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DC™

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International Part 1: Impact of International Visitation

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ANDY WHITTAKER

Marketing Research Manager
Destination DC

MATT GAFFNEY

President
Capital Region USA

THERESA BERPULSI

VP, Tourism
Destination DC



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INTERNATIONAL VISITATION TO U.S.

★ 2007 set all-time high international tourism record for U.S.

- Increasing since low of 2003
- Up 9% from 2000
- More than 56.7 million international visitors (11%↑)
 - 17.7 million – Canada
 - 15.1 million – Mexico
 - 23.9 million – overseas origins
- Largest growth markets: India, China, France
- Spent \$122 billion (14%↑)
- Visitation relatively flat across calendar month

OVERSEAS VISITORS TO U.S.

Leisure ratio	59%
Business ratio	41%
First-time visitors	22%
Number of nights in U.S.	16
Average number of states visited	1.5
Port-of entry	New York (16%) Miami (11%) Los Angeles (9%) DC (3%)

INTERNATIONAL ARRIVALS TO DC

- ★ IAD international arrivals increased 13% to nearly 3 million deplanements in 2007
 - United Airlines from Beijing, Rome, Rio de Janeiro
 - Iberia from Madrid
 - Copa Airlines from Panama City
 - Qatar Airways from Doha
 - Aer Lingus from Dublin
 - Expanded service from Seoul and Addis Ababa
- ★ IAD+BWI+DC = 10% increase to 3.5 million arrivals

OUR GEOGRAPHY



**CRUSA:
1.5 MILLION**

**DC METRO:
1.2 MILLION**

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OVERSEAS VISITATION

Destination (MSA Level)	2005	2006	2007
New York City	1	1	1
Los Angeles	2	2	2
Miami	4	5	3
San Francisco	3	3	4
Orlando	5	3	5
Las Vegas	7	7	6
Honolulu/Oahu	6	6	7
Washington, DC	8	8	8
Chicago	9	8	9
Boston	10	10	10

★ #8 position since overseas tracking began in 1998

★ DC visitation increased 13% to 1,147,000 overseas visitors to in 2007

★ NYC visitation increased 23% in 2007 to 7.7 million visitors

CRUSA ARRIVALS

- ★ 1.5 million overseas arrivals to CRUSA (7%↑)
- ★ Arrivals increasing from low in 2003
- ★ Market share remained around 6%
- ★ Slower growth in CRUSA than in U.S.
- ★ Spending in CRUSA surpassed \$1 billion (first time since 2001)

Origin Market	2007 Arrivals	Percent Change
United Kingdom	243,000	24%
Canada	240,000	20%
Latin America	129,000	48%
Germany	107,000	-17%
Japan	85,000	10%
Australia	78,000	32%
China	77,000	75%
France	74,000	51%
Korea	60,000	-3%
India	58,000	-11%
Nordic	51,000	-16%
Italy	41,000	-23%
Belgium/Netherlands	40,000	-13%

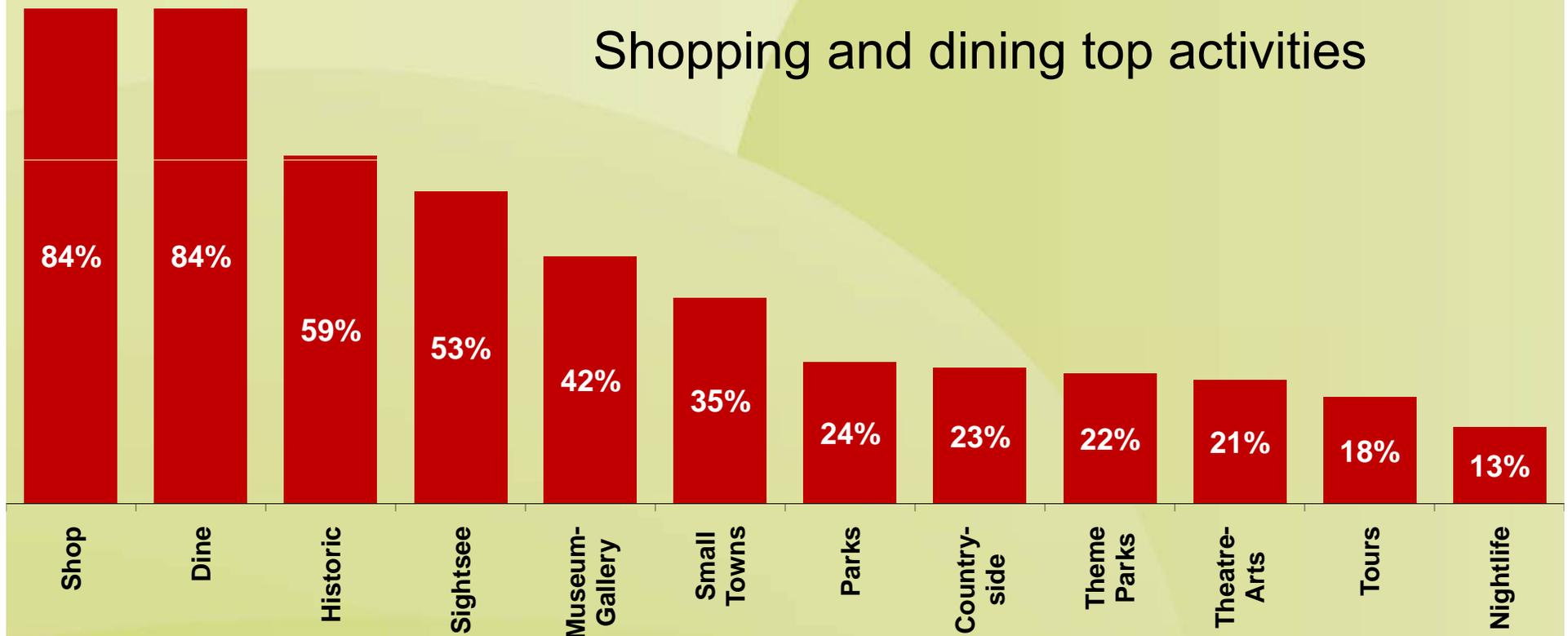
Latin America includes 58,000 from Mexico

OVERSEAS VISITORS

	TO U.S.	TO CRUSA
Leisure ratio	59%	52%
Business ratio	41%	43%
First-time visitors	22%	25%
Number of nights	16 (in U.S.)	8.2 (in CRUSA)
Average number of states visited	1.5	3.0
Port-of entry	New York (16%) Miami (11%) Los Angeles (9%) DC (3%)	DC (27%) New York City (19%) Los Angeles (7%)

LEISURE ACTIVITIES

Shopping and dining top activities



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INTERNATIONAL FORECAST

- ★ Overseas arrivals to U.S. up 14% (YTD May)
- ★ All major CRUSA origin markets are up
- ★ IAD international arrivals up 8% (TYD June)

- ★ Global Insight forecasts total international arrivals to increase 6% in 2008, and to increase a total of 25% through 2011

What is the Capital Region USA?

Regional Tourism Partnership

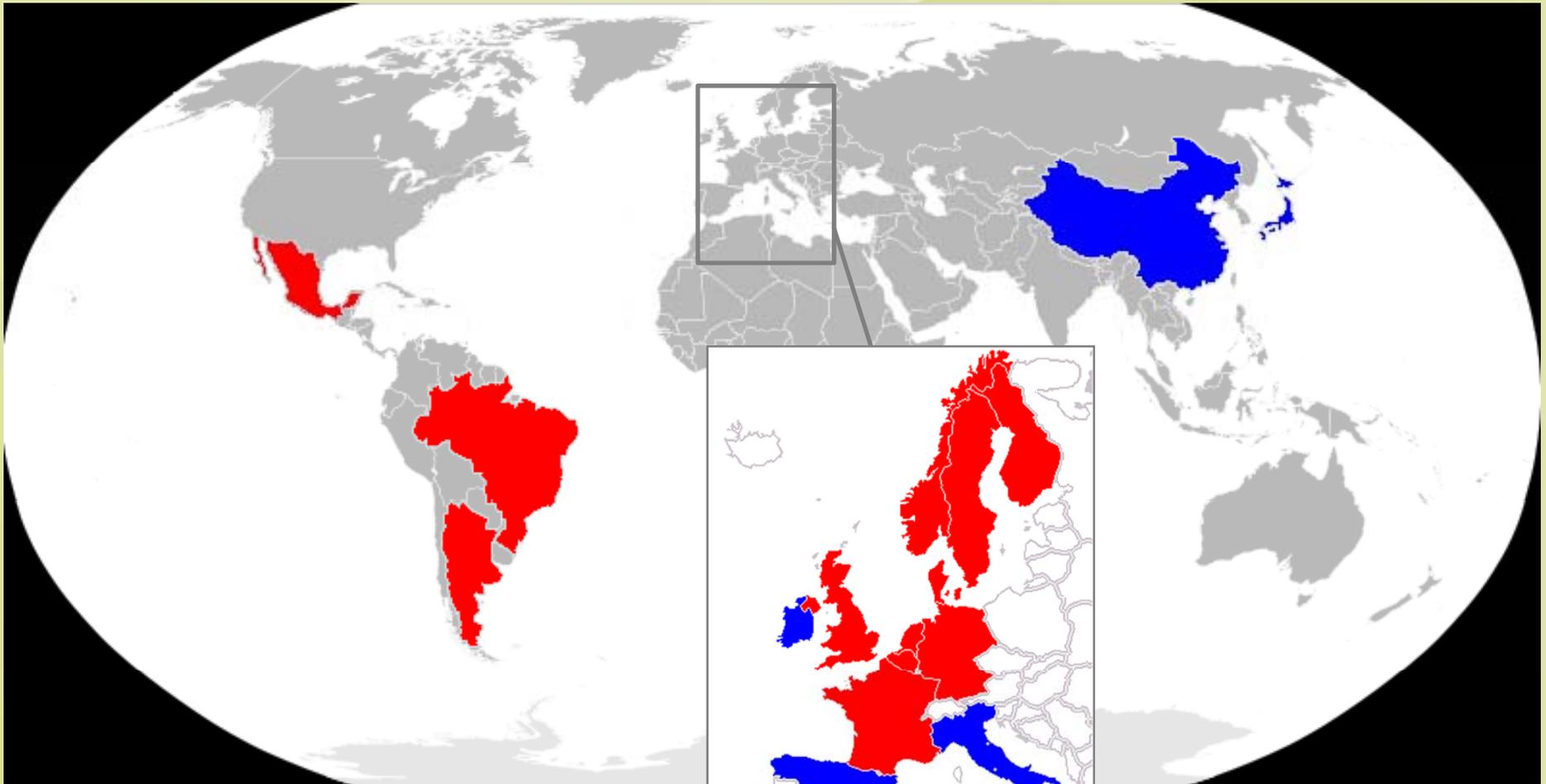
Destination DC
Virginia Tourism Corporation
Maryland Office of Tourism

More overseas visitors spending more and staying longer

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INTERNATIONAL EFFORTS



-  Primary Markets
-  Secondary Markets

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Five-Year Strategic Plan 2009-2013

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Vision

The premiere regional destination marketing organization on the East Coast

★ Innovation, Partnerships, & Results

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We are successful when:

- ★ We attract partners and funding
- ★ Our brand is recognized by stakeholders & consumers
- ★ Our marketing is leading edge
- ★ Our operations are “top of class”

Goal 1

Grow budget from \$1.5 million to \$3.5 million

Goal 2

Create a brand identity that captures the essence of our destination

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Goal 3

Create & implement “leading edge” marketing

Objective 1:

Trade marketing: drive room nights and increase length of stay

- ★ Partner with tour operators to reach the consumer
- ★ Reduce investment in trade shows

Goal 3

Objective 2:

Increase ad value from PR activities from
\$7 million to \$20 million

- ★ Media FAM tour program
- ★ Create consumer promotions
- ★ Blogs, radio, online & niche opportunities

Goal 3

Objective 3:

Create a new website that attracts 2 million unique visitors

- ★ Integrate the Brand
- ★ Market-specific content in 5 languages
- ★ Supported by SEO and paid search
- ★ 300,000 opt-in consumers
- ★ Revenue stream of \$25,000/year

Goal 3

Objective 4:
Research

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INTERNATIONAL REPS

VENESSA ALEXANDER, UNITED KINGDOM

UK Director, Destination DC

ADRIANA CANIZARES, MEXICO

Account Manager, Sales Internacional S.A. de C.V.

WERNER CLAASEN,

GERMANY-SWITZERLAND-FRANCE-BENELUX

President, Claasen Communications

ANA DONATO & ALICE MOR, BRAZIL

Director, Imaginadora

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WASHINGTON, DC

★ City Break Destination

- Tour Operator/Consumer Promotions
- Targeting need periods
- Focus on undiscovered activities
 - Shopping Breaks
 - High end excursions
 - Nightlife
 - Neighborhood exploration

CANADA

★ Key Targets

- Quebec/Ontario
- More consumer direct promotions
- Online Marketing

★ Drive Market

- CAA Cooperative partnership
- Unique Partnerships
 - 3 Cities and a Train
 - Surf and the City
 - Family Vacations

★ Fly Market

- 177 flights a week
 - City Breaks
 - Unique excursions

THANK YOU



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COMING UP NEXT

★ 11:00am Refreshment Break  **bon appétit**
Eat well. Savor life. Passion.

★ 11:15am Breakout Session

- Room 145A - The Year Ahead
- Room 145B - International Part 2
- Room 147A - Membership Matters

★ 2:00pm Tourism/CRUSA Co-ops

- Room 145A
- Major tradeshow
- Signature customer events

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