



Mat-Su Convention & Visitors Bureau
Fiscal Year 2015 Annual Report

“Grow Tourism”



Message from the President

I had the pleasure of serving as the president of the Mat-Su CVB Board of Directors in FY15, and I'm proud to report that the board and staff had a successful year, with additional marketing programs and increasing membership base.

Last January, the board of directors held its annual planning retreat, and we carefully examined what we do, but more importantly, why we do it. The Mat-Su CVB plays an instrumental role in the economic development of our community. It's often been said that a rising tide lifts all ships, and in tourism, that's particularly true. Through destination marketing, we increase the number of visitors, which in turn creates demand for not only obvious items like accommodations and activities, but also for restaurants, services and more. In the state of Alaska's uncertain economic times we are facing, investing in tourism marketing is vitally important because it impacts us all.



The Mat-Su CVB's marketing plan is highly efficient and targeted, giving us the most return on investment possible. In FY15, the Mat-Su CVB attended ITB Berlin for the first time, which is the world's largest travel show, attracting more than 30,000 operators and destinations. We expanded our reach in the meetings market with a successful planner luncheon and outreach. Our membership also increased, which is a great sign of the health of our industry.

Like our mission of "Grow Tourism," we are always looking to grow as an organization. Leaf through this annual report to find out more about the various marketing and membership programs, and know that as a board and a staff, we are committed to building on that success in the years to come.

BOARD OF DIRECTORS

Cheryl Metiva, President
Extreme Fun Center

Travis Taylor, Executive Committee
Premier Alaska Tours

Zack Steer, Vice President
Sheep Mountain Lodge

Karen Harris
Alaska Garden Gate Bed & Breakfast

Mark Austin, Secretary
Musk Ox Farm

Roberta Caenepeel
Explore Tours

Rick Peterson, Treasurer
Mt. McKinley Princess Wilderness Lodge

Israel Mahay
Mahay's Jetboat Adventures

Craig Saunders, Past President
Iditarod Trailside Lodging

Cole Ouellette
Rust's Flying Service and K2 Aviation

Membership Report

MEMBERSHIP GROWS

98 PERCENT RETENTION RATE A RECORD

In FY15, the Mat-Su CVB welcomed 9 new members, to bring the total to 256 member businesses. Also in FY15, the Mat-Su CVB membership retention rate was a record 98 percent, far ahead of industry averages. Members took part in numerous marketing opportunities, including cooperative brochure distribution, participation in FAM trips and much more. Successful member events included the annual meeting in November, monthly luncheons in the fall and winter, community roundtable discussions, and the very successful ExTRAVELganza wine tasting and travel auction.

NETWORKING AMONG MEMBERS

EVENTS PROVIDE OPPORTUNITY TO PARTNER

In the fall and winter, the Mat-Su CVB hosted membership luncheons, including a Mat-Su Borough Assembly Candidate Forum. The annual meeting in November focused on storytelling and how to craft messages for success in business

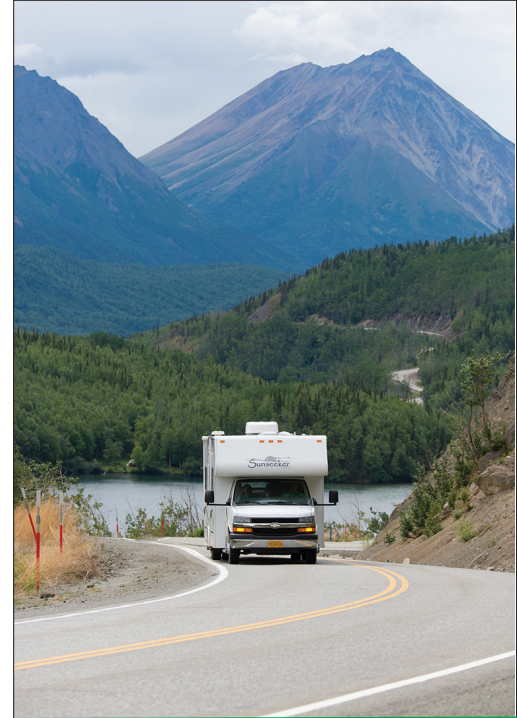


and was attended by more than 75 people. In May, the Mat-Su CVB hosted the Highway Neighbors conference, bringing together members and business owners from around the state for a day-long event filled with exchanging information. The May Open House event drew a record attendance as well. Networking leads to new relationships, and more business for our valued members.

EMPOWERING OPPORTUNITIES

COOPERATIVE MARKETING MAKES SENSE

Providing members with the opportunity to succeed in marketing is one of the Mat-Su CVB's goals every year. In FY2015, we offered low-cost marketing opportunities to our members, to help stretch their marketing budget. For the first time ever, the Mat-Su CVB had its own booth at the Los Angeles Adventure in Travel Expo, one of the largest consumer shows in the U.S. Members had the opportunity to share the booth space, as well as have their brochures distributed in this key market. In-state outdoor shows, cooperative magazine advertising and enhanced online listings are just a few other ways members took advantage of the Mat-Su CVB's marketing efforts.



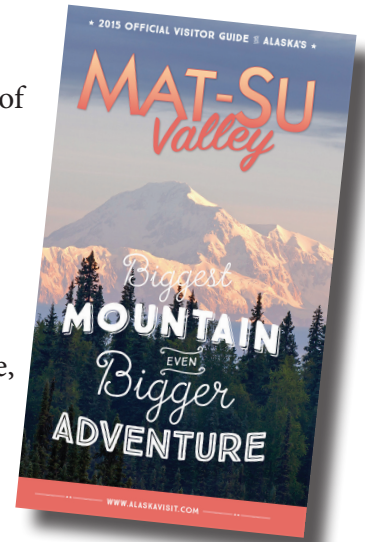


Reaching our Visitors

VISITOR GUIDE

THIS SUCCESSFUL TOOL REACHES MORE THAN 100,000 POTENTIAL VISITORS

The 2015 Mat-Su Visitor Guide featured a cover shot of Denali, and new photography throughout. Each year, 100,000 copies are distributed through a variety of ways. The guides are mailed to high potential visitors identified by the state of Alaska's marketing efforts, to tour operators and travel agents, placement in visitor centers around Alaska and other high-traffic areas. New this year was a digital version of the guide online, which increased distribution beyond just the printed copies. The Mat-Su CVB offers low-cost advertising opportunities in the guide each year.



WWW.ALASKAVISIT.COM

WEB SITE REMAINS THE TOP INVESTMENT

The top marketing priority of the Mat-Su CVB is our web site, www.alaskavisit.com, which allows us to reach potential visitors around the world. In FY15, more than 76,089 unique visitors viewed more than 175,000 page views, an increase of more than 5,000 page views over FY14. The site also saw increases in pages viewed per session and time spent on site per visitor, and a decrease in the bounce rate. As mobile consumption continues to grow, so did visits to the www.alaskavisit.mobi site. This year, 7,500 mobile users viewed more than 23,250 pages on the mobile version of the CVB's web site. The CVB continued its robust investment in pay-per-click advertising and search engine optimization.

GETTING SOCIAL

SOCIAL MEDIA CHANNELS REACH THOUSANDS EVERY DAY

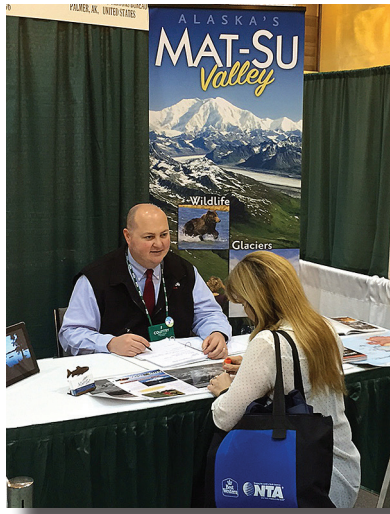
Every year, the importance of social media expands exponentially. In FY15, the Mat-Su CVB reached tens of thousands of potential visitors through targeted messages on Facebook, Twitter, YouTube and via blog posts. The number of Facebook likes increased to over 10,500, while we also expanded our offerings on YouTube that featured several member businesses. Twitter and the on-line blog were utilized to promote current events, deals and destination awareness.



Travel Trade and International

GROUP TOURS ARE BIG BUSINESS

TRAVEL TRADE IMPORTANT TO OVERALL INDUSTRY



Group tours are important to the Mat-Su Valley's tourism industry, and the CVB targeted this market in a number of ways. At two national conventions - American Bus Association Marketplace and National Tour Association Travel Exchange - we had more than 40 pre-scheduled appointments with tour operators to showcase the Valley. In addition, the CVB provided assistance to more than 50 tour operators, through direct contact or through state of Alaska-sponsored familiarization trips. These operators highlight the Mat-Su Valley in their itineraries, bringing thousands of visitors to our area annually.

INTERNATIONAL MARKETING

VISITORS PROVIDE STRONG RETURN ON INVESTMENT

International marketing is important because research shows these visitors stay longer, and spend more per day, than their domestic counterparts. While only a fraction of the overall CVB budget, the international marketing plan is vitally important. In FY15, the Mat-Su CVB participated in ITB Berlin - the world's largest travel show - for the first time. We also continued our participation in the Icelandair Mid-Atlantic Seminar, which targets tour operators from Europe. Once again, the Mat-Su CVB partnered with Kenai and Valdez at International Pow Wow, where representatives met with tour operators and travel media.

MEETINGS & RETREATS

NEW INFRASTRUCTURE SPURS GROWTH

With infrastructure developments including the Government Peak Chalet and Glenn Massey Theater, the meetings market was strong in FY15. In addition to hosting a successful meeting planner luncheon in May in Anchorage, the Mat-Su CVB also worked with meeting planners from around Alaska.

MEDIA & PUBLIC RELATIONS

TRAVEL JOURNALISTS PROVIDE EXCELLENT COVERAGE

Working with the travel media is a great way to showcase our destination to a wide audience in travel magazines, national newspapers and multimedia outlets. In FY15, the Mat-Su Valley was featured in outlets such as the San Francisco Chronicle, CNN Travel, Northwest Travel Magazine, Travel Weekly and Meetings West. In addition to providing assistance and participating in state of Alaska-sponsored media trips, the Mat-Su CVB also hosted three multi-day, Mat-Su specific trips in FY15.

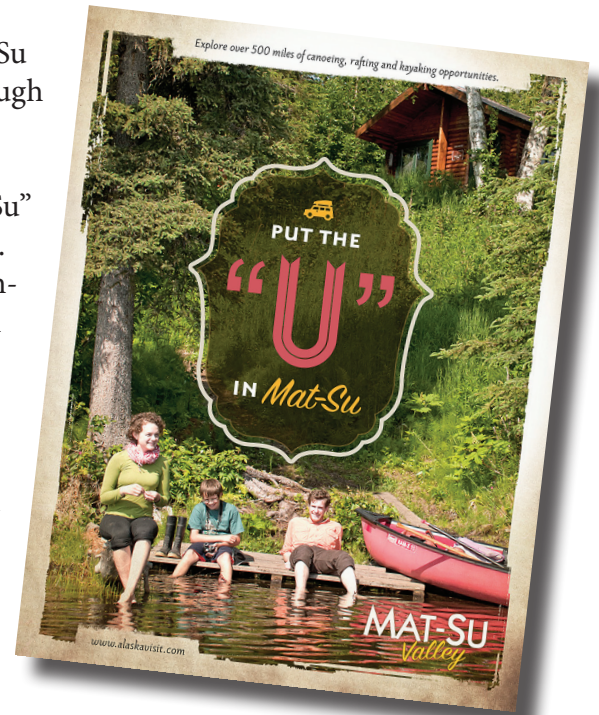


Targeting Alaskans

ALASKANS AND VFRs ARE A MAJOR MARKET

PRINT, ONLINE, OVER THE AIR - A MULTI-FACETED APPROACH

Reaching Alaskans, and their visiting friends and relatives, remains a top marketing priority for the Mat-Su CVB. We accomplish this goal through a multi-faceted and highly targeted strategy. In FY15 we continued the award-winning “Put the U in Mat-Su” campaign in the Anchorage market. These highly-visual display ads highlight the many outdoor recreational opportunities in the Mat-Su Valley that are popular among Alaskans, including activities like flightseeing Denali, hiking in Hatcher Pass, canoeing at Nancy Lake and ziplining in Talkeetna. These ads run three times a week during the shoulder seasons in the spring and fall. In addition, the ads appeared online on the Alaska Dispatch News web site during the print run. The campaign coincides with the television run and our radio advertisements to give us a wide reach.



TELEVISION AND RADIO CAMPAIGNS WORK

RESEARCH SHOWS DESTINATION AWARENESS IS VERY HIGH

Television and radio are key strategies in reaching Alaskans. Television is a powerful medium for reaching this key audience, and the Mat-Su CVB continued its major investment in television advertising with a six-week run on KTUU Channel 2 in Anchorage. On the radio airwaves, our well-recognized “Yahoo, Mat-Su” jingle played year round on two radio stations that are heard in Southcentral Alaska and North Slope markets. Research has shown this jingle has created consumer awareness for the Mat-Su Valley that is well above industry standards.

EVENTS ATTRACT VISITORS

MARKETING BRINGS WINTER VISITORS

Events are vitally important to attracting local Alaskans to the Mat-Su Valley, particularly in the winter. The Mat-Su CVB highlighted four community events in FY15 – Colony Christmas in Palmer, Talkeetna Winterfest, the Willow Winter Carnival and Big Lake Winter Fest. Using our radio jingle and print advertisements, we marketed these events to generate overnight stays and increase visitation to our local communities during winter.



Financial Position

Statement of Financial Position (as of June 30, 2015)

Assets

Current assets:	
Cash	\$61,534
Memberships and grants receivable	\$12,837
Inventory	\$2,183
Prepaid expenses	\$28,707
Total current assets	\$105,261

Property and Equipment	
Furniture and equipment	\$114,318
Accumulated depreciation	(\$110,859)
Net property and equipment	\$3,459
Total assets	\$108,720

Liabilities and net assets

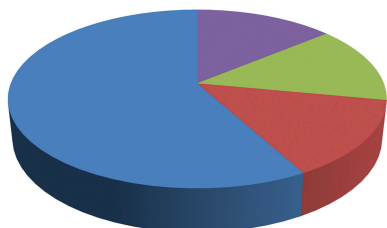
Current liabilities:	
Accounts payable	\$25,079
Payroll liabilities	\$16,784
Deferred revenue	\$39,998
Total current liabilities	\$81,861
Unrestricted net assets	\$26,859
Total liabilities and net assets	\$108,720

Per board policy, Mat-Su CVB's financial statements, accounting practices and reporting methods are audited every third year. The FY15 financial statements have been audited.

FY15 Revenue Detail - \$896,770

Bed Tax Grant Revenue	\$726,212
Membership Dues	\$33,469
Advertising Sales & Marketing Programs	\$59,860
Special Events & Fund-raisers	\$23,338
Gift Shop	\$6,521
Interest	\$64
Other	\$2,450
In-Kind Contributions	\$44,856
TOTAL REVENUE:	\$896,770

FY15 Expenses by Division



Marketing	\$535,336	56%
Administration	\$151,067	16%
Membership	\$135,064	14%
VIC/Operations	\$130,847	14%



Gateway Visitor Center Project Progress Report



Gateway Visitor Center Project Timeline

Phase I	Feasibility Study	Complete
Phase II	Purchase property (Former Homestead RV Park)	Complete
Phase III	Design development	Current
Phase IV	Secure construction funding	Current
Phase V	Construction/opening	2017/2018