



**Sedona Chamber of Commerce Tourism Bureau
Report to City of Sedona
January 2011**

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The following results represent: January – December 2010

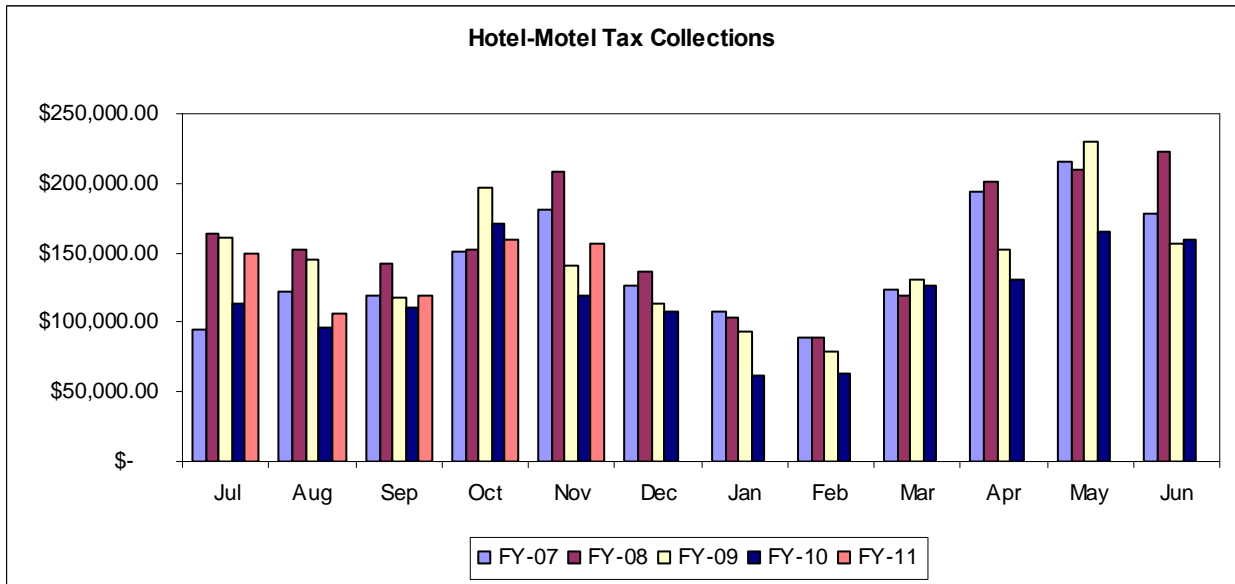
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Please note: All figures represent data through December 2010 unless otherwise indicated.

I. External Performance Indicators YTD

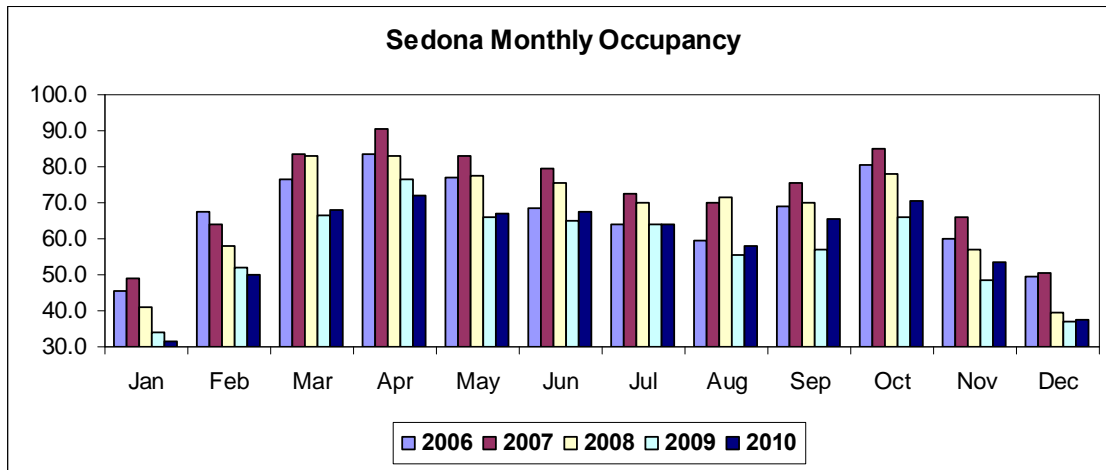
A. Hotel Occupancy Tax Revenue Collections (3% hotel tax)

	FY-08	FY-09	Monthly % change 08 vs 09	FY-10	Monthly % change 09 vs 10	FY-11	Monthly % change 10 vs 11
Jul	\$ 163,160.88	\$ 161,091.87	-1.3%	\$ 112,888.02	-29.9%	\$ 150,105.76	24.8%
Aug	\$ 152,134.89	\$ 144,475.33	-5.0%	\$ 96,164.69	-33.4%	\$ 106,759.77	9.9%
Sep	\$ 141,835.00	\$ 117,739.50	-17.0%	\$ 110,387.38	-6.2%	\$ 118,808.29	7.1%
Oct	\$ 152,308.10	\$ 196,878.27	29.3%	\$ 171,488.23	-12.9%	\$ 158,875.61	-7.9%
Nov	\$ 208,043.90	\$ 140,391.95	-32.5%	\$ 119,658.98	-14.8%	\$ 156,499.92	23.5%
Dec	\$ 136,371.88	\$ 114,128.64	-16.3%	\$ 107,967.39	-5.4%		
Jan	\$ 103,361.48	\$ 93,594.61	-9.4%	\$ 61,849.33	-33.9%		
Feb	\$ 88,676.95	\$ 79,273.82	-10.6%	\$ 62,786.07	-20.8%		
Mar	\$ 119,818.85	\$ 131,245.67	9.5%	\$ 125,859.63	-4.1%		
Apr	\$ 201,339.18	\$ 151,590.85	-24.7%	\$ 131,418.42	-13.3%		
May	\$ 210,327.28	\$ 229,699.07	9.2%	\$ 165,833.66	-27.8%		
Jun	\$ 222,060.73	\$ 156,947.55	-29.3%	\$ 159,938.80	1.9%		
YTD	\$ 817,482.77	\$ 760,576.92	-7.0%	\$ 610,587.30	-19.7%	\$ 691,049.35	11.6%
Total	\$ 1,899,439.12	\$ 1,717,057.13	-9.6%	\$1,426,240.60	-16.9%		



Analysis – Hotel occupancy tax revenue is up 12% YTD for FY11 (July - November) vs. FY10. **Please also note that September 2008 (FY09) & April 2009 (FY09) tax collections were under-reported; therefore October 2008 (FY09) & May 2009 (FY09) are over-reported as anticipated.** It should also be noted that the Bed Tax and City Sales Tax allocations remain incorrectly stated due to SE code discrepancies contained within the Arizona Department of Revenue (ADOR) SIC reports, as stated by the City of Sedona. We anticipate that these inaccuracies in reporting will be solved when the City implements self-tax collections. *The above collections represent the previous month's performance.*

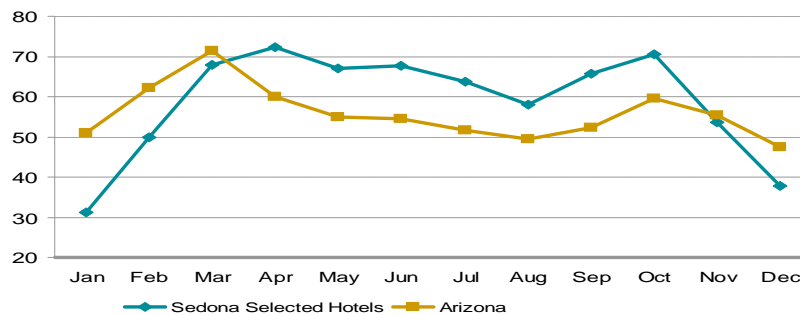
B. Smith Travel Research: A monthly report that is standard throughout the tourism industry to provide a snapshot of the hotel industry. The Tourism Bureau uses this report to gauge the occupancy percentages and average daily rate (ADR) on a monthly basis. This report reflects 10 average-sized properties within the '86336' zip code and represents properties that report to Smith Travel Research.



Comparative Cities – Occupancy YTD (Jan - Dec 2009 vs Jan - Dec 2010)

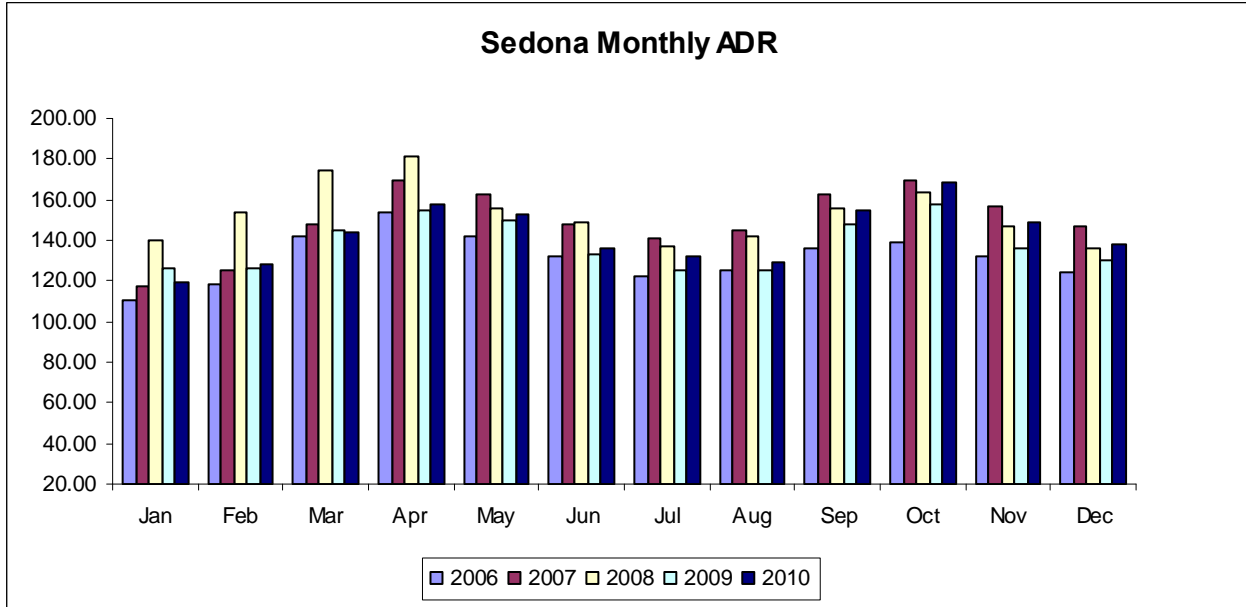
	2009	2010	Change
Santa Fe, NM	55.3%	57.5%	4.0%
Summit County, UT (Park City)	41.6%	44.4%	6.8%
Santa Barbara Co., CA	62.4%	64.5%	3.4%
Teton County, WY (Jackson Hole)	51.6%	52.8%	2.3%
Scottsdale, AZ	56.3%	59.5%	5.6%
Sonoma County, CA	55.8%	60.0%	7.5%
Napa County, CA	54.5%	59.7%	9.5%
Monterey County, CA	56.3%	58.2%	3.3%
Yavapai County, AZ	51.0%	52.9%	3.7%
Coconino County, AZ	61.9%	64.4%	4.1%
Sedona, AZ	57.3%	58.8%	2.6%
State of AZ	52.7%	55.7%	5.7%

2010 Occupancy Comparison



Analysis – Sedona hotel occupancy is up 2.6% YTD 2009 vs 2010 (January – December) indicating an improvement in Sedona tourism. Scottsdale hotel occupancy is up 5.6% likely due to their drastic rate decrease (see Average Daily Rate analysis on page 4.) Summit County saw an increase in November and December due to their peak season. Sonoma and Napa Counties are seeing a continual increase in occupancy even beyond their typical September/October peak months which could indicate additional marketing or packaging hotel nights with value-added amenities (a trend we have seen lately). Overall, all comparative cities are seeing an improvement, indicative of a rebounding economy and increased demand.

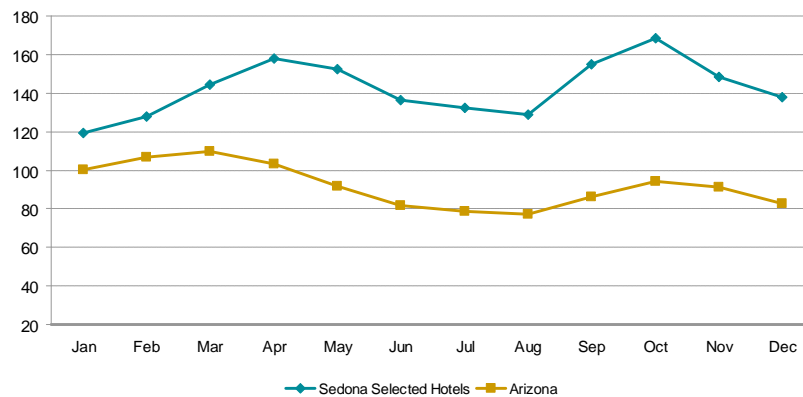
Sedona Average Daily Rate (ADR)



Comparative Cities – ADR YTD (Jan - Dec 2009 vs Jan - Dec 2010)

	2009	2010	% Change
Santa Fe, NM	108.06	107.67	-0.5
Summit County, UT (Park City)	196.16	208.18	3.6
Santa Barbara Co., CA	135.83	138.74	2.0
Teton County, WY (Jackson Hole)	171.70	169.14	-0.6
Scottsdale, AZ	145.69	140.48	-3.8
Sonoma County, CA	111.67	110.48	-1.0
Napa County, CA	185.26	201.12	7.9
Monterey County, CA	149.73	157.14	6.2
Yavapai County, AZ	113.38	113.66	0.2
Coconino County, AZ	83.95	85.45	1.5
Sedona	139.90	144.60	3.3
State of AZ	95.86	92.80	-3.2

2010 ADR Comparison



Analysis – The Average Daily Rate (ADR) in Sedona increased from \$139.90 in YTD 2009 to \$144.60 in YTD 2010, a 3.3% increase. Whereas the state saw an overall decrease in ADR of -3.2%, with Scottsdale down as much as 3.8%. Of all comparative cities, Scottsdale’s ADR has dropped the most. Scottsdale’s continued reduction in rates has positively affected their occupancy as shown on page 3 (Occupancy), however, there is much debate about the difficulty of raising rates again once the economy recovers.

C. Ad Value Editorial Generated

Ad-Value Editorial = represents what the true value of media exposure would cost through paid advertising. Ad-value is measured by a national clipping service which reports circulation, number of impressions, ad-value (without a multiplier) and general publication information. Ad-value editorial is the most effective way to measure the Return on Investment (ROI) on media relations expenditures.

From January 1, 2010 – November 30, 2010 the Sedona Chamber of Commerce has generated the following:

	Print	Online/Blog/TV	Totals, including International
Ad Value	\$1,486,385	\$5,998,157	\$10,581,492
Circulation	31,271,442	1,084,669,882	1,189,056,799

Our public relations goal for 2010 was to generate \$10 million in ad-value editorial for the year. As of November 2010, we exceed that goal at \$10,581,492.

Social media and online media positioning has completely changed the way public relations is achieved and valued. The Sedona Chamber of Commerce actively markets via Twitter, Facebook, Flickr, and You Tube.

Please see attached Ad-Value Editorial Generated log – Exhibit A

II. Internal Performance Indicators

A. Leads Generated and Distributed: *Leads generated = The number of qualified referrals distributed to member businesses.* One measurement of success for the Tourism Bureau is leads generated. Leads are broken out into three sectors of the tourism industry: Media Leads; Travel Leads; Meeting/Group Leads.

The following results are based on YTD comparisons (January – December).

Media Leads

	Jan-Dec 2009	Jan-Dec 2010
Media Hosted	61	73
Media Assisted	367	333
Media Leads Sent	70	89
Press Releases Produced	37	34
Press Release Impressions	35,328	87,949

Travel/ Meeting/ Group Leads

	Jan-Dec 2009	Jan-Dec 2010
Tradeshows/Sales Missions Attended	4	5
Hotel & Non-Hotel Inquiries (Trade)	109	69
Hotel & Non-Hotel Leads (Group)	40	20
Travel Professionals Receiving Services	418	438
Meeting/Event Planners Receiving Services	122	90

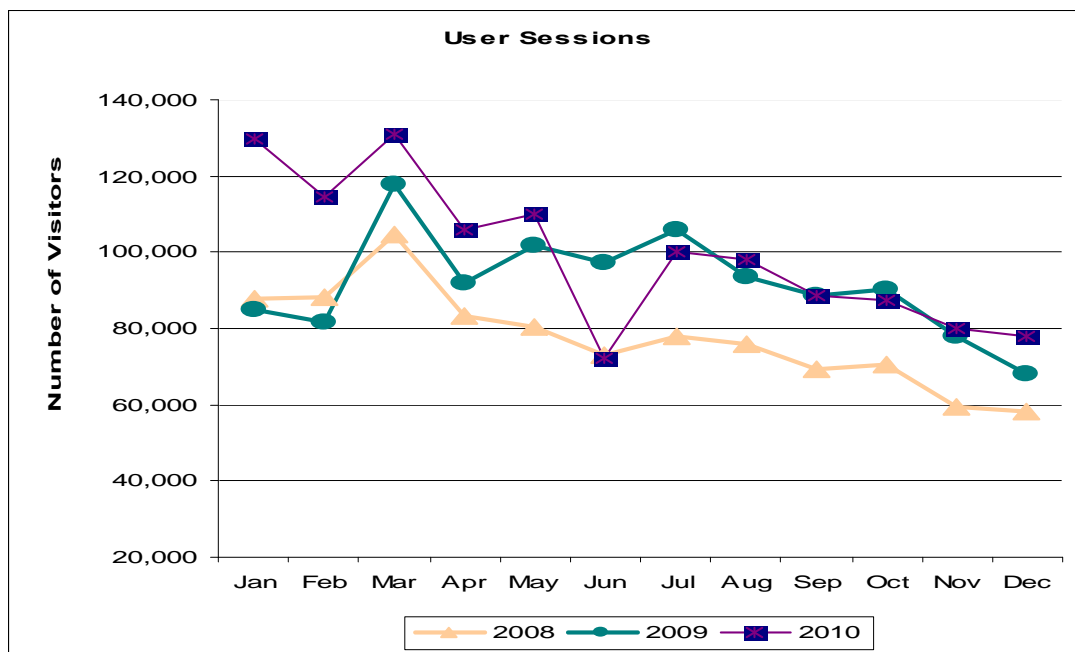
Examples of some of the group leads and the planners assisted include:

Experient Sales Network
ServiceMaster Clean, Furniture Medic & AmeriSpec
Yoga Pura & Purity Boutique
FBL Financial Group, Inc.
ASEE - American Society for Engineering Education
Atelier Okumura
Project Intuitions
Stewart Title & Trust
Mid-Continent University
International Resque Committee Phoenix
Destination Southwest
University of CA Irvine Chief Executive Roundtable

B. Internet Statistics: Internet Statistics are measured by user sessions and page views. User Sessions = Number of visitors to the website. Page Views = Number of pages that the visitor viewed.

VisitSedona.com Website Statistics

	Total User Sessions				Total Page Views			
	2008	2009	2010	Change 09 vs 10	2008	2009	2010	Change 09 vs 10
Jan	87,753	84,730	129,756	53.1%	609,198	466,132	544,574	16.8%
Feb	88,028	81,708	114,472	40.1%	612,425	434,196	502,070	15.6%
Mar	104,470	118,000	131,150	11.0%	712,048	586,344	617,437	5.3%
Apr	83,351	92,068	105,867	15.0%	571,551	494,495	487,381	-1.4%
May	80,273	101,585	109,984	8.0%	546,944	479,561	494,958	3.2%
Jun	72,911	97,282	72,056	-26.0%	491,566	465,441	325,044	-30.2%
Jul	78,010	105,966	100,076	-6.0%	525,811	497,944	441,790	-11.3%
Aug	76,019	93,712	98,281	5.0%	518,027	453,817	433,538	-4.5%
Sep	69,486	88,652	88,450	0.0%	457,123	418,850	379,230	-9.5%
Oct	70,418	90,153	87,533	-3.0%	445,258	419,626	369,475	-12.0%
Nov	59,353	77,784	80,159	3.0%	361,311	339,213	335,073	-1.2%
Dec	58,153	68,114	77,870	14.0%	343,108	301,364	310,319	3.0%
Total	928,225	1,099,754	1,195,654	8.7%	6,194,370	5,356,983	5,240,889	2.2%



Analysis – VisitSedona.com continues to be an important way for visitors to get information about our destination. The year ended with **User Sessions up by 8.7%!** This indicates that our branding, marketing, and public relations efforts continue to positively impact the number of visitors to our website. In reviewing 2010’s numbers, it is clear that we dipped considerably in June. The lack of a full three-month Summer TV placement due to a reduction in our budget, in addition to an executive decision to cease marketing during the turbulent period of the SB1070 controversy contributed to this drop. An increase in site traffic occurred as our Summer television aired and our marketing resumed in August. This clearly illustrates the value of marketing and advertising.

More and more consumers use the Internet to research and book travel. In this particular economy, we continue to see that our Deals & Discounts section of our site is consistently receiving high traffic volume. The page views might be slightly down due to the number of contests driving users to the site.

C. Fulfillment

Mail Fulfillment = The number of Experience Sedona Guides (ESGs) mailed to consumers requesting information about Sedona. They can request information via our website, toll-free phone number, and reader service cards (reader service cards are included with paid advertising in travel publications.)

	2008	2009	2010	% Change 09vs10
Jan	7,652	9,365	5,011	-46.5%
Feb	8,484	4,474	5,516	23.3%
Mar	6,356	6,604	3,966	-40.0%
Apr	7,489	3,659	3,942	8.0%
May	6,412	2,157	2,810	30.0%
Jun	3,516	2,946	4,153	41.0%
Jul	5,040	5,088	2,159	-58.0%
Aug	3,949	3,188	4,191	31.0%
Sep	3,063	1,415	3,326	135.0%
Oct	4,206	2,931	2,007	-32.0%
Nov	2,686	2,068	1,491	-28.0%
Dec	2,686	1,702	1,173	-31.0%
Total	61,539	40,509	35,074	-13.4%

Fulfillment – Other

Information is also distributed at various locations in the Valley such as hotels/resorts, car rental agencies, AAA offices, as well as both Sky Harbor airport and the Tucson airport.

ESG Distribution	2009 YTD	2010 YTD	% Change 09vs10
Online ESG	7,993	12,320	54.1%
ESGs to various locations	154,022	163,100	5.9%

Analysis

We fulfill requests for information by mailing/distributing hardcopies of the Experience Sedona Guide, or by providing an option to view the guide online. The online ESG has especially seen a spike in viewership, which we attribute largely to the additional promotion we've created on our home page of VisitSedona.com. We estimate that mail fulfillment will continue to decline as online ESG statistics increase.

The top 5 countries viewing the online guide are the U.S., Canada, U.K., Japan, and Australia.

D. Inquiries by City

The Top Cities report illustrates the importance of Sedona’s target markets. Items in **orange** indicate the months in which Arizona Office of Tourism implemented marketing campaigns. AOT’s target cities for 2010 include San Francisco, Los Angeles, Seattle, Denver and Chicago. Items in **green** indicate the months where the Sedona Chamber of Commerce Tourism Bureau implemented marketing campaigns in their target cities of Phoenix, Las Vegas and Southern California.

2009 Top Five Cities - Inquiries Fulfilled					
Jan	Las Vegas	Albuquerque	San Diego	Houston	Chicago
Feb	Las Vegas	Chicago	Tucson	Albuquerque	San Diego
Mar	St. Louis	Tucson	Phoenix	Col. Springs	New York
Apr	Las Vegas	Tucson	Phoenix	San Diego	Chicago
May	Tucson	Phoenix/Valley	Las Vegas	San Diego	Houston
Jun	Tucson	Phoenix/Valley	Las Vegas	Chicago	San Diego
Jul	Tucson	Phoenix/Valley	Las Vegas	Houston	Chicago
Aug	Tucson	Phoenix/Valley	Las Vegas	San Diego	Chicago
Sep	Phoenix/Valley	Las Vegas	Tucson	Houston	Chicago
Oct	Houston	San Antonio	Joliet (IL)	Naperville (IL)	Austin
Nov	Tucson	Phoenix/Valley	Portland	Omaha (NB)	Albuquerque
Dec	Phoenix/Valley	Austin	Houston	Long Beach	Chicago

2010 Top Five Cities - Inquiries Fulfilled					
Jan	Las Vegas	San Diego	Albuquerque	Henderson (NV)	Brooklyn
Feb	Las Vegas	San Diego	Albuquerque	Henderson (NV)	Tucson
Mar	Las Vegas	Tucson	Houston	San Diego	Chicago
Apr	Las Vegas	NY	Tucson	Phoenix/Valley	Albuquerque
May	Phoenix/Valley	Las Vegas	San Diego	San Antonio	Tucson
Jun	Tucson	Phoenix/Valley	Kansas City	Austin	San Diego
Jul	Phoenix/Valley	Tucson	Las Vegas/ Henderson	San Diego/Los Angeles	Houston/ San Antonio
Aug	Tucson	Phoenix/Valley	San Diego	Las Vegas/ Henderson	Houston/ San Antonio
Sep	Tucson	Phoenix/Valley	Las Vegas/ Henderson	Houston/ San Antonio	Chicago
Oct	Houston/San Antonio/Austin	Las Vegas/ Henderson	Phoenix/ Valley	Tucson	San Diego
Nov	Tucson	Phoenix/Valley	Las Vegas	Indianapolis	San Diego
Dec	Las Vegas	Phoenix/Valley	Tucson	San Diego	Indianapolis

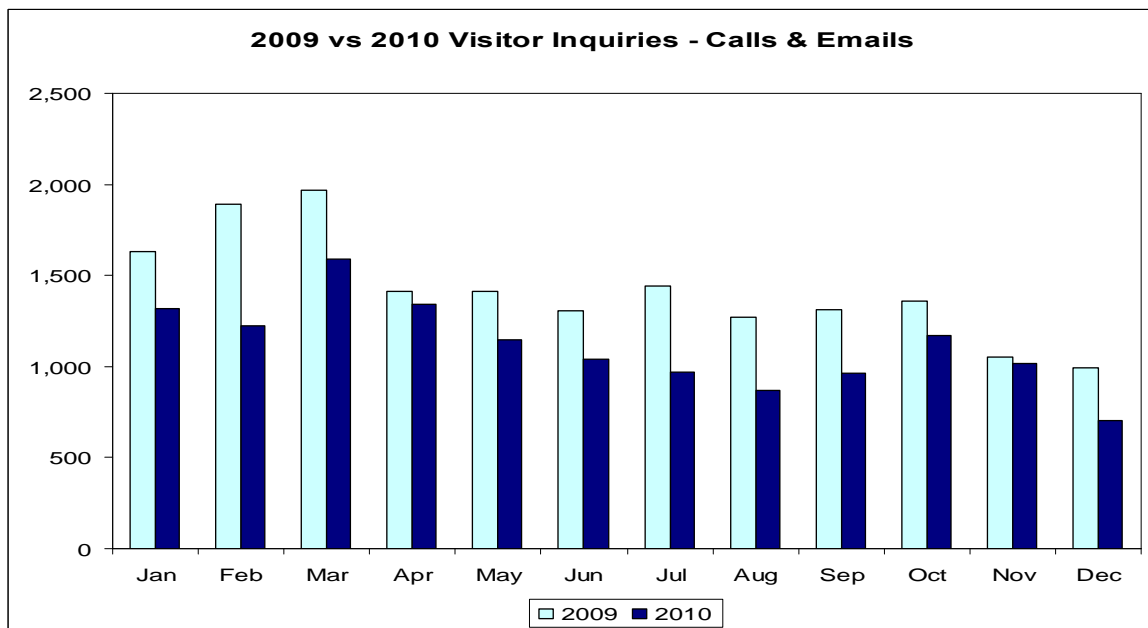
Analysis: Statistics indicate that our marketing efforts towards our drive markets continue to be effective. It should be noted that some marketing programs (such as our Pay Per Click campaigns and the interest-based emails) do not use geographic information for targeting. Therefore these marketing programs are not accounted for in the above 2010 graph. For example, Pay Per Click campaigns target Google Search users by selected key words, and the interest-based emails target those opted-in VisitSedona.com subscribers who have indicated an interest in receiving specific Sedona information.

E. Visitor Statistics

The following Visitor Statistics represent three ways that the visitor is serviced by the Sedona Chamber of Commerce: 1) through inquiries via phone calls; 2) through inquiries via email; and, 3) at our Uptown Visitor Center once they arrive in Sedona.

Phone Call & Email Inquiries – 2009 vs 2010

	2009 Calls	2010 Calls	% Change 09vs10	2009 Emails	2010 Emails	% Change 09vs10
Jan	1425	936	-34.3%	204	383	87.7%
Feb	1,612	892	-44.7%	279	331	18.6%
Mar	1,638	1,188	-27.5%	328	402	22.6%
Apr	1,257	952	-24.3%	157	387	146.5%
May	1,201	861	-28.3%	210	283	34.8%
Jun	1,074	796	-25.9%	230	245	6.5%
Jul	1,241	752	-39.4%	201	217	8.0%
Aug	1,092	703	-35.6%	180	163	-9.4%
Sep	1,025	792	-22.7%	288	172	-40.3%
Oct	1,070	1,018	-4.9%	289	150	-48.1%
Nov	770	852	10.6%	284	165	-41.9%
Dec	695	571	-17.8%	295	131	-55.6%
Total	14,100	10,313	-26.9%	2,945	3,029	2.9%

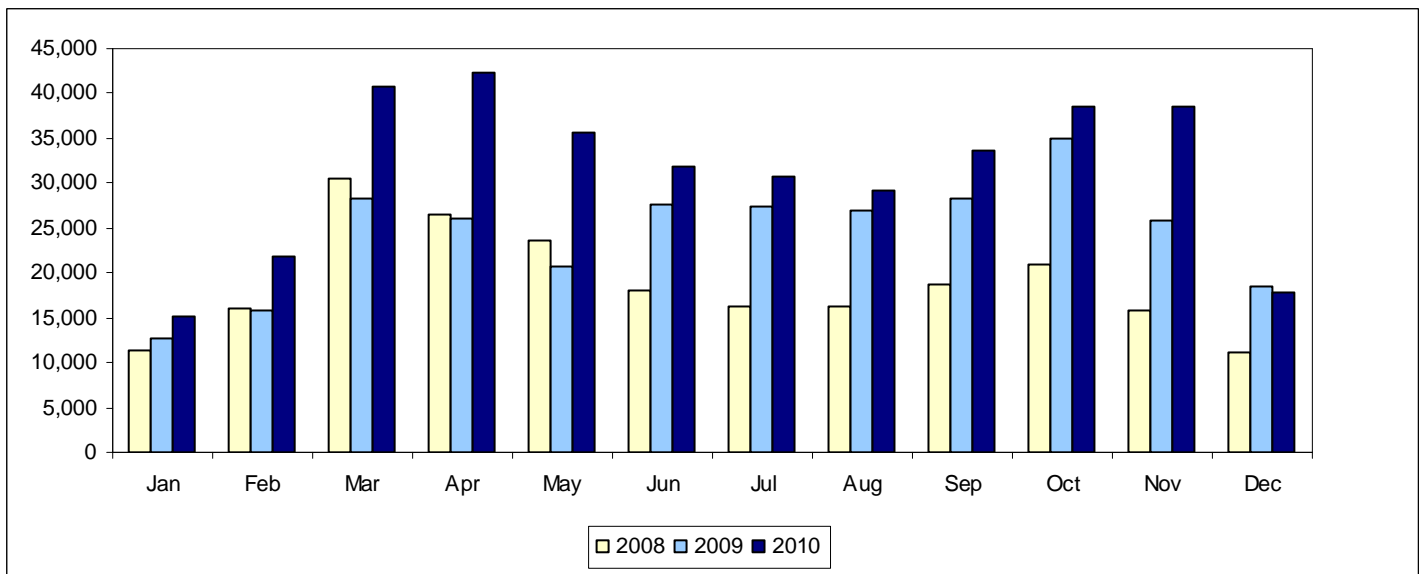


Analysis:

Phone calls are down for the year by 27%, compared to 2009, while emails are up 3%. As more and more visitors use the Internet for research and communication, it's not a surprise that a decrease in calls and an increase in emails will be the trend for years to come. Inquiries (calls and emails) overall have decreased slightly each month in a 2009 vs 2010 comparison as shown in the above graph. This could indicate the affects of the recession. This could also indicate that potential visitors are finding the answers they need on our website – www.VisitSedona.com, which is up almost 9%.

Visitor Center Walk-Ins

	2008	2009	2010	% Change 09 vs 10
Jan	11,257	12,614	15,210	20.6%
Feb	16,092	15,769	21,812	38.3%
Mar	30,609	28,357	40,656	43.0%
Apr	26,450	26,086	42,300	62.0%
May	23,577	20,634	35,670	73.0%
Jun	18,050	27,524	31,789	15.0%
Jul	16,323	27,506	30,776	12.0%
Aug	16,240	26,888	29,122	8.0%
Sep	18,606	28,382	33,701	19.0%
Oct	20,987	34,975	38,633	10.0%
Nov	15,717	25,768	38,633	50.0%
Dec	11,030	18,408	17,779	-3.0%
TOTAL	224,938	292,911	376,081	28.4%



Analysis:

1. Visitor Center walk-ins were up 28.4% for the year (January – December.)
2. The Sedona Visitor Center continues to be one of the busiest in the state.
3. The cost per visitor is approximately \$1.05.

III. Sedona Chamber of Commerce Tourism Division Highlights: January - December 2010

1. Brand Campaign: Continuation of our the Sedona brand campaign:
 - a. Print: Traditional print advertising continues to be one of the mediums used in branding. While the majority of our print placements are in consumer publications, there is some cross-over to the trade audience.
 - b. 2010 Experience Sedona Guide: Our 2010 Experience Sedona Guide was branded accordingly and acted as our primary fulfillment piece.
 - c. Lure Brochures: Our rack-sized "lure" brochure served to peak interest in Sedona with potential visitors. It had been redesigned to comply with our Sedona brand. We also printed German, French and Japanese versions of this brochure to help in marketing to these international audiences (see Appendix B.)
 - d. Brand Banner Ads: Created as a way for our members to embrace the Sedona brand, the Sedona Brand Banners were marketed to our members via the weekly E-Flash. We asked our members to place these professionally-designed banner ads on their sites with link back to VisitSedona.com.
 - e. Brand Postcards: We designed Sedona brand postcard that are blank on the back for guests to write on and mail. Once printed, these postcards will be available for our members to use as they wish.
 - f. Various Projects: All of our projects (collateral, print ads, email blasts, e-newsletters) take the established Sedona Brand into consideration. Sometimes this means using our main photographic image, brand colors, and fonts. Other times we use an inspirational tone in the writing of our content.

Results include:

- Maintenance of Sedona brand and exposure to potential visitors
- A 9% increase in visitation to VisitSedona.com (December YTD comparison)

2. Follow the Red Rock Road: Through June of 2010, the Chamber, along with the City of Sedona, and the Arizona Department of Transportation continued to work together in order to lessen impacts of the construction along a very important two mile business corridor of State Route 179. The Follow the Red Rock Road campaign was developed through extensive input from community partners, business owners, city officials and chamber members. This fun, inventive campaign was designed to help residents and visitors navigate through the construction zone with ease. A two-day completed construction celebration took place on August 20 and 21, 2010.

Campaign components included:

- Seven personalized Javelina Guide characters
- Brochure/map
- Scavenger hunt
- Consistent signage
- Fully integrated website promotion: www.FollowTheRedRockRoad.com
- Newly designed Construction Completion website launched: www.CelebrateTheRedRockRoad.com

Results included:

- Over 200 scavenger hunt forms have been completed
- 60 businesses have been participating in the scavenger hunt
- 16 prizes have been awarded
- Partnership with Horizon Airlines, who had donated airline tickets as prize giveaways to our local residents who participated in the scavenger hunt
- 22 custom Business Access signs were distributed

3. Direct Marketing: Direct marketing efforts provided an additional opportunity to speak to our audience with tactical messaging that was directed to them. Additionally, co-op advertising allowed us to leverage our dollars. Following are a few programs that were implemented.

a. Interest-Based Emails: Opted-in subscribers to VisitSedona.com who have specifically requested information on specific subjects. The Sedona Chamber of Commerce Tourism Bureau sent four email blasts to these qualified audiences. Businesses submitted 75 words or less with photo/logo that was included in the Chamber's email blast and landing page.

Results include:

- 5% response rate for the March "Wellness" blast
- 9% response rate for the April "Outdoor Adventure" blast
- 5% response rate for the July "Summer Deals" blast
- 4% response rate for the September "Arts, Festivals & Events" blast

b. Arizona Republic Wrap: Custom newspaper wrap delivered to 7,400 Arizona Republic non-subscribers in highly-targeted Phoenix zipcodes (85045, 85085, 85086, 85253, 85255, 85262, 85284, 85297, 85310, 85331, 85383.) Wrap pushes all users to VisitSedona.com/Deals to track responses. The latest wrap included cutting-edge QR Code technology where smartphone users can simply scan the code with their phone to be taken directly to the VisitSedona.com/Deals landing page.

Results include:

- Average 5-8% response rate (direct marketing industry standard response rates between 1-3%)

4. Internet Marketing: Trends and statistics continue to indicate that consumers do their research largely online before taking a trip. As our consumer is responding more and more to online communications, we continued to put our focus towards internet marketing in 2010.

a. Go-Arizona.com advertising: Garners an average of 100 leads per week.

b. Search engine optimization on VisitSedona.com

c. Sunset.com: Online advertising package that ran May – August.

d. Consumer e-Newsletter: Distributed monthly to over 70,000 VisitSedona.com subscribers.

e. Arizona Office of Tourism monthly e-newsletter: Sedona was included as featured destination in the June e-newsletter.

- f. Spring Training Pay Per Click campaign: Campaign designed to promote Sedona to those visitors coming to Phoenix area for Spring Training.
- g. Grand Canyon Pay Per Click campaign: Campaign designed to promote Sedona to those who are planning a trip to the Grand Canyon.

Additional information for VisitSedona.com:

- Number of Deals & Discounts = 103
- Most popular Deals & Discounts categories: Accommodations+, and Spa/Spiritual & Personal Enrichment
- New event-oriented categories are added as relevant, ie, Sedona Arts Festival
- Monthly-themed categories are created based on PR calendar to create additional marketing synergy

5. Regional Marketing: The Chambers of Commerce of Camp Verde, Clarkdale, Cottonwood, Jerome and Sedona continue to work under the Sedona Verde Valley Tourism Council (SVVTC). SVVTC has developed a collection of current tourism promotions aimed at:
 - Senior residents of the Greater Phoenix metro area (thru June 2010)
 - SedonaVerdeValley.org website enhancements
 - Meeting attendees of conferences in the Greater Phoenix metro area

All targets for the proposed projects are segments of the Leisure Travel Market and represent a healthy mix of viable sources to prospect for increased tourism revenue. The ultimate goal is to create more awareness resulting in higher visitation of the region in order to boost economic impact.

6. Concierge: Continuing efforts to reach our primary concierge audience in Phoenix and Tucson include the following:
 - a. Monthly e-newsletter to Phoenix concierge contacts: Concierge opt-in database has increased substantially from 200 contacts to over 400 contacts since December 2009.
 - b. FAM Tours: Developed in conjunction with Key Magazine, resulting in approximately 40 career-concierge agents who visited Sedona in 2010.
7. Public Relations: Ongoing public relations continue to promote Sedona, and include:
 - a. Media Newsletter- themed newsletter: Distributed the first week of each month.
 - b. Social Media Tools
 - Twitter- We currently have 1,839 followers, examples of followers: LA Times, National Geographic Travel Writer, Chicago Sun Times, Fodor's Food & Wine Editor, TravelingMamas- voted in top 99 travel blogs in the world
 - Facebook- We currently have 3,711 Facebook fans. This site allows us to post photos, video testimonials, links to events, and event listings, fans can post comments about Sedona and we follow up
 - YouTube- Videos posted, currently over 1,000 video views
 - Flickr- Post photos of Sedona, also allows fans to post their own Sedona photos

8. Shop in Sedona: The Sedona Chamber of Commerce, the Sedona Main Street Program and the City of Sedona created a Shop Sedona local promotion to encourage residents to shop locally.

a. Business Participation

We continue to encourage all area businesses to participate with an *incentive* program for local residents. A Shop Sedona window sticker/decal identifies participating businesses, and these businesses are currently featured on www.ShopInSedona.com. There are over 100 deals currently posted on this site. A listing of the deals are shown in Appendix D.

b. Residential Marketing Promotion

Promoting the Shop Sedona program to local residents is imperative to the success of the campaign. Each Sedona area resident (including VOC and Oak Creek Canyon) received a postcard with a VIP Loyal Sedona Shopper Card. This "VIP card" identifies each carrier as a local resident who is eligible for the incentive.

This is an ongoing campaign which will be promoted through email newsletters, print advertising, radio, and through the Sedona Chamber, the Sedona Main Street Program and the City of Sedona's publications and events. Nearly 500 residents signed up for the contest, and we began marketing to that database monthly in August 2010.

9. Partnerships & Sponsorships:

a. Event Sponsorships – Promotion assistance for Sedona Events included:

- Banner ad placement on SedonaChamber.com and VisitSedona.com
- Inclusions in weekly E-Flash and B-Flash
- Inclusions in monthly Consumer e-Newsletter and Concierge e-Newsletter
- Included in Social Media as warranted
- Sedona Events Alliance Flyer developed and distributed to members, through e-Newsletters and to area hotels/concierge
- Special categories created for VisitSedona.com Deals & Discounts section

b. Scottsdale & Sedona Partnership – Short Drive, Sweet Diversions

- Site developed. www.scottsdale-sedona.com, includes Scottsdale & Sedona itineraries, calendar of events, links to each DMO's site
- Scottsdale and Sedona brochure developed and part of ongoing collateral distribution
- Partnership is being reviewed for additional enhancements and opportunities.

10. Travel Trade Industry:

a. Tradeshow & Sales Mission Participation 2010 YTD:

Go West Summit

- Target: international & receptive operators
- 44 meetings and appointments
 - o 16 international (36%)
 - o 21 receptives (48%)
 - o 4 domestic (9%)
 - o 3 others – US Commercial Services (7%)
- 6 qualified inquiries

Spotlight on the Southwestern USA

- Target: domestic operators
- 22 meetings and appointments
 - o 2 receptives (9%)
 - o 19 domestic (86%)
 - o 1 other – Entertainment Company (5%)
- 3 qualified inquiries
- Pre/Post FAM: 24 participants

International Pow Wow

- Target: international & receptive operators
- 76 meetings and appointments
 - o 44 international (58%)
 - o 27 receptives (35%)
 - o 2 domestic (3%)
 - o 3 others – US Commercial Services, Visit USA, US Embassy, etc. (4%)
- 15 qualified inquiries

Las Vegas Sales Mission

- Target: Japanese receptives
- 65 participants
- Destination Training at AlliedTPro & Mountain West Travel & Events

Los Angeles Sales Mission

- Target: Japanese receptives
- 64 participants
- Sales Calls

- b. Continual attention towards U.S. domestic tour operators and U.S. Receptive Incoming Operators
- c. International tour operators with focus on Canada, the UK, Germany and Japan

IV. Travel Outlook for 2011 – Tourism Statistics and Trends

2010 has been a challenging year for Sedona. Fortunately, we have started seeing some positive changes in our economy in terms of hotel rates and occupancy stabilizing from the previous year. Our destination also fares well compared to other nearby destinations in that local hoteliers have been able to maintain their Average Daily Rate (ADR) unlike our hotel counterparts in the Valley who have aggressively reduced their rates. While it is tempting in the short term to dramatically drop hotel rates in hopes of increasing occupancy, the end result is a long period of recovery to get the rates back up to pre-recessionary times.

On a broader level, the U.S. hotel industry ended 2010 with increases in two of their three key performance measurements, according to Smith Travel Research. "2010 has been a better year than anyone expected in January," said Mark Lomanno, president of STR. "Demand has been a pleasant surprise, and it really is the driver behind the kind of year we've experienced. With that said, hoteliers need to take advantage of the pricing power they've been given because of the increased demand. Our forecast reflects that there will be a movement toward increased rates in 2011."

In 2011, STR is projecting increases in all three key performance metrics: Occupancy is expected to rise 1.6 percent to 58.3 percent; Average Daily Rate to increase 3.9 percent to US \$101.73; and Revenue Per Available Room is projected to end the year up 5.5 percent to US \$59.35. Supply during 2011 is expected to end the year with a 0.9-percent increase, and demand is projected to rise 2.5 percent. (*HNN Newswire, November 23*)

USA Today recently indicated that airlines are adding seats and flights. In November, the ten largest U.S. airlines scheduled nearly 3% more seats for passengers than the year before, according to an analysis of flight data provided by aviation research firm OAG – The Official Airline Guide.

For those who feel that commercial airline flights are still too crowded and that security is even more complicated than ever, chartered jets are the way to travel. Demand for charter jets is up 52 percent so far in November over the same period last year, according to Joe Leader, president of the Air Taxi-Air Charter Assn., a trade group for charter jet companies.

One of the most exciting forecasts for 2011 is from TripAdvisor, who states that Americans may be more willing to loosen their purse strings and pack their bags for a vacation next year. Its survey of more than 3,000 U.S. travelers found 36 percent plan to spend more on leisure travel in 2011 than they did in 2010, while 42 percent expect to spend the same amount. Ninety percent said they plan to take two or more leisure trips next year, up from 89 percent this year. And, forty-seven percent of travelers are considering a stay in a vacation rental home - up from 39 percent one year ago. (*Marketing and Tourism Trends, November 15.*)

For 2011, the Sedona Chamber of Commerce Tourism Bureau will continue our branding (TV and print) and co-operative marketing; we'll continue marketing to our Concierge and Travel Trade audiences; we'll proceed with the Verde Valley Regional Marketing Programs; and we'll launch aggressive Internet marketing campaigns during our slower seasons of Summer and Winter that include social networking sites, SMS text marketing, email, and Google Pay Per Click marketing. We will focus much of these efforts towards our drive markets of Phoenix and Southern California, with an expansion towards markets outside of our immediate region, (Illinois, New York, Texas and Florida.) We'll also look at marketing towards a slightly younger demographic (much of which will be accomplished with Internet marketing) and a higher-income demographic (through specialty niche publications and high-end event sponsorships.)