

DOOR COUNTY TOURISM ZONE COMMISSION



Annual Meeting
June 21, 2012

WHY ARE WE HERE?

- ✘ DCTZ Commission
 - + Explain Mission
 - + Review 2011 performance
 - + Discuss 2012 issues
- ✘ Door County Visitor Bureau
 - + Review 2011 trends
 - + Review current marketing initiatives
- ✘ Answer questions

COMMISSION BACKGROUND...

- In April 2007, ten Door County communities formed a Tourism Zone according to Wisconsin State Statutes. Washington Island joined on August 1, 2007, and Gardner joined on May 1, 2008. The seven remaining municipalities joined by the end of 2008—the Tourism Zone now encompasses all of Door County.

Sister Bay	Ephraim	Gibraltar
Baileys Harbor	Village of Egg Harbor	Town of Egg Harbor
Jacksonport	Sevastopol	Nasewaupee
Liberty Grove	Washington	Gardner
Brussels	Clay Banks	Town of Forestville
Village of Forestville	City of Sturgeon Bay	Town of Sturgeon Bay
	Union	

PURPOSE OF THE ROOM TAX GOVERNED BY WISCONSIN STATE STATUTE

66.0615(1)(fm)

(fm) "Tourism promotion and development" means any of the following that are significantly used by transient tourists and reasonably likely to generate paid overnight stays at more than one establishment on which a tax under sub. (1m)(a) may be imposed, that are owned by different persons and located within a municipality in which a tax under this section is in effect; or, if the municipality has only one such establishment, reasonably likely to generate paid overnight stays in that establishment:

66.0615(1)(fm)1.

1. Marketing projects, including advertising media buys, creation and distribution of printed or electronic promotional tourist materials, or efforts to recruit conventions, sporting events, or motor coach groups.

66.0615(1)(fm)2.

2. Transient tourist informational services.

66.0615(1)(fm)3.

3. Tangible municipal development, including a convention center.

WI STATUTES GOVERN CREATION OF A “ZONE” AND A “COMMISSION”

- ✘ 66.0615(1m)(b)2
2. If 2 or more municipalities in a zone impose a room tax under par. (a), the municipalities shall enter into a contract under § 66.0301 to create a commission under par. (c). If no tourism entity exists in any of the municipalities in the zone that have formed a commission, the commission shall contract with another organization in the zone to perform the functions of the tourism entity. Each municipality in a single zone that imposes a room tax shall levy the same percentage of tax . If the municipalities are unable to agree on the percentage of tax for the zone, the commission shall set the percentage.
- ✘ 66.0615(1m)(b)3
3. A commission shall monitor the collection of room taxes from each municipality in a zone that has a room tax.
- ✘ 66.0615(1m)(b)4
4. A commission shall contract with one tourism entity from the municipalities in the zone to obtain staff, support services and assistance in developing and implementing programs to promote the zone to visitors.

COMMISSION MISSION STATEMENT

- ✘ The Door County Tourism Zone Commission's mission is to:
 - Collect the room tax on behalf of its member municipalities in a fair and efficient manner.
 - Work in partnership with the Door County Visitor Bureau to support its marketing efforts in tourism promotion and development for the Tourism Zone as a single destination for transient tourists who are reasonably likely to generate paid overnight stays.
 - Keep all parties and businesses associated with the Tourism Zone and the Room Tax informed on the Commission's activities.

THE COMMISSION'S TASKS

- ✘ Collect the tax
- ✘ Contract with a tourism marketing agency
- ✘ Disburse the funds
- ✘ Review and monitor marketing plans & results
- ✘ Enforce the tax ordinance

VISITOR BUREAU TASKS

- ✖ Develop annual marketing plan and budget
- ✖ Evaluate and hire vendors
- ✖ Execute the plan
- ✖ Evaluate results

AND NOW A WORD ABOUT THE TAX...

- ✖ All municipalities have a 5.5% room tax rate
- ✖ 30% of collections go to municipalities to use for any purpose
- ✖ 66% goes to DCVB for marketing
- ✖ 4% remains with Commission for expenses
 - + All Commissioners are volunteers
 - + The Zone has a part-time Administrative Assistant

COMMISSION YEAR IN REVIEW - 2011

- ✖ At Year End 2011, the Tourism Zone had 879 permit holders. In 2011, 72 new permits were issued, 65 of which were single units (houses/condos).
- ✖ Due diligence to ensure all Door County lodging owners are aware of tax obligations has led to less than 5% noncompliance (more than 30 days late). Pursuit by the Commission itself, accountants Kerber Rose & Associates, attorney William Vande Castle, and Associated Collectors has resulted in solidified policies to bring non-permitted properties, non-filing, and late paying properties into compliance.
- ✖ The Tourism Zone Commission has completed its fifth year of existence. The purpose for creating the Tourism Zone Commission was to collect a 5.5% room tax that could fund a greatly expanded marketing program through the Door County Visitor Bureau. By the end of 2012, the TZC expects to have collected \$17,771,015 in room tax and will have turned over \$11,728,869 to the Visitor Bureau for marketing for the period 2007–2012.
- ✖ Because of the efforts of the Door County Visitor Bureau (DCVB), tourism continues to grow in Door County. The 2011 room tax collections were up .50% over 2010 collections.

SHOW ME THE MONEY...

Statement of Revenues, Expenses, and Changes in Net Assets		
Operating Revenues	12/31/2011	Percent <u>Allocations</u>
Room tax	\$3,289.439*	
Operating Expenses		
Administration	\$ 122,347	4%
Payments to DCVB	\$ 2,158,652	66%
Distribution to Municipalities	\$ 981,206	30 %
Total Operating Expense	\$ 3,262,205	100 %
Interest earned	\$ 0	
Total Net Assets 12/31/2011	\$ 109,505	
* includes late collections		

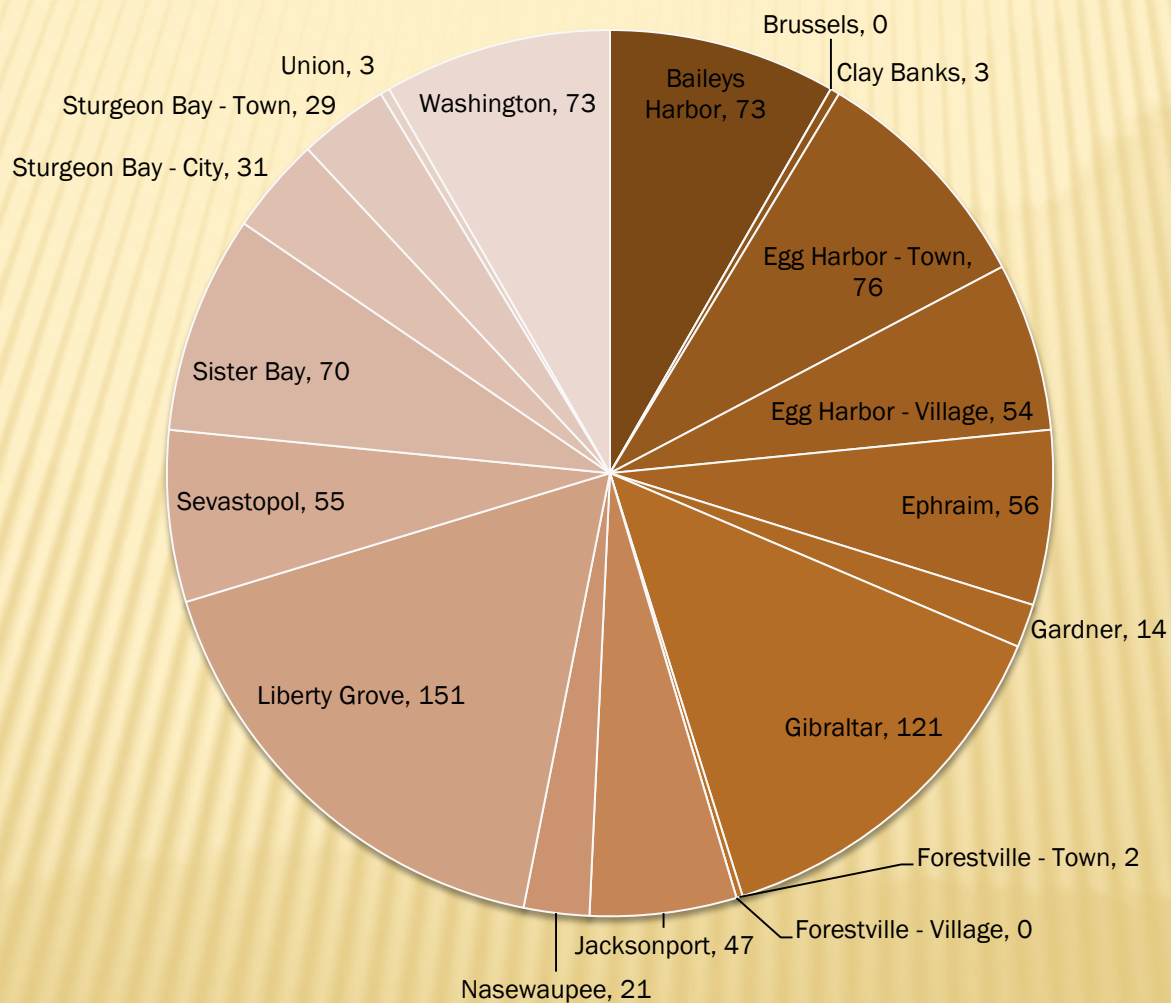
MUNICIPAL IMPACT

Municipality	2011	Share	30% to Municipality	2010
City of Sturgeon Bay	\$472,526	14.36%	\$ 141,758	\$ 455,019
Village of Egg Harbor	\$312,795	9.51%	\$ 93,839	\$ 306,895
Ephraim	\$422,280	12.84%	\$ 126,684	\$ 420,963
Sister Bay	\$406,652	12.36%	\$ 121,996	\$ 397,221
Baileys Harbor	\$229,505	6.98%	\$ 68,852	\$ 232,955
Clay Banks	\$1,789	0.05%	\$ 537	\$ 1,044
Town of Egg Harbor	\$278,059	8.45%	\$ 83,418	\$ 265,708
Forestville	\$17	0.00%	\$ 5	\$ -
Gardner	\$23,684	0.72%	\$ 7,105	\$ 24,000
Gibraltar	\$503,866	15.32%	\$ 151,160	\$ 489,960
Jacksonport	\$66,829	2.03%	\$ 20,049	\$ 64,214
Liberty Grove	\$207,081	6.30%	\$ 62,124	\$ 205,584
Nasewaupee	\$62,676	1.91%	\$ 18,803	\$ 68,396
Sevastopol	\$230,439	7.01%	\$ 69,132	\$ 221,777
Town of Sturgeon Bay	\$14,269	0.43%	\$ 4,281	\$ 15,315
Union	\$623	0.02%	\$ 187	\$ 744
Washington	\$56,349	1.71%	\$ 16,905	\$ 56,329
Totals	\$3,289,439	100.00%	\$ 986,832	\$3,226,124

LODGING STATISTICS

As of 12/31/2011

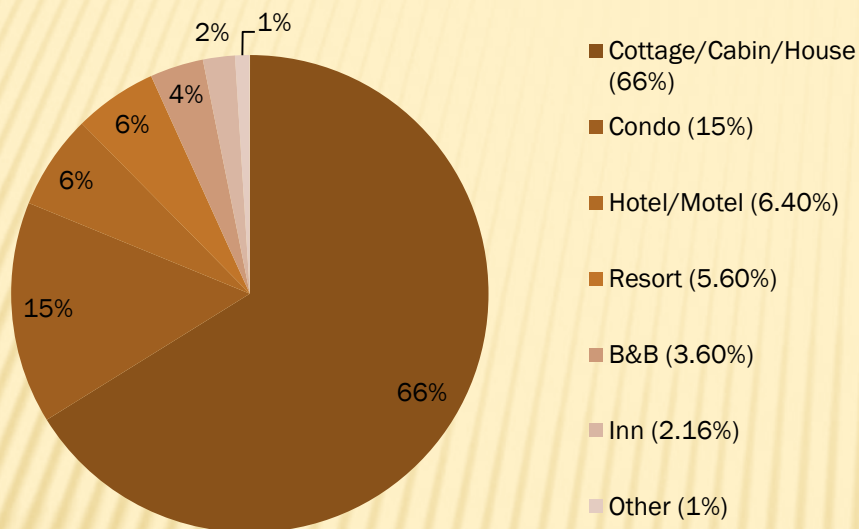
Number of Permits By Municipality 2011



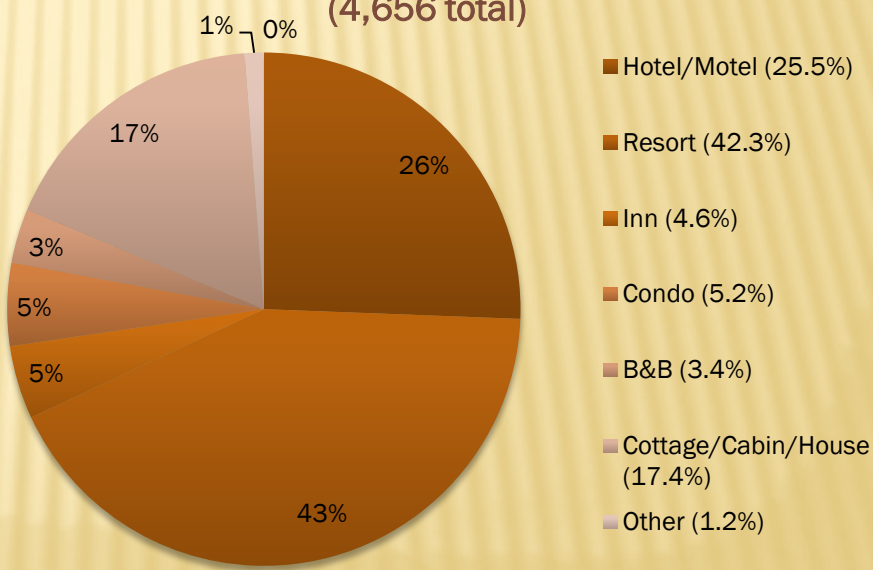
Lodging Statistics

As of 12/31/2011

By Type



By Units (4,656 total)



NEXT STEPS 2012

✘ **Enhanced online capabilities and value-added functions**

- + The Tourism Zone encourages the use of convenient online payment options through its website. Calculations are automatic, and payment can be made through electronic transfer or credit card.

✘ **Continued pursuit of non-compliance**

- + Impose fines & penalties on late and non-reporting properties.
- + Instruct attorney William Vande Castle to audit under-reporting or suspect properties and, as necessary, file charges in Circuit Court for full enforcement.
- + Associated Collectors, Inc. has been assigned to carry out collection processes for delinquent and non-reporting properties, including liens through the Wisconsin TRIP program and reporting to credit agencies.

✘ **Evaluate success of marketing programs**

- + Compare year-to-year figures of occupancy statistics, room tax collections, and track the transient lodging economy in Door County.



Jack Moneypenny, President/CEO



Room Tax Accomplishments

- ◆ The room tax has given Door County a deeper reach into our regional markets and the ability to continue our efforts with travel writers to receive national coverage.
- ◆ We continued marketing and sales and PR/communication goals in Year Two of a comprehensive three-year marketing plan, our Strategic Conversation, with a targeted direction, but continued to remain fluid enough to alter those directions if tourism trends should dictate.
- ◆ We have grown web users to over 1,130,500 visits(according to Google Analytics).
- ◆ We've welcomed 359 travel journalists to Door County from 2007 through 2011.
- ◆ We integrated our brand promise of "a relaxing, restorative, maritime experience" in our advertising, social media and web site while developing a new tagline, "Your stories. Our setting. Like nowhere else." and ad campaign.
- ◆ In 2011 there were 2,106,973 Facebook post views compared to 43,856 in 2010.



Primary Results

	2011	2010
Visitor Spending in Wisconsin	\$9.9 billion	\$9.2 billion
Visitor Spending in Door County	\$271.2 million	\$266.9 million
Wisconsin Tourism Market Share	2.74%	2.90%

- Ranked 8th out of 72 Wisconsin counties in total visitor spending
- Behind Milwaukee, Dane, Sauk, Waukesha, Brown, Walworth & Outagamie Counties
- In 2011, visitor spending in Door County increased by \$4.3 million, or 1.6% over 2010.

Source: Tourism Economics 2011 research



Tourism Economics 2011 Economic Impact Study

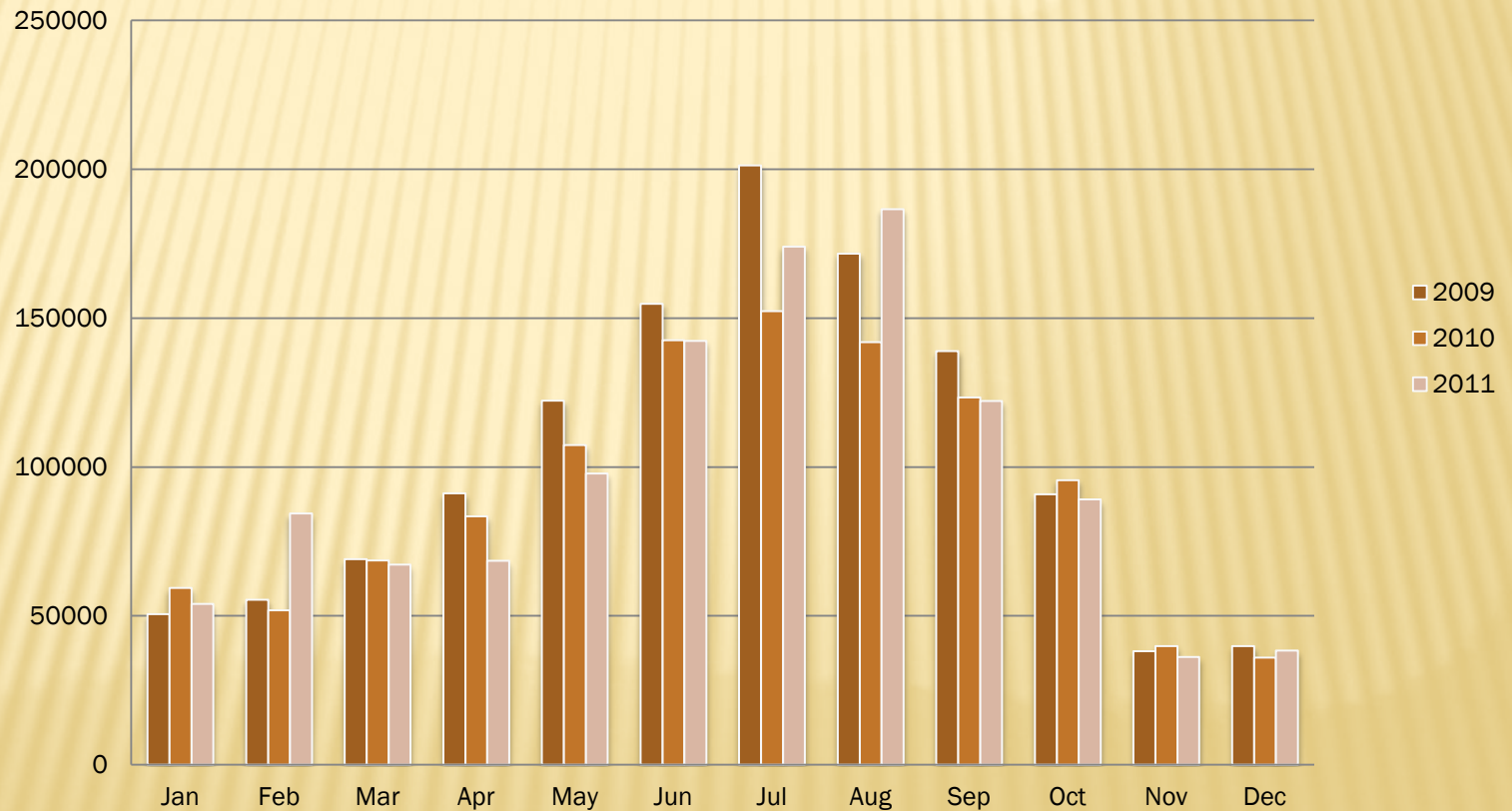
- \$271.2 million generated in direct visitor spending
- \$30.7 million generated in state and local taxes
- 2,921 jobs were supported by tourism spending
- \$62.3 million in resident income
- Support to local lodging, restaurants, retail and attractions....enhancing the quality of life



Marketing and Sales

Web Site Activity / Internet Marketing		
	2011	2010
DoorCounty.com site visits	1,130,558	1,103,053
Insider Tip emails	5,540,992	6,186,857
Pay-per-clicks	80,584	70,711
<i>Explore The Door</i> views	129,415	133,241

DoorCounty.com Site Visits





Group Sales

	2011	2010
Group Tour Contacts	1,420	1,344
Group Tour Inquiries	206	109
Meeting Planner Contacts	1823	1,588
Meeting Planner Inquiries	584	235

- Continued to update lodging and attractions for marketing materials and website.
- Attended 7 trade shows.
- Worked with 376 wedding planners/brides, 44 meeting planners, 88 reunion planners, 14 bike/car/motorcycle clubs and 10 retreat planners.
- Continued a motorcoach Meet & Greet Program at the Welcome Center.



Advertising Highlights

A small sampling of what was placed

- Received 51,965,257 gross impressions in advertising as compared to 32,613,428 in 2010.
- Created 5 new ads featuring silent sports, motorcycling, the arts, attractions and meetings for placement in newspapers, magazines and online in our primary feeder markets.
- Continued to utilize eBrains to build our online database as well as Geiger & Associates to execute press trips for travel writers into Door County.
- Partnered with WISN in Milwaukee for Trips on a Tank in July and December.
- Developed co-op marketing opportunities to members in such publications as Minneapolis/St. Paul Magazine, Chicago Magazine and Milwaukee Magazine



Communications & Public Relations

Media Marketing Program		
	2011	2010
Ad Value Equivalency (AVE)	\$882,009	\$1,402,752
Impressions	54,736,325	24,543,202
Visiting Journalists	76	67

- Hosted 5 seasonally themed press tours in 2011 in partnership with Geiger & Associates: February 24–27, May 12–15, June 27– July 1, September 8-11 and October 16–21.
- 208 articles were placed in print, radio, or online media from media marketing efforts.
- Through the end of 2011, the return on investment for the media marketing program was 487%. For every dollar spent, the DCVB received \$4.87 in AVE.

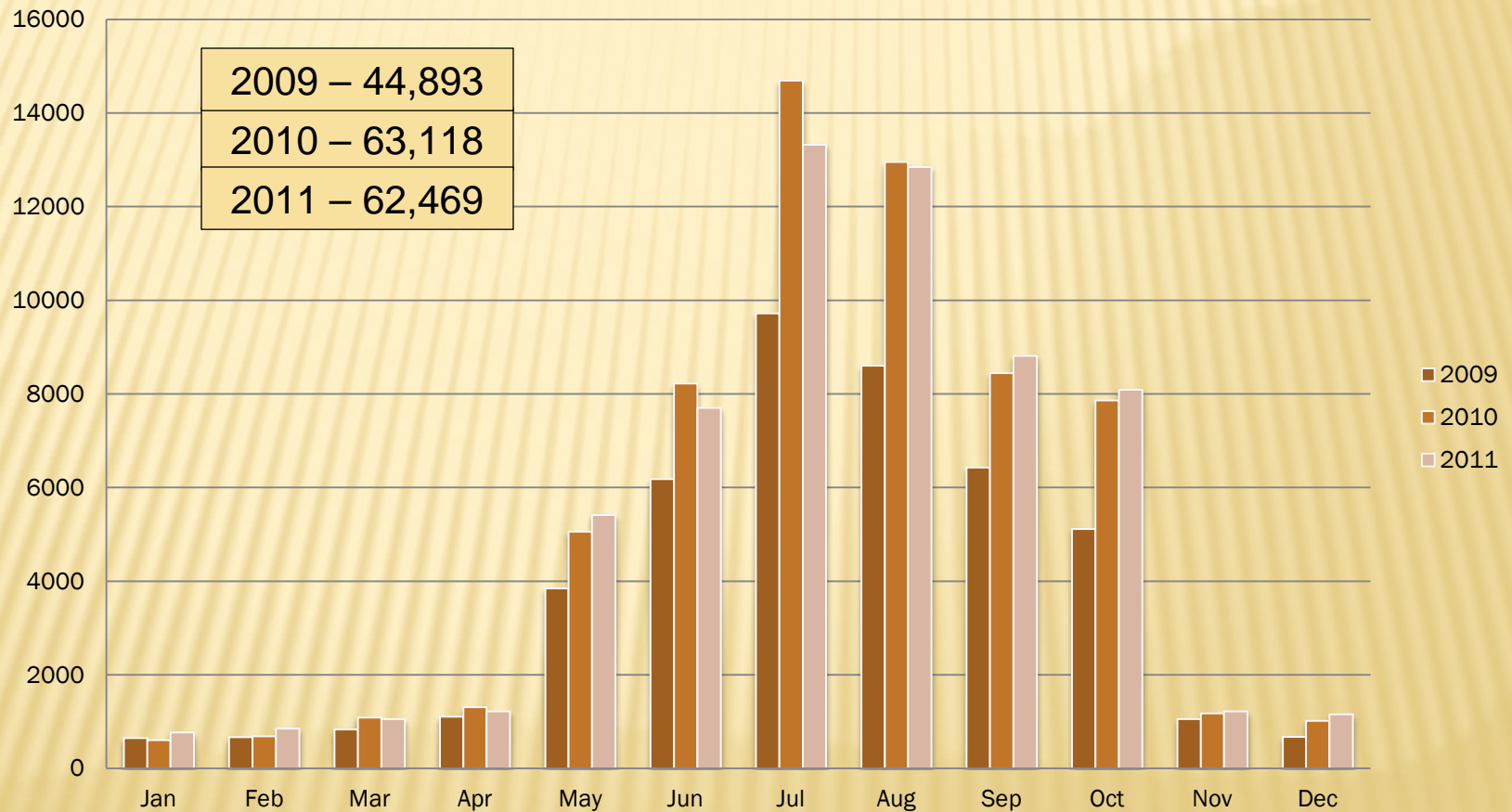


Communications & Public Relations

Media Monitoring		
	2011	2010
Publicity Value	\$4,504,969	\$2,707,803

- In 2011, the DCVB tracked a total of 4,166 articles/stories that included Door County in print, broadcast or online through its media monitoring vendor, Cision. Those 4,166 articles/stories generated 3,970,225,507 impressions and had a publicity value of \$4,504,969.

Welcome Center Visitor Traffic





Looking Ahead

A small sampling of what will take place

- Working with our advertising agency Noise, the DCVB developed a new approach to marketing for 2012 focusing on “Experience Sets,” of music lovers, art & arts lovers, active & silent sports enthusiasts and gourmet food & wine travelers, while maintaining our reach to prime markets
- We will also focus on the niche markets of weddings, motorcyclists, gay/lesbian and winter visitors, along with our sales efforts for motorcoach and small meetings.
- The overarching objective of DCVB is to powerfully and effectively brand Door County as the top-of-mind destination among defined primary and secondary markets within a five-hour drive radius.
- We created new & exciting co-operative marketing for our partners
- Market research will help us understand perceptions and motivations of visitors and non-visitors, key influencers in their decision and differences by seasons.