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# 3<sup>RD</sup> QUARTER 2019 MARKETING REPORT

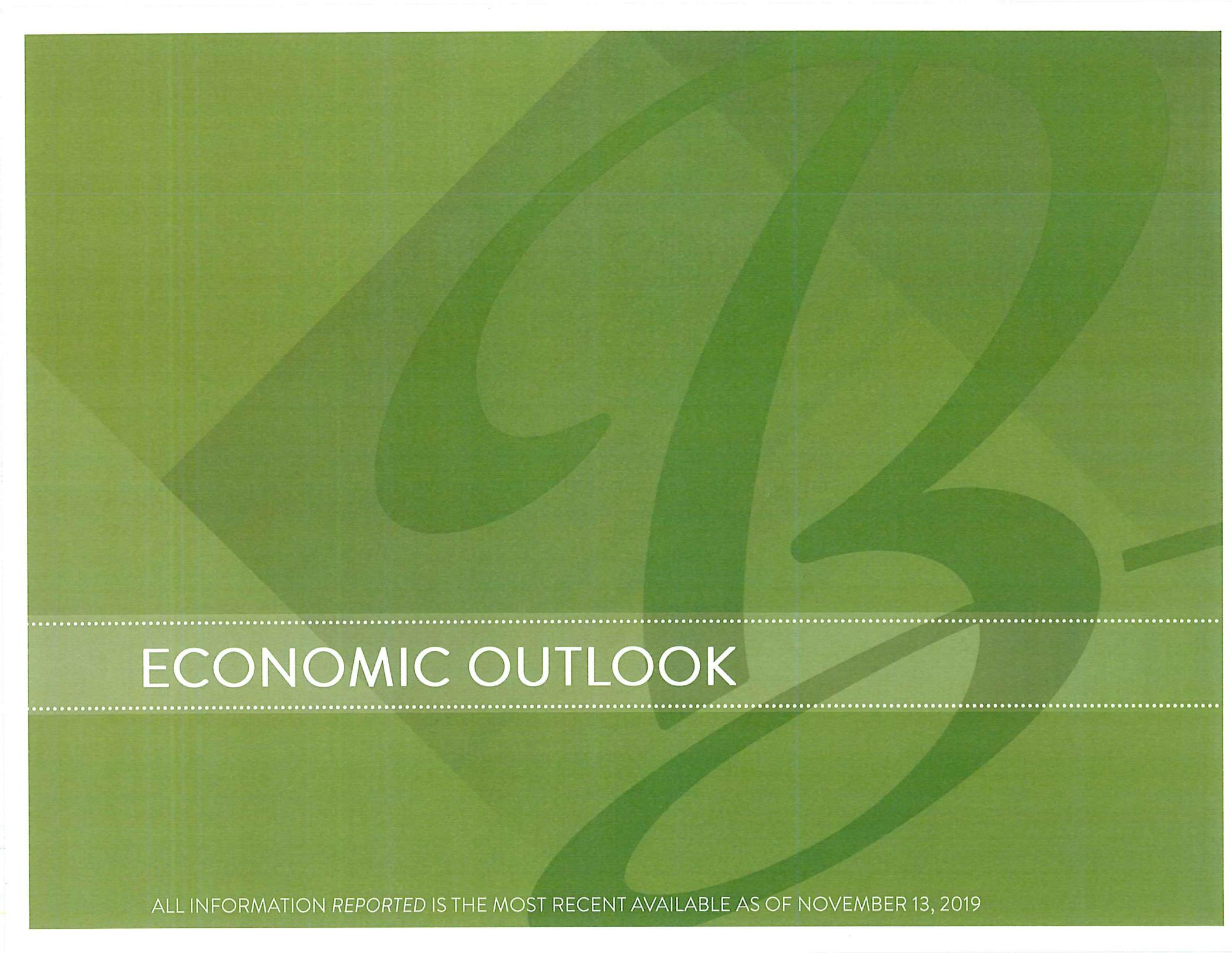
Branson Convention & Visitors Bureau

NOVEMBER 15, 2019

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# PRESENTATION OVERVIEW

- U.S. Economic Outlook
- U.S. Travel Performance
- Travel Industry Update
- Branson 2019 Q3 Performance
- Branson Visitor Update

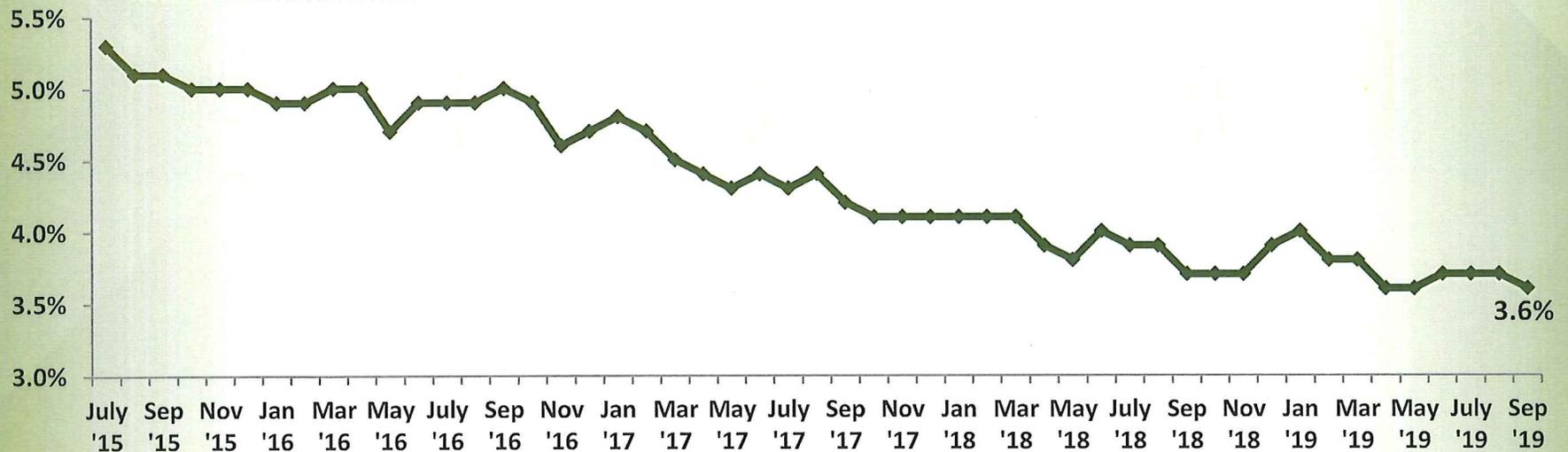
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# ECONOMIC OUTLOOK

ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS OF NOVEMBER 13, 2019

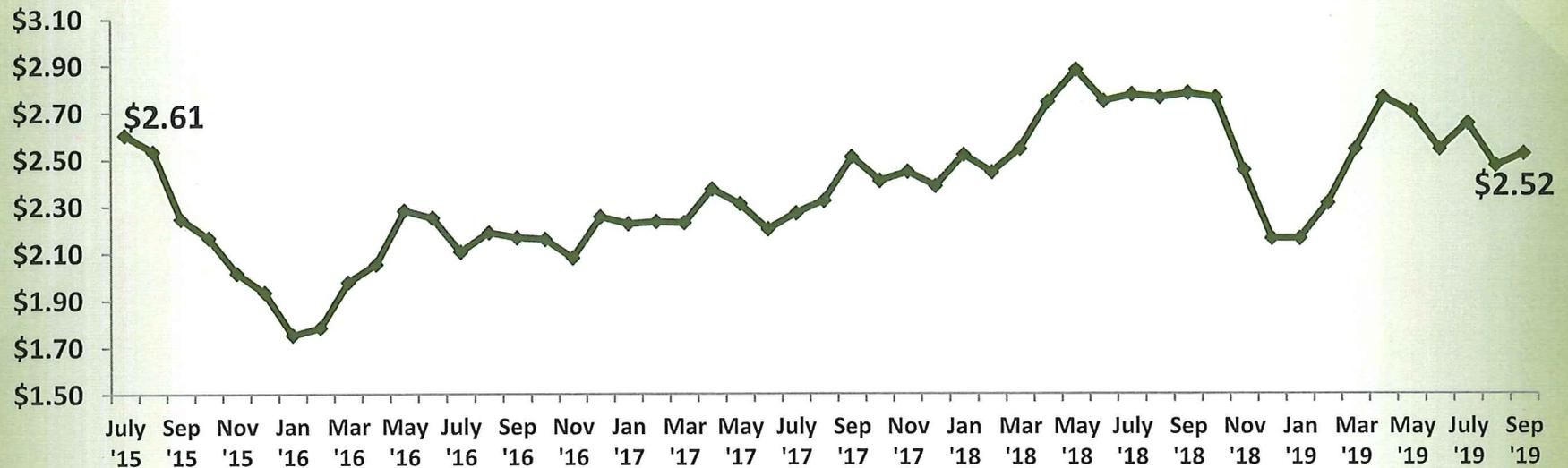
# U.S. UNEMPLOYMENT

The U.S. unemployment rate continues to hold near historic lows, ending Q3 2019 at 3.6%.



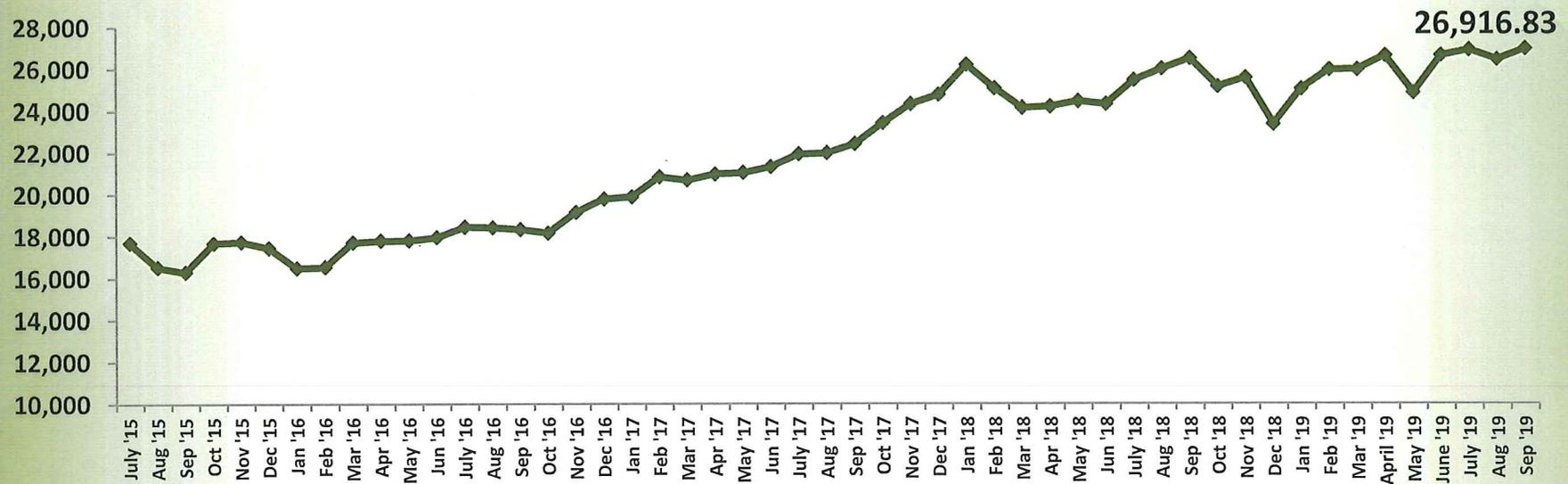
# GASOLINE PRICES

Gas prices continue to fluctuate—ending Q3 at an average of \$2.52.

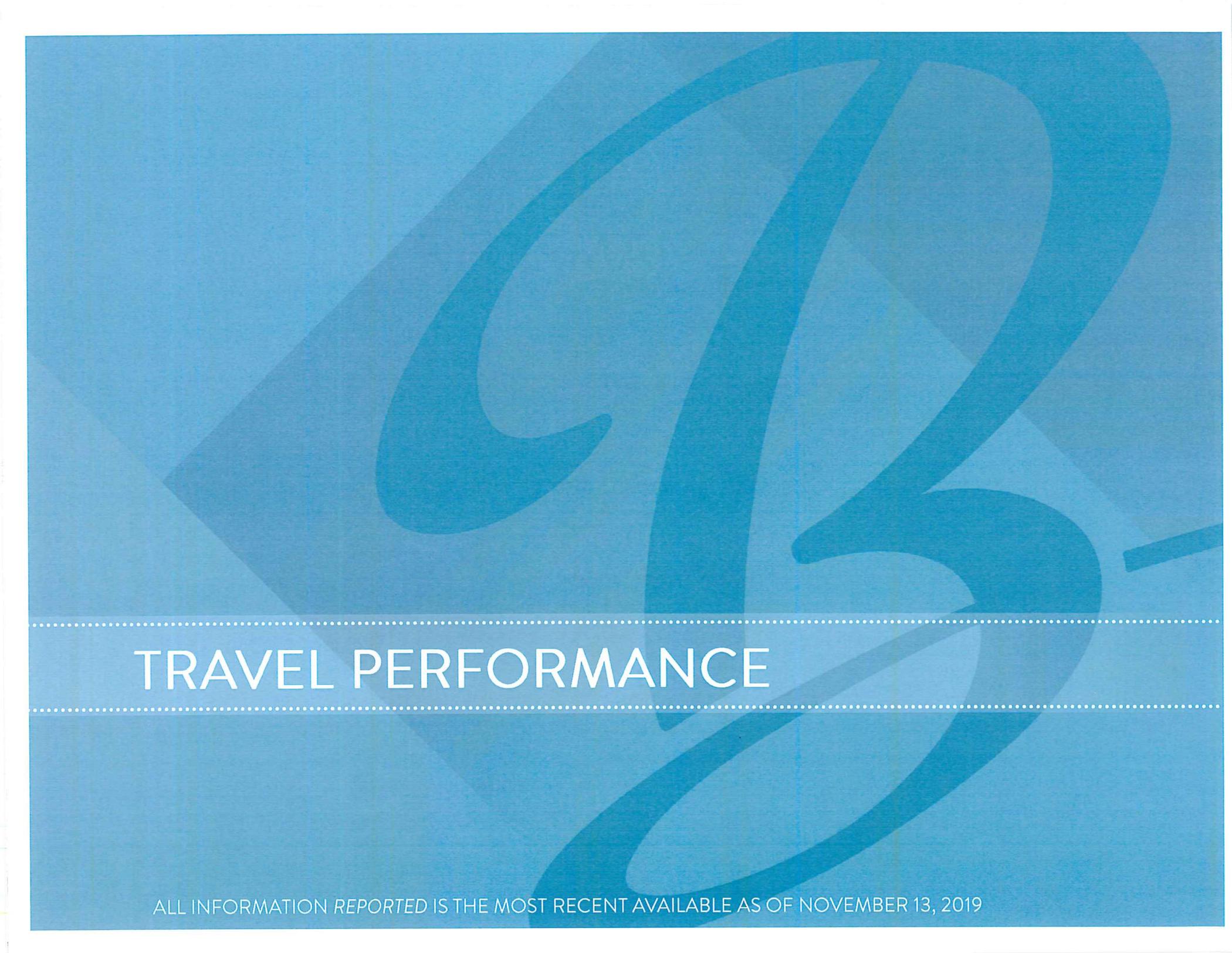


# DOW JONES (DJIA)

The Dow Jones Industrial Average experienced an uptick at the end of Q3, reaching the highest levels to date in September 2019.



SOURCE: DOW JONES INDUSTRIAL AVERAGE

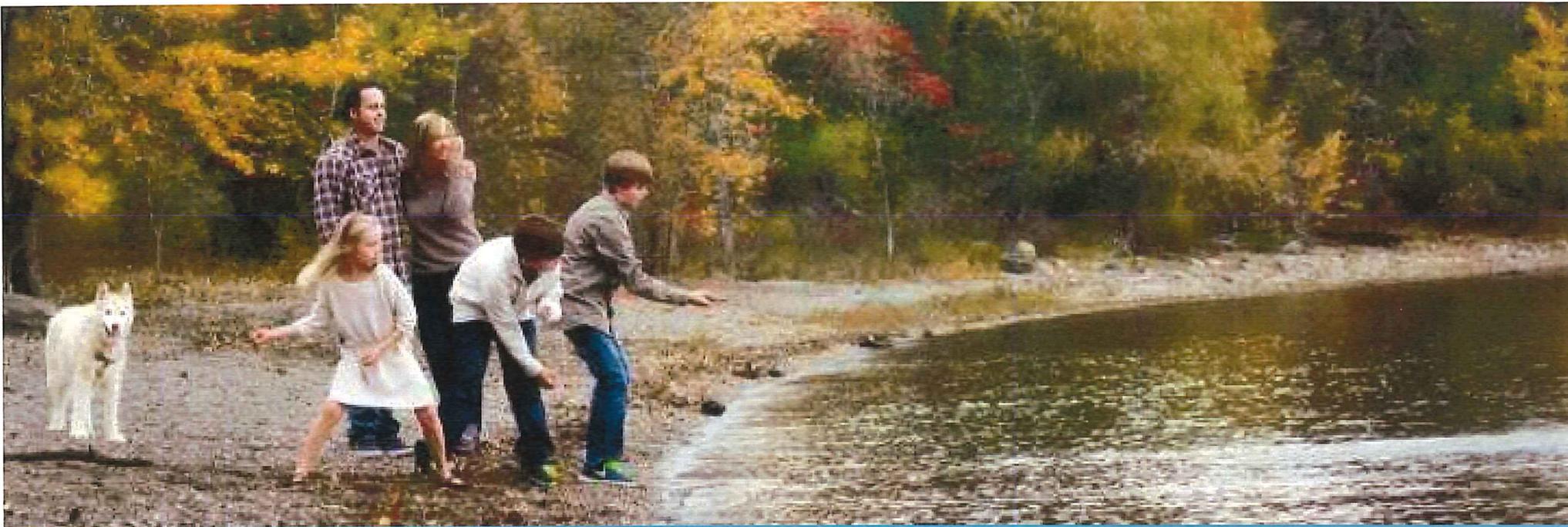


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# TRAVEL PERFORMANCE

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ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS OF NOVEMBER 13, 2019



## U.S. LEISURE & BUSINESS TRAVEL

According to the U.S. Travel Association, domestic travel is expected to grow approximately 1.7% YOY in 2019 with leisure travel (+1.9%) contributing more growth than business travel (+1.1%). The growth in leisure travel is up slightly from this time last year (+0.1%) but is forecasted to fluctuate a bit over the next three years.

The extended forecast shows leisure travel increasing by 1.5% and business travel increasing by 1.0% in 2020 while total travel spending is projected to grow by 3.3% in the coming year.

# YTD U.S. ROOM DEMAND +2.0%

According to STR, U.S. room demand increased 1.8% in the 3<sup>rd</sup> quarter and is up 2.1% over the past 12 months (compared to the previous 12 months). Additionally, YTD ADR is running 1.0% ahead of last year.

- September 2019\* Occupancy: +0.1%
- September 2019\* Room Demand: +2.1%
- September 2019\* Revenue: +1.3%

SOURCE: STR, SEPTEMBER 2019

*\*Compared to September 2018 YTD metrics*

# ROOM DEMAND

## BY CHAIN SCALE

Upscale Room Demand (+3.3%) has continued growing the most this year, while the gap between Upper Midscale (+2.4%) and Midscale (+1.7%) continues to become wider. Both Luxury (-0.2%) and Economy (-2.0%) have experienced decreases compared to last year, but Luxury saw an improvement from last quarter (+2.0%).

-0.2%

LUXURY

+1.3%

UPPER UPSCALE

+3.3%

UPSCALE

+2.4%

UPPER MIDSCALE

+1.7%

MIDSCALE

-2.0%

ECONOMY

+0.4%

INDEPENDENTS

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# ROOM DEMAND

## BY CENSUS REGION

The West South-Central region of the U.S. experienced notable growth in Room Demand this quarter, up 3.6%. The West North Central region, which includes Missouri, posted the second highest growth rate from last year with a 2.5% increase.

-0.4%

NEW ENGLAND

+1.1%

MIDDLE ATLANTIC

-0.6%

SOUTH ATLANTIC

+0.1%

EAST NORTH CENTRAL

+2.2%

EAST SOUTH CENTRAL

+2.5%

WEST NORTH CENTRAL

+3.6%

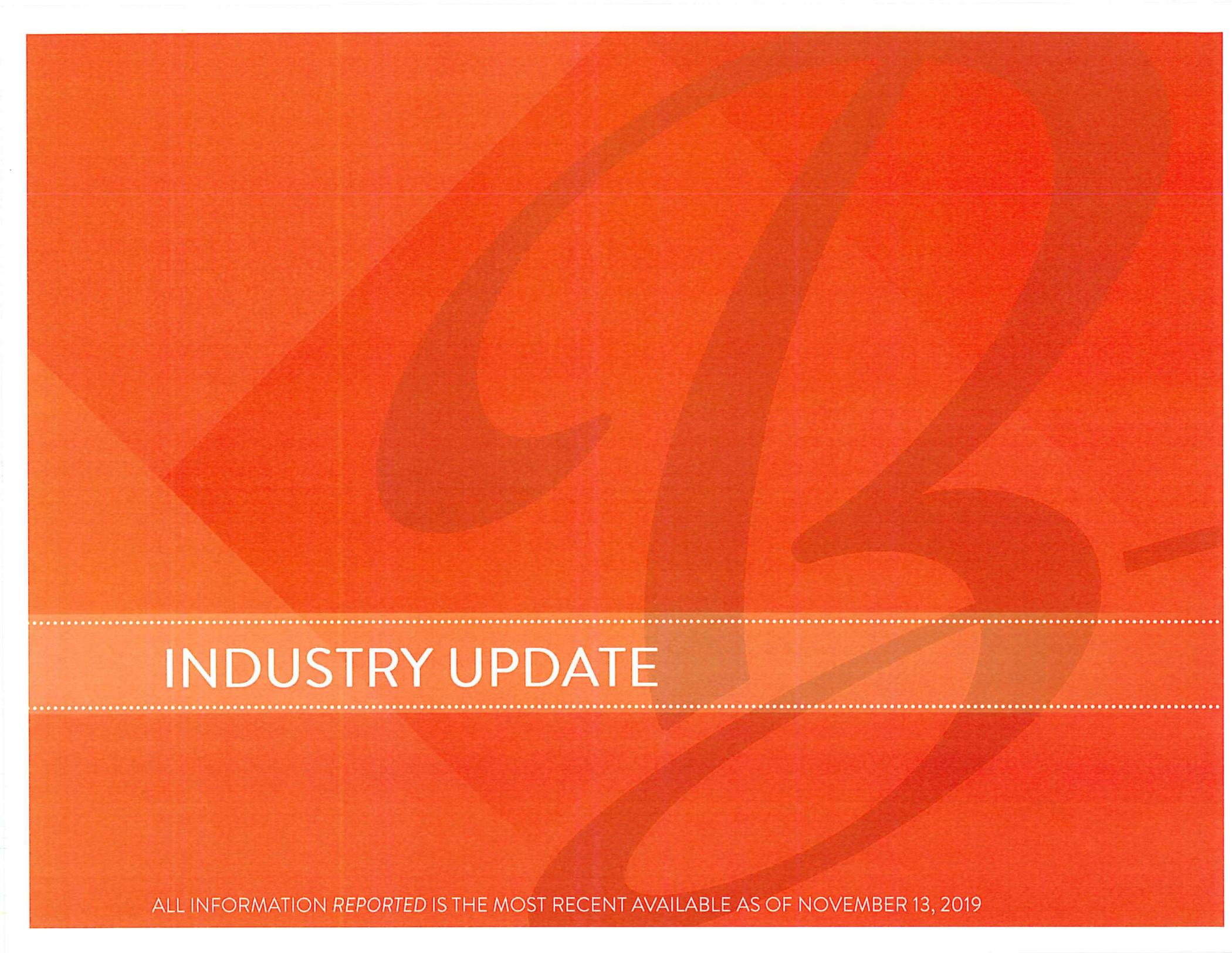
WEST SOUTH CENTRAL

+0.9%

MOUNTAIN

+2.1%

PACIFIC

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# INDUSTRY UPDATE

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TRAVEL INDUSTRY  
EMPLOYMENT FELL  
DRASTICALLY IN APRIL AND  
JULY BUT REBOUNDED TO  
FINISH OUT QUARTER 3.

After an increase in travel industry employment at the end of the 2<sup>nd</sup> quarter, July brought a decline. Though, by the end of September, the number of industry employees grew by 9,700—despite continued low unemployment levels (3.6%). The increases in jobs were mainly seen in the amusement, gambling and recreation sectors. Source: [U.S. Travel Association](#)

CONSUMER CONFIDENCE  
GREW EARLY ON BUT SLIPPED  
ONCE AGAIN AS QUARTER 3  
CAME TO A CLOSE.

Consumer Confidence at the end of the 2<sup>nd</sup> quarter was cause for concern, coming in at 124, but July (136) and August (134) both proved otherwise. As September wrapped up, Consumer Confidence took yet another hit, falling eight points from August to 126, and down nine points from September 2018 levels.

Source: [The Conference Board](#)

WITH AN ELECTION YEAR  
AROUND THE CORNER,  
SPENDING ON TRAVEL IS  
EXPECTED TO DECREASE  
ACROSS THE COUNTRY.

2019 has been a good year for the travel industry, but with the 2020 Presidential Election nearing, travel sales are expected to decline as they have in the past during election years. While the year before a major election typically sees around 14% growth in sales, election years tend to generate much lower spending—averaging only 3% growth.

Source: [Travel Weekly](#)

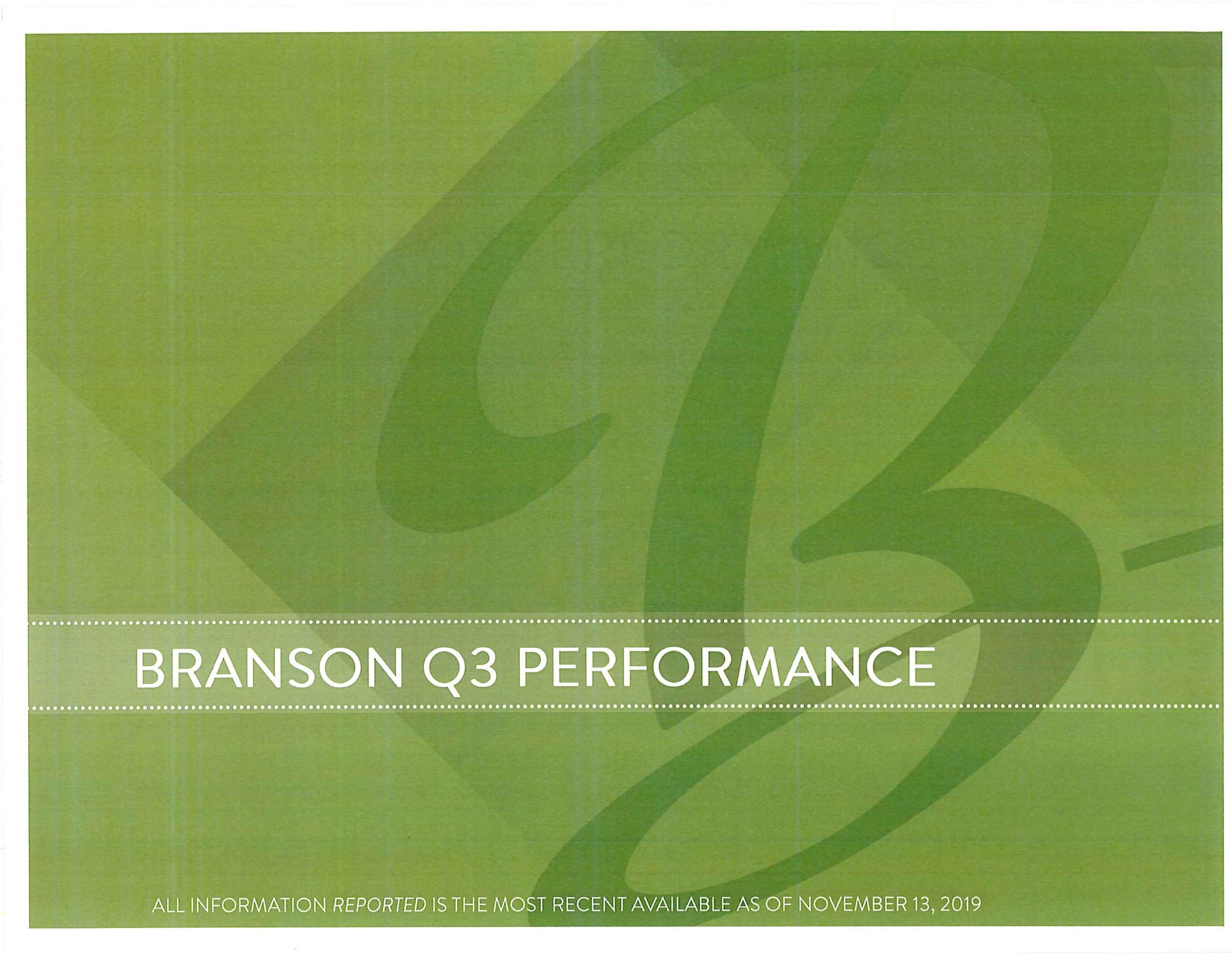
U.S. GDP ROSE AT A BETTER THAN  
EXPECTED RATE IN QUARTER 3, BUT ALSO  
SAW A NOTABLE DECLINE IN RETAIL  
SPENDING AS SEPTEMBER CLOSED.

The United States GDP grew 1.9% in the 3<sup>rd</sup> quarter. This metric is down slightly from Q2 (-0.1%) but up compared to economic forecasts (+0.3%).

Consumption levels also rose 2.9% this quarter, but saw slower growth compared to last quarter (-1.7%).

Retail sales fell in September for the first time since February—revealing that consumers might indeed be slowing their spending habits. Source:

[CNBC](#)

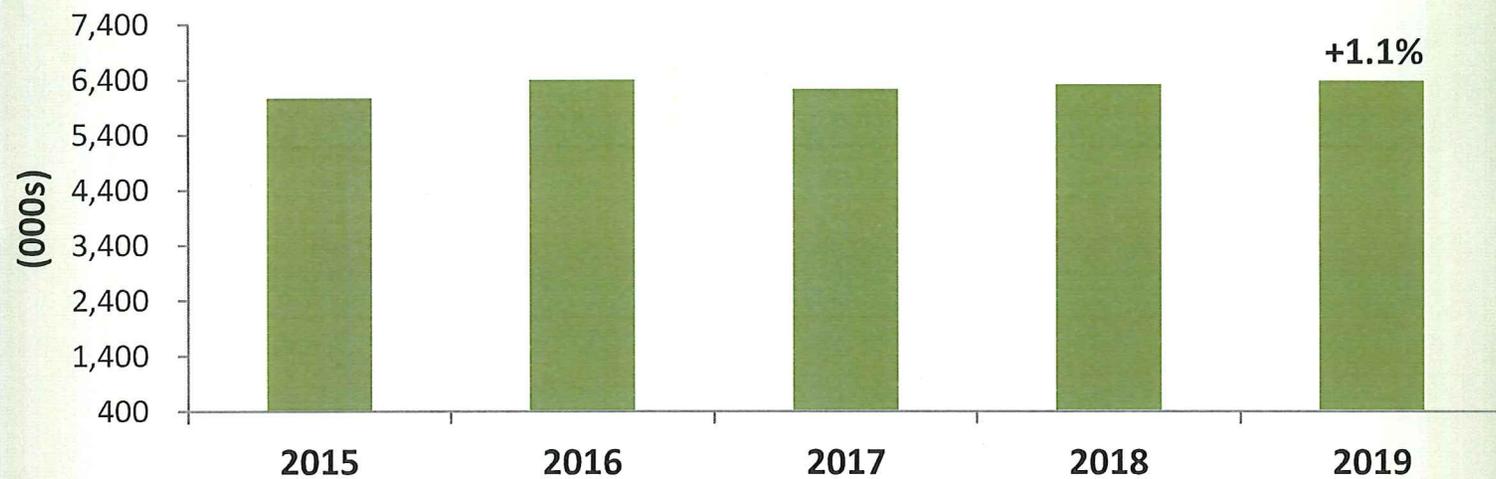
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# BRANSON Q3 PERFORMANCE

ALL INFORMATION REPORTED IS THE MOST RECENT AVAILABLE AS OF NOVEMBER 13, 2019

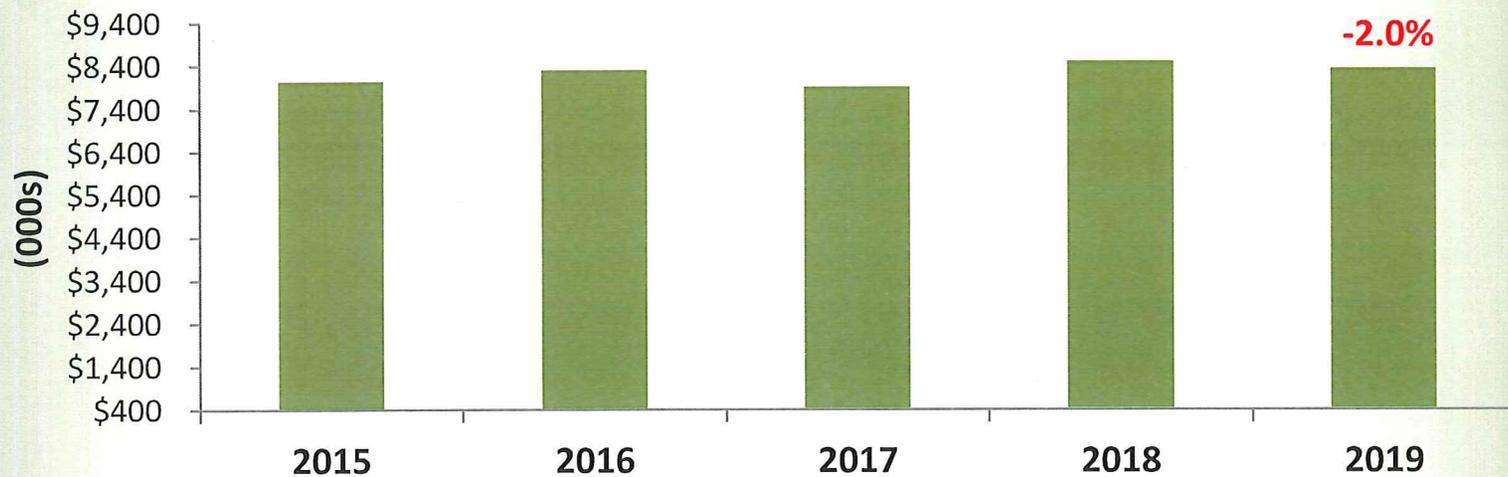
# BRANSON ESTIMATED VISITATION

3<sup>rd</sup> Quarter YTD 2019



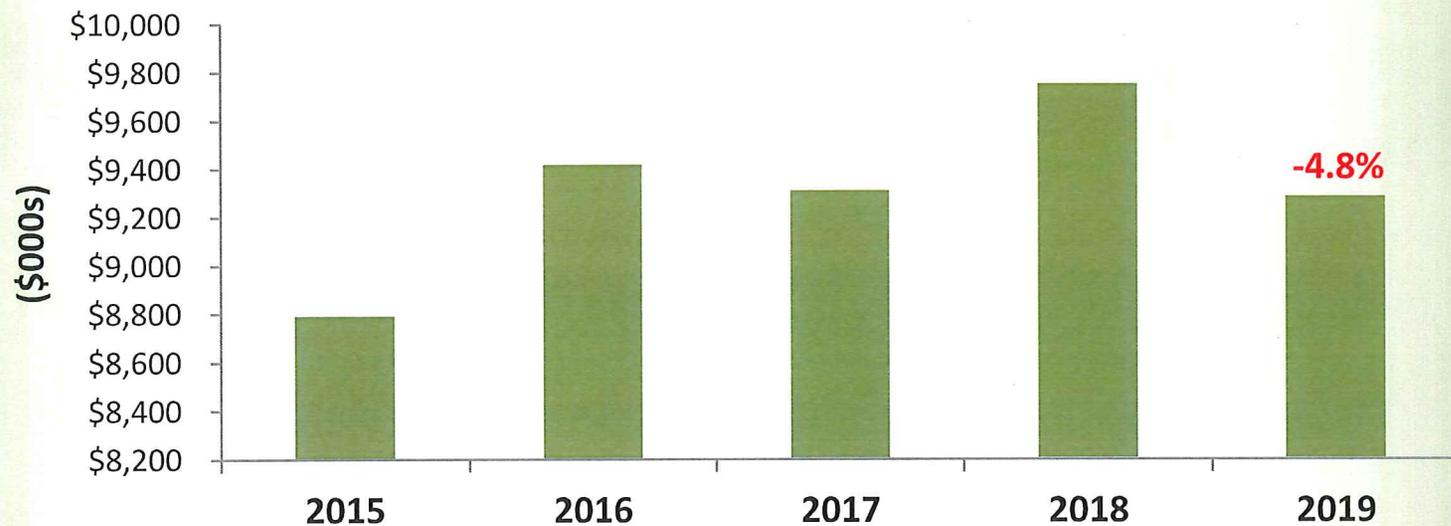
# CITY OF BRANSON SALES TAX

3<sup>rd</sup> Quarter YTD 2019



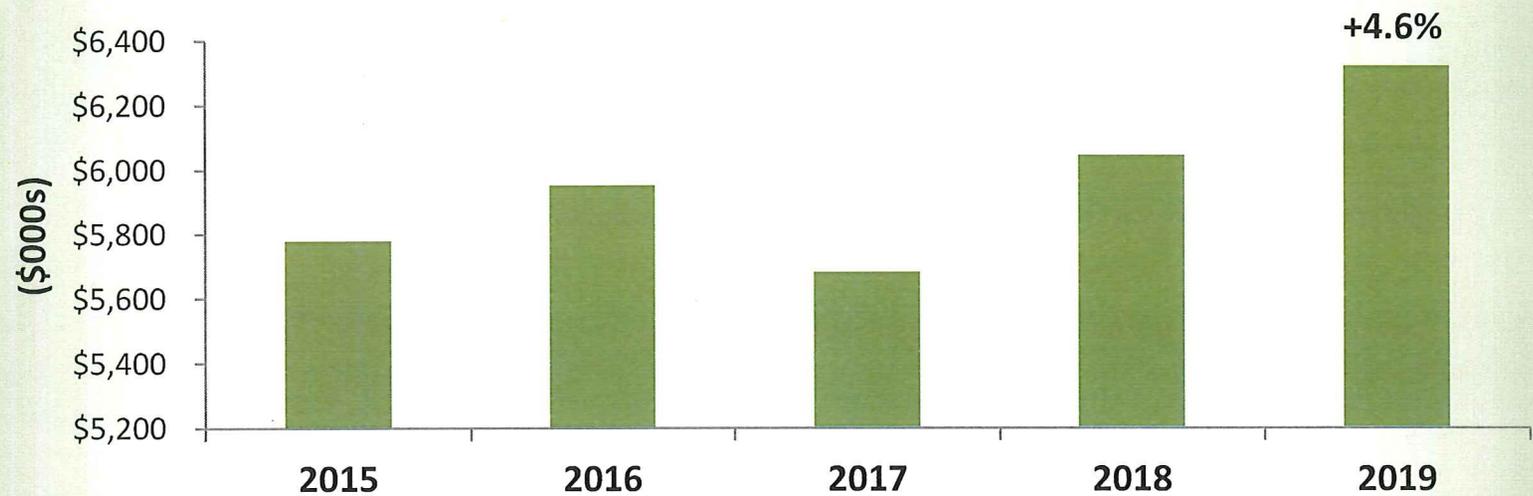
# CITY OF BRANSON TOURISM TAX

3<sup>rd</sup> Quarter YTD 2019



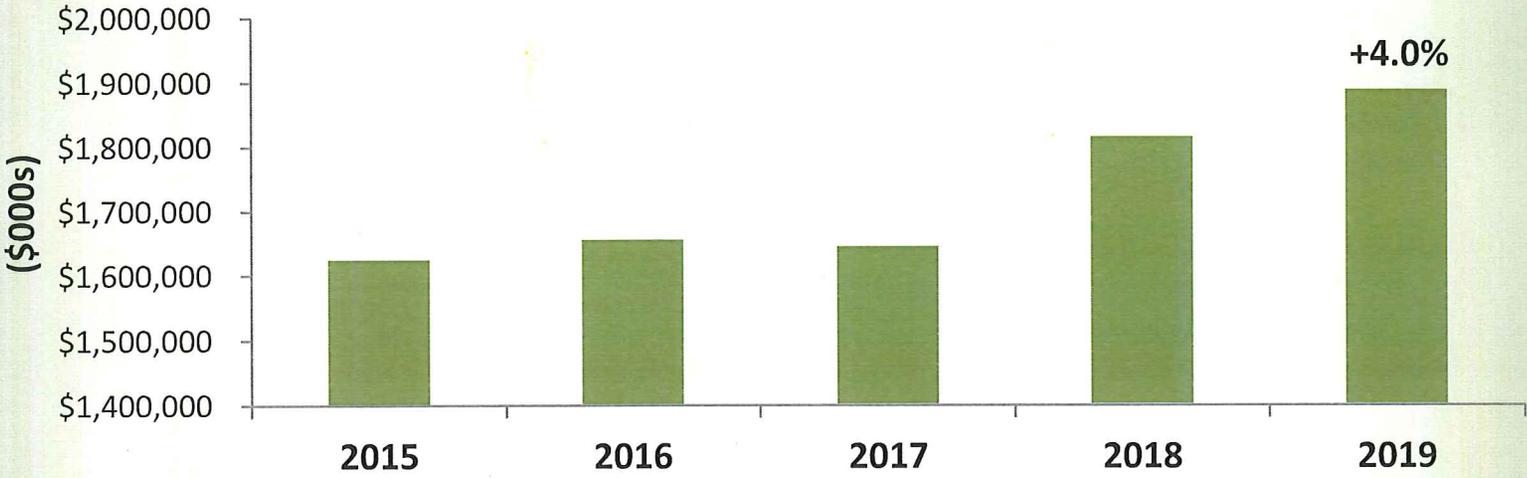
# TCED TOURISM TAX

3<sup>rd</sup> Quarter YTD 2019



# STONE COUNTY TAX

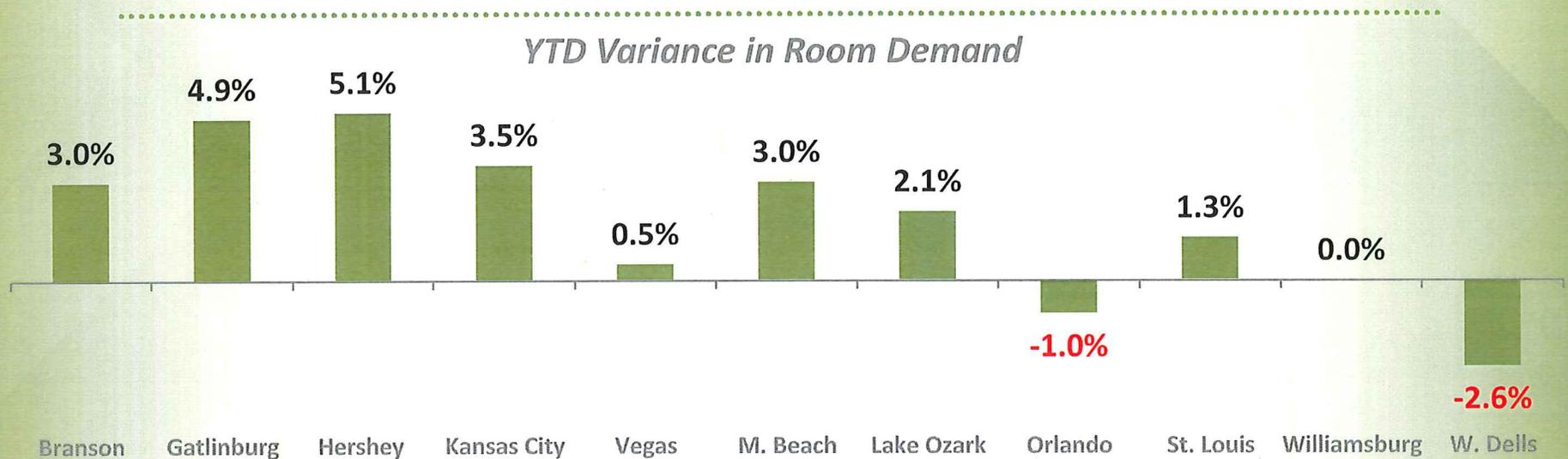
3<sup>rd</sup> Quarter YTD 2019

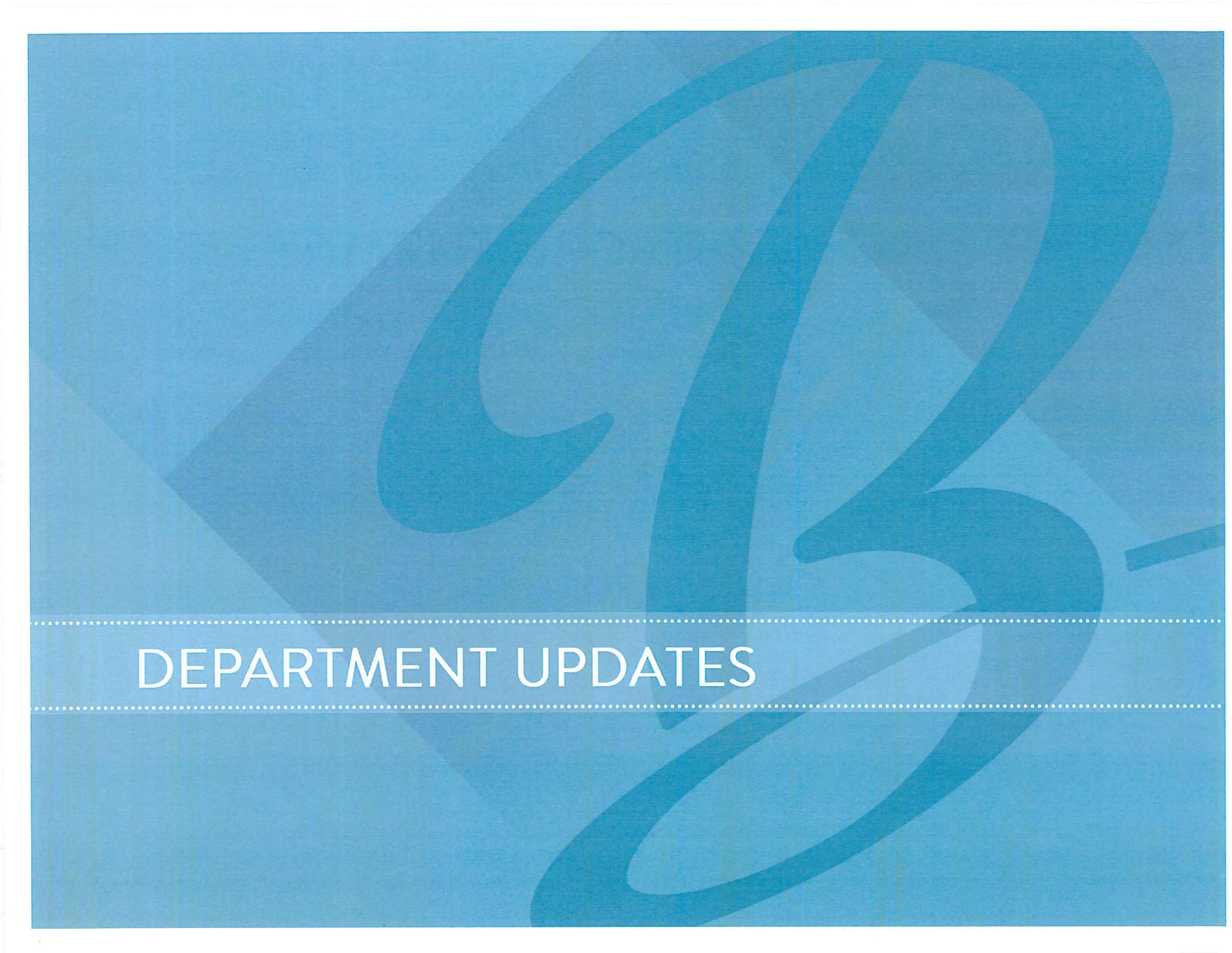


SOURCE: STONE COUNTY, SEPTEMBER 2019 YTD

# ROOM DEMAND COMPARISON

3<sup>rd</sup> Quarter YTD 2019





DEPARTMENT UPDATES

# PUBLIC RELATIONS AND COMMUNICATIONS

- Statewide PR Summit at Lake of the Ozarks covered Missouri Tourism updates and plans for the Missouri Bicentennial in 2021
- Awarded Assoc. of Great Lakes Outdoor Writers conference for 2021 with 125 attendees; for pre- and post-FAMs we will do “media camps”
- Hook & Barrel magazine (120K+ circ., HHI \$200,000+ in TX, LA and AR) did a 5-page Branson Christmas spread. Publisher is bringing his entire family of 14 to enjoy Christmas in Branson this year.
- Ad equivalency thru 3Q 2019 is \$15,321,944 up 76% vs. 2018. Paula Deen, WonderWorks, Mystic River Falls coverage; Forbes – *5 Unexpected Leaf-Peeping Destinations*, USA Today – *Outlaw Run Front Seat Experience* and *First Look: Pumpkin Nights*



# LEISURE GROUP SALES

## July 2019 Hosted 3<sup>rd</sup> Quarter Meetings for three Leisure Group Sales Committees

- Student & Youth Groups – Reported on SYTA, Music Director FAM & TMEA
- Groups & Travel Agents – Reported on TAP Dance, NAMO, ITMI Symposium & OMCA
- Reunion Groups- Reported on YMRC, MRPC & Veteran's Week

## August 9<sup>th</sup> – 13<sup>th</sup> Attended SYTA Conference Birmingham, AL.

- Second year to host “Branson Ice Cream Social” sponsorship at SYTA for 1,000 delegates
- Post surveys rated Branson booth highest rated sponsorship throughout conference by all attendees.
- Branson partners booked extra appointments and business at the ice cream booth.

## August 15<sup>th</sup> – Hosted NAMO City FAM Tour “National Association of Motor Coach Operators”

- 50 Tour Operator members attended from around the US
- 25 Branson partners participated in mini Branson trade show and lunch with tour operators.

## September 9<sup>th</sup> – 10<sup>th</sup> Hosted Branson Live in Chicago, IL

- 100 leisure group travel planners and meeting planners attended at Rosemont Hyatt Hotel.
- Presented a Branson trade show, luncheon and live music show starring MDQ
- 25 Branson partners participated in the event.





• Q3 HIGHLIGHTS | 2019 •

## ECONOMIC IMPACT

### MEETINGS & CONVENTIONS

**10,676**

ROOM NIGHTS (ACTUALIZED BUSINESS)

**33,288**

ROOM NIGHTS BOOKED (FUTURE BUSINESS)

**\$3,993,634**

ESTIMATED ECONOMIC IMPACT (ACTUALIZED BUSINESS)

**\$11,041,899**

ESTIMATED ECONOMIC IMPACT (FUTURE BUSINESS)

**996**

JOBS SUPPORTED (ACTUALIZED BUSINESS)

**3,533**

JOBS SUPPORTED (FUTURE BUSINESS)

- Conferences and Trade Shows: Destination International Annual Meeting in St. Louis , ASAE for Arkansas in Little Rock, co-hosted client dinner with Hilton Hotel and Convention Center, MSAE Event Summit (Missouri Society of Assoc Exec) in Jefferson City, Sponsor at Connect Marketplace in Louisville and hosted Branson Ice Cream Booth where the Branson team returned with over 50 RFP's. Sales Calls and client luncheon in Chicago and also attended Branson Live in Chicago. MSAE Fun Fest in Jefferson City and Small Market Meetings in Green Bay returning with 5 RFP's.
- Site Visits: Assoc of Consulting Foresters (turned definite-Big Cedar), MO Alliance for Life (turned definite Hilton/BCC), Illinois Bankers Assoc (turned definite Hilton/BCC), MO Centers for Independent Living (turned definite at Hilton/BCC)
- Planner Comments for Declined Business: Board decision, received better incentive from competition, event not happening, other, space requirements too large.
- RFPs Sent Out to Partners: 48



• Q3 HIGHLIGHTS | 2019 •

## ECONOMIC IMPACT

### SPORTS

#### ACTUALIZED BUSINESS

**12,970**

ROOM NIGHTS

**\$12.6M**

ESTIMATED ECONOMIC IMPACT

**2,444**

JOBS SUPPORTED

#### FUTURE BUSINESS

**9,133**

ROOM NIGHTS BOOKED

**\$9.2M**

ESTIMATED ECONOMIC IMPACT

**2,130**

JOBS SUPPORTED

**REASONS FOR LOST BUSINESS:** Facilities not available. Planner received great package from a competitor. Space requirements too large.

**ADDITIONAL HIGHLIGHTS:** Powerboat National's Grand Prix of Missouri National Championship was hosted in Branson for the first time and will return to Branson in 2020. Midwest Sports Productions (MSP) will return with the USSSA Girl's Ozark Classic NIT softball tournament in June, the USSSA Girl's 9U/10U World Series Tournament in July, plus they have added a third tournament (the USSSA Girl's 14C, 16C and 18C National Championship) in July, 2020.

**SITE VISITS:** Frank Geers, CEO of the American Cornhole Organization (ACO) visited and booked an ACO Majors Tournament at the Branson Convention Center May 22-23, 2020.

Harvey Gomillion, Quad State Bass Club visited and booked their Spring tournament in Branson April 17-19, 2020.

Estimated Economic Impact and Jobs Supported derived from the Destination International (DI) impact calculator for business that occurred in-market during the quarter.

# DIGITAL MARKETING

## Digital & Social Media:

- Continued full media program buys
- Launched niche lead generation social media campaign to grow segmented lists:
  - Shows
  - Family Fun
  - Outdoor Adventure

## ExploreBranson.com:

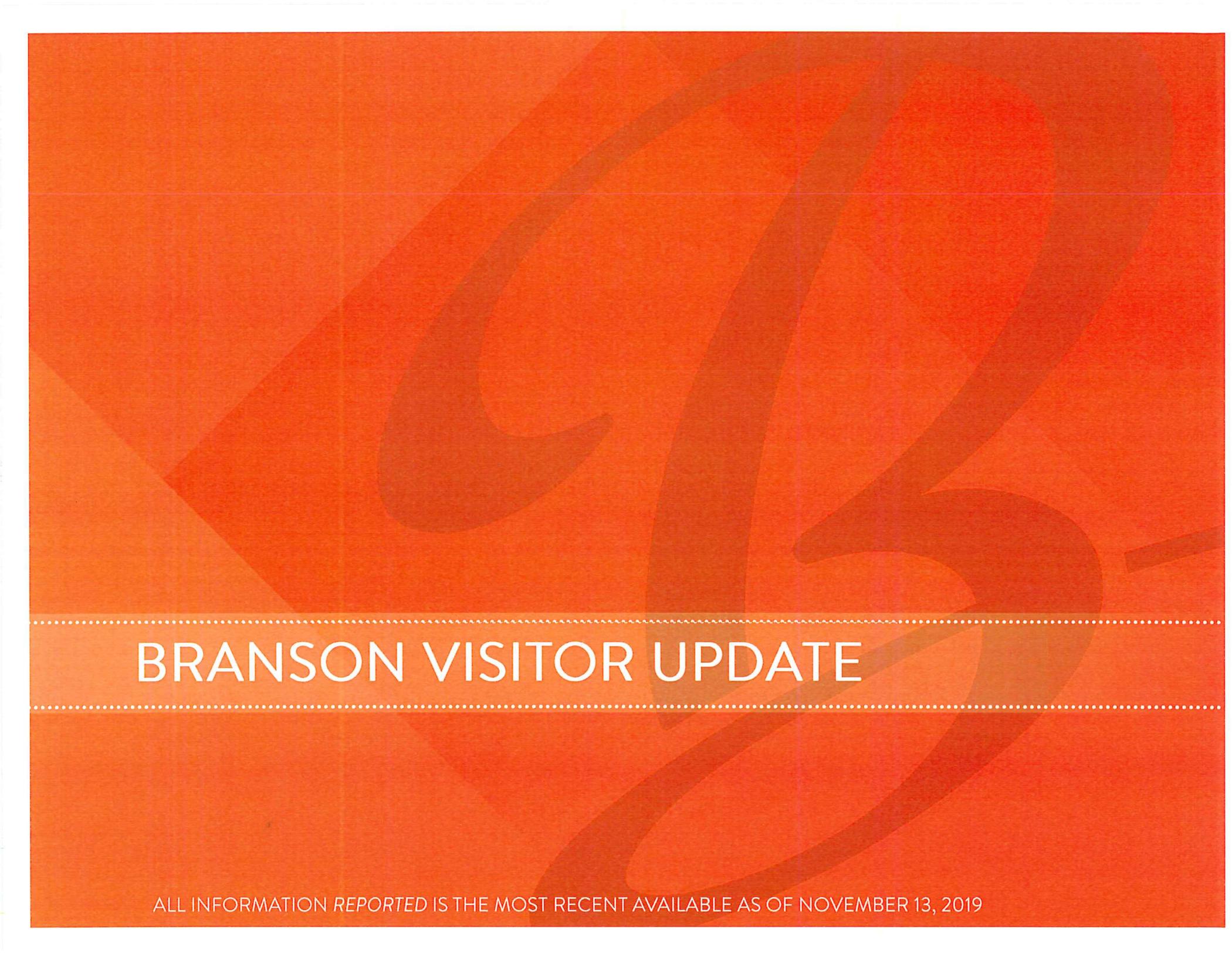
792,147 site visits, up 19% YOY

1,979,802 pageviews, up 9% YOY

Organic traffic to site, up 3% YOY

- Launched Fall Shoulder Season “Empty Nester” Campaign with TwoSix Digital Aug. – Oct. 2019
- Launched Fall Shoulder Season “Homeschool Market” Campaign with TwoSix Digital Aug. – Oct. 2019
- Launched Lead Generation Campaign with TwoSix Digital July – Sept. 2019
- Partnered with Jeff Houghton from The Mystery Hour, airing each video twice in over 10 markets inside each Mystery Hour episode including: Springfield, Kansas City, Joplin, Jonesboro, Tulsa, Meridian, Hattiesburg, Charlotte, Lafayette, Mason City, and Rochester.





# BRANSON VISITOR UPDATE

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# YTD VISITOR TRENDS

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<u>METRIC</u>	<u>2019</u>	<u>2018</u>	<u>VAR</u>
SPENDING/PARTY	\$1025	\$1000	+\$25
FIRST-TIMERS	21%	25%	-4%
% FAMILIES	51%	46%	+5%
AVG ADULT AGE	54.7 yrs	57.1 yrs	-2.4 yrs
LENGTH OF STAY	4.3 nights	4.4 nights	-0.1 night
% SEEING SHOWS	63%	71%	-8%
AVG # SHOWS SEEN	2.9	3.3	-0.4

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SOURCE: H2R MARKET RESEARCH, SEPTEMBER 2019 YTD  
n = 1,683; MOE = +/- 2.4% at a 95% Confidence Interval

# VISITATION BY MARKET

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<u>METRIC</u>	<u>2019</u>	<u>2018</u>	<u>VAR</u>
CORE MARKETS	14.7%	14.9%	-0.2%
PRIMARY MARKETS	30.8%	30.6%	+0.2%
OUTER MARKETS	30.4%	30.3%	+0.1%
<u>NATIONAL MARKETS</u>	<u>24.0%</u>	<u>24.2%</u>	<u>-0.2%</u>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	

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SOURCE: H2R MARKET RESEARCH, SEPTEMBER 2019 YTD (WEIGHTED)

# MOST INFLUENTIAL SOURCES

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37%

Looked up  
Branson on my  
smartphone/tablet

35%

Searched online  
for a specific  
Branson  
business

33%

Looked up  
Branson on my  
computer at  
home

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SOURCE: H2R MARKET RESEARCH, SEPTEMBER 2019 YTD  
n = 1,683; MOE = +/- 2.4% at a 95% Confidence Interval

Questions?

THANK  
YOU