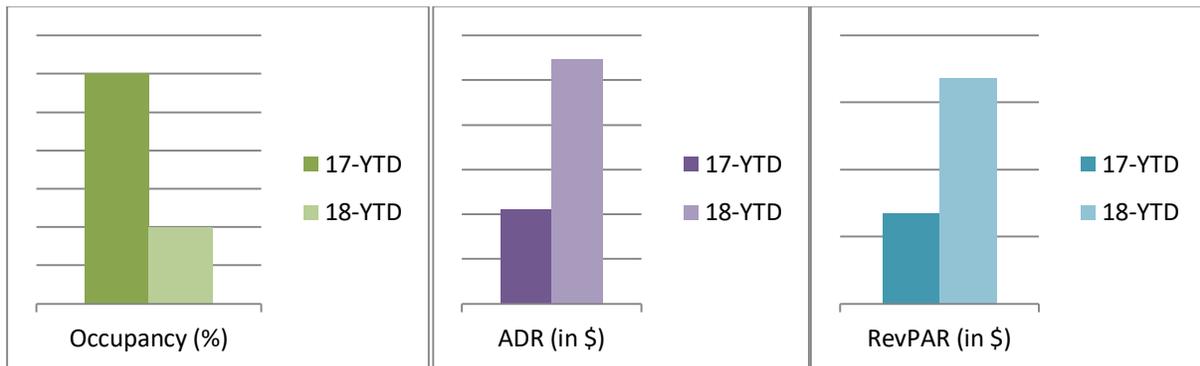


HOTEL OCCUPANCY TAX COLLECTIONS

2018			3 Year Data				
	2018 Budget	2018 Actual		2016	2017	2018	Change
JAN	\$ 445,057	\$ 517,157	JAN	\$ 459,264	\$ 443,786	\$ 517,157	16.5% up
FEB	\$ 675,875	\$ 769,611	FEB	\$ 620,075	\$ 673,504	\$ 769,611	14.3% up
MAR	\$ 827,580	\$ 789,850	MAR	\$ 692,966	\$ 847,172	\$ 789,850	6.8% down
APR	\$ 778,548	\$ 859,519	APR	\$ 700,284	\$ 795,667	\$ 859,519	8.0% up
MAY	\$ 775,180	\$ 876,653	MAY	\$ 739,255	\$ 774,946	\$ 876,653	13.1% up
JUN	\$ 763,637	\$ 837,722	JUN	\$ 830,188	\$ 762,479	\$ 837,722	9.7% up
JUL	\$ 713,765	\$ 753,306	JUL	\$ 678,009	\$ 715,396	\$ 753,306	5.5% up
AUG	\$ 627,345	\$ 686,927	AUG	\$ 576,869	\$ 625,963	\$ 686,927	9.5% up
SEP	\$ 666,979	\$ 744,311	SEP	\$ 634,423	\$ 698,035	\$ 744,311	11.6% up
OCT	\$ 763,045	\$ 711,010	OCT	\$ 633,081	\$ 800,509	\$ 711,010	11.2% down
NOV	\$ 839,518	\$ 808,086	NOV	\$ 747,181	\$ 872,491	\$ 808,086	7.4% down
DEC	\$ 529,717	\$ 643,530	DEC	\$ 559,137	\$ 707,999	\$ 643,530	9.1% down
TOTAL	\$ 8,406,256	\$ 8,997,682	TOTAL	\$ 7,870,732	\$ 8,717,946	\$ 8,997,682	3.2% up
YTD	\$ 3,502,250	\$ 8,997,682	YTD	\$ 7,870,732	\$ 8,717,946	\$ 8,997,682	3.2% up

2018 COMPARED TO 2017



Down 2.9% in Occupancy

Up 3.8 % in ADR

Up 0.8% in RevPAR

Visit The Woodlands

Group Sales

The Convention Development Department works throughout the year to bring meetings business to The Woodlands. This is accomplished by attending trade shows, sales conferences, working leads and hosting site tours. In Quarter 4, the Convention Development team worked on the following:

- **County Judges and Commissioners Association of Texas:** The Woodlands welcomed the 96th Annual County Judges and Commissioners Association of Texas Annual Conference. During this four-day conference, more than 250 delegates from all over Texas descended on our area to hold meetings, tour through an expo and discuss issues and topics regarding county business throughout Texas. Visit The Woodlands coordinated an official welcome for the group, distributed welcome bags and visitor guides, and assisted with offsite activity coordination.
- **Health Management Associates Group Business Won:** Visit The Woodlands coordinated and offered site tour logistics for the Health Management Associates 2020 Annual Staff Meeting venue selection process. This event will take place in April of 2020 and will bring in over 710 room nights to the decided destination. The HMA group considered locations within downtown Houston, San Antonio, and The Woodlands. In order to put our best foot forward we have also offered an incentive fund offering to assist in bring this group to our area.
- **Algae Biomass Organization:** Visit The Woodlands has been assisting the Algae Biomass Organization with their 2019 event in The Woodlands since their original planning visit in early 2018. With over 938 room nights contracted over a 3 day window, this event was a great first time event in our area. In addition to a sponsorship as a show of support, welcome bags and visitor guide distribution, and coordination of a welcome ceremony, Visit The Woodlands also set up a Visitor Information booth on the tradeshow floor to talk to our visitors first hand so we can offer the best of The Woodlands during their visit.
- **The U.S Endowment for Forestry & Communities Site Tour:** The Convention Development team organized and executed a site tour for the U.S Endowment for Forestry & Communities Annual Fall board Meeting location for 2019. The planning team for this meeting is considering multiple properties within Downtown Houston and two locations within The Woodlands.
- **2018 Copa Numbers Triple and New 3 Year Contract Being Coordinated:** 2018 was the final year of a 3 year contract with Premier Soccer Services for the Copa Rayados Soccer Tournament. In 2016 483 rooms were utilized within The Woodlands, in 2017 440 rooms were utilized within The Woodlands, and in 2018 over 1380 rooms were utilized within The Woodlands. Throughout

the year, Staff worked closely with the Tournament Director to ensure the hotel pickup better reflected the size of the total hotel rooms associated with the tournament that is being held in The Woodlands destination. Visit The Woodlands staff is currently pursuing a new 3 year contract with Premier Soccer Services to continue hosting Copa Rayados Soccer Tournament within The Woodlands, with caveats in place to ensure a minimum hotel room pickup.

Sales Travel in Quarter 4

- IMEX America (October 9-12, 2018)
- TSAE Annual Luncheon (December 17, 2019)

Leads & Servicing

- 5 Site Tours Conducted
- 13 Organic Leads Worked and Distributed
- 48 CVENT Leads Received and Distributed
- 1,610 Welcome Bags Distributed
- 13 Groups Serviced
- 27 Meeting Connections
- 5 groups submitted through our incentive fund request with estimated room revenue over \$685,000

Convention Development Department 2018 Highlights

Below is a snapshot of the 2018 lead generation efforts, servicing programs and the 2018 high points for the Convention Development Department.

2018 High Points:

- SXSW Activation
- Creation of a permanent restaurant discount program
- New Sales Proposal template
- Rendezvous South Meeting Planner Conference Win
- Helmsbriscoe Hotel Crawl
- Exxon Mobil Meeting Planner Showcase
- Convention South Reader Choice Award
- TACVB Catalyst Award
- Creation and implementation of Convention Development Advisory Committee Meeting

2018 Annual Leads:

- 20 Site Tours Conducted
- 88 Organic Leads Distributed
- 206 CVENT Leads Received
- Over 5,800 Welcome Bags Distributed
- 31 Groups Serviced
- Over 77 Meeting Connections

Public Relations

The Marketing Department works to garner media coverage for The Woodlands through editorial pitches, content development, and relationship building. An overview of Quarter 4 initiatives are highlighted below.

Social Media Influencer Campaign: In November, the Marketing Department worked with several social media influencers to amplify The Woodlands message. Over a three week time frame, these influencers visited The Woodlands and shared their experiences on their own social outlets. The campaign yielded great results with a reach of nearly 400,000 and more than 7,400 engagements. This campaign, along with advertising efforts increased website traffic by 369% in November. The team is planning to do a similar campaign in 2019.

Journalists Hosted: In December, the Marketing Department welcomed two journalists to The Woodlands: Amanda Ogle is freelance writer, formerly at American Way. She writes for Travel+Leisure, Culture Trip, Texas Highways, etc. Brittany Ashmore is a Houston-based Influencer who focuses on family travel. Both had an opportunity to explore The Woodlands including a visit to The Ice Rink, Market Street, Hughes Landing and other areas throughout town.

Major Media Placements:

- **Convention South:** All in Good Sport (November edition, pages 32-34)
- **Texas Monthly:** Winter Travel: The Woodlands (November edition, page 160)
- **Smart Meetings:** The Woodlands: Beauty Meets Business (December edition, page 8)

Media Placements Value (Q4 Totals):

- **Ad Equivalency:** \$227,681
- **PR Value:** \$683,045
- **Daily Impressions:** 5,121,143

Story Ideas / Pitches: In Q4, the Marketing Department developed and sent out 20 custom pitches to leisure and meetings publications on behalf of local partners. Topics covered this quarter include:

- Inspire Film Festival
- Howard Hughes' Legacy in The Woodlands
- The Woodlands: A Philanthropic Meeting Destination
- Top Places to Meet on the Water in The Woodlands
- Why The Woodlands is a Destination for Creative Entrepreneurs
- Outdoor Add-Ons for Meeting Attendees
- Cynthia Woods Mitchell
- The Woodlands Waterway Arts Festival
- Biking in The Woodlands

Advertising

In October, Visit The Woodlands began rolling out advertising placements that reflect the new branding & creative, which was approved in June of 2018. Below is an overview of these placements.

- **Q4 Media Placements: Meetings**
 - Connect Texas
 - Convention South
 - Smart Meetings
 - Meetings Professional International
 - Social: Facebook, Instagram
 - Search: PPC targeting those searching for meeting & event planning in Houston Area
 - Programmatic: retargeting previous website visitors to the meeting planner pages
- **Q4 Media Placements: Leisure**
 - Texas Monthly
 - Houstonia
 - Travel + Leisure
 - Food & Wine
 - Town & Country
 - Austin Monthly
 - TourTexas.com
 - TexasHighways.com
 - Facebook / Instagram
 - Search: PPC targeting those searching to vacation or staycation in Houston
 - Programmatic: retargeting previous website visitors to the leisure pages
- **Advertising Leads:**
 - Visitor Guides Mailed – 315
 - Visitor Guides Downloaded – 102 (through advertising landing page)

Digital Marketing

The Marketing Department consistently works to develop a 360-degree approach to digital marketing that encompasses the website, social media, email marketing, video production, content development and a variety of technology initiatives. A high-level overview of these programs & their results is below.

- **Website**
 - **Published Content: Blog**
 - 22 custom blog articles
 - **Conversions**
 - Visitor Guides Requested – 87
 - **Technology Initiatives**
 - Simpleview CRM – Data cleanup, training & customized setup in progress
 - Advertising Landing Pages – Updated both leisure & meetings pages to reflect new creative.
- **Email Marketing:** Visit The Woodlands creates monthly eNewsletters for a variety of target audiences including: leisure & business travelers and meeting planners, as well as our Visit The Woodlands Board of Directors, local stakeholders and departmental committees.

- **Social Media**
 - 878,100 Impressions across Facebook, Instagram, Twitter, LinkedIn & Pinterest
 - 7,761 Engagements across Facebook, Instagram, Twitter, LinkedIn & Pinterest
 - 3,119 Website Conversions via Social

- **Video Production**
 - Holidays in The Woodlands
 - Multiple Spotlight Videos created for and shared via social channels

Print Collateral

Visit The Woodlands produces a variety of print collateral to further The Woodlands message to meeting planners, leisure travelers, media and hospitality industry partners. An overview of Q4 efforts is below:

Marketing Collateral Updates: The next phase in refreshing the Visit The Woodlands brand is updating marketing and sales collateral. To accomplish this, the Marketing Department is working in conjunction with Adcetera, its Agency of Record, to update the following printed pieces:

- Visitors Guide
- Meeting Planner Guide
- Hotel Tear-Off Map

Current Newsletter: The Fall and Winter Editions of the Current Newsletter were produced and distributed to 6,500 people who have expressed interest in The Woodlands.

Visitor Newsletter: In quarter 4, the Marketing Department began working on a newly designed visitor newsletter, which will become the primary mailed piece for Visit The Woodlands. With a focus on leisure and business travelers, the objective of this publication is to inspire people to travel to The Woodlands and entice them to visit our digital outlets – website, social media, subscribe to our newsletter, etc. The first edition of this will be distributed in late January 2019.

Marketing Department 2018 Highlights

New Advertising Creative Developed and Rolled Out: In 2018, Visit The Woodlands worked with Adcetera to create a brand story and identity for The Woodlands, which is the driving force behind all marketing efforts, including advertising placements and website design. At the June Board of Directors meeting, the team presented a final creative concept which was quickly approved by the Board and met with many positive comments. Advertising that reflected this new creative rolled out in November with great results.

An overview of how the new creative is performing is below:

- **International Advertising:** As part of its Strategic Marketing Media Plan, Visit The Woodlands places international advertising, with a focus in the Mexico market. The Click Through Rate for these placements was 54% in November, compared to an Industry Average that ranges from 16-

26%. This means international visitors are responding positively – at a much higher rate than our competitors – to Visit The Woodlands advertising.

- **Weekend Influenced Travel:** A need period for hotels in The Woodlands is the weekends. Visit The Woodlands is able to track how our advertising is directly affecting weekend influenced travel with a 22% Click Through Rate on these placements, compared to a 6-12% Click Through Rate on weekday influenced travel advertising. What this means: while we are positively affecting travel to The Woodlands across the board, advertising efforts have a higher impact on a big need period for The Woodlands, the weekends.
- **Paid Search:** Visit The Woodlands places advertising across the web using a variety of demographic, behavioral and location-based filters to ensure we are reaching our target audiences at a maximum ROI. After rolling out the new creative, our Click Through Rate on these paid search placements is 8.9%, compared to our industry competitors at 2.18%. This means visitors are engaging with our advertising placements, via a call to action, four times more often than they are engaging with our competitors' advertising.
- **Increase in Length of Hotel Stays:** After rolling out the new advertising creative, Visit The Woodlands saw an immediate increase in length of hotel stays in The Woodlands. In one month, this increased 30% with an average of 9.1 nights in November, compared to 6.9 nights in October.
- **Increase in Website Traffic:** The new advertising creative has also had a positive, immediate impact on our website with several increased conversions including: an increase in form submissions (110%), an increase in Visitor Guide and Meeting Planner Guide downloads (60%) and increase in our leisure landing page, which is used to track advertising efforts (38%).

Visit The Woodlands Blog Wins Gold MarCom Award: Visit The Woodlands has recently been honored with a 2018 Gold MarCom Award in the Digital Media category for Overall Blog content. A project of the Marketing Department, the blog's purpose is to inform visitors and residents about the activities, restaurants and also provides helpful tips about what to expect when visiting The Woodlands. [View the full press release here.](#)

Marketing Director Earns Simpleview CRM Certification: Ashley White, Marketing Manager for Visit The Woodlands recently completed a premiere travel and tourism digital certification. The Simpleview Certified Mentor in Membership/Partnership is the industry-recognized validation of one's skills when working with a Destination Marketing Organization's members, partners or stakeholders using the Simpleview CRM. This certification requires an in-depth knowledge of creating and modifying records, such as accounts, contacts, listings, and events; building Searches and Reports to optimize data; managing internal workflows using external features and Admin functions. [Learn more here.](#)

Partnerships

Visit The Woodlands works with industry partners and local stakeholders to amplify the destination message. This is accomplished through regular communication, attending industry events and participating in partner initiatives. Below is an overview of the team's Quarter 4 partner initiatives:

Convention Development Advisory Committee Meeting: The final Convention Development Advisory Committee meeting was held on November 1, 2018. This was an opportunity for the committee and staff to reflect on the work and efficiency of the committee in its first year. This meeting also gave the committee the opportunity to discuss strategic plans for 2019 which includes partnerships, FAM trip planning, and the 2019 travel schedule.

All Hotel Meeting: The final 2018 All Hotel Meeting was held at iFly The Woodlands. Visit The Woodlands welcomed over 11 hotel partners to discuss current initiatives, upcoming events and strategies, and to network before the end of the year. Not only did everyone come together for the official meeting, but iFly allowed the group to take networking to the next level and fly together.

Marketing Committee Meeting: The final Marketing Committee meeting of the year was held in December. The team discussed the new advertising branding and creative, PR initiatives and future plans including marketing collateral updates for Visit The Woodlands.

Local Event Participation: The team participated in a variety of events and meetings to support our local partners including: Township BOD Meetings, Expedia Holiday Party, Glade Cultural Center's Enchanted Forest Exhibit, ReviewIt Magazine Office Tour, Marriott Holiday Reception, Lancaster Hotel Tour, TSAE Annual Luncheon, Adcetera Office Tour, The Butler House Tour, Basil Event Room Tour and others.

Product Development: The Waterway Cruisers

The Woodlands Waterway is a centerpiece of the "downtown" shopping district. The Waterway features some of The Woodlands most iconic venues and events, such as The Cynthia Woods Mitchell Pavilion and the Memorial Hermann IRONMAN North American Championship. Other events, like The Woodlands Waterway Arts Festival, The Red, Hot & Blue Festival and Lighting of the Doves consistently bring tens of thousands of people to The Woodlands Waterway each year.

The Woodlands Waterway currently has millions of square feet of Class A office space, numerous restaurants and hotels, and residential living.

Part of that success and notoriety has been the boat service on The Woodlands Waterway. The Waterway Cruisers operations first began as a private operation by Water Taxi, Inc. out of Fort Lauderdale, Florida in 2004. For several years, The Woodlands Development Company owned and operated the boats until the company gifted them, free of charge, to The Woodlands Convention & Visitors Bureau, the organization responsible to position The Woodlands as a regionally, nationally and internationally recognized destination for leisure, convention and business travel.

The Waterway Cruisers have logged over 434,000 trips along The Woodlands Waterway serving an estimated total number of passengers more than 500,000 in 14 years of service.

No property tax funding from The Woodlands residents was ever used in the operation; the CVB being funded by hotel occupancy taxes. The boats were operated until early 2016 by Brazos Transit District and

at such time, the CVB issued a Request for Interest to assume ownership, operations and maintenance of the boats. Two proposals were received and Waterway Events LLC was selected. The company ran the boats for approximately 18 months up to Hurricane Harvey. Suffering damage from the hurricane and lack of attention to the boats by Waterway Events forced the CVB shut down the operations. The original useful life of the vessels was estimated at 15 years and the CVB Board, Staff and Consultants believe the boats have reached their useful life without investing tens of thousands of dollars to refurbish.

Over the past several months, the CVB has issued three different Request for Interest (RFI's):

1. RFI for Waterway Cruiser Assessment and Survey:

At its February 28, 2018 meeting, The Woodlands Convention & Visitors Bureau authorized President Nick Wolda to seek a third party contractor to assess, investigate and/or provide recommendation regarding the current value of the assets for the purpose of the possible liquidation or disposal.

TWCVB inquired of experienced firms/professionals in the marine vessel ownership/operation business for initial qualifying proposals for interest in contracting to perform an assessment and suggestions for maximizing value of the watercraft through repurposing/final disposition of the vessels (including processes and cost for removal from The Woodlands Waterway).

TWCVB advertised, heavily promoted and contact approximately 20 boat companies and surveyors. Lone Star Marine Surveyors, located in Kemah area, visited the Waterway Cruiser marina in early April and submitted a bid to assist TWCVB.

At its April 18, 2018 meeting, The Visit The Woodlands Board of Directors authorized, President Nick Wolda to contract with a third party contractor to assess, investigate and/or provide recommendation regarding the current value of the assets for the purpose of the possible liquidation or disposal of six Waterway Cruisers.

Lone Star Marine Surveyors, located in Kemah area was chosen from two submitted proposals. Lone Star Marine Surveyors conducted an inspection of the six cruisers on May 1, 2018.

Results of Lone Star Marine Survey:

- Terminal Value: The value of an asset at the end of its economic or useful life.
- With an income producing asset, it may be its market value at the end of its economic life. It may still be useable but not in its original use or original design
- It may be a salvage value. It may be a scrap value.
- It may have a negative terminal value (fiberglass hull, black oil or asphalt barge, vessel with asbestos or red lead) this is where it will cost to remove and dispose of an asset at a greater value than the fair market value. I believe this fleet has a negative terminal value. (Captain David E. Ghidoni, Lone Star Marine Surveyors)

2. **RFI for Water Vessel Operation on The Woodlands Waterway:**

The CVB issued an RFI publically March 29, 2018 seeking an innovative approach to boat service on

The Woodlands Waterway. All interested submissions are due by July 31, 2018.

Visit The Woodlands heavily promoted the issuance of the available RFI to local, state and national boat service operators, manufacturers and vendors. A colorful and dynamic ad was designed and placed in boating/manufacturer industry newsletters and publications. The ad was also used in online promotion on boating industry websites. Hard copy RFIs were compiled and mailed to dozens of companies through web searches for companies offering similar services in other destinations. TWCVB reached out through their travel and tourism network to find additional vendors that other CVBs have worked with.

A full accounting of all correspondence with anyone seeking additional information or asking questions was recorded and filed by TWCVB staff.

President Wolda scheduled three days of site visits of the marina and area for vendors interested in seeing the facility in person. Vendors are visiting of their own interest and at their own expense.

This RFI will conclude July 31, 2018.

3. **Request for Interest for the Sale, Removal, Transportation and Proper Use, Reuse, and/or Disposal of Water Vessels:**

On June 21, 2018, the CVB issued an RFI to seek an experienced firm/professionals who are wanting six (6) Water Vessels currently located in The Woodlands, Texas.

The CVB is inquiring of experienced firms/professionals in boat sales and operations who are willing to purchase the Water Vessels, bear the costs of removal and transportation, and might make use of the Water Vessels in destinations like cities, amusement venues and other destinations. Alternatively, TWCVB is inquiring of parties or who specialize in purchasing and salvaging similar boats or who would be willing to safely remove, transport and dispose of the watercraft at their cost.

4. Q3 Update: A planning and logistics meeting with participating partners and agencies was held Tuesday, September 18, 2018 at The Woodlands Township. Information from the meeting was discussed with the Visit The Woodlands Board of Directors at the September 19, 2018 meeting.

As of October 12, 2018, Visit The Woodlands President Nick Wolda continues to oversee the coordination of the logistics with chosen vendor MGSIII Maritime LLC, obtaining necessary insurances and appropriate permissions to ensure safe removal of the Waterway Cruisers.

5. Q4 Update: The Waterway Cruisers were successfully removed from The Woodlands Waterway on November 13, 2018.

VISITOR SERVICES

	Market Street	The Woodlands Mall
Q4 2018	Market Street kiosk closed for renovations	10,795 guests
2018 YTD	Market Street kiosk closed for renovations	36,611 guests
YTD Unique Texas Visits	5,248 guests from 269 Texas zip codes	16,165 guests from 679 Texas zip codes
YTD Unique State Visits	578 guests from 43 US States, districts & territories	1,032 guests from 49 US States, districts & territories
YTD Unique Country Visits	243 guests from 37 countries	959 guests from 64 countries
YTD Undetermined Visits	14,283 guests did not share their zip code	36,611 guests did not share their zip code
Visitors Tracked	Market Street kiosk closed for renovations	3,953 at The Woodlands Mall
Visitor Bags Distributed	Market Street kiosk closed for renovations	0 at The Woodlands Mall
Relocation Packets Distributed	Market Street kiosk closed for renovations	23 at The Woodlands Mall
YTD Visitors Tracked	57,183 at Market Street and The Woodlands Mall	
YTD Visitor Bags Distributed	727 at Market Street and The Woodlands Mall	
YTD Relocation Packets Distributed	498 at Market Street and The Woodlands Mall	