

ATTACHMENT A
WILLIAMSBURG TOURISM COUNCIL MEETING
Williamsburg, Virginia
January 17, 2023
Meeting Minutes

A meeting of the Williamsburg Tourism Council (WTC) was convened at 1 p.m. on January 17, 2023. The meeting was held at Williamsburg Lodge, Tidewater Meeting Room. A quorum was present.

Tourism Council Members Present:

CHAIR Ruth Larson, James City County Board of Supervisors
TREASURER Doug Pons, Mayor, City of Williamsburg

Michael Claar, Williamsburg Area Restaurant Association
Christy Coleman, Executive Director, Jamestown-Yorktown Foundation
Chad Green, York County Board of Supervisors
James Horn, President and Chief Officer, Jamestown Rediscovery Foundation
Ron Kirkland, Executive Director, Williamsburg Hotel and Motel Association
Kevin Lembke, President, Busch Gardens/Water Country USA
Rita McClenny, President and CEO, Virginia Tourism Corporation
Mike Rock, Chair, Greater Williamsburg Chamber of Commerce

Staff Members Present:

Victoria Cimino, CEO
Josue Ayala, Executive Assistant
Jennifer Case, Chief Marketing Officer
Rob Larson, Sports/Group Sales Manager
Jennifer McConnell, Sales and Service Coordinator
Lori Ottarson, Accountant
Daniela Owen, Familiarization Tour Coordinator
David Turner, Finance Director

I. Call to Order

- Ruth Larson called the meeting to order at 1:00 p.m.
 - Larson noted that Cliff Fleet was unable to attend

II. Public Comment

- No public comments were presented

III. Virginia Tourism Corporation Briefing – Rita McClenny, President and CEO

- McClenny announced that Dan Roberts will return to VTC as Vice President of Research and Strategy
- Virginia Restaurant, Lodging, & Travel Association will host Day on the Hill on January 25
- VTC's grant application window opened on January 17; will close on February 28
- 132 of 133 localities across Virginia have submitted an ARPA grant application, totaling \$28M
- Noted House Bill 1913, which was introduced Amanda Batton
 - Bill touches any state agency that brands or markets itself
 - Victoria Cimino indicated that Visit Williamsburg will reach out to Delegate Batton for clarification on intent
 - Larson noted that she spoke with Delegate Batton's aide
 - Chad Green later clarified that House Bill 1913 is intended to stop certain organizations from procuring branded giveaways

IV. Roundtable Discussion

- Larson introduced the roundtable discussion
 - Mike Rock promoted upcoming Chamber events, including Power of Women
 - Jim Horn shared that Historic Jamestowne experienced a strong holiday period
 - Ron Kirkland discussed the Williamsburg Hotel and Motel Association (WHMA) event intended to promote Visit Williamsburg's cooperative marketing program
 - Larson noted that James City County remained busy throughout the holidays
 - Mayor Doug Pons discussed upcoming activities by the Historic Triangle Recreational Facilities Authority (HTRFA)
 - Kevin Lembke shared that Busch Gardens had a strong holiday season; the park will reopen on January 27
 - Christy Coleman echoed a strong holiday season; the Director's Series will return on January 18
 - Michael Claar noted that Restaurant Week will kick off on January 19; discussed continued challenges around labor shortage

V. Minutes

- Larson requested a motion to approve the November 15, 2022 meeting minutes
- Pons motioned
- Kirkland provided a second
- Minutes were unanimously approved

VI. Chair Report

- Larson noted prior outreach regarding board meeting date/time; confirmed that the current day/time will remain in place and meetings will be extended to 90 minutes
 - Green suggested starting the meeting earlier and serving lunch; Larson acknowledged Green's feedback

VII. Treasurer's Report

- Pons introduced Aires Coleman (CliftonLarsonAllen) to present Visit Williamsburg's FY22 Audit Report
 - Financial highlights
 - Stated financial statements are prepared in accordance with General Accepted Accounting Principles (GAAP) promulgated by the Government Accounting Standards Board (GASB)
 - Visit Williamsburg realized a \$1.3M increase in its net position, year over year; founding outpaced increased marketing efforts
 - Revenue totaled \$17M, a 21% increase over prior year
 - Expenses increased \$822K (5% over prior year)
 - Destination marketing accounted for 88% of expenditures
 - Audit process
 - Risk-based approach
 - Discussions with management/Treasurer
 - Gain understanding of internal procedures and controls
 - Audit results
 - Unmodified "clean" opinion
 - No material weaknesses or significant deficiencies over financial reporting
 - No difficulties encountered during the audit
 - No material corrected misstatements
 - No disagreements with management
 - Management provided representation for financial statements
 - Required communications
 - Management did not consult with other independent accountants
 - No significant issues were discussed with management prior to engagement
 - No other audit findings or issues
 - Questions?
 - Coleman inquired about compensated absences and if employees forfeit time it is unused; Cimino confirmed that employees will lose any unused time
 - Green asked about the strength of internal controls; Aires Coleman indicated that controls were strong
 - Pons commended Visit Williamsburg staff on maintaining a culture of responsibility
- Pons shared financial statements through November 30, 2022
 - Total November 2022 revenues were \$1.3M – under budget by \$24K

- November sales tax receipts (58.1-603.2) totaled \$1.2M, under budget by \$59K
 - Transient Tax receipts totaled \$93K, in-line with budget
 - Localities receipts for Maintenance of Effort was \$0, under budget by \$26K
 - ARPA Grant receipts totaled \$50K, over budget by \$50K
 - Other revenue was \$13K, over budget by \$11K
 - Expenses were \$884K – under budget by \$224K
 - Destination Marketing expenses were \$770K, \$136K under budget
 - Sales activities were \$17K, \$18K under budget
 - Total administrative expenses were \$97K, \$70K under budget
 - Staffing costs were \$74K, \$61K under budget
 - Other administrative expenses were \$23K, \$9K under budget
 - 2023 Fiscal YTD revenues were \$7.1M, over budget by \$99K
 - YTD sales tax receipts (58.1-603.2) totaled \$6.2M, over budget by \$71K
 - YTD transient tax receipts totaled \$749K, under budget by \$21K
 - YTD Maintenance of Effort (MOE) revenue was \$39K, under budget by \$25K
 - YTD ARPA Grant receipts totaled \$50K, over budget by \$50K
 - Other revenue was \$37K, over budget by \$24K
 - 2023 Fiscal YTD expenses were \$4.9M, under budget by \$1M
 - Destination Marketing expenses were \$4.2M, \$674K under budget
 - Sales activities were \$198K, \$22K under budget
 - Total administrative expenses were \$503K, \$339K under budget
 - Staffing costs were \$392K, \$237K below budget on the timing of hiring
 - Other administrative expenses were \$112K, \$101K under budget – lower than budget expenses for travel (\$17K), professional services (\$53K), and employee recruiting (\$14K)
- Cash on Hand
 - The Tourism Council has \$13M in the bank; \$7.8M for operations and \$5.2M for product development
 - Cash on Hand for operations is under budget by \$74K
 - Cash on Hand for product development is in-line with budget at \$5.2M
 - Funds were transferred to the Historic Triangle Recreational Facilities Authority in December 2022
- Sales tax revenue
 - October increased \$43K or 3.7% year-over-year
 - \$1.2M in 2022 versus \$1.1M in 2021
 - The 3-month moving average increased 6.3% versus the same period in 2021
 - Year-to-Date sales tax receipts are up 10.2% versus the same period in 2021
- Transient tax revenue
 - October decreased \$20K or 12.3% year-over-year
 - \$145K in 2022 versus \$166K in 2021

- The 3-month moving average decreased 10.7% versus the same period in 2021
- Year-to-Date tax receipts are up 11% versus the same period in 2021

VIII. CEO Report

- Cimino introduced new staff
 - Josue Ayala, Executive Assistant
 - Jennie McConnell, Sales and Service Coordinator
 - Jennifer Case, Chief Marketing Officer
 - Key performance indicators
 - STR Report data
 - November 2022
 - Occupancy totaled 44.8%, exceeding 2021 and 2019 occupancy levels
 - Average daily rate (ADR) totaled \$143.49; YTD totaled \$146.35
 - Revenue continues to outpace 2021 and 2019
 - CYTD
 - Occupancy totals 50.4% versus 50.9% in CY2019
 - Cimino reminded attendees that group, business, and international travel had not fully recovered in 2022
 - ADR (\$146.35) has increased by 17.5% when compared to 2019
 - RevPAR (\$73.69) has increased by 16.3% when compared to 2019
 - Top origin markets
 - New York showing gains, leapt to the #6 origin market
 - Bulk of visitors continue to originate from metro-Washington D.C.
 - Visitor-to-resident ratio
 - Visualization illustrated the seasonality of increased visitation
 - Visitor spend by commodity
 - Primarily accommodations, attractions, outdoor recreation, and retail
 - Visitor demographic
 - More than half of the destination's visitors have a household income of \$100K or more
- Marketing and Communications, Public Relations, and Sales
 - Calendar Year 2022 Performance
 - Media budget increased 24% over 2021 (including ARPA funding)
 - Broadcast impressions increased 104%
 - Launched Boston
 - Larson inquired about Boston's performance in comparison to New York City; Cimino explained that Boston is showing strong interest (website visitation), but will take 2-3 years before producing increased visitation numbers
 - Achieved a 21% in site sessions driven by digital advertising
 - Blog sessions driven by digital advertising increased by 75%

- Site traffic was on par with 2021; 82% of site visitors are new
 - Expansion market website performance (vs. 2019)
 - New York is up 449%
 - Philadelphia is up 39%
 - Baltimore is up 91%
 - Boston/Manchester is up 333%
 - Cleveland/Akron is up 493%
 - Organic search spikes when advertising goes live
 - *The WilliamsBLOG* realized a 4% increase in sessions year-over-year
 - Influencer program resulted in 20.5M impressions and 688K engagements
 - Hosted 20 influencers; 100 industry partners featured
 - Social Media Performance
 - 114,000 followers
 - 500+ organic posts
 - New short-form videos resulted in a 400% increase in video views
 - Cimino introduced David Seiferth (SMARInsights) to present Visit Williamsburg's ad effectiveness and return on investment (ROI) study; SMARInsights is an Indianapolis-based research firm with a focus on travel and tourism
 - Study measures the reach and impact of Visit Williamsburg's promotional efforts
 - Objectives
 - Track advertising awareness
 - Assess advertising impact on Williamsburg travel
 - Gauge the advertising influence on trip specifics
 - Explore baseline perceptions of Williamsburg in the Atlanta market
 - Methodology
 - Surveyed 1,701 consumers who match Visit Williamsburg's target audience in targeted designated market areas
 - Awareness held steady in New York and grew in proven markets
 - The addition of Boston and New York, along with generating a higher ad awareness, resulted in more than double the amount of ad-aware households
 - January through October advertising influenced travel to the destination from all target markets
 - 432,000 trips
 - \$832M in visitor spending
 - \$73 ROI for each \$1 invested in media
 - New York produced the most ad-influenced trip spending
 - Advertising not only influenced the decision to visit Williamsburg, but it also gave visitors ideas of things to do – leading to longer, more active trips, and higher spending
 - Questions?

- Pons asked if Boston and New York produce a higher spend because they stay longer; Seiferth indicated that these markets have a higher cost of living and household income level
 - Pons asked if strong awareness is due to legacy knowledge of the destination; Seiferth explained strong awareness is due to Visit Williamsburg's advertising
 - Green inquired about Visit Williamsburg's ROI in comparison to other destination marketing organizations; Seiferth explained that it is average, but the focus should be on the \$832M in visitor spending
 - Kirkland asked if the ROI increased year-over-year; Seiferth responded that the 2022 ROI is more than double 2021
 - Larson sought clarification around research conducted in Atlanta; Seiferth described the baseline study that took place, indicating that Atlanta could produce as well as New York
 - Rock asked if the media plan was adjusted due to revenues exceeding expectation; Cimino explained that the media plan was developed at the beginning of the calendar year and it has not been amended
- November/December marketing/performance
 - Holiday creative; 6% of the media buy
 - Digital advertising performance
 - 45M impressions across display, search, and social
 - Website sessions attributed to digital advertising increased 88% YOY
 - Paid social click-through-rate increased 89% YOY
 - Social media performance (YOY comparison)
 - Engagement rate increased 24%
 - Impressions increased 13%
 - Engagements increased 41%
 - Shares and saves increased 213%
 - Familiarization tours
 - Alina Zubanova (TikTok influencer)
 - Claire Volkman (travel writer)
 - Diana Blinkhorn (TikTok influencer)
 - Alyssa Fluellen (TikTok influencer)
 - Hayley Hutson (travel writer)
 - Emily Hoang (TikTok influencer)
 - Influencer content
 - Drove 5M impressions and 107K engagements
 - Coleman asked if Visit Williamsburg had been impacted by the Governor's executive order re: TikTok; Cimino replied that as an advisory board, the destination marketing organization had not been impacted

- Media relations
 - Achieved 21 placements and 528M global impressions
 - Placements include *Food & Wine*, *Yahoo!*, and *USA Today*
- Awards and accolades
 - Visit Williamsburg earned three bronze Adrian Awards
 - Advertising – Television
 - Integrated Campaign – Content Marketing
 - Digital – Social Media Campaign
- 2023 Media Strategy
 - 2023 will be a continuation of 2022
 - Evolve markets
 - Lean into travel endemics (travel specific websites)
 - Refine key performance indicators to own more site traffic
 - Integrate platforms that evolve programs away from cookie reliance
 - Tactics:
 - Linear/TV
 - Out-of-Home
 - Travel endemic
 - Audio
 - Non-endemic digital
 - Email
 - Influencer
 - Paid social
 - Native
 - Market strategy:
 - Saturate
 - Influence
 - Elevate
 - Establish
 - Launch Atlanta (digital-only)
 - Maintain
 - Audience evolution to include first party data sources to track and analyze activity (preparing for cookie evolution)
 - Campaign will launch the week of January 2; six weeks earlier than prior years
 - 55% of media buy takes place January – April
 - Larson inquired about the flight strategy as it relates to “holiday” investment; Cimino explained that resources are allocated based on spring/summer volume
 - Annual budget: \$13.6M
 - 5% increase over 2022 annual budget
 - Out of home
 - Cimino previewed experiential activations that will launch in New York City, Boston, and Washington, D.C.

- Traditional (New York City, Boston, Washington, D.C., Baltimore, Philadelphia, and Cleveland) executions launched in January
 - Podcasts – Smartless ads to launch in January
- Sales (November/December)
 - Participated in four trade shows
 - Accent East (November 3 – 5)
 - National Tour Association (November 13 – 17)
 - Travel South International (November 27 – 30)
 - US Sports Congress (December 5 – 7)
 - Visit Williamsburg issued 11 new business leads (represents 3,010 room nights)
 - Four confirmed pieces of business (205 room nights)
 - Three upcoming trade shows and events
 - Student and Youth Travel Association (SYTA) Summit
 - Cimino underscored the new business that resulted from Visit Williamsburg’s participation/efforts in 2022
 - Religious Conference Management Association (RCMA)
 - American Bus Association (ABA) Marketplace

IX. Old Business

- None

X. New Business

- Coleman asked if the audit report is subject to board approval; Cimino responded that per prior counsel the board of directors does not vote to approve an independent audit; legal counsel, Robyn Hansen, noted that she would verify
 - Discussion ensued; Green asked to table the matter until legal counsel opines

XI. Adjournment

- Meeting adjourned
- The next meeting will take place on March 21, 2023