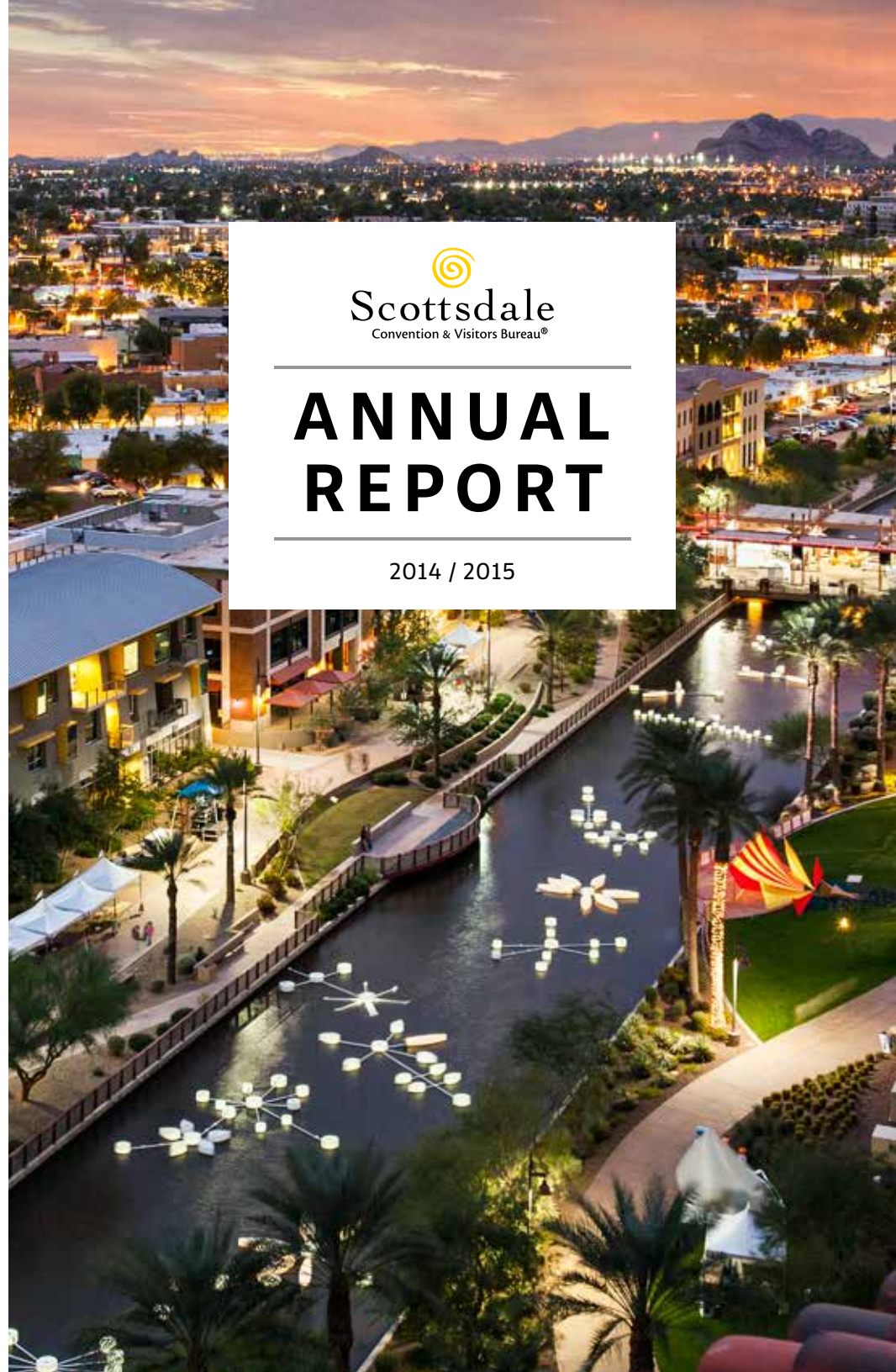




ANNUAL REPORT

2014 / 2015



ACHIEVING SUCCESS

Dear valued partner:

During the past year, the Scottsdale Convention & Visitors Bureau found new and creative ways to advance Scottsdale’s reputation as a world-class vacation and meetings destination.

The CVB team is always working to exceed our goals, improve year-over-year performance, and provide the greatest return on investment to our community.

We’re pleased to share that the CVB generates \$34 for Scottsdale for every \$1 invested in the organization - 13% more than the previous year’s return on investment.

Here are some noteworthy results from the year:

- › Seasonal marketing campaigns strengthened our destination’s awareness, driving 85% greater page views to our campaign sites.
- › ExperienceScottsdale.com achieved a record high 2.4 million unique website visitors – 35% higher than last year.
- › Media in our top two U.S. visitor markets – New York and Los Angeles – helped us tell the Scottsdale story with 90% more coverage this year.
- › U.S. and Canadian meeting planners booked 8% more meetings with the CVB.
- › Almost half (45%) of all CVB bookings will actualize during Scottsdale’s need times.
- › Nearly 700 travel professionals were trained to sell Scottsdale during product training seminars – 22% more agents than we trained the year prior.

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

Best regards,



Rachel Sacco

Rachel Sacco
President & CEO



Jack Miller

Jack Miller
Board Chairman

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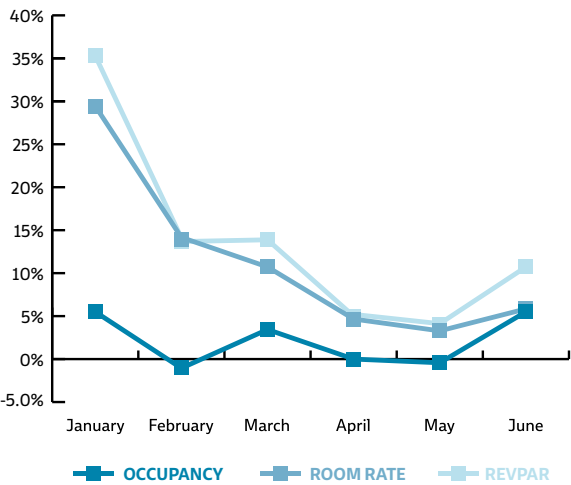
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SCOTTSDALE TOURISM INDUSTRY MEASUREMENTS

Percent Change, Jan.-June 2015 vs. Jan.-June 2014



Source: Smith Travel Research, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.



Galleria Corporate Centre
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Suite 170
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480-421-1004
www.ExperienceScottsdale.com

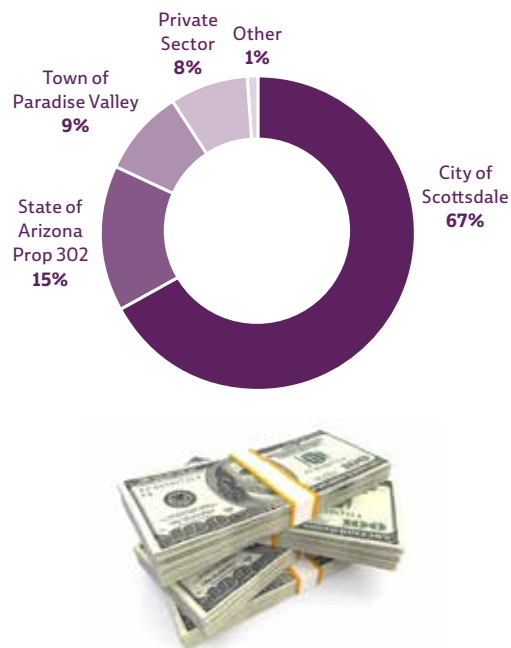
COMMUNITY PARTNERS




FINANCE

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

REVENUE SOURCES




 The CVB generates **\$34** for Scottsdale for every **\$1** invested in the organization.
13% more than last year



Annual Audit

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

2014-15 REVENUE & EXPENSES

For the year ending June 30, 2015 (un-audited)*

Revenue

Public Sources	
City of Scottsdale	\$8,319,813
City of Scottsdale – Event Funding*	\$287,398
Town of Paradise Valley	\$1,115,708
Fort McDowell Yavapai Nation	\$100,000
Salt River Pima-Maricopa Indian Community	\$100,000
State of Arizona – Prop 302	\$1,941,902
Subtotal, Public Sources	\$11,864,821
Private Sources	
Private Sector**	\$1,040,104
Subtotal, Private Sources	\$1,040,104
Revenue Total	\$12,904,925

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

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

Expenses

Personnel	\$4,252,913
Operations/Administration/Membership	\$735,509
Community & Government Affairs	\$121,142
Marketing	\$6,238,000
Communications	\$502,162
Convention Sales & Services	\$688,168
Tourism	\$274,536
Expenses Total*	\$12,812,430

*The audited 2014-15 financials will be available Sept. 30, 2015.

*A partial true-up payment received toward the end of the year from the City of Scottsdale for 50 percent of bed-tax revenues was carried over to the next fiscal year to best use the funds for maximum program effectiveness.



CVB members provided **\$816,678** worth of free rooms, meals and activities, which allowed the CVB to host more clients to experience Scottsdale firsthand.

Bed Tax Rising

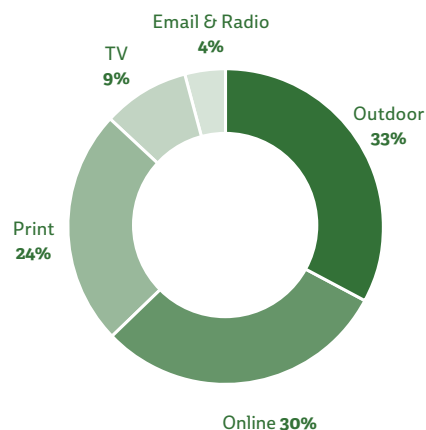


› Total bed-tax collections increased **11%** from 2013-14 to 2014-15

MARKETING

The Scottsdale CVB uses multi-layered marketing campaigns, out-of-home advertising, high-end publications and contest promotions to sell the uniqueness of the Scottsdale experience and brand the area as a world-class vacation and meetings destination.

478 MILLION AD IMPRESSIONS



Room rates are
\$58 higher
in Scottsdale/
ParadiseValley
hotels and resorts
than the rest of
the Phoenix area.
7% more than last year

ExperienceScottsdaleGolf.com - New Golf Website



91,612 visitors
32% more than last year

172,326 page views
17% more than last year

f **6,210** golf Facebook likes
32% more than last year

t **721** golf Twitter followers
52% more than last year

Scottsdale's Super Season - Super Bowl XLIX



- › ESPN broadcast **140+** live hours of TV and radio from Fan Fest Scottsdale at Scottsdale Fashion Square
- › Broadcast media value: **\$6.3 million**
- › Scottsdale Area's 2nd Highest Recorded Occupancy: **97.5%** the night before the 2015 Super Bowl
- › BigGameinScottsdale.com - more than **36,000** page views



Big Game Guide
distributed to over
60,000 visitors



Bring Your Game logo
developed for community use
during the Super Bowl



2014 vs. 2013 Median Scottsdale Golf Industry Metrics



Rounds played up **3.0%**
Golf-related revenue up **3.8%**
Highest golf fee up **6.3%**

MARKETING

5 High-Impact Seasonal Campaigns Drive Visitation

476,175 page views – 85% more than last year

182 million advertising impressions

30,000+ visitors clicked through to member offers and events (free exposure to members)



Summer Campaign

Scottsdale Summer Savings

- › Drove traffic from the Los Angeles and Phoenix areas
- › **65,892** page views – **457%** more than last year



Fall Campaign

Scottsdale's Best-Kept Secrets

- › Unveiled unexpected experiences and local favorites
- › **15,746** page views – **91%** more than last year



Holiday Campaign

Scottsdale Winter Jingles

- › Celebrated the holidays with a Sonoran Desert twist
- › **99,335** page views – **75%** more than last year
- › Hotel occupancy for November/December has grown **12%** in the last three years since the start of this campaign



Spring Training Campaign

Scottsdale Spring Training

- › Targeted fans in Denver and San Francisco
- › **156,156** page views – **43%** more than last year



Warm Weather Campaign

Warm Up in Scottsdale

- › Included TV, radio, social media, online and outdoor
- › **139,046** page views – **96%** more than last year



Jack W Perry @38enso • Feb 4

Ads everywhere at MetroNorth train stops & GCT for [#Scottsdale AZ](#). Warm, sunny. After a weekend in Chicago and now NYC. I am going.



darththalia @darththalia • Feb 23

Union Station is covered with ads for Scottsdale AZ. "72F avg temp in winter!" [#surerubinitwhydontyou](#)

ONLINE MARKETING

The Scottsdale CVB captures the attention of potential visitors and provides the information they need before they arrive and once they are here. Through online marketing, we develop deeper, more personal connections with our visitors and customers.



Website Economic Impact



\$139 million in economic impact

37% more than last year

2.4 million website visitors

35% more than last year



ExperienceScottsdale.com

5.7 million page views

14% more than last year

463,241

page views of
member listings

287,950

click-thrus to
member sites

77,516

page views for member packages,
promotions and coupons

80%

new visitor traffic

Most Popular Online Contests



16,720 entries

Warm Up
in Scottsdale

3-night Scottsdale getaway
with airfare



12,833 entries

Holidays
in Scottsdale

3-night Scottsdale getaway
with airfare



5,696 entries

Fiesta
Bowl

ticket giveaway



43,751 people

clicked through from a
CVB email to find out more
about Scottsdale and
member businesses

64% more than last year



52% mobile visits

of all website traffic

Record-Breaking January

Best month on record with **379,391** website visitors

55% more than the previous January



81,126 Facebook likes

56% more than last year



101,868 YouTube views

16% more than last year



37,995 Twitter followers

45% more than last year



1,939 Instagram followers

170% more than last year

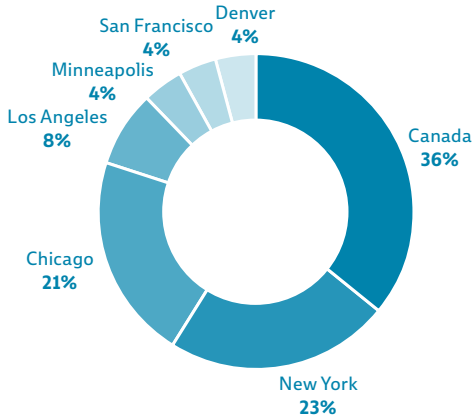
VISITOR SERVICES

The Scottsdale CVB 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.

\$202 million
economic impact from visitor inquiries
23% more than last year



VISITOR INQUIRIES PRIMARY & SECONDARY MARKETS



54,227 guide downloads - 73% more than last year

- › Includes Scottsdale visitor guide and **12** niche guides
- › Most popular downloadable guides: Visitor Guide, Downtown Guide, Auto Auctions Guide, Big Game Guide and Dining Guide



85% of inquirers convert into visitors within the first **12 months** of receiving a Scottsdale visitor guide

Helping Visitors Plan Their Scottsdale Vacation



221,271
visitor guides distributed

37,329
walk-in visitors greeted by CVB concierge

91,805
visitors who called or emailed for destination information

PUBLIC RELATIONS

The Scottsdale CVB tells the story of our destination to garner positive publicity for the community while promoting the amenities of the CVB's members. Targeted, positive media exposure helps to generate consumer interest.

1,170 Scottsdale editorial stories
2.6 billion readers/viewers reached
\$21.7 million in advertising value

Building Relationships with Media Results in Extensive Editorial Coverage



Modern Luxury Angeleno
3-page story



Prestige (Germany)
7-page story



Sunset
3-page story

Assisted **1,748** journalists with Scottsdale stories

Met with **730** journalists during media missions

Distributed **22** press releases and media newsletters

New York & Los Angeles

Top 2 domestic visitor markets

- › **69** journalists from these markets visited Scottsdale
- › **159** media connections made during four events
- › **116** articles were generated in these markets - **90%** more than last year
- › **\$4.0 million** in equivalent ad value
- › **142 million** readers/viewers of this editorial coverage

Canada

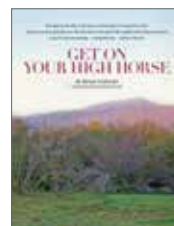
Top international visitor market

- › **33** Canadian journalists visited Scottsdale
- › **94** media connections made during four events
- › **134** articles in Canadian publications
- › **\$1.4 million** in equivalent ad value
- › **30 million** readers/viewers of this editorial coverage



310 media experienced Scottsdale firsthand

10th Annual Travel Classics West Writers Conference



- › **40** freelance travel writers
- › **17** travel magazine and newspaper editors
- › To date, generated **7** articles worth **\$1.4 million** in equivalent ad value reaching **43 million** people
- › New relationships forged with key editors and writers

American Way 6-page story



Travel Bloggers

- › Hosted second annual media tour for bloggers in an effort to reach more millennial travelers
- › Bloggers came from Australia, Canada and the United States
- › To date, generated **29** blog posts and **210** tweets reaching **1.2 million** people



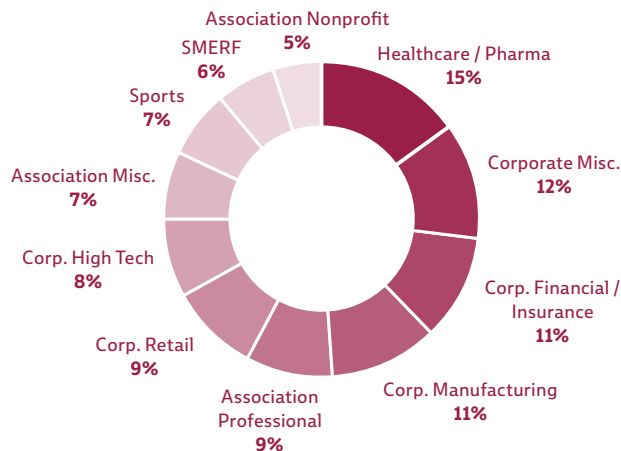
www.WorldofWanderlust.com

CONVENTION SALES

The Scottsdale CVB exposes meeting planners to the area, educates them on Scottsdale's myriad destination services and amenities to fulfill every need for their programs, and generates incremental meetings business for our community.

\$95.5 million economic impact
of meetings booked

SCOTTSDALE CVB BOOKINGS BY MARKET



"I had a lovely time seeing Scottsdale and attending the FAM. Thank you for including me, it was well worth my time, so well organized and made us feel very taken care of. I will definitely be including Scottsdale hotels on the list for several of our upcoming programs."

-Corporate Insurance Meeting Planner
Toronto, Canada

Filling Need Periods for Scottsdale Properties



45% of the CVB's bookings will actualize during Scottsdale's need time:

May-September, November-December

Bookings represent **79,646** total room nights



31% conversion from leads to bookings

29% new business from companies
that had not been to Scottsdale previously



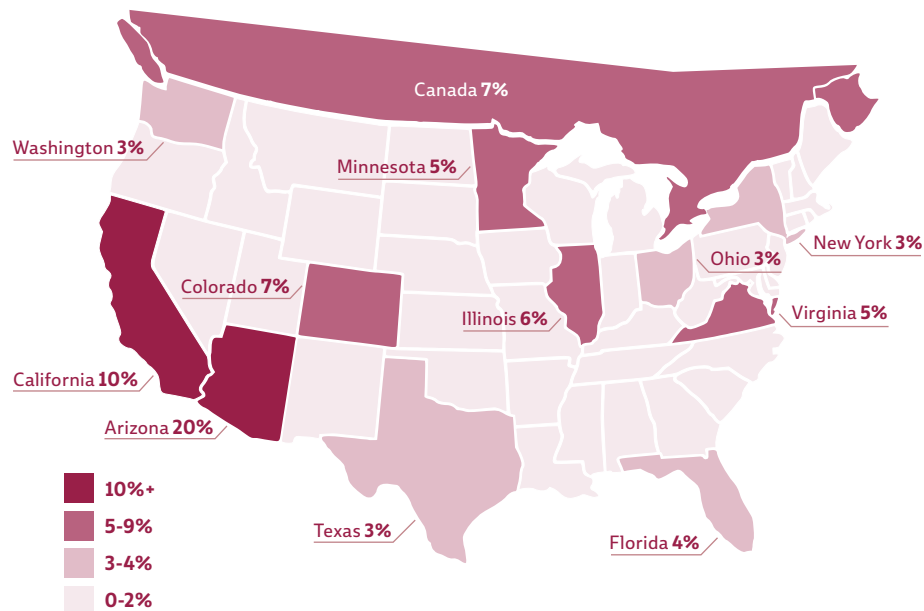
Site See & Fly Free on Us Promotion

- › **46** planners visited Scottsdale
- › **12** bookings
- › **29%** conversion from leads to bookings
- › **7,587** room nights generated for area hotels and resorts
- › **51%** of these room nights will actualize during need times, May-September and November-December



CONVENTION SALES

SCOTTSDALE CVB BOOKINGS BY STATE



Canadian Efforts



- 17%** increase in Canadian leads
- 64%** increase in Canadian bookings
- 49%** increase in average Canadian group size
- 37%** conversion from leads to bookings



Scottsdale was the **#9 booked destination** by HelmsBriscoe associates in 2014



CVB Familiarization Tours

- 60** U.S. and Canadian planners attended a CVB familiarization tour
- 41** leads
- 12** bookings
- 29%** conversion from leads to bookings
- \$2.8** million in booked business

1,644 hotel leads

10% more than last year

506 meetings booked into area hotels and resorts

8% more than last year

176,298 room nights

10% more than last year

73,321 attendees came to Scottsdale for meetings

4% more than last year

316 convention services leads



"I wanted to reach out and thank you again for welcoming me to Scottsdale last week. I really appreciate all of the time you spent putting together my itinerary, setting up appointments, and accompanying me to many of the sites. I have definitely fallen in love with Scottsdale and will do my best to sell it to our executives for future conference programs. Thanks again for all of your time and effort; it was a very helpful experience!"

-Corporate Financial Meeting Planner
Toronto, Canada

TOURISM

The Scottsdale CVB provides extensive guidance to travel agents and tour operators from around the world to ensure the destination has a widespread presence and to help them best capture the Scottsdale experience for their clients.

3.4 million
tour brochure impressions

1,965
leads and services sent to CVB members

3,425
travel professionals educated at trade shows, during sales missions and through product training seminars



Lusso
(United Kingdom)



Collette Vacations
(United States)



TUI
(Germany)



Scottsdale Product Training

688 travel professionals were trained to sell Scottsdale through **25** product training seminars at call centers, road shows and client offices in Canada, Germany, Japan, Mexico, Switzerland, the United Kingdom and the United States. **22%** more than last year



IPW Trade Show

The largest and most important international show held in the United States

- › Met with **89** clients
- › Generated **161** leads and requests for CVB members

Trade Cooperative Marketing Campaigns Produce New Business for Scottsdale



Black Tomato (UK)

58% increase

year-over-year in room nights



Southwest Vacations (USA)

46% increase

year-over-year in room nights



Local agents are often the first call for their U.S. consortium counterparts so the CVB keeps them educated on local offerings

- › **127** Arizona agents reached through client events, sales calls, training seminars and trade shows

11 client events

13 trade shows

15 sales missions

Scottsdale Exposure

- › The CVB hosted **96** travel agents and tour operators on **26** site visits and FAM tours to experience Scottsdale firsthand in order to better sell the area to their clients



"Having a strong, professional CVB is key when making strategic decisions in the industry and [the] Scottsdale Convention & Visitors Bureau over exceeds our high standards each time. It is a pleasure to work with them . . ."

-Product Manager, Abercrombie & Kent

MEMBERSHIP

The Scottsdale CVB 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.

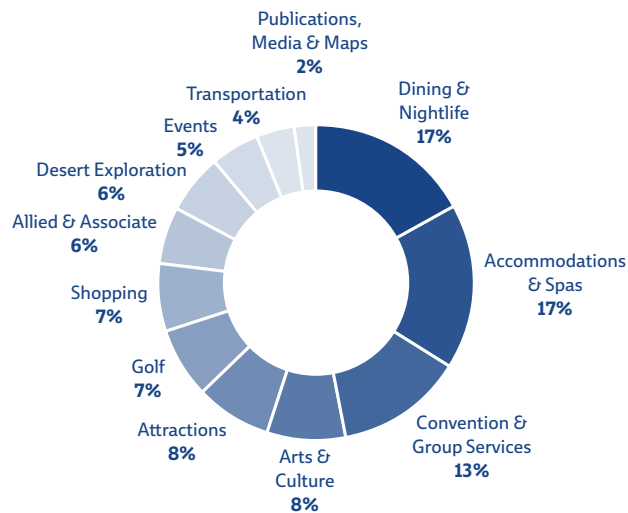
Keeping Our Members Engaged

410
members

56
new members

90%
retention

OUR DIVERSE MEMBERSHIP



"I just wanted to drop you a quick line to say how impressed I was at the annual meeting this morning . . . It perfectly represented the caliber of work and thought that you and the CVB team produce year-round - so congratulations!"

-CVB Member



1,134
members receive
the CVB's
e-newsletter
weekly



1,043
members attended **11**
CVB member events



Member Participation

CVB members provided **\$816,678** worth of free rooms, meals and activities, which allows the CVB to host more clients to experience Scottsdale firsthand.



"Thank you and your team for all that you do and for doing it GREAT!"

-CVB Member

"The Scottsdale CVB does a great job with a talented and dedicated staff."

-CVB Member