About CAPITAL REGION USA

CAPITAL REGION USA (CRUSA)

Is the official region 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.

MISSION

More overseas travelers staying longer and spending more money.

Target Markets:

- China
- United Kingdom
- India
- Germany
- France
Ensure long-range funding stability for CRUSA marketing efforts on behalf of its partners. Achieve an annual budget of $4 million, to include cash and in-kind investments from industry partners.

CRUSA achieved a budget of $2,468,227 including $908,260 in cash and in-kind investments from corporate sponsors, tour operator partners and suppliers across the region.

**CRUSA BUDGET SUMMARY FY 2016-2020**

<table>
<thead>
<tr>
<th>Funding</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary Partner Income</strong></td>
<td>$2,000,000</td>
<td>$2,150,000</td>
<td>$1,600,000</td>
<td>$1,600,000</td>
<td>$1,316,000</td>
</tr>
<tr>
<td>Destination DC, Maryland Office</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>of Tourism, Virginia Tourism</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>Corporation, Metropolitan</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Washington Airports Authority</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Membership Income</strong></td>
<td></td>
<td></td>
<td>$116,720</td>
<td>$243,967</td>
<td></td>
</tr>
<tr>
<td><strong>Cash &amp; In-kind Contributions</strong></td>
<td>$2,006,703</td>
<td>$1,732,692</td>
<td>$1,681,810</td>
<td>$1,730,710</td>
<td>$908,260</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$4,006,703</td>
<td>$3,882,692</td>
<td>$3,281,810</td>
<td>$3,447,430</td>
<td>$2,468,227</td>
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</tbody>
</table>

*Primary Partner Income includes an additional $400,000 from VTC for Air China marketing.*
Allied and Affiliate Membership Program

In September 2018, CRUSA announced a new membership program, designed to encourage investment and participation in CRUSA’s programs. Available to regional DMOs, attractions, hotels and other tourism entities, these memberships bundle CRUSA’s most popular programs and opportunities and offer a chance for Allied Members to share input with our board as part of a new advisory committee.

In FY20, 10 DMOs were part of the membership program: Visit Annapolis, StayArlington, Visit Baltimore, Charlottesville Albemarle CVB, Visit Frederick, Visit Williamsburg and Visit Virginia Beach as Allied members and Visit Alexandria, Visit Fairfax and Visit Richmond as Affiliate members.

Full details on the program are available at CRUSA.org.
Goal 2: MARKETING AND PUBLIC RELATIONS

Create and implement integrated marketing strategies that are innovative and “leading edge,” that advance the CRUSA brand and that attract funding.

CONSUMER MARKETING

CRUSA completed year 10 of its integrated marketing partnership with Miles, providing opportunities for industry participation in CRUSA’s print holiday guides, website advertising, email, search engine marketing and Brand USA opportunities. The program generated $262,013 in support from industry partners.

PRINT TRAVEL GUIDES

CRUSA’s overseas representatives in China, the United Kingdom, Germany and France distributed approximately 80,000 print holiday guides to travel trade, media and consumers. In addition, there were 1,605 downloads of the e-Guide across all languages.
Goal 2: MARKETING

Maintain a robust, interactive website that supports the brand and is CRUSA’s primary marketing tool.

WEB MARKETING:
CRUSA’s responsive website in seven languages engages visitors with immersive photography, videos and prominent calls to action.

In FY20, CRUSA continued enhancing a content optimization strategy to boost ongoing digital marketing efforts. CRUSA focused on a customized content marketing approach (a smart balance of paid and organic traffic) to complement the traditional search engine marketing (paid traffic) campaigns. The goal was to incrementally improve organic performance and user engagement on the site — which is demonstrated in many of the following metrics:

- 94% increase in traffic from social
- 189% increase in traffic from paid search
- 7% increase in overall sessions (621,634 sessions total)
Goal 2: MARKETING

E-MAIL MARKETING

CRUSA delivered 147,234 e-newsletters in English, generating 43,503 opens and 8,401 clicks.

SOCIAL MEDIA:

- Grew Facebook fan base by 7% to 67,571 followers.
- In addition to launching a French-language Instagram account in FY20, CRUSA’s English-language account saw a 73% increase in followers and a 39,834% increase in post reach this year.
- Grew Weibo fan base by 21% to 48,439 fans.
- Grew WeChat fan base by 32% to 10,681 followers.
- Grew YouTube views by 11% to 44,900 views.
- Launched a Pinterest account this year, creating nine new boards and saw a 47% increase in engagement and traffic to the account.
Goal 2: MARKETING

Partner with tour operators to develop cooperative marketing campaigns to reach the consumer and generate flights and room night bookings.

TOUR OPERATOR COOPERATIVE MARKETING

CRUSA partnered with 15 overseas tour operators for joint consumer marketing initiatives in the United Kingdom, Germany and France. CRUSA’s investment of $188,810 (including 20% matching Brand USA funds) was also matched by $280,100 from the operators, resulting in campaigns valued at $468,910. Nine regional DMO partners participated in the campaigns and contributed an additional $14,000 in support. (Allied members received co-op participation as part of their benefits.)

The majority of these tour operator campaigns launched in winter 2020. Due to the COVID-19 pandemic, all campaigns were paused and will resume once travel restrictions are lifted. Results will be reported once the campaigns are complete.
Goal 2: MARKETING

Use media relations to generate at least $17.5 million in earned media.

MEDIA RELATIONS

CRUSA achieved editorial coverage in print and electronic media outlets with an earned media value of $12.8 million.

CRUSA and its partners hosted 25 journalists supported by $118,947 in in-kind support from travel industry partners across the region and beyond who provided free or reduced-rate flights, accommodations, meals, attraction admissions and transportation for our clients.
Goal 2: MARKETING

Trade marketing efforts must provide an opportunity to deliver CRUSA brand messages to the consumer to drive room nights and increase length of stay.

TRADE MARKETING

CRUSA reps conducted 347 sales calls and 46 training seminars for 6,355 travel agents and tour operator sales and reservations staff members across all four CRUSA markets.

While CRUSA organized multiple missions this year, only two missions were able to take place: a sales mission to France in December and a media mission to France in February. All other missions were postponed due to the COVID-19 pandemic. The media mission to France generated 37 leads and the sales mission generated 19 leads.

CRUSA participated in four international consumer and trade shows, including Brand USA Travel Week, Unite Visit UK and IMM Travmedia.

CRUSA and its partners hosted 3 trade fam tours for 29 clients. These fam tours were supported by $286,006 in in-kind support from travel industry partners and international airlines who provided free or reduced-rate flights, accommodations, meals, attraction admissions, flights and ground transportation for our clients.
Work with Brand USA to ensure that CRUSA maximizes exposure across all relevant platforms.

**BRAND USA**

Brand USA provided $31,300 in funding to expand CRUSA’s digital marketing campaigns and tour operator co-op campaigns. In addition, CRUSA benefitted from approximately $275,900 in value-added investment by Brand USA in creating the programs in which CRUSA participated.

**MULTI-CHANNEL CAMPAIGNS: United Kingdom and India**

Capital Region USA participated in two Brand USA-led multi-channel campaigns targeting the United Kingdom and India.

**UNITED KINGDOM: JANUARY-APRIL 2020**

- Full-page advertorial in The Time magazine (516,000 circulation; 1.3 million readership)
- Digital versions of the advertorial appeared on bespoke Brand USA hub (9,274 views) and The Telegraph iPad edition (6,864 views)
- Customized CRUSA Expedia landing page generated $515,662 (2,488 room nights) in booked hotel revenue and $271,779 (392 flights) in booked flight revenue
- Total campaign impressions: 4.49 million
Goal 2: MARKETING

IPINYOU CAMPAIGN: CHINA

NOVEMBER 22–DECEMBER 31, 2019

- CRUSA received an added value iPinYou campaign from Brand USA to support our participation in Brand USA’s Summer 2019 Ctrip program. The campaign directed traffic to CRUSA’s Ctrip page.
- The campaign generated more than 33 million impressions and over 127,507 clicks.
- The number of impression reached 113.30% achievement rate and the number of clicks reached 123.91% achievement rate.

INDIA: NOVEMBER 2018–JANUARY 2019

- Full-page advertorial in Times of India
- Dedicated Expedia landing page
- Brand USA paused all campaigns in response to the pandemic. Results will be provided once the campaign is completed.
Goal 3: RESEARCH

Strengthen research tools to (1) better understand our customer, (2) assess economic impact of overseas arrivals to region and (3) measure and evaluate marketing programs.

Overseas visitors stay longer and spend more money in the Capital Region than visitors from the USA. In 2019, 2.4 million overseas travelers visited the Capital Region, stayed an average of 9.4 nights and spent nearly $5.2 billion on hotels, meals, shopping, attractions, and other goods and services across Washington, DC, Maryland and Virginia.

2019 OVERSEAS ARRIVALS & RECEIPTS TO CRUSA

<table>
<thead>
<tr>
<th>Country of Residence</th>
<th>Arrivals</th>
<th>Receipts</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>241,000</td>
<td>$1,337,494,146</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>259,000</td>
<td>$330,229,969</td>
</tr>
<tr>
<td>Germany</td>
<td>176,000</td>
<td>$228,240,926</td>
</tr>
<tr>
<td>France</td>
<td>115,000</td>
<td>$165,382,854</td>
</tr>
<tr>
<td>South Korea</td>
<td>139,000</td>
<td>$433,611,141</td>
</tr>
<tr>
<td>India</td>
<td>176,000</td>
<td>$328,733,452</td>
</tr>
<tr>
<td>Total Overseas</td>
<td>2,403,000 (-1.2%)</td>
<td>5.2 billion (-3%)</td>
</tr>
</tbody>
</table>

Research reports on 2019 Overseas Arrivals to CRUSA may be obtained by contacting Scott Balyo at 540-450-7593 or sbalyo@capitalregionusa.org.
Audited financial statements for Capital Region USA may be obtained by contacting Scott Balyo at 540-450-7593 or sbalyo@capitalregionusa.org.