

Chapel Hill **ORANGE COUNTY**

Visitors Bureau



2005 – 2006

Annual Report

2006 – 2007

Strategic Plan Overview

CHAPEL HILL • CARRBORO • HILLSBOROUGH
NORTH CAROLINA

Visitors Center Hours:
Monday–Friday, 8:30 AM–5 PM
Saturday, 10 AM–2 PM

501 West Franklin Street
Chapel Hill, NC 27516
Toll-Free: (888) 968-2060
Phone: (919) 968-2060
Fax: (919) 968-2062
E-mail: info@chocvb.org
Website: www.chocvb.org



STAFF

Laurie Paolicelli
Executive Director

Linda Ekeland
Director of Sales

Patty Griffin
Communications Manager

Dale Chodorow
Publications Coordinator

Betty Davis
Administrative Assistant

Nancy Edelman
Services Coordinator

Jennifer Koach
Part-time Visitor Services

BOARD OF DIRECTORS 2005–2006

<i>Director</i>	<i>Representing</i>
Lee Pavao, <i>Chairman</i>	Chapel Hill-Carrboro Chamber of Commerce
Moses Carey, <i>Finance Chair</i>	Orange County Board of Commissioners
Rick Strunk, <i>Marketing Chair</i>	North Carolina High School Athletic Association
Linda Convisor	University of North Carolina at Chapel Hill
Bill Crowther	Alliance for Historic Hillsborough
Frances Dancy	Town of Hillsborough
Rachel Phelps Hawkins	Hillsborough/Orange County Chamber of Commerce
Mark Sherburne	Orange County Lodging Association
Bob Ward	Orange County Economic Development Commission
Jim Ward	Town of Chapel Hill
Creston Woods	Orange County Lodging Association
Jon Wilner	Town of Carrboro
Elizabeth Parham, <i>Ex Officio</i>	Chapel Hill Downtown Partnership

Kevin Callaghan, Anne Loeb, and Edith Wiggins also served during part of 2005–2006.

The Importance of Tourism

Did you know that Tourism is one of North Carolina's largest industries? In 2005, domestic travelers spent \$14.2 billion across the state. With tourism, dollars earned in one community are spent in another.

Orange County Government has long recognized tourism as an economic generator and has elected to provide the investment and support to realize its potential. And it's working.

The Orange County Tourism Industry supports over 1,700 jobs. Domestic Tourism in Orange County generated an economic impact of \$127.2 million in 2005. This was a 6.9 percent increase over 2004. Orange County ranked 24th in travel impact among North Carolina's 100 Counties.

These visitors don't utilize our social services yet they contributed additional state and local tax revenues in the amount of \$9.98 million last year. This represents an \$82 tax saving to each county resident.

In North Carolina in 2005 lodging accounted for 18% of all visitor expenditures, while retail accounted for 11%. Food service accounted for 33%.

Orange County competes with Durham and Raleigh's restaurants and malls. These counties have found tourism to be a solution for their economy and are making investments in infrastructure and marketing to ensure sustainable economic growth.

The return on investment is tremendous. It grows the economy and is a benefit to our county.

The Chapel Hill/Orange County Visitors Bureau knows that a healthy tourism industry will provide jobs, bring in tax dollars for improvement of services and infrastructure, and attract facilities like restaurants, shops, and sporting venues that cater to both visitors and locals.

In the following pages, I hope you'll get a sense for our dedication to this thriving industry.

*Moses Carey, Orange County Commissioner
Visitors Bureau Finance Chair*

Investing in the Orange County Brand

This past year at the Chapel Hill/Orange County Visitors Bureau the board experienced many changes to its mission, chief among them, our new executive director, Laurie Paolicelli. Laurie came to us with an accomplished background in tourism, including stints in Palm Springs, California; Houston, Texas and Columbus, Ohio.

Laurie hit the ground running and I'm proud to say that we made the right choice and staff and board leadership is experiencing the byproducts of her energetic direction on a daily basis.

One of the highlights of this past year was the consumer travel and visitor assessment study, conducted by Equation Research in April 2006, for the Visitors Bureau.

From this wealth of information, it is important to highlight the key findings:

- Affective features like friendliness, climate, scenery and safety are more important to Orange County's target audience than are the more tangible attributes such as music, nightlife and the cultural arts.
- The University is central to the area although 49% of visitors cited a personal connection to the university as the basis of their visit, 51% came for other reasons.

- The name Chapel Hill has an extremely and unusually high awareness within the target audience.
- People come to Orange County to "soak up the Chapel Hill atmosphere," and the atmosphere is that of a bucolic college town.
- The destination has a very powerful brand and the target audience is connected to the area on an emotional level and in a very warm way.
- The destination makes them feel good; it appeals to their "easy-going" nature.
- Past visitors feel so positive that the destination clearly delivers what the brand already promises.
- The most significant challenge is that 85% of our target audience uses the Internet to travel but only a small percentage have visited the website.

The Visitors Bureau is engaged in phase II of this branding effort, which is a multi-dimensional tourism campaign that will increase tourism and spending in Orange County; help offset local taxes for residents and sustain our restaurants, retail and hotels at a winning level. Keep your eye on tourism.

Lee Pavao, Visitors Bureau Chairman

Major Results from 2005–2006

IMPACT OF TOURISM ON ORANGE COUNTY IN 2005

- Domestic Tourism generated an economic impact of \$127.2 million in 2005. This was a 6.9 percent increase over 2004.
- Orange County ranked 24th in travel impact among North Carolina's 100 counties.
- More than 1,700 jobs in Orange County were directly attributable to travel and tourism.
- Travel generated a \$26.83 million payroll.
- State and local tax revenues from travel to Orange County amounted to \$9.98 million. This represents an \$82 tax saving to each county resident.

Source: 2005 Economic Impact of Travel on North Carolina Counties study conducted by the Travel Industry Association of America for the Division of Tourism, Film and Sports Development of the North Carolina Department of Commerce.

Overnight convention visitors spend an average of \$245 per day. Convention day-trippers spend an average of \$66. Both add tremendously to our economy. (Destination Marketing Association International)

- Worked with Equation Research to conduct an Orange County consumer travel and visitor assessment study for the Visitors Industry of Orange County.



- Redesigned the Bureau's website in March 2006. The site, www.chocvb.org, attracted 288,628 visitors.
- The Bureau serviced 7,211 visitors to the visitors center during 2005–2006, an 83% increase over the previous year. Partnered with Town of Chapel Hill, which placed ten directional signs around town making it easier for visitors to locate our Franklin Street Visitors Center.
- The Bureau generated 205 travel-related media stories in local, state, regional, national and international publications and broadcast outlets.
- The Bureau provided conference services and visitor reference materials for 183 groups holding meetings and events in Orange County.
- Forty conference bookings with a combined estimated economic impact of \$2 million were booked in Orange County as a result of leads issued to area hotels and meeting facilities.
- Coordinated the first Orange County Tourism Partnership, a lunch meeting and opportunity to share critical travel information.
- Hotel occupancy increased from 65.85% to 68.63%, and the average daily rate increased from \$100.93 to \$103.75.*
- Total attendance for Orange County attractions, welcome centers and guided tours: 1,352,592.

* Smith Travel Research

"Thank you so very much for the outstanding support of the Campus Fire Forum 8 conference last week. We are hearing from the organizers how very happy they were with the week and how successful it was. The Visitors Bureau went above and beyond the call by staying with us for most of the conference and providing ongoing information and services to the out-of-town guests. I think we have convinced the Board of the Center for Campus Fire Safety that they should plan to return to Chapel Hill for a future Fire Forum."

DAN JONES, Fire Chief, Chapel Hill Fire Department

Leisure Travel Marketing

- The consumer travel and visitor assessment study, conducted by Equation Research for the Bureau in April 2006 presented an excellent basis for charting the direction of Orange County's brand.
- The Bureau's website, www.chocvb.org was redesigned in March 2006. It attracted 288,628 visitors.
- Produced new 2006 Official Visitors Guide and Dining Guide with new photography and updated information. Also produced a special Visitors Guide with a UNC cover to be used with university-targeted advertising.
- Produced new detailed Visitors Map.
- The Bureau serviced 7,211 visitors to the visitors center during 2005–2006, an 83% increase over the previous year. Began to enhance the Visitors Center. Partnered with Town of Chapel Hill, which placed ten directional signs around town making it easier for visitors to locate our Franklin Street Visitors Center.
- Visitor packets were sent to 3,438 inquiries.
- Partnered with the *Chapel Hill Herald* to produce a 2006 Wedding Guide.
- Continued to partner with the *Herald-Sun* to provide complimentary newspapers for guests at Orange County hotels.
- Redesigned and distributed a more targeted monthly enewsletter, which was distributed to an average of 734 subscribers monthly, in 2005–2006.
- Provided ongoing data updates on Orange County's accommodations, attractions, recreation, welcome centers, and events for the North Carolina Department of Tourism, Film and Sports Development website, www.visitnc.com.
- Coordinated monthly delivery of visitor publications to 60 locations throughout the county.
- Leisure travel advertisements appeared in publications including the *Official North Carolina Travel Guide*, *Carolina Heritage Guide*, *NC Outdoor Recreation Guide*, *AAA Go Magazine*, *AAA Carolinas website*, *Carolina Alumni Review*, *Our State Magazine*, *Chapel Hill Magazine*, *Charlotte Observer*, *New Bern Sun Journal*, *Wilmington Star News*, *Asheville Citizen-Times*, *Richmond Times Dispatch* and *Petersburg Progress Index*.



"I just wanted to say thank you to the Visitors Center for getting together visitor's information for our wedding guests. My fiancé and I are both originally from out-of-state and most of our family has never been to Chapel Hill. The maps and guides will come in handy for them to navigate their way through the city over the wedding weekend. Thank you again for all your help!"

JAMIE L. TIER, East Carolina University



“Thank you for organizing the March Madness tour. Although I’ve been doing meeting planning for 20 years. I still learned some new things and about new places in Chapel Hill. The booklet you provided will be a handy resource. I will contact you in a month or so about my guests from Ireland. Thanks again.”

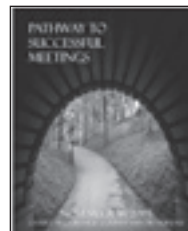
SALLY HEARNE,
Meeting Planner



Meeting planners visit the Sheraton Chapel Hill Hotel during the November 2005 Pathways to Successful Meetings Familiarization Tour.

Conferences, Meetings and Group Tour Marketing

- Participated in the following national sales tradeshows to increase visibility of our destination to key decision makers who book travel: Hospitality Sales and Marketing Association International’s Affordable Meetings Exposition & Conference in Washington DC and Chicago; Association Executives of North Carolina Annual Winter Tradeshow; International Association of Convention & Visitor Bureau’s Destinations Showcase Washington DC; Meeting Professional International Professional Education Conference in Charlotte, NC. *(Responded to 713 requests for information resulting from our participation in these conferences and shows.)*
- Partnered with the North Carolina Association of Convention & Visitor Bureaus in organizing and hosting a special event in Chapel Hill for 37 North Carolina Associations.
- Presented to the University Market (Duke and University of North Carolina at Chapel Hill) the advantages of hosting meetings and conferences in the Chapel Hill/Orange County area. A total of 64 meeting planners were present between both presentations.
- Hosted with our local Industry Partners an all day tour of the area, “Pathway to Successful Meetings,” featuring meeting and conference sites in Orange County. Educational seminars were included at each stop. Invitation included meeting planners from North Carolina, South Carolina, Virginia and Georgia. A total of 24 decision makers attended the event.
- Hosted with our Industry Partners an all day tour, “March Madness,” featuring meeting and conference sites in Orange County. Educational seminars and networking were included in the program. Invitations were for University of North Carolina meeting planners only. A total of 31 UNC decision makers attended the event.
- Co-hosted with one industry partner in an all day familiarization tour for Independent Meeting Planners from Helms Briscoe in an effort to lure that corporate business to Chapel Hill.
- Produced a Meeting Planners’ Manual on Orange County meeting facilities, hotels, transportation, attractions, dining and general area information.
- Offered special promotional campaign to local restaurants and attractions for *The Bob Gibbons Basketball Tournament of Champions* Memorial Day Weekend sporting event to increase incremental spending. The event attracted more than 5,000 visitors to Orange County.
- Conducted lodging sales roundtables for Orange County accommodations, which keeps communication flowing in the local hospitality industry.
- Responded to 1,078 requests for meeting and conference and group tour information from groups interested in hosting events in Orange County.
- Provided conference services and visitor information to 183 groups meeting in Orange County and who desired suggestions on where to dine, sightsee and browse.



Communications and Media Relations

- Provided reference, background and story ideas to journalists, which resulted in 205 travel, tourism and event stories up from 199 in local, regional, national and international media.
- Hosted 14 travel writers and broadcast media during 2005–2006 representing magazines, travel guides, newspapers and travel television programs. Included in visits was a Triangle wide joint press trip for writers from the International Food, Wine and Travel Writers Association in October 2005. Some publications/outlets during the year were ESPN, HGTV, *Philadelphia Sun*, *Huntsville Times*, *NY Daily News*, *Charleston's Free Time Newspaper*, *Two River Times*, *Triangle Guest Informant Guide*, *Le Devoir de Montreal* (Canada), *Travel Features Syndicate*, *www.traveldigest.com*, *Hospitality Design* and *LA Times*.
- Attended the Public Relations Society of America Travel and Tourism Section/Society of American Travel Writers Conference in Washington, DC in June 2006 with over 400 attendees. Purpose of the trip was to present Orange County as a story idea to prominent media.



- Worked with travel photographer to update the Bureau photo library of Chapel Hill, Carrboro and Hillsborough images.
- Participated in the launch of *www.homegrownhandmade.com* website highlighting Orange County's Art Roads and Farm Trails.
- Visitors Bureau was featured on the People Channel's Chapel Hill Almanac.
- Produced a quarterly calendar of events rack card for visitor centers, accommodations and chamber of commerce offices highlighting Orange County's major special events.

- Continued participation in the Triangle Family of Communities promotion.
- Worked with WCHL Radio and The Franklin Hotel to promote National Tourism Week in May 2006. Promotion included radio interviews and commercials throughout May touting the economic importance of tourism in Orange County.
- Conducted three hospitality-training programs (two bus tours and one classroom session) and trained 38 front-line staff of Orange County accommodations and visitor related businesses. In addition, presented to 32 women at the Raleigh Women's Prison who work in the state's call center for 1-800-visitnc.
- Sent out 33 press releases, highlighting tourism-related stories.
- Distributed 532 slides and digital images in response to media requests during 2005–2006.



"Special thanks to your public relations department for hosting my recent tour of Chapel Hill in preparation for my travel story in the Los Angeles Times. Patty provided a wonderful tour, itinerary, suggestions and helped me to get a true sense of Orange County in all of its splendor."

LYNN SELDON, Travel Writer, Oak Island, NC

The Bureau's hospitality-training bus tour includes a stop at the North Carolina Botanical Garden in Chapel Hill.

Industry and Hospitality Partner Relations



Teresa Damiano, Marketing Director with RDU International Airport, speaks to the inaugural Orange County Tourism Partnership Meeting held at The Siena Hotel.

- The Bureau formed the first Orange County Tourism Partnership in June 2006. The industry forum is designed to meet and discuss key issues relevant to travel and tourism in Orange County. The gatherings will take place quarterly.
- From the Tourism Partnership Forum, began talks with Raleigh Durham International Airport about airport shuttle service to Orange County.
- The Bureau also coordinated a Tourism Marketing Strategy Meeting for Orange County lodging to discuss marketing opportunities with the Bureau. The first meeting took place in January 2006.
- Supported North Carolina High School Athletic Association.

Staff provided assistance to the organizers and/or promoted the following festivals and major events among others:

2005

Bikefest: The Rural Heritage Tour
 Chapel Hill Holiday House Tour
 Community July 4th Celebrations
 Christmas Craft Show
 Carrboro Music Festival
 Efland Ruritan Fall Classic Rodeo
 Festifall
 Hillsborough Christmas
 Candlelight Tour
 Holiday Parades & Tree Lightings
 NCHSAA Football Championships
 Orange County Open Studio Tour
 Sculpture in the Garden
 2nd Friday Artwalks
 Twelve Days of Christmas

2006

Apple Chill
 Birdhouses on Parade
 Carolina Jazz Festival
 Carrboro Day
 Chapel Hill Spring Garden Tour
 Cool Jazz Music Festival
 Fridays on the Front Porch
 Greek Festival
 Hillsborough Hog Day
 Last Friday
 NCHSAA Basketball Championships
 Occaneechi-Saponi Spring Cultural
 Festival & Pow Wow
 Piedmont Farm Tour
 Revolutionary War Living History Day

“Sorry it has taken me so long to write and thank the Visitors Center for all your help during my short visit to Chapel Hill. Without your guidance I would have missed some lovely adventures.”

BERRY DILLEY,
 Athens, Greece



Membership and Service

Association Executives of North Carolina
 Chapel Hill-Carrboro Chamber of Commerce
 Chapel Hill Downtown Partnership
 Chapel Hill Spring Garden Committee
 Destination Marketing Association International
 Hillsborough Candlelight Tour Committee
 Hillsborough Hog Day Committee
 Hillsborough-Orange County Chamber of Commerce
 Hospitality Sales and Marketing Association International
 International Association of Business Communicators
 Meeting Professionals International
 Meeting Professionals International, Carolinas Chapter
 North Carolina Association of Convention and Visitor Bureaus
 North Carolina High School Athletic Association
 North Carolina Travel Industry Association
 Orange County Employee Consortium
 Public Relations Society of America
 Society of Government Meeting Planners
 Travel Industry Association of America
 Triangle Area Hotel and Motel Association

VISITOR STATISTICS/ MATERIAL DISTRIBUTION 2005 – 2006

Visitors to Visitors Center	7,211
Visitor Inquiry Packets Sent	3,438
Website Visits (www.chocvb.org)	288,628
<i>Official Visitor Guide</i>	28,316
<i>Dining & Nightlight Guide</i>	21,832
Visitor Maps	20,268
Promotional Lure Brochure	5,967
Meeting & Event Planning Guides	895

“Thanks to the Visitors Bureau for staying involved with the North Carolina Restaurant and Lodging Association and representing Orange County in this important association. With more than 300 restaurants in your county, you have an important voice in upcoming policy and legislative decisions in North Carolina and your enthusiasm and tourism experience will surely make a difference.”

PAUL STONE, President,
 North Carolina Restaurant
 and Lodging Association.



“Thank you very much for all your early help towards opening The Franklin Hotel in Chapel Hill. From media and contact lists to market segment overviews, reservation and operations suggestions and to a guide map to understanding the profile of the Chapel Hill visitor, we felt better just knowing the Visitors Bureau was there. We’ve already received leads from your association and are well underway to making a fantastic contribution to our town. Thanks for all your assistance.”

MICHAEL DONALDSON, General Manager, The Franklin Hotel

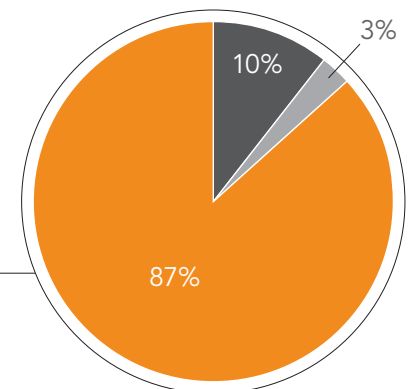
Funding

- The county collects a 2% occupancy tax from lodging guests, which the Board of Commissioners dedicated to the operation of a countywide visitors bureau. For 2005–2006, this amount totaled \$576,010. Property tax revenues are not used to support the Visitors Bureau.
- The Town of Chapel Hill collects an additional 3% occupancy tax from guests at lodging properties in the town limits within Orange County. From those receipts, the Bureau received \$69,000 in 2005–2006.

Revenue and Expenditures FY 2005–2006

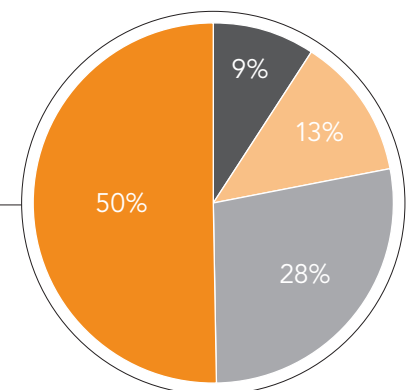
REVENUE

● Occupancy tax receipts (2% county) and interest	\$576,010.00
● Interest/Partnership Reimbursement	\$18,298.00
● Chapel Hill Occupancy Tax Grant	\$69,000.00
TOTAL	\$663,308.00



EXPENDITURES

● Salaries & Benefits	\$299,845.37
● Sales & Marketing	\$164,819.75
● Overhead (rent, phones, utilities, etc)	\$75,647.34
● Administration	\$54,442.18
TOTAL	\$597,043.64



2006–2007 Strategic Goals and Objectives

- Produce new Visitor Materials including a new Visitors Guide; How-To Guide; DVD and Meeting Planners Guide.
- New website (constantly evolving).
- New branding campaign to more aggressively sell unique attributes of three towns, including aggressive on-line strategy and traditional print elements.
- Stepped-up Visitor Center and materials.
- Increased sales goals for group and leisure markets.
- Enhanced relationships with community partners, including UNC, arts, athletics, and merchants in Chapel Hill, Carrboro and Hillsborough.

“I applaud the stepped-up energy and enthusiasm among the Orange County tourism industry where matters of ground and air transportation from RDU are concerned. I am delighted for the renewed commitment and willingness to partner on all matters that impact travel to Orange County from RDU. It’s been awhile since I’ve presented to a group in Orange County and what I saw was impressive. I am happy to see the Visitors Bureau take a more active leadership role in Orange County tourism.”

TERESA DAMIANO, RDU International Airport



Chapel Hill
ORANGE COUNTY
Visitors Bureau

MISSION STATEMENT

The mission of the Chapel Hill/Orange County Visitors Bureau is to develop and coordinate visitor services in Orange County and to implement marketing programs that will enhance the economic activity and quality of life in the community.

PURPOSES

The Visitors Bureau is organized for the following purposes:

1. To position Orange County as a desirable meeting or vacation destination.
2. To work in cooperation with community organizations to achieve a comprehensive tourism marketing program.
3. To serve as a countywide leader in developing strategies for providing quality visitor services to the travelers who visit Orange County.
4. To encourage longer stays, increased spending and repeat visits of travelers to Orange County.
5. To examine the range of visitor services available, to identify unmet needs and meet those needs, as appropriate.
6. To operate in a manner that contributes to the economic development and quality of life in the communities that comprise Orange County.

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