



Statewide Tourism Marketing Discussion

December 2016

Connecticut[®]
still revolutionary

Tourism is a significant economic driver for Connecticut

We have made major progress in growing CT tourism, but continued cuts imperil that investment



\$14 billion
in total traveler spending



~\$500 million
in direct CT occupancy
tax revenues since 2012

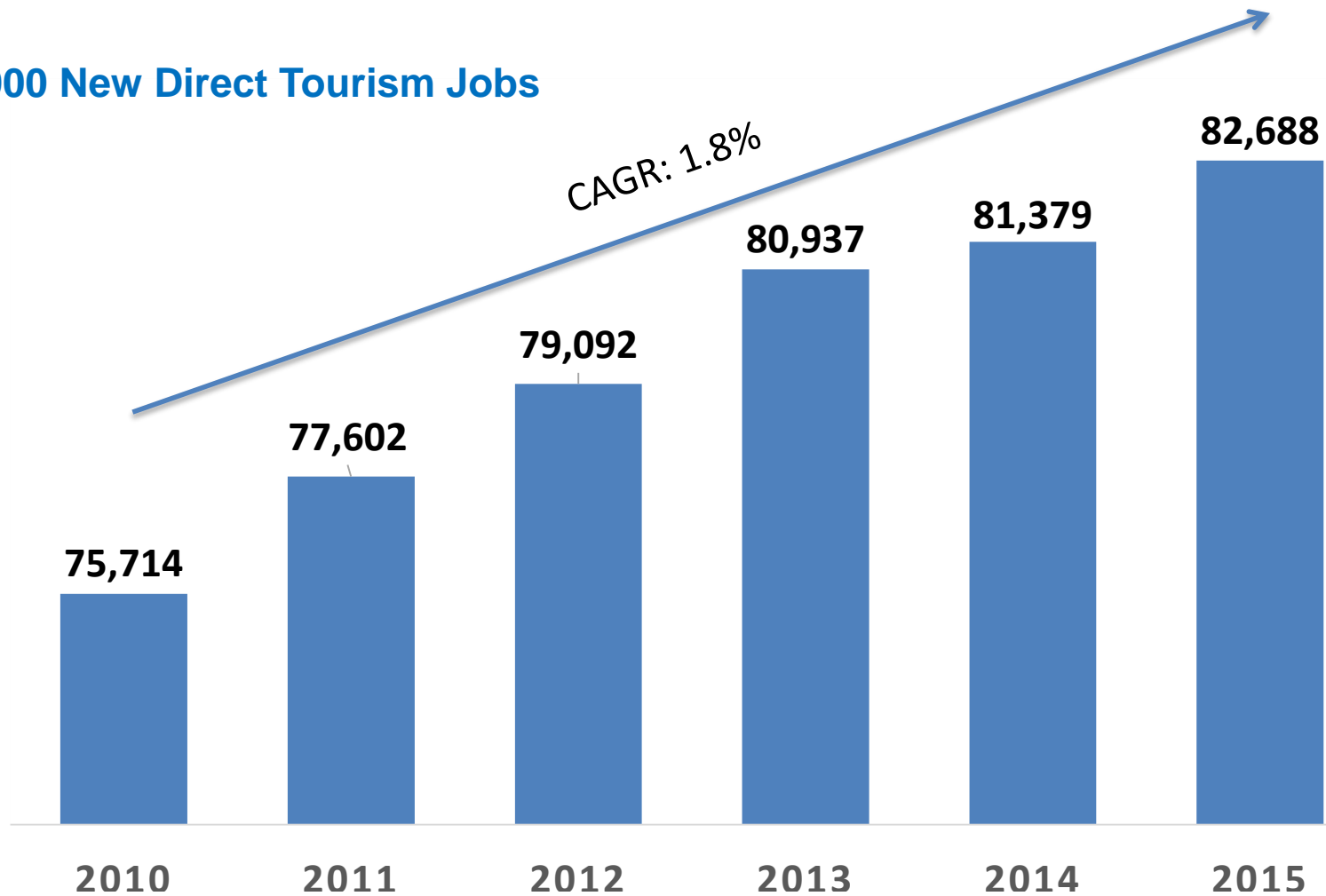


82,500 jobs
supported by the
tourism industry,
and 120,000+ total jobs in
the tourism sector

Source: Tourism Economics Study, Economic Impact of Travel in Connecticut

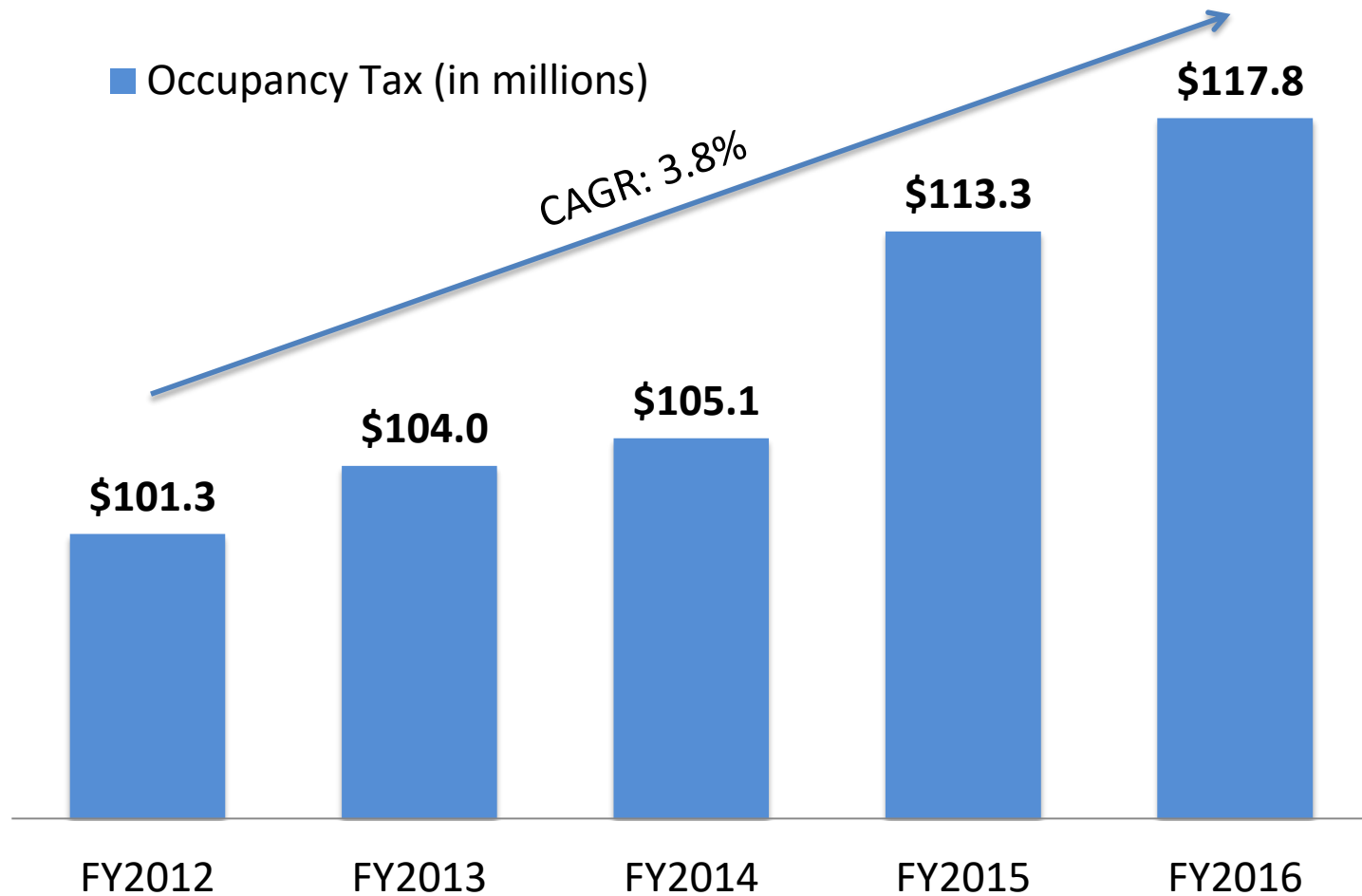
Since 2011, tourism jobs are up significantly

7,000 New Direct Tourism Jobs



Source: CT Department of Labor data, analysis by Tourism Economics

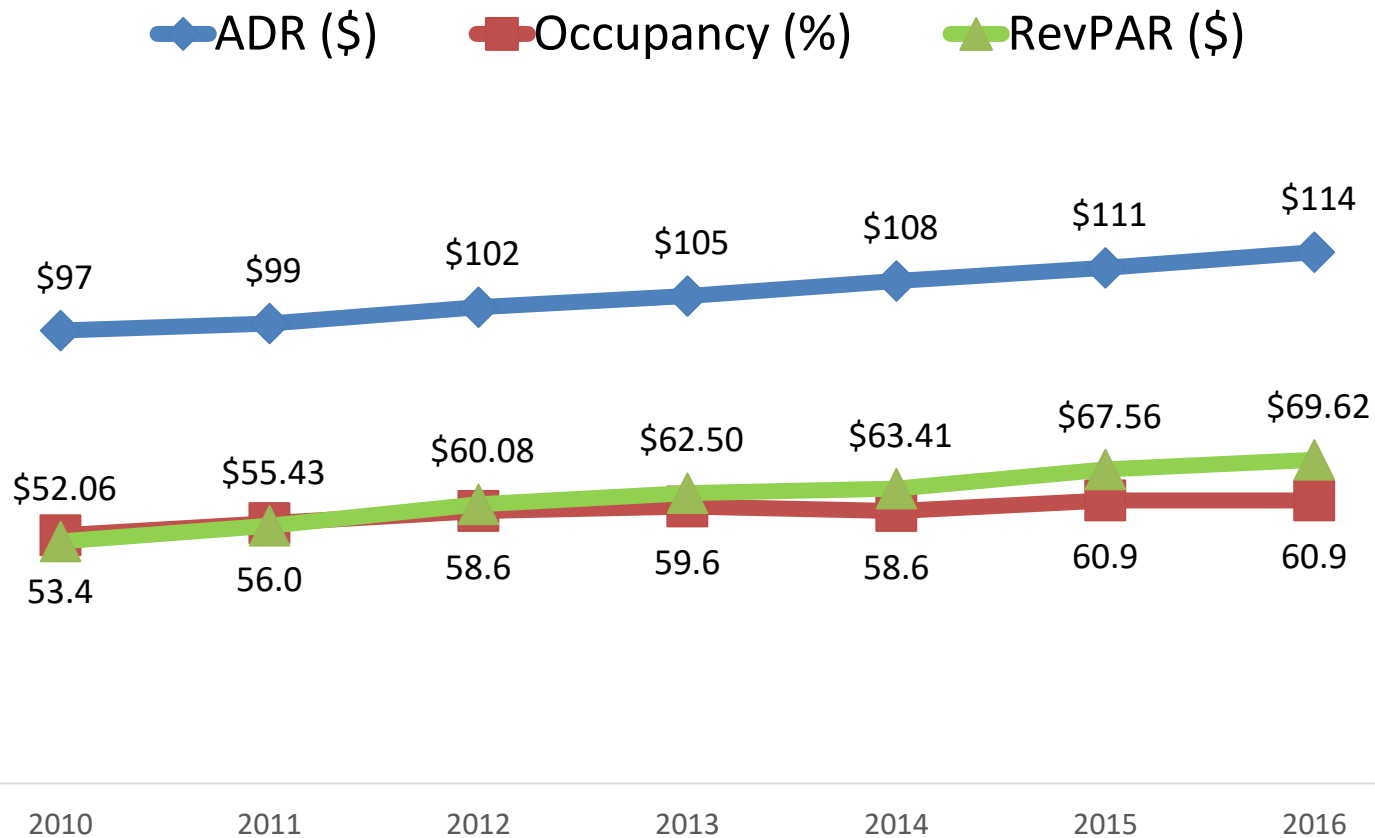
Since 2011, occupancy tax revenues are up



Source: CT Department of Revenue Services

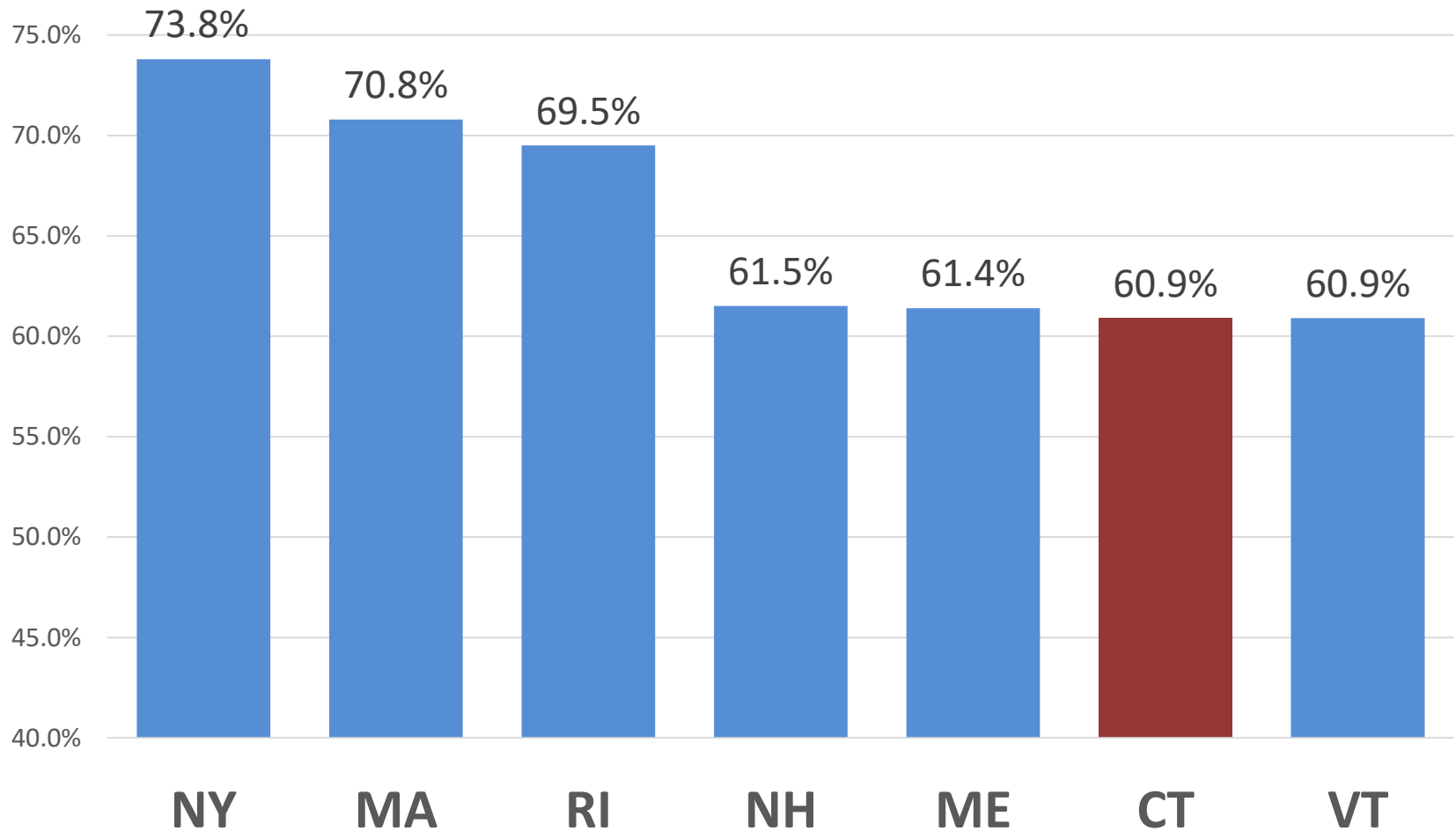
Since 2011, lodging results have improved

Occupancy up 9% since 2011, but stalled in last year



Source: Smith Travel Research, YTD through September

But our hotel occupancy lags others in our peer group



Source: Smith Travel Research, 2015 data

The competitive landscape is also heating up

Recent tourism budgets of neighboring states

\$55 million
(announced for FY17)



I ♥ NY

\$13 million
(Fiscal Year 16)



Maine
VisitMaine.com

\$11 million
(Fiscal Year 16)



\$5 million
(Fiscal Year 16)



\$5 million
(Fiscal Year 16)

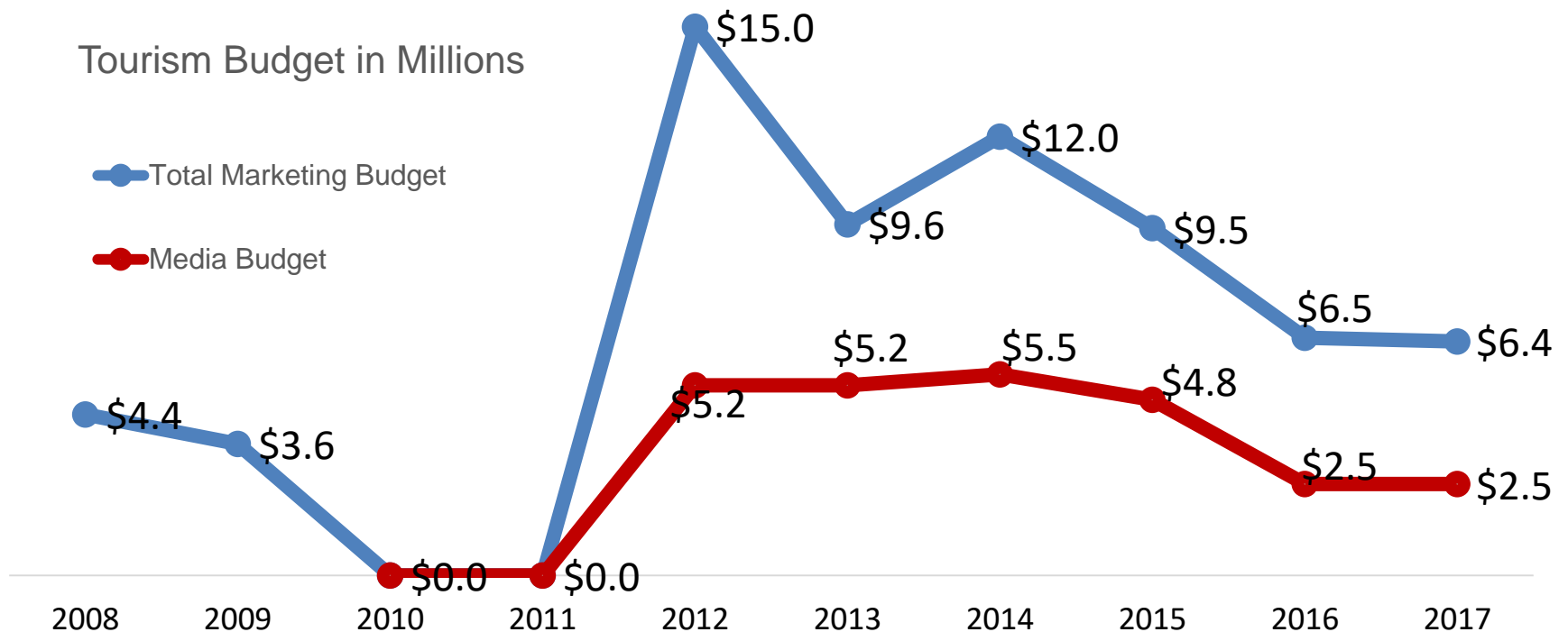


\$4 million
(Fiscal Year 16)



Connecticut has made major investments in tourism

However the state's tourism budget has been cut by 60%

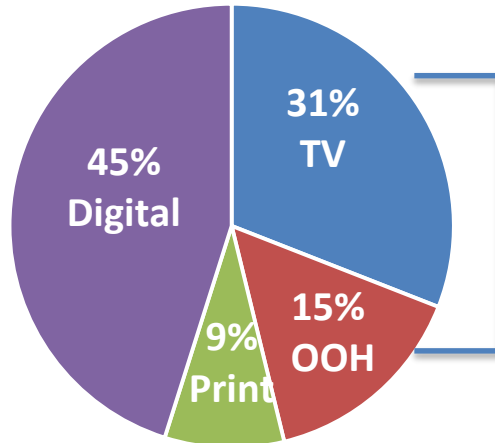


Recent budget cuts have eliminated key tactics

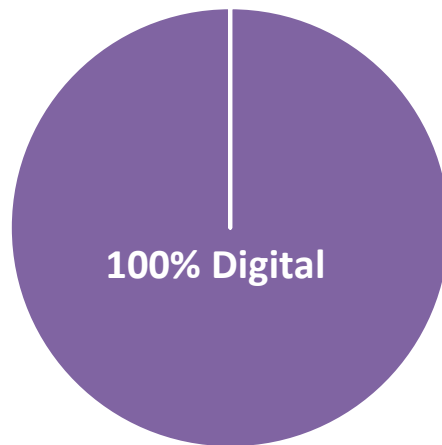
We've eliminated media that provides greater reach/exposure, including TV and out-of-home

Cuts included TV campaign in NY/NJ and station dominations in Stamford and Grand Central

FY2015
Media Budget:
\$4,837,802

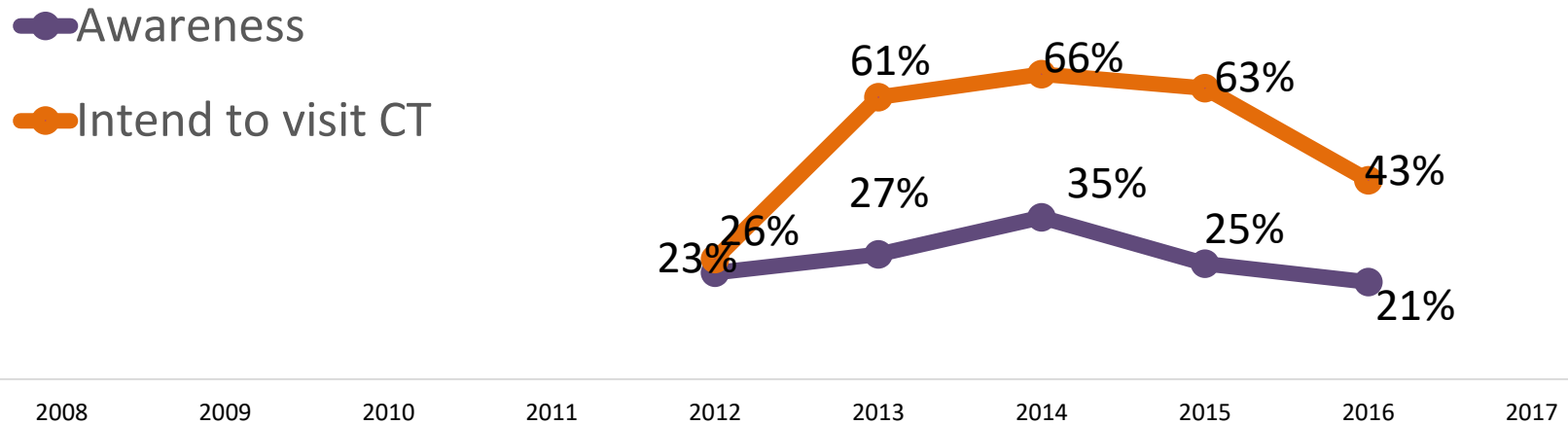


FY2017
Media Budget:
\$2,500,000

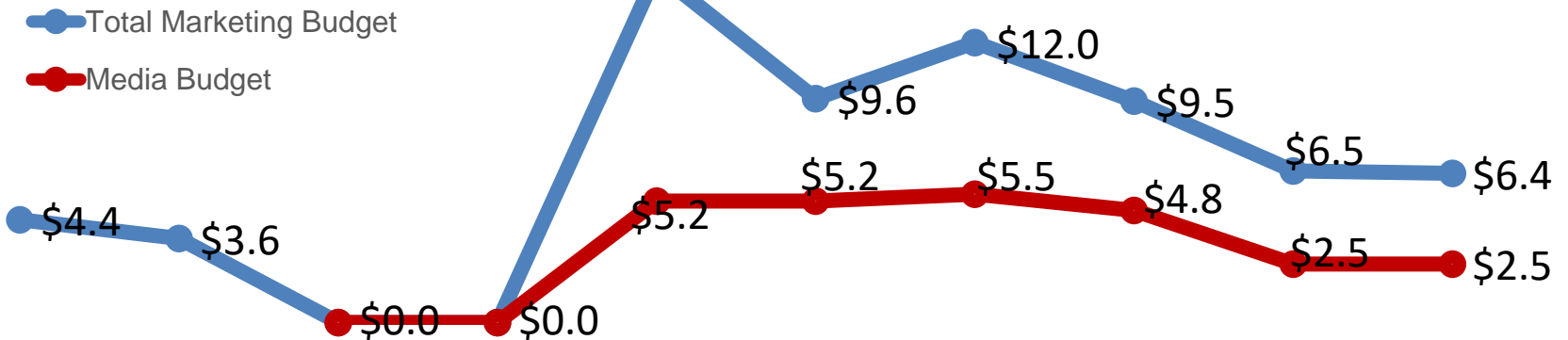


Cuts are affecting longer-term indicators

Lack of broader media affecting awareness/intent to visit



Tourism Budget in Millions



Illustrative Funding Scenarios for FY17

At the following budget levels, here's what could be added in addition to a robust digital marketing program:

| Budget | Incremental Tactics Added | Incremental Markets |
|----------------|---|--|
| \$8.5 million | <ul style="list-style-type: none"> Refresh creative campaign Add back in TV buy for summer and fall (10 weeks total) Add high-impact out-of-home Resume popular marketing challenge grants and co-op opportunities (critical for regional partners) | <ul style="list-style-type: none"> Boston and NYC (TV) NYC (Out of Home) |
| \$10.5 million | <ul style="list-style-type: none"> Increase digital budget to be more evergreen Add one more week of TV in summer Extend TV and out-of-home to Providence | Providence (TV/OOH) |
| \$12 million | <ul style="list-style-type: none"> Extend TV to Philadelphia in summer and fall Add back in tourism grants and co-op opportunities | Philadelphia |
| \$15 million | <ul style="list-style-type: none"> Increase length of summer TV flight to 8 weeks in all markets Enhance the out-of-home program in all markets Add a digital international plan | Targeted international markets |