

Commission Memorandum

REPORT TO: Honorable Mayor and City Commission

FROM: Brit Fontenot, Economic Development Director
Daryl Schliem, Bozeman Tourism Business Improvement District
Liaison

SUBJECT: Tourism Business Improvement District (TBID) FY 19 Work plan
and Budget

MEETING DATE: June 4, 2018

AGENDA ITEM TYPE: Consent

RECOMMENDATION:

Review the attached FY 19 TBID Work Plan and Budget materials prepared by Bozeman Area Chamber CEO and Tourism Business Improvement District Liaison Daryl Schliem. If approved by the City Commission, the TBID FY 19 Work Plan and Budget Proposal will be adopted as part of the City of Bozeman's FY 19 Budget.

BACKGROUND:

The mission of the Bozeman Tourism Business Improvement District (BTBID) Board of Trustees is to promote tourism that generates room nights for lodging facilities in the City of Bozeman, Montana by effectively marketing our region as a preferred travel destination.

The Bozeman Tourism Business Improvement District was created by [Resolution No. 4182](#) in 2009. Additional information regarding the District and District Boundaries is contained in [Resolution No. 4172](#). [Ordinance No. 1765](#) created the Board of Trustees to implement the District in August of 2009. The first meeting of the BTBID was held September 30, 2009.

Liaisons:

The City Commission liaison for this board is **Mayor Cyndy Andrus**. Acting in an advisory and administrative role, the Director of the BTBID Board of Trustees is Executive Director **Daryl Schliem** with the [Bozeman Convention and Visitor Bureau](#).

This board has seven members appointed by the City Commission. Board members must be owners of real property subject to the jurisdiction of the BTBID or a family appointed representative of a real property owner.

Current Members:

MEMBER	TERM	POSITION (IF ANY)	APPOINTED
Matthew Beehler	July 31, 2021		November 13, 2017
Larry Lambert	July 31, 2019		September 14, 2015
Ashley Ogle	July 31, 2020		December 5, 2016
Carl Solvie	July 31, 2019		September 14, 2015
Eric Sheckleton	July 31, 2021		November 13, 2017
Lisa Sebens	July 31, 2018		December 5, 2016
Andrew Ash	July 31, 2020		December 5, 2016
Daryl Schliem	Administrator		

UNRESOLVED ISSUES:

None at this time.

FISCAL EFFECTS:

To be determined.

ATTACHMENTS:

1) FY 19 TBID Work Plan and Budget

Report compiled on: May 17, 2018



Bozeman TBID - CVB

FY19 MARKETING PLAN

Successes

Content Strategy

- Overall web traffic up 90%
- Organic traffic up 206% FYTD year over year
- Top sources of web traffic:
 - Organic traffic
 - Paid search
 - Social media referrals.

Successes

- Hotel referrals from the Bozeman website are averaging 500-600 per month
- Overall marketing list: 5,720 - Blog Subscribers: 2,676
- Airline marketing campaign: Projected bookings are 10% over last summer
- Robust video and photo library
- Digital advertising campaign: Continued growth across channels

Successes

We know from categorizing over 180 blogs posts into clusters, the top topics of interest are: Yellowstone, Lodging, Hiking, Skiing, Traveling to Bozeman, Relaxing, Day Trips

Posts with highest engagement:

1. Ranking the 14 Best Hot Springs in Montana - 41K Views
2. 15 Nonstop Flights to Bozeman You Need to Know About - 23K Views
3. 7 Life Changing Things to Do In Yellowstone - 15K Views
4. 15 Interesting YNP Facts You Didn't Know - 14K Views
5. 5 Myths About Visiting Bozeman, Montana - 13 K Views

User-generated content on Instagram, using the hashtag #onlyinbozeman, has driven fantastic organic growth with these followers becoming ambassadors for Bozeman.

Key Research Findings

In 2017, Montana Office of Tourism and Business Development contracted Destination Analysts to conduct research on the Winter Enthusiast.

The findings show our biggest opportunity is to increase winter visitation.

- The winter enthusiast identifies January as a time they would be most likely to visit; which for us, is an ideal time to increase hotel occupancy, skier numbers and winter visits to Yellowstone National Park.
- Potential visitors in the study also list the top four important attributes for winter recreation include affordability, charming small towns near ski resorts, proximity to National Parks, hot springs and thermal pools. Bozeman embodies all of these attributes.
- All five of the top states with a high concentration of winter enthusiasts are included in Bozeman's target markets: California, Texas, Florida, New York and Pennsylvania. In particular, we consistently receive high organic search traffic from Florida and Pennsylvania without utilizing paid media in these areas.

Opportunities

- Increase winter visitation focusing on winter activities, Yellowstone National Park, and Bozeman's culture
- Leveraging content specific to visitors interests; "Meet them where they are"
- Increased collaboration with tourism partners:
 - Airline marketing
 - State and local media co-ops
 - Collaborate with other tourism entities to bring in social influencers and traditional journalists
 - Outreach to local businesses encouraging them to share our content and utilize our website for local events
- Increasing shoulder season visits from drive markets

Potential Challenges

- Perception that it's difficult to get here
- Balancing hotel inventory
- Congestion in Yellowstone National Park
- Significant weather/fire events
- Attracting Canadian visitors
- Economic concerns
- Over saturation in target markets

Target Markets

Based on ITRR Research, direct flight markets and website traffic

Primary

New York, Dallas, Chicago, Los Angeles, San Francisco

Secondary

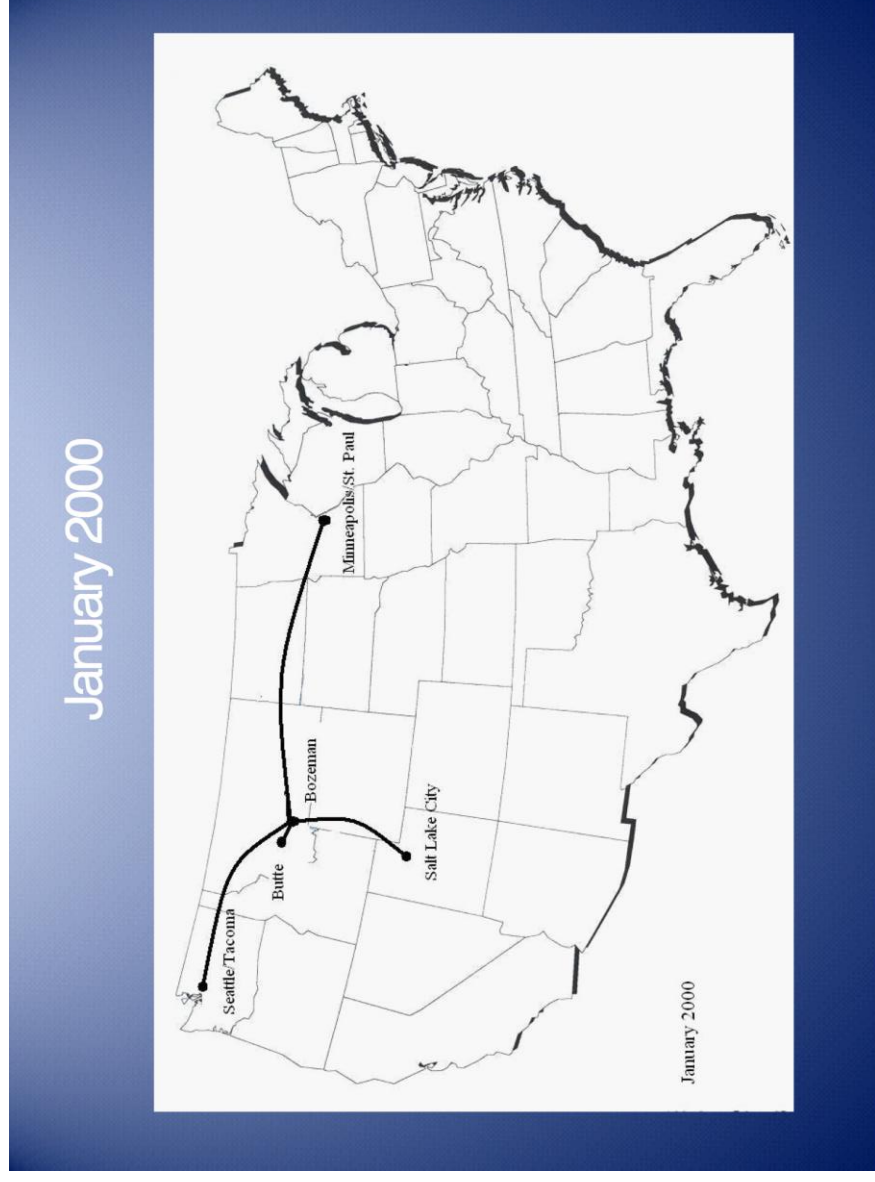
Houston, Denver, Atlanta, Seattle, Portland, Phoenix, Las Vegas, Salt Lake, Minneapolis

Emerging

Florida and Pennsylvania, which along with California, Texas and New York, aligns with the top states winter enthusiasts reside.

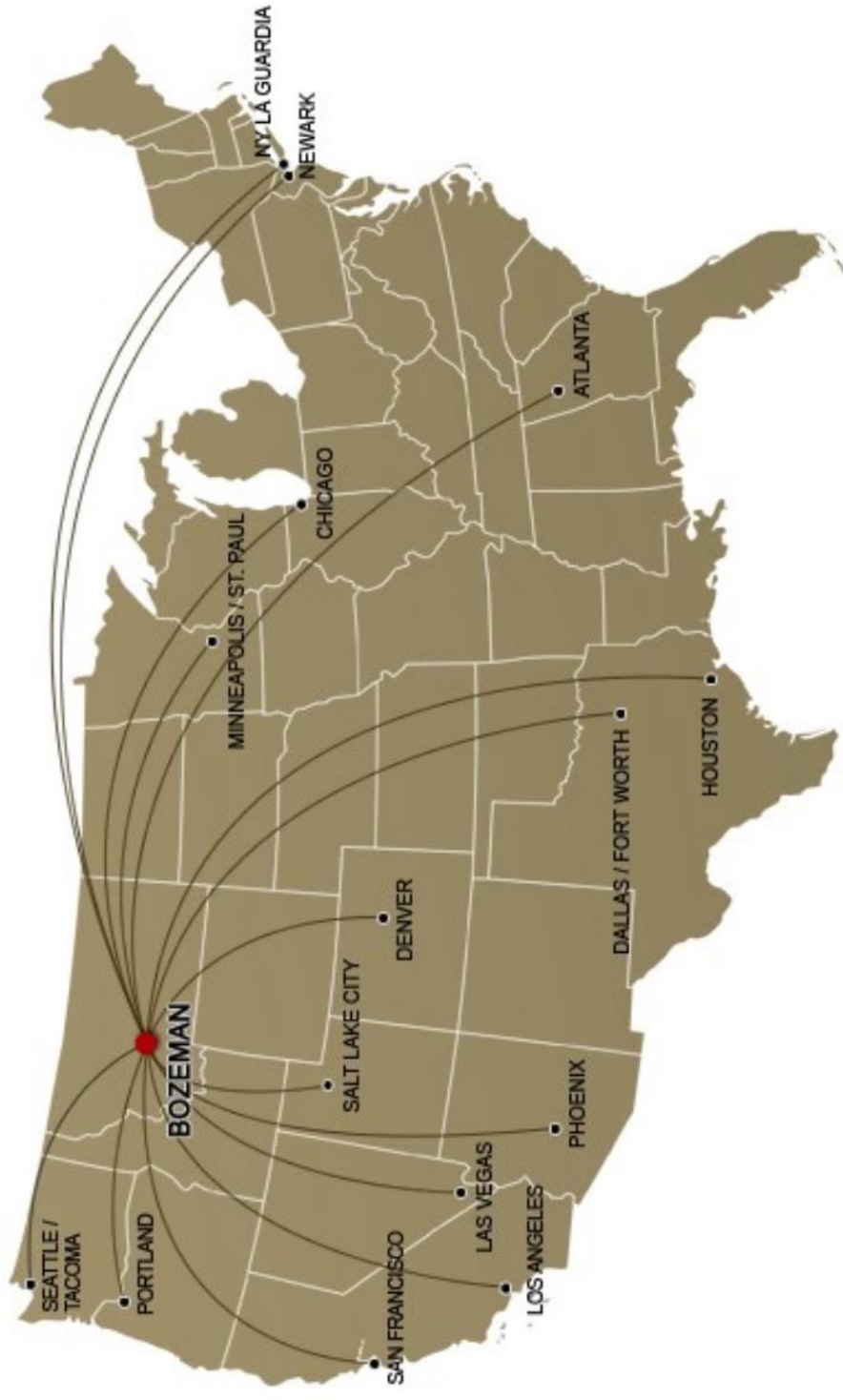
Other emerging markets include Washington DC, Boston and Charlotte.

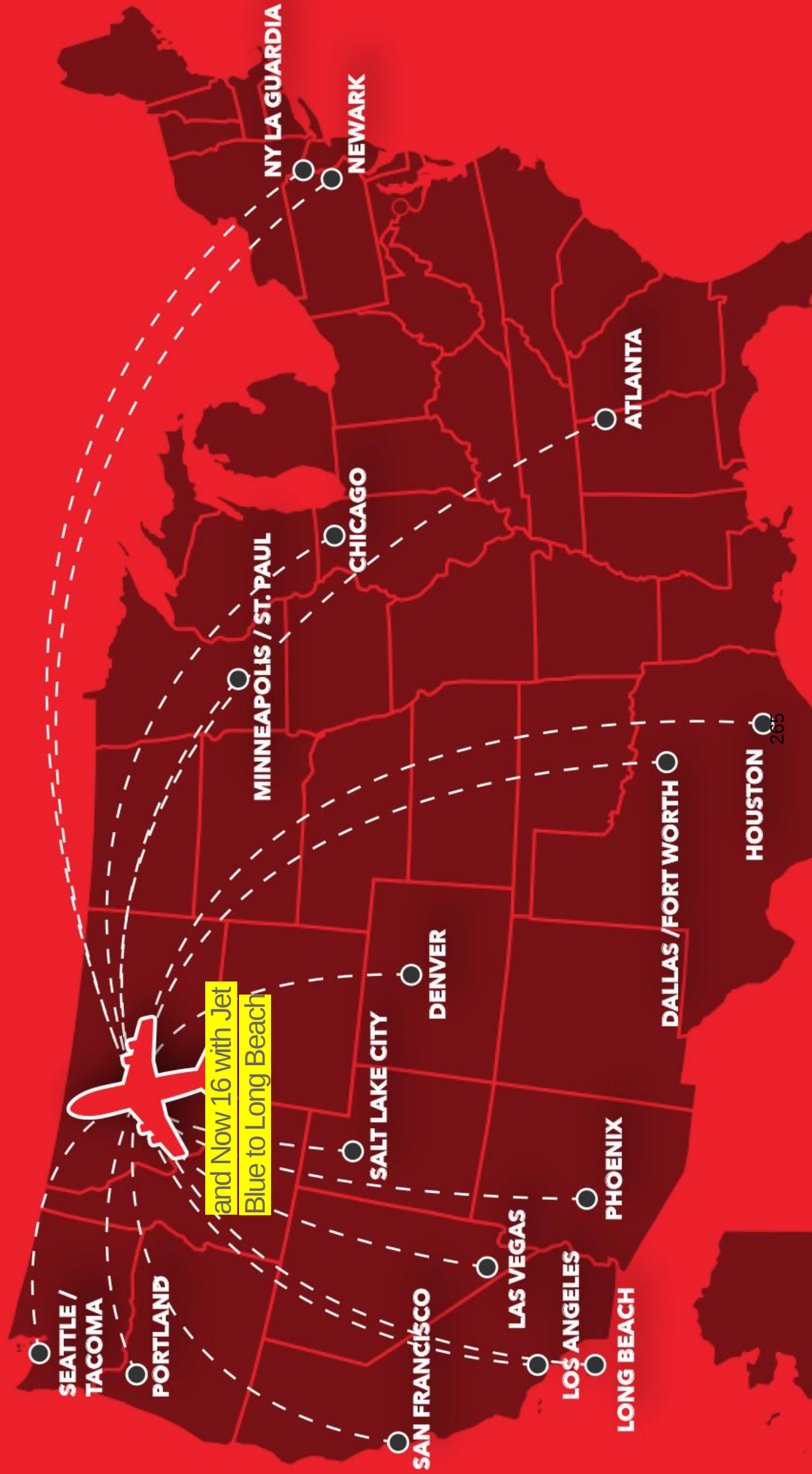
Air Service: January, 2000– 4 direct flights



Air Service 2016

15 Direct Flights and Now 16 with Jet Blue





and Now 16 with Jet
Blue to Long Beach

SEATTLE /
TACOMA

PORTLAND

SAN FRANCISCO

LAS VEGAS

LOS ANGELES

LONG BEACH

PHOENIX

DALLAS /FORT WORTH

HOUSTON

DENVER

SALT LAKE CITY

MINNEAPOLIS / ST. PAUL

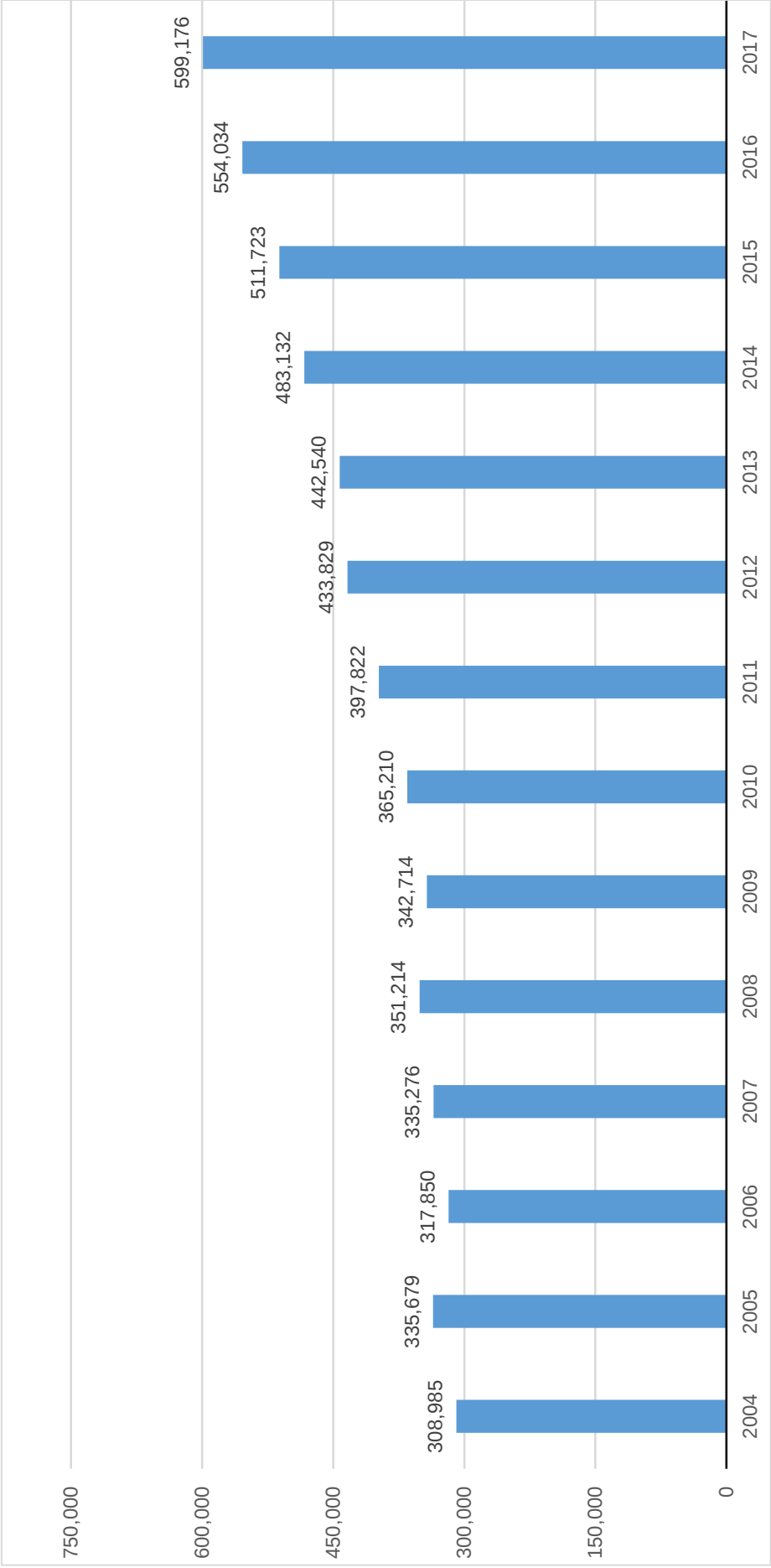
CHICAGO

ATLANTA

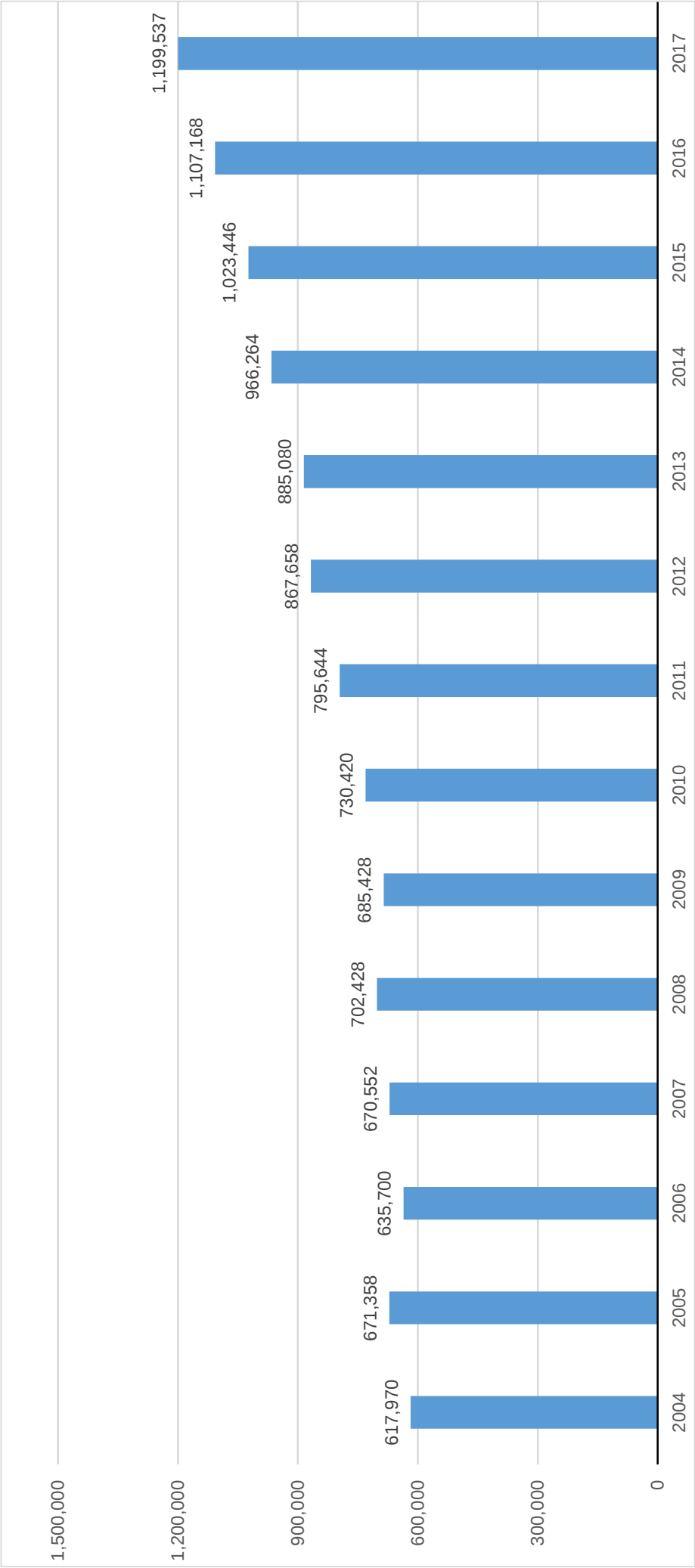
NEWARK

NY LA GUARDIA

Bozeman Yellowstone International Airport Arrival Passenger Totals 2004 - 2017



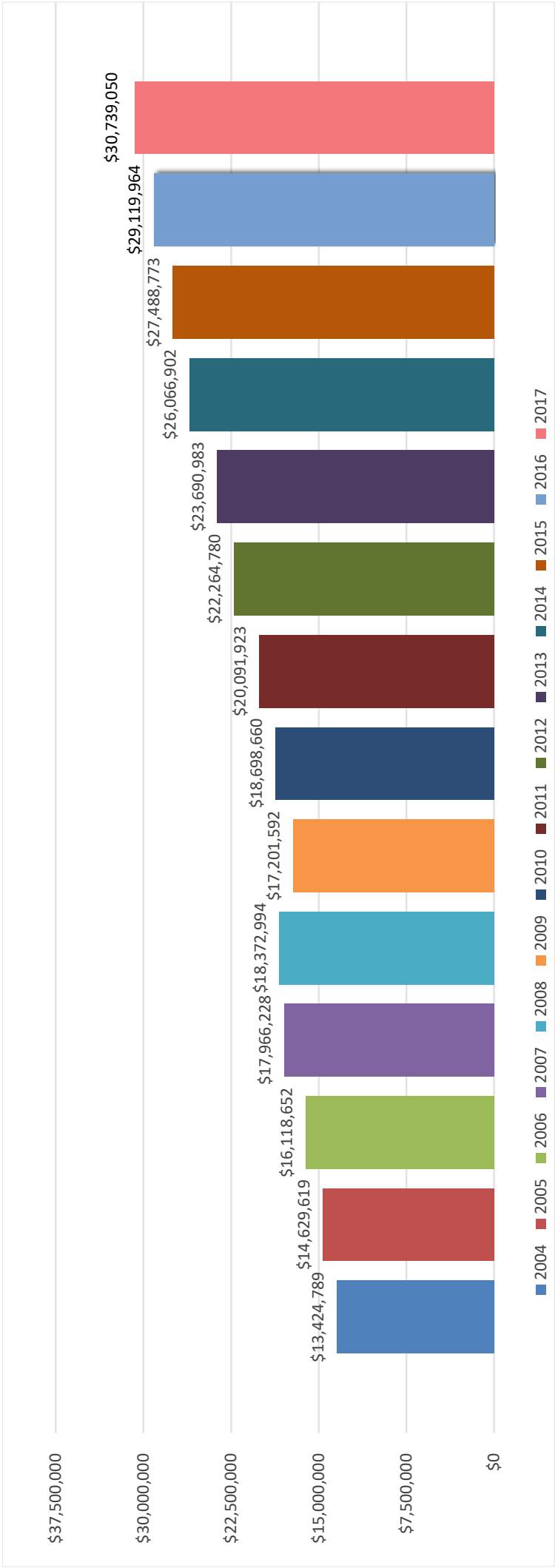
Bozeman Yellowstone International Airport Arrival & Departure Passenger Totals 2004 - 2015



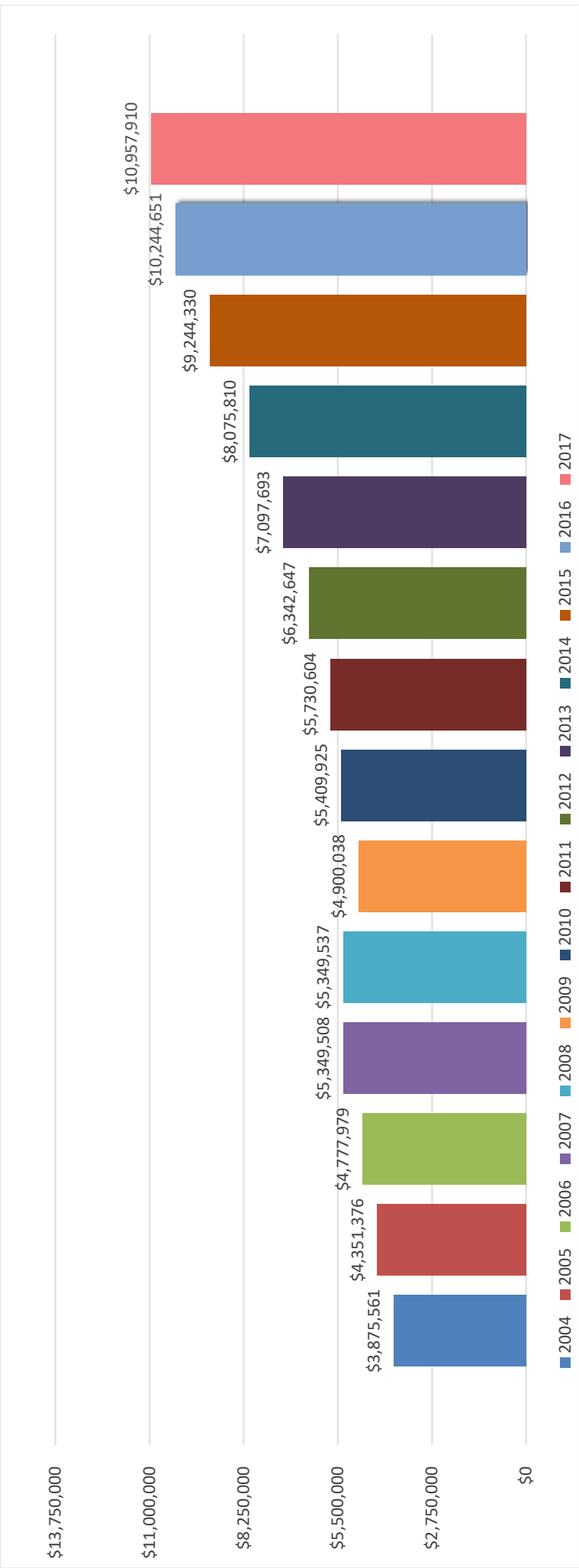
Potential additional direct flights:

- Long Beach
- Boston
- Washington DC
- Florida
- Charlotte, NC
- Continuing discussions with JetBlue & Southwest Airlines

Gross Lodging Tax for Montana 2004 - 2017

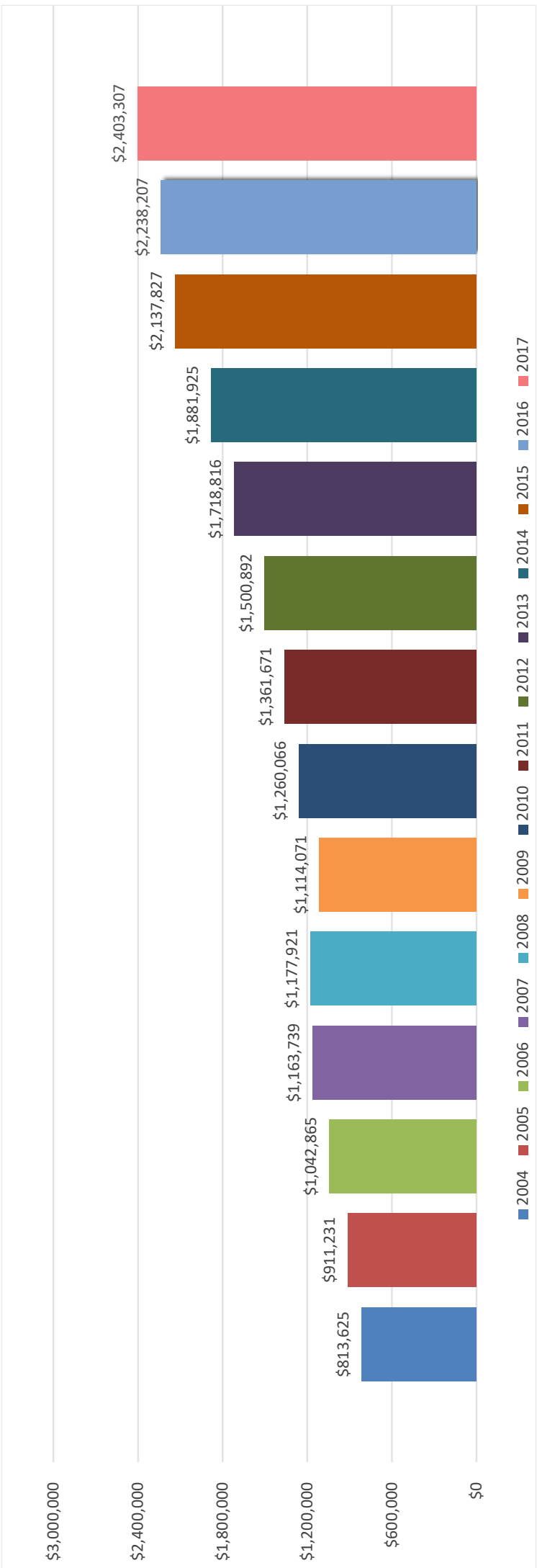


Gross Lodging Tax Revenue for Yellowstone Country 2004 - 2017



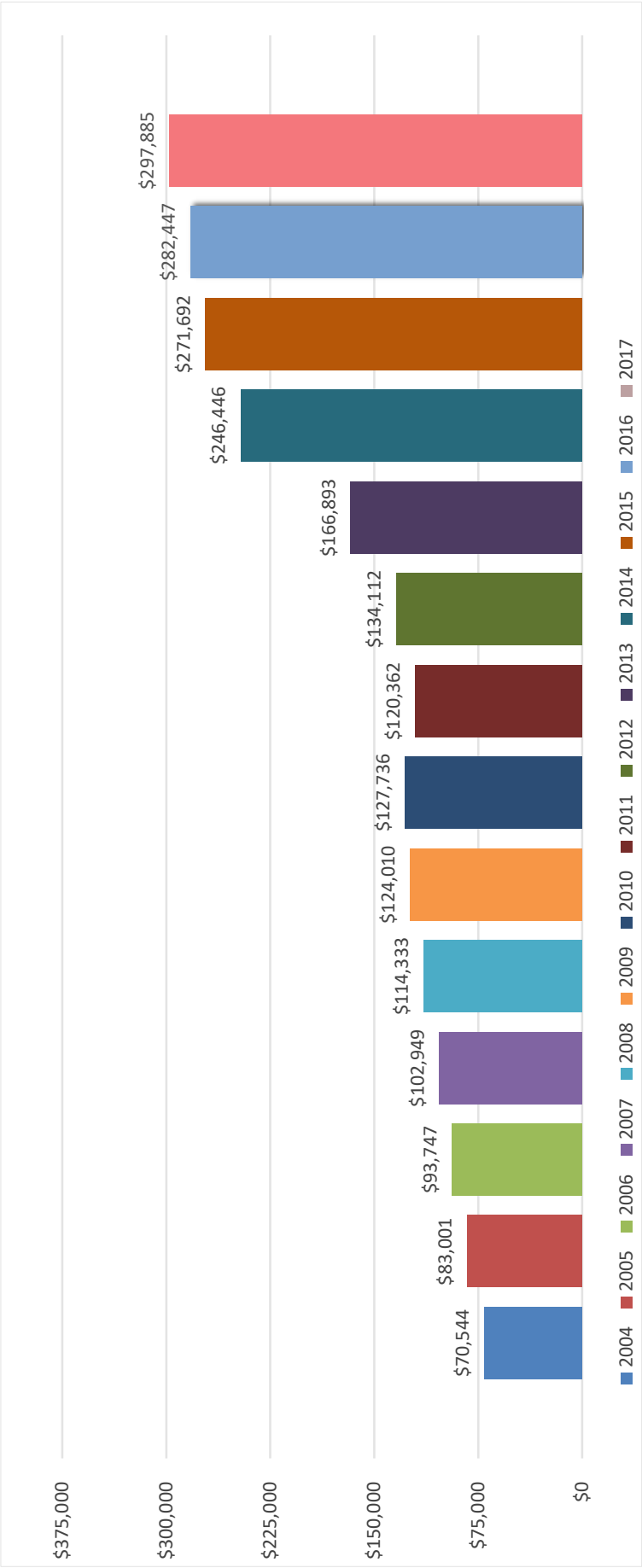
Gross Lodging Tax Revenue for Bozeman

2004 - 2017



Gross Lodging Tax Revenue for Belgrade

2004 - 2017



Lodging Tax Revenue

Bozeman 2015 = \$2,137,827
+14% over 2014

Bozeman 2016 = \$2,238,207
+5% over 2015

Bozeman 2017 = \$2,403,307
+7% over 2015

Demographics

Visitors

- Urban Dwellers
- Millennials, Young Families, Families with Older Children, Retirees
- Winter Enthusiasts

Meetings

- 500 people or less with focus on technology, agriculture, education, professional association and trade associations

Film

- Continue to work with Montana Film Office to promote Bozeman as premier filming location.

Sports Tournaments and Events

- Promote Bozeman for lacrosse, soccer and baseball tournaments outside of Montana High School Association
- Support momentum of nationally recognized runs such as Run to the Pub and the Bozeman Marathon.
- Traditional sports tournaments, both statewide and regional

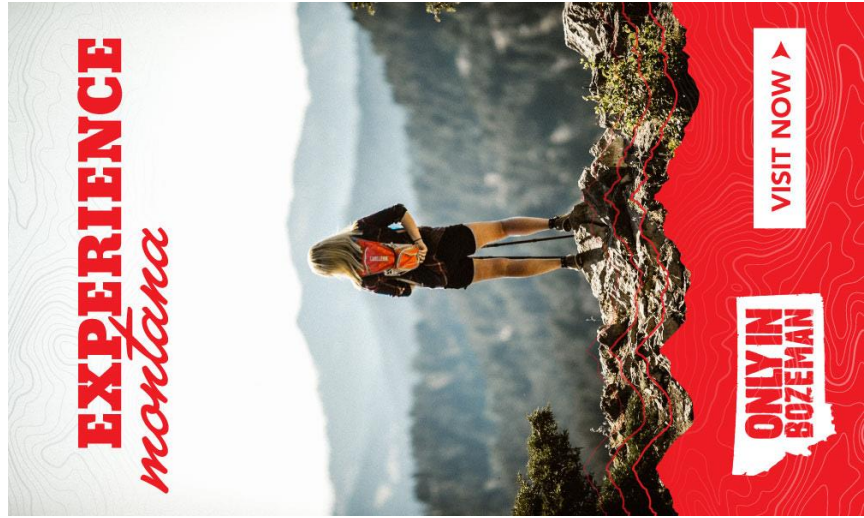
Interests

- 64% Scenic Driving
- 42% Day Hiking
- 42% Wildlife Watching
- 31% Nature Photography
- 27% Recreational Shopping
- 23% Car/RV Camping
- 23% Visiting Other Historical Sites
- 22% Visit Local Brewery
- 16% Visiting Museums
- 14% Visiting Lewis & Clark Sites
- 10% Fishing/Fly Fishing
- 9% Skiing/Snowboarding
- 8% Visit Farmers Market
- 8% Dinosaur Attraction

Overall Goals

- Continue to build our email marketing list
- Expand our inbound marketing with reintroduction campaigns each season
- Targeted messaging
 - Broaden geographic targets while tailoring the message
- Collaborate with state and local partners to promote ease of access
- Create short form videos
- Invest in cooperative opportunities from state, regional and local partners

Spring Creative



TBID FY18 Budget

Consumer Advertising	\$604,000.00
Gallatin Valley Tournament Committee	\$85,000.00
Airline Incentives	\$125,000.00
Airline Marketing	\$120,000.00
IPW	\$10,000.00
Marketing Support	\$166,000.00
Photos/Video Updates	\$10,000.00
Other/Grants	\$80,000.00
TOTAL	\$1,200,000.00

CVB FY18 Budget

Consumer	\$133,200
Marketing Support	\$70,909
Joint Ventures	\$48,000
Fulfillment	\$12,000
FAM Tours	\$5,000
TOTAL	\$269,109.00