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# SUPPLEMENTAL BUDGET

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FY21

## Introduction

The Greater Sitka Chamber of Commerce is currently in contract with the City of Sitka to provide Convention & Visitor Services (initial contract began Oct. 15; current contract began Jan. 1, 2019). The Sitka Chamber as Visit Sitka provided the 3-year Strategic Marketing Plan 2019-2021 and Annual Marketing Workplan FY19/20 to the Assembly in a work-session on Jan. 8, 2019.

*Exhibit B CVS Contract: "The annual contract amount shall be a minimum of \$300,000. Annual budget to be determined by the Sitka Assembly following an annual work session, with first payment in next fiscal year. If the contribution is increased by Assembly action, the annual contract amount will be adjusted accordingly. The Contractor is encouraged to request additional funding for specific projects above and beyond those included in this contract, pursuant to approval by the Assembly."*

The Sitka Chamber has prepared a base budget and supplemental budget based on the needs of the marketing program in order to match previous years' service levels and continue to grow the visitor industry in Sitka. The supplemental budget is for the FY21 full fiscal year. Examples of investments have been detailed in the following narratives and will be presented at a work session of the Assembly on February 25, 2020.

## Highlights

Tourism accounts for 18% of SE AK's jobs, \$793 million in tourist spending,

Sitka will see a **46% increase** in cruise traffic from 2018 to 2020 (23% increase statewide)

15% of all cruise passengers visit Sitka

90% of visitors to Southeast are cruisers, 8% arrive via air, & 2% arrive via ferry

Sitka was selected to host the 2021 Alaska Travel Industry Association Convention

Cruise Critic selected Sitka as Top 5 Alaska Cruise Destination (4<sup>th</sup> year)

Transient Lodging Tax shows a slight increase for FY18 to FY19, with receipts of \$553,910.71 for FY19

### FY21-Q1-Q4

Base \$300,000 Supplemental \$200,200

FY20 funding level \$500,200

FY21 total request \$500,200

# Promotion

## Cruise/Yacht

**FY21: \$18,500**

Creating and maintaining relationships with cruise line partners is key to growing cruise market share. With the vast distance between the cruise company home offices and Alaska it is key to attend events that give face to face contact with cruise line executives, and those who sell cruises. There are three key opportunities for 2021. At Seatrade Cruise Global in Miami, Florida, Visit Sitka will be one of the 8 Premium Sponsor ports represented with a separate podium and strong presence among ports in the “North to Alaska” Booth. A premium placement gets us in front of the cruise industry market and allows us to connect with the more than 70 cruise lines and 11,000 professionals who are anticipated to attend the cruise industry’s premier promotion and networking event. At the Holland America Line Alaska Cruise & Travel Shows in Seattle and Vancouver, Visit Sitka connects with the “triangle” of cruise line executives, cruise sellers and consumers. Relationship building is also very important with professionals that sell cruises and continued participation in the American Society of Travel Advisors Global Conference will keep Sitka top of mind, as 80% of cruise travel is booked through travel professionals.

Visit Sitka will continue to increase engagement with the yacht market including a membership with the US Superyacht Association. One of the best places to reach out to yacht owners and operators is the Seattle Boat Show and Visit Sitka will attend to increase awareness of Sitka. Visit Sitka will create a welcome packet to be distributed through the Yacht Services of Alaska and the Sitka Harbormasters office.

## Meetings & Conventions

**FY21: \$30,550**

Relationship building and face-to-face interactions with decisionmakers is essential to building our Meeting & Convention business in Sitka. Visit Sitka has identified incentive travel and C-suite retreats as the best fit for Sitka’s strengths and location along with in-state trade, government and school travel. Projects to complement this strategy include travel to business-to-business (B2B) meeting planner events, expanding website to encompass more information and tools, brand aligned Meeting & Convention booth design and promotional items for both hosted events and travel. Promotional items are especially important for our emphasis on enhancing visitor experience and taking advantage of word-of-mouth marketing which research still shows is the number one driver of travel. A Sitka Fellow will be engaged to specifically focus on developing the programs needed to create more meeting interest. (See Special Project section below for details.)

\*Special Project for 2021: Sitka is the host community for the 2021 Alaska Travel Industry Association (ATIA) Annual Convention & Trade Show. The requirements for this include a hosted community night reception for 400 people, a sponsoring community welcome session, AV support, transportation, and onsite logistical support. In anticipation of these events there will be hosted site visits, preparatory meetings and advance collateral creation.

## Tourism

**FY21: \$27,000**

It is important to continue marketing Sitka as a destination for fully independent travelers, cruise travelers, sports fishers, international & domestic tour operators, airlines, other travel, friends and family. Attendance at consumer travel shows continues to be a great way to increase consumer awareness of Sitka's uniqueness as a destination. Visit Sitka will attend at least two direct to consumer shows, focusing on west coast locations with easy flight access to Sitka, including the Los Angeles and San Francisco Bay Area Adventure & Travel Shows. Attendance at a travel-trade shows to reach ready-to-buy travelers for leisure and destination fishing increasing overnight stays in Sitka. As a more and more international visitors see Alaska as an accessible destination, Sitka also needs to begin reaching into the international visitor markets. The best opportunity to do this is IPW International, a national showcase of America, where U.S. travel exhibitors connect with travel buyers and media from more than 70 countries to promote their product, negotiate future business and build relationships. Visit Sitka's participation in the Alaska Travel Industry Association annual conference gives the team access to hundreds of travel industry professionals, advocates, and vendors for Alaska's Tourism Industry.

## Media, Partnerships & Cooperative Marketing

**FY21: \$10,000**

Media outreach & Public Relations amplifies our message beyond our own fiscal constraints. Partnerships with media help us maintain control over the message of Sitka especially specific issues including ferry services, air travel, etc. Media relationships are built over time, so it is important to keep the message of Sitka in front of as many media outlets as possible. To accomplish this Visit Sitka will represent Sitka at two Alaska Media Roadshows – on the west coast at Las Vegas and on the east coast in New York City. The Roadshows are a day of face-to-face meetings with the most influential travel media in the United States to increase editorial coverage of Sitka. Visit Sitka also hosts visiting travel writers in Sitka through out the year. Last year Visit Sitka hosted 10 journalists, which included hotel nights, guided tours, meals in local restaurants and logistical support. Many more media members were supported via telephone and email. Visit Sitka will continue to open it's doors to all media and journalists to continue the message of Sitka as a unique destination.

Co-op marketing opportunities allow Sitka to buy-up into larger advertising markets and return more value for our spend. Example of program: Arrange at least 2 influencer trips to Sitka in order to develop compelling content and distribute this content to large numbers of individuals from strategically identified audiences.

# Advertising

## Digital

**FY21: \$7,000**

Digital marketing spans content creation, social media marketing (video & image creation, paid promotion and ads) including online advertising with search & display ads plus email marketing. Precise targeting of sponsored content on the web gives Visit Sitka the ability to quickly respond to changes in market conditions and other data. This will also give us access to the mobile phone market where a multitude of leisure travelers continue to use their mobile phones to plan their adventures. 96% of leisure travelers own or still regularly use a mobile phone and the use of mobile phones in trip planning before leaving home has nearly tripled in the past 3 years.

## Print

**FY21: \$3,700**

In general print vs. digital is a more expensive buy and we plan to focus on partners who can help reach audiences that are ready to travel and in planning stages. Print presents ROI challenges, as it is often difficult to track the audience. Though print can have a long shelf life depending on the publication. Visit Sitka will continue to search out the best publications for our potential visitors, including Seattle Magazine.

## Social Media

**FY21: \$29,500**

With 95 million photos and videos shared every day on just Instagram we continue to see the tremendous growth in this segment. Social media allows us to reach ever new audiences, improve customer service with real-time feedback, gain market share and increase brand awareness for relatively low cost compared to traditional outlets. It also establishes Visit Sitka as the expert for both visitors and partners. Social media marketing includes video & image creation, paid promotion and ads and platform management. For increased engagement Visit Sitka will create a more programming including producing Instagram stories, short-form video, instructional videos to enhance visitor experience, enhanced Pinterest boards, and “Insta-take overs” with partners to share messages and audiences.

## Branded Content

**FY21: \$6,950**

Branded content is content that does not involve traditional advertising. It can include articles, videos, podcasts and even live elements that bring relevant value to the consumer. It is not advertising in the way most people think of advertising (commercials, banner ads, social media ads, etc...). Branded content can work better than traditional advertising because it feels organic and authentic rather than ads that are in our face. When a consumer watches branded content, their brand recall is up to 59% higher than it is with display ads.

Visit Sitka continues to need development support for branded collateral due to the recent investment in a new website and expansion into social media. Sitka needs the “message” of our community to be consistent. This includes expanding our video library and updating walking and hiking maps.

## **Branded Collateral/Infrastructure**

**FY21: \$9,650**

Infrastructure projects help visitors and locals find the resources they need to fully experience Sitka. To continue to give excellent service Visit Sitka will add much needed resource equipment at visitor information locations, and update signage, and to encourage visitation to local eateries will install menu stands in high traffic areas.

## **Visitors' Guide**

**FY21: \$32,750**

2020-21 Magazine-style Visitors' Guide circulation will be 20,000 printed guides and will feature branded editorial content to ad ratio, featuring full-page visuals and content segmented to reflect the interests of the high potential target audiences. Visit Sitka sends a small percentage of magazines to visitor centers across the state, to increase awareness and interest in Sitka. These magazines will be directly shipped from the printer to save on shipping costs. There will also be an interactive digital on-line version that will include video inserts, scrolling photo galleries and direct to website links.

# **Tourism Business Training & Events**

**FY21: \$2,000**

Visit Sitka is dedicated to not only the visitor experience but enhancing the overall tourism experience in Sitka. To reach this goal Visit Sitka continues to develop training and experiential events for locals and tourism businesses. This includes the Sitka Summer Expo, where locals are encouraged to learn about Sitka's tourism industry; Alaska Host trainings, Convention & Visitor Service meetings and a new monthly Visit Sitka monthly informational newsletter.

# **VisitSitka.org Website**

## **Website Development**

**FY21: \$10,000**

Visit Sitka engages visitors to inspire their travel choices and one of our most important platforms to accomplish this is our website. Destination Marketing Organization websites are trusted and value resources for travel planning. Visitsitka.org had over 100,00 visitors during CY19. In order to keep our website "live" and relevant for visitors, locals and search engines, fresh content and updating is critical. Frequently added content such as a blog, images, updated vendor descriptions or article postings mean more engagement, better rankings, lower bounce rate.

To keep content fresh and relevant examples of projects include to building out a yacht services section, creating a travel trade section with a tool kit to better sell Sitka, providing more content on the destination weddings page, creating digital niche guides for specialty travel groups and expanding the Sitka blog, and updating our tourism business images with professional or targeted photography.

## **Website Maintenance**

**FY21: \$5,900**

In order for the website to maintain functionality it is necessary to invest in maintenance which includes software updates and bug fixes, security scans, minor modifications, and maintaining overall site health.

## **Special Project**

### **Alaska Fellows Program**

**FY21: \$20,000**

The Alaska Fellows Program, a nine-month postgraduate fellowship program, will place a dynamic recent graduate with Visit Sitka, through Sitka Chamber's non-profit status. The Sitka Winter Fellow would join the team and work on projects that encompass Meeting & Conventions planning, workshops and developing this market further. The Fellow would also work within the tourism and meetings community to coordinate development of expanded programming and training based on partner needs.