

CAPITAL REGION USA, Inc

ANNUAL REPORT FY 2011



WASHINGTON, DC
MARYLAND
VIRGINIA

CAPITAL REGION USA

CAPITAL REGION USA

Capital Region USA (CRUSA) is the official regional destination marketing organization promoting Washington, DC, Virginia and Maryland internationally, in partnership with Destination DC, the Virginia Tourism Corporation, the Maryland Office of Tourism Development and the Metropolitan Washington Airports Authority.



TOP MARKETS



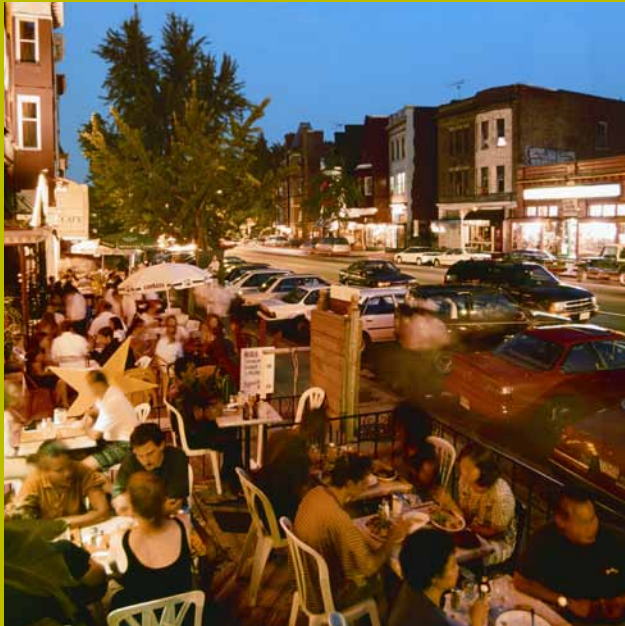
Primary: **The United Kingdom and Germany**

Secondary: **France, The Netherlands, Belgium, Mexico and Brazil**

Emerging: **Korea and China**



FUNDING & FINANCE



CRUSA generated a record \$1,506,641 in cash and in-kind marketing contributions from corporate sponsors, grants, tour operator partners and suppliers across the region, a 16% increase from 2010.

CRUSA leveraged its primary partner's individual annual investments by more than 8:1.



CONSUMER MARKETING



Through competitive bidding, CRUSA selected 24 overseas tour operators for joint consumer marketing initiatives. CRUSA's investment of \$299,150 (including \$99,295 from the U.S. Dept. of Commerce) was matched by \$570,004 from the operators, resulting in campaigns valued at \$869,154. Four supplier partners participated in the UK and German campaigns and contributed an additional \$12,000 in support. A total of 97 promotions were executed, resulting in 29.5 million consumer impressions. The campaigns helped to generate more than 53,000 hotel room night bookings and visitor spending of more than \$4.9 million, a 14% increase from 2010.

CRUSA achieved editorial coverage in print and electronic media outlets that generated more than 640 million impressions with an earned media value of \$11.8 million. This is down from last year's earned media of \$13.7 million, due to the continued shift in coverage from print to online, which is harder to quantify.

This coverage is largely the result of 19 group and individual media fam trips supported by \$138,656 in in-kind support from travel industry partners across the region who provided free or reduced rate accommodations, meals, attraction admissions and transportation for our clients.

In the United Kingdom and Germany, CRUSA launched an innovative campaign to promote the region's Scenic Byways product that resulted in:

- Creation of 6 new scenic byways travel videos
- 459,000 viewings of the new byways videos across a host of UK-based travel related websites generating an earned media value of \$2.9 million – surpassing the \$400,000 goal
- Two bronze Telly Awards for video production
- Byways media coverage in Germany generated a total circulation of 1.9 million and an earned media value of \$797,000
- 2,588 visits to the CRUSA byways section of the ACE Lenkrad website (Auto Club of Europe with 550,000 members)

- CRUSA's scenic byways PPC and digital media efforts in the UK and Germany resulted in 15.4 million impressions and 13,152 clicks to the new Scenic Byways landing page on the CRUSA site
- During the above campaign (Feb-April), the byways landing page ranked #1 or #2 in terms of Entry Page and Most Popular Page on the CRUSA site
- Byways content featured in three e-Brains e-newsletters; nearly 105,000 newsletters were delivered, generating 10,390 opens, 1,269 clicks and 203 clicks to byways specific content

CRUSA added new websites in Korean and Mandarin Chinese to complement existing sites in German, French, Spanish & Portuguese. Key website metrics for FY 11 include:

- Unique visitors increased by 115% to 124,645 unique visitors
- Page views increased by 107% to 406,737
- Length of time on site averaged 6.3 minutes
- Opt-in e-mails increased by 78% to 896 addresses
- 10,669 Travel Guide downloads
- All PPC and digital media marketing efforts generated 43 million impressions and 76,000 clicks to the CRUSA site
- PPC and digital media efforts in the UK and Germany devoted to Civil War resulted in 2.9 million impressions and 2,965 clicks to the new Civil War landing page on the CRUSA site

CRUSA partnered with e-Brains to initiate an e-mail marketing campaign to a database of 34,000 consumers, primarily in the United Kingdom but also including organic opt-in addresses from Germany, France and Spain. Three newsletters were delivered with open rates averaging 10% and click to open rates of 12%.

CRUSA developed four consumer promotions with the internet service provider Skynet in Belgium and with the Daily Mirror, Radio Lynx and Fashion magazine in the UK, which collectively reach 1.8 million consumers. Sweepstakes tied to the promotions generated 17,674 entries and more than 4,387 customers opted in to the CRUSA database. The promotions generated 11,108 clicks to the CRUSA website.

TRADE MARKETING



CRUSA sold the region at 19 workshops and trade shows across all markets, generating 623 sales leads for industry partners. Nearly 44,200 travel trade buyers and media contacts attended these events. CRUSA reps conducted 503 sales calls and trained 754 tour operator and travel agency staff members across all markets.

Twenty seven sponsors contributed \$47,275 to support CRUSA in hosting the “CRUSA goes GAGA” event at Pow Wow, which was attended by approximately 200 tour operator and media clients.



CRUSA hosted eight trade fam tours for 49 tour operator, receptive tour operator and travel agency staff members, including two all-new product fams for 17 New York based receptive tour operators. These tours were supported by \$87,228 in in-kind support from travel industry partners across the region who provided free or reduced rate accommodations, meals, attraction admissions and transportation for our clients.

RESEARCH



CRUSA continued participation in the U.S. Dept. of Commerce's Supplemental Airport Survey Program (SASP). Since 2008, CRUSA has seen its sample size increase by 67%, from 1,920 surveys in 2008 (all of which were collected in-flight) to 3,199 in 2010 (939 were collected in-flight and 2,260 were collected in the boarding area). The program has helped CRUSA achieve a respondent sample size threshold of at least 250 respondents from the following world regions/countries: Overseas, Europe, Western Europe, Far East, Japan, UK and Germany. CRUSA's long-term goal is to obtain a similar sample size for its other target markets. Baltimore/Washington International Airport is being added to the program during FY 12.

CRUSA also surveyed 750 households in the United Kingdom, Germany, France, Mexico and Brazil to learn more about how overseas consumers research their trips and the role played by print travel guides relative to other tools. Key findings:

- Trip planning occurs 3-6 months before travel
- Official destination websites (68%), OTAs (60%) and search engines (59%) are the three most important sources of information; travel guides ranked in 6th place (40%)
- Most use an official destination site after they have chosen their destination or type of destination
- Most that used a printed guide obtained them via: download, travel agent or email request
- Most respondents found the current CRUSA guide appealing, but would prefer it to be in a smaller digest size with an electronic version and containing plenty of maps

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