Fiscal Report 2014–2015



-

MESSAGE FROM HHRVB CHAIRMAN & PRESIDENT





We are pleased to report a positive year for the Hershey Harrisburg Regional Visitors Bureau

OUR STORY is one of leading the way for our region's tourism stakeholders and valued Partners.

OUR ACTIVITIES supported our organizational goals by enhancing existing programs, addressing changing markets, expanding our reach, responding to Partners' needs, and engaging strategic partnerships to build for the future.

OUR RESULTS included Sales exceeding goals in leads generated and room-nights booked, Marketing successfully launching a new brand for the region and running successful seasonal campaigns, Public Relations increasing earned media placements by six percent and exceeding circulation and readership goals, and Partnership expanding the number of networking and professional development opportunities and exceeding revenue goals.

The significant accomplishments listed below and those highlighted throughout this Annual Report all share a common storyline of serving our overarching mission to lead economic growth for the region through destination marketing and tourism development.

Tell Stories – We introduced a new campaign, "Great Stories Start Here," which was reinforced throughout our marketing and communications.

Curate Content – We launched an ongoing series of experiential short videos and enhanced our consumer web site content with more focus on experiences.

Design for Mobile – We redesigned our web site, blog and emails to be fully responsive across all user formats since we know that mobile leads among travel planners and Google's algorithm elevates optimized mobile sites in search results.

Invest in Research – We mined our completed Brand Assessment and Strategic Planning research to further our business development plan and garnered local support for future feasibility studies related to regional tourism development opportunities.

Lead with Video & Images – We debuted a 3-minute, upbeat destination marketing video to be used by all departments to promote our region and we continued growing our inventory of regional video and imagery.

Focus on Real Experiences & Local Culture – We radically changed our Travel Guide design to emphasize compelling imagery of the genuine experiences in our region and we engaged local experts for their Top 5 personal recommendations within different categories.

Blow Out the Bubble – We adjusted our geographic target markets to focus on the more distant and lucrative markets of Philadelphia, New Jersey, Washington DC, and Boston.

Embrace Strategic Partnerships – We partnered with the PA Tourism Office and Brand USA to launch our first-ever international consumer marketing campaign and developed a direct marketing campaign with Hershey's® Chocolate World® for two of their Shanghai store locations.

Acknowledge Our Service Culture – We expanded our Partnership programs including the development of a Partnership Committee and we continued our popular Sales On the Road program for active Partners.

Take a Chance or Two – We ventured into the Boston market with only Earned Media efforts and tried a Tweet-Up pilot program with Travel Squire Magazine that focused on our Wine & Craft Beer Countries.

In closing, we are grateful for the leadership of this Board of Directors and we are thankful for the loyal Partners who have continued to support our team of dedicated professionals throughout the years. Together we will continue to write the next chapters of this region's exciting tourism story.

Warm regards,

Todd Kohr Board Chair

IV lag E. Smith

Mary Smith President & CEO

ABOUT US



The HHRVB would like to thank the Dauphin County Commissioners for their continued financial support of the tourism industry.

Jeffrey Haste, Chairman

Mike Pries, Vice-Chairman

George P. Hartwick, III, Secretary

Leading economic growth for the region through destination marketing and tourism development.

OUR MISSION

The mission of the Hershey Harrisburg Regional Visitors Bureau (HHRVB) is to generate economic growth and stability for Dauphin and Perry Counties through the marketing and promotion of the Hershey Harrisburg Region as a competitive meeting, corporate and leisure destination, and to coalesce, develop and expand its hospitality industry, products and workforce.

WHO WE ARE

The Hershey Harrisburg Regional Visitors Bureau is the official non-profit partnership-based Destination Marketing Organization (DMO) serving Dauphin and Perry Counties in Pennsylvania's Dutch Country Roads Region. The HHRVB is responsible for developing and executing comprehensive sales, marketing and communication programs to compete for leisure, business, group, and sporting event travel market segments among leading regional and national destinations.

HOW WE ARE FUNDED

We receive funding from portions of the Dauphin County Hotel Tax and annual dues from approximately 300 Partners. Additional funding is contributed in partnership with state, county and municipal organizations.

WHAT WE DO

The bureau actively markets and sells the fourth leading tourism destination within the Commonwealth as a premiere location for leisure, business and corporate travel, meetings and conventions, trade and exhibit shows, sports and special events, and groups including student, military, education, reunion, and fraternal.

FY14-15 OPERATING FINANCIALS

Total Expenses	\$ 2,789,644	
Management & Operating	\$ 446,343	16%
Partnership Development & Web	\$ 334,757	12%
Sales & Event Services	\$ 808,997	29%
Marketing & Communications	\$ 1,199,547	43%
EXPENSES		
Total Support and Revenue	\$ 2,789,654	
Misc.	\$ 5,095	0.5%
Convention Services	\$ 9,810	0.5%
Grants	\$ 460,000	16%
Partnership/Co-Op	\$ 187,181	7%
Hotel Room Tax	\$ 2,127,568	76%
SOURCES OF REVENUE		

Top 4 Regions for Visitor Spending in PA

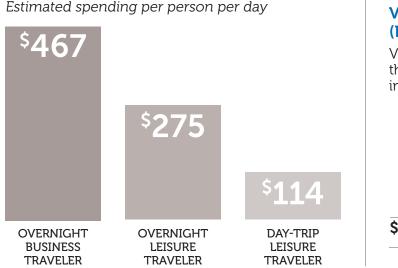
Destination Marketing Spending

The Hershey Harrisburg Region (HHR) ranks fourth among 49 Destination Marketing Areas in Pennsylvania for total visitor spending.

Lancaster	\$1.85 Billion
Hershey Harrisburg	^{\$} 2.33 Billion
Pocono Mountains	\$2.97 Billion
Pittsburgh	\$5.57 Billion
Philadelphia	\$5.59 Billion

Domestic Spending Trends by Trip Type 2013

Estimated spending per person per day



Visitor Spending in Millions by Category \$657 TRANSPORTATION \$549 RECREATION

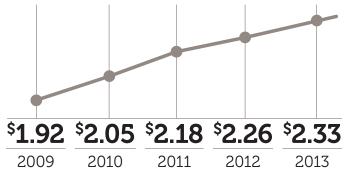
\$428 FOOD & BEVERAGE



\$342 LODGING

Visitor Spending in Billions (Five Year Trend)

Visitor demand continued its upward trend in the region with a record year in visitor spending in 2013.



*Source: 2013 Economic Impact of Tourism in Pennsylvania Report issued January 2015 by Tourism Economics (An Oxford Economics Company)

Employment from Tourism Jobs 27,013 Income \$1.03 Billion

Tax Revenue Generated by Tourism

State & Local \$252 Million

Federal \$256 Million

VISITOR SPENDING/ECONOMIC IMPACT



Top International Markets

Canada

China

Puerto Rico

United Kingdom

Mexico

Source: VisaVue® Top International Consumer Spending 2014

Top 25 Events

The region's TOP 25 events associated with the HHRVB accounted for over 1 million visitors with an economic impact of ^{\$}275 million in FY14-15.

Market Segments

	Tourism by the Numbers			
41% Conference/Meeting/Group	83	8,334	1.83 MILLION	
31% Leisure	Number of Hotels in Region	Number of Hotel Rooms in Region	Number of Room- Nights Sold Annually	
22% Corporate	5.5 MILLION	10 MILLION	20-1	
6% Day Trip/ Other	Number of Overnight Guests Annually	Number of Visitors Annually (Overnight & Day Visits)	Ratio of Overnight Guests to Residents Annually	
Source: Young Strategies 2009 Lodging Survey				

About The Hershey Harrisburg Region

The Hershey Harrisburg Regional Visitors Bureau (HHRVB) is the official non-profit partnership-based Destination Marketing Organization (DMO) serving Dauphin and Perry Counties in Pennsylvania. HHRVB is responsible for developing and executing comprehensive sales, marketing and communications programs to compete for leisure, business, group, and sporting event travel market segments among leading regional and national destinations. HHRVB is accredited by Destination Marketing Association International. For more information go to VisitHersheyHarrisburg.org, or call 877-727-8573.

FY14-15 BUSINESS PLAN OVERVIEW

FY14-15 activities supported organizational objectives by continuing to execute tactics that have been successful, enhancing existing programs, expanding into new markets and engaging in strategic programs to build for the future.

Sales on the Road



Establish measurable and achievable organizational goals for the next 3–5 years

- Analyze HHRVB's
 organizational structure,
 budget and program of work
- Analyze past goals and results and apply new concepts in the development of new goals for the future

TOP STRATEGIC OBJECTIVES

Identify the resources necessary to achieve the identified goals

- Analyze existing revenue streams powering the HHRVB
- Maximize marketing and sales efforts to drive incremental spending in our region
- Increase Partnership revenue by increasing total Partners, and maximizing investment levels
- Research industry trends and suggest organizational funding mechanisms that are being developed around the country

Leadership

- Continued close
 collaboration with our Board
 with strategic planning,
 Visionary Governance and
 engagement of public and
 private sector
- Professional development across all teams to ensure continued learning, growth and relevance

Staffing

- Finalize implementation of internal restructure (completed Q2 of FY14-15)
- Leverage skills and knowledge of all staff members to enhance effectiveness/efficiency
- Encourage collaboration across teams to maximize impact and value to Partners



increase in total 5% room tax collected



growth in Occupancy at 59.6 % for FY14-15 compared to 57.4% in previous FY



growth in ADR at \$113.86 compared to \$111.32 in previous FY



growth in RevPAR at \$67.83 compared to \$63.85



growth in supply



in demand

SMITH TRAVEL RESEARCH STATISTICS

MARKETING PILLARS



Outdoor Enthusiasts

SALES ACHIEVEMENTS

MEETINGS, GROUPS, CONVENTIONS, SPORTING EVENTS AND INTERNATIONAL

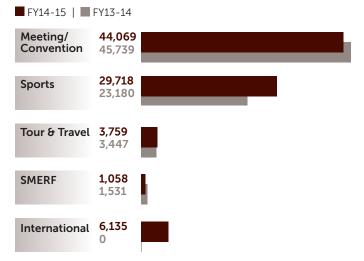
The sales team exceeded sales goals in leads generated, lead room nights and room nights booked!

- Booked 84,739 room nights (a 16% increase over FY13-14)
- Distributed 601 leads/RFP's worth 211,527 room nights (a 52% increase over FY13-14)
- Attended 41 industry trade shows
- Hosted 49 familiarization tours and site visits
- · Attended 56 client events and sales missions

- Partner events and networking opportunities expanded to include all partners versus "leads only" in FY13-14
- Created market specific sales collateral for international, group tour, meeting/convention, student, religious and military markets



MARKET SEGMENTS YEAR-OVER-YEAR COMPARISON ROOM NIGHTS



INTERNATIONAL

VISA International Consumer Spending – Dauphin County's top five markets saw increases in spending in all markets and in overall spending! Overall VISA consumer spending from all markets increased 19.3% from 2013 to 2014.



#1 – Canada 15.4% increase in spending from 2013 to 2014

#2 – China 64.7% increase in spending from 2013 to 2014

#3 – Puerto Rico 41.8% increase in spending from 2013 to 2014



#4 – United Kingdom 10.7% increase in spending from 2013 to 2014

#5 – Mexico 5.8% increase in spending from 2013 to 2014

PARTNERSHIPS

Brand USA HHRVB partnered with the PA Tourism Office and Brand USA to launch first-ever international consumer marketing campaign. Elements included:

- ¹/₄ page ad Discover America Inspiration Guide
- inclusion in Brand USA website
- inclusion in travel journal video





HHRVB consumer direct marketing campaign in two Chocolate World stores in Shanghai.

Partnering with Hershey's Chocolate World, Brand USA and an in-market tour operator in China, HHRVB developed consumer direct collateral distributed with every purchase made at two Chocolate World stores in Shanghai. Bookable packages are available through China Ocean & Outback Travel located in China.



BRAND

In July 2014, we launched our branding project with the goal of formalizing a brand identity to frame HHRVB campaigns, website, and creative development. The final deliverable would give us a brand personality, voice, color palette, type font, photography style guide and refreshed logo.

Voice of the Brand

The Visit Hershey Harrisburg brand voice embodies and expresses the brand's personality and values. It is distinctive, recognizable, and unique. Communicating in a specific and consistent brand voice promotes familiarity and trust with VHH's target audience. Her tone is warm and direct, never flowery or over-inflated, and she speaks with confidence, pride, and authority.

CONTENT & SOCIAL

Strategy

Our content and social strategy also went through a renovation in FY14-15. Our messaging strategy shifted from being almost exclusively event-based to generating compelling and experiential stories about our region. This new strategy was implemented across all of our owned channels (eMail, Facebook, Twitter, YouTube, Instagram, and the Blog).

Creative Assets

We invested significant time and energy in creating a robust library of photography and video assets to be used in the creation of our new website, new destination video, and marketing campaigns. We added and retouched 1,666 photos and 585 video clips. July through September, we specifically gathered video footage to create a new destination video to promote our summer offerings.

Social Execution

Our Facebook fan base crested the 25,000 fan mark in February, however due to algorithm changes, organic (non-paid) reach is declining. We have shifted our approach to more of a paid channel to drive traffic to our new website. Since we launched in January, Instagram has seen consistent growth in followers and engagement. We will continue to focus on this channel.

Blog Execution

Our blog has evolved to become the foundation of our content and messaging strategy. Many of our blogs also now include a fully produced video element and enhanced photography. The net effect is that our blog now drives organic search traffic to our website and forms the basis for our monthly consumer eMail content.



VisitHersheyHarrisburg.org

- New website launched May 6, 2015
- With 53% of site traffic coming from smartphones and tablets, the new site has been optimized for mobile usage
- Integrated with Customer Relationship Management system (information database)
- Modernized redesign featuring larger photos, dynamic content and user-friendly design elements
- In-house content management system minimizes reliance on third party assistance

Website Stats FY14-15 (July 1, 2014-May 5, 2015) You VS. FY13-14 (July 1, 2013-May 5, 2014) Tube FY14-15 | FY13-14 Session Mobile \$**5,814** 26,466 199 1.6M Sessions **Page Views** Duration Sessions TOTAL TOTAL TOTAL COMBINED POSTS SPEND FACEBOOK REACH 536,296 211,094 1.9M 3:03 & YOUTUBE **VIDEO VIEWS** 454,375 1.6M 2:56 147,554 Up 18.8% Up 18% **Up 4%** Up 43% eMail In anticipation of a responsive website, all bureau eMail operations 70 577 received a facelift and extensive list maintenance to optimize performance. TOTAL TOTAL New eMail provider INSTAGRAM **FOLLOWERS** POSTS • All eMail segments (Consumer, Sales and Partnership) redesigned for mobile optimization • Emails offer an uncluttered, user-friendly experience List maintenance resulted in a more engaged and gualified recipient list EMAIL STATS 577 4,479 1,116 PROFILE LINKS TWEETS Audience Partner **Sports** Tour & Meetings & Consumer VIEWS CLICKED Travel Conventions 4,254 List Size 681 750 6,645 12,504 Open Rate 30% 19% 18.5% 15% 33% 31 8,097 BLOGS VIEWS

PRINT & PROJECTS

Travel Guide

The 2015 Travel Guide design process focused on creating an efficient, yet inspiring and compelling piece to be delivered at the start of the calendar year.

- Clean, elegant design
- Larger, more compelling imagery
- Addition of "Local Expert" element with Top 5 recommendations
- New coupon design offering front ϑ back exposure for participating Partners
- 375,000 printed and ready for distribution prior to Jan. 1 and the annual PA Farm Show

Specialty Projects

More than 40 additional projects were completed throughout the year such as ads for trade publications, sales team profile sheets and a new destination video that required 9 days of video shooting across 30 locations.

CAMPAIGNS Holiday Campaign



Results

- Website traffic saw a 30% increase year over year in sessions and an 18% increase in page views.
- New York and Philly DMAs (which make up the state of New Jersey) saw a combined increase of 119% in the number of sessions on our website.

Spring Campaign



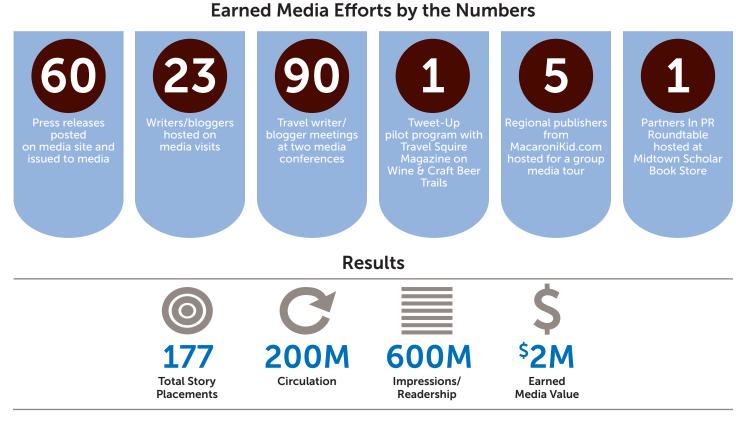
Results

A budget equal to the 2014 campaign resulted in nearly identical total campaign impressions, this while dropping Baltimore and adding more expensive (and higher household income) markets in NJ,NY and DC. Website data for the campaign is not comparable to the prior campaign due to the transition to the new website.



PUBLIC RELATIONS

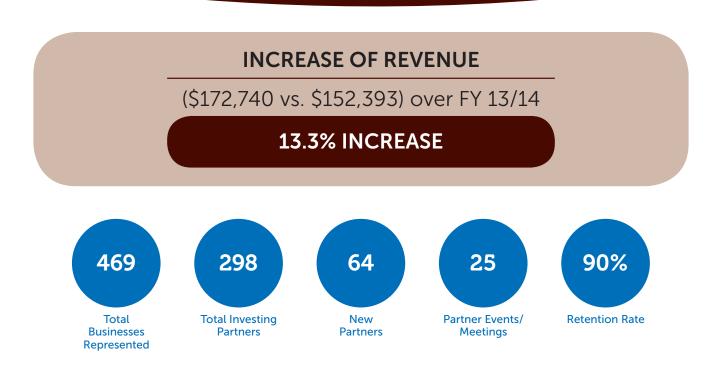
This year Public Relations focused on developing media relations in Boston, MA and sustaining ongoing earned media efforts in the geographic markets of Philadelphia, Baltimore/DC, New York, and New Jersey. HHRVB contracted with Gillies & Zaiser, a PR agency specializing in travel & tourism, to assist in expanding media outreach and travel writer recruitment within our target markets.



PR Director Rick Dunlap (center) chats with the hosts of Mecum Auctions on NBC Sports Network, Scott Hoke (left) & John Kraman (right), during the Mecum Auction Block Party media preview event hosted by HHRVB at the PA Farm Show Complex & Expo Center on July 23, 2014.



PARTNER PROGRAMS



FY14-15 was a successful year with increased revenues and positive Partner participation. In addition to the development of the Friends of Partnership committee, our team hosted 25 events attracting over 1,000 tourism business professionals and stakeholders. Our monthly events endeavored to familiarize our staff and Partners with new or unique locations, as well as providing a forum for collaboration and education. These included:

- Annual Partnership Meeting
- Meet the Partners & Tourism Awards
- Partner Extranet training (online account management)
- Summer Survivors Soiree
- Partners in PR Roundtable
- National Tourism Day activities
- Sales on the Road (Fall + Spring) attraction FAM tour for Partners and staff

COOPERATIVE MARKETING OPPORTUNITIES

Partners had the opportunity to work alongside the HHRVB Sales team at various tradeshows throughout the year. Volunteer opportunities were also available at the 2015 Great American Outdoor Show as well as the 2015 Pennsylvania Farm Show, where the HHRVB information booth is a popular spot for Partner businesses to distribute their own marketing materials and inform guests about the entire region.

WHO WE ARE

INDUSTRY AND COMMUNITY INVOLVEMENT

- Mary Smith, Bureau President, CEO: Board of Directors for the PA Association of Travel and Tourism (PATT), Harrisburg Regional Chamber Board, PA Farm Show Commission
- **Gregg Cook**, Bureau Sports Marketing Manager: Pennsylvania Sports Marketing Committee Chair, NASC Membership Committee, YWCA Race Against Racism Event Committee
- Audrey Bialas, Bureau Director of Sales: Pennsylvania International Marketing Committee
- Sandy Wenner, Bureau Group Sales Manager: Pennsylvania Group Tour Committee
- **Penny Brady**, Bureau Meetings and Conventions Sales Manager: PASAE Annual Event Committee, MPMPI Annual Event Committee, PSMA Membership Committee



HHRVB ACTIVELY PARTICIPATES WITH THE FOLLOWING ASSOCIATIONS AND ORGANIZATIONS

- African American Travel Conference (AATC)
- American Bus Association (ABA)
- American Society of Association Executives (ASAE)
- Association of Meeting Professionals (AMPs)
- Destination Marketing Association International (DMAI)
- Greater New Jersey Motorcoach Association (GNJMA)
- Hospitality Sales and Marketing Association International (HSMAI)
- International Association Exhibition Executives (IAEE)
- Maryland Motorcoach Association (MMA)
- Meeting Professionals International (MPI)
- Mid-Atlantic Travel PR Alliance (MATPRA)
- National Association of Sports Commissions (NASC)
- National Collegiate Athletic Association (NCAA)
- National Tour Association (NTA)
- North Carolina Motorcoach Association
 (NCMA)

- Ontario Motor Coach Association (OMCA)
- Pennsylvania Association of Travel and Tourism (PATT)
- Pennsylvania Bus Association (PBA)
- Pennsylvania Society of Association Executives (PASAE)
- Philadelphia Area Meeting Professionals International (PAMPI)
- Professional Convention Management Association (PCMA)
- Professional Services Marketing Association (PSMA)
- Public Relations Society of America (PRSA)
- Religious Conference Management Association (RCMA)
- Reunion Friendly Network (RFN)
- Travel Events and Management in Sports (TEAMS)
- Student & Youth Travel Association (SYTA)
- U.S. Travel Association (USTA)
- Virginia Motorcoach Association (VMA)
- Your Military Reunion Connection (YMRC)

Destination Marketing Association International

Renewed Destination Marketing Accreditation

REGIONAL RECOGNITIONS

Top Underrated Amusement Parks To Visit Before You Die Hersheypark[®] (#17 of 26) BuzzFeed.com 2015

10 Best Amusement Parks Hersheypark® (#2) *Fodor's Travel 2015*

10 Best Theme Parks Hersheypark[®] (#2) *Better Homes and Gardens 2015*

Top Craft Breweries in Nation Troëgs Brewing Company (#44) *Brewers Association Report 2014*

Top 10 – U.S. Bed and Breakfasts The Inn at Westwynd Farm BedandBreakfast.com 2014

Best Brewery Tour in U.S.

Troëgs, Hershey, PA (#6) 10Best and USA TODAY's Readers' Choice Award 2014

Top 25 Amusement Parks in U.S.

Hersheypark® (#18) TripAdvisor.com, Travelers' Choice Award 2014

Top 5 Best Places to Vacation While Pregnant Hershey, PA ModernMom.com, 2014

Top Family Friendly Places to Fish in U.S. Little Buffalo State Park, Newport, PA *TakeMeFishing.org, 2014*

MEET THE TEAM

HHRVB Staff

Mary Smith President & CEO

Sue Kunisky Vice President of Operations

Audrey Bialas Director of Sales

Penny Brady Meetings & Conventions Sales Manager

Jason Brown Director of Marketing & Communications

Gregg Cook Sports Marketing Manager

Rick Dunlap Director of Public Relations

Emily Keller Marketing Project Manager

Justin Martsolf Director of Partnership

Kim McKelvy Visitor & Partnership Services Manager

Allison Rohrbaugh Communication and Event/ Convention Services Manager

Justin Shellenberger Digital Marketing & Technology Manager

Sandy Wenner Group Tour Sales Manager

FY14-15 BOARD OF DIRECTORS

The Board of Directors is comprised of veteran business leaders and local sales and marketing professionals who volunteer their services and experience to better serve their community.

Todd Kohr, *Board Chair* Hershey's[®] Chocolate World Attraction[®]

David Black, *Vice Chair* Harrisburg Regional Chamber & CREDC

Randy Whitaker, *Treasurer* Harrisburg Senators Baseball

George Connor, *Secretary* Dauphin County Office of Community & Economic Development

Scott Miller, *Immediate Past Chair* Harrisburg International Airport

Phil Guarno, Fenicci's of Hershey Restaurant

Betsy Hamm, Hershey Entertainment & Resorts Company

Rhonda Campbell, Perry County Chamber

Tom Dickert, Sheraton Harrisburg Hershey

Bill Hayles, Hollywood Casino at Penn National Race Course

Barry Kidd, Fairfield Inn & Suites-Harrisburg/Hershey

Michael Wilson, The Vineyard & Brewery At Hershey

Hershey Harrisburg Regional Visitors Bureau 3211 N. Front Street Suite 301-A 717.231.7788 www.VisitHersheyHarrisburg.org

Note: The photos featured throughout this report were a direct result of a FY14-15 initiative to collect fresh new assets to promote the Hershey Harrisburg region.



The Pride of the Susquehanna

Important 2016 Dates!

January 9–16 Pennsylvania Farm Show • PA Farm Show Complex

February 6–14 Great American Outdoors Show • PA Farm Show Complex

February 27–28 KRVA Boys Atlantic NE Championships • PA Farm Show Complex

> **June 17–24** Blue Knights Motorcycle Rally

June 30–July 3 USA Track & Field 2016 Hershey's Youth Outdoor Championships – Lebanon Valley College

> July 21–24 Mecum Auto Auction • PA Farm Show Complex

> > October 5–8 AACA Fall Meet • Hershey



GREAT STORIES START HERE