

# Annual Report 2014

FREDERICKSBURG CONVENTION AND VISITOR BUREAU



**Fredericksburg**  
THE TEXAS HILL COUNTRY

*Texas Heart. German Soul.*

# Destination Management Benefits to Visitors and Locals

By most accounts, 2014 was another great year for the hospitality industry in Fredericksburg and Gillespie County. Hotel occupancy tax (HOT) collected in the city was up 8% while HOT collected in the county was up 23%. Sales tax collected in the city was up 6.7%, while sales tax collected in the county was up 11.5%. Attendance at the National Museum of the Pacific War was up to 112,845 people, while roughly 270,000 visitors made the trek to Enchanted Rock State Natural Area in 2014.

We thank our local hospitality partners for all that they do to make Fredericksburg and Gillespie County a great travel destination.

As Fredericksburg continues to mature and grow as a tourism destination, at the Fredericksburg Convention and Visitor Bureau, I now think about how our destination will manage “success” and continue to provide a quality and authentic visitor experience.

For example, the Visitor Information Center opened in 2003 with what was considered a huge parking lot for guests at the VIC and the National Museum of the Pacific War, as well as for downtown shoppers. We were planning for the future. Well, it looks like “the future” has arrived! In 2015 on most Saturdays, our 120-space parking lot is filled by noon, or shortly thereafter, with autos circling the lot looking for a parking spot. A recent surge in parking demand has been created by the very successful wine tours and shuttles.

As a city, we need to begin dialogue on where visitors will park as Fredericksburg becomes even more popular. From a destination management point of view, I do not think we want visitor parking spreading into residential areas on a regular basis. Yes, we know autos will be all over the place for Oktoberfest weekend, but we should not view parking in residential areas as a long-term solution to downtown parking.

As a start, the City is installing sidewalks along South Washington Street with the goal of keeping the cars and trucks of visitors in the parking lots at Inn on Barons Creek, Fredericksburg Inn & Suites, Peach Tree Inn & Suites and the Holiday Inn Express & Suites. A safe, continuous walkway to Main Street and the historic district will encourage visitors to walk. In fact our research shows, visitors love the walkability of downtown Fredericksburg. Autos that stay in the hotel parking lots don’t need a parking space downtown and are not circling the block two or three times on Main Street looking for a space.

The goal of destination management is to continue providing a quality and authentic visitor experience, but also to work to minimize (where possible) disruptions for local residents. The good news is that, if done correctly, a great place to visit is also a great place to live. And vice versa!

**Ernie Loeffler**

*President/CEO*

*Fredericksburg Convention and Visitor Bureau*

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# What is the FCVB and what does it do?

You may have heard of them, but do you really know what they do? The Fredericksburg Convention and Visitor Bureau (FCVB) is funded by a portion of the hotel/motel tax and dedicated to marketing Fredericksburg and Gillespie County as a premier travel destination on the regional, national and international stage, thereby creating a positive impact on the local economy and the quality of life here. A 13-member board of directors representing a cross-section of the hospitality industry oversees the operation. The FCVB staffs and operates the Visitor Information Center at 302 East Austin, which is open to assist visitors 361 days of the year. Just like our destination, it's not just one thing that makes them special — it's many.

**LIAISONS**  
between visitors  
and local tourism  
stakeholders.

**STEWARDS**  
of the Fredericksburg  
and Gillespie County  
reputation and  
brand.

**REPRESENTATIVES**  
for Fredericksburg  
and Gillespie County in  
Texas tourism-related  
initiatives.

**MARKETERS**  
to consumers, meeting  
planners, tour group  
operators and wedding  
planners.

**SELF-EDUCATORS**  
of all local industries  
in order to best promote  
and build awareness.

**CHEERLEADERS**  
of Fredericksburg  
and Gillespie County  
24/7/365.

**#1 RESOURCES**  
to all visitors via the  
Visitor Information  
Center and website.

**RESEARCHERS**  
of evolving  
demographics and  
trends of our  
"visitor."

**COUNSELORS**  
to new and existing  
businesses and events  
on their marketing  
efforts.





FREDERICKSBURG  
LISTED AS  
#1 ON MOVOTO'S  
"BEST PLACES TO LIVE  
IN TEXAS" LIST

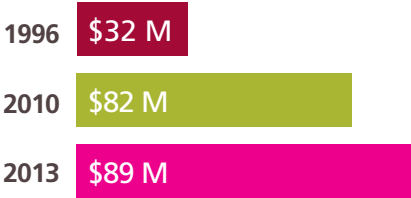
# Why is tourism good for our community?

Whoever said you can't have your cake and eat it, too, has never lived in Fredericksburg. We are extremely fortunate to have such a robust tourism industry to support our special community. As residents, we live in a place where people love to vacation. How amazing is that? But sometimes we need to remember that all the great attractions, restaurants, music venues, spas, shops, art galleries...*(the list goes on)*... wouldn't exist without our frequent visitors to help support them. But wait, there's more. There are two other critical aspects that wouldn't be nearly as plentiful either:

## Money

Research suggests that every dollar spent at a locally owned business generates two to four times more economic benefit.

### Gillespie County: Direct Travel Spending by Visitors



## Jobs

If we keep Fredericksburg's tourism industry strong, the visitors will keep coming and jobs stay secure.

### Gillespie County: Total Direct Tourism Employment



\*Source: Office of the Governor, Economic Development & Tourism

Tourism not only helps people directly involved in the industry, but the economic benefit reaches everyone. In 2013, visitors put \$3,460 per Gillespie County resident into our economy.

## Be a tourism advocate.

We all play a part in building our tourism industry and providing a wonderful visitor experience. Just need to remember, attitude is everything. Greet visitors with a smile, listen to them closely and be ready to answer questions. In fact, play "visitor" yourself and try something new. You'll be a Fredericksburg expert in no time.

## Breaking new ground with a new ad campaign.

They say imitation is the sincerest form of flattery. It's also a good excuse to update your ad campaign. Our past ads were so distinctive that smaller markets had started to emulate our look. No sweat. We were ready for an update anyway—for better reasons.

### 1 Fredericksburg is growing up.

Our average visitor is becoming more affluent, and we're ready to join the ranks with other sophisticated destinations by showcasing stunning, full-bleed photos in a media plan that utilizes more full-page ad placements.

### 2 It's all about the experience.

We want people to look at our ads and think "Wow! I want to be right there!" Fewer words + 1 big photo = bigger message.

### 3 Touting our stats and accolades.

Many visitors never hear our amazing statistics or the many accolades we receive. *(They're very compelling.)* So they will support and drive visitation with every ad.



### Even our tagline is evolving!

After 16 years of "German Heritage. Texan Hospitality." we've updated to a tagline that more emotionally conveys what this area is all about: **"Texas Heart. German Soul."**

## Profile of Our Wine and Culinary Traveler

With the growing influence of the wine industry on the hospitality and tourism scene in Fredericksburg and Gillespie County, we reviewed our 2012/2013 visitor research (conducted by Core Research) to gain some insights into these travelers.



%

of visitors surveyed said "touring wineries" was one of the top reasons to visit our area.



%

of winery visitors stay in B&Bs/guesthouses compared to 39% of the overall visitor sample.



%

of winery visitors said "romance" was also an important reason to visit compared to 23% of the overall visitor sample.



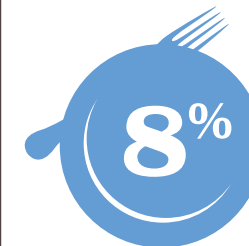
%

of winery visitors are between the ages of 25 and 34 compared to 15% in that age bracket for the overall visitor sample.



%

of winery visitors said "shopping" was also an important reason to visit compared to 46% of the overall visitor sample.



of American leisure travelers report that food or wine-related activities were a key reason they took a trip or helped them choose between destinations (12.6 million travelers)

(Profile of Culinary Travelers, 2006 Edition prepared by Travel Industry Association of America and Edge Research)



%

of winery visitors stayed two nights compared to 33% of the overall visitor sample.



was contributed to the Texas economy by the Texas wine and grape industry in 2013.

(Texas Wine & Grape Growers Association)

"To many observers, Gillespie County seems destined to out perform the state wine industry due to the County's enviable in-place tourism infrastructure, the sheer volume of wine visitors flocking to the County, the beauty and ambiance of the Hill Country, and extremely positive geography."

— "The Gillespie County Wine Industry: A Survey of Selected Economic Impacts, 2012"  
by LCRA's Community & Economic Development Department

# One eye on the present. One eye on the future.

The goal of the Fredericksburg Convention and Visitor Bureau in 2015 and beyond is to keep one eye on the present and one eye on the future—while not forgetting the history that has made Fredericksburg and Gillespie County one of the most popular travel destinations in the State of Texas.

## The Unfolding Present

- 1 **Expect** more development of spirits-centric attractions, including wineries, breweries and distilleries with interest focused on U.S. Highway 290 between Fredericksburg and Johnson City.
- 2 **Expect** the restaurant component of the hospitality industry to develop along Fredericksburg Wine Road 290.
- 3 **Expect** new full-service hotels; several are in the planning stages now.
- 4 **Expect** newer events to continue to grow and introduce new clientele to the Fredericksburg region. Examples are the Hill Country Film Festival, the Hill Country Food Truck Festival, The Texas Gran Fondo, the Fredericksburg Art Auction and the Barbecue on the Pedernales at The LBJ Ranch.
- 5 **Expect** the Fredericksburg Convention and Visitor Bureau to continue to explore new ways to provide relevant information to visitors who are in market, including a mobile-friendly website, TripAdvisor, social media, etc.
- 6 **Expect** international tourism to increase. To take advantage of this trend, Fredericksburg is now represented on [www.DiscoverAmerica.com](http://www.DiscoverAmerica.com), the website of Brand USA, the promotional organization encouraging visitation to the USA from around the globe.
- 7 **Expect** continued collaboration with Fredericksburg ISD and institutions of higher education to "grow our own" hospitality industry employees for the Texas Hill Country region.

## Questions for the Future

- 1 **We're already thinking about** the future target demographic of visitors for the Fredericksburg/Gillespie County.
- 2 **We're already thinking about** a small conference center (40,000 square feet suggested by the HVS feasibility study) and how that might play a role in developing mid-week lodging occupancy.
- 3 **We're already thinking about** how to maintain a coordinated marketing approach between Fredericksburg and Texas Wine Country, and how a wine and culinary center located in Fredericksburg might provide that thread of continuity.
- 4 **We're already thinking about** how the community can continue to develop affordable workforce housing, as well as affordable housing for students.
- 5 **We're already thinking about** how we can continue to encourage walkability in the downtown area for both visitors and residents.
- 6 **We're already thinking about** how we can avoid tourism attractions that are not authentic and not appropriate for the destination we envision.
- 7 **We're already thinking about** a five year strategic plan to ensure Fredericksburg/Gillespie County maintains its popularity—and its authenticity.



## Expanded offerings bring steady growth in 2014

**587,800**  
unique visitors  
to website

**4,695**  
likes added  
to Facebook

**798**  
followers added  
to Twitter

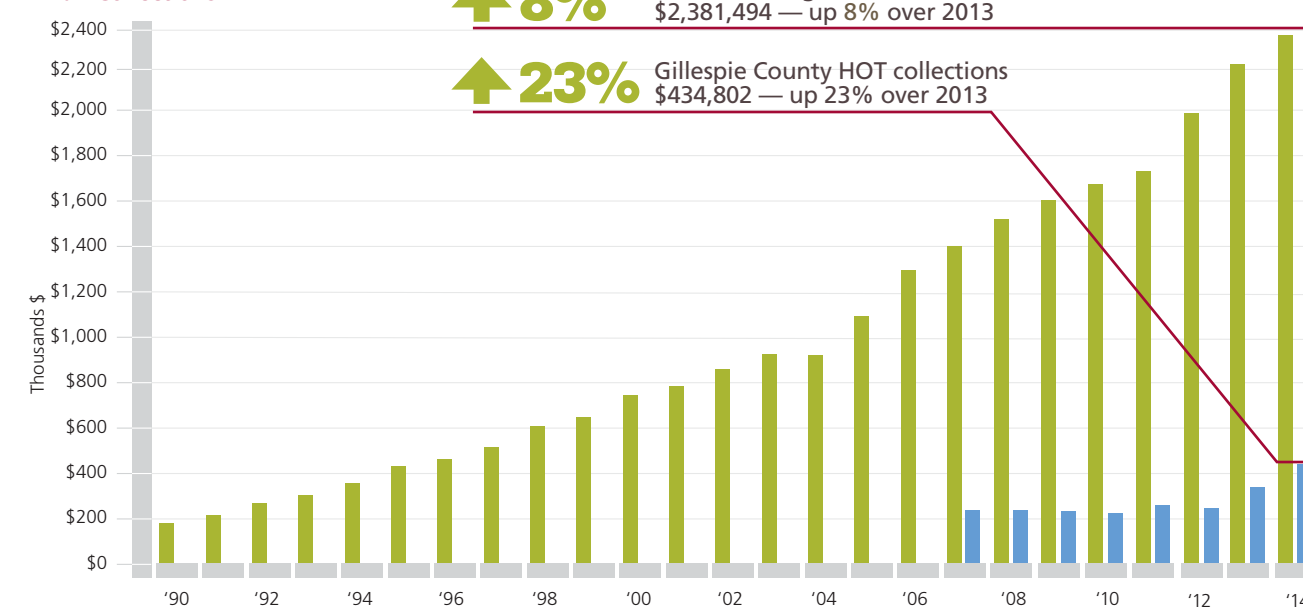
**46,191**  
information packets sent

**61,727**  
visitors assisted at VIC

**17,262**  
phone calls answered

\*Source: Fredericksburg Convention and Visitor Bureau

### Hotel Occupancy Tax Collections



Source of data — City of Fredericksburg & Gillespie County

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Facebook.com/FredericksburgTX



Twitter.com/VisitFredTX



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