

DOOR COUNTY TOURISM ZONE COMMISSION



Annual Meeting
June 20, 2013

WHY ARE WE HERE?

- ✕ DCTZ Commission
 - + Explain Mission
 - + Review 2012 performance
 - + Discuss 2013 issues
- ✕ Door County Visitor Bureau
 - + Review 2012 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 - 2012

- ✘ At Year End 2012, the Tourism Zone had 903 permit holders. In 2012, 76 new permits were issued, 71 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 3.2% noncompliance (more than 30 days late). Pursuit by the Commission itself, accountants Kerber Rose & Associates, attorney William Vande Castle, and Credit Management Control 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 seventh 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 2013, the TZC expects to have collected \$21,560,477 in room tax and will have turned over \$14,229,895 to the Visitor Bureau for marketing for the period 2007–2013.
- ✘ Because of the efforts of the Door County Visitor Bureau (DCVB), tourism continues to grow in Door County. The 2012 room tax collections were up 6% over 2011 collections.

SHOW ME THE MONEY...

Statement of Revenues, Expenses, and Changes in Net Assets		
Operating Revenues	12/31/2012	Percent <u>Allocations</u>
Room tax	\$3,507,318*	
Operating Expenses		
Administration	\$ 77,671	4%
Payments to DCVB	\$ 2,315,235	66%
Distribution to Municipalities	\$ 1,052,379	30 %
Total Operating Expense	\$ 3,509,884	100 %
Interest earned	\$ 0	
Total Net Assets 12/31/2012	\$ 106,939	
* includes late collections		

MUNICIPAL IMPACT

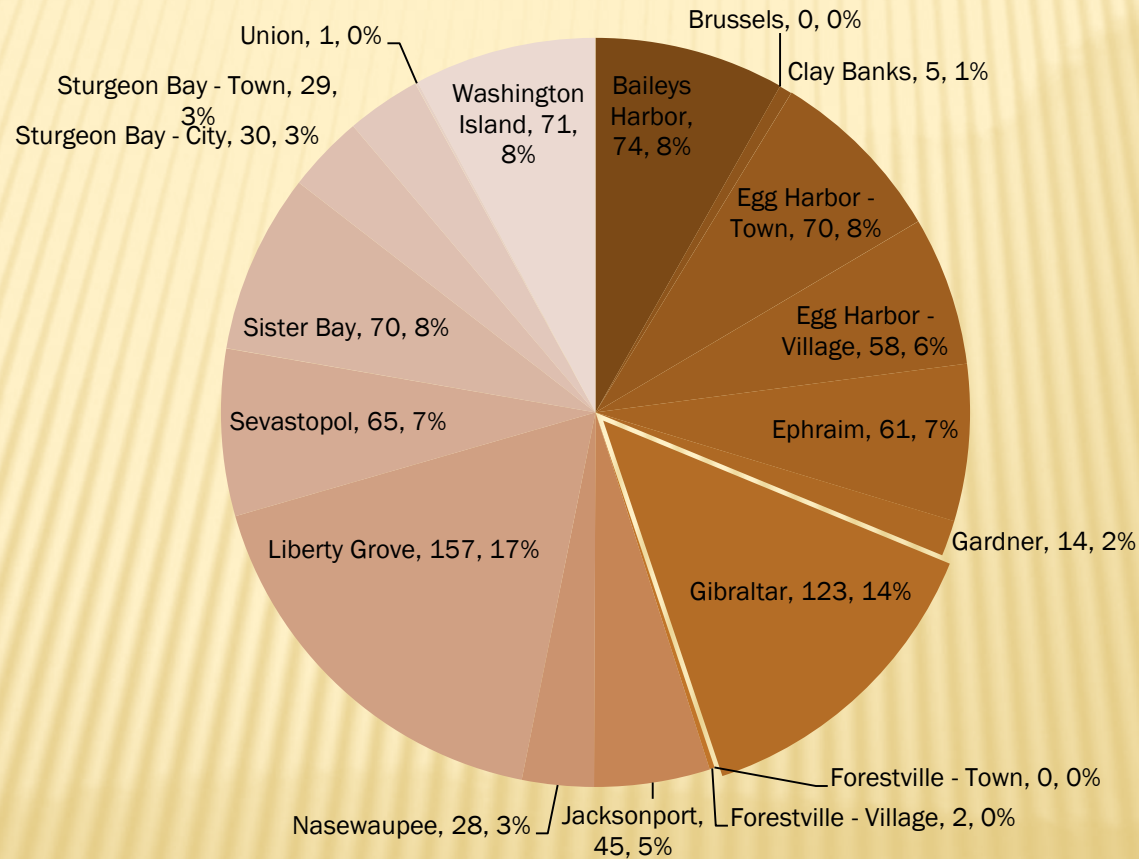
Municipality	2012	Share	30% to Municipality	2011
City of Sturgeon Bay	\$ 486,348.00	13.93%	\$ 145,904.40	\$ 472,526.00
Village of Egg Harbor	\$ 325,745.00	9.33%	\$ 97,723.50	\$ 312,795.00
Ephraim	\$ 453,616.00	12.99%	\$ 136,084.80	\$ 422,280.00
Sister Bay	\$ 419,953.00	12.03%	\$ 125,985.90	\$ 406,652.00
Baileys Harbor	\$ 246,503.00	7.06%	\$ 73,950.90	\$ 229,505.00
Clay Banks	\$ 2,387.00	0.07%	\$ 716.10	\$ 1,789.00
Town of Egg Harbor	\$ 298,948.00	8.56%	\$ 89,684.40	\$ 278,059.00
Forestville	\$ 44.00	0.00%	\$ 13.20	\$ 17.00
Gardner	\$ 23,234.00	0.67%	\$ 6,970.20	\$ 23,684.00
Gibraltar	\$ 538,808.00	15.43%	\$ 161,642.40	\$ 503,866.00
Jacksonport	\$ 68,167.00	1.95%	\$ 20,450.10	\$ 66,829.00
Liberty Grove	\$ 227,348.00	6.51%	\$ 68,204.40	\$ 207,081.00
Nasewaupee	\$ 70,969.00	2.03%	\$ 21,290.70	\$ 62,676.00
Sevastopol	\$ 251,109.00	7.19%	\$ 75,332.70	\$ 230,439.00
Town of Sturgeon Bay	\$ 16,578.00	0.47%	\$ 4,973.40	\$ 14,269.00
Union	\$ 405.00	0.01%	\$ 121.50	\$ 623.00
Washington	\$ 62,156.00	1.78%	\$ 18,646.80	\$ 56,349.00
Totals	\$3,492,318.00	100.00%	\$1,047,695.40	\$3,289,439.00

**30% to Municipality does not include lates fees and interest*

LODGING STATISTICS

As of 12/31/2012

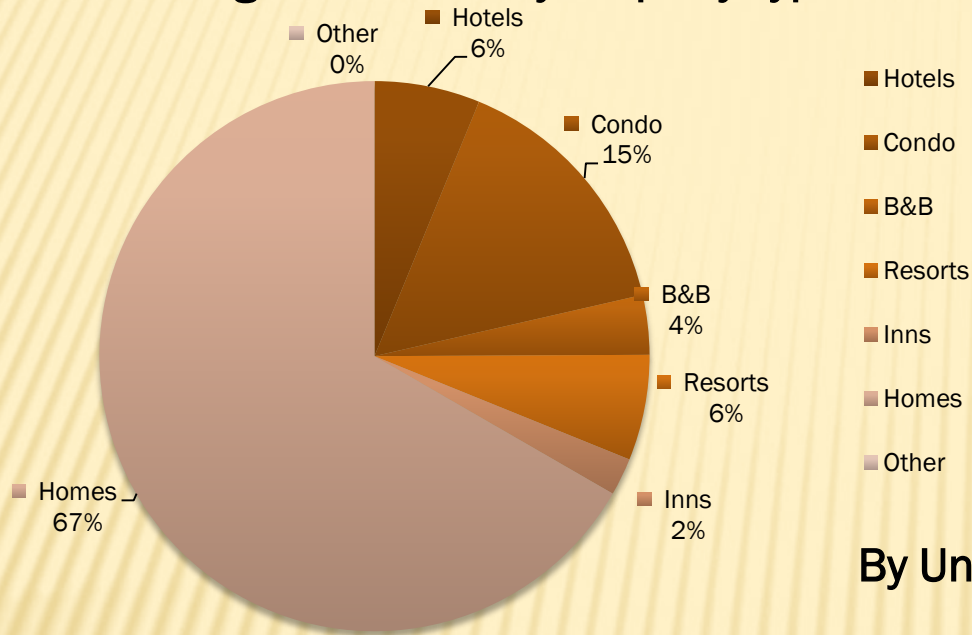
Number of Permits By Municipality 2012



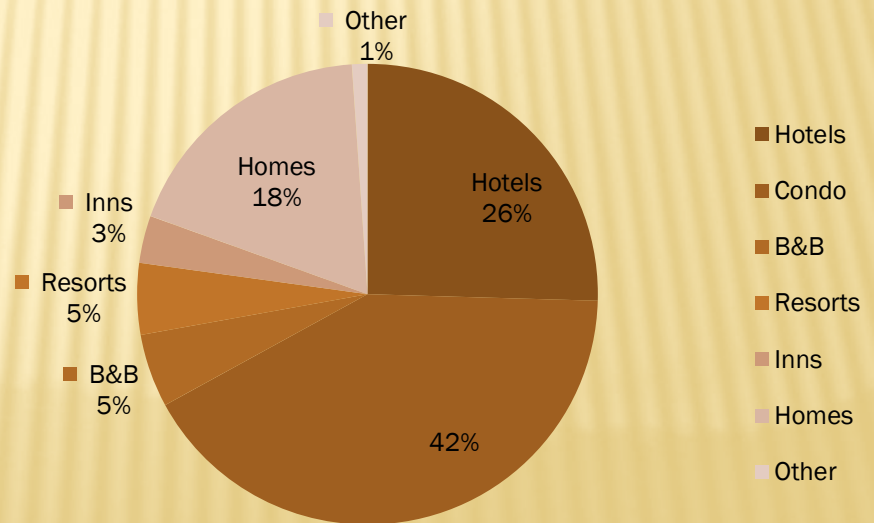
Lodging Statistics

As of 12/31/2012

Percentage of Permits by Property Type



By Units (4,676 units total for 2012)



NEXT STEPS 2013

✕ **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 .

✕ **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.
- + Credit Management Control 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 Money Penny, President/CEO



Room Tax Accomplishments

- ◆ The room tax continues to give Door County a deeper reach into our regional markets and the ability to maintain our efforts with travel writers to receive regional and national media coverage.
- ◆ We continued marketing/sales and PR/communication goals in our comprehensive marketing plan 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 1,174,567 (according to Google Analytics).
- ◆ We've hosted 431 travel journalists from 2007 through 2012.
- ◆ We integrated our brand promise of "a relaxing, restorative, maritime experience" in our advertising, social media and web site while redefining our tagline to a very clean cut "Like nowhere else."
- ◆ There were 4,006,477 impressions on the DCVB Facebook page in 2012.



Primary Results

	2012	2011
Wisconsin Traveler Expenditures	\$10.4 billion	\$ 10 billion
Door County Traveler Expenditures	\$289 million	\$271.2 million
Wisconsin Tourism Market Share	2.8%	2.7%

- 7th place in Wisconsin destinations out of 72 counties
- Behind Milwaukee, Dane, Sauk, Waukesha, Brown, and Walworth Counties
- In 2012, visitor spending in Door County increased by \$17.8 million, or 6.6% over 2011.



Tourism Economic Impact Numbers

- \$289 million in direct spending
- \$31.8 million in local and state taxes
- 2,948 jobs were supported by tourism in 2011
- \$62 million in resident income
- Support to local lodging, restaurants, retail and attractions....enhancing the quality of life.

Source: Tourism Economics, The Economic Impact of Tourism in Wisconsin 2012

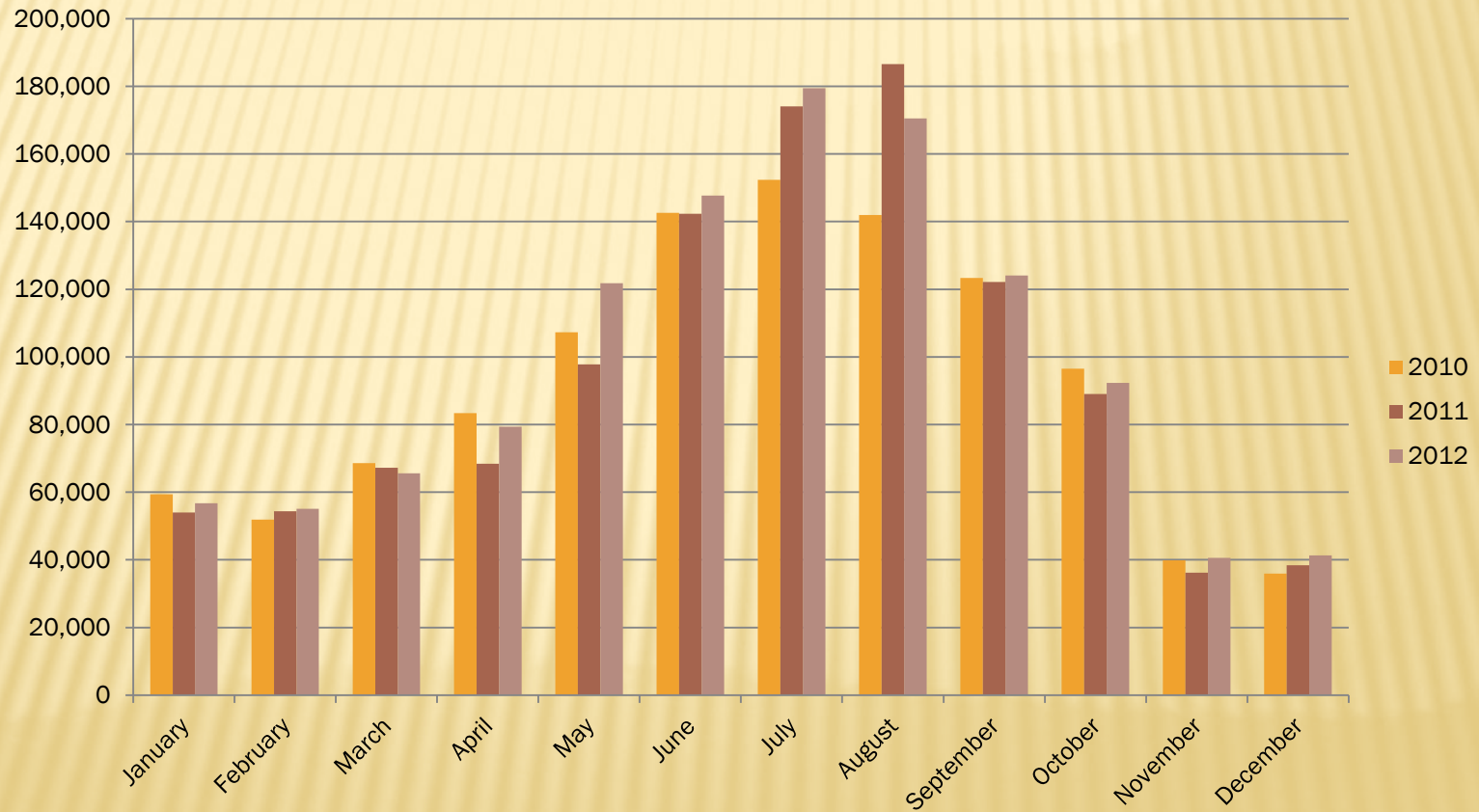


Marketing and Sales

Web Site Activity / Internet Marketing		
	2012	2011
DoorCounty.com site visits	1,174,567	1,130,558
Insider Tip emails	4,352,510	5,540,992
eNewsletter Open Rate	16.05%	12.30%
Mobile Web Site usage <i>Mobile site went live in July 2011</i>	214,336	62,066



DoorCounty.com Site Visits





Group Sales

	2012	2011
Group Tour Contacts	658	1,420
Group Tour Inquiries	188	206
Meeting Planner Contacts	1,014	1823
Meeting Planner Inquiries	514	584

- Continued to update lodging and attractions for marketing materials and website.
- Attended 7 trade shows.
- Highlights include working with 364 wedding planners/brides, 52 meeting/event planners, 48 reunion planners, 5 bike/car/motorcycle clubs, 7 RV clubs and 2 retreat planners.
- Continued a motorcoach Meet & Greet Program at the Welcome Center.



Advertising Highlights

A small sampling of what was done

- Shifted focus to niche marketing that sells the experience. This was done through our image campaign and four new microsites. Niches highlighted Silent Sports, Food & Wine, Arts, Motorcycle and Music.
- Introduced a bigger bolder image campaign in Chicago, Minneapolis and Milwaukee
- Continued to utilize eBrains to build our online database as well as Geiger & Associates to execute press trips for travel writers into Door County.
- Created TV ads for distribution through Time Warner Cable in key markets of Milwaukee and the Fox Valley and online ads in Wisconsin and Illinois.
- Developed co-op marketing opportunities to members in such publications as Good Sam, Midwest Living and Lighthouse map.
- Conducted a year long research project with DK Shifflet to identify our key target markets and why people do or do not travel to Door County



Communications & Public Relations

Media Marketing Program		
	2012	2011
Ad Value Equivalency (AVE)	\$3,216,892	\$882,009
Impressions	94,558,376	54,736,325
Visiting Journalists	72	76

- Hosted 5 seasonally themed press tours in 2012: February 23-26, May 17-20, June 25-29, September 20-23, and October 8-12.
- 165 articles placed in print, radio, or online media from media marketing efforts.
- Through the end of 2012, the return on investment for the media marketing program was 699%. For every dollar spent, the DCVB received \$6.99 in AVE.



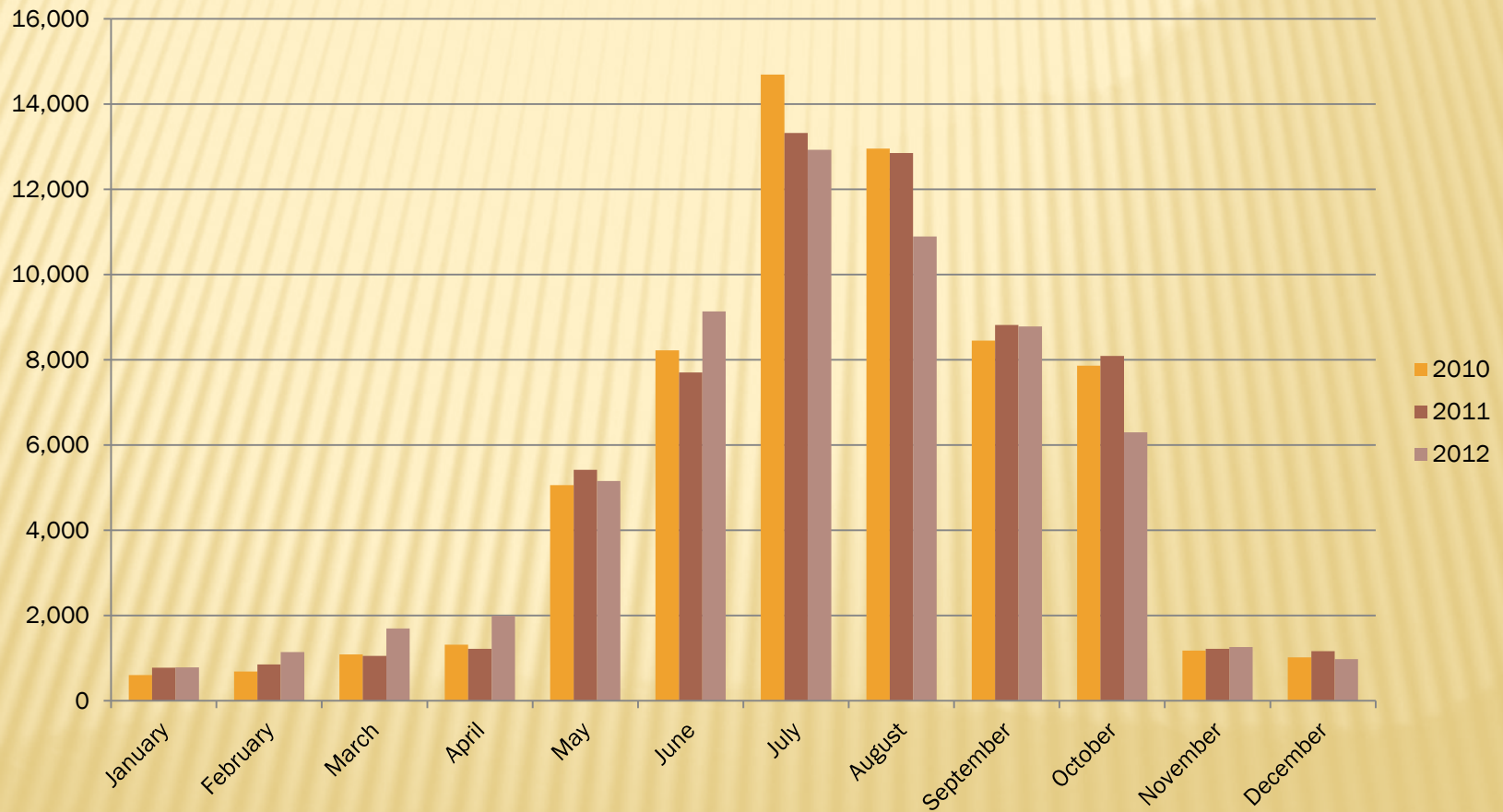
Communications & Public Relations

Media Monitoring		
	2012	2011
Publicity Value	\$6,522,401	\$4,481,066

- In 2012, the DCVB tracked a total of 5,162 articles/stories about Door County in print, broadcast, and online through its media monitoring vendor, Cision. Those articles/stories generated 1.8 billion impressions and had a publicity value of \$6,522,401.



Welcome Center Visitor Traffic





Looking Ahead

A small sampling of what will take place

- Work with our advertising agency Platypus, Inc., the Door County Visitor Bureau put together an integrated plan for print, radio, TV and, most importantly, the online component to capitalize on social marketing.
- Now that the tagline “Your Stories. Our Setting. Like Nowhere Else.” has been developed we have simplified the tagline to a cleaner, more precise tagline of “Like Nowhere Else” to emphasize how Door County is truly *Like Nowhere Else*.
- Conduct a TV campaign that will be engaging and energetic in Milwaukee, Green Bay and Chicago
- Begin phase two of the development of the microsites; wedding, food & wine, group and meetings.
- Redesign and launch a responsive, socially friendly, website