1ST QUARTER 2018 MARKETING REPORT

Branson Convention & Visitors Bureau

May 24, 2018

PRESENTATION OVERVIEW

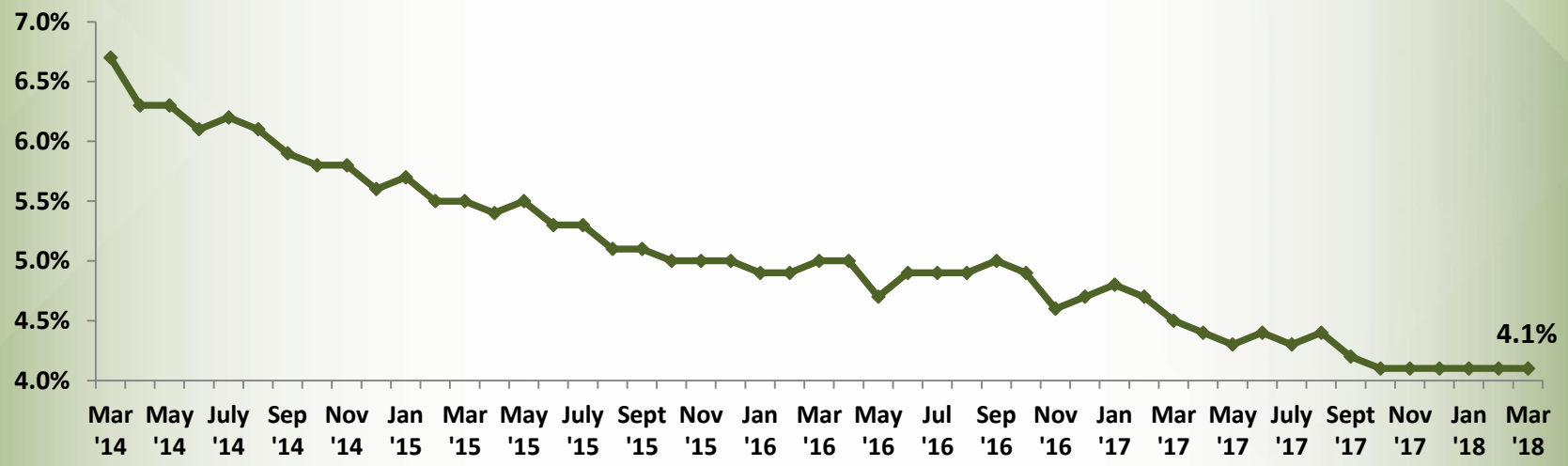
- U.S. Economic Outlook
- U.S. Travel Performance
- Travel Industry Update
- Branson 2018 Q1 Performance
- Department Update
- Branson Visitor Update

ECONOMIC OUTLOOK

ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS MAY 11, 2018

U.S. UNEMPLOYMENT

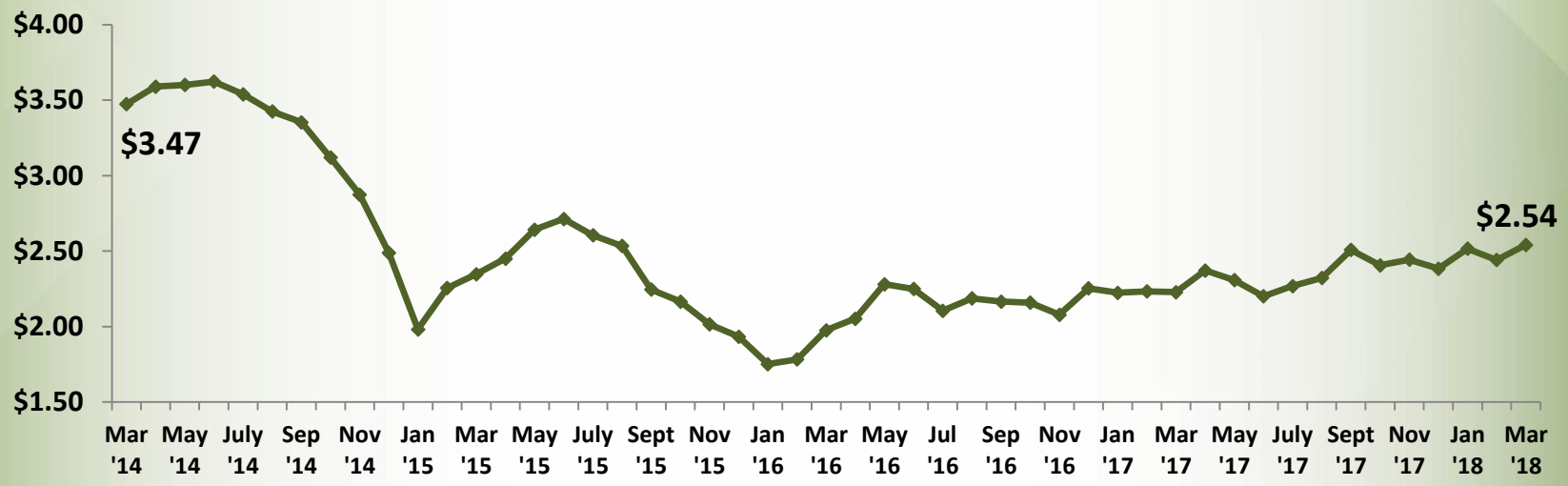
The U.S. unemployment rate flattened out in late 2017. In the past 12 months unemployment has been as high as 4.5% but is currently at the lowest point at 4.1%.



Source: Bureau of Labor Statistics

GASOLINE PRICES

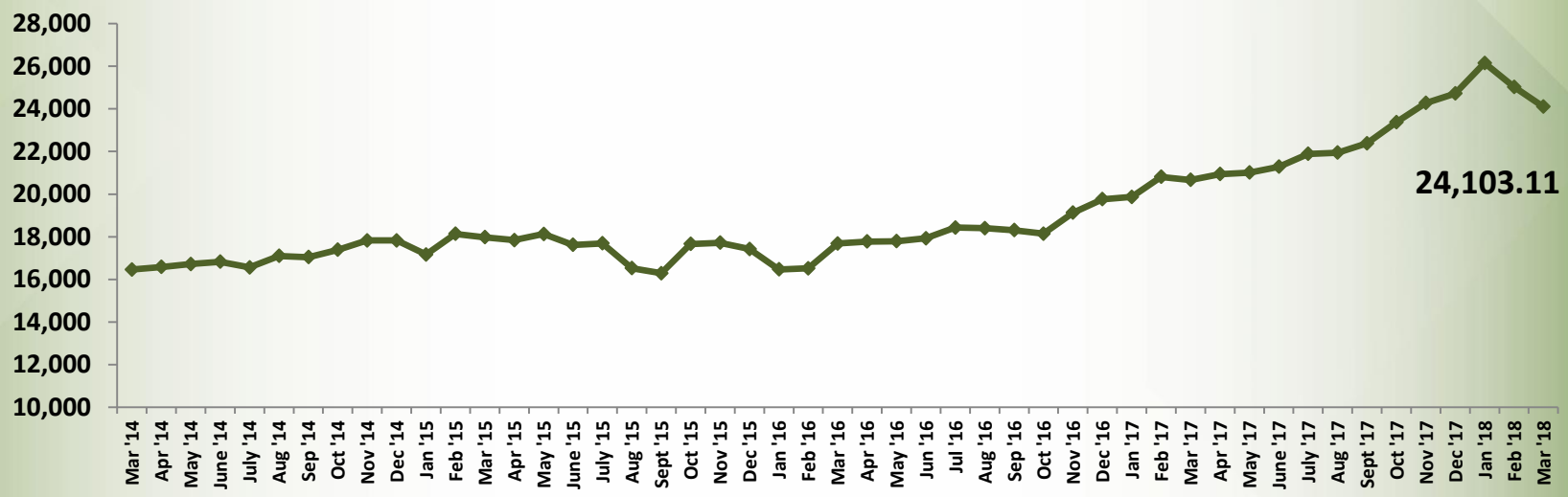
U.S. gasoline prices bottomed out an average of $1.75 in January 2016 and stood at an average of $2.38 at the end of 2017. So far in 2018 prices have remained around $2.50 per gallon, about $0.23 more than this time last year.



Source: U.S. Energy Information Administration

DOW JONES (DJIA)

The Dow Jones Industrial Average closed 2017 at 24,719, up 25% over the end of 2016. Through March of 2018 it stood at 24,103, down 2.5% for the year.



Source: Dow Jones Industrial Average

TRAVEL PERFORMANCE

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U.S. LEISURE & BUSINESS TRAVEL

According to the U.S. Travel Association, leisure travel person-trips increased by 1.8% to 1.82 billion while business travel person-trips increased by 2.0% to 473 million. The USTA estimates that leisure travel will increase at a lesser rate in 2019 with leisure travel increasing by another 1.8% and business travel by another 1.9%. The extended forecast through 2020 shows leisure travel increasing by 1.9% and business travel increasing by 1.7%.

U.S. ROOM DEMAND +3.0%

According to STR, U.S. room demand increased 2.9% in March 2018 and is up 3.0% year-to-date. Additionally, ADR is running 2.5% ahead of last year.

- Mar 2018 YTD Occupancy: +0.9%
- Mar 2018 YTD Room Demand: +3.0%
- Mar 2018 YTD Revenue: +3.5%

SOURCE: STR, MARCH 2018

ROOM DEMAND

BY CHAIN SCALE

Upscale Room Demand (+6.1%) has grown the most this year with Upper Midscale (+4.9%) not far behind. On the lower end, Economy (+1.3%) and Independents (+1.0%) have increased room demand by the smallest amounts.

+3.8%	+2.3%	+6.1%	+4.9%
LUXURY	UPPER UPSCALE	UPSCALE	UPPER MIDSCALE

2.4%	+1.3%	+1.0%
MIDSCALE	ECONOMY	INDEPENDENTS

SOURCE: STR, MARCH 2018

ROOM DEMAND

BY CENSUS REGION

The regions of the U.S. that have experienced the strongest growth in room demand this year are the Middle Atlantic (+7.8%) and New England (+6.3%). Meanwhile, the West North Central region, which includes Missouri, is up by only 0.7%.

+6.3%
NEW ENGLAND

+7.8%
MIDDLE ATLANTIC

+2.1%
SOUTH ATLANTIC

+3.0%
EAST NORTH CENTRAL

+1.4%
EAST SOUTH CENTRAL

+0.7%
WEST NORTH CENTRAL

+5.4%
WEST SOUTH CENTRAL

+0.4%
MOUNTAIN

+2.2%
PACIFIC

SOURCE: STR, MARCH 2018

INDUSTRY UPDATE

ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS OF MAY 11, 2018

EMPLOYMENT EDGED UP BY 103,000 IN MARCH, AND THE UNEMPLOYMENT RATE WAS UNCHANGED AT 4.1 PERCENT

Employment increased in manufacturing, health care, and mining. The number of persons employed part time for economic reasons (sometimes referred to as involuntary part-time workers) was little changed at 5.0 million in March. These individuals, who would have preferred full-time employment, were working part time because their hours had been reduced or because they were unable to find full-time jobs. Source / 39-page PDF: Bureau of Labor Statistics

THE MARCH 2018 SMALL BUSINESS OPTIMISM INDEX REGISTERED 104.7, DOWN FROM 107.6 IN FEBRUARY

For the first time since 1982, taxes received the fewest number of votes as the number one problem facing small business owners. Twenty-one percent of owners cited the difficulty of finding qualified workers as their Single Most Important Business Problem, exceeding the percentage citing taxes or regulations. Thirty-five percent of all owners reported job openings they could not fill in the current period. Usually small business owners complain about taxes and regulations. However, during the recession, poor sales was the top problem. Source / Full Report: NFIB

PGAV DESTINATIONS ALONG WITH H2R MARKET RESEARCH HAVE RELEASED THE 2018 ANNUAL OUTLOOK FOR THE ATTRACTIONS INDUSTRY

The findings represent the results of more than 1,500 U.S. leisure attraction visitors' who visited either an attraction in 2017 or are considering doing so this year. Interesting finding: water parks, aquariums, science centers, dinner theaters and cruises, and botanical gardens are expected to see the highest attendance growth in 2018 over last year. The report also explores various demographic trends among 16 types of attractions. Source / 37-page report: here

THE WATERPARK INDUSTRY CONTINUES TO EXPAND IN NORTH AMERICA, WITH MORE THAN $1 BILLION IN NEW INVESTMENT IN INDOOR AND OUTDOOR WATERPARKS AND RESORTS IN 2018

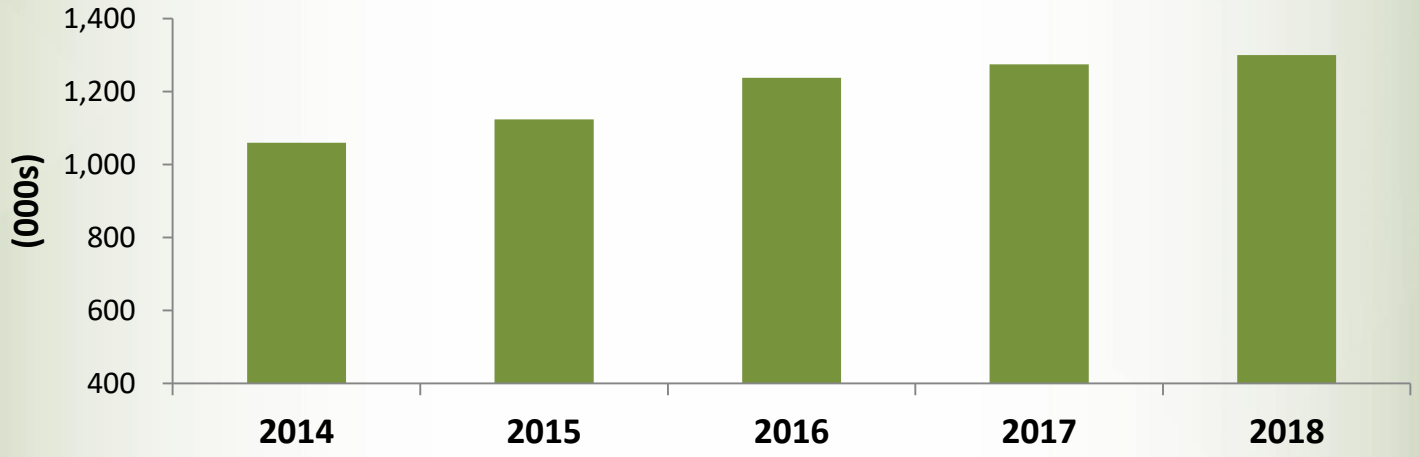
Nearly 60 expansions and new facilities will open in 2018 with a projected 14 municipal and eight private outdoor waterparks to open, outpacing 2017's nine municipal and four private outdoor additions. Two of this year's most anticipated new waterparks are the SoundWaves Waterpark at Gaylord Opryland Resort in Nashville, Tennessee, and Big Rivers Waterpark at Grand Texas in New Caney, Texas. Source / Data Tables: Hotel-Online

BRANSON Q1 PERFORMANCE

ALL INFORMATION *REPORTED* IS THE MOST RECENT AVAILABLE AS OF MAY 11, 2018

BRANSON ESTIMATED VISITATION

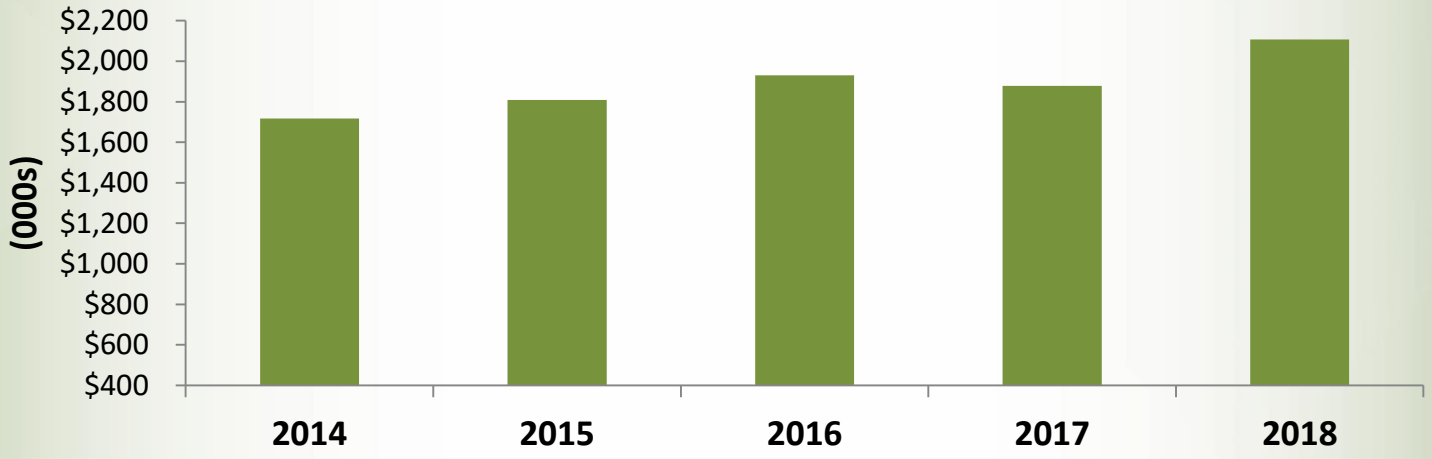
1st Quarter YTD 2018



BASE = 7.0M (2000, DKSA)

CITY OF BRANSON SALES TAX

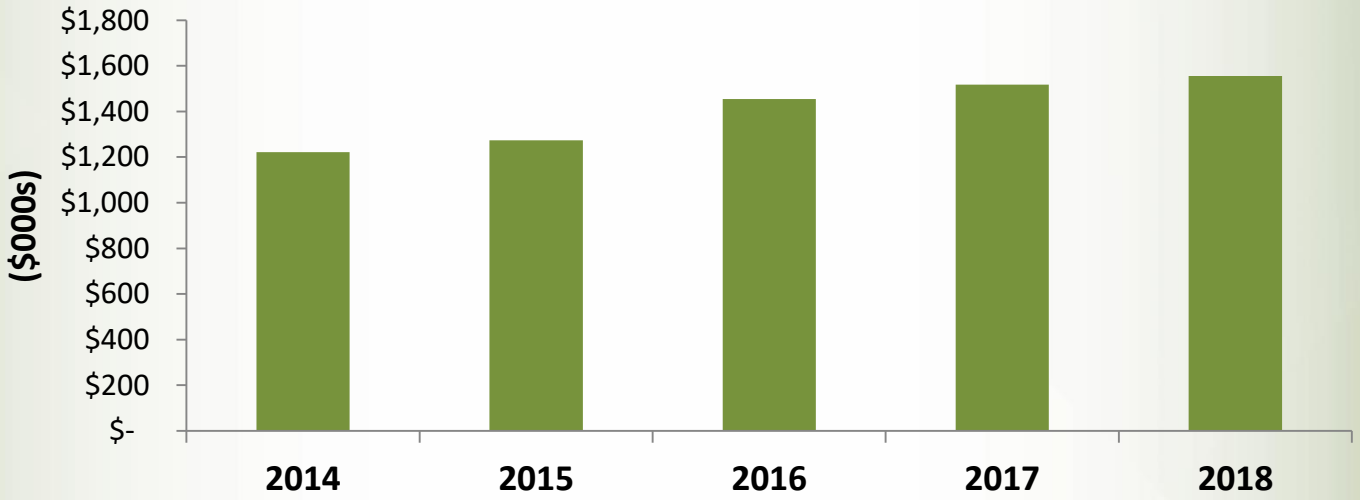
1st Quarter YTD 2018



Source: City of Branson, March 2018 YTD

CITY OF BRANSON TOURISM TAX

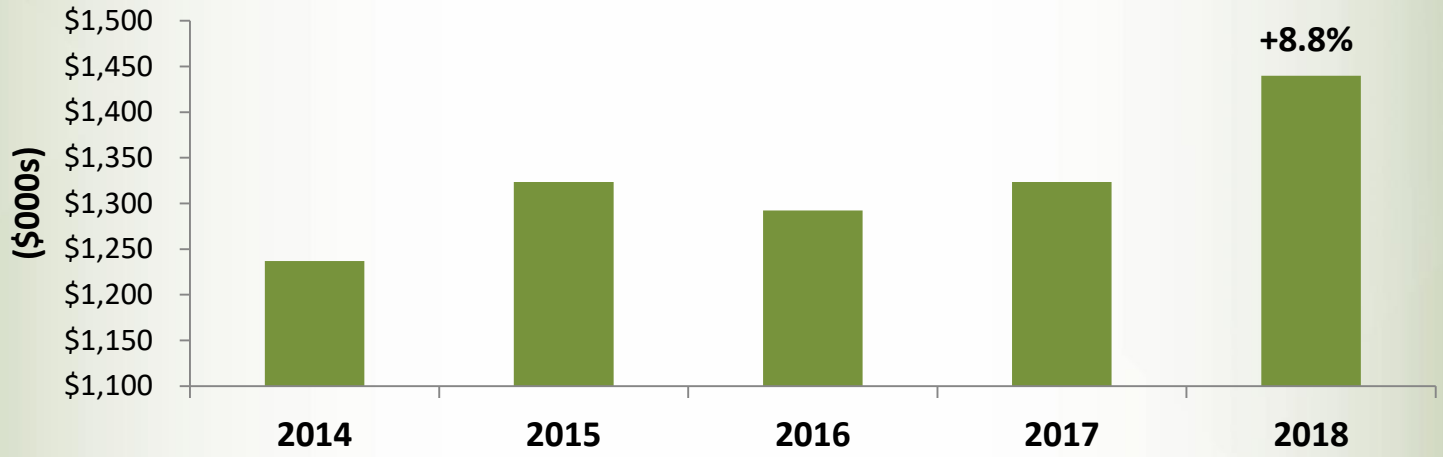
1st Quarter YTD 2018



Source: City of Branson, March 2018 YTD

TCED TOURISM TAX

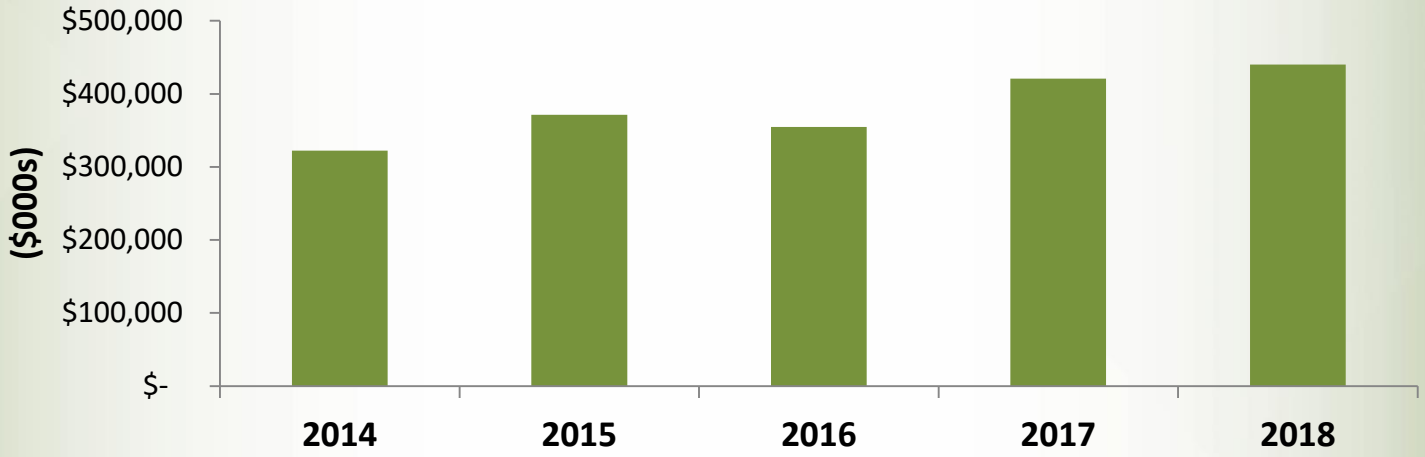
1st Quarter YTD 2018



Source: TCED, March 2018 YTD

STONE COUNTY TAX

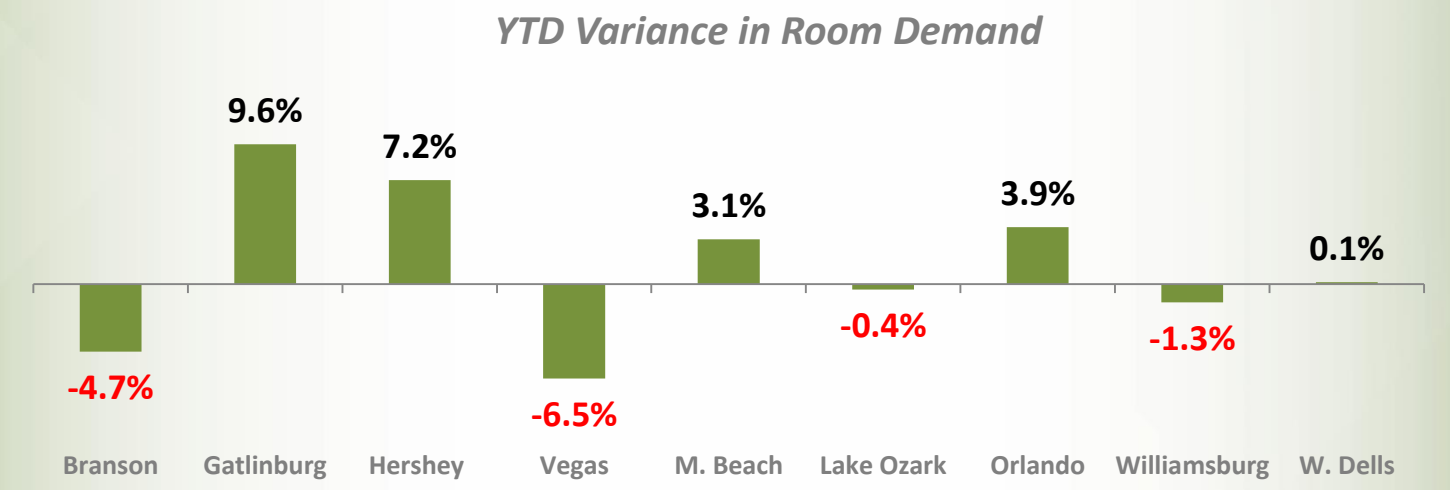
1st Quarter YTD 2018



Source: Stone County, March 2018 YTD

ROOM DEMAND COMPARISON

1st Quarter YTD 2018



Source: Smith Travel Research, March 2018 YTD

DEPARTMENT UPDATES

PR AND COMMUNICATIONS

Lynn Berry and Tamra Jane Corbin

- Winter Workshop Retreat held Jan. 9 was well attended
- Jan. 10 *New York Times* listed Branson at #21 of 52 places to go this year
- Mid-America Emmy board meeting in St. Louis Jan. 27/28
- Capitol Days for Tourism Feb. 21/22 in Jeff City
- Golf writers played in the Pro-Am, PGA Legends of Golf Champions Tour
- Great press for Time Traveler !

Branson™ MISSOURI

LEISURE GROUP SALES DEPARTMENT

2018 Q1 Report

January 2018 – Attended ABA (American Bus Assoc.) Marketplace in Charlotte, NC

- First-time "Branson Ice Cream Social" sponsorship at ABA for 3,000 delegates
- A Branson Dine-Around in Charlotte for 150 attendees representing key tour operators and Branson partners with Branson entertainment.

February 2018 – Attended TMEA (TX Music Educators Assoc.) in San Antonio, TX

- A Branson trade show section with 20 Branson booths promoting student travel
- A one hour Branson breakfast presentation for 20 music directors at host hotel.

February 2018 – Attended YMRC (Your Military Reunion Connection) in Myrtle Beach, SC

- Two days of appointments with 20 military reunion planners

March 2018 – Planned Heritage Club International Sales Conference in Branson, MO

- Four day event with 100 attendees were bank travel club directors and other vendors for a three night Pre- FAM, opening dinner event, a trade show, city tours, closing dinner event

March 2018 – Attended Travel South Domestic Showcase in Biloxi, MS Sales Conf.

- Two full days of marketplace appointments with 48 travel planners
- A Branson Dine-Around for 50 tour operators and Branson partners

Branson™ MISSOURI

MEETINGS & CONVENTIONS

MEETINGS & CONVENTIONS

708
SALES ACTIVITY

8,320
ROOM NIGHTS BOOKED

46
RFPs PRODUCED

$902,272*
ECONOMIC IMPACT ON ACTUALIZED BUSINESS

REASONS FOR LOST BUSINESS: Airlift Concerns, Lack of Hotel/Venue Availability, Received More Competitive Bid in Another City

ADDITIONAL HIGHLIGHTS:
The M&C team attended four industry conferences (two of which we sponsored and showcased our #GreatJobGary video to 1,200+ meeting planners) and conducted two sales blitzes (KC and Oklahoma City/Tulsa).

Branson™ MISSOURI

SPORTS MARKETING & DEVELOPMENT – Q1 2018

Local and Regional Sports Facilities Needs Assessment surveys are being collected online. Help us reach our goal of 1000+ completed surveys. Click below to participate:

http://bit.ly/BransonSportsFacilities.

The survey is also available via the Branson Chamber and CVB Facebook Page.

SPORTS

184
SALES ACTIVITY

4,404
ROOM NIGHTS BOOKED

17
RFPs PRODUCED

$5.5*
ECONOMIC IMPACT ON ACTUALIZED BUSINESS

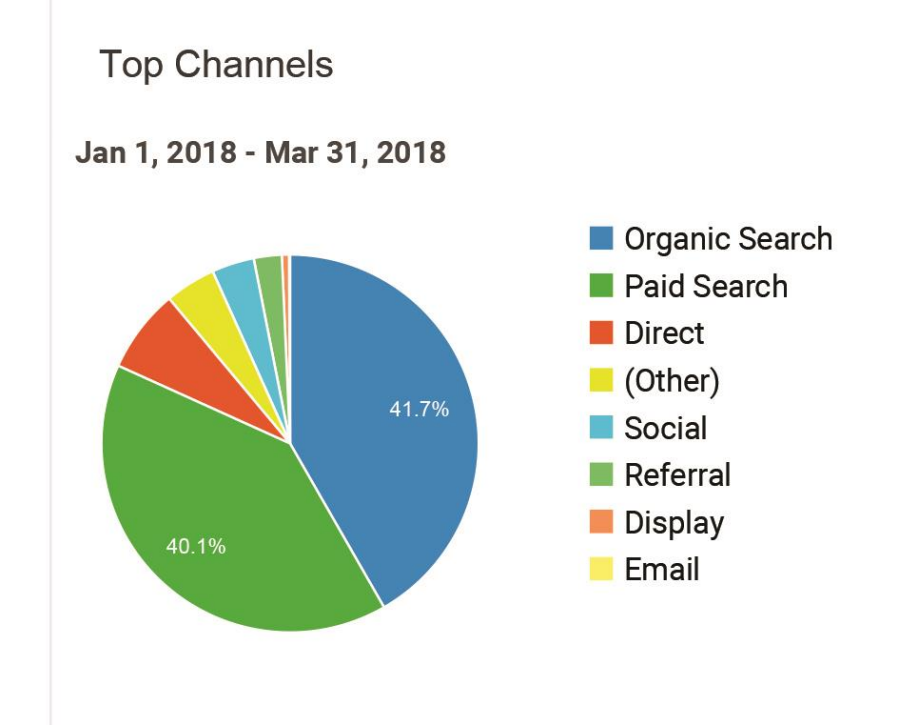
DIGITAL MARKETING

ExploreBranson.com:

- 537,464 site visits, up 15% YOY
- 1,520,408 pageviews, up 12% YOY
- Organic traffic to site up 45% YOY

Media:

- Full media program buys launched in February
- Launched niche lead generation social media campaign to grow segmented lists:
  - Shows
  - Family Fun
  - Outdoor Adventure
  - Golf



Branson™ MISSOURI

BRANSON VISITOR UPDATE

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YTD VISITOR TRENDS

METRIC	2018	2017	VAR
SPENDING/PARTY	$836	$ 868	-$32
FIRST-TIMERS	26%	35%	-9%
% FAMILIES	42%	50%	-8%
AVG ADULT AGE	56.2 yrs	55.5 yrs	+0.7 yrs
LOS	4.0 nts	3.8 nts	+0.2 nts
% SEEING SHOWS	67%	68%	-1%
AVG # SHOWS SEEN	2.9	2.7	+0.2

SOURCE: H2R MARKET RESEARCH, MARCH 2018 YTD. n = 127; MOE = +/- 8.7% at a 95% Confidence Interval.

VISITATION BY MARKET

METRIC	% VISITORS	VAR TO 2017
CORE MARKETS	16%	- 1.9%
PRIMARY MARKETS	42%	+ 1.7%
OUTER MARKETS	25%	+ 2.0%
NATIONAL MARKETS	17%	- 1.9%
TOTAL	**100%**	**0.0%**

SOURCE: H2R MARKET RESEARCH, MARCH 2018 YTD (WEIGHTED)

MOST INFLUENTIAL SOURCES

40%
Searched online for a specific Branson business

26%
Discussed Branson with a friend

37%
Looked up Branson on my computer at home

SOURCE: H2R MARKET RESEARCH, MARCH 2018 YTD

Questions?

THANK YOU