

**TOWN OF HILTON HEAD ISLAND
ACCOMMODATIONS TAX ADVISORY COMMITTEE**

Date: April 06, 2017 **Time:** 9:00 a.m.

Members Present: Stewart Brown; *Chairman*; Mike Alsko, *Vice-Chairman*; Trish Heichel, Rob Bender, Cliff McMackin and Heather Rath

Members Absent: Brad Marra

Staff Present: John Troyer, *Director of Finance*; Brian Hulbert, *Staff Attorney*; Cindaia Ervin, *Finance Assistant*

Council Present: John McCann

Others Present: Bill Miles, Ariana Pernice, Ray Deal, Brenda Ciapanna, Charlie Clark, and more representatives from the Hilton Head Island-Bluffton Chamber of Commerce/VCB; and other members of the public.

Media: None

1. Call to Order:

The meeting was called to order at 9:00 a.m.

2. FOIA Compliance:

Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3. Approval of Minutes:

Mrs. Heichel moved to approve the Minutes of November 9, 2016. Mr. Alsko seconded the motion. The Motion passed unanimously. (6-0)

There was an error in the minutes and Heather Rath's name was left out of Members present.

Mrs. Heichel moved to approve the amended Minutes of November 9, 2016. Mr. Alsko seconded the motion. The Motion passed unanimously. (6-0)

4. Chairman's Report:

None

6. Unfinished Business:

None

7. New Business:

a. Hearing regarding the Chamber of Commerce and Visitor & Convention Bureau's proposed 2017-2018 marketing plan and budget of expenditures for the 30% allocation of State Accommodations Tax Funds for the advertising and promotion of tourism.

Ariana Pernice, VP of the Hilton Head Island-Bluffton Chamber of Commerce/ VCB, presented the Committee members with the 2017-2018 destination marketing plan (DMO). Mrs. Pernice stated that the purpose of a DMO is to represent the destination and help the long-term development of a community through a travel and tourism strategy. The VCB is the destination marketing division of the Chamber and the marketing efforts put forth by the VCB are delivered on a consistent bases to a well-defined consumer that aligns with the Chamber/VCB visitor research. The mission is to mutually lead its membership and travel and tourism industry by marketing and guiding the Hilton Head Island destination brand experience to generate sustainable economic strength. Mrs. Pernice stated that in 2016 based on the metrics received Hilton Head Island was favorable with its competitors. The Hilton Head Revenue per Available Room (Revpar) is \$169.27 (average daily rate), occupancy is up 6.1%, the average daily rate is up 3.1% and revpar is up 9.4%. Mrs. Pernice stated that having successful metrics in 2016 helped lead to the 2.67M visitors to Hilton Head last year.

Mrs. Pernice recapped the short term goals of the VCB in 2016. She stated that they wished to grow shoulder and off-season group business by increasing group room nights by 5% and it is up 29.1%, grow off-season group business by increasing prospects by 7% and it is up by 35%, and increase destination presence within new and current airline markets of origin and it is up 8%. The VCB has evolved its website to meet more of the customer's needs for planning trips. Mrs. Pernice stated that starting July 1 the VCB will begin using ADARA to assist in advanced website analytics. The use of ADARA will allow researchers to track travelers as they search for accommodations, book and plan activities for while they are here.

Mrs. Pernice informed the Committee members that the VCB still continues to focus on international marketing. The top three international markets currently are: Canada, UK and Germany. The continued approach with the international market is to push print, TV & digital advertising and participate in trade shows. She also touched on today's leisure traveler. This traveler wants experiences and choices when traveling. The VCB approached this opportunity by applying a multi-faceted marketing program, utilizing print as the foundation to engage the consumer on multiple levels. Through its destination public relations program, the VCB has been able to advertise with some of the top companies nationwide such as Garden & Gun, Trip Advisor and Southern Living.

Ms. Pernice indicated that some trends they are seeing in today's traveler are they want to "Live Like a Local" and are seeking an "authentic" experience when visiting the destination. The traveler wants to have the opportunity to make a memory versus buying a tangible gift to memorialize the vacation. In order for that to happen three things are key: inspiration, personalization and memory/recall. Inspiration allows the traveler to envision themselves there, personalization gives the traveler flexibility and memory allows the traveler to share their experiences with others when they return home.

The Committee thanked Mrs. Pernice and the VCB for providing the budget and marketing plan, and Mr. Brown opened up the meeting to questions from the Committee. The overall

consensus of the committee was that they are excited to see that the use of ADARA and how it will help shape the tourism industry as a whole. They were also in support of the “Live Like a Local” and they look forward to more campaigns like it in the future. The Committee felt that the future of the Island Compass mobile app is key to the traveler pre, during and post travel to Hilton Head and expanding it would be valuable. The Committee stated the VCB is continuing to set a good example for Town businesses and also appreciates the current/future direction of the VCB, applauds their extensive tourism research and planning, and encourages them to continue the good work. Overall, the Committee believes the VCB is representing the Island well and has revised and presented the material in a way the Committee has requested.

The Committee thanked all members of the Hilton Head Island-Bluffton Chamber of Commerce/VCB for their presentation and time. During the presentation, Heather Rath disclosed a potential conflict of interest and did not participate. Mr. Bender made a motion to approve the marketing plan and budget as submitted. Mrs. Heichel seconded the motion. The motion was approved by a vote of 5-0.

8. Adjournment:

Mrs. Heichel moved to adjourn the meeting. Mr. Alsko seconded the motion. The motion was approved by a vote of 6-0 and the meeting was adjourned at 10:17 a.m.

Approved:

Respectfully submitted:

Stewart Brown, Chairman

Cindaia Ervin, Secretary