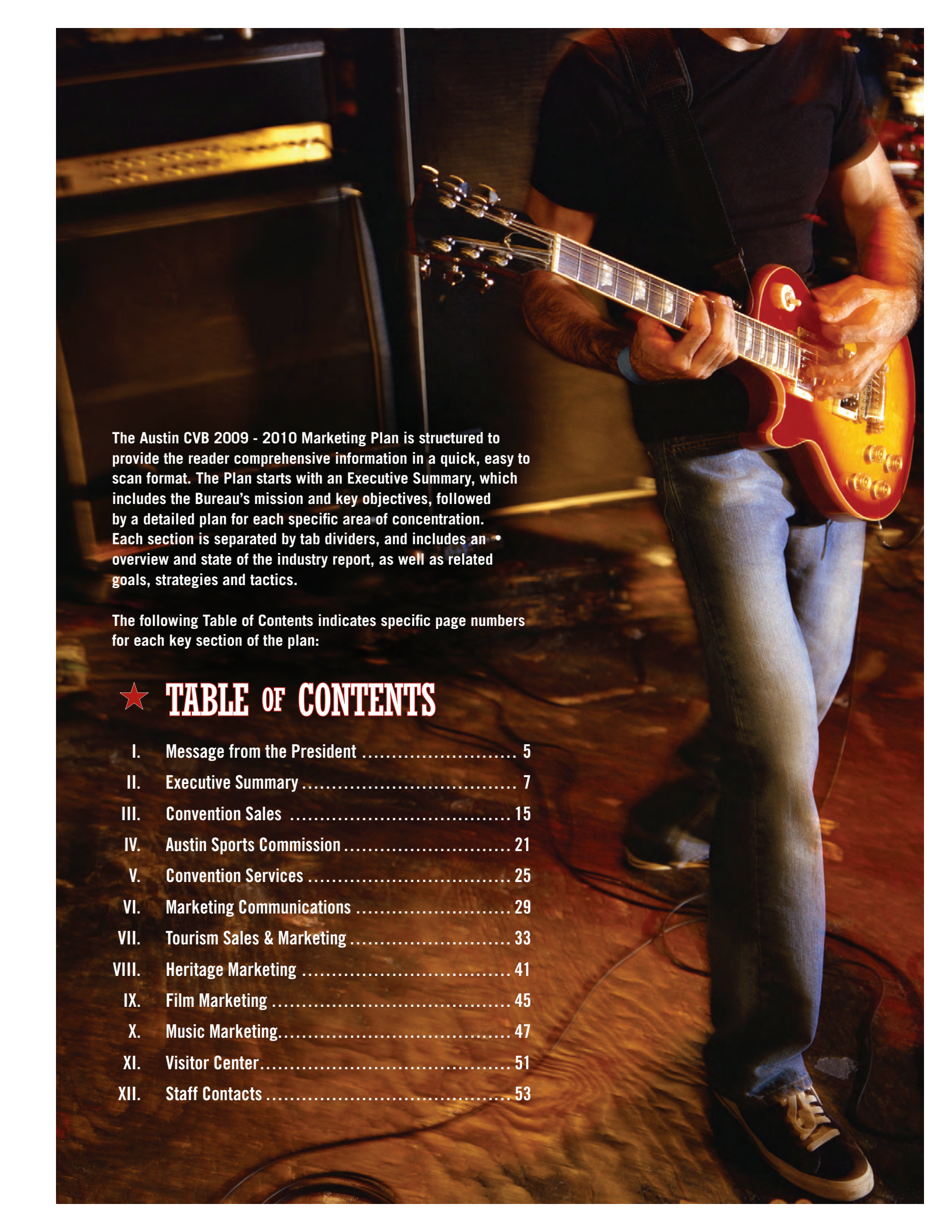
MARKETING PLAN

2009 ★ 2010



MARKETING PLAN

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A full-page background image of a musician playing a red electric guitar on a stage. The musician is wearing a dark t-shirt and blue jeans. The stage is dimly lit with warm, golden light from stage lights, creating a moody atmosphere. The musician's hands are positioned on the fretboard and strings of the guitar.

The Austin CVB 2009 - 2010 Marketing Plan is structured to provide the reader comprehensive information in a quick, easy to scan format. The Plan starts with an Executive Summary, which includes the Bureau's mission and key objectives, followed by a detailed plan for each specific area of concentration. Each section is separated by tab dividers, and includes an overview and state of the industry report, as well as related goals, strategies and tactics.

The following Table of Contents indicates specific page numbers for each key section of the plan:

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★ MESSAGE FROM THE PRESIDENT



What a difference a year makes.

In 2008, we enjoyed one of the best years the group meetings market has seen. Led all major Texas destinations in average daily rate and hotel occupancy. Experienced record numbers in passenger traffic and airlift at ABIA. And it seemed construction was happening on every downtown street corner.

Today, hotel occupancy and rates are down. ABIA passenger traffic has dropped to near 2005 levels. We've lost several of our non-stop flights. And construction has been postponed on several mixed-use retail, residential and hotel developments.

What's more, meetings have recently taken a hard hit from the media. Political rhetoric has caused the undue cancellation of thousands of legitimate meetings and events across the country – with serious economic consequences (in Austin alone, we've lost over \$14 million in cancelled meetings).

Still, Austin is fortunate to be less affected than other parts of the country.

Compared to our competitive set, hotel occupancy has remained relatively stable. We've gained ground in building our reputation as a premier meetings destination. Austin's central location and proximity to key drive markets plays to our favor for those travelers who are looking to stay closer to home. And Austin continues to top the charts as one of the best places to live, work and play.

As one of the city's most viable economic sectors, tourism is critical to Austin's development and sustainability. It generates \$2.8 billion in economic impact, supports job creation, garners \$200 million in local taxes, and leaves little to no impact on city infrastructure and resources.

While our current economic situation has been described in disastrous terms, we believe we'll see a return to normalcy in a matter of months, not years. Still, maintaining occupancy will be a challenge throughout 2009 and 2010.

We must keep our eye on the future and maintain a short term focus, be aggressive in promoting Austin as a premier meetings and leisure destination and work closely with the US Travel Association, the State of Texas and other national industry leaders to continue to advocate the importance of travel.

It's going to be tough. But, travel is a resilient industry. And we remain committed to its continued viability and growth.

We present this Marketing Plan as testament to our optimism for the near future, and as our pledge to help make tourism an even brighter spot on Austin's economic landscape.

A handwritten signature in black ink, appearing to read "Bob Lander", written over a light blue rectangular background.

Bob Lander
President & CEO
Austin CVB

★ EXECUTIVE SUMMARY

MISSION

An accredited member of Destination Marketing Association International, the Austin Convention & Visitors Bureau is charged with marketing Austin nationally and internationally as a premier business and leisure destination, thus enriching our community's overall quality of life.



OBJECTIVES

The Austin market service area (MSA) attracts 19 million visitors annually, who leave a \$2.84 billion impact on the regional economy ("City Tourism Impact: The Economic Impact of Travel & Tourism in Austin, Texas," *Global Insight*, 2006).

As one of Austin's most prominent economic engines, tourism creates jobs, stimulates economic growth and development and provides those goods and services that help make our city an attractive, welcoming destination. Tourism is vital to the Austin economy – and to our quality of life.

While Austin is positioned to handle 75 percent of the nation's convention business, the recession has forced a major landscape shift. Meeting professionals are reconsidering and renegotiating contracted meetings. Numerous associations and corporations have decided to place a hold on or delay sourcing and contracting future meetings. And earlier plans for much-needed Austin hotel product have been postponed.

Maintaining occupancy, average rate and growing market share will be key challenges throughout 2009 and 2010. As such, this plan focuses on two primary ends: 1) Booking future room nights and 2) Securing business in the year, for the year.

Austin CVB presents the 2009-2010 Marketing Plan to be implemented as the approved budget allows. In pursuit of its mission, the Austin CVB seeks to:

- Increase the demand in the Austin MSA for hotel rooms, attraction visits, package tours, retail sales, restaurant receipts, local transportation and other events and activities that positively affect the economic impact of the local tourism industry

- Boost the demand for and usage of the Austin Convention Center for groups and special events that, in turn, draw attendees to stay overnight in Austin hotels
- Through the Austin Music Office, stay at the forefront of the music industry and local community through active participation in the Austin Music Commission and follow-up on City of Austin's Live Music Task Force
- Solidify Austin's reputation as the Live Music Capital of the World® by continuing to book live music acts for conventions and corporate meetings, and by encouraging patronage of Austin music venues
- Support the economic viability of Austin's growing film industry through activities of the Austin Film Office, while maintaining a strong relationship with the local film community
- Gain national and international media exposure for Austin's diverse attractions, natural environment, rich history and unique personality to further education and understanding of the Austin product
- Support and contribute to the enrichment of Austin's multicultural, performing and visual arts, historic, recreation, education, sports, business and entertainment communities
- Through strong community outreach and with recognized expertise in the tourism industry, actively participate in and contribute to the overall strategic planning for the growth and sustainability of the visitor industry in Austin

AUSTIN CONVENTION & VISITORS BUREAU

The Austin Convention & Visitors Bureau is a private, nonprofit 501 C-6 corporation contracted by the City of Austin to market the city as a convention and tourism destination. In addition, under terms of this contract, Austin CVB also houses the Film Commission, Music Office and Sports Commission.

Austin CVB is funded predominantly through a portion of the 15 percent hotel occupancy tax. For each dollar collected, Austin CVB receives 1.45 cents. In comparison, the Austin Convention Center receives 6.5 cents, the state of Texas receives 6 cents and arts organizations receive 1.05 cents. The Bureau operates on a fiscal year calendar from October 1 through September 30. To accomplish its mission



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and objectives, the Bureau seeks partnerships with hotels, the Austin Convention Center, tourist attractions, private sector businesses, publishing and media companies, airlines, car rental companies and others.

STATE OF THE INDUSTRY

Despite a downturned economy, Austin has fared moderately well. Hotel occupancy is down, however it is relatively stable compared to other parts of the U.S. We continue to see significant interest in Austin as a premier meeting destination. And Austin continues to benefit from positive perception in the marketplace.

Still, Austin is not immune to economic conditions. Rate levels are down. Passenger traffic at Austin-Bergstrom International Airport has dropped to near 2005 levels. And we estimate that we've lost some \$14 million in cancelled meetings.

Even in the face of economic uncertainty however, consumers will continue to travel. In fact, the incidence of travel remains robust – almost two-thirds (63 percent) of U.S. adults are planning to take at least one overnight trip for leisure purposes during the next 6 months. And one out of six adults is planning to take at least one overnight trip primarily for business purposes during the next 6 months (*travelhorizonsTM*, February, 2009).

What has changed is *how* consumers are planning and booking travel:

EXPECTED CHANGE IN TRAVEL PLANS AMONG ACTIVE TRAVELERS WHO ARE LIKELY TO CHANGE PLANS

More Likely To:	
Book package to save money	87%
Spend less overall	84%
Comparison shop online	64%
Take more day trips	64%
Stay fewer nights	51%

Source: *travelhorizonsTM*, February, 2009.

Given economic conditions, travel is effectively “on sale” – and consumers are taking full advantage. From bundling services to aggressively seeking out the best deals online, the most anticipated changes in travel behavior are related to reducing costs.

Of concern however, travelers are looking to reduce the number of nights they plan to stay, regardless of the purpose of their trip (business or leisure). If not addressed through marketing or communication efforts, this trend could have significant impact on hotels, attractions, retail and dining establishments.

The travel and hospitality industry remains viable, but we must adjust strategies and messaging to respond to consumer preference and travel behavior. We must maintain our presence among each market segment and sell the Austin advantages. We must remain aggressive with time tested tactics of face-to-face sales while building new and existing client relationships. And when the economy turns around, Austin will be positioned to reap the benefits.

The Austin CVB continues to scrutinize all programs and pay careful attention to those that do not directly impact hotel occupancy. Our efficient and accountable fiscal controls are carefully monitored by Austin CVB's Board of Directors to ensure resources are invested carefully and efficiently.

MEETINGS & CONVENTIONS

The goal of the Convention Sales staff is two-fold: aggressive long-term pursuit of large groups to the Convention Center and solid penetration of the short term group market for individual hotel business. Primary market segments are national and state associations, along with key vertical markets including sports, religious, government, green, high-tech and multicultural groups.

During calendar year 2009, there are 58 groups using the Austin Convention Center, 41 of which are utilizing multiple hotels. Visitors will spend some \$178 million in the Austin area as a result of that business. Year-to-date (4/30/09), for 2010, there are 31 groups meeting at the Austin Convention Center; another 23 groups remain as tentative.

While Austin continues to benefit from a positive perception in the marketplace, the economic downturn has taken a toll on meetings business in Austin and beyond. Additionally, many competing destinations are improving their infrastructures with new hotels and meeting amenities. With that in mind, during the coming fiscal year, Convention Sales will take on three primary goals:

1. Secure new business by expanding Austin CVB's reach into the national association and specialty (religious, government, fraternal, social and sports) markets.
2. Focus on the Texas meetings market as a mainstay for short and long term business.



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3. Increase industry relations efforts to strengthen alliances with pertinent associations, hospitality partners and customers.

Notably, last year, Austin CVB was instrumental in establishing a local chapter of the Hospitality Sales & Marketing Association International. The local chapter serves to bring together Austin's hospitality community to sell the destination more effectively.



CUSTOMER SERVICE

Whether the visitor is a convention attendee or a vacationing music lover, the Austin CVB strives to provide an exceptional visitor experience. The Bureau's award-winning Convention Services team, along with the knowledgeable staff and volunteers at the Austin Visitor Center, work diligently to ensure that our guests' needs are met and exceeded.

With increased competition in the national arena and the faltering economy taking a toll on convention registration numbers and exhibit space needs, the Austin CVB is negotiating with groups that expect an elevated level of service and additional incentives that were not previously required. Austin CVB's Convention Services Department is meeting these challenges in FY 09/10 with new customer amenities including an online customer toolkit containing email templates, Austin information and graphics; a web-based housing system; an expanded "All Access" program to welcome convention attendees to local restaurants, clubs and attractions; and information on how to "go green" during their meetings. These new offerings help Austin CVB to provide outstanding personalized service at every step of the process, from preliminary visits with meeting planners to on-site execution of the event. The Department continues to offer additional resources including site visits, collateral materials and registration assistance.

While the economy has impacted leisure spending, the Austin Visitor Center continues to thrive. Since the Center moved to its new location on Sixth Street, gross revenue receipts have risen 158 percent, with retail revenue up three percent over last year (as of March, 2009). A recent remodel invites guests to browse among a larger selection of Austin goods and souvenirs, and many visitors continue to purchase tour tickets. A dedicated staff of Austin CVB employees and volunteers provides comprehensive information and helps visitors locate the attractions,

restaurants and hotels that will contribute to a top-notch experience in the Live Music Capital of the World®.

MARKETING COMMUNICATIONS

Austin continues to enjoy a positive perception in the convention market, as well as in the minds of business and leisure travelers. The Marketing Communications Department maintains the buzz by conducting ongoing advertising, public relations, community relations, online and promotional campaigns.

However, in today's rapidly changing media landscape, it is increasingly difficult for marketers to effectively reach their target audience. The team's strategies for the coming year take into account the economy's effect on traveler behavior, as well as the fragmentation of traditional media outlets and popularity of Web 2.0 technologies.

In 2009, the Department delved into the world of social media. Visitors can now interact directly with Austin CVB at any point during their vacation planning via the popular social media outlets, Facebook® and Twitter. These serve not only as a platform for the Bureau to reach an engaged audience with news about incoming conventions and internal initiatives (such as the winner of the inaugural Austin Song Contest), but also as a common space for the Bureau to enter a public dialogue about the destination and respond to both visitors' accolades and concerns. This lends an air of credibility to the Bureau's marketing efforts and increases word-of-mouth (and its online counterpart "word-of-mouse") communications about Austin.

For FY 09/10, the Bureau will continue to focus on advertising efforts online, where the majority of travelers are researching, planning and booking their travel. Media buys will likely concentrate on local outlets encouraging "staycations" as well as regional publications like *Texas Monthly*, *Texas Music* and broadcast promotions in like-minded destinations.

Media relations will continue to target leisure and industry print, online, and broadcast outlets. Highlights from Austin CVB's 08/09 media relations campaign include coverage in *Arthur Frommer's Budget Travel*, *MovieMaker* magazine, *The Wall Street Journal*, *Hispanic* magazine, *Black Meetings & Tourism* and *Spin*, as well as in such local and national broadcast outlets as KUT-FM, New York 1 News, the Travel Channel, the Food Network and more.



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TRAVEL TRADE TOURISM

With Austin's increased visibility in the national media and economic trends indicating an increase in regional travel, leisure tourism represents great potential for Austin. Last year, the Bureau worked to increase international



visits by contracting with Global Hospitality Marketing Link. The partnership seeks to bolster relationships with key international travel partners and trade organizations, especially those based in the United Kingdom, Germany and Switzerland. The Bureau will continue

to focus on international and domestic group travel this year, integrating the Tourism Department's new "meet and greet" campaign to entice overnight stays.

In consideration of the fragile global economy, the Austin CVB has also worked to create budget-friendly leisure travel options, primarily by increasing package offerings available exclusively at AustinTexas.org. Most recently, the Bureau created a live music package and a "girl-friends" getaway package that invite visitors to receive discounts at local attractions when they book their hotel stay. These packages encourage participation from hospitality partners, who will also be invited to get involved with tourism industry tradeshow the Bureau attends throughout the coming year.

In May 2009, the CVB hosted its third Annual Luncheon and Educational Seminar to bring together the local hospitality community with leading national industry executives and report on the importance of tourism as a revenue generator for the city. The luncheon addressed industry trends and provided insight as to how travel is changing in a fluctuating economy and increasingly web-based world of information. More than 500 people attended the luncheon, and plans for the 2010 event are already underway.

HERITAGE MARKETING

Another area of potential growth comes from heritage tourism, an integral part of Austin CVB marketing and advertising efforts. By extending and enhancing our Heritage Marketing programs, we can direct more travelers toward experiencing Austin's unique history and culture, ultimately enriching the overall visitor experience.

In ongoing partnerships with the multicultural, preservation and heritage communities, Austin CVB spearheaded a new format for the City of Austin's Black History Month celebration this year. The new format

featured a screening of *Kings of the Evening*, an African American film shot in and around Central Texas. The event unified the local African American community with film representatives, City officials and the Heritage Society of Austin, among others.

FILM & MUSIC MARKETING

In recognizing Austin as the Live Music Capital of the World®, the Austin CVB aggressively promotes the city's vibrant live music scene among convention groups, leisure travelers, industry organizations and media. Live music is an integral part of the Bureau's marketing efforts, from advertising to site visits, local hospitality events to national sales missions.



This year, the Austin CVB enhanced music content on AustinTexas.org with new, interactive tools to help visitors sample the sounds of Austin and plan their visits to local venues; these include an Austin music jukebox, user-friendly maps of entertainment districts, digital version of the Austin mini music guide (produced alongside this year's "Austin Music, Vol. 8") and a third-party music calendar widget to increase the

scope of music events covered on our site.

In addition, the Austin Music Office conducted the inaugural Austin Song Contest to encourage local songwriters to recognize and capture the essence of the city in an original composition. One hundred and three entries were received, and some 3,800 users voted online to name Ryan Harkrider's "Nobody Ever Wants to Leave" as the winner.

In the coming year, the Austin Music Office will also book some 300 local acts for groups meeting in Austin, as well as for Austin CVB events across the globe.

In the film world, Austin is lauded for its diverse topography and broad industry infrastructure. For the last eight years, these attributes have helped Texas' capital city to land on *MovieMaker* magazine's list of the Top Ten Cities to Live and Make Movies.

Austin CVB's Film Office (the Austin Film Commission or AFC) works to promote Austin and the surrounding area as premier locations for film and feature projects, and regularly assists with locations, scouting, and production, and serves as a liaison between production companies, residents, business interests and governmental entities.

Notably, this year, the Texas legislature passed a bill to increase the amount of incentive funds provided to production companies to up to 17.5 percent of the company's total budget. With this new financial backing,

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the Austin Film Commission attended several conventions and festivals to help get the word out about Austin, including the National Association of Latino Independent Producers convention, Tribeca Film Festival, Marfa Film Festival, and Sundance Festival. AFC also maintained a presence at the Cannes Film Festival and homegrown events like the SXSW Film Festival and Conference and Austin Film Festival. Building on the success of the 2009 events, AFC will continue to integrate Austin into upcoming national film events.



SPORTS COMMISSION

Created in 2005, the Austin Sports Commission (ASC) serves to recruit, retain and grow professional, collegiate and amateur sporting events. In turn, these events ultimately generate economic impact for Austin and increase national awareness of the city as a destination for large-scale competitions.

The Commission also works with organizers to locate hotel accommodations, venues and vendors; secure sponsorships; and help increase participation and attendance at events. From motorcycle rallies to rugby championships,

the Austin Marathon to University of Texas at Austin football, the Sports Commission serves as a resource to a wide variety of event producers and team organizers.

In 2008, the Austin Sports Commission hosted the inaugural Texas Gridiron Kickoff to start the local high school and University of Texas football seasons. More than 600 stakeholders and members of the public attended to hear UT Head Coach, Mack Brown, talk for the first time about his plans for the upcoming season. The event was very successful, and plans for the 2009 Gridiron Kickoff are currently being made. Additional Sports Commission highlights included hosting the second annual Sports Commission Golf Classic, which connected ASC to the local hospitality community in order to bring athletic events to the city, and participation of the City of Austin's street closure task force to ensure the seamless production and execution of all events that require road closures.



BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

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McGinnis Lockridge, Kilgore

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VICE CHAIR

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The Thompson Group

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AT LARGE

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Austin Convention & Visitors Bureau

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Tom Copeland
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Gene McMenamain
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Pat Smith
Texas Library Association

Lynn Denton
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Neal Spelce
The Neal Spelce Austin Letter

Rudy Garza
City of Austin

Barbara Morgan
Austin Film Festival

Frank Spillman
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Renaissance Austin Hotel

Jeff Newberg
Endeavor Real Estate Group

Lance Stumpf
Hyatt Regency Austin

Eric Glenn
TX Lobby Assist

Curtis Osmond
III Forks Restaurant

Michael Thomas
Horseshoe Bay Resort

Kevin Grandin
White Lodging

Jim Reist
Embassy Suites Hotel Austin Central

Gilbert Turrieta
Legislative Consultants

CONVENTION SALES

Mission

The Convention Sales Department promotes Austin as a premier meeting and convention destination in order to generate hotel room nights and revenue for the Austin Convention Center and other meeting facilities.

Department Overview

In order to secure meeting and convention business for Austin, the Convention Sales Department implements strategic sales and marketing efforts including face-to-face client meetings, tradeshows, targeted client events, public relations and online and print advertising.

One of the Department's key roles is securing long-term, citywide business that provides a foundation for future bookings and sets hotel room rates for future group and leisure travel. The Department works closely with hotels and the Austin Convention Center to close business that maximizes occupancy in the metro area and within the Convention Center.



Through involvement in industry associations, members of the Convention Sales team maintain a working knowledge of industry trends and sales techniques. Last year, the Department helped to establish the Austin chapter of the Hospitality Sales and Marketing Association International (HSMAI), the industry's leading source for knowledge, community and recognition for leaders committed to professional development, sales growth, revenue optimization, marketing and branding. The local chapter serves to bring together Austin's hospitality community to sell the destination more effectively.

The Department is overseen by the Senior Vice President. It is composed of 16 full-time positions including the Vice President of Sales; Assistant Director of Sales; Director of Industry Relations and Strategic Sales; Director of Eastern Regional Sales; Account Director, Eastern Region; Director of Central Regional Sales; Account Director, Central Region; Account Director, Southeast Region; Account Director, Specialty Markets; Account Director, West Coast Region; Executive Director of the Austin Sports Commission; Account Director, Austin Sports Commission; Executive Meetings Managers; Business Development Manager and Sales Analyst/Program Manager.

State of the Industry

We continue to see significant interest in Austin as a meeting and convention destination from meeting planners representing all market segments. Austin is well-positioned and benefits from positive perception in the marketplace.

Still, the current economic downturn has had significant impact on Austin CVB's Convention Sales effort this year. And the meetings industry has taken a hard hit from negative political rhetoric and media coverage surrounding corporate "bail-outs." As such, many meeting professionals are forced to reconsider and renegotiate contracted meetings, or delay sourcing and contracting of their future meetings.

To address this challenge, the Sales Department is making tactical changes in our approach to new and repeat business opportunities. "Dates, rates and space" are no longer the key pieces of information needed to pursue a client's business. Rather, the Sales Department must learn how the economy is affecting each group's membership and meetings, and

partner with hotels to be strategic in booking business for the coming years.

Another challenge is the continued build-up of meeting facilities on a nationwide level. New convention hotels and convention center expansions in rival destinations remain an ongoing threat, since no significant new hotel development is planned for downtown Austin. Additionally, Austin CVB continues to work with the local hotel community to encourage a smooth shift from a seller's to a buyer's market. Together, we must keep pace with our competition as they make necessary adjustments in their rates and packages in order to retain and secure business.

Now is not the time to cut back our sales and marketing efforts. To achieve success, we must maintain our presence among each market segment, continue to drive our marketing messages, and sell the Austin advantages. The key to selling in the current environment is to remain aggressive with time tested tactics of face-to-face sales while building new and existing client relationships. And when the economy turns around, Austin will be positioned to reap the benefits.

Department Goals/Strategies, FY 2009-2010

In FY 06/07, the sales team produced 432,067 Total Room Nights (420,000 goal, or 103%)

In FY 07/08, the sales team produced 411,056 Total Room Nights (400,000 goal, or 103%)

As of April 30, 2009, year-end production for 08/09 is projected to be 401,250 (420,000 goal, or 96%).

Sales management will continue to monitor year-end projections through the end of the summer and use this information in conjunction with historical data to determine sales goals for FY 09/10. Goals will be determined in October 2009.

Strategy 1: Further develop our outreach into the national association market.

Solicit new business opportunities from national associations in the Western, Central and Eastern Regions. Association business is more recession-proof than other markets because the majority of associations are required, by their bylaws, to meet annually. Also, a large portion of the association's budget comes from revenue generated by their meetings.

Tactics:

- Exhibit with partners at industry tradeshow including ASAE, IAEE Expo, Holiday Showcase, IAHMP, NCBMP, PCMA, RCMA, Destination Showcase DC, IMEX, GaMPI and Springtime Expo.
- Attend the PCMA Annual Convention and serve as official music sponsor at PCMA's Party with a Purpose.
- Host targeted sales missions and client events in Chicago, Atlanta, Washington D.C. and Denver.
- Utilize Austin CVB's new satellite office in the southeast to focus on new business opportunities in that region.
- Develop a larger volume of meetings and conventions from multicultural national associations by attending and exhibiting at annual conventions of the National Coalition of Black Meeting Planners and the International Association of Hispanic Meeting Professionals.
- Solicit participation in Austin CVB cooperative advertising programs from the local African American, Hispanic and Asian Chambers of Commerce.
- Locate local business leaders who belong to associations and solicit their assistance in bringing one of their national meetings to Austin.
- Maintain brand awareness by advertising in appropriate media channels in our industry.
- Conduct site visits with meeting planners from prospective associations.

Strategy 2: Pursue Specialty Market (religious, government, fraternal, social and sports) group business to capitalize on new opportunities in a changing marketplace.

As we continue in these uncertain economic times, the Austin hotels are bidding on more business from the Specialty

Market, which typically requires lower hotel room rates and books in the short term.

Tactics:

- Strengthen relationships with local and state government meeting planners in an effort to generate more short-term meeting opportunities for area hotels.
- Proactively prepare for government per diem review process.
- Participate in local Society of Government Meeting Professionals (SGMP) meetings and seek out other professional development opportunities with government meeting planners.
- Attend the SGMP annual conference.
- Attend the Religious Conference Management Association and Rejuvenate annual conferences to gain leads and bookings from the Religious Market.
- Utilize the Austin Sports Commission to target high profile youth and collegiate sporting events to contribute to Austin CVB's overall annual room night production (see "Sports Commission" section of marketing plan).

Strategy 3: Garner new business to provide a long-term base for meetings business in Austin.

It is imperative that we continue a strategic approach in soliciting new meetings and conventions. We will maintain our focus on long-term opportunities (2012 and beyond), however, with the shift in the economy we must also put more emphasis on short-term opportunities.

Tactics:

- Continue to utilize the Business Development Manager to generate leads (the position was added last year and has provided a significant increase in new business opportunities representing more than 650,000 room nights).
- Develop a new comprehensive, strategic business prospecting plan for all markets. Monitor the plans by conducting monthly reviews with each account director.
- Increase sales focus on vertical markets (Music, Green Meetings, Film and Technology).
- Expand upon established relationships with third party planners and association management companies (ConferenceDirect, Experient, Helms Brisco, Kellen Management, Talley Management, etc.) by hosting one of their board or regional meetings, ultimately to reach their convention clients.
- Increase awareness in key target markets through direct sales (sales missions and client events), attending conferences and exhibiting at industry tradeshow.
- Remain focused on the Executive Meetings market to secure short-term business.
- Work with regional and national hotel companies' National Sales Offices to keep their Austin properties top of mind.
- Increase the number of site inspections for prospective meeting planners.

Strategy 4: Focus on the Texas meetings market as a mainstay for short and long-term business.

Texas association and corporate business represents over 50 percent of annual room night bookings. As such, we must maintain our existing customer base as well as aggressively solicit and book new Texas-based business. The economic downturn and current market shifts, as well as increased inventory both state- and nationwide, make this market even more critical to Austin's continued success.

Tactics:

- Expand upon a comprehensive marketing plan targeting business located in Austin, Houston, Dallas/Fort Worth and San Antonio, incorporating thorough market research and analysis, direct sales and tradeshow participation, as well as various business development activities throughout the year.
- Host a local client appreciation event in Austin during the first quarter of our fiscal year.
- Orchestrate sales missions in Austin, Dallas/Fort Worth and Houston and include participation from hotels, convention center and other key hospitality partners.
- Aggressively maintain the relationships with the current association and corporate client base to secure their business

for future years.

- Continue to participate in local industry meetings and events (Meeting Professionals International Hill Country Chapter, Texas Society of Association Executives, International Association of Exhibitions and Events and Professional Convention Management Association Gulf States Chapter).

Strategy 5: Focus on industry relations to strengthen alliances with pertinent associations, hospitality partners and customers.

Continue to increase visibility of Austin as a premier meetings and convention destination as well as develop new business opportunities by building strong end-user relationships.

Tactics:

- Bring together the Austin CVB Customer Advisory Board to evaluate Austin's strengths and weaknesses from the customer perspective, stay current with customer needs and industry trends, and evolve strategic marketing tactics to increase awareness of the destination.
- Through the Director of Industry Relations and Strategic Sales, serve on the board of the HSMAI Austin chapter in order to unify the hospitality community and sell the destination more effectively. Involvement in HSMAI also adds value for customers by connecting them with educational resources and industry trends.
- Utilize the Austin CVB Board's Destination Development Committee to focus on emerging projects that can directly impact the continued growth of our destination package (new hotels, Waller Creek tunnel, downtown way-finding etc.).
- Strengthen strategic alliances with airline partners, the Downtown Austin Alliance, Sixth Street Owners Association, and other related entities in order to communicate our message locally, build effective partnerships that will better serve our clients, and augment Austin CVB's marketing efforts. The Director of Industry Relations will continue to identify appropriate partners and work to build new strategic alliances for 2010.

Business Development Activities

Event	Type
First Quarter	
IAEM Expo	Tradeshow
Holiday Showcase	Tradeshow
Texas Sales Calls	Sales Trip
Midwest Sales Calls	Sales Trip
DC Sales Mission/Client Event	Sales Trip
West Coast Sales Calls	Sales Trip
IAHMP	Tradeshow
NCBMP	Tradeshow
Local Client Appreciation Event	Business Dev.
TEAMS	Sports Tradeshow
Rejuvenate Marketplace	Tradeshow
Second Quarter	
West Coast Sales Calls	Sales Trip
MICC – Denver	Tradeshow
Midwest Sales Calls	Sales Trip
Southeast Sales Calls	Sales Trip
TSAE Southwest Showcase	Tradeshow
PCMA Annual Meeting	Conference
RCMA Annual Meeting	Tradeshow
Destination Showcase DC	Tradeshow
Northeast Sales Calls	Sales Trip

Third Quarter	
Chicago Client Event	Business Development
TSAE Invitational	Business Development
West Coast Sales Calls	Sales Trip
IMEX	Tradeshow
Midwest Sales Calls	Sales Trip
SGMP Annual Convention	Tradeshow
GAMPI – Atlanta	Tradeshow
Springtime Expo – DC	Tradeshow
NASC	Sports Tradeshow
Fourth Quarter	
Midwest Sales Calls	Sales Trip
Northeast Sales Calls	Sales Trip
Southeast Sales Calls	Sales Trip
TSAE Annual Conference	Business Development
ASAE Annual Meeting	Tradeshow
Affordable Meetings- DC	Tradeshow
Northeast Sales Calls	Business Development

Major Convention Center Bookings in FY 2008-2009

Group Name	Dates	PRN*	TRN**	ATT***
Benevolent & Protective Order of Elks	7/1-5/2012	4,000	22,700	10,000
John Deere	12/5-15/2011	1,772	18,806	6,700
American College of Chest Physicians	10/26-29/2014	2,500	12,250	6,000
Texas Computer Education Assn.	2/2011, 2012, 2013, 2014 & 2015	2,600	8,450	14,000
USA Taekwondo	6/30-7/5/2009	1,635	7,945	6,000
National Technical Investigators Assn	7/10-13/2012	1,345	7,672	1,400
COMMON – A Ushers Group	4/7-11/2013	1,300	6,900	2,000
National Society for Histotechnology	8/22-28/2014	1,100	5,583	1,500
Texas Dept. of State Health Services	11/2010, 2011 & 2012	1,200	4,700	3,000
International Society of Indoor Air Quality and Climate	6/6-10/2011	825	4,125	1,400
Texas Assn of Secondary School Principals	6/15-17/2011, 2012, 2013	1,200	4,110	2,850
Percussive Arts Society	12/31-11/3/2012	1,000	4,105	7,000

*PRN - Peak Room Nights; **TRN - Total Room Nights; ***ATT - Attendance

AUSTIN SPORTS COMMISSION

Mission

The mission of the Austin Sports Commission (ASC) is to recruit, grow and retain sporting events in the greater Austin area. ASC works hand in hand with local organizing committees and event producers to identify possible venues, secure hotel space and most importantly, serve as an essential local resource for ensuring operational success of the event. The Commission also works diligently to locate national governing bodies wishing to secure a host city for their specific disciplines.

Department Overview

As an extension of the Austin CVB sales team, the Austin Sports Commission actively promotes Austin as a destination to event organizers and their boards of directors. ASC ensures each event's success by regularly working with event organizers to share information on the city and local service providers.

ASC's client list covers a wide variety of sporting events, from amateur to professional, including all age groups. Marketing efforts solicit grassroots support from participatory and national governing bodies that find Austin to be an ideal spot for their events.

Three employees, operating under the purview of the Austin CVB, staff the Austin Sports Commission. An Executive Director oversees operations on a day-to-day basis with assistance from an Account Director and Coordinator.



State of the Industry

Sporting events continue to play a significant role in generating economic impact for the city.

In a weakened economy, the sports event industry seems to be less affected than others. According to *Sports Events Magazine's* 2009 Market Report, the number of events grew slightly and the number of competitions remained fairly consistent for 2008. Further, of sports organizations surveyed, 15 percent of respondents indicated they have first-time events in the current annual schedule.

Although we feel confident that the number of events recruited to Austin will remain consistent, we have begun to see and anticipate the continuing trend of declining attendees and participants. The one sector that sees the most promise is the youth and collegiate participant market, due in part to the fact that parents can build family vacations around their kids' sports. With this in mind, our focus in the short term will continue to be national and regional championships involving youth athletes.

Strategy 1: Increase visibility and branding of the Austin Sports Commission to market Austin as a premier sporting destination.

Tactics:

- Conduct sales missions and client-focused events in key markets (possibilities include Indianapolis and Colorado Springs).
- Explore the development of a "testimonial" piece to supplement collateral and website. Events finding success in Austin can share their story and become instant credible resources.
- Pursue events that leverage television and other media coverage (e.g. Olympic trials).

- Capitalize on the local universities' willingness to host events on campus. Events must be collaborated with the institution to develop the best interests of both parties.
- Seek opportunities at national sports related tradeshows, such as TEAMS Conference and NASC Symposium to promote the benefits of Austin as a premier location for sporting events.
- Work with industry specific publications and media to garner destination-based features and editorial coverage, prioritizing those that have a strong history of working with sports commissions.

Strategy 2: Continue to utilize State funding to solicit potential sporting events.

Building on our success this past year in obtaining financial assistance for qualified events through the Sporting Events Trust Fund, ASC will continue to locate those events that can qualify for Senate Bill 1523. SB 1523 is a local and state program providing a vehicle for funding to specific national governing bodies that bring championships and regional sporting events.

Tactics:

- Enlist the assistance of previously awarded event contacts to make calls and provide recommendations to other National Governing Body (NGB) partners.
- Sign multi-year agreements with NGBs by capitalizing on the success of recent events that have received state funding via SB 1523.

Strategy 3: Establish and generate awareness for a robust volunteer network to increase the array of services available to event organizers.

Tactics:

- Recruit general and sport-specific volunteers to join an ASC Volunteer Network.
- Create a "Get Involved" page on the Sports Commission website.
- Look into third-party software companies to help manage volunteer database.

Strategy 4: Continue fundraising efforts.

Continue to develop the brand and excitement surrounding the Texas Gridiron Kickoff and ASC Golf Classic. As we build on the experience from these first and second year events, our expenses are expected to stay consistent while revenue is expected to increase.

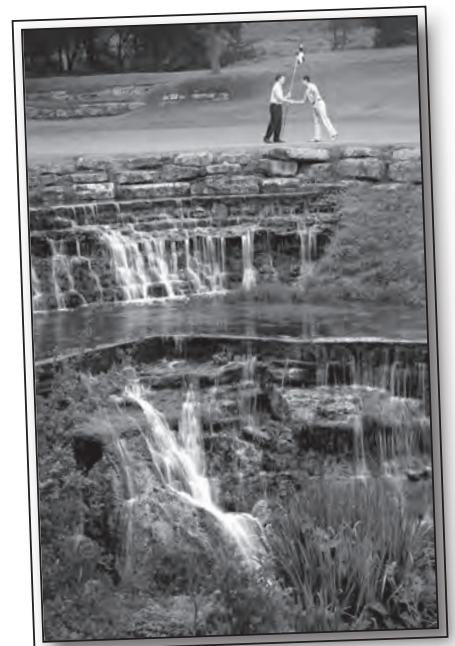
Tactics:

- Obtain a multi-year sponsor for the Texas Gridiron Kickoff, an annual gathering of football fans to kick off the high school and college football seasons.
- Increase participation in ASC's annual Golf Classic to expand fundraising efforts.

Strategy 5: Continue to build relationships with local sports community and strive to be a voice and advocate of sports activity in Austin.

Tactics:

- Keep up ASC's current interaction with the University of Texas to recruit local, regional and national events to Austin. Our involvement with UT's athletic department in the annual Texas Gridiron Kickoff is crucial and will continue to help us exist as a valuable resource in the community.
- Remain involved with local sporting events and charity networking functions, such as the CASA Kids Classic, Neighborhood Longhorns Celebrity Golf Classic



and Longhorn Club luncheons.

- Continue with efforts to be involved with local discussion on improving, renovating and establishing adequate sports venues in the Austin area. Lack of venues remains a major obstacle in obtaining high-caliber championship events.
- Maintain the ASC's relationships with local athletes and coaches while working with UIL to recognize the Preseason Super Centex football team as well as the Leadership in Coaching award during our annual sports luncheon.

CONVENTION SERVICES

Mission

The Convention Services Department supports meetings and conventions by providing customers with assistance and services that benefit and enhance their meetings. From assisting in the initial sales process to final execution of the meeting, the Services Department assists planners in making their Austin events as successful as possible, often resulting in a commitment to return with future business.

Department Overview

A successful meeting depends on the entire planning process, which starts with the personal assistance extended to planners by the services staff. Services works hand in hand with the planner in all aspects of meeting coordination by carrying out commitments made during the booking process, including local business connections, housing, registration, site inspections, planning, attendance promotion and on-site registration assistance.



As a convention draws near, the department uses a real-time internet based reservation system to capture as many reservations as possible in contracted hotels. In order to fully support conventions and their attendees, it is vital that the department keeps current on what local businesses, venues and attractions are available. As such, the department also provides several programs to keep the community informed of upcoming conventions and shares feedback received following the convention.

The team consists of a Director and Assistant Director of Convention Services, Convention Services Manager, Convention Services Coordinator, Housing Manager, and Housing Coordinator. To support the efforts of conference staff, the Services Department contracts trained part-time staff to work on-site during the convention.

State of the Industry

Due to the national economic downturn, many of the conventions booked in the coming months are faced with uncertainty related to attendance figures, exhibit space use and staffing reductions. More than ever, planners are turning to Services to strategize ideas to encourage attendance. They look to CVB's to support their marketing efforts to promote Austin as the better choice over competing conventions and destinations.

Each group has their own unique challenges and considerations, placing more demand and specialized assistance on the services team. As such, it is increasingly important for Services to respond to customer needs and continue to exceed expectations.

In light of the economy, the number of confirmed conventions and pace of bookings in the year, for the year (2009-2010) are down, which will directly impact the number of groups serviced and the number of reservation bookings. As such, the focus for the coming year will be to offer all possible marketing opportunities to encourage attendance and perhaps extend the delegate stay in Austin.

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Groups Serviced	92	75	1,100	900
Registration Assistant Hours Provided	267	241	3,200	2,900
Reservations Assigned	1,333	1,083	16,000	13,000
Supplier Referrals	15	15	180	180
Site/Planning Visits	4	4	50	50
Pre/Post Convention Meetings	2	2	25	25

Strategy 1: Provide Internet housing bureau services to capture actualized room nights.

Tactics:

- Promote housing to all multi-hotel groups through use of Passkey marketing tools.
- Work closely with Convention Sales and Sports Commission to provide the necessary tools to promote housing services during the initial sales process.
- Utilize Passkey's RegLink and Group Campaigns to capture additional reservations.
- Highlight tourism packages on housing bureau group websites for possible extended stays.
- Host annual city-wide housing meeting to promote all features of Passkey including promotion of hotel up-sell opportunities, and pre- and post-conference stays.

Strategy 2: Raise awareness of services to ensure successful conventions.

Tactics:

- Distribute digital services toolkit to all booked groups to offer additional marketing materials and assistance.
- Promote packages, calendar of events, pre- and post-travel opportunities through Austin CVB's online booking engine to all convention groups.
- Offer interactive event widget to groups to place on their websites to highlight activities occurring during each convention.
- Expand "All Access" welcome program to include additional music, retail and restaurant business and promote to convention and tourism visitors – market through website.
- Participate or provide marketing and promotional materials to booked conventions the year prior to promote Austin as the following year's destination.
- Promote music resources and Hire an Austin Musician program.

Strategy 3: Increase community support in response to servicing of convention groups.

Tactics:

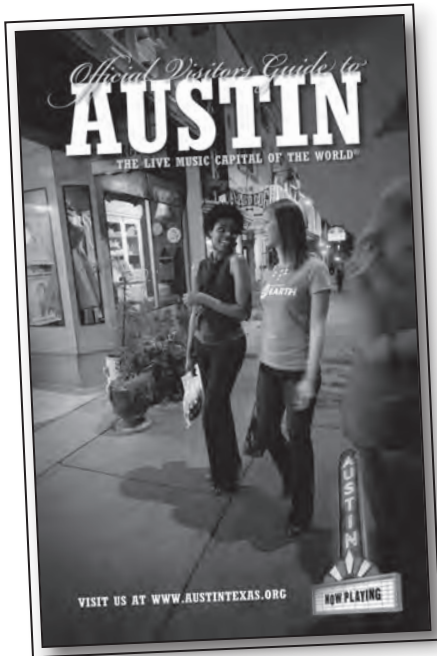
- Work closely with supplier and hospitality community on timely response to supplier leads.
- Survey visitors on site regarding their Austin experience – share results with community.
- Continue Taxi Visitor Calendar and Cab Driver Appreciation Day to encourage positive visitor experience.
- Continue to provide trained registration staffing for on-site assistance and information booth staffing to promote local businesses and points of interest.

Strategy 4: Promote the growth of Austin and the tourism industry's green initiatives to conventions and meetings.

Tactics:

- Promote website and toolkit green meeting suggestions and checklist.
- Research and create "Voluntourism" program for groups interested in "giving back" to the community.
- Work with local green businesses to partner with for interested groups.

MARKETING COMMUNICATIONS



Mission

The Marketing Communications Department serves to elevate awareness of Austin as a premier convention and leisure destination through effective public relations and comprehensive advertising/marketing efforts. The department coordinates advertising, promotions, publications, website, social media, research and public and media relations programs for all departments. As the official voice of the Austin CVB, Marketing Communications works to deliver a single, unified message.

Department Overview

Through integrated advertising/marketing efforts, media outreach and public relations, the Department communicates the organization's message to the media, public officials, hospitality industry partners, meeting planners and the general public. The Department staffs four full-time employees including a Director of Marketing Communications, Marketing Communications Manager, Media Relations Manager and a Marketing Communications Coordinator.

State of the Industry

Marketers today face more challenge than ever. Product proliferation, traditional media erosion and consumer control make it increasingly difficult to effectively reach what has become a moving target audience.

Brands are fighting for share of voice in a cluttered, competitive environment. Media lines have blurred – video, music, web and print can be consumed on demand on a single device. And consumers now can choose when, if at all, to entertain advertising messages.

What's more, the explosive popularity of Web 2.0 technologies and travel research/purchase options are threatening the relevance of the Destination Marketing Organization (DMO). Consumers are actively seeking out unbiased, authentic content (on sites such as VirtualTourist and Yelp) while utilizing Online Travel Agencies for travel purchase needs.

Factor in a downturned economy, and the challenge for DMOs becomes more pronounced.

In order to be successful in this rapidly changing landscape, DMOs must find a way to remain relevant. Stay visible. Provide value. And be nimble enough with our messaging and mediums to quickly respond to consumer preference and change. We must prominently position ourselves as the authority or go-to source for our destination and stay the course for the long haul.

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Media Outreach (Releases/Pitches)	8	12	96	144
# contacts reached	100	110	1200	1320
Press trips/media hosted	6	5	72	60
Dollar value of print and broadcast media (AVE)	\$674,839	\$352,387*	\$8.1 million	\$4.3 million
Significant Placements**	n/a	10	n/a	120
Advertising Responses	3,965	3,965	52,338	52,338
Unique Web Visits	65,000	75,000	780,000	900,000
Avg. time spent on website (per user)	3.5 minutes	3.5 minutes	N/A	3.5 minutes

* *Vocus Public Relations captures the ad value (AVE) of print and broadcast clips found by their search engines. However, many media outlets are switching to online content, exclusively. AVE goals for 09-10 reflect this shift. Until there is an industry standard for tracking the dollar equivalency of online media, the department will account for web-based coverage by tracking the number of significant online placements.*

** *"Significant placements" are defined as feature-length stories that include Austin, in meetings, travel or industry-related online outlets. These placements will include Austin CVB photos, a link to AustinTexas.org and/or a majority of Austin content.*

Strategy 1: Focus on key touch-state, "fly" and "drive" markets to push short-term travel consideration and attract visitors traveling closer to home.

Tactics:

- Geo-target ad buys to key Texas markets (Houston, Dallas) and destinations with non-stop service from Austin Bergstrom International Airport.
- Utilize ad messaging, advertorial to drive consideration of Austin as a quick, easy getaway.
- Reach out to target market broadcast outlets (such as WFAA in Dallas, KHOU in Houston) to garner free on-air publicity and promote Austin events and new/notable goings-on.
- Explore "Staycation" ad buys with local print, radio stations; drive consideration of Austin-area resort stays to area residents.

Strategy 2: Drive value, price point messaging across all advertising/marketing efforts.

Tactics:

- Develop price/value-driven online and print ad creative (e.g. test mid-week travel messaging /deals to drive room nights).
- Drive opt-ins and generate interest/"buzz" for the Austin Insider's Club (Austin CVB's e-newsletter and registrant database).
- Establish messaging strategies and calendar for the Austin Insiders Club that include use of social media channels, such as Twitter and Facebook®.
- Work closely with area resorts, hotels, attractions and restaurants to encourage participation and regular updating of Austin Insider Club deals, offers and coupons.
- Establish quarterly plan and routine communications cycle to more effectively use fulfillment lists and fulfillment house services.
- Explore existing local-area save programs to provide added value to visitors and convention attendees, such as "Go Local Austin."

Strategy 3: Focus efforts online to attract and intercept consumer travel researchers and meeting planners; drive visits to AustinTexas.org.

Tactics:

- Maintain robust online ad campaign efforts, targeting diverse range of travel, content, interest and performance-based sites.
- Explore added-value with specific placements on sites such as VirtualTourist.com, Trails.com and Rhapsody.com.
- Refresh site content; keep consistently updated to encourage repeat visits.
- Develop and implement online tools or content that assist meeting planners with researching destinations (such as the “Five Minute Meeting Planner”).
- Drive awareness for and encourage booking with Austin CVB’s new travel booking provider, ARES.
- Explore new interactive channels such as mobile applications, RSS feeds and user-generated content tools. Add coding on website to allow visitors to spread Austin content through social media sites.
- Continue to build upon social media avenues, using them for proactive marketing and public relations outreach as well as customer service tools.

Strategy 4: Secure editorial coverage (traditional and non-traditional) of Austin to supplement paid advertising.

Tactics:

- Distribute information to national media outlets via press releases and pitches.
- Host press trips and partner with Texas Tourism to garner international coverage.
- Utilize social networking sites (such as Facebook®, Twitter) to provide story ideas, pitches and cultivate relationships with local and national media.
- Host desk-side appointments with nationally-based media to develop relationships and secure editorial coverage of Austin.
- Utilize free media lead generation services (HelpAReporter.com; Vocus PR database listings) to find opportunities for coverage reaching potential visitors.

Strategy 5: Increase awareness of Austin CVB in the local community in order to garner support for our overall mission.

Tactics:

- Use news releases to explain the power of travel and how our industry serves as an economic driver for Austin.
- Partner with local media outlets to host key Austin CVB events (such as the Austin Cocktail Throwdown contest and media blogger panels) and generate local media coverage.
- Communicate with local media on behalf of visiting convention groups to encourage positive word-of-mouth marketing.
- Serve on community task forces and attend meetings of downtown partner organizations (Downtown Austin Alliance, Austin Chamber of Commerce, Pecan Street Owners Association) as designated by Director of Marketing Communications.

Strategy 6: Pursue co-operative efforts and partnerships to stretch budget, increase reach.

Tactics:

- Partner with Texas Tourism on key advertising/marketing efforts, including print, radio and guerilla marketing efforts.
- Evaluate and recommend select print, radio and online partnership opportunities (such as holiday or summer inserts), to area CVBs, hotels, restaurants and attractions.
- Explore joint event marketing efforts with area partners to increase visibility, maximize impact at select events such as blogger panels, Austin City Limits and Sundance.

- Work closely with Weaver Multimedia to continue to evolve print and e-marketing products.
- Create awareness of Austin CVB marketing programs to garner stakeholder participation and support.

TOURISM SALES & MARKETING

Mission

The Austin Tourism Department positions Austin and the surrounding area as a preferred destination for domestic and international leisure travelers, ultimately resulting in economic impact for the city. Through strategic partnerships and alliances, the department implements direct sales and promotional efforts to drive room nights and awareness of Austin and the Hill Country as a premier travel destination.

Department Overview

The Tourism Department provides the best possible destination sales and marketing services to two key industry segments: domestic travel trade and international travel trade. The Department positions the Austin product through domestic and international tour operators, wholesalers, incentive travel planners, group travel leaders, travel agents and online services. The services provided are designed to showcase Austin and the Texas Hill Country as a unique leisure travel destination in Texas and the U.S.



Department efforts focus on generating group and individual leisure travel business by increasing the number of domestic and international Austin tours available. To further its marketing and sales efforts, the Tourism Department utilizes traditional sales strategies including tradeshow, sales calls, sales missions and familiarization (FAM) tours along with development of both general and event travel products specific to Austin.

Tourism staff provide local travel industry partners—hotels, attractions, restaurants, step-on guides, transportation companies, minority chambers, Austin-Bergstrom International Airport (ABIA), City of Austin and others—with the highest level of leisure travel business leads and business generation through cooperative marketing opportunities, FAMs, tradeshow and sales missions. Tourism assists ABIA in attracting and supporting air service to Austin and works with Austin's minority chambers to further develop minority constituency travel to Austin. Tourism staff also assists other departments with tourism product and infrastructure development.

Definition of Market Segments

Tour Operators/Wholesalers (International and Domestic) - Tour Operators package product and sell to travel agents, or directly to the consumer, via their websites and/or private label travel agents. Receptive operators market to and work in conjunction with international tour wholesalers.

U.S. Receptive Operators - U.S. Receptive Operators are interested in contracting with hotels, attractions, restaurants and transportation companies so that they can offer a complete package to sell to International Tour Operators. This component operates as a facilitator of the tour itinerary of a city or region. They work in conjunction with the tour operator, securing all or portions of their tour itinerary.

Group Tour Operators - These companies offer scheduled and/or chartered tour departures and may well operate within a target market such as senior adult groups, youth/student tours, bank clubs and alumni.

Travel Agents - The American Automobile Association (AAA) and the Canadian Automobile Association (CAA) have more than 800 travel offices combined with an estimated 10,000 travel agents within North America. The majority

of the larger AAA/CAA offices have Group and Leisure Travel Departments that lend services to their automobile club members. Through their membership, these departments offer an excellent opportunity to market to a specific base. AmericanTours International (ATI), one of the leading wholesale tour operators for inbound travel to North America, is a strategic partner of both AAA and CAA. Tourism works closely with ATI in developing Austin City Packages that are promoted and sold through the AAA and CAA distribution channels throughout North America.

Travel Booking Websites - Websites such as Booking.com, Hotels.com, Travelocity and others have become the leisure visitor source for booking. We assist these companies in increasing their hotel allotment, allowing the consumer more choice when planning their Austin vacation.

State of the Industry

In 2008, the Austin CVB was tasked with increasing our presence in the international market. With this in mind, Austin CVB retained the services of Global Hospitality Marketing Link (GHML), an international representation firm, to assist in the positioning of product.

Through GHML, Austin established a major partnership with FTI, one of the largest tour operators in the German market with more than 15,000 agency clients. ACVB took the lead and created a “Texas Itinerary” that would be implemented into tours being promoted by top German tour operators and media. Austin CVB worked closely with the State of Texas and other Texas cities in positioning Texas as the 2009 destination of the year, which included a full year promotion program with FAM tours, email blasts, media outreach and regional promotions.

Thus far Austin has seen an increase in product from Europe. In light of economic challenges however, we must work harder to maintain and increase interest in travel to Austin. Promote Austin as a good value destination for the tourism dollars spent. Be creative with our marketing and travel offers. And continue to monitor all accounts on a regular basis in order to maintain relationships and visibility in the market.



2007 International Market Overview

Mexico

Despite the economy, Mexico continues to maintain its positioning in the market. Austin receives 3 percent of the estimated 7,293,000 visitors that come to Texas.

Market Highlights

- Mexico is the largest source of international travelers to and through Texas with an estimated 7,293,000 visitors in 2007 - an increase of 7 percent over 2006.
- Total international travel spending in Texas in 2007 is estimated at approximately \$4.6 billion. Mexico contributes the largest share of international spending in the state with about 35 percent or \$1.6 billion (land and air travelers).
- Most of the 7,293,000 travelers from Mexico to and through Texas arrive and travel over land. However, approximately 346,000 Mexican travelers arrived via air in 2007, spending an average of \$1,240 per trip. Total visitor expenditures for Mexican air travelers to Texas are estimated at \$429 million.

Canada

The Canadian travel market continues to show gains. Due to its proximity, the Canadian traveler will likely continue to travel to the U.S. in the near future.

Market Highlights

- Canada is the second leading source of international visitors to Texas with 385,000 visitors in 2007 – an increase of 16 percent over 2006. This growth follows impressive increases in arrivals of 9 percent and 18 percent over 2005 and 2006 respectively.
- Canadian travelers that included a visit to Texas spent an estimated \$844 per trip creating a total visitor spending impact of approximately \$325 million. Texas captures the 7th largest share of Canadian visitor spending in the U.S. among all mainland destination states.

United Kingdom

Visitation estimates from the United Kingdom to Texas increased by 24 percent over 2006 - three times the rate of growth for overall visitation to the United States. Favorable exchange rates are likely a motivation for travelers as the U.S. is effectively “on sale” to those visiting from the UK. In 2007, Austin received 12 percent of the 171,000 visitors that came to Texas.

Market Highlights

- The United Kingdom is the largest overseas market for travel to Texas with 171,000 visitors in 2007 – an increase of 24 percent over 2006.
- The average traveler from the United Kingdom that included a visit to Texas spent more than \$1,700 in the United States, creating a visitor spending impact of roughly \$295 million.

Germany

Visitation from Germany to Texas increased by an estimated 3 percent over 2006, while visitation to the United States increased by 10 percent following a decline in 2006. Like other Western European markets, favorable exchange rates are a prime motivator for travel. Austin received 17.7 percent of the visitors that came to Texas.

Market Highlights

- Germany is the 4th largest international origin market for Texas with an estimated 69,000 visitors in 2007.
- The average German traveler that included a visit to Texas spent roughly \$1,400 per trip creating a total visitor spending impact of about \$96.6 million.

Source: Texas Travel Research www.travel.state.us/TravelResearch.aspx

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Missions/Tradeshows	1	1	12	12
Site Visits/FAM Tours	1	1	12	12
Inquiries Fulfilled	64	70	768	840
Hotel Leads	16	18	192	216
Tours Booked	13	14	156	168
Room Nights	390	468	4680	5616

Strategy 1: Generate room nights from Domestic and International Group Markets.

Participate in tradeshow, sales missions, educational seminars and FAM tours to maximize exposure of the Austin product to top key market segments and ultimately drive room nights.

Tactics:

- Attend tradeshow in key markets to keep product top of mind with travel trade.
- Partner with the State of Texas to increase visibility in specific markets.
- Organize and attend sales missions to increase product awareness.
- Coordinate training sessions with nationally and internationally-based travel trade in order to educate on the Austin experience.
- Work with European representation to target top producing tour operators in key markets to include sales missions, FAM tours and site visits.
- Continue “Meet and Greet” Program to meet one-on-one with travel trade professionals and entice overnight stays.

Strategy 2: Generate Travel and Tourism related leads.**Tactics:**

- Create leads in Austin CVB’s online database as resulting from tradeshow, FAM tours, sales calls, sales missions and general inquiries.
- Enhance lead generation with “Meet and Greet Program” available to groups.
- Develop new relationships with travel trade professionals; maintain relationships with existing client database to garner repeat business.
- Create interest in and awareness of product amongst tour operators via e-newsletter.

Strategy 3: Increase product in both domestic and international markets.

Position product in brochures, websites and other distribution channels (e-mails, websites, consumer print advertising, etc.); develop custom itineraries for key markets.

Tactics:

- Develop new tourism programs and products that meet the needs of the international and domestic markets.
- Research opportunities to increase product offerings at key industry events including brochure development, expanded itineraries and increased hotel allotment.
- Educate existing client base on increased product offerings.
- Stay on top of market intelligence in order to be able to promote market trends to suitable audiences.
- Work closely with travel trade professionals to identify cooperative marketing opportunities.

Strategy 4: Increase booking engine room night total.**Tactics:**

- Use market trends to create and develop package ideas to promote to consumers, travel trade and representation companies in international markets.
- Increase package promotions via cooperative partnerships with participants.
- Work with Marketing Communications Department to enhance consumer awareness of existing packages (via consumer e-newsletter, press releases and online opportunities.)
- Organize educational seminars between partners and call center.
- Work with Marketing Communications to position online hotel booking capability on website.

Strategy 5: Elevate local support and education for Austin tourism industry.

Continue to educate local area attractions, hotels, restaurants and transportation companies on how they can do business with both domestic and international key markets.

Tactics:

- Host biannual Texas Tourism Council meetings.
- Coordinate educational sales seminars.
- Participate in Texas Travel Industry Association (TTIA) activities.
- Promote opportunities for partner cooperative programs.
- Further enhance relationship with Austin Bergstrom International Airport and airlines.
- Educate partners on available cooperative marketing opportunities.

Austin CVB Tourism Department Marketing Schedule
October 2009 - September 2010

SALES MISSIONS

Europe

The European Sales Mission will include appointments with select group of leading members of the travel trade in targeted areas of Europe to promote and market Austin along with San Antonio with contracted representation firm Global Hospitality Marketing Link other destinations in Texas. *Co-op with Texas Tourism.*

Mexico

For this Mexican region sales and media mission, Texas Tourism will coordinate itinerary, appointments, and event(s). Leads will be available online at www.travel.state.tx.us. *Co-op with Texas Tourism.*

Canada

Canada is the 2nd largest source of international visitors to Texas. Texas Tourism staff and partners will meet with Canadian travel trade with goal to develop travel packages to increase number of Canadian travelers to Texas in addition to longer stays with promotion of variety of activities available for travelers to do in the various regions throughout the State. *Co-op with Texas Tourism.*

TRADESHOWS

USTA's International Market Tradeshows**USTA's International Pow Wow, Orlando, Florida - May 15 – May 19, 2010:**

USTA's International Pow Wow is the travel industry's premier international marketplace. In just three days of intensive pre-scheduled, one-on-one business appointments, more than 1,000 U. S. travel organizations from every region of the USA, representing all industry category components, and close to 1,500 International and Domestic Buyers from more than 70 countries, conduct business negotiations that result in the generation of over \$3.5 billion in future Visit USA travel. *ACVB Co-op – Shared Cost TBD*

Go West Summit, Sacramento, CA – February 1 – 4, 2010:

Go West Summit is the premier business oriented travel tradeshow selling the American West. Select number of suppliers who offer year-round products in a 13-state region of the Western U.S. have an opportunity to meet one-on-one with top tour operators.

NAJ Tour Operator Summit West, Los Angeles - February 2010**NAJ Tour Operator Summit East, New York - June 2010:**

This marketplace and conference brings together West Coast or East Coast based receptive tour operators with destinations and suppliers for one-on-one appointments plus educational seminars. The West Show, in existence for six years, is normally held in February with the East Show, in existence for three years normally held in June. These Receptive Tour Operators work with the European, Asian, and Latin America markets. Some of the companies that attend are JTB, Allied TPRO, FTI North America, GTA, American Tours International, etc. *Member-based tradeshow.*

European Tradeshow**World Travel Market (WTM) , London, England - November 9 -12, 2009:**

The UK is the leading source of overseas visitors and the third largest source of international visitors to Texas. WTM is the most important travel tradeshow in the UK; it also attracts travel trade professionals and media from throughout Europe and around the world. Austin has the option to maintain presence in the UK market by participating in person at the tradeshow or by brochure distribution. *Co-op with Texas Tourism.*

International Tourism Börse (ITB), Berlin, Germany - March 10 – 14, 2010:

Germany is the second largest source of overseas visitors and the fourth largest source of international visitors to Texas. ITB is the largest and most important travel trade show for doing business in the German-speaking travel market including Germany, Switzerland and Austria. ITB also attracts travel trade professionals and media from across Europe. Austin has the option to maintain presence in the German market by participating in person at the tradeshow or by brochure distribution. *Co-op with Texas Tourism.*

Mexico Tradeshow**ARLAM Trade Show Co-op with Texas Tourism, Monterrey, Mexico - May 2010:**

Mexico is the largest source of international visitors to Texas. The ARLAM Trade Show is coordinated by the Asociacion Regional de Lineas Aereas de Monterrey and attracts tour operators, travel agents and media representatives from Monterrey and Northeastern Mexico. *Co-op with Texas Tourism.*

Domestic Market Tradeshow**American Bus Association Marketplace, National Harbor, MD - Jan. 15 – 19, 2010:**

ABA is the premier business event for the group travel industry. The appointments are the core of the show; they allow buyers and sellers to meet face-to-face in prescheduled seven-minute appointments to discuss business opportunities and offer suggestions on the development of future group itineraries. Marketplace also offers professional educational seminars and numerous networking opportunities. On an average, there are more than 320 top tour operator companies attending the annual conference. *Member-based tradeshow.*

TAP – Travel Alliance Partners, TBD - June 2010:

Travel Alliance Partners, LLC is a partner-owned organization of 34 premier tour operators in the United States and Canada. Each is a regional expert with new and unique itineraries. Partners purchase products in a profitable fashion, pass the savings on to the consumer and increase market share with key suppliers. TAP partners have GUARANTEED the departures of 75 tours throughout the world. *TAP sends invitation to select representatives to attend annual conference.*

FAM TOURS / SITE VISITS

Familiarization tours and site visits are arranged by Austin CVB, or in conjunction with a request from the Texas Tourism

Office or any of our Representation Companies, for the purpose of showcasing Austin and the surrounding areas. Participants are primarily key representatives of tour companies traveling for educational reasons. While a FAM tour contains 8-10 representatives, a site visit takes place when a single tour operator comes to view properties and/or make selections in finalizing itinerary or tour program details.

Domestic

Familiarization Tours 2 - (ATI/AAA, Co-op with the State of Texas), dates to be determined
Site Visits 4 – dates, participants to be determined

International

Familiarization Tours 10 - Dates to be Determined
 (two Germany, two UK, two Canada, four Mexico) International FAMs will also be done in cooperation with state of Texas
Site Visits 6 – Dates, participants to be determined

Other Austin CVB Co-Operative Marketing Opportunities

Texas Travel Industry Association – Texas Tourism Unity Dinner – February 2010

TTIA's premier event, this annual dinner is attended by more than 1,000 industry leaders, legislators and guests from across the state of Texas to celebrate the benefits of the tourism industry to the state's revenue and to discuss current travel industry issues and challenges.

Collateral Material

Partners may sign on to be represented in collateral material distributed among both Mexican consumers and the domestic/international tour operators.

Promotional Items for Special Projects

Opportunities are available to provide giveaways, door prizes, awards, special gifts for events and "meet and greet" programs for travel trade VIP groups.

HERITAGE MARKETING

Mission

By promoting the city's distinctive culture, array of historic attractions and tourism related programs, the Bureau's Heritage Marketing efforts foster awareness of Austin's rich past, ultimately enriching the overall visitor experience.

Overview

Heritage Marketing is an integral part of Austin CVB's marketing communications, tourism and advertising efforts. In fact, an online summer promotion in 2008 found that "history" was one of the top three areas of interest/activities for the Austin visitor.

As such, Austin's historic and cultural attractions are actively promoted through a variety of media outlets (including historic/cultural related websites About.com, nationalgeographic.com, aetv.com, discovery.com, pbs.com and time.com) and routinely included as part of ad campaign creative. Moreover, Austin CVB media outreach and editorial efforts consistently include promotion of Austin area historic and cultural attractions (such as LBJ Library & Museum, Texas State History Museum, Texas Capitol, Driskill Hotel, Harry Ransom Center and the Visitor Center walking tours) to visiting media and FAM tours.



Heritage Marketing is also taken into account in several tourism related programs, which include the free, guided walking tours of three National Register Districts and the production and distribution of collateral materials. In addition, the Bureau administers a grants program for historically zoned structures, which are recognized tourist destinations, owned by non-profit or governmental entities, and are available to the public.

Austin CVB continues to maintain its association with numerous heritage related groups, distributes Austin Landmark medallions, reviews and approves text markers for historic properties and regulates the installation of signs and banners in the Congress Avenue, East Sixth Street and Bremond National Register Districts.

Heritage Marketing Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Walking Tour Participants	425	425	5,100	5,100
Brochure Distribution	400	425	4,800	5,100
Speaker's Bureau	20	20	240	240

Strategy 1: Increase awareness of Austin as a premier destination for heritage tourism.

Tactics:

- Maintain traditional print and online ad buys; rotate and refresh creative to drive awareness of a wide sampling of Austin area historic and cultural attractions.
- Through Convention Sales, Services and Marketing Communications departments, determine new opportunities to promote Austin's historic attractions and tours to FAMs, site visits and conference groups.

- Expand and develop new partnerships with multicultural markets such as the Capital City African American Chamber of Commerce and the Greater Austin Hispanic Chamber of Commerce.
- Maintain and explore new partnership opportunities with the Heritage Society of Austin, Austin History Center, George Washington Carver Museum and Cultural Center, Austin Parks and Recreation, Historic Landmark Commission, Pioneer Farms, Presidential Corridor Association and City Departments to garner support for the Heritage Marketing mission and leverage partnership benefits.
- Maintain association with the National Trust for Historic Preservation (NTHP) (Austin CVB's association with NTHP aided in the booking of the 2010 NTHP Conference in Austin, which will utilize 4,075 room nights and many local facilities).
- Create a database of cultural and heritage contacts statewide and nationally for prospecting.

Strategy 2: Use signage and markers to create a downtown ambiance that fosters awareness of historic and cultural significance of the city.

Tactics:

- Administer banner program and assist in securing necessary approvals for banners, signs, permits, etc.
- Provide Austin Landmark medallions and review text markers for structures which are zoned historic.

Strategy 3: Provide seed funding through the grants program for restoration and/or rehabilitation of historic structures/sites that draw tourists.

Austin CVB administers a grants program for owners of historically zoned structures, which are recognized tourist destinations, owned by non-profit or governmental entities, and are open to the public for tours. These funds are disbursed through fall and spring grant cycles, and are limited to \$47,000 annually. Copies of the application, guidelines and procedures are available at austintexas.org. This process requires detailed information, documentation to justify the bed tax expenditure and a review by the Grants Special Committee of the Historic Landmark Commission (HLC). From 1991 to April 2009, more than \$3 million has been provided by Austin CVB in grants. With matching funds* of more than \$14 million, a total of \$17 million has been invested to date for restoration and preservation of our local economy.

*The term 'matching funds' refers to the equivalency of monies and/or in-kind services which are equal to one-third of the grant amount. This may also include restoration and/or maintenance not eligible for a grant.

Tactics:

- Implement grant cycles, fall and spring.
- Administer grant projects and relevant meetings.
- Require specific documentation by applicants to assist Austin CVB with grant justification.

Strategy 4: Increase awareness and demand for guided, self-guided and custom walking/driving tours.

Tactics:

- Continue guided and self-guided walking/driving tours and provide custom tours and collateral when requested, especially for Familiarization Tours (FAMs).
- Utilize collateral materials to promote walking/driving tours and Austin's cultural and historic attractions, including Congress Avenue/East Sixth Street and Bremond Block National Register Districts, as well as West Austin, Hyde Park, Oakwood Cemetery, the O. Henry Trail and Texas State Cemetery.
- Continue distribution of walking tour flyers, brochures and other collateral to visitors via key information points, including the Austin Visitor Center, Texas Travel Information Centers, the Austin History Center, downtown hotels and Visitor Centers located along I-35.
- Explore the development of collateral materials to include areas of interest (East Austin) to multi-cultural/minority

markets; produce an updated Spanish language version of the walking tour flyer.

- Continue speakers' bureau for local organizations and conference groups.
- Utilize ACVB's website (AustinTexas.org) as a tool to disseminate information for walking tours, historic destinations, venues and accommodations; purchase domain name for more direct access to heritage tourism and walking tour information (i.e. austinheritage.org).

Strategy 5: Provide ongoing training for staff to promote awareness and education for department initiatives.

Tactics:

- Attend the 2009 NTHP Annual Conference in Nashville, Tennessee; host an attendance booster to encourage registration for the Austin conference in 2010.
- Attend Austin Historic Landmark Commission meetings as required.
- Attend Presidential Corridor Association meetings.
- Provide training for historic tour guide staff as needed.

FILM MARKETING

Mission

The Austin Film Commission (AFC) drives economic development for Austin and the surrounding areas by promoting Austin as a premier destination for incoming filmmakers and their projects. The AFC also helps to foster the locally-based film industry, and assists film and photography projects with location and crew referrals, problem resolution and by interfacing with residents, businesses and governmental entities.

Department Overview

AFC coordinates location scouting, and works closely with industry professionals to help them deliver their products on time and on budget.

The staff also markets Austin and its unique amenities at national tradeshow, film festivals and other events. AFC operates on a minimal budget with staff support from Austin CVB Marketing Communications, Convention Services, Music Marketing, Convention Sales and the Austin Visitor Center.

State of the Industry

While the film business is generally regarded as a recession-resistant industry, it has suffered from the recent economic downturn, notably in the area of project financing. Locally, Austin has also felt the impact of runaway production to states offering significant financial incentives to filmmakers and investors. It is hoped the latter situation will be mitigated, if not completely offset, by the Texas Legislature's passage of a bill that increases financial incentives for filmmaking in the state.

To further ensure Austin's continued success as a film destination, AFC recently attended national film festivals (Tribeca, Marfa, Sundance), and secured a presence at the Cannes Film Festival, to help spread the word about Austin. In addition, this year, AFC invited cast and crew to attend a special screening of *Kings of the Evening*, a film they had shot in and around Central Texas, to show support for the industry and provide added value to the production client.

Still, because of uncertainty within the industry and the greater-than-anticipated statewide downturn during the previous fiscal year, Department goals for FY 2009-2010 remain at the levels set for FY 2008-2009.

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Online Production Leads	50	50	600	600
Fulfillment (Production Packets)	8	8	96	96
Production Starts	1.5	1.5	18	18
Production Days	40	40	480	480
Number of commercials	2	2	24	24



Strategy 1: Enhance services to production companies.

This is “where the rubber meets the road” for any film commission. Production companies are time and budget conscious; enhanced and efficient services to the company results in a better return on investment for the company, as well as positive word-of-mouth for the AFC and Austin itself.

Tactics:

- Through consistent availability and planning, provide service to filmmakers that exceeds their expectations when they are in Austin, whether scouting locations or during production.
- Work with City departments and elected officials to improve services available to filmmakers.
- Provide decision makers with an upgraded and searchable state-of-the-art location program (Reel-Scout Platinum).
- Enhance and expand website (austintexas.org) features for filmmakers.

Strategy 2: Improve relations with local and national film industry partners.

Leveraging relations with industry partners allows the AFC to do more and have a greater presence at trade shows, film festivals and film-related events nationwide. It also provides a readily available network of professional expertise.

Tactics:

- Partner with the Texas Association of Film Commissions to increase exposure of Austin at state, national and international film-related events and marketing opportunities.
- Take full advantage of our membership/partnership with the Austin Film Society and the Austin Film Festival to maintain local awareness and enhance relationships with local industry professionals.
- Maintain a presence via advertising support and events at local “niche” film festivals.
- Show gratitude to/reinforce relationships with filmmakers by hosting cast and crew screenings of local film projects and local film industry appreciation events.
- Host out-of-state events including east and west coast receptions for decision makers who have brought projects to Austin.

Strategy 3: Raise awareness of the AFC and drive consideration of Austin as a leading film production center.

Austin has been recognized as a premier film destination for several years; it is important to keep Austin top of mind when executives are considering locations for upcoming projects.

Tactics:

- Work with Marketing Communications to develop press releases and garner free editorial, as well as increase promotional collateral materials.
- Place appropriate advertisements in major trade publications, film festival programs and high-visibility film-related websites.
- Increase presentations to industry groups via seminars and panels at film industry events.
- Attend and promote Austin at the annual Locations 2010 tradeshow in Los Angeles and at other appropriate industry venues.

MUSIC MARKETING

Mission

Austin's success as both a business and leisure travel destination is greatly enhanced by its culture, which for decades has revolved around a vibrant live music scene. The Austin Music Office cultivates this diverse and abundant music scene in order to enhance the visitor experience. In addition, the Department works closely with local artists, music venues and festivals to diversify and expand Austin's live music product. The Music Office also enhances each convention group's experience by incorporating performances from local artists, a signature service designed ultimately to garner repeat business and generate positive word-of-mouth communications from client to client.



Department Overview

Key roles include booking local acts for meetings and conventions; promoting the availability and accessibility of live music and local musicians to convention and meeting planners; working with media to encourage coverage of the live music scene; and collaborating with Convention Sales, the Austin Film Commission, Marketing Communications, Tourism and Convention Services Departments to market Austin's music offerings.

The Austin Music Office produces materials and collateral – including an annual “Austin Music” compilation CD – to distribute to convention attendees, business travelers and leisure visitors, to encourage visits to the city's nearly 200 live music venues. The Department also takes part in promoting local festivals by attending and disseminating information at national music events.

State of the Industry

Austin remains an affordable destination that people want to visit to experience music at festivals and daily performances. Established festivals like the Austin City Limits Music Festival, SXSW, Pecan Street Festival and Old Settlers Music Festival continue to thrive, and young festivals such as Fun, Fun, Fun Fest and Pachanga Festival are growing in attendance and scope. Promoting established festivals and live music venues to strengthen and maintain the music industry base will keep these properties stable and help them survive economic downturn.

Still, economic instability and an increased cost of living in Austin has affected Austin musicians as well as small business, such as recording studios, independent record labels and live music clubs. In 2008, Austin City Council appointed members to a Live Music Task Force in order to address challenges facing the music community. The committee made recommendations, which are currently under review by City Council, in the areas of musician services, live music venues, entertainment districts and sound ordinances.

On a national scale, another challenge is keeping Austin top-of-mind for music lovers as THE city to visit for its diverse and robust live music scene. Competing destinations are targeting the same groups and taking Austin's lead in incorporating music into their advertising and websites, as well as promoting music at industry trade shows and festivals.

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Industry contacts	55	55	660	660
Booking assists	15	25	180	300
Sales leads	.5	.5	6	6
Media contacts	n/a	1	n/a	12
Music media events	n/a	.5	n/a	6

Strategy 1: Generate increased interest in Austin's live music scene and continued promotion of our brand, the Live Music Capital of the World®.

Tactics:

- Continue to develop and enhance the Austin CVB website to include more music content such as video, photos, facts, timelines, play lists, downloads, City of Austin music programs and genre-specific information.
- Implement a concentrated marketing campaign, based on industry trends and research, promoting Austin's diverse live music scene to leisure travelers through music events and special cultural offerings.
- Augment Marketing Communications Department efforts by hosting journalists to increase editorial coverage of and about Austin music.
- Produce a compilation CD and download cards of Austin Music and mini guide to music scene for 2010.
- Conduct the second annual Austin Song Contest and promote it worldwide to draw visitors to AustinTexas.org.
- Work to attract music industry meetings that incorporate and involve the local music community.
- Assist Tourism Department in creation and promotion of packages and tours involving music related activities.

Strategy 2: Promote the availability and accessibility of Austin music.

Tactics:

- Facilitate the accessibility of Austin music for visitors by providing new printed and online user tools like entertainment district maps, event calendars, lists of where to dine and hear live music, etc.
- Work with Sales Department to use music as an additional selling tool when competing with other destinations by assisting with site visits, materials and bookings for local music events.
- Work with Convention Services Department to use Austin live music offerings as a selling tool to extend stays beyond convention and meeting dates.
- Manage the "Have you Hired an Austin Musician Today?" program by assisting conventions, tradeshow and local businesses with booking recommendations for live music at events.
- Book music for familiarization tours, sales, tourism and media events.
- Increase participation in Convention Services' "All Access" program to include more live music venues and music-related businesses.
- Promote and distribute the use of live music widget and live music mini guides.

Strategy 3: Work with City of Austin and partners to strengthen the local music community and music offerings.

Tactics:

- Attend Austin Music Commission meetings and communicate activities of the Music Office.
- Book live music for weekly City Council meetings and promote "Live from the Plaza" concert series at City Hall.
- Work with ABIA to promote live music at the airport, targeting increased music during peak times such as the SXSW Music Conference and Festival and ACL Music Festival.

- Partner with local cultural organizations such as the Austin Latino Music Association, Health Alliance for Austin Musicians, ProArts Collective, Grounded in Music and other cultural arts groups to promote music events that bring visitors to Austin and raise awareness of culturally diverse music.
- Continue to partner with hospitality organizations such as the Downtown Austin Alliance, Austin Music Foundation and Texas Music Office to promote the importance of the music industry.
- Continue to partner with the local music community in promoting the growth and development of new music businesses and attractions, as well as of the local industry such as live music clubs, venues, recording studios, record labels and music instrument manufacturers.
- Establish new relationships with festivals and events, such as the Hot Rod Show, Marcia Ball Weekend and Old Settler's Music Festival to market hotel packages and capture room nights, as well as to keep our music offerings fresh.

Strategy 4: Raise awareness of Austin as a premier music destination among national and international music industry professionals.

Tactics:

- Develop custom collateral (electronic and printed) to promote Austin music and the services of the Austin Music Office. Content could be incorporated into the Austin music mini guide.
- Establish a presence at high profile industry events via showcases, collateral, media receptions, advertising and client events such as: Grammys, MIDEM, CMJ, Americana Music Festival, New Orleans Jazz and Heritage Festival, Latin Alternative Music Conference and Billboard Awards.
- Collaborate with successful Austin touring acts to promote Austin at national and international shows with banners, Austin centric gift bags, giveaways, contests, takeaways, announcements from stage and VIP access for clients and media.

VISITOR CENTER



Mission

The mission of the Austin Visitor Center is to increase visitor volume, length of stay and visitor spending by providing relevant visitor information, tours and retail merchandise. It is our goal to deliver the highest level of customer service in a warm, friendly fashion and familiarize visitors with the city, ultimately to enrich the visitor stay.

Department Overview

Members of the Visitor Center staff are ambassadors for the tourism/hospitality industry, providing a variety of support services for leisure and business travelers. The department oversees collateral material development, services for incoming visitors and calls, operational procedures, tour ticket sales and retail merchandise. By maintaining a visitor survey, Visitor Center staff have a working knowledge of who Austin visitors are, why they visit, where they stay, and how much money they spend.

The staff continues to interact with East Sixth Street Association, Downtown Austin Alliance, Austin Guest Services Association and Austin Police Department to help provide visitors with a safe and enjoyable experience in Austin. Visitor Services now coordinates and conducts the free Historic Walking Tours that are offered by reservation, year round.

State of the Industry

Giftware News reported in January 2009 that retail shopping by travelers decreased by 11.6 percent nationwide. Despite this, Visitor Center retail sales continue to be strong with a 4 percent year-to-date increase over last year. In addition, as a result of a remodel in July 2008, expanded Visitor Center square footage helps to generate better revenue per square foot and offset expenses.

As of FY 2008-2009, Austin visitors continue to purchase Austin-specific gifts and tour tickets. Customers seem more interested in higher end gifts that relate to Texas and novelty items including quantity sales based on the Austin brand. We continue to expand our Austin merchandise using our Live Music Capital of the World® trademark and offering more “green” products, such as recycled tire handbags, belts and organic cotton t-shirts, as organic and recycled items are becoming more and more popular.

A 2008 survey of the giftware industry done by United Marketing found a robust and growing gift market in certain areas of merchandise. Areas of interest were in the occasion-specific gifts, collegiate licensed merchandise and souvenir novelty items. At market this January, we focused on finding more merchandise to target wedding groups, girls’ weekend getaways and collegiate merchandise that targets younger shoppers.

Department Goals/Strategies, FY 2009-2010

GOALS	Monthly Goals 08-09	Monthly Goals 09-10	Annual Goals 08-09	Annual Goals 09-10
Walk-in Inquiries	11,500	11,500	138,000	138,000
Call-in Inquiries	1,600	1,500	19,200	18,000
Internet Inquiries	3,000	3,500	36,000	42,000
Visitor Packets Sent	7,000	8,000	84,000	96,000
Retail Revenue	\$62,667	\$64,583	\$752,000	\$775,000

Strategy 1: Generate hotel room nights and track bookings through the Visitor Center.

Tactics:

- Develop marketing tools (e.g. one/two-day itineraries and “Austin on \$25” handouts) for Visitor Center staff to help extend visitor stays.
- Develop discount pass or coupon program to compete for family leisure travel (possibly through “Go Local Austin” Entertainment and City Pass).
- Evaluate an efficient reservation/tracking method for Visitor Center bookings.
- Hold a staff contest to encourage hotel room bookings.

Strategy 2: Continue to generate retail revenue to offset operational expenses.

Refine retail merchandise that offers a better margin per item so as to achieve revenue goals.

Tactics:

- Narrow merchandise choices to best sellers in each category.
- Maximize retail margins of above items.
- Expand events including book signings, artist displays and receptions.
- Promote shopping locally to benefit local retailers.
- Nurture existing partnerships with SXSW, the Republic of Texas Biker Rally and *Austin City Limits* to continue selling their event merchandise and to ultimately, increase revenue.

Strategy 3: Work with community partners to strengthen Visitor Center educational programs and collateral offerings.

Tactics:

- Expand “Business of the Week” program to feature attractions, restaurants and events. This new program allows one rack brochure wall advertiser per week to be featured with extra signage, allowing more exposure to Visitor Center walk-ins.
- Continue to develop Austin Access information sheets to further promote partners. Austin Access collateral provides information to visitors and features local businesses.
- Continue to attend downtown associate meetings, conduct educational seminars to inform the community about Austin, and increase partner base to support cooperative collateral.
- Continue to participate in Austin Guest Services Association and Austin Tour Guide Association meetings.

STAFF CONTACTS

Area codes are 512 unless otherwise noted

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