



EXPERIENCE SCOTTSDALE
4343 N. Scottsdale Road, Suite 170
Scottsdale, Arizona 85251

ANNUAL REPORT

2016 / 2017



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ACHIEVING SUCCESS

DEAR VALUED PARTNER:

The 2016-17 fiscal year marked a year of change for Experience Scottsdale. After 18 months of research and development, our 30-year-old organization debuted a new corporate identity, destination brand and advertising campaign. As Experience Scottsdale, we pursued new and creative ways to advance Scottsdale's reputation as a world-class vacation and meetings destination.

Your team at Experience Scottsdale is always working to exceed our goals to provide the greatest benefit to our community.

Here are a few of our most significant results from the year:

- › Debuted our new destination brand, advertising campaign, website, corporate identity and visitor center.
- › Generated nearly 1 million brand engagements through visitor guide distribution, collateral downloads, email opens and social media followers.
- › Assisted media around the world to help tell the Scottsdale story through editorial placements that reached 4.9 billion readers and viewers.
- › Converted 33 percent of leads from U.S. and Canadian meeting planners into bookings for area hotels and resorts, resulting in 168,500 incremental room nights for the destination.
- › Educated nearly 4,000 travel professionals during trade shows, sales missions and product training seminars.

It is our privilege to share with you our accomplishments from the past year that have helped ensure Scottsdale's standing as a premier destination.

Best regards,



Rachel Sacco

RACHEL SACCO
President & CEO

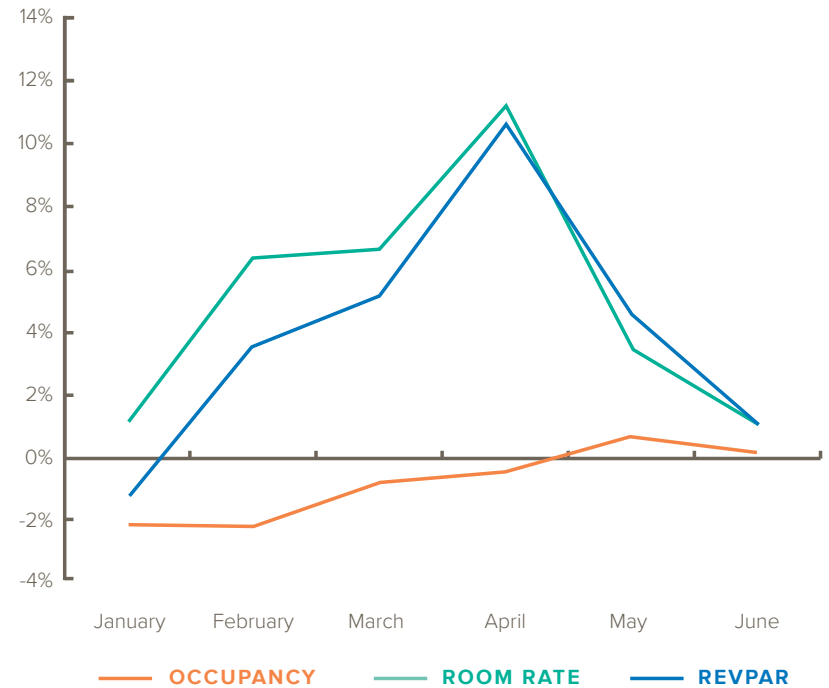


Jack Miller

JACK MILLER
Board Chairman

SCOTTSDALE TOURISM INDUSTRY MEASUREMENTS

Percent Change, January-June 2017 vs. January-June 2016

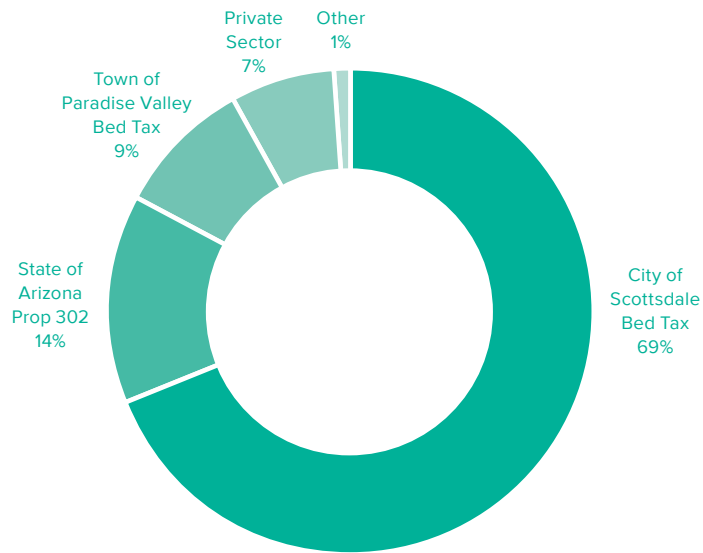


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FINANCE

Experience Scottsdale uses resources efficiently for the benefit of the Scottsdale area and our members. A combination of public and private investments allows us to leverage our revenue for maximum impact to the community.

REVENUE SOURCES



ANNUAL AUDIT

We received the **best report possible** during our annual financial audit conducted by an independent CPA firm. The audit highlighted our extensive internal control policies and prudent use of funds.

2016-17 REVENUE & EXPENSES

For the year ending June 30, 2017 (un-audited)*

REVENUE

Public Sources	
City of Scottsdale	\$9,591,166
City of Scottsdale – Event Funding*	\$310,850
Town of Paradise Valley	\$1,275,037
Fort McDowell Yavapai Nation	\$100,000
Salt River Pima-Maricopa Indian Community	\$100,000
State of Arizona – Prop 302	\$1,943,737
Subtotal, Public Sources	\$13,320,790
Private Sources	
Private Sector**	\$1,017,650
Subtotal, Private Sources	\$1,017,650
Revenue Total	\$14,338,440

*Pass-through dollars from the City of Scottsdale for the Fiesta Bowl.

**Includes money received from members for membership dues and for participation in Experience Scottsdale cooperative ads, emails and other programs. With this investment from our members, we extended the destination's exposure and funded additional projects.

EXPENSES

Personnel	\$4,753,317
Operations/Administration/Membership	\$1,162,334
Community & Government Affairs	\$170,460
Marketing	\$6,313,136
Communications	\$544,516
Convention Sales & Services	\$683,841
Tourism	\$325,564
Expenses Total*	\$13,953,168

* Any amount not expended was carried over toward marketing programs in the subsequent year.
+ The audited 2016-17 financials will be available Sept. 30, 2017.

MEMBER CONTRIBUTIONS GO A LONG WAY

Our members provided **\$918,247** worth of free rooms, meals and activities, all of which allowed us to host more clients to experience Scottsdale firsthand.

BED TAX RISING



➤ Total bed-tax collections increased **9%** from 2015-16 to 2016-17

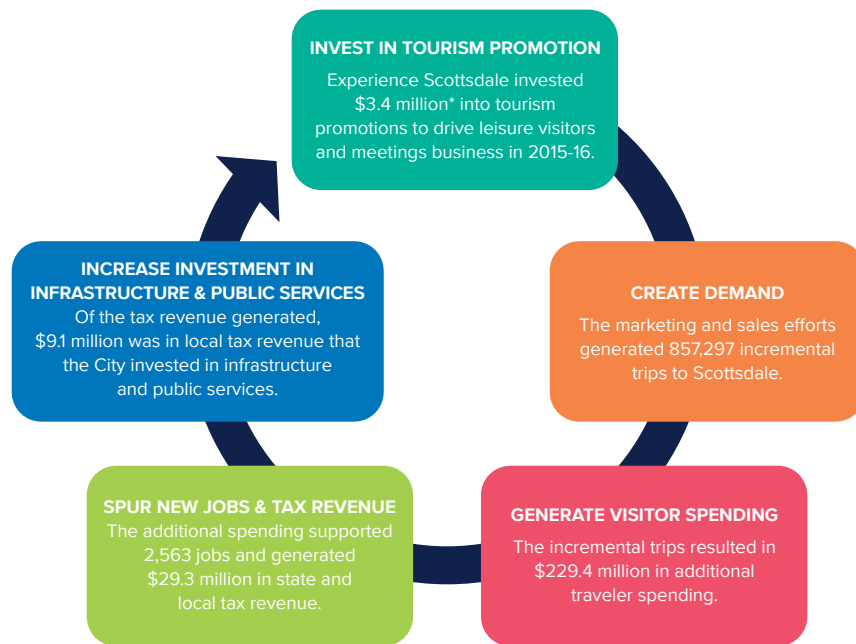
ECONOMIC IMPACT

Experience Scottsdale's destination marketing has proven effective at inspiring interest in the Scottsdale area, growing tourism and supporting local businesses. Experience Scottsdale's annual direct economic impact is **\$229 million**.

TRAVEL PROMOTION'S POSITIVE CYCLE

When Experience Scottsdale markets the destination, everything from local businesses to public services and citizens win.

Every dollar invested by Experience Scottsdale in marketing and sales directly generates **\$67** in visitor spending and **\$3** in local tax revenue for the benefit of Scottsdale residents.

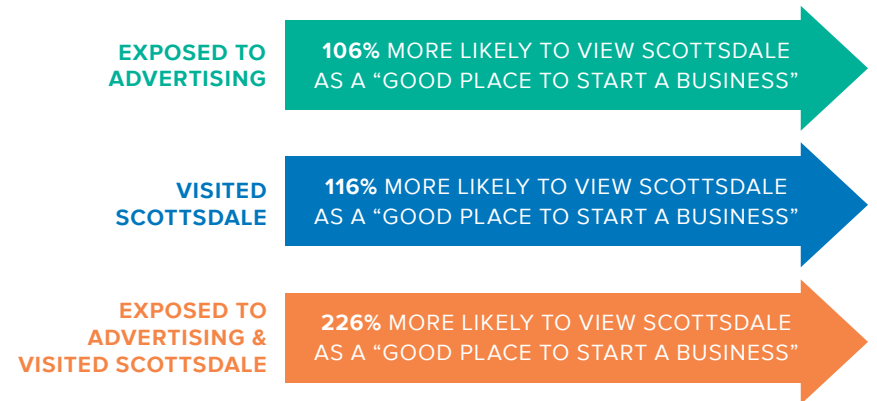


*The \$3.4 million investment is for Experience Scottsdale's 2015-16 sales efforts and 2016 regional warm weather marketing campaign, which ran between January and March 2016.

OPENING THE DOOR TO ECONOMIC DEVELOPMENT

Experience Scottsdale's destination marketing contributes to a positive overall impression of the area. Consumers who recalled our advertising were more likely to view Scottsdale as a good place to live, work, start a business, attend college, purchase a vacation home and retire.

PERCEPTION OF SCOTTSDALE AS A "GOOD PLACE TO START A BUSINESS"*



*Compares ranking by those who have not seen Experience Scottsdale's warm weather 2016 ad campaign or visited Scottsdale with those who did see the ads and/or visited.



IMPROVING RESIDENTS' QUALITY OF LIFE

Experience Scottsdale's tourism promotions directly generate **\$29.3 million** in state and local tax revenue. Such revenue supports essential public services like police, public schools, transportation and more. Without these revenues, each Scottsdale household would have to pay **\$286** more in state and local taxes every year to maintain the same level of service.

BRAND LAUNCH

After 18 months of research and development, Experience Scottsdale launched a new brand, advertising campaign and corporate identity. We conducted extensive research on visitor motivations and perceptions to ensure our new message and advertisements would appeal to current and future travelers. The results? Our *Effortless Revitalization* brand and *Absolutely Scottsdale* campaign.

EFFORTLESS REVITALIZATION

Scottsdale's desert setting and stirring beauty offer travelers an indulgent getaway that promises relaxation, excitement and discovery. Escaping to Scottsdale leaves visitors feeling effortlessly revitalized.

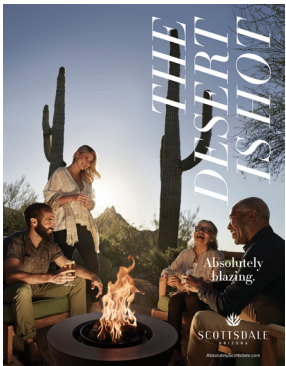
992,952

total brand engagements via visitor guide distribution, collateral downloads, email opens and social media followers.

ABSOLUTELY SCOTTSDALE

Absolutely Scottsdale is the first depiction of our new brand. Through print and digital advertisements and a television commercial, we are redefining perceptions of the Sonoran Desert.

Consumer testing revealed our new ads appealed to all visitors, no matter their age, geography or familiarity with the destination.



SCOTTSDALE LAUNCH PARTY

On Sept. 21, 2016, we revealed the results of our research and development to 500 members, stakeholders, business leaders and residents.



For more information on the process and results, visit ExperienceScottsdale.com/Brand

MARKETING

Experience Scottsdale brands the area as a world-class vacation and meetings destination and sells Scottsdale's unique experience with multi-layered marketing campaigns, including out-of-home advertising, television and high-end print publications.

ADVERTISING IMPRESSIONS

**341.2
MILLION**

traditional advertising
impressions

**110.7
MILLION**

online
impressions

ENHANCED MEDIA PARTNERSHIPS LEVERAGE OUR BRAND



AFAR

- › Ads and advertorials in **2** issues of the magazine
- › **3.9 million** online and social media impressions
- › New York City event attended by **71** journalists, travel professionals and meeting planners



GOLF DIGEST

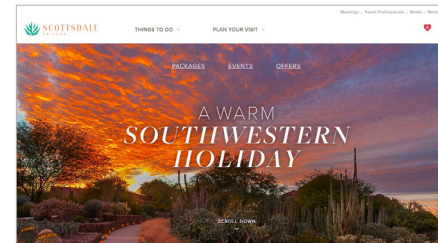
- › Ads and advertorials in **3** issues of the magazine
- › **5.5 million** online and social media impressions
- › Scottsdale tournament attended by **87** golfers from **3** countries

SEASONAL CAMPAIGNS



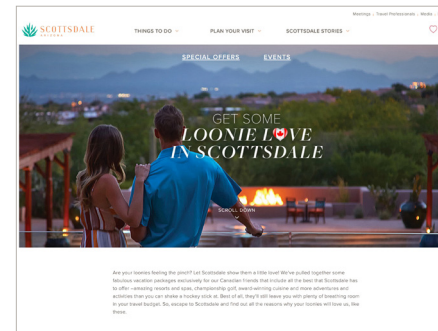
SUMMER IN SCOTTSDALE

- › Promoted hot deals and even hotter savings in the summer
- › **3.5 million** ad impressions
- › **42,000** page views



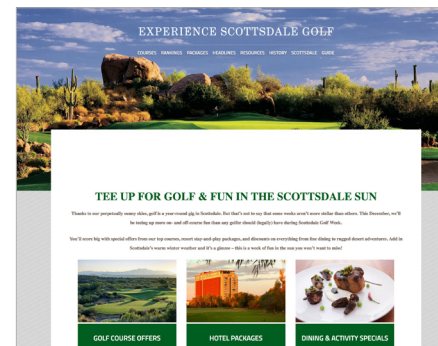
A WARM SOUTHWESTERN HOLIDAY

- › Celebrated the season with Southwestern holiday traditions
- › **3.9 million** ad impressions
- › **31,597** page views



LOONIE LOVE

- › Featured discounts for Canadian visitors to offset the weak "loonie"
- › **2.3 million** ad impressions
- › **122,835** page views

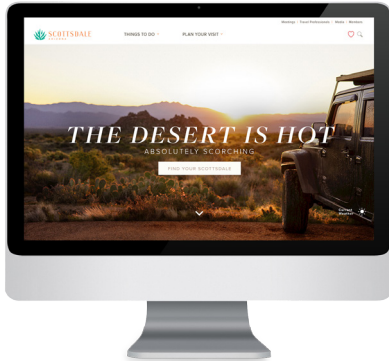


SCOTTSDALE GOLF WEEK

- › Promoted the inaugural event targeting avid golfers
- › **25 million** ad impressions
- › **20,299** page views

ONLINE MARKETING

Experience Scottsdale develops deeper, more personal connections with potential visitors and customers and captures their attention through online marketing. We provide the information they need before they arrive and once they are here.



ExperienceScottsdale.com

3.3 MILLION
page views from
1.8 MILLION
visitors



78%
new visitor traffic



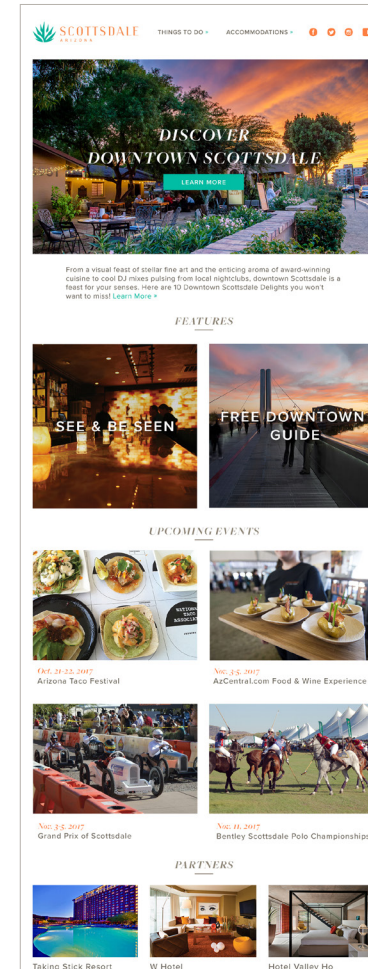
63%
web traffic accessed
on mobile devices

442,980
page views for
member listings

59,325
page views
for member
packages,
promotions and
coupons

163,117
click-thrus to
member sites

EMAIL MARKETING



97,581

people opened emails from
Experience Scottsdale to learn
more about the destination

SOCIAL MEDIA

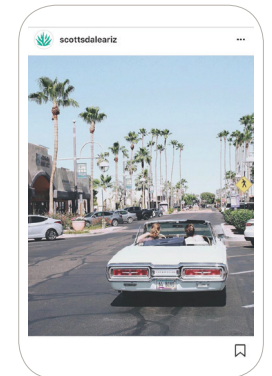
177%
increase in total likes,
followers and views



202,655
Facebook likes
@ExperienceScottsdale



11,003
Instagram followers
@scottsdaleariz



85,592
Twitter followers
@Scottsdaleaz



431,705
Youtube views
@ExperienceScottsdaleaz

VISITOR SERVICES

Experience Scottsdale services both potential and current visitors. Our visitor center concierges serve as destination experts – greeting guests and offering insight into our destination’s depth and breadth of amenities to ensure a memorable visit.

HELPING VISITORS PLAN THEIR SCOTTSDALE VACATION

155,810

visitor guides distributed

25,797

electronic guides downloaded

MOST POPULAR DESTINATION GUIDES ON THE WEBSITE



Visitor Guide



Downtown Guide



Hiking & Trails Guide

SCOTTSDALE TOURIST INFORMATION CENTER



On August 15, 2016, Experience Scottsdale opened a new, standalone visitor center inside Scottsdale Fashion Square. The Scottsdale Tourist Information Center features a contemporary look and feel with visual technologies, expansive signage, and a brochure wall highlighting member businesses.

28,537

walk-in visitors greeted by concierges

HUNDREDS

more passersby browsed our brochure wall

MEMBERSHIP

Experience Scottsdale works with our members to help them tap into the lucrative tourism market. One of our primary goals is to ensure that all members receive a return on their membership investment that exceeds expectations.

KEEPING OUR MEMBERS ENGAGED

405

members

55

new members

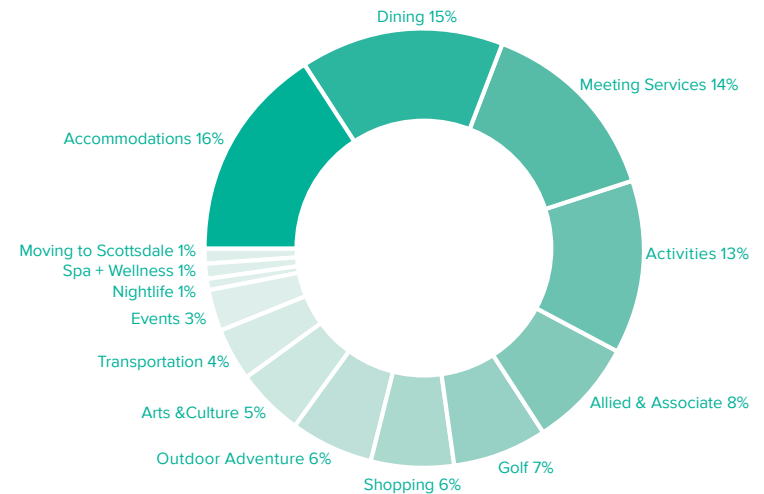
90%

retention

1,190

members attended 11 member events

OUR DIVERSE MEMBERSHIP



“Thank you so much for the recent referral to the IDEA conference last month . . . They were so pleased with the whole experience, they are planning to fly me in to cover future conferences in other locations. You guys really ARE the best.”

– Allied Services member

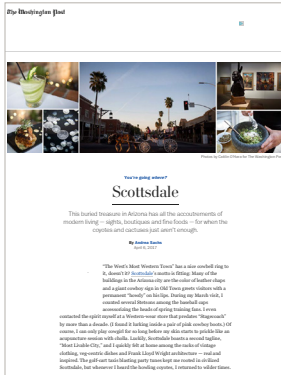
PUBLIC RELATIONS

Experience Scottsdale garners positive publicity for the community by telling the stories of our destination and promoting the amenities of our members. Targeted, positive media exposure helps generate consumer interest.

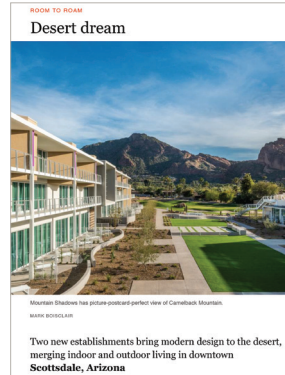
<p>1,076 Scottsdale editorial stories</p>	<p>4.9 BILLION readers/viewers reached 30% year-over-year increase</p>	<p>\$19.8 MILLION in advertising value</p>
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SUNSET MAGAZINE



THE WASHINGTON POST



THE GLOBE AND MAIL (Canada)

BUILDING RELATIONSHIPS WITH MEDIA

<p>251 journalists and influencers hosted in Scottsdale</p>	<p>Met with 625 journalists during 16 media missions, trade shows and conferences</p>
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"I am back in San Diego 'recovering' from the fabulous press trip to Scottsdale. It was truly an experience! Thanks for introducing me (and our readers) to a sampling of all the area has to offer. I will be back with my husband and friends in the coming months to explore even more widely."

– A Taste of Scottsdale group press trip attendee, California

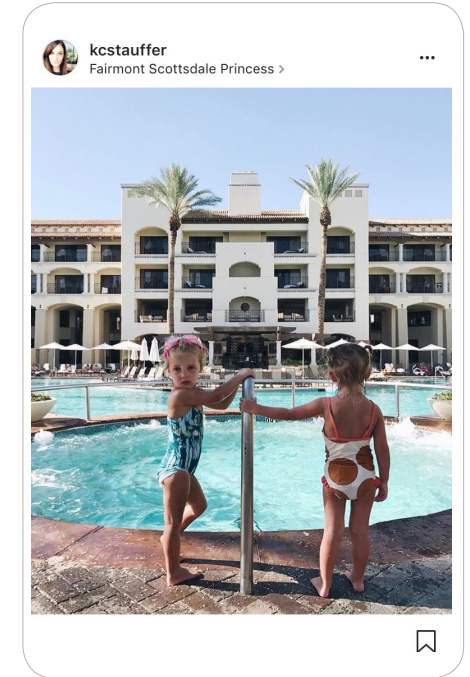
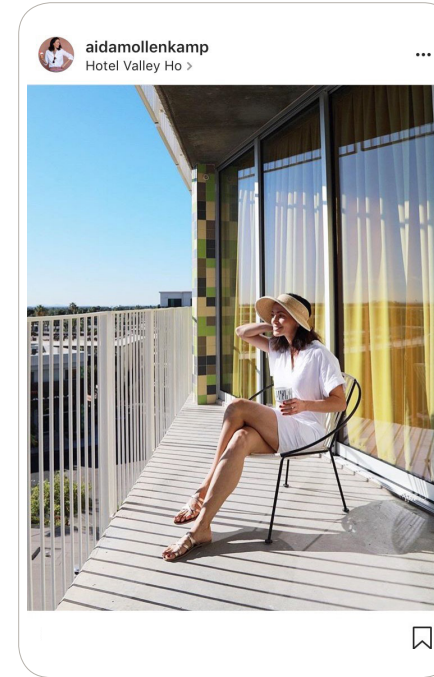
INFLUENCING THE INFLUENCERS

DITCH DAY FROM LA/ DITCH DAY TAKE TWO

- > Less than 48-hour familiarization tours
- > **7** social media influencers
- > **700,000** combined followers

INSTAGRAM@KCSTAUFFER PARTNERSHIP

- > Summer staycation getaway and giveaway
- > **600,000** followers
- > **3,845** new followers for @ScottsdaleAriz



PUBLICITY 'ROUND THE GLOBE

With representation in Canada, the U.K., and the German-speaking regions of Germany, Austria and Switzerland, Experience Scottsdale generates media coverage in these important international feeder markets. These markets account for:

<p>21% of all journalists and influencers hosted</p>	<p>31% of total Scottsdale editorial stories</p>	<p>37% of total advertising value</p>
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CONVENTION SALES

Experience Scottsdale generates incremental meetings business for our community by exposing meeting planners to the area and educating them on Scottsdale's myriad destination services and amenities to meet their programs' needs.

33%
conversion from leads
to bookings

28%
new business - new to Scottsdale
and/or Experience Scottsdale

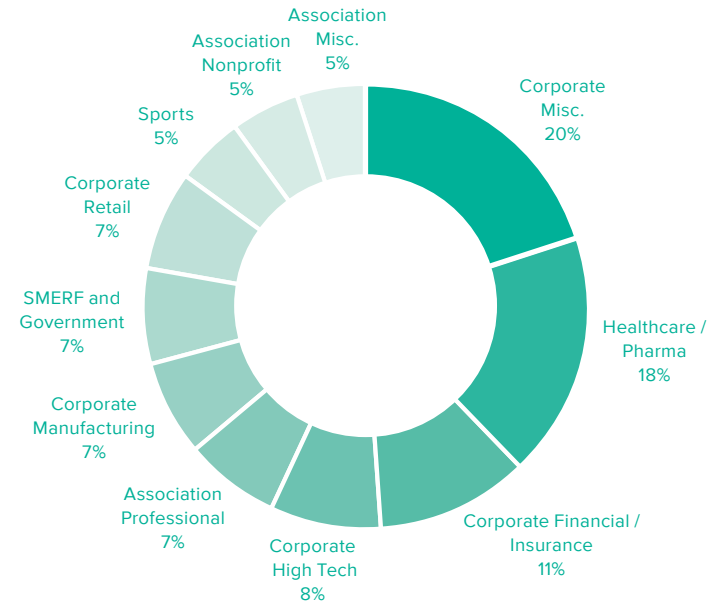
SALES BY THE NUMBERS

1,599 hotel leads	523 meetings booked into area hotels and resorts	168,500 room nights generated	327 convention services leads
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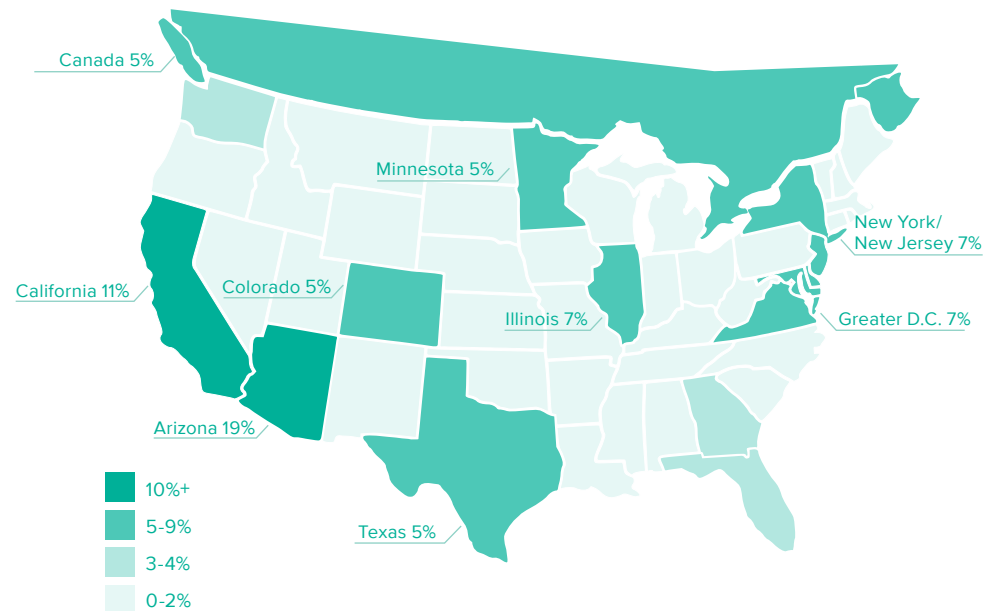


Experience Scottsdale was named HelmsBriscoe's **2016 Destination Partner of the Year**, selected from a pool of 190 destination partners by HelmsBriscoe's team of 1,300 global associates.

2016-17 EXPERIENCE SCOTTSDALE BOOKINGS BY MARKET



2016-17 EXPERIENCE SCOTTSDALE BOOKINGS BY STATE



CONVENTION SALES

FAMILIARIZATION TOURS

- 74** U.S. and Canadian planners attended familiarization tours
- 42** leads **147%** year-over-year increase
- 7** bookings for area hotels and resorts
- 1,334** room nights generated for area hotels and resorts **61%** year-over-year increase



SITE SEE & FLY FREE PROMOTION

- › **100** planners visited Scottsdale – **127%** year-over-year increase
- › **30** bookings – **173%** year-over-year increase
- › **22,907** room nights generated for area hotels and resorts – **205%** year-over-year increase
- › **30%** conversion rate

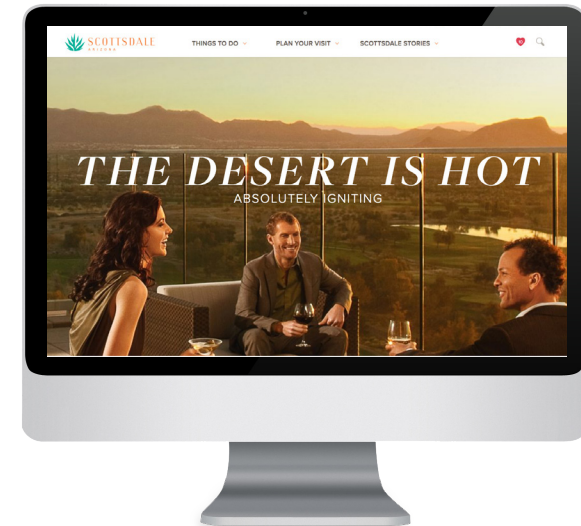


FILLING NEED PERIODS FOR SCOTTSDALE PROPERTIES

- › **28%** of bookings will actualize during Scottsdale's need time: June-September, November-December
- › Bookings represent **59,735** total room nights

THE DESERT IS HOT SUMMER MEETINGS CAMPAIGN

- › New campaign that launched May 2017
- › Promoting group rates and amenities in summer 2017 and 2018
- › Nearly 40 member offers



"I just wanted to let you know that this tradeshow was amazing! I reached out to everyone on the list and have had the HIGHEST response rate from the email blasts I sent. Truly a positive outcome, so thank you and your team for all you do!"

– Local Client Tradeshow attendee, Arizona

"It was so great to see you at the ConferenceDirect Top Performers event last week! We so appreciate your partnership and all of the details that went into making this such a successful event that were provided by you and your team! I look forward to working with you in the future!"

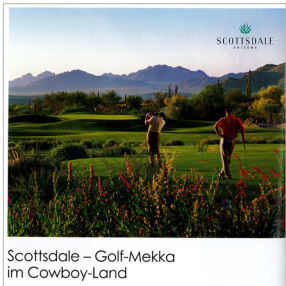
– ConferenceDirect Top Performers incentive attendee, Colorado

TOURISM

Experience Scottsdale ensures the destination has a widespread presence. We provide extensive guidance to travel professionals from around the world so they can best capture the Scottsdale experience for their clients.

<p>3.4 MILLION tour brochure impressions</p>	<p>1,874 leads and services sent to Experience Scottsdale members</p>	<p>3,964 travel professionals educated during trade shows, sales missions and product training seminars</p>
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WORKING WITH TOUR OPERATORS GENERATES SCOTTSDALE PRODUCT IN TOUR BROCHURES



KNECHT REISEN (Switzerland)



DERTOUR (Germany)



GENDRON GOLF (Canada)

PRODUCT TRAINING & EDUCATION

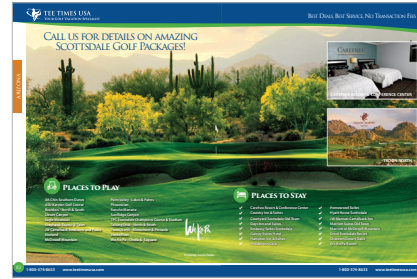


511 travel professionals were trained to sell Scottsdale through **23** product training seminars at call centers, road shows and client offices in Canada, Germany, Mexico, Switzerland, the United Kingdom, United States, and emerging markets.

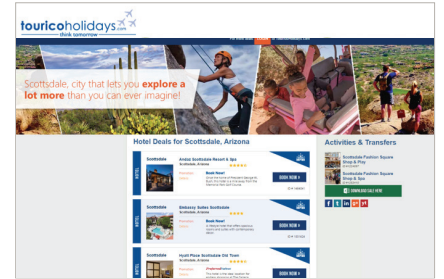


Created a destination training video that was distributed to more than **25** tour operators. The video has been viewed by more than **100** reservation and sales staff to date.

PRODUCING NEW BUSINESS WITH TRADE COOPERATIVE MARKETING CAMPAIGNS



TEE TIMES USA
40% year-over-year increase in room nights



TOURICO HOLIDAYS
38% year-over-year increase in room nights

16 client events **17** trade shows **13** sales missions

FAMILIARIZATION TOURS & SITE VISITS

- Hosted **22** site visits and familiarization tours
- 98** travel agents and tour operators explored the destination firsthand; these agents were from Belgium, Canada, China, France, Germany, Japan, Mexico, the United Kingdom and United States

AMERICAN CUP GOLF INVITATIONAL



- Hosted **28** influential travel industry professionals in Scottsdale
- Experienced **4** golf courses, **5** attractions and **5** resorts



“Thank you for all your amazing work on the American Cup . . . I loved every day and night of it. The planning and the logistics were excellent. All I had to do was follow your directions each day and enjoy. It was my first time to Scottsdale and the golf and the place far exceeded my expectations. A special thank you to all our terrific hosts!”

-American Cup Golf Invitational attendee, Washington D.C.



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COMMUNITY PARTNERS

