

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

International Speedway Corporation located at One Daytona Blvd., Daytona Beach, FL 32114

July 17, 2018 at 9:00 a.m.

SUMMARY MINUTES

The minutes reflect a summarized view of the gathering.

Board Members Present:

Libby Gallant, Blaine Lansberry, Jim Berkley, John Betros, Kelly Dispennette, Steve Farley, Samir Naran, John Phillips, Lisa Shavatt and Linda Bowers

Board Members Attending via Phone-in:

Kevin Hines

Board Members Absent:

None

Guests:

Shelby Green, Andy Kovan, Cortney Legg, Carl Brigandi, Bob Davis, Charles Hargrove, Jay Cassens, Tim Riddle, Pat Abernathy, Kate Sark, Clayton Park and Rick Karl

Staff Present:

Lori Campbell Baker, Christy Zimmerman, Kay Galloway, Kate Holcomb, Linda McMahon and Jennifer Sims

CALL TO ORDER

Chair Libby Gallant called the meeting to order at 9:00 a.m. and Christy Zimmerman conducted the roll call.

1. Consent Agenda

All items on the Consent Agenda were sent to the Board ahead of time and no items were pulled for discussion.

Libby Gallant asked if the Board or the public had any comments or questions. Hearing none, she entertained a motion to approve the Consent Agenda.

STEVE FARLEY MADE A MOTION TO APPROVE CONSENT AGENDA. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

2. Financials & Human Resources

a) May 2018 Board Financial Packet

Gallant asked the Board to review the May financial packet. She asked if the Board or the public had any comments or questions. Hearing none, she entertained a motion to approve the financials.

JOHN BETROS MADE A MOTION TO APPROVE THE MAY FINANCES AS PRESENTED. JIM BERKLEY SECONDED THE MOTION. MOTION PASSED 11-0.

3. 2018-2019 Budget and Marketing Plan Approval

Campbell Baker reported one change was made since the budget workshop. The Airlift Support account was increased by \$25K, bringing the account total to \$125K.

Gallant asked the Board to review the Budget & Marketing Plan. She asked if the Board or the public had any comments or questions. Hearing none, she entertained a motion to approve.

STEVE FARLEY MADE A MOTION TO APPROVE THE 2018-2019 BUDGET AND MARKETING PLAN AS PRESENTED. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

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July 17, 2018 at 9:00 a.m.

Campbell Baker reported that the CVB will present the budget to County staff on August 6 at 4:00 p.m. in DeLand and then to Volusia County Council at its Tuesday, August 21 meeting. Campbell Baker encouraged board members to attend and show support. CVB staff will send the meeting agenda to board members.

4. The Brandon Agency

a) 2017-2018 Campaign Update

Andy Kovan, with The Brandon Agency (TBA), presented the 2017-2018 Campaign Update for May and June. Shelby Greene noted that the Media Placement schedule for July-September has been updated. Year to date savings, realized through negotiations by TBA, were used for additional media placements including AAA.com, AAA.living, Facebook, TorontoStar.com as well as OTT (Over the Top) testing in Dallas, Houston and Toronto.

Campaign Update Highlights:

- Year-over-year website performance for October-June improved as measured by Key Performance Indicators. While Traffic volume was down 15.3%, engagement increased. Page Views and Time on Site were both up and Bounce Rate was down 1.8%.
- Total leads captured on the Website for May-June increased: 15,086 vs 2,246 last year.
- Website leads increased 141%, Link to Detail clicks on the Things To Do pages increased 20% and Hotel Listing pages increased 111%. Visit Website clicks increased 2.6%, and there were 10,864 video views. Blog page views increased 250% and entrances to the blog pages increased 849%.
- A pop-up was added to the website and 5,409 email addresses were acquired.
- Website demographics for the period show user age continues to shift younger and more females. The percentage of users age 55+ decreased and shifted towards age range 25-54. The percentage of female website users was 56% this year vs. 53% last year.
- Top pages viewed were Events and Things To Do.
- Facebook Leads ads delivered 9,933 leads.
- Facebook Drive to Website ads continued to drive the most traffic to the site (30,927 sessions) and 86% of users were new.
- OrlandoSentinel.com had the highest video completion rate at 92%. The videos are producing very high Click Through Rates (CTR).
- Digital display ads had a 0.17% CTR (industry CTR average is .07-.09%)
- Daytona Beach Email active new growth = 70.8%
- Since May 1, 2018:
 - Facebook Fans = 147,228, up 13.37% (+17,362 followers)
 - Instagram Followers = 7,225, up 3.36% (+235 followers)
 - Twitter Followers = 11,633, up 1% (+80 followers)

b) 2018-2019 Media Plan/Strategy

Greene presented the 2018-2019 Media Plans/Strategy noting the new things TBA is introducing for the upcoming year along with continuing what has been successful.

Media Plan/Strategy Highlights:

- Target Audience has not changed. Additional testing will be done on Facebook to reach a higher income audience.

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

International Speedway Corporation located at One Daytona Blvd., Daytona Beach, FL 32114

July 17, 2018 at 9:00 a.m.

- Geography: FLORIDA – Fort Lauderdale, Jacksonville, Miami, Orlando, St Petersburg and Tampa. U.S. and CANADA – Georgia, Illinois, Michigan, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Texas, Toronto and Ontario. INTERNATIONAL – United Kingdom. Advertising tactics will vary based on geographic location.
- Timing/Budget: Oct. 1, 2018 to Sept. 30, 2019; Budget \$3,413,536
- Media Strategy:
 - Continue with a multi-layered approach to assist in brand awareness tactics and generate new leads through site visits and Visitors Guide downloads.
 - Expand targeted paid social media to drive leads and website traffic.
 - Hone in on the opportunity to attract visitors at the beginning of their search for destinations.
 - Use existing media channels in new ways in order to make the media work harder for Daytona Beach.
- Media Key Performance Indicators:
 - Increase lead generation
 - Increase time on site
 - Increase page views
 - Increase Social Media followers
 - Increase the number of new users to the site
 - Lower bounce rate

These indicators will support the overall goal to increase RevPar by 10%.

- New Tactics:
 - TripAdvisor – Platform changes are expected in late 2018/early 2019. These changes should result in a more user-friendly platform and help with the market segmentation issues.
 - Conversant – Personalized video ads
 - NEI Tourism Measurement (measures the true impact of advertising dollars)
 - Taboola – In-feed video; native content retargeting
 - Clicktivated – Native interaction video - items pop-up during the video which the user can click on to create an itinerary. The user is directed to a customized page when the video is over showing everything selected.
 - Association of Mature American Citizens Newsletter – Sponsorship
 - Cable TV – Added the Houston market
 - VISIT FLORIDA – A Canadian's Guide-Florida Yours to Discover, AAA Living North, and Toronto Star (print/digital package)
 - Experiential Program – Possibly in January in northern cities, may use \$100,000 rebated from ICONN Media to fund it

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

International Speedway Corporation located at One Daytona Blvd., Daytona Beach, FL 32114

July 17, 2018 at 9:00 a.m.

- Media Summary:

Budget Allocation	Client Cost	%
Paid Social Advertising	\$366,000	12%
Digital	\$1,340,157	44%
TV/Cable/OTT	\$804,109	27%
Radio	\$300,205	10%
Print	\$195,112	6%
Out-of-Home	\$22,182	1%
Total Media Placements	\$3,027,766	
Experiential Event	\$100,000	
Arrivalist/Ad Serving Fees	\$215,000	
Total Media Placement & Attribution Fees	\$3,342,766	
Contingency Budget	\$70,770	

Galloway asked Greene to explain what Arrivalist does. Greene replied that Arrivalist measures how many people come to the market after seeing our ads, how long they are in market, how many days prior to arrival they started planning or saw our ads. The data provides an average per 1,000 of units of exposure, which helps us measure which media is working the hardest for us. Findings from this data will be shared at the September board meeting.

Media Plan Highlights:

- Biggest change is we will have more media scheduled in fall because we won't be ramping up a brand new campaign like we were last year.
- Facebook – This is optimized throughout the year based on what demo does better, what geo does better and what placements work best.
- Digital – Increased spend with Adara and Sojern. Also slight increases in the TripAdvisor spend. Taboola and Clicktivated added.
- Broadcast Media – Cable and OTT (e.g. Hulu and AppleTV).
 - Broadcast Markets – Orlando, Tampa, Jacksonville, Atlanta, Chicago and Charlotte
 - Cable TV Markets – Orlando, Tampa, Jacksonville, Miami, Atlanta, Chicago, Charlotte and Houston
 - OTT Markets – All primary geos
- Radio – Would like to add radio in the fall time period. Dollars were put into the budget again to do another large radio promotion like The Kidd Kraddick Morning Show.

Gallant asked if the Board or the public had any comments or questions. Hearing none, she entertained a motion to approve the 2018-2019 Media Plan.

KELLY DISPENNETTE MADE A MOTION TO APPROVE THE 2018-2019 MEDIA PLAN COST OF \$3,342,766 AS PRESENTED. LINDA BOWERS SECONDED THE MOTION. MOTION PASSED 11-0.

5. Funding Requests

a) 2018-2019 Event Funding Request: Halifax Art Festival

Pat Abernathy, Publicity Director for the Guild of the Museum of Arts & Sciences, came before the Board with a \$7,500 funding request. The Advertising Committee recommended approval.

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

International Speedway Corporation located at One Daytona Blvd., Daytona Beach, FL 32114

July 17, 2018 at 9:00 a.m.

The funds would be used for Cable TV spots in Tampa and Orlando. Abernathy noted that the Halifax Art Festival was named one of the "Top 200 Festivals" in the country by Sunshine Artist Magazine. Abernathy presented data collected by Festival volunteers who surveyed 2017 attendees, noting the 2017 event was very well attended despite bad weather on the second day and competition from three other art festivals in Florida on the same weekend. Galloway stated that the festival does a great job of cross promoting with the CVB. The CVB logo is on the Festival website and the mailer sent to all artists includes a link to accommodations on DaytonaBeach.com.

JOHN BETROS MADE A MOTION TO APPROVE THE \$7,500 EVENT FUNDING AS REQUEST FOR THE HALIFAX ART FESTIVAL AS PRESENTED. JIM BERKLEY SECONDED THE MOTION. MOTION PASSED 11-0.

b) 2018-2019 Sunwing Airlines support

Rick Karl, Airport Director and Volusia County Director of Aviation and Economic Development Resources, thanked the board for their time and support of the Daytona Beach International Airport (DAB).

Karl presented on efforts to bring Sunwing to Daytona Beach which would provide new service from Toronto, the first scheduled international flights to DAB in over twenty years.

Karl said they hope to bring in Sunwing using the same model that was used to bring in JetBlue. He explained that the airport is offering incentives by waiving landing fees, facility, utility and janitorial and other incentives for a two year period to help offset their costs.

Karl said that marketing dollars are the one thing Sunwing has said is critical. So what we are doing is committing to \$250K from the community -\$125K in marketing support from the CVB and \$125K in marketing support from DAB reserves.

The County will negotiate a contract with Sunwing that spells out the marketing arrangement and the obligation requirements for review and input stipulations for the marketing plan. Their three-year lease agreement will contain requirements of expected services in order to receive the described incentives.

The airport will manage the relationship, but the CVB and the airport will work closely with Sunwing to develop a marketing plan that promotes new service to Daytona Beach. This includes input on creative, ad placement and fund expenditures. Sunwing's marketing goal is to bring tourists from Toronto and other larger markets to the Daytona Beach area.

Karl explained that he's looking for HAAA Board approval to move forward, and then the airport will move forward putting their package together and work with the airline to present a formal agreement to the County Council in the next couple of months.

Once approved, Sunwing would make a formal announcement and is looking to start a schedule in late January 2019, starting out with two flights a week. Sunwing considers this commitment to be a long-term partnership.

Karl said if they can get this commitment from the Board today it will be combined with a \$186K contribution from Sunwing and a VISIT FLORIDA grant they are trying to get that would match the \$250K of marketing support from the CVB and airport, for combined \$686K marketing effort.

John Betros added that any opportunity to increase traffic to our market is huge, and it is something we should strongly pursue. Clearly Daytona Beach is evolving and it is evolving for the good from the numerous hotel projects with renovations, and what a wonderful opportunity for us to drive traffic and basically low cost when you think about it.

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

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July 17, 2018 at 9:00 a.m.

Samir Naran stated that while the airline's business model focuses on selling vacation hotel packages, he is unaware of agreements that have been made with hotels. Naran also noted that the County agreement stipulates a four month commitment and a three year lease, while Sunwing's commitment is different.

Karl explained that Sunwing's model is a vacation model, and that the airline is pursuing relationships with several hotel properties in our area. The agreement is for a scheduled service, not a charter; consumers can buy a ticket from Toronto to Daytona Beach without a vacation package. The difference in numbers is because the County normally does a three year agreement that shows a long-term commitment. The four month period is what the County puts in its incentive packages, so to qualify for incentives, the airline must have a minimum of four months of service and a minimum of two flights per week.

Campbell Baker added that Sunwing has been working with McMahon and her team to reach out to 11 properties so far, and that they are looking to work with more properties and expand that number. The CVB has been working closely with Rick Karl, Jay Cassens and the airport team to look at the dollars to see how they could be multiplied. If the HAAA Board invests \$125K, that branding will be multiplied by the overall effort. She added that Sunwing should be a good addition to the destination, and it's important to show other airlines that international service into Daytona Beach is worth doing. Campbell Baker noted that members of the CVB team and Cassens will be going to Toronto to meet with Sunwing to solidify marketing plans for the agreement.

Gallant asked for a motion to commit the \$125K in the CVB's Airlift Support budget line item to Sunwing, with the contingency Sunwing service follows the parameters of the airport's incentive plan.

STEVE FARLEY MADE A MOTION TO APPROVE THE \$125,000 THAT IS IN THE BUDGET FOR AIRPORT SUPPORT FOR SUNWING, WITH THE CONTINGENCY THAT IF SUNWING ENTERS THE MARKET THEY DO IT VIA THE PARAMETERS OF THE AIRPORT'S INCENTIVES. JOHN BETROS SECONDED THE MOTION WITH THE CONTINGENCY. MOTION PASSED 11-0.

c) 2017-2018 Ocean Center promotional fund invoice

Campbell Baker asked for an official approval of the Ocean Center promotional fund invoice. She said to basically think of this as the CVB having two staff members at the Ocean Center. She reminded the Board that McMahon's CVB sales team and the Ocean Center work very well together and share leads throughout the year. This invoice reflects what the Ocean Center has used for promotional funds and staffing.

Gallant asked if the Board had any comments or questions. Hearing none, she entertained a motion to approve the Ocean Center promotional fund invoice of \$255,429.32.

STEVE FARLEY MADE A MOTION TO APPROVE THE OCEAN CENTER PROMOTIONAL FUND INVOICE FOR \$255,429.32. JOHN BETROS SECONDED THE MOTION. MOTION PASSED 11-0.

6. Partner Updates

a) Ocean Center

Tim Riddle of the Ocean Center reported on a great quarter, 37 events vs. 35 events last year. Attendance this year was 115,000, slightly less than last year due to the timing of the News-Journal Home Show. Event usage days and revenue are up 32% over last year. CEO Gaming provided about half of the increase. It was a big event and will be returning next year. The Religious Youth Rallies is another great event that has great attendance for our summer business. Ocean Center is working with the CVB to help identify other alternate locations for some events that we can't fit into our calendar three years from now because of calendar compression.

HALIFAX AREA ADVERTISING AUTHORITY

Regular Meeting

International Speedway Corporation located at One Daytona Blvd., Daytona Beach, FL 32114

July 17, 2018 at 9:00 a.m.

Riddle reported that he has met with a lot of the summer events that came through and is evaluating of all of our calendars especially for the summer. Riddle added that his team's overall goal is to make good long-term decisions that affect the Daytona Beach area in the most beneficial and most impactful way going forward, and to keep events here in Dayton Beach.

b) Daytona Beach International Airport

Cassens reported that airport passenger traffic is at 731,000, the highest in 21 years. Traffic for the last four months is up over last year: +1.7% in May, +9% in April, +4.2% in March and +2.5% in February. Passenger traffic has increased 70% since 2009. Through 2017, average load factors were 88-90%, well above industry average.

Delta continues to do really well and continues to invest in the market, adding more flights and larger aircraft. This airline has been here in the market for 40 years and Cassens' team meets with them regularly.

In June, American Airlines had software program issues in Charlotte that caused 26 cancelations out of Daytona Beach and may impact numbers. The month should still be strong, as Delta added a sixth flight in June.

7. Unfinished Business

a) Meeting space needed for upcoming board and committee meetings

Gallant announced that we are still in need of meeting space host for our upcoming Advertising Committee meeting on September 6 at 3:00 p.m. and for our HAAA Board meeting on November 13 at 2:00 p.m. She asked that members contact Christy Zimmerman if they can host.

Campbell Baker added that we have as a back-up conference room at the Daytona Regional Chamber, but ongoing bridge construction makes that location uncertain.

b) Change in policy re: committee chairs

Campbell Baker reminded members that current policy is that all HAAA Board Advisory Committees are to be chaired by a HAAA board member. We are currently looking for a chair for the Arts & Culture and Biketoberfest® committees. She asked if the Board wanted to keep the policy as is, or to allow a staff person who is in charge of that committee to serve as an ad hoc committee chair for now.

Jim Berkley said that option two allows the committee to continue, and that we can't afford to have the committees' work stop. John Betros agreed.

Blaine Lansberry added that the policy of having a HAAA board member chair the committees is fairly new. Campbell Baker agreed and explained that it was decided during a different time with a different board, thus the question about changing it. She noted that committee meetings are publicly noticed, minutes are taken and those minutes are in the HAAA Board packets for complete transparency.

Lansberry said she wouldn't be opposed to changing the policy to allow HAAA board members or non-HAAA board members to chair committees, and that having as many people outside this board involved in the committees only strengthens what we do here.

Campbell Baker asked if the Board wanted to open it up to non-staff as well. Lansberry said yes, to draw from current committee members that are already interested and engaged.

Linda Bowers agreed with Lansberry, saying they already made a big commitment to join these committees and she wouldn't be opposed to changing the policy. Gallant asked Bowers if that was a motion. Bowers replied that it was.

HALIFAX AREA ADVERTISING AUTHORITY

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July 17, 2018 at 9:00 a.m.

LINDA BOWERS MADE A MOTION TO APPROVE THE CHANGE IN POLICY TO A COMMITTEE CHAIR NOT NEEDING TO BE A BOARD MEMBER, THAT A COMMITTEE MEMBER CAN BE NOMINATED BY THE COMMITTEE TO SERVE AS CHAIR. BLAINE LANSBERRY SECONDED THE MOTION. MOTION PASSED 11-0.

Campbell Baker thanked the Board noted that this will go into effect immediately.

c) HAAA board members requested for:

Campbell Baker said that the open advisory committee chair positions will be filled with committee members. She noted that the Human Resources Committee currently has only two members, John Phillips and Samir Naran – and it would be good to have at least one more. She said that the group meets three or four times a year. Steve Farley agreed to join the Human Resources Committee.

8. New Business

a) Strategic Planning

Campbell Baker reported that it is time to refresh the Strategic Plan – either as part of a meeting or in a workshop.

Lansberry asked if the process is usually facilitated. Campbell Baker replied that Evelyn Fine facilitated it last time. Lansberry noted that it makes more sense to do it at a workshop.

The board agreed to hold the strategic planning session during a HAAA Board workshop. Campbell Baker reported that it would probably be in the new fiscal year and we will have a date by the September board meeting.

b) Sunshine Law training

Campbell Baker reported that we would like schedule a Sunshine Law training. It is important for new HAAA board members and a great refresher for those who have already participated in it. She said that we want to be sure we are transparent in our work and that HAAA board members and committee members don't inadvertently violate the law. The County does the training and offered to do it during a board meeting or a workshop.

The HAAA Board agreed to hold the Sunshine Law training during a board meeting. Campbell Baker reported that we will have it during the September HAAA Board meeting.

c) Other New Business

Campbell Baker added that the budget includes focus group research by Mid-Florida Marketing & Research, and we're currently exploring strategic locations and dates. This project is already in the budget so nothing needs to be voted on. We are potentially looking at the Toronto and Houston markets, because those are our longer stay destinations.

Gallant asked if there are any other comments or questions. With no replies she thanked all for attending and adjourned the meeting.

THE MEETING WAS ADJOURNED AT 10:33 a.m.

**Respectfully submitted,
Christy Zimmerman
Executive Assistant**