SESSION:

NEW UNIVERSE OF RESEARCH

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Houston Tourism Summit Research Update

April 25, 2019

VISITHOUSTON

Omnitrak

UNEARTH AHA! INSIGHTS. MASTER YOUR MARKET.

Our time together…

- A Quick Overview on OmniTrak and Our Design
- The Houston visitor
- Research and your marketing
- Key takeaways

The OmniTrak Group

We are over 35 years old

Over 35 clients in the DMO space

We are run by former DMO team members

We have an exclusive partnership with the largest research firm

The same intelligence that Fortune 100 companies are using

We are based in Hawaii

Most importantly Visit Houston's Vendor of Record

TravelTrakAmerica: We speak with travelers – lots of them

Over 40,000 interviews a month…

…that's Nearly 500,000 Americans each year…

…and over 3 million travelers in the last 6 years

We are the official research vendor of record to the U.S. TRAVEL ASSOCIATION

Volume: Challenges and Opportunities…

- Houston—geography and unique tourism mix
- One size does not fit all—line in the sand
- Business
- Self reporting
- Panels are not perfect
- Dean’s team and multiple source data

Why Research?

1. **Accountability—Scorecard and Profiling**

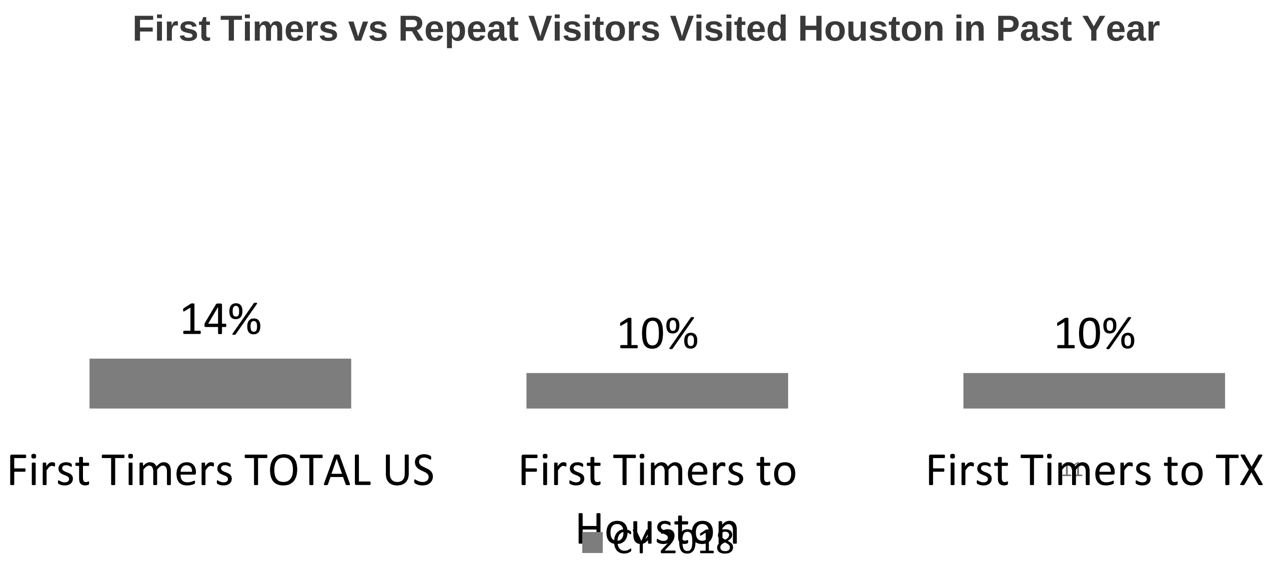
2. **The Impact on your Marketing**

- **The Houston Visitor**

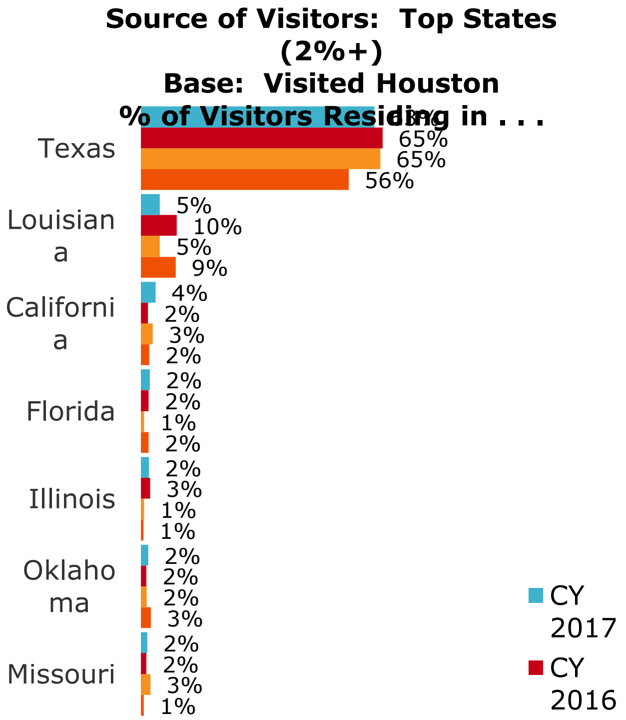
Houston Visitor Volume compared to the State and U.S.

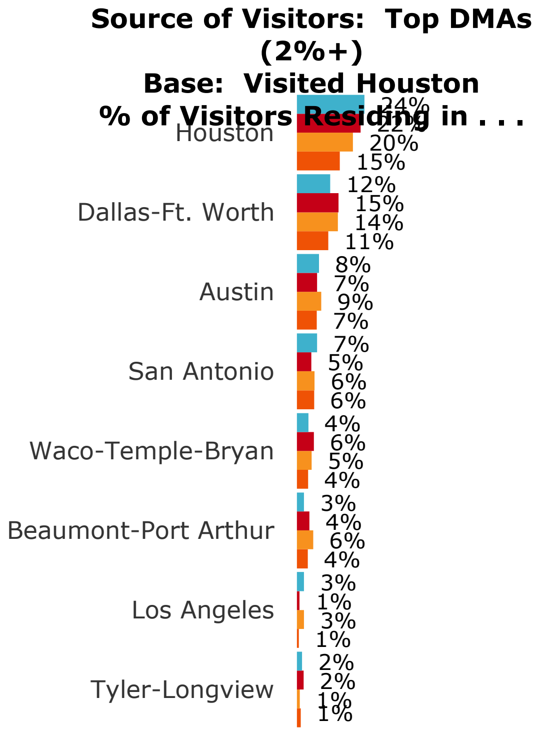
Person Trips ('000s)	2017	2018	2018 - 2017 % Change
Total US	1,315,799	1,439,533	9%
Total Texas	96,376	111,131	15%
Total Houston	17,036	18,820	10%

Repeat vs First Time Visitors – Past Year Travel to Houston and TX



Most visitors live in Texas, particularly Houston (locals) and Dallas

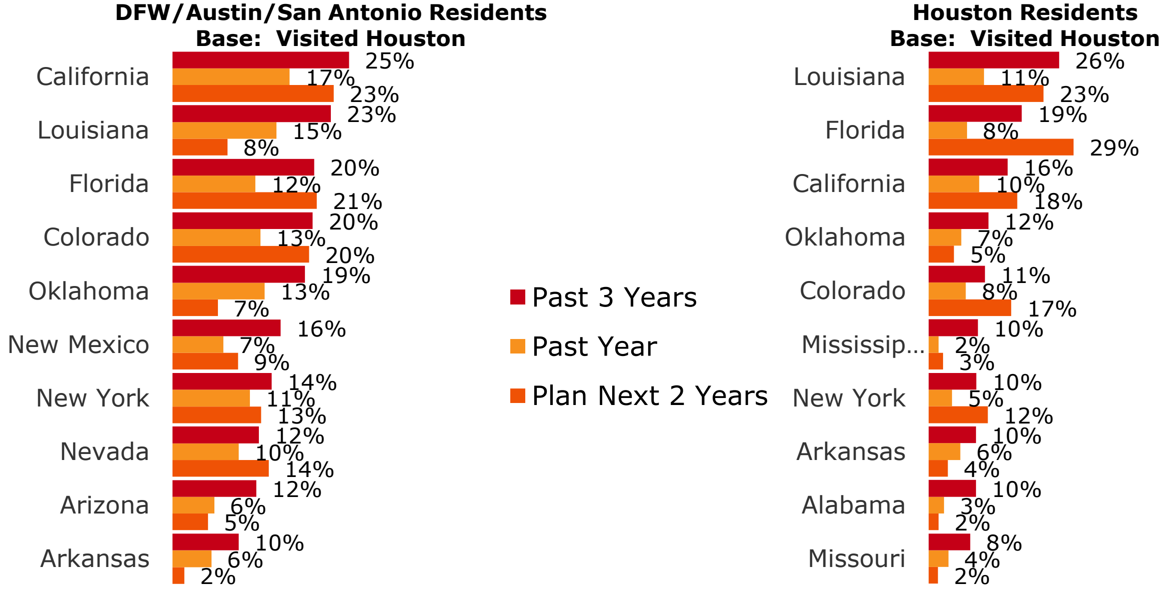




Panel: State/DMA residence of those who visited Houston (State Level)

Houston visitors from Texas usually head South or West for additional recreation, led by CA, LA, FL, and CO

Other States Visited/Planned by Houston Visitors (Key Competitors) CY 2017
% Visiting State/DMA Past Three Years (Ranking), Past Year, Planned Next Two Years



Q7a: Please indicate US states visited for leisure in past three years; Q7b. Please indicate states visited within the past 12 months;
Q7c: Which US states plan to visit within the next two years for leisure? (Household Level)

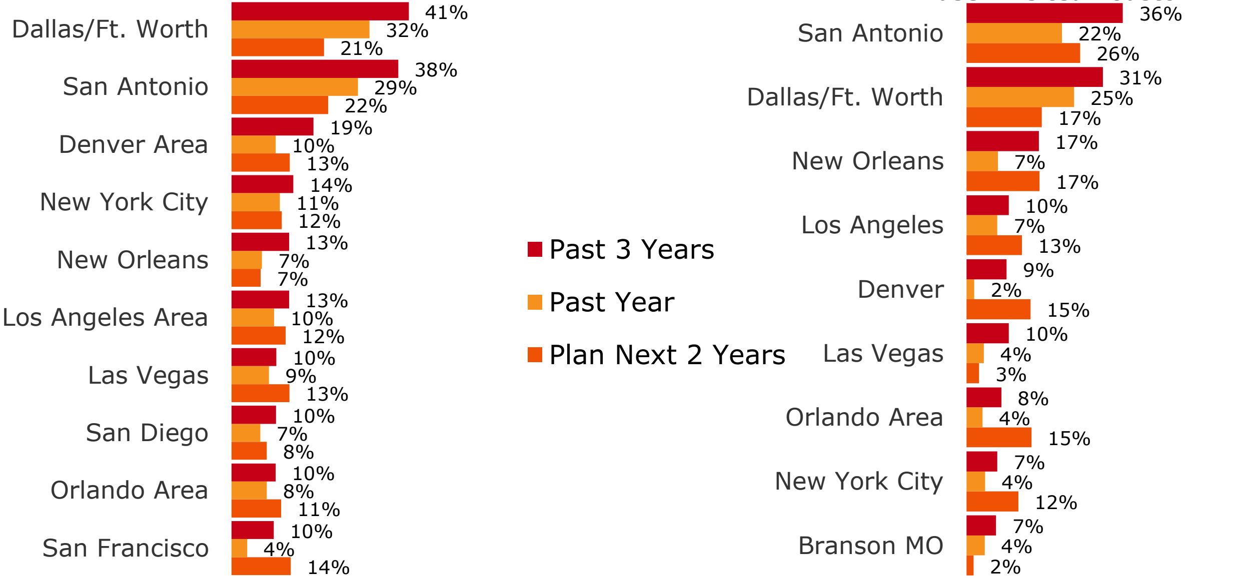
Many Houston visitors from Texas travel to other Texas, Western, and Southern cities as well

Other Areas Visited/Planned by Houston Visitors (Key Competitors) CY 2017

% Visiting State/DMA Past Three Years (Ranking), Past Year, Planned Next Two Years

Top Cities: DFW/Austin/San Antonio Residents
Base: Visited Houston

Top Cities: Houston Residents
Base: Visited Houston

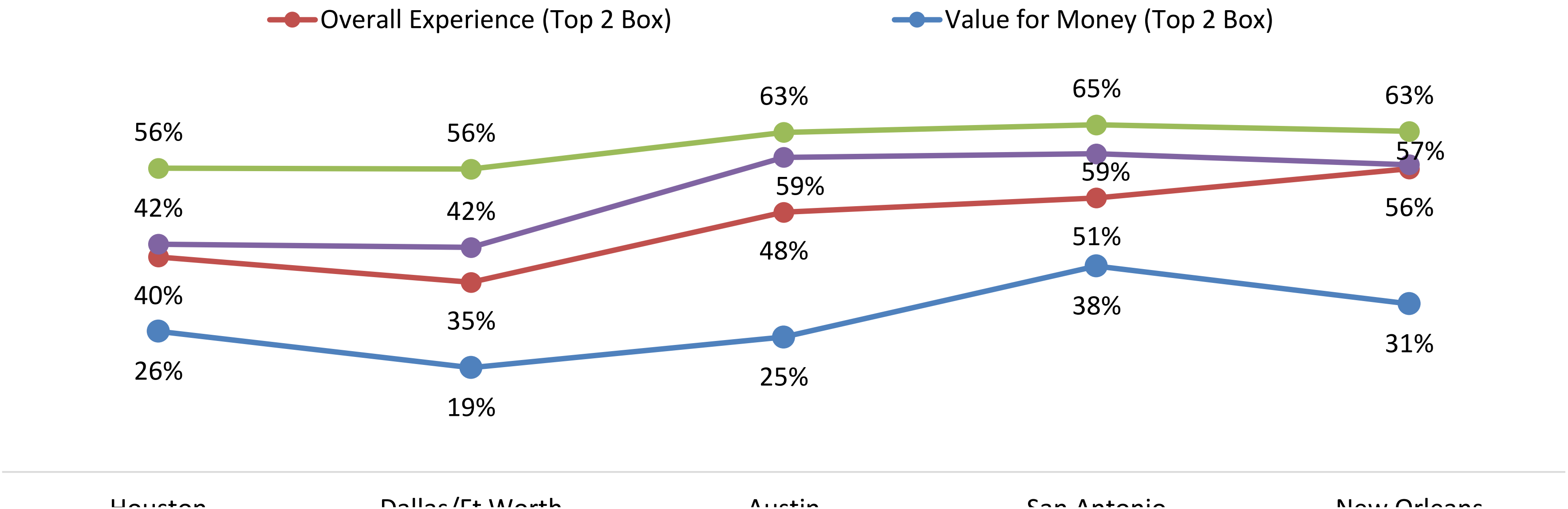


Q8a: Please indicate US cities visited for leisure in past three years; Q8b. Please indicate cities visited within the past 12 months;
Q8c: Which US cities plan to visit within the next two years for leisure? (Household Level)

Likelihood to Return/Recommend Among Recent Visitors

Perceptions among recent visitors to Houston (past three years) are relatively strong, with 40 percent saying their experience in Houston was positive and 56 percent saying they are likely to return. Compared to competitors, Houston measures on par with Dallas for likelihood to return and recommend, but pulls ahead in overall satisfaction (+5 points) and value for money (+6 points). Houston falls below Austin, San Antonio, and New Orleans, however, when rating overall experience and likelihood to return/recommend.

Perceptions among Past 3 Year Visitors

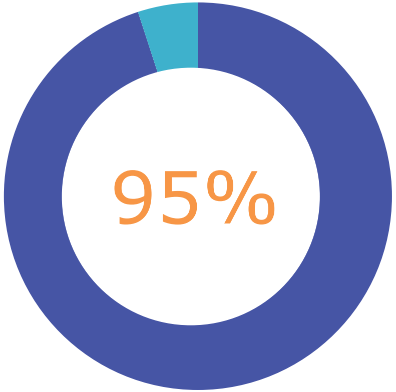


Why Research?

1. **Accountability—Scorecard and Profiling**

2. **The Impact on your Marketing**

Managing touchpoints holistically is one of the biggest challenges for marketers today

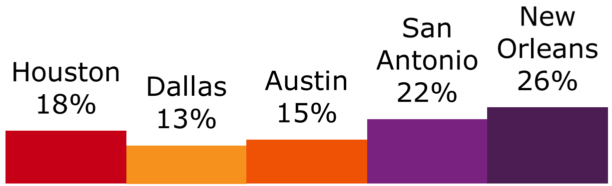


95% of companies acknowledge the importance of touchpoint management will increase in the future

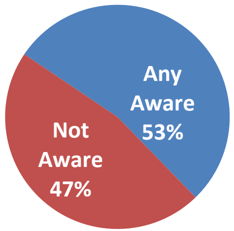
...yet only 7% feel they have a satisfactory approach

Strong Awareness Boosts Houston Travel Intentions among Target Audience

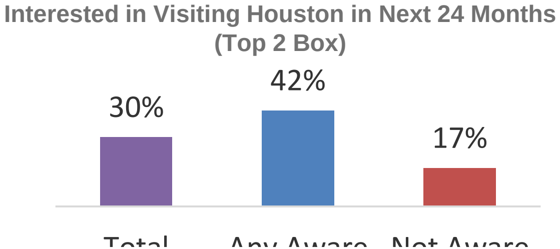
Unaided Advertising Awareness by Destination
Nearly one-in-five target travelers (18%) recall seeing advertising for Houston in the past three months, putting Houston squarely in the middle of its competitive set for unaided ad awareness.

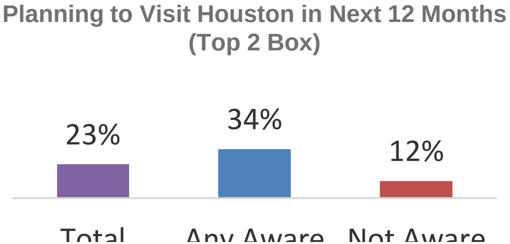


Visit Houston Integrated Marketing Campaign Recall
More than half of target travelers (53%) recall seeing at least one element of Visit Houston's Summer 2018 Integrated Marketing Campaign (including paid, owned, and earned media) after being exposed to any advertising element.

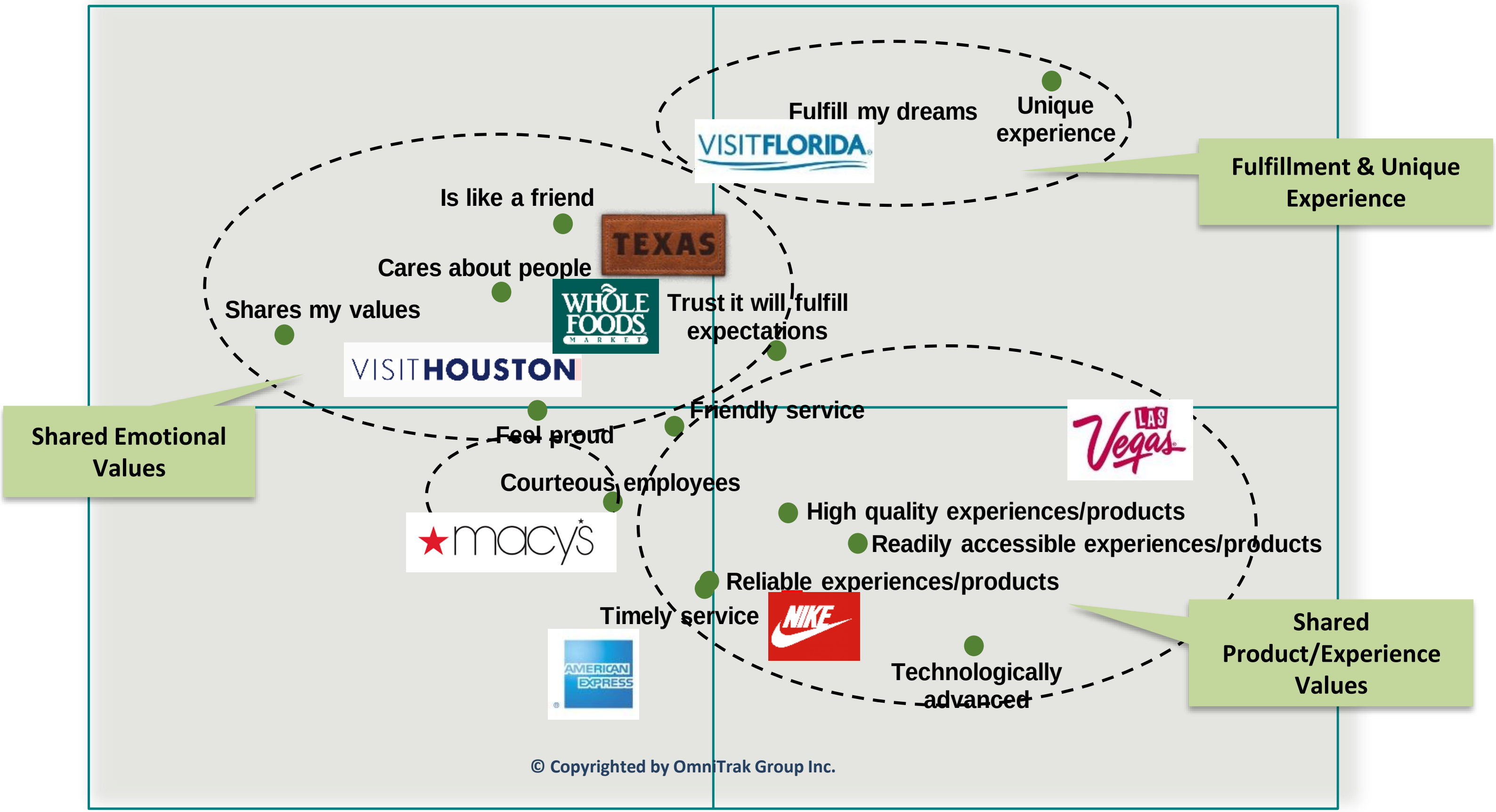


Impact of Marketing on Future Travel Intentions
Those exposed to Houston's Summer 2018 Integrated Marketing Campaign are much more interested in visiting the destination, and are more likely to plan a trip, compared to those who were not aware of any marketing efforts.





Brand Map: Destination & Non-Destination Brand Alignment



What's the Big Idea?: Key takeaways

1. **It is not the number it is the why behind the number**

2. **A 22% difference in planning to visit does not just happen**

3. **But you are in a brutal competitive environment**


Thank you!
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Dean Runyan Associates

Economic and Market Research Firm specializing in Travel and Tourism

- In operation since 1985
- 6 dedicated data crunching individuals

Services

- Travel Impacts
- Regional Recreation and Economic Studies
- Destination Analysis and Tourism Planning
- Feasibility Studies and Master Planning
- Visa Vue Analysis

Domestic Clients

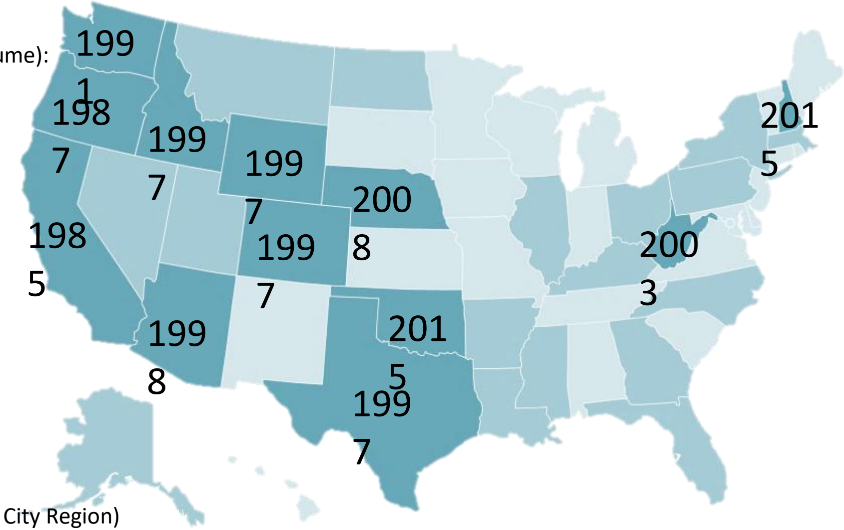
State travel impact studies

States with other economic studies

Volume Clients:

States (County Level Volume):
Washington
Oregon
Idaho
Wyoming
Oklahoma
New Hampshire
Nebraska (2019)

Cities:
Portland, OR
Oceanside, CA
Berkeley, CA
Monterey, CA
Irvine, CA
Temecula, CA
Seattle Southside, WA (3 City Region)
North Lake Tahoe, CA
North Lake Tahoe, NV



Primary Measures of Travel- Generated Economic Impacts

- Direct Travel Spending
- Destination or Visitor Spending
- Spending by type of accommodation and commodity purchased
- Industry Earnings Generated by Travel Spending
- Industry Employment Generated by Travel Spending
- Travel-Generated Tax Receipts (State and Local)

Many — to — One

- Bureau of Labor Statistics
  - Census of Employment & Wages
  - Consumer Price Index
  - Current Employment Statistics
- Bureau of Economic Analysis
  - Personal Income
  - GDP
- Bureau of Transportation Statistics
  - Domestic Air Travel
  - Border Crossings
- National Travel and Tourism Office
  - I94 Arrivals
- USDA, Forest Service, BLM
  - Camping
- Census Bureau
  - Population
  - Labor Expenditures
  - State and Local Finances
  - Zip Code Business Patterns
- Energy Information Administration
  - Fuel Volume
  - Fuel Prices

- State/Local
  - Lodging Tax Data
  - Camping
  - Sales Tax Data
  - Tax Rates

- Traveltrak America
  - Visitor Survey Data
- Hotel Statistics Providers
  - Average Daily Rate
  - Demand/Supply
  - Rooms
  - Revenue

RTIM (Regional Travel Impact Model)

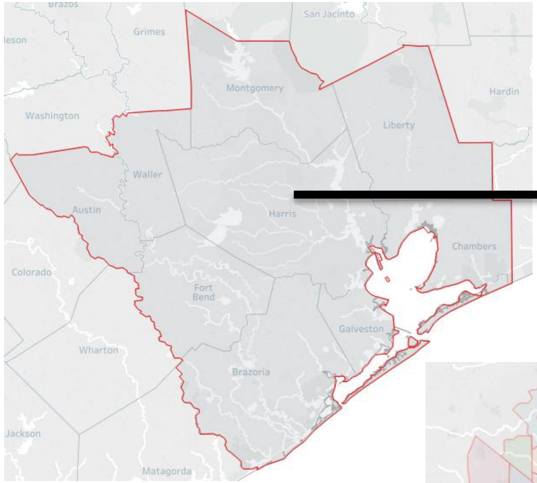
↓

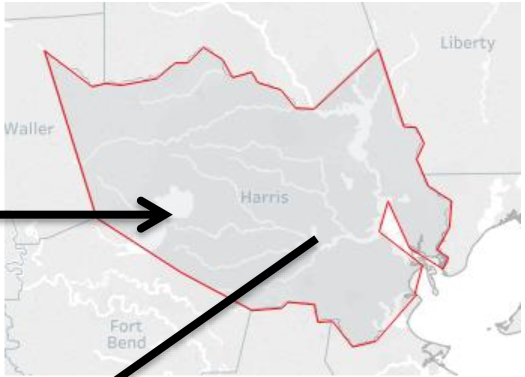
Economic Impacts

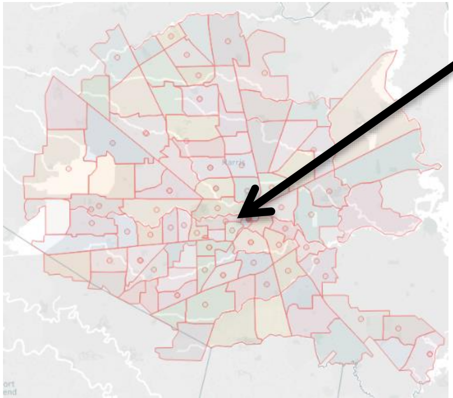
↓

Volume

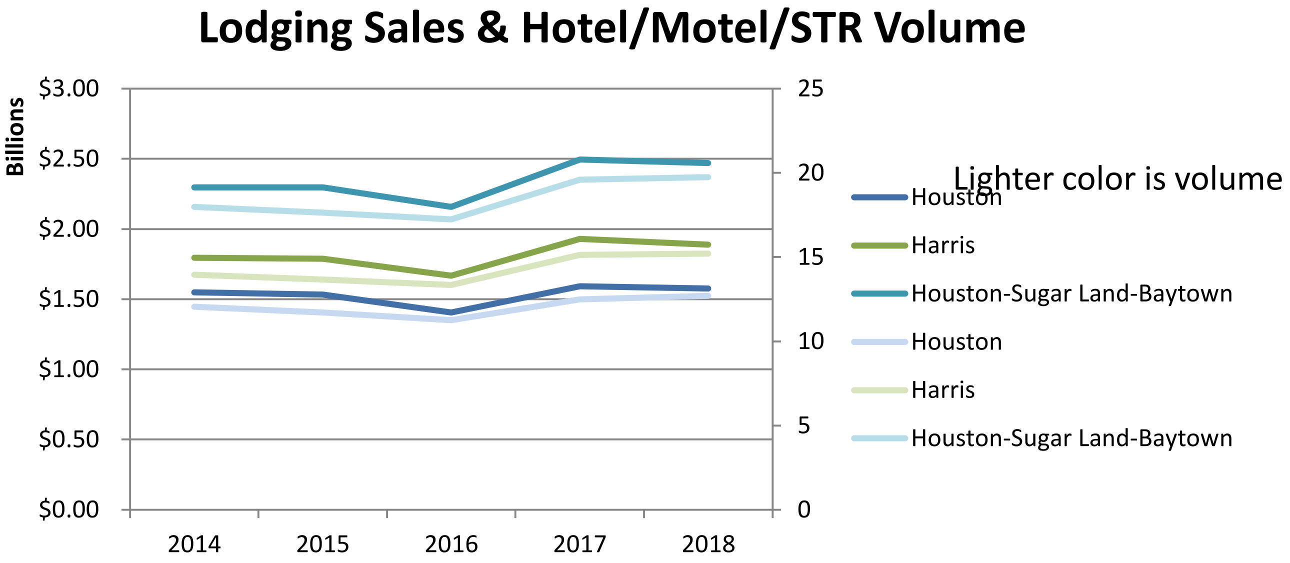
Geographic Influence







Lodging Sales & Lodging Volume Relationship



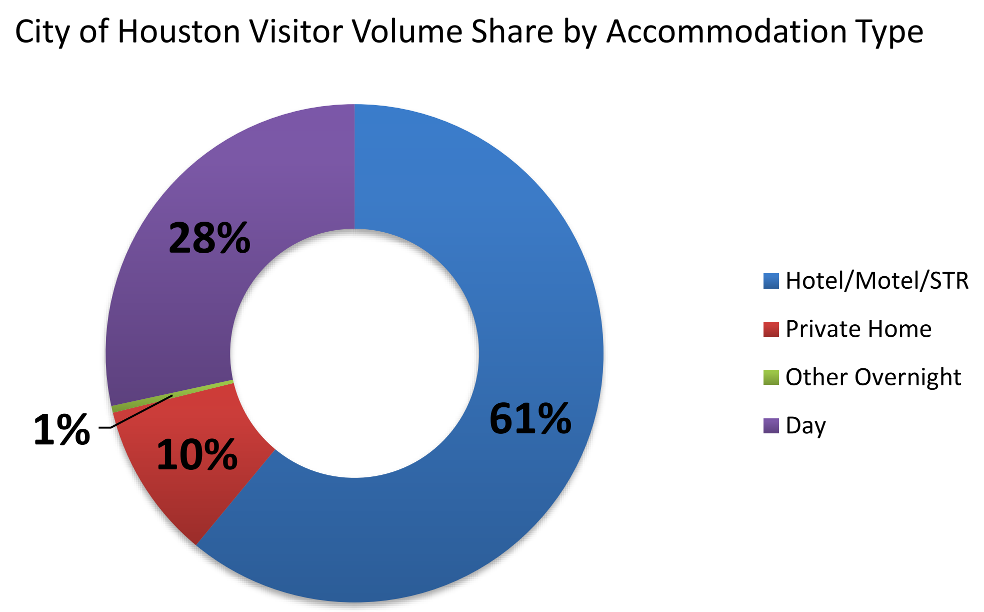
Travel Impacts – City of Houston

							Avg. Annual Chg.	
	2010	**2012**	**2014**	**2016**	**2017**	**2018p**	**17-18p**	**10-18p**
Total Direct Spending ($B)	8.9	10.7	11.8	11.2	12.1	12.6	4.7%	4.5%
Visitor Spending	7.0	8.4	9.3	8.5	9.4	9.8	4.4%	4.3%
Other Travel	1.9	2.3	2.5	2.6	2.7	2.8	5.6%	5.3%
Total Travel Generated Earnings ($B)	3.4	3.6	4.1	4.3	4.4	4.7	5.9%	4.1%
Total Travel Generated Employment (K)	75.5	81.8	87.6	87.7	86.8	88.4	1.9%	2.0%
Total Generated Tax Revenue ($M)	839	945	1,081	1,064	1,163	1,231	5.8%	4.9%
Local Tax Receipts	336	374	437	442	495	513	3.5%	5.4%
State Tax Receipts	504	571	644	622	668	718	7.5%	4.5%

Visitor Volume - Person Trips (Millions)

	2014	2015	2016	2017	2018p
Overnight					
Houston-Sugarland-Baytown	24.3	24.1	23.8	26.3	26.5
Harris County	18.0	17.8	17.5	19.4	19.5
City of Houston	14.2	13.9	13.4	14.7	14.9
Day					
Houston-Sugarland-Baytown	11.5	11.5	11.4	12.4	12.6
Harris County	7.5	7.4	7.3	8.0	8.1
City of Houston	5.6	5.5	5.4	5.8	5.9
Total Person Trips					
Houston-Sugarland-Baytown	35.8	35.6	35.2	38.7	39.1
Harris County	25.5	25.2	24.9	27.4	27.6
City of Houston	19.8	19.4	18.8	20.5	20.8

Share of Visitor Volume – 2018 Person Trips



Detailed Visitor Volume - Person Trips (Millions)

	2014	2015	2016	2017	2018p	Avg. Annual Chg. 17-18p	Avg. Annual Chg. 14-18p
Houston-Sugarland-Baytown							
Overnight	24.3	24.1	23.8	26.3	26.5	0.9%	3.4%
Hotel/Motel/STR	18.0	17.6	17.2	19.6	19.8	0.8%	3.8%
Private Home	5.6	5.7	5.8	5.9	6.0	1.4%	2.4%
Other Overnight	0.7	0.7	0.7	0.7	0.7	0.8%	2.0%
Day	11.5	11.5	11.4	12.4	12.6	1.1%	3.3%
Total Person Trips	**35.8**	**35.6**	**35.2**	**38.7**	**39.1**	1.0%	3.4%
Harris County							
Overnight	18.0	17.8	17.5	19.4	19.5	0.7%	3.1%
Hotel/Motel/STR	14.0	13.7	13.3	15.1	15.2	0.6%	3.4%
Private Home	3.9	4.0	4.0	4.1	4.1	1.4%	2.1%
Other Overnight	0.2	0.2	0.2	0.2	0.2	0.7%	1.6%
Day	7.5	7.4	7.3	8.0	8.1	0.8%	3.0%
Total Person Trips	**25.5**	**25.2**	**24.9**	**27.4**	**27.6**	0.8%	3.1%
City of Houston							
Overnight	14.2	13.9	13.4	14.7	14.9	1.6%	2.2%
Hotel/Motel/STR	12.0	11.7	11.3	12.5	12.7	1.7%	2.3%
Private Home	2.0	2.1	2.1	2.1	2.1	1.4%	1.4%
Other Overnight	0.1	0.1	0.1	0.1	0.1	0.8%	1.1%
Day	5.6	5.5	5.4	5.8	5.9	1.6%	2.1%
Total Person Trips	**19.8**	**19.4**	**18.8**	**20.5**	**20.8**	1.6%	2.1%