



Home of American Golf®

# Destination Marketing News

*Your Tourism Industry Update from the Convention & Visitors Bureau*

**February 2008**

## TOURISM NEWS



### **NATIONAL IMPACT OF GOLF**

**H**ow big is golf in the U.S.? According to Golf 20/20, the answer is **\$76 billion** in goods and services (in 2005). This represents a 4.1 % annual growth rate since the last study was done in 2000. The breakdown is: Golf facilities \$ 28B (37%), Hospitality-tourism \$ 18B (24%), Real Estate \$ 15B (19%), Golf Supplies \$ 6B (8%), Course capital investment \$ 3.6B (5%), Charities \$ 3.5B (5%), Endorsements, tournaments, etc \$1.7B (2%). The report was released at the 55<sup>th</sup> PGA Merchandise Show in January.

### **“HOME OF GOLF” WEB SITE - 2007 RECAP**

**T**he official web site for the Pinehurst, Southern Pines, Aberdeen Area, [www.homeofgolf.com](http://www.homeofgolf.com), continues to attract visitors in increasing numbers.

- Visits were up over the previous year by 19% and page views increased by 27%, indicating that visitors to the site are viewing more of the site.
- Interestingly, in 2007 traffic to our web site during June and July, which in the past have been two of our low points of activity, were two of our busiest months on the web site.
- The web site continues to rank consistently high with search engines and Google remains our number one referrer.

### **NATIONAL TOURISM WEEK ANNOUNCED**

“**D**iscover Great American Traditions” will be the theme for the 25th Annual National Tourism Week, May 10-18, 2008. National Tourism Week highlights the powerful economic, social and cultural impacts of travel through outreach events and celebrations organized in states, cities and businesses across the nation. The theme encourages travel to American locales and highlights the role that tourism plays in discovering the icons of a destination. To find out more, visit [http://www.tia.org/pressmedia/TWFA/ntw\\_week.html](http://www.tia.org/pressmedia/TWFA/ntw_week.html). **North Carolina’s Tourism Day will be Tuesday, May 13.**

### **U.S. DESTINATIONS LURING CANADIANS**

**W**ith the long-anemic Canadian dollar now wielding greater buying power south of the border, U.S. destinations are accelerating efforts to lure Canadians and their increasingly valuable currency. More than just seeking to capitalize on the exchange rate to attract more Canadians, U.S. destinations also are looking to convert greater Canadian buying power into longer stays and increased spending, such as trading up to more

expensive lodging and dining. The CVB will be represented at the Toronto Golf & Travel Show, February 28 - March 2, 2008.

## **STUDY REVEALS EMERGING TRAVEL TRENDS**

Five key trends will have a significant impact on travel industry expectations, strategies and brands in 2008, according to Deloitte's 2008 Travel Industry Trends Report. Among trends are niche travel and mini-vacation, which are a result of more and more people bypassing the traditional, two-week getaway in favor of mini-vacations of a week or less. According to the October survey, 47% of respondents said they take more short vacations and fewer long ones than they used to.

## **WHAT ITEMS CONSTITUTE “GROSS RECEIPTS” RELATIVE TO ROOM OCCUPANCY TAX**

NC Department of Revenue issued new information on room occupancy tax relative to what items constitute “gross receipts”, based on a ruling request from New Hanover County. While the finding did provide clarification on some items, it has raised some additional questions relative to other gross receipts issues, and implementation of these new rulings. The CVB will stay plugged into the process so we can pass along the latest information, and do our best to answer your questions as they come up.

# MARKETING & PUBLIC RELATIONS



## **CONSORTIUM FOR PROMOTING AREA EVENTS**

In December the CVB held the first meeting to create a consortium of business leaders to find ways we can, as one community, promote area events to more visitors, increase room nights, and encourage repeat visits to the area. The group was provided information about what, when, and where recurring events are held throughout the year in Moore County. They were classified by audience as well – local vs. visitor events. By understanding the overall calendar, the business community can focus on those events that draw overnight visitors and start to make decisions that promote attendance at the events.

The CVB will be implementing a software package that can be used as a tool to better analyze the calendar of events as well as provide a central database for area businesses to review as they are considering enhancing an event or introducing a new event. Over the course of time, the consortium will evolve into a forum for collaboration of area events and attractions to strengthen the local tourism industry. The next meeting is tentatively planned for March 6, 2008. Information from the software will be available for use at that time. If you are interested in becoming a part of the consortium or have questions, please contact Claire Phillips at [cphillips@ncrrbiz.com](mailto:cphillips@ncrrbiz.com).

## **NC CENTRAL PARK BROCHURE**

The CVB has the newly-published NC Central Park Brochure/Map available now. NC Central Park covers eight counties in the Piedmont area of North Carolina, Moore County as the newest of the eight. For travelers who enjoy biking, hiking, camping, history, architecture, and small town hospitality, NC Central Park is a must see area. The website is full of ideas of what to see and where to go: [www.centralparknc.org](http://www.centralparknc.org). The brochure makes it easy to keep the information with you as you make your way through miles and miles of North Carolina history and natural beauty. Stop by the Convention & Visitors Bureau for your copy.

## **PUBLICATIONS**

The new Essentials Guide, new Destination Golf Guide, and the new Sandhills Style Magazine are now available. Stop by the CVB to pick up the publications for your property. These publications are great for front lobbies, hotel rooms, meeting packets, etc.

The CVB 2007 annual report will be available at the end of February.

## **2008 GOLF SHOW SEASON UNDERWAY**

The CVB 2008 Golf Show schedule is as follows:

Richmond, VA – Jan. 11-13  
Cincinnati, OH – Jan. 18-20  
Orlando, FL – Jan. 25-26  
Washington, D.C. – Feb. 1-3  
Chicago, IL – Feb. 8-10  
Cleveland, OH – Feb. 15-17  
Somerset, NJ – Feb. 22-24  
Toronto, Canada – Feb. 28 - Mar. 2, 2008  
Philadelphia, PA – Feb. 29 – Mar. 2  
Novi, MI – Mar. 7-9

The CVB has a new booth for the trade shows as well as digital photography displayed during the shows. Scratch cards with instant winners will be used at designated shows and 2008 U.S. Amateur tickets and travel packages will be awarded to top prize winners.

## **THE HOME OF AMERICAN GOLF FEATURED IN VARIOUS MEDIA**

The area received significant media coverage recently including:

- Golfweek TV.com video about the golf history of the Sandhills featuring interviews with Dan Maples, Peggy Kirk Bell, Marvin Waters, Joe Gay, Howard Cannon, and John Roots (Tufts Archives). You can link to the video through [www.homeofgolf.com](http://www.homeofgolf.com). Click on “Pinehurst, Southern Pines, Aberdeen Area Video.” Let us know what you think.
- Golf Aktuell – a German publication with circulation over 70,000 highlighted the Sandhills area as a great golf destination in the September issue.

## **2008 OFFICERS FOR LOCAL BUSINESS ASSOCIATIONS**

The Pinehurst Business Guild announced its 2008 slate of officers:

R. Patrick Barry, President	First Citizens Bank
Russell Bramlett, President-Elect	Olmsted Village Company
Audrey Moriarty, Treasurer	Given Memorial Library/Tufts Archives
Linda Tucker, Past President 2007	RBC Centura

The Southern Pines Business Association announced its 2008 slate of officers:

Melissa McPeake, President	McPeake Hotels
Greg Zywockinski, Vice President	Property Management

Pat Taylor, Treasurer  
Jeffrey Sheer, Past President 2007

The Pilot  
Jeffrey Alan Sheer, Gemologist

## MEETINGS & CONVENTIONS



### **AREA MEETING SPECIALS ON CONVENTION SOUTH'S E-SOURCE**

Meeting and event planners will have access to the area's Winter Meeting specials via Convention South's – January Regional E-Source Newsletter. The CVB is listed under "HOT DATES FOR YOUR EVENTS" with a link to area meeting specials and a Request for Proposals form. The CVB Sales department collected the meeting specials early to provide meeting planners an opportunity to book groups during these traditional slow periods. It's not too late to submit your properties meeting specials, just email Director of Sales, Beverly Stewart - [bstewart@ncrrbiz.com](mailto:bstewart@ncrrbiz.com).

### **NEW MEETINGS CO-OP PROGRAM – WHO, WHAT, WHEN, WHERE?**

A new Meetings Coop program has been discussed as an add-on to the 2008-2009 CVB Coop program. The Meetings co-op would be an added buy so we really need to know: Who do you want to target? What type of Advertising would interest you - Web vs. Print? When would you like to see the program in place? Where would you like to target geographically? Your feedback is vital as we plan this program so please send your input & suggestions to [bstewart@ncrrbiz.com](mailto:bstewart@ncrrbiz.com) as soon as possible.

### **BRAC – TASK 9: MEETINGS & CONVENTIONS**

CVB Director of Sales, Beverly Stewart, co-chair of the BRAC Task 9 Committee, has been assisting PKF Consulting (hired by BRAC) to conduct research relating to:

Task 9: Meetings & Conventions. The BRAC RTF Meetings-Conventions/Special Activities Work Group will assess requirements of units at Ft. Bragg for additional meeting space for military generated meetings, conventions and special activities. Issues being worked by this group are:

- Additional meeting space requirements generated by FORSCOM/USARC that will not be accommodated on post.
- Activity space requirements for conventions and special activities.
- Promoting the types of facilities that can accommodate special activities.

The initial report from PKF Consulting scheduled to be presented as soon as they receive approval from BRAC Research Committee with a final formal report to follow.

### **CVB MEETING PLANNERS E-NEWSLETTER - SUCCESSFUL**

The Meetings E-Newsletter was sent to over 3,000 meeting and event planners in December 2007. The newsletter contained information on the area's new & renovated meeting facilities, Winter meeting specials and a contest for RFP submissions. The Meetings E-Newsletter is produced in-house and includes pertinent information for meeting planners interested in bringing groups to Moore County.

## **AENC ANNUAL TRADESHOW – VERY SUCCESSFUL**

The AENC Annual Tradeshow on December 13th at the Expo Center - NC State Fair Grounds proved very successful. Success was easily measured through contacts with over 110 Association Executives from across North & South Carolina. Our area's theme was "Caddy Shack," (the movie) and gophers were everywhere!

Kudos to everyone for making this years AENC Tradeshow the most successful ever for our area! Hampton Inn & Suites, Homewood Suites by Hilton, Little River Golf Resort, Pine Needles-Mid Pines Resorts and National Golf Club.

## **A SAMPLE OF WHO'S COMING TO TOWN**

Moore County will be hosting the following meeting & convention groups in February, March, April, 2008:

- NC High School Athletic Association – 4-A Eastern Regional Wrestling
- NC Augmentative Comm. Association – 2008 Annual Meeting
- Golfweek Golf Course Raters – Spring Conference

## **UPCOMING TRADESHOWS**

The CVB will represent our area to potential Meeting & Convention and Golf Group Planners at the following meetings & tradeshow:

- Toronto Golf Show w/NC Travel & Tourism February 28 - March 2, 2008
- Affordable Meetings – Midwest April 8-10, 2008

## SPOTLIGHT ON AREA BUSINESSES



### **THE HAMPTON INN & SUITES HOTEL**

The Hampton Inn & Suites Hotel (behind Starbucks) is now open! The hotel is owned and operated by McPeake Hotels, Inc. of Southern Pines and is a great location for hosting meetings. The largest meeting space is over 3,000 square feet and can be divided into 3 separate meeting areas. There is also one boardroom for small executive meetings. After your meeting, enjoy the indoor heated pool. Free wireless internet access and catering services are available as well.

### **LITTLE RIVER GOLF AND RESORT**

Little River Golf and Resort is under new management and is now operating as an Oceânico property. Oceânico Group, the leading luxury property developer and golf operator in Portugal, acquired the Little River Golf & Resort in the prestigious Pinehurst golf area of North Carolina, USA. The agreement marks the Group's first step into the US market.

The acquisition of Little River Golf & Resort was completed at the end of December, and will see Oceânico Group take over the golf, property and holiday operations of the 630-acre resort. The agreement follows Oceânico's purchase of five golf courses in Vilamoura, Portugal in March 2007, including the renowned Victoria course, host to the Portugal Masters (2007 – 2009).

## **RESORT RENOVATIONS**

**P**inehurst Resort, preparing for the return of the U.S. Amateur Championship in 2008, has planned a series of upgrades and renovation to its 2,000-acre campus that will be available by spring.

Among them is completion of its Carolina hotel guest rooms, a tri-phased project that began in 2005. The \$8 million renovations include the addition of flat screen televisions, marble-tiled bathrooms with deluge shower heads, ultra-plush bedding and expanded desk space in its most sought-after accommodations.

An opulent 1,800-square foot Presidential Suite is also scheduled to open in the Carolina hotel's West Wing in April. With a private entrance to the hotel's wide veranda and West Lawn, the plush set of rooms will include a private dining room, living area with two large-screen televisions, wet bar, fireplace, study, luxurious bath with marble shower and soaking tub, and premium bedding.

The Presidential Suite will have direct access to the Carolina's new West Wing meeting rooms that opened this month. The 3,000-sq. ft space includes three function rooms that can be used for executive board rooms, break out space, or private dinners. Two doorways will open to the wide verandas and West Lawn, perfect for indoor/outdoor gatherings.

## **NORTH CAROLINA SPEEDWAY--ROCKINGHAM**

**A**ndy Hillenburg, the new owner of the Rock, will be bringing new racing events to the 250-acre track site. Start your engines.

"We're going after the niche of being the biggest small track on the block," Hillenburg said. "We're sort of trying to be the country store, sort of mom-and-pop operation."

Focus will shift to getting things ready for the signature event of the inaugural season -- a 500-mile race for Automobile Racing Club of America (ARCA) cars set for May 4. There's also a Hooters ProCup series race scheduled for Nov. 1, and Hillenburg hopes to announce a third major event for 2009 by early spring.

For tickets call Rockingham Speedway, at 910-205-8800 or go to [rockinghamracewaypark.com](http://rockinghamracewaypark.com) and print a ticket order form. The CVB is working with the Rock to create a centralized accommodations hotline and online site for upcoming racing events.

## NEW INDUSTRY CONTACTS

**A** warm welcome and congratulations to new staff that have been promoted or moved into positions that have an impact on area tourism and hospitality:

- Karen Davis, Office Manager, Convention and Visitors Bureau
- Blake Dunn, General Manager, Residence Inn
- Adam Dixon, General Manager, Best Western
- Jim Charles, Director of Sales, Best Western
- Clytie Miller, General Manager, Homewood Suites by Hilton
- Shane Bussino, Director of Sales, Homewood Suites by Hilton
- Robert Dryden, Assistant Director of Sales, Hampton Inn & Suites

If you have information you would like to share to help keep everyone up to date on additions or changes to your staff, please contact Karen Davis at the Convention & Visitors Bureau at 692-3330, ext 236.

The CVB and all the area hospitality organizations would like to bid a fond farewell and best wishes to Lucy Merkle who retired at the end of 2007 with more than 15 years of service to the CVB. Enjoy your next adventure Lucy!

## **2008 TOURISM OUTLOOK**

### **N**ational Outlook

#### Total Travel

- Total domestic travel spending is expected to increase 6.4%, based on trip volume up 1.6% and travel prices rising 4.8%

#### Business Travel

- There is no direct indication currently that recession worries will bring retrenchment to corporate travel – resulting in a project increase, albeit modest, at 1.8%, but a stronger 8.0 % increase in total spending

#### Leisure Travel

- Total leisure trips by consumers are forecasted to increase 1.5% in 2008, but travel patterns could change in the face of constraints in household income and spending. The affluent households will outpace all groups. Close-to-home travel will increase over long haul travel, especially in the low and middle income households.

#### Net Outlook

- Gains in total number of trips taken will be very moderate in 2008 (+1.6%), so pricing, yield management strategies, and effective marketing will be the revenue drivers combined with controlling costs -the keys to profitability.

Source: Travel Industry Indicators, December 2007

#### Meetings & Conventions

- Meeting planners are optimistic that they will have more money to work with in 2008 with 26.3 percent of Association planners, 31.2 percent of corporate planners and 35.0 percent of independent planners expecting their budgets to increase. The duration of a meeting will average about three days and this number will continue to be the norm in 2008.

Source: 2008 Meetings Market Survey, January 2008

### **L**ocal Outlook – Moore County

#### Total Travel

- While momentum still exists from total room night demand growth for the year, (through November YTD up 3.6 %), the unanswered question is what, if any impact a possible recession would have on overall travel. Expectations are that that total travel growth will moderate somewhat, and that pricing will continue to drive net gains for the year.
- The lack of a premium event such as the 2007 U.S. Women's Open will be offset by the expanding US Kids Golf events (addition of Teens event and larger 2008 Kids event field), the reopening of the Rockingham Speedway and the 2008 U.S. Amateur being held at Pinehurst Resort.
- Complicating the local forecast for 2008 is the expanded supply of rooms in the county, rising 6.6 % (180 rooms) over the prior year with the opening of two flagged hotels (Hampton Inn & Suites, Holiday Inn Express) on U.S. 15/501. The larger property offers meeting space for up to 250 attendees which does broaden its potential for drawing new business to the area.

#### Business Travel

- As a whole North Carolina is holding its own compared to other states/regions of the U.S. in terms of GDP growth and consumer spending. Most of the corporate travel to our region comes from in state, which should bode well for overall gross business travel receipts.

#### Meetings and Conventions

- Meetings & events will continue to provide significant revenues for Moore County in 2008 especially with the new and renovated meeting space available. Sporting events such as the NCHSAA Golf (Men's & Women's) and Wrestling competitions, USA League Tennis and US Kids & Teen (see above) golf will help provide room nights weekdays, weekends and off-season.

#### Leisure Travel

- Golf will continue to be the main driver, and National Golf Foundation and other industry forecast are for small gains in total rounds played and revenues realized.
- Programs like the local Winter Marketing Campaign launched this year by the CVB [www.hisandhersgetaways.com](http://www.hisandhersgetaways.com) are designed to broaden the destinations appeal to consumers, and are expected to yield greater dividends in 2008 as the second year of the program gains more traction.

### Net Outlook

- Absorbing the new supply of rooms will prove to be a challenge, but does provide a positive in terms of new product offerings tied to strong franchises, providing value, amenities, and new meeting space for visitors and meeting planners to Moore County. This “raising of the bar” can yield growth in the overall ADR if rate integrity is maintained, which will help offset some of lag expected between demand and supply growth. The outlook then is for (1) a modest increase in total room night demand, (2) a small drop in overall lodging occupancy percentage, and (3) ADR growth (offsetting drop in occupancy percentage), resulting in a moderate overall growth in RevPar.
- Anytime a destination experiences product (supply) growth, it is incumbent that the travel industry (1) maximizes destination marketing by leveraging branding and co-operative strategies, and (2) implements marketing strategies that realize shifting travel and demographic patterns, and (3) utilize sound pricing strategies.

Caleb Miles, *President and CEO*, Convention & Visitors Bureau



**Here's to Great Tourism Success in 2008!**



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