



Board of Selectmen

Meeting Agenda- Revised

The Provincetown Board of Selectmen will hold a public meeting on Monday, November 14, 2016, at 4:30 p.m. in Judge Welsh Room, Town Hall, 260 Commercial Street, Provincetown, MA 02657.

1. Joint Meeting with Visitor Services Board and Tourism Office – Discuss the development of the Marketing, Advertising and Media Strategy Plan, RFP Communications Agency, Visitor Survey Outline and Tourism and Economic Activity Report in anticipation of the final approval of the Plan in November or December 2016.
2. Others – Other matters that may legally come before the Board not reasonably anticipated by the Chair 48 hours before the meeting. Votes may be taken.

Posted: www.provincetown-ma.gov, 11/9/16 4:05 pm dv
REVISED: 11/10/16 10:50 am dv



Provincetown Board of Selectmen
AGENDA ACTION REQUEST

Monday, November 14, 2016

1

JOINT MEETING – VISITOR SERVICES BOARD

Marketing Plan, RFP, Visitor Survey, and Activity Report

Requested by: Town Manager David B. Panagore

Action Sought: Discussion

Proposed Motion(s)

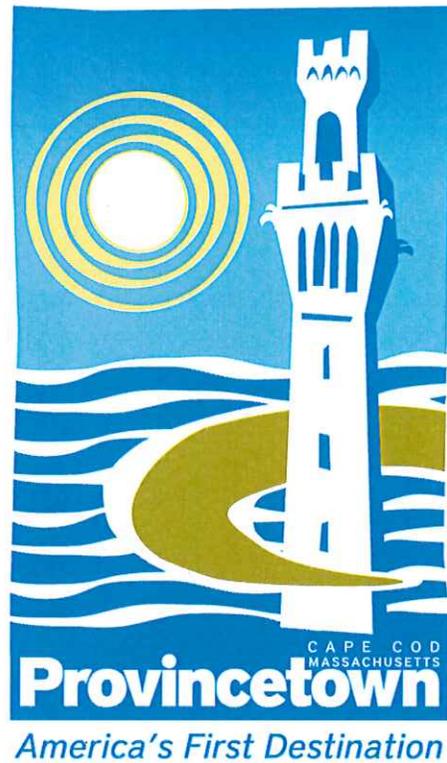
Discussion dependent – votes may be taken.

Additional Information

See attached materials.

Board Action

<i>Motion</i>	<i>Second</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Disposition</i>



Provincetown Marketing, Advertising & Media Strategic Plan

Visitor Services Board and Office of Tourism

Contents

1. Marketing

A. Unique Selling Proposition

B. Target Customer

C. Surveys & Statistics

D. Promotion

2. Joint Ventures & Partnerships

3. Financial Projections

Executive Summary

Marketing Provincetown as the first destination in America to visit is more important now than it has been before. Visitors have many domestic and international destinations choices.

Provincetown business owners charge premium rates for their products to maintain viable business. Over the recent years Provincetown has been rated the most expensive New England seashore destination (Boston Business Journal) to visit.

Provincetown's room rates have increased 25%. The number of rooms has decreased annually, yet the income continues to increase. In 2015 the average licensed accommodation room brought in \$21,390 in revenue. Innkeepers are increasing rates each year. Provincetown is in danger of being priced out of the market. Targeting the right audience to visit Provincetown is critical to sustaining the tourism economy.

1. Marketing

A. Unique Selling Proposition (USP)

- LGBTQ Diversity Haven
- America's Oldest Continuous Art Colony
- Diverse Food Scene
- Boutique Shopping
- First Landing Place of the Mayflower Pilgrims
- Marine Economy
- Entertainment Variety
- Cape Cod National Seashore & Province Lands
- Dune Tours

B. Target Customer

- LGBTQ men and women
- Food Travelers
- Destination Weddings
- Art Collectors
- Nightlife & Entertainment Traveler
- Cultural Travelers
- Eco-Tourism Travelers
- Meeting Planners
- Families

C. Surveys & Statistics

Periodically schedule and enlist a service to complete a Visitor Survey. The results of the survey will be used to develop business development and marketing strategies, which focus on the links between the Town's cultural assets, leisure activities, and lifestyle, and allow us to be more responsive. The survey will provide information on visitor experience, activities, spending, length of stay, demographic background and satisfaction levels. This information will help hone marketing, advertising and media efforts to reach the target customer.

Tourism being the largest economic engine of the Town, compiling a quarterly economic indicators report will allow us to understand the State of the tourism economy.

Considering this information we will update:

- Graphics
- Scripts
- Target Customer Focus
- Advertising Avenues & Vehicles
- Reevaluate allocation of funds

D. Promotion

Branding

- The Provincetown Brand
- Logo & Tag Line

Materials

- Branded Ads
- Business Cards
- Graphics
- Trade Show Materials
- Brochures & Guides
- Website
- App
- Promotional Consumer Gifts
- Videos

All materials, website and app, needs to be redesigned to stay up-to-date with technology and the marketplace. Creation of graphics needs to be updated seasonally and annually to be relevant and appeal to the target market. Brochures and guides with events calendar need to be updated annually.

Media

As a municipality we focus on generating referrals through dedicated readership of travel journalism, blogs and Social Media followers.

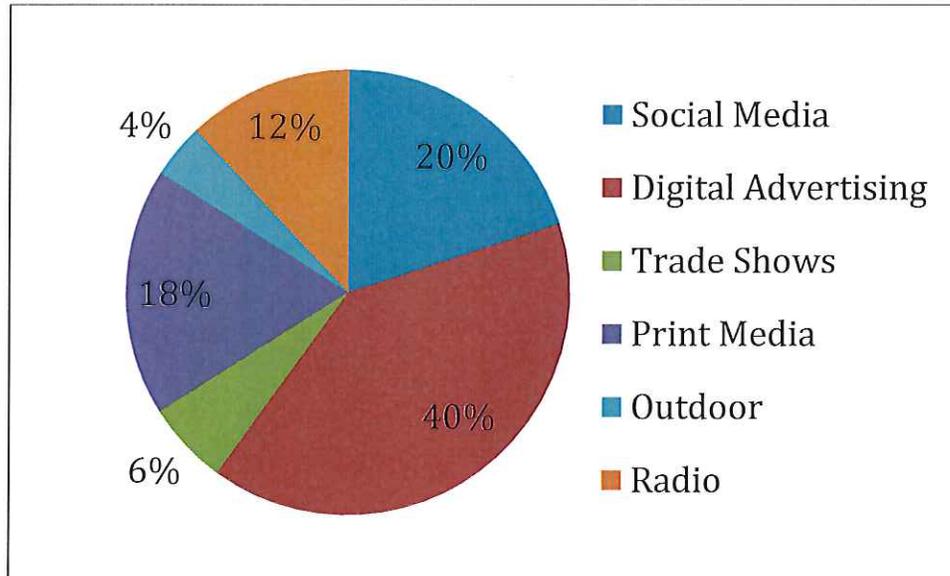
Working with Tourism Partners and our Communications Agency bring key travel writers to Provincetown for Familiarization Tours.

Advertising

Identify the best ways to reach each Target Customer and utilize the following media:

- Air Time
- Digital Advertising
- Geo-targeting
- Marketing Grants
- News Media
- News Releases
- Outdoor Advertising
- Print Media
- Social Media
- Trade & Consumer Shows

Graph 1. Spending Strategy



Online Marketing

The four key components to the online marketing strategy are as follows:

- 1. Search Engine Optimization Strategy:** Regular maintenance and website updates as well as new content upload. For example: Text postings are key in SEO practices. Regular posting of news releases and general updates to the website accomplish this.
- 2. Paid Online Advertising Strategy:** Identify best online avenues to reach key demographics through ROS advertising, Newsletters and Retargeting, Geo-Targeting, Geo-Farming and Geo-Fencing campaigns.

3. Social Media Strategy: Utilize major social media platforms to communicate and interact with our audiences and, ultimately, our visitors: develop paid social media advertising campaigns to reach our targeted customers.

4. Hashtag Strategy: #MyPtown is a component of the online strategy to entice social media users to include in their postings, which will automatically populate the PtownTourism.com website photo gallery and generate social media interaction and virality.

2. Joint Ventures & Partnerships

Forge relationships with other organizations to help reach new customers or better monetize existing customers.

Local Partners:

- Provincetown Chamber of Commerce
- Provincetown Business Guild
- Provincetown 400

Regional Partners:

- Cape Cod Chamber of Commerce
- Greater Boston Conventions and Visitors Bureau
- Plymouth 400, Inc.
- Mashpee Wampanoag Tribe

State Partners:

- Massachusetts Office of Travel and Tourism
- Plymouth 400 Commission
- Massachusetts Society of Mayflower Descendants

National and International:

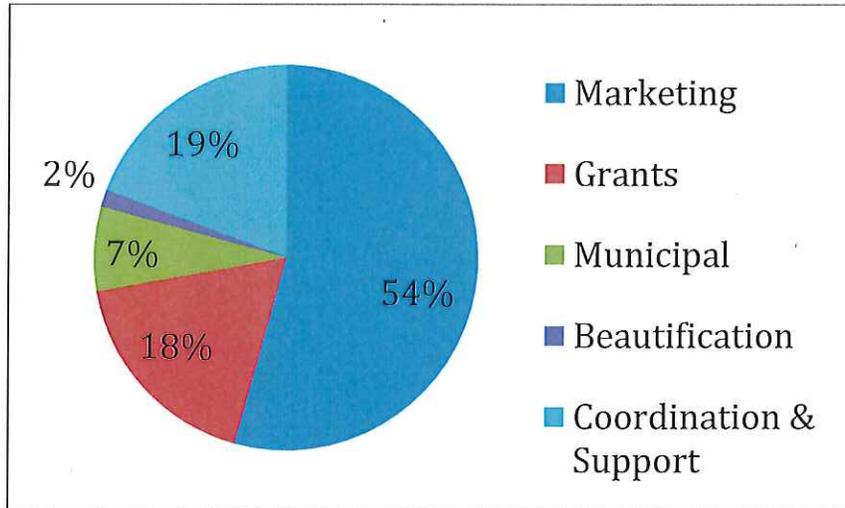
- Community Marketing Insights
- International Gay & Lesbian Travel Association
- U.S. Route 6 Tourist Association
- General Society of Mayflower Descendants

3. Financial Projections

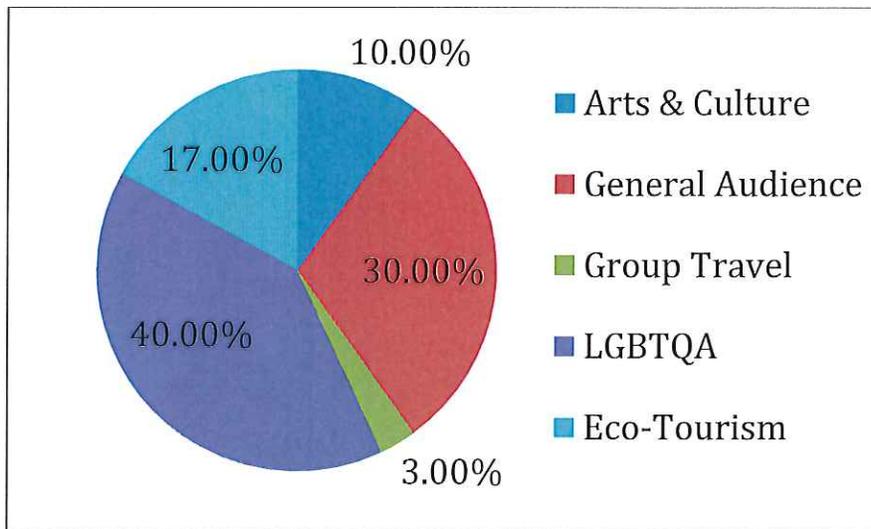
The Five Year Plan will be drafted to execute the Marketing, Advertising and Media Strategic Plan.

Article 5 of the April 7, 1997 Special Town Meeting established a Visitor Services Board, to be appointed by the Board of Selectmen, to develop, coordinate and implement a long-term comprehensive plan to enhance tourism year-round and for the purpose of overseeing expenditures from the Tourism Fund, under the direction of the Town Manager, as appropriated by Town Meeting.

Graph 2. Five-Year Plan Allocation of Funds



Graph 3. Five-Year Plan Market Segments Allocation of Funds





Request for Proposals

Communications Services for Office of Tourism

The Town of Provincetown, an Equal Opportunity Employer, is hereby requesting proposals from qualified consulting firms for comprehensive public relations services for the Provincetown, Massachusetts Tourism Office through June 30, 2017, and may be additionally considered for renewal in subsequent fiscal years, beginning July 1, 2017 and beyond based upon satisfactory performance, as determined by the Director of Tourism, subject to recommendation by the Visitor Services Board, [VSB] approval by the Board of Selectmen and funding approval at Annual Town Meeting.

Funding for this project is through the Provincetown Tourism Fund and is subject to all municipal regulations. The consultant must provide a comprehensive public relations plan to promote Provincetown as a year-round travel destination to domestic and international markets in support of the comprehensive marketing plan developed by the Office of Tourism and VSB. The Consultant will work under the direction of the Office of Tourism with an overall annual marketing budget of approximately \$350,000 including consultants' fees. The proposal should include rates for different types of work.

Sealed and labeled proposals are due NO LATER THAN 4:00 PM on Monday 16 January 2017 at the Town Manager's Office, 260 Commercial Street, Provincetown, MA 02657, (508) 487-7000. Ten (10) copies of the proposal should be submitted and should include any additional information that will support the proposal. For more information, please contact Director of Tourism Anthony Fuccillo at (508) 487-3298.

- I. The Town of Provincetown reserves the right to reject any or all proposals that are not in the best interest of the Town.
- II. The Town of Provincetown reserves the right to use to use anyone else if the Town so desires.

BACKGROUND:

Article 5 of the April 7, 1997 Special Town Meeting established a Visitor Services Board, to be appointed by the Board of Selectmen, to develop, coordinate and implement a long-term comprehensive plan to enhance tourism year-round and for the purpose of overseeing expenditures of the Tourism Fund, under the direction of the Board of Selectman.

Mission Statement:

The mission of the Visitor Services Board and the Provincetown Tourism Office is to market, beautify and enhance tourism in Provincetown. The goals we set to achieve this mission are:

- ❖ Develop a marketing and media plan and update a Five Year Plan to promote, market and beautify Provincetown.
- ❖ Continue to prioritize marketing Provincetown to international and key domestic markets. Also, prioritize marketing the town as a wedding and honeymoon destination, an LGBTQ destination, and an arts and pet-friendly destination, and expand upon eco-tourism marketing efforts. We also have recently begun to promote Provincetown as a bike-friendly destination.
- ❖ Continue to publicize and promote Provincetown via the internet by maximizing the Tourism Office's new website and expanding social networking efforts, and also by leveraging efforts of the Public Relations Firm and travel writers.
- ❖ Continue efforts to market and promote Provincetown by approving Tourism Grants, with primary focus on events outside of the peak season of July and August. Also, help to ensure the success of established events with continued grant funding.

I. SERVICE SCOPE

Objective:

The general scope of services to be obtained includes professional promotional services with the primary purpose of promoting Provincetown, Massachusetts as a visitor destination.

The agency must understand the role tourism plays in a destination's economy, and employ analysts, economists, business development and tourism marketing specialists, who provide unparalleled customer service and benchmarks to gauge and report high performance for a destination.

The agency must be community marketing professionals who create branded destination marketing and advertising campaigns which provide measurable results through a driven, stronger, accountable, and comprehensive approach to tourism marketing, while empowering and positioning the community for greatness.

The agency must have fifteen years history perfecting state-of-the-art marketing platforms, campaigns, and strategies tailored to DMOs and CVBs designed to help diverse communities tell better stories while increasing year round visitation to the destination.

The agency should have previous experience working with a municipality or non-profit organization, and have a portfolio to support this work.

Agencies are requested to submit proposals to perform the following services:

- Be familiar with the Provincetown tourism industry, including advertising, research, and resources
- Attend scheduled meetings with the Provincetown Office of Tourism and Visitor Services Board to discuss advertising and marketing campaign, budget, strategies, media and other opportunities
- Provide an advertising and media placement plan to introduce Provincetown's diverse business segments
 - LGBTQ
 - Nightlife and Entertainment
 - Culinary
 - Arts, Culture and History
 - Ecotourism and Blue Economy
 - General Audience
- Creation of the Provincetown Brand Media Kit
- Identify and attract qualified media, travel writers and bloggers to Provincetown
- Organize travel writer familiarization trips to promote Provincetown which will result in published articles
- Provide at least two separate news pitches monthly to targeted media working closely with the Office of Tourism. Media lists will be honed to reach the appropriate media based on subject matter
- Proactively solicit coverage with media to ensure maximum exposure in bona fide vehicles
- Coordinate media inquiries and press events
- Demonstrate the ability to generate comprehensive annual advertising and media plans

- Creativity: The fit and the unique creative expression must be held together by compatible business and marketing philosophies from both the agency and the Town in order for excellence in marketing programs to be developed to the fullest:
 - Produce target audience appropriate graphic artwork to reach all business segments
 - Produce photo shoots to provide unique destination specific imagery for use in print, digital, outdoor and new mediums
 - Produce video shorts for use on social media and other vehicles
 - Provide finished creative and copy elements based upon on agreed concepts and subject to the Office of Tourism for approval
 - Provide approved finished artwork to publications as directed by the Office of Tourism Office, meeting all production material deadlines
 - Confirm receipt of all production submission with various publications.
 - Create printed material for use at consumer trade shows, media distribution and visitor information centers
 - All marketing and advertising materials and elements created for the Office of Tourism are, and will remain, the property of the Town of Provincetown
- Facilitate visitor and business owner surveys to provide insight on future marketing strategies.

II. EVALUATION CRITERIA

Communication Agencies will be evaluated on the ability to meet or exceed the requirements set forth in the specifications. Proposals will be evaluated on various criteria, including but not limited to:

- A. **EXPERIENCE AND QUALITY OF LIKE WORK:** Proposals should demonstrate related experience in providing public relations, marketing and advertising services for municipal DMOs or CVBs or non-profit entities. Proposals should demonstrate an understanding of Provincetown's primary mission, targeted markets, and available budget.
- B. **STAFF:** Consultant's proposed project organization and staffing shall exhibit experience and qualifications in providing desired services. Proposal should describe agency, when established, number of staff, and in-house capabilities. Representatives in other key cities a plus.
- C. **PUBLIC SECTOR KNOWLEDGE:** Proposals shall indicate the agency's and staff's knowledge and experience with Massachusetts public laws and procedures.

- D. **SCHEDULE:** The consultant's proposed time-line should conform with need for services through June 2017. Past experience with adhering to proposed schedules shall be demonstrated.
- E. **APPROACH:** Proposals shall include a description of the agency's proposed approach for this project.
- F. **CAPACITY:** The proposal shall demonstrate the agency's ability to undertake this project in a timely manner with respect to other on-going projects.

The geographic headquarters of the firm, qualified references from the industry and pricing may be considered during the selection process. Firms submitting proposals are reminded that the VSB is funded with public funds and is a municipal entity and must meet the expectations of both the Town's leaders and its citizen taxpayers. As such the VSB must consider any and all expenses associated with the conduct of business.

III. CONTEXT OF PROPOSAL

Ten copies of a proposal should be submitted and should include the following elements along with any additional relevant information:

- Firm's philosophy of doing business with the Town of Provincetown's Tourism Office and VSB
- Specific examples of story pitches and results that demonstrate experience in the industry, and examples of handling media inquiries
- Knowledge and expertise in these following elements:
 - LGBTQ culture
 - Arts and Cultural tourism
 - Ecotourism
 - Wellness
 - Culinary
 - General tourism
- List of clients the agency has served in any of the following industries: travel, municipal, entertainment, and hospitality sectors including list of current projects which may be perceived as a conflict of interest to the Provincetown Visitor Services Board
- Outlined Financial Proposal to meet Provincetown's Marketing, Advertising, Public Relations and Creative needs within budget, including estimated ad placement costs and agency and consultant fees. Please include hourly pricing for services

- List of references including name, addresses, telephone numbers and contact person of at least five (5) clients for whom similar services have been performed.

Proposals will be reviewed by members of the Town of Provincetown VSB and Town staff. Proponents will be required to make a presentation to the VSB at their own expense. The Town will attempt to negotiate a contract with the most highly qualified responder. If not successful, they will proceed to the second most desirable vendor.

DRAFT

PROVINCETOWN VISITOR SURVEY 2016/2017

A service will be retained to conduct a survey of visitors to Provincetown. The results of the survey will be used to develop business development strategies which focus on the links between the Town's cultural assets, leisure activities, and lifestyle, and allow us to be more responsive. The survey will provide information on visitor experience, activities, spending, length of stay, demographic background and satisfaction levels. It is anticipated that the survey will be conducted electronically.

A Visitor Survey was completed in 2006. To provide comparison information, a series of questions matching the 2006 Visitor Survey will be included. Additional questions will be added to provide necessary data for use in strategic planning.

1. How did you find out about Provincetown?
2. When did you visit Provincetown?
3. Did you consider alternative destinations for your leisure time?
4. What sources did you consult to find out more information about Provincetown?
5. What is your State, Province or country of origin?
6. Purpose of your trip?
7. Length of your stay?
8. Were you aware of specific cultural offerings and did you visit any of them?
9. How easy is it to get to the places that most interest you in Provincetown?
10. What type of transportation would be helpful to get to the cultural attractions?
11. Does the signage in Provincetown help visitors to find cultural attractions?
12. Personal and spending data:
 - a. How did you get to Provincetown?
 - i. What is the cost of your round trip transportation?
 - b. What is your age?
 - c. What is your approximate household income?
 - d. How many people traveling in your party?

- e. How many people in your party are under the age of 18?
- f. How do you identify?
 - i. Straight
 - 1. Male
 - 2. Female
 - ii. LGBTQ
 - 1. Lesbian
 - 2. Gay Male
 - 3. Bisexual
 - 4. Transgender, transsexual, or gender non-conforming
 - a. Transgender or transsexual, male to female
 - b. Transgender or transsexual, female to male
 - c. Gender non-conforming
- g. How much did you spend on your round trip transportation to and from Provincetown?
- h. Lodging & Accommodations:
 - i. Did you stay in an Inn, Hotel or Guesthouse?
 - ii. Did you rent a private house or condominium?
- i. How much did you spend on lodging & accommodations?
- j. How much did you spend on food and beverages in restaurants and bars?
- k. How much did you spend on admission or tickets to museums and attractions?
- l. How much did you spend on outdoor activities?
- m. How much did you spend on admission or tickets to nightlife and entertainment?
- n. How much did you spend in a spa, fitness center or salon?
- o. How much did you spend in retail stores?
- p. How much did you spend in art galleries?

13. Open ended comments:

- a. What did you enjoy most about Provincetown?
- b. What did you enjoy least about Provincetown?
- c. What would you like to have in Provincetown that you did not find?

TOURISM & ECONOMIC ACTIVITY REPORT

SUMMER 2016



Provincetown Office of Tourism • PtownTourism.com • 508-487-3298

CONTENTS:

1. 2016 Overview
2. Economic indicators:
 - A. Airport
 - B. Cape Cod National Seashore Park
 - C. Embarkation Fees
 - D. MA Sales Tax Collected
 - E. Meals Tax Revenue & Spent on Meals
 - F. Parking Revenue
 - G. Pilgrim Monument and Provincetown Museum
 - H. Ridership CCRTA
 - I. Room Tax Revenue & Spent on Rooms
 - J. Water & Sewer
3. \$ Spent in Provincetown (Meals, Rooms & Other)
4. Summary

1. 2016 OVERVIEW:

2016 Season Trends

- ❖ The first half of calendar year 2016 is up 14% in meals tax and up 5% in rooms tax collected
- ❖ While the number of rooms has decreased by 4% over the past 5 years, the average room income has increased by 20%
- ❖ Ferry use increased substantially (+20%), while judging by parking lot use, automobile travel appears flat
- ❖ Overall, the indicators show that the season was good for restaurants, attractions and the majority of accommodations, art galleries and higher end retail shops

2. ECONOMIC INDICATORS:

A. Airport

BOS – PVC 2015 Jan - Aug:
7,183 passengers

BOS – PVC 2016 Jan - Aug:
6,960 passengers

For the last 4 months of the CY we need **3,512** passengers, or roughly 30 passengers / a day, to meet last year's figure

PVC Passenger Enplanements

2015	PVC-BOS	PVC-HPN	TOTAL
JAN =	290	0	290
FEB =	162	0	162
MAR =	253	0	253
APR =	374	0	374
MAY =	647	0	647
JUN =	923	15	938
JUL =	2173	86	2259
AUG =	2361	164	2525
SEP =	1519	41	1560
OCT =	859	0	859
NOV =	541	0	541
DEC =	370	0	370
TOTAL =	10,472	306	10,778

PVC = Provincetown
BOS = Boston
HPN = White Plains, NY.

PVC Passenger Enplanements

2016	PVC-BOS	PVC-HPN	TOTAL
JAN =	368	0	368
FEB =	204	0	204
MAR =	312	0	312
APR =	375	0	375
MAY =	534	0	534
JUN =	866	5	871
JUL =	1991	80	2071
AUG =	2310	87	2397
SEP =			
OCT =			
NOV =			
DEC =			
TOTAL =	6960	172	7132

PVC = Provincetown
BOS = Boston
HPN = White Plains, NY.

2. ECONOMIC INDICATORS:

B. Cape Cod National Seashore Park – Traffic Count

Herring Cove	YTD	Growth Yr/Yr
2016	263,878	6.41%
2015	247,971	3.05%
2014	255,773	

Race Point	YTD	Growth Yr/Yr
2016	119,554	0.10%
2015	117,550	3.09%
2014	121,304	

Visitor Center	YTD	Growth Yr/Yr
2016	72,202	9.60%
2015	65,850	6.00%
2014	62,124	

National Park Service – Cape Cod
irma.nps.gov/Stats/Reports/Park/CACO

2. ECONOMIC INDICATORS:

B. Cape Cod National Seashore Park – Traffic Count

1. Herring Cove Beach

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	%
2016	6,940	10,715	18,180	16,766	21,130	43,821	76,276	70,050	36,128					
2015	6,902	2,200	0	16,500	18,900	41,161	88,963	73,345	36,100	18,378	9,884	9,657	321,990	.67%
2014	8,995	5,535	12,408	16,630	22,060	47,499	71,323	71,323	35,899	11,114	9,544	7,509	319,839	

2. Race Point Beach

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	%
2016	2,495	2,653	5,430	10,492	14,108	17,036	30,283	37,057	10,654					
2015	2,220	920	2,500	10,500	14,720	16,990	29,700	40,000	10,700	12,829	4,218	3,047	148,344	-4.61%
2014	2,741	923	5,970	10,777	14,720	16,760	30,620	38,793	10,657	15,970	3,786	3,800	155,517	

3. Provincetown Visitor Center

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	%
2016	522	659	1,850	6,113	8,651	11,642	21,055	21,710	11,480					
2015	509	60	600	5,000	7,027	9,154	21,600	21,900	16,842	7,595	2,866	2,373	95,526	10.7%
2014	628	62	1,940	4,162	7,040	11,628	20,309	16,355	14,836	4,538	2,641	2,158	86,296	

2. ECONOMIC INDICATORS:

C. 1. Embarkation Tax Revenue (Ferries)

- ◆ Number of visitors arriving by ferry was up **20%** in FY16 / FY15
- ◆ **20,000** passengers more in 2016

Embarkation	Q1	Q2	Q3	Total	Passengers	% Growth
Receipts for	Jul – Sep	Oct – Dec	Feb - Apr			
FY 2016	\$15,546	\$19,441.5	\$1,567	\$36,555	73,110	20.15%
FY 2015	\$18,795.5	\$11,025.72	\$602.90	\$30,424	60,848	5.10%

\$.50 / passenger

2. ECONOMIC INDICATORS:

C. 2. Embarkation Tax Revenue (Whale Watch)

◆ FY2016 is the first year data was collected

Embarkation	Q1 Jul – Sep '15	Q2 Oct – Dec '15	Q3 Jan – Mar '16	Q4 Apr – Jun '16	Total	People	
	Jul-Sep 15	Oct-Dec 15	Jan-Mar 16	Apr-June	Total	Total	% Growth
FY 2016	\$31,281	\$8,497	\$0	\$3,875	\$43,653	87,306	N/A

2. ECONOMIC INDICATORS:

D. Massachusetts State Tax Collected*

\$ Spent on Retail in fiscal years 2010 - 2014: +10%

	Total	Count	%Δ
FY 2014	\$2,562,868	304	2.5%
Spending:	\$41,005,888		
FY 2013	\$2,499,884	299	14.6%
Spending:	\$39,998,144		
FY 2012	\$2,181,561	300	0.2%
Spending:	\$34,904,976		
FY 2011	\$2,175,344	303	-6.1%
Spending:	\$34,805,504		
FY 2010	\$2,316,835	296	
Spending:	\$37,069,360		

*excluding national chains

2. ECONOMIC INDICATORS:

E. Meals Tax Revenue & Spent on Meals in CY 2016, January thru July

1. Receipts in the first half of 2016 were up **14%**
2. First Light Event caused exponential increase in receipts in Q3 of FY16

MEALS TAX	Collected	Spent	% Growth Yr/Yr
Feb – July 2016	\$309,048	\$41,2016,400	13.88%
Feb – July 2015	\$271,357	\$36,180,933	7.56%
Feb – July 2014	\$252,276	\$33,636,800	

2. ECONOMIC INDICATORS:

E. Meals Tax Revenue & Spent on Meals

1. Receipts in FY2016 were up **5.3%** over FY2015
2. Receipts in Q1 FY17 (May-Jul) were up **9.7%** over Q1 in FY15

MEALS TAX	Q1 May - July	Q2 Aug - Oct	Q3 Nov - Jan	Q4 Feb - Apr	Total	Spent on Meals	Spent on Meals In Q1	% Growth
FY 2017	\$274,806						\$36,640,000	9.7%*
FY 2016	\$250,428	\$260,733	\$37,410	\$34,242	\$582,812	\$77,708,400	\$33,390,400	5.33%
FY 2015	\$234,552	\$252,871	\$30,095	\$35,808	\$553,326	\$73,138,227	\$31,273,564	5.2%
FY 2014	\$224,910	\$232,972	\$31,350	\$36,805	\$526,037	\$70,138,227	\$29,987,981	

Meals Tax = .75%

*to-date, Q1 2016 over Q1 2015

2. ECONOMIC INDICATORS:

F. Parking Revenue and Count

- ◆ Parking revenue appears to be flat over 2015
- ◆ 2015 saw a **12%** increase over 2014

METRIC NAME	MPL	Grace Hall	Kiosks	Meters	Total	% Growth Yr / Yr
2016**	\$1,082,135	\$428,802	\$275,714	\$21,906	\$1,808,557	0.38%
2015**	\$1,101,354	\$407,499	\$272,244	\$20,448*	\$1,801,545	12.36%
2014	\$1,097,102.25	\$365,250.75	\$235,800	\$44,855	\$1,743,008	-9.86%
2013	\$956,153	\$355,120	\$217,950.80	\$49,339.22	\$1,933,753	

** Free month of April; rates increased May 2015	* Shift to automated kiosks
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2. ECONOMIC INDICATORS:

G. Pilgrim Monument and Provincetown Museum

PMPM visitors	Q1 Jan - Mar	Q2 Apr - Jun	Q3 Jul - Sep	Q4 Oct - Dec	Total	% Growth
2016	8	33,272	57,907	11,700*	102,887*	0.5%
2015	8	30,814	60,608	10,963	102,393	8.48%
2014	5	28,489	56,261	9,631	94,386	3.64%
2013		27,188	54,542	9,337	91,067	

*Projected

2. ECONOMIC INDICATORS:

H. Ridership Data for the Provincetown Shuttle and the Flex Route

1. Flex numbers are up possibly due to longer commutes
2. Shuttle numbers are down; beach access fares may explain the trend; this requires further research for its impact on seasonal workforce

Year	Flex Jun - Aug	Growth	Provincetown / Truro Shuttle	Growth
2016	47,799	9.00%	91,766	12%
2015	43,856		80,883	

2. ECONOMIC INDICATORS:

I. Room Tax Revenue & Spent on Rooms in CY 2016

1. Receipts for the first half of 2016 are up 5% over 2015
2. First Light Provincetown caused an exponential increase in receipts in Q3 of FY16

ROOMS TAX	Collected	Spent	% Growth Yr/Yr
Feb – July 2016	\$1,015,980	\$16,933,000	4.65%
Feb – July 2015	\$970,821	\$16,180,349	3.76%
Feb – July 2014	\$935,625	\$15,593,750	

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2. ECONOMIC INDICATORS:

I. Room Tax Revenue & Spent on Rooms

◆ Our rate of growth is slowing down

State Room Tax = 5.7%
 Local Option Tax = 6%
 Total Room Tax = 11.7%

ROOM TAX	Q1 May - July	Q2 Aug - Oct	Q3 Nov - Jan	Q4 Feb - Apr	Agg	Spent on Rooms	Spent on Rooms in Q1	% Growth
FY 2017	\$904,588						\$15,076,467	4.7%*
FY 2016	\$863,927	\$1,014,238	\$92,980	\$111,392	\$2,082,537	\$33,708,950	\$14,398,783	5.16%
FY 2015	\$849,508	\$942,922	\$80,944	\$106,894	\$1,980,268	\$33,004,459	\$14,158,466	6.9%
FY 2014	\$803,236	\$870,207	\$82,101	\$96,341	\$1,851,886	\$30,864,759	\$13,387,263	6.20%

*to-date, Q1 2016 over Q1 2015

2. ECONOMIC INDICATORS:

Room trends in Provincetown

- ◆ The number of rooms has decreased by **4%** over the past 5 years
- ◆ The average room income has increased by **20%** over the past 5 years

FY	SPENT ON ROOMS	%	# OF ROOMS	AVERAGE ROOM INCOME	% Growth Room Income
2017	\$15,076,467*		1,519	\$21,783*	1.83%*
2016	\$33,502,200	1.51%	1,538	\$21,783	1.83%
2015	\$33,004,459	7.00%	1,543	\$21,390	7%
2014	\$30,864,759	10.00%	1,545	\$19,977	10.2%
2013	\$28,949,593	6.00%	1,597	\$18,127	

* Collected in May, June, July 2016 only

* Projected

2. ECONOMIC INDICATORS:

◆ Room trends in Provincetown

FY	SPENT ON ROOMS IN Q1	%	# OF ROOMS	% Growth
2017	\$15,076,467	4.7%	1,509	-1.9%
2016	\$14,398,783		1,538	

* Collected in May, June, July 2016 only

2. ECONOMIC INDICATORS:

J. 1. Water billed

	2013	2014	2015	2016
	Billable	Billable	Billable	Billable
JAN	6,969,000	7,328,000	7,855,000	7,632,000
FEB	7,114,000	6,634,000	8,264,000	6,958,000
MAR	7,745,000	7,876,000	7,236,000	7,225,000
APR	9,663,000	9,108,000	9,121,000	9,967,000
MAY	16,800,000	16,058,000	16,330,000	15,058,000
JUN	18,404,000	20,656,000	20,209,000	21,544,000
JUL	31,629,000	31,337,000	30,660,000	32,484,000
AUG	28,737,000	33,003,000	33,991,000	32,978,000
SEP	21,696,000	19,147,000	21,495,000	20,067,000
OCT	13,559,000	13,594,000	14,176,000	
NOV	9,401,000	9,253,000	7,993,000	
DEC	6,900,000	8,108,000	6,718,000	
TOTAL	178,617,000	182,102,000	184,048,000	153,913,000 *

Year over year increase

Water	Total Billable	Growth	YTD	YTD Growth %
2016	153,913,000*	1.2%*	153,913,000	4.2%
2015	184,048,000	1.06%	147,723,400	2.2%
2014	182,102,000	1.95%	151,147,000	1.6%
2013	178,617,000	*to-date	148,757,000	

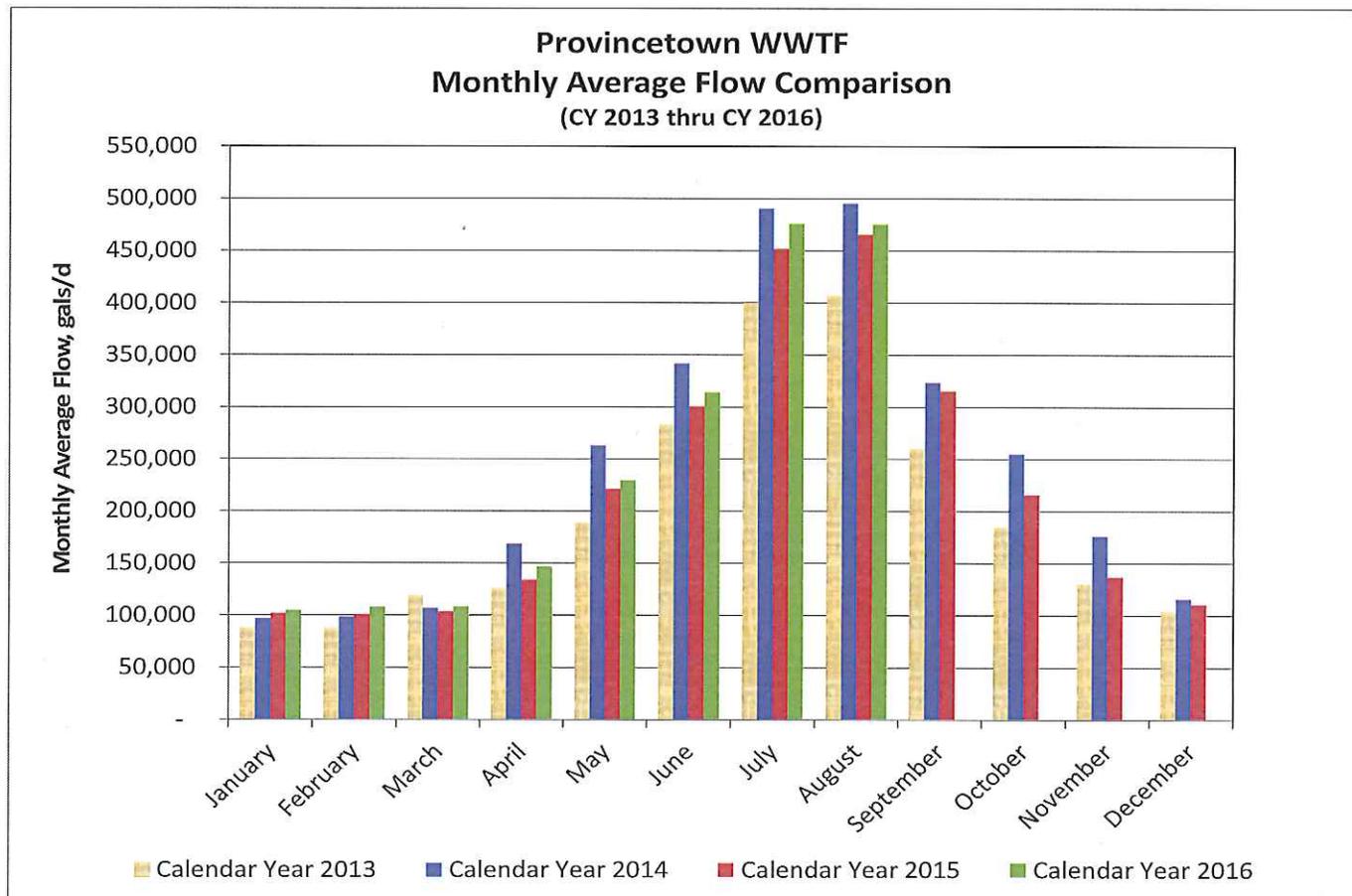
2. ECONOMIC INDICATORS:

J. 2. 2013 – 2016 Solid Waste

Solid Waste Tonnage	MSW	Single Stream	MSW % Growth	Single Stream % Growth
2016 to-date	1,927.86*	1,042.14*		
2015	2,801.74	1,352.84	5.44%	14.68%
2014	2,657.14	1,179.61	-8.31%	9.47%
2013	2,898.02	1,077.53		

2. ECONOMIC INDICATORS:

J. 2. Solid Waste – Monthly Average Flow Comparison CY2013 – CY2016



WHERE DOES PROVINCETOWN STAND COMPARED TO OTHER NEW ENGLAND COASTAL TOWNS?

Average rate for the cheapest available room July 1 – August 31, 2015?

1. Provincetown (MA) \$247
2. Kennebunkport (ME) \$234
3. Newport (RI) \$226
4. Chatham (MA) \$225
5. Portland (ME) \$223
6. Boston (MA) \$213
7. Cambridge (MA) \$207
8. Martha's Vineyard (MA) \$189
9. Ogunquit (ME) \$187
10. Falmouth (MA) \$164



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For the full rankings of the survey, visit:

<http://www.cheapotels.org/press/newengland2015.html>

Press Contact: Barbara Adams, press@cheapotels.org; Phone: 1-805-308-9660

3. \$ SPENT IN PROVINCETOWN

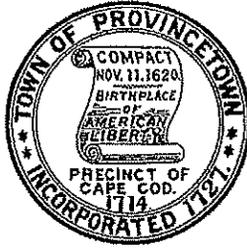
\$ Spent on Meals, Licensed Rooms and Retail in FY 2010 – 2014 is **+20%**

Year	Meals	Rooms	Retail Sales	Total	%Δ
2014	\$70,138,227	\$30,864,759	\$41,005,881	\$142,008,867	3.52%
2013	\$68,227,404	\$28,949,593	\$39,998,146	\$137,175,143	10.07%
2012	\$62,456,083	\$27,265,311	\$34,904,973	\$124,626,367	4.99%
2011	\$58,606,400	\$25,293,300	\$34,805,508	\$118,705,208	0.86%
2010*	\$56,000,000	\$24,629,500	\$37,069,361	\$117,698,861	

* Estimated Meals Tax

4. SUMMARY:

- ◆ Tourism in Provincetown is a \$200,000,000+ million industry annually
- ◆ 2015 was a banner year – Best in recorded history; 2016 over 2015 numbers are leveled or up in most cases
- ◆ Provincetown #1 Most Expensive Coastal New England Town by Business Insider
- ◆ Average revenue per room is increasing, while number of licensed rooms is decreasing – higher rates and/or increase in occupancy
- ◆ The room tax revenue growth rate is decreasing, but we are still experiencing growth
- ◆ Increase in fast ferry daytrip visitation
- ◆ Eco-tourism and attractions are going strong
- ◆ Accolades, Awards & Recognitions galore



Five-Year Financial Plan for Tourism Fund Expenditures

FY 2016 - FY 2020

Visitor Services Board to the
Board of Selectmen,
November 2014

By Anthony Fuccillo, Director of Tourism

pursuant to §3-1-2 of Administrative Directive No. 99-2,
as amended

10.2.2013

State Legislation

Chapter 178 of the Acts of 1996

Section 1. There is hereby established in the town of Provincetown a tourism fund to receive revenue under section 3A of chapter 64G, as set forth in section two of this act; and said town may appropriate monies in said fund to market, beautify, and enhance tourism in the town of Provincetown.

Section 2. Twenty-five percent of the excise collected under section 3A of chapter 64G of the General Laws by the town of Provincetown for the fiscal year ending June 30, 1997 shall be credited to the tourism fund, for the fiscal year ending June 30, 1998, thirty-five percent; and for the each succeeding fiscal year, forty-five percent.

Town Meeting

Article 5 of the April 7, 1997 Special Town Meeting established a Visitor Services Board, to be appointed by the Board of Selectmen, to develop, coordinate and implement a long-term comprehensive plan to enhance tourism year-round and for the purpose of overseeing expenditures of the Tourism Fund, under the direction of the Town Manager, as appropriated by Town Meeting. This Article was amended to make expenditures of any funds of the Visitor Services Board to be expended under the Board of Selectman.

Article 8 of the April 5, 2010 Special Town Meeting increased the room tax option by .50% from 4% to 6%, effective July 1, 2010.

Article 11 of the April 5, 2010 Special Town Meeting approved a home rule petition to amend the room excise tax distribution, which decreased the distribution rate to the Tourism Fund from 45% to 35%.

Administrative Procedures

Excerpt - Administrative Directive No. 99-2, as amended by the Board of Selectmen May 23, 2000

3.1.1 The Town Manager and the Director of Municipal Finance shall, from time to time, update projections of Tourism Fund revenues under Chapter 178 of the Acts of 1996, based upon the most recent quarterly payments from the local room occupancy excise tax.

3.1.2 The Tourism Director shall, after consultation with the Town Manager and the department heads, annually by August first, submit to the Visitor Services Board for its approval a recommendation for a five-year financial plan for Tourism Fund expenditures, based upon the projections in 3.1.1 above.

3.1.3 The Visitor Services Board may hold one or more public hearings on its proposed five-year plan prior to its submission to the Board of Selectmen.

3.1.4 The Visitor Services Board shall, annually by November first, submit to the Board of Selectmen for its approval a five-year financial plan for Tourism Fund expenditures.

3.1.5 The Board of Selectmen shall act on the Visitor Services Board's recommended plan by not later than November thirtieth, and may approve said plan with or without modifications.

3.1.6 Said five-year plan shall be expressed in terms of percentages of total annual Tourism Fund proceeds which shall be used for marketing, promotional events; municipal projects; coordination and support; and/or such other categories as may be appropriate.

Five-Year Plan for Tourism Fund Expenditures

Visitor Services Board recommendations to Board of Selectmen, November 2013

Executive Summary

In accordance with §3.1.2 of Administrative Directive 99-2 as amended, the Tourism Director hereby submits to the Visitor Services Board (VSB) the staff recommendations for a five-year financial plan for Tourism Fund expenditures for FY 2015.

We are recommending an annual budget for the Tourism Fund of \$615,000 for FY2015. This is an increase of \$15,000 over the prior year requested budget of \$600,000. Our estimate is conservatively based on deposits into the Tourism Fund of \$607,941 during FY2013 plus \$35,369 over funds deposited to the Tourism Fund in 2012. Accommodation taxes collected in 2014 are estimated to be \$1,789,190 of which \$626,217 will be deposited in the Tourism Fund. As a special revenue fund it has been customary for the Tourism Fund to carry over appropriated, but unexpended funds from one fiscal year to the next.

We plan to continue our strategy to spend the vast majority of the annual budget (80%) on marketing and promoting Provincetown through ad placements and social media, promotional efforts, travel trade shows, partnering with the Provincetown Chamber, the Provincetown Business Guild and the Pilgrim 2020 Trust, investing in local events through Tourism Grants and investing in tourism amenities. This strategy has been validated throughout the past decade by protecting Provincetown's tourism economy during economic hard times and by other jurisdictions modeling their tourism marketing efforts after Provincetown's.

As has been consistently demonstrated, we continue to believe strongly that an investment in tourism will yield sizeable returns and assist in mitigating the effects of an economic downturn on our fragile tourism economy. The trend in room tax continues to support this theory. While room taxes tend to fluctuate from quarter to quarter, and even from year to year, the annual three year average for Provincetown has increased every year. The Tourism Fund has a three year average deposits of \$610,000. Fiscal 2014 deposits increased 6.6% over 2013, on top of a 6.2% increase the previous year. This is not true for other municipalities on Cape Cod, who have been off as much as 30% in recent years according to the Cape Cod Chamber. We believe this is largely the result of Provincetown's investment in its primary economic engine, tourism. We continue to believe the annual three year average is a more stable indicator of trends in room tax revenue.

The mission of the Visitor Services Board and the Provincetown Tourism Office is to market, beautify and enhance tourism in Provincetown. The goals we set to achieve this mission are:

- Develop a marketing and media plan and update a Five Year Plan to promote, market and beautify Provincetown.

- Maximize opportunities to market the new Provincetown brand: ***Provincetown, America's First Destination*** and to promote the history and heritage of the town globally.
- Continue to prioritize marketing Provincetown to international and key domestic markets. Also, prioritize marketing the town as a wedding and honeymoon destination, an LGBTQ destination, and an arts and pet-friendly destination, and expand upon bike-friendly and eco-tourism marketing efforts. We also have recently begun to promote Provincetown as a food tourism destination.
- Continue to publicize and promote Provincetown via the Internet by maximizing the Tourism Office's new website and expanding social networking efforts, and also by leveraging efforts of the Public Relations Firm and travel writers.
- Continue efforts to market and promote Provincetown by approving Tourism Grants, with primary focus on events outside of the peak season of July and August. Also, help to ensure the success of established events with continued grant funding.

Our Marketing Plan outlays our strategy for how we achieve the aforementioned goals, and has several components, including Tourism Grants, promotion and publicity, advertising, travel trade shows, communications strategy, affiliations and tourism enhancements.

On November 25, 2013, the Board of Selectmen voted to approve a proposed five-year plan submitted by the VSB for Fiscal Years 2015 through 2019. The staff's recommendations for Fiscal Years 2016 through 2020 propose the following modifications to that plan:

Marketing – 50.79% - \$320,000 in FY 2016

The marketing portion of the Tourism Fund supports efforts to maintain and improve the Town's visibility as a domestic and an international destination, and continues to represent the majority of the budget. Given the increasing costs to stay competitive in a market with other well – funded players, this plan proposes to continue to attract tourism dollars with a specific marketing plan. The plan seeks to continue to partner with the Provincetown Chamber, the Provincetown Business Guild and soon the Provincetown 2020 Steering Committee to market the town, as well as to continue funding a public relations contract and a graphic design contract. These contracts have increased exposure in the press, created a new brand, *America's First Destination*, and brand image. We have also benefited from the iPtown application for smartphones and tablets. The new Provincetown Tourism Website will soon be complete. The plan also includes budgets for printing costs for collateral, promotional items, select travel trade show costs, annual collateral needs and marketing materials, and advertising costs (including print, radio and digital). Our plan also calls for continuing to ramp up our social networking efforts. We have had success with Facebook and Twitter in recent years, the trend in destination marketing is to leverage social media as a lower cost alternative to reaching broad tech savvy market segments. We are now seeing success with Pinterest, Foursquare, Instagram and Google+ as social media platforms. We will continue to ramp up our efforts and overall presence on the Internet through a staff member that focuses the majority of time on these efforts by posting relevant content. Additionally, we have expanded our brochure distribution to new areas in Massachusetts, New England and Canada. We are in 19 Boston transportation locations including all rental car businesses at Logan Airport, terminals E & C and South Station. We are represented in 24 key tourist locations in the greater Boston area including Faneuil Hall and Copley Place. We continue to develop a campaign to market Provincetown as America's First Destination. This is a critical to our strategy to attract more visitors and position Provincetown for the 400 year commemoration of the Mayflower Pilgrims first landing and the inking and signing of the Mayflower Compact. We recommend \$320,000 for marketing.

Grants – 22.22 - \$140,000 in FY 2016

Shoulder season events continue to help support year round visitation to Provincetown and drive the economy before and after the "high season". Investment by the Tourism Fund for these marketing efforts supports the on-going success of many of these events and expands the reach of marketing dollars in niche markets. Funding from these grants supports new events, shoulder and off-season events. Over the years the grants have successfully broadened the traditional "high" season beyond July and August, resulting in more visitors during May, June, September and October and other months. We continue to believe the events bring visitors to town, and have a positive economic impact to the local economy. The vast majority (90%) of grant money is used to help promote events outside of July and August. The money must be used for promotional purposes, and not to fund the event itself. We believe these promotional dollars are an excellent way to market Provincetown to niche markets. Key events such as Provincetown's International Film Festival, Portuguese Festival, Swim for Life, Tennessee Williams Festival and Women's Week to name a few, have resulted in thousands of incremental visitors over the years during these critical 'shoulder season' months. Additionally, \$10,500 8% of the tourism grant dollars in FY2015 went to fund new demographics and enhancement, such as Campus Provincetown, Cabaret Fest, Flag Football, Mr. New England Leather, Mr. New England Rubber, Peregrine Theater Ensemble, Dahlia Show, Recycling Committee. Traditionally we have rolled-over any unused grant money from one year into the subsequent year. Each grantee submits a final report to request reimbursement. Part of the final report shows the success and progression of the event. The final report assists the VSB decision making for future grants applications by the organization. This year we have identified \$4,000 in unused grant money, which will bring our total FY 201 budget for tourism grants to \$144,000. We recommend \$140,000 of the Tourism Fund for Grants.

Coordination/Support – 19.84% - \$125,000 in FY 2016

The administrative and operating costs of the Tourism Office are covered by this portion of the budget including: salary and benefits for the Director of Tourism (\$62,000) and a full time Assistant Director of Tourism (\$43,000) as well as office supplies, utilities, telephone and office equipment, and instate travel. The Director and Assistant Director of the Tourism Office, which has responsibility for executing the Marketing Plan, overseeing the Tourism Fund, administering the Tourism website and annual schedule of events, coordinating the tourism grant application and reimbursement process, managing the accounting for the tourism fund, overseeing the PR Firm and graphic artist, representing the Town at Travel Trade Shows, and coordinating the Visitor Services Board. Additionally, the Tourism Office operates an information booth during peak months to assist visitors, which is staffed by senior volunteers. During 2014 season the Tourism Office and its volunteers assisted over 200 visitors daily. We recommend a total of \$125,000 of the Tourism Fund for Coordination and Support.

Municipal Projects– 5.56% - \$35,000 in FY 2016

For 2016 we are proposing that we use this portion of the fund for two tourism enhancements, as follows: We are recommending a \$25,000 donation to the Fireworks Gift Fund to assist in funding the 4th of July Fireworks, which we believe brings close to 100,000 people to town and has a positive impact on the local economy. This is a significant increase from previous years. In addition, we are recommending \$10,000 towards purchasing trash/recycle containers to be placed in front of town hall. We recommend a total of \$35,000 of the Tourism Fund for municipal projects.

Beautification – 1.59% - \$10,000 in FY 2016

Working with the Beautification Committee and Department of Public Works (DPW), this funding will be utilized for the general purpose of adding/enhancing flower beds and trees around the center of town. The DPW liaison to the Beautification Committee will oversee the use the funds to maximize application of funds. We recommend a total of \$10,000 of the Tourism Fund for Beautification.

Percentages

The five-year plan shall be expressed in terms of percentages of total annual Tourism Fund proceeds, which shall be used for marketing, grants, municipal projects, coordination and support, and/or such other categories as may be appropriate. Those percentage figures are shown below:

	BUDGET		PROJECTIONS									
	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2020	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
TOTAL REVENUES	615,000		630,000		630,000		630,000		630,000		630,000	
% increase from prior year												
TOTAL EXPENSES												
699 Tourism Budget												
Coordination & Support	120,000	19.51%	125,000	19.84%	125,000	19.84%	125,000	19.84%	125,000	19.84%	125,000	19.84%
Marketing	320,000	52.03%	320,000	50.79%	320,000	50.79%	320,000	50.79%	320,000	50.79%	320,000	50.79%
Grants	125,000	20.33%	140,000	22.22%	140,000	22.22%	140,000	22.22%	140,000	22.22%	140,000	22.22%
Municipal	40,000	6.50%	35,000	5.56%	35,000	5.56%	35,000	5.56%	35,000	5.56%	35,000	5.56%
Beautification	10,000	1.63%	10,000	1.59%	10,000	1.59%	10,000	1.59%	10,000	1.59%	10,000	1.59%
699 Tourism Subtotal	615,000	100.00%	630,000	100.00%	630,000	100.00%	630,000	100.00%	630,000	100.00%	630,000	100.00%

Revenue Estimates

Chapter 178 of the Acts of 1996 provided that forty-five percent (45%) of Provincetown's local room tax proceeds be deposited into the Tourism Fund for purposes which "market, beautify, and enhance tourism" in Provincetown. At the Special Town Meeting on April 5, 2010, Provincetown Voters approved an article to petition the state legislature to reduce the allocation to the Tourism Fund to thirty-five percent (35%). This "Home Rule Petition" was approved in December 2010 and is now in effect. At the end of each calendar quarter, the Town receives from the State the amount collected for the 6% room option tax in Provincetown during the prior quarter¹. (Note that at Special Town Meeting on April 5, 2010, this local room option tax increased by 50% to 6% beginning on July 1, 2010). The four such payments received in FY 2012 totaled \$1,635,918. This represents an increase of approximately 8%. While receipts are a function of when business owners remit room taxes to the state and can fluctuate from year to year, we believe this increase is largely the result of improved tourism and increased room rates. Indicators available to us, such as water usage, parking revenue and visitors to the Cape Cod National Seashore, tend to corroborate our position. These results are significantly better than other Cape Cod towns, which were off as much as 30% in recent years according to the Cape Cod Chamber. Deposited in the Tourism Fund for FY 2012 was 35% of room tax received by the Town from the State. (Note that we just received the first quarter payment for FY2013, which totaled \$751,022). The detail of quarterly room tax payments over the past 24 quarters is shown below:

Local Tax Quarterly Payments from Commonwealth of Massachusetts

	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
September	\$393,020	\$449,645	\$429,018	\$402,379	\$560,266	\$694,685	\$751,002	\$803,236	\$849,500
December	\$418,955	\$455,940	\$497,247	\$497,903	\$688,759	\$749,600	\$780,503	\$870,207	\$870,200
March	\$51,293	\$91,411	\$41,718	\$44,754	\$193,168	\$95,434	\$73,062	\$82,101	\$82,100
June	\$70,619	\$48,000	\$54,745	\$50,144	\$75,405	\$96,199	\$132,389	\$96,341	\$96,340
TOTAL	\$933,887	\$1,044,996	\$1,022,728	\$985,180	\$1,517,598	1,635,918	\$1,736,976	\$1,851,885	\$1,898,150
% Δ LY	-3.08%	11.9	-2.13%	-3.67%	*54.04%	7.80%	6.20%	6.62%	2.50

* Tax rate change

¹ For example, the June 2013 payment to the Town was for local room tax revenues collected by the State during the Feb, Mar and April 2013.

Annual Running 3 Year Average of Local Room Tax Quarterly Payments

FY2012	FY2013	FY2014	3 Year Total	3 Year Average
1,635,918	\$1,736,976	\$1,851,885	\$5,224,779	\$1,741,593

Fiscal Year	3 Year Average	% Δ to LY
FY 2007	\$950,166	0.50%
FY 2008	\$980,816	3.23%
FY 2009	\$1,000,538	2.01%
FY 2010	\$1,017,635	1.71%
FY 2011	\$1,175,169	15.48%
FY 2012	\$1,379,565	17.39%
FY 2013	\$1,630,164	18.17%
FY 2014	\$1,741,593	6.84%

Distribution of Actual Room Tax Receipts

	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	Fund %
Tourism Fund	\$587,186	\$572,571	\$607,942	\$648,160	\$626,217	35%
Wastewater Enterprise	\$231,604	\$212,669	\$225,807	\$240,745	\$232,595	13%
General Fund	\$459,475	\$441,698	\$468,984	\$500,009	\$483,081	27%
Special Purpose Stabilization Fund	\$239,333	\$408,980	\$434,244	\$462,971	\$447,298	25%
Total	\$1,517,598	\$1,635,918	\$1,736,976	\$1,851,885	\$1,898,157	100%

* At Special Town Meeting 4/5/2010 voters approved filing home rule petition to change allocation of room tax revenue, which was subsequently approved by legislature during FY2011.

Details of Spending Plan

Marketing, Grants, Coordination, Municipal, Beautification

Introduction

The VSB recommends establishing budget allocations in the first year of the new five-year plan (FY 2016) and carrying the resulting percentages forward in years two through five (FY 2017 through FY 2020). Several years ago, the VSB shifted a significant portion of their overall budget into an aggressive marketing campaign in an effort to secure new markets and retain the markets that have been historically captured. Marketing money is split between a variety of markets, including co-operative marketing agreements with the Provincetown Chamber and Provincetown Business Guild, the regional market, the Arts market segment, the LGBT market segment, the group travel & conference market segment, the eco-tourism market segment, as well as other domestic and international market segments. The continued need to market Provincetown across multiple market segments is necessary to maintain and grow a robust tourism economy. Again, we believe strongly that an investment in marketing will yield a beneficial return to the Town. By doing this, we hope to attract new markets and develop existing markets.

While business has been improving, indicators are not consistent across all market segments for the 2014 season. Accommodation taxes collected are up 6.62%; however, accommodations were up as high as 12% for the nine month period ending January 2014. The final quarter tax deposit (months February, March and April 2014) for the year ending June 2014 was -127.2% due to the extended winter weather. The US economy overall has improved and is maintaining healthy. The sluggish economy effected retail shops and galleries most and the consumer is shopping differently; they are spending on feel good experiences. Dining appears to be back on track, some restaurants set records for certain weeks or days. Other indicators also appear to be on the rebound. Tour Bus Groups increased 12% from 720 busses to 806 from April through October 2014. Water usage increased 1.61% for the nine months ending September 2014, an additional 2,390,000 gallons were used. The ferry companies and Cape Air reported strong bookings for 2014. We believe that there has been a general increase in visitors to Provincetown due to an improving economy. However, there is a noticeable increase in European, Canadian and Asian visitors.

We believe we need to continue to cultivate new markets in the US, in a variety of key metropolitan areas outside of the east coast. We intend to allocate some of our marketing budget to cultivate these new market opportunities. Also, it's important to note that Provincetown has benefited from the legalization of same-sex weddings; now that so many states have marriage equality we will focus our efforts to market Provincetown as a wedding and honeymoon destination to sustain and maximize the wedding market segment

Following recent years underlying theme of collaboration, the VSB continues to advocate the need for improvement to Provincetown's tourism infrastructure to maintain and grow Provincetown's economic base. Because of fierce competition throughout the country, more attention needs to be paid to raise the bar so Provincetown can effectively compete as a renowned cultural resort destination. To this point, the VSB has rebranded Provincetown as, Provincetown, *America's First Destination*; all marketing materials have been developed to promote the new brand. The iTown app has been a successful tool in the branding process.

This year we are working on a new website which will include interactive opportunities to visitors and links to the Provincetown YouTube channel. We have also emphasized Provincetown as a biking destination and continue to promote Provincetown as a pet-friendly destination. We also are promoting sustainable tourism in Provincetown. The recent energy efforts being made by the town are helping support this. We continue to ramp up our presence in social networking. We have 22,000 fans on Facebook, and have been reaching potential visitors via Twitter, Instagram and Google+.

Significant improvement in communication among the Office of Tourism, various local business organizations and tourism-related businesses, our travel partners and other Town Boards has continued. The VSB will continue to develop a cohesive and cooperative approach among these businesses and organizations in marketing a focused and enhanced image of Provincetown that is consistent, non-redundant and unifying. With the goal of becoming a leader in marketing and promoting Provincetown strategically, the VSB has implemented and hosted three Provincetown Business Summits to communicate with the business community, listen to their concerns, generate enthusiasm, provide workshop opportunities and seminars and encourage cross-promotional opportunities. Soon the business community will receive marketing kits from the VSB to help them synchronize the Provincetown brand with their marketing efforts.

The VSB and Tourism Office have worked jointly this year on a number of fronts to assist with the Fourth of July Fireworks by increasing the budget to \$25,000, to improve our internet presence through digital advertising and digital compliment to all print advertising, to maintain as strong on on-Cape media ad campaign and to reach out to local business owners to talk about business. We have earmarked some money for the renovation of the Bas Relief in preparation for the 400th anniversary of the Pilgrims first landing, developed a 2020 marketing campaign and outlined town wide strategy to implement a steering committee. Additionally, we are developing a visual program for the east and west ends of Commercial Street to encourage visitors to venture further in each direction.

Marketing – 52.03% \$320,000

The VSB recommends a Marketing Budget of \$320,000 for FY 2016, the same as prior year. In an effort to secure new markets and retain the markets we have traditionally served, the VSB will be spending over 50% of the total annual Tourism Fund to meet these goals. This budget continues to be the most important area of the plan in order to meet the VSB's mission of promoting the Town.

Beginning in the years 2015 & 2016 the VSB needs to focus on a campaign to support the 400 year commemoration of the Mayflower Pilgrims' first landing. A marketing campaign has been designed and needs to be implemented.

Some of the points the marketing plan addresses are as follows:

- Our Marketing Plan has a number of components, including media, website, social networks, promotion and publicity, communications, travel and trade shows, and other items.
- Our media plan totals approximately \$215,000 and is segmented into 8 market segments: Regional, Co-op Grants, LGBTQ, Arts, Group Travel, international, Eco-tourism and Food Tourism. Approximately one third of our budget goes to regional advertising. This is largely in response to feedback from the business community to do more advertising within an hour or two drive from Provincetown. Approximately 18% of the budget goes into three Co-op grants for \$20,000 each to the Provincetown Chamber, the Provincetown Business Guild. Co-op marketing serves to penetrate the target markets of these three town organizations. A substantial portion of this money goes to produce the annual tourist guides to Provincetown, which get distributed widely. Beginning in 2015, for five consecutive years, \$15,000 is budgeted to support the Pilgrim 2020. This budget line will market the 400 Year Commemoration of the Mayflower Pilgrims first landing at Provincetown, the story of the Mayflower Pilgrims while in Provincetown and communicate the heritage.
- Print media is intended to be minimal and more strategic. (i.e. rather than frequent insertions, we will take out ads to emphasize certain goals, priorities and themes: Events, Food Tourism, Arts, Shoulder Season, Weddings, etc). Most of our print ads going forward will be targeted to market segments that do not take advantage of social media. We also plan to emphasize digital complement all print ads; and direct readers to the Provincetown Tourism Website or Facebook page.
- We continue to promote events in town by producing the Annual Calendar of Events, which is distributed broadly.
- We will promote the new brand, Provincetown, America's First Destination. All print and digital ads will be tagged. A new rack card telling the heritage story and all everything Provincetown has to offer.
- Promote the iPtown app with a consistent message and campaign.
- Our website continues to be a priority and a key component of our marketing plan. Currently the website features an event calendar on the homepage, which must be maintained regularly. The website also is linked to our partners, Provincetown Chamber of Commerce and Provincetown Business Guild. . In 2015 we plan to develop and launch a new more modern website in sync with the iPtown application and America's First Destination. The new website will also support the 2020 campaign.
- Another key component of our marketing plan and internet strategy is using social networking sites to reach out to Provincetown's "fan base" and to a younger demographic, and to get information disseminated quickly. The Provincetown Facebook page currently has 19,000 fans. A 19% increase over the prior year. We also have created a Twitter page (PTownTourism), and the number of

followers is close to 2500 and continues to grow. This year we have created a Blog that will be used to promote all aspects of Tourism; and is a critical part of our strategy to ramp up our presence in social media. We are also active on Pinterest, Instagram, FourSquare, Google+ and Twitter.

- Our promotion and publicity campaign is ambitious, and includes an on-going retainer with a PR Firm. This year we switched to a new national firm with local presence (Marmillion+ Company). We have leveraged this relationship into significant editorial about Provincetown. We also will continue to leverage our relationship with the Cape Cod Chamber and the Massachusetts Office of Travel and Tourism to get editorial about Provincetown. We work with the PR Firm to do several News Releases a year and look for other press opportunities, including Art, Culture, Heritage, Eco-Tourism, LGBT and Food Tourism. We released three to four each month. Previously, only one release was sent per semester. Also on retainer is a graphic artist, Ellsworth Creative, has helped create a new crisp image. The graphic artist designs all print ads, posters and marketing collateral.
- To further our promotional efforts, we also utilize press kits, familiarization trips for travel writers, a color copier, promotional items (beach bags), as well as rack cards, schedule of events, and brochures to promote the town.
- The newest and most exciting marketing tool is iPtown. The iPtown app is fully funded by the Visitor Services Board. It is free to be included and free to download. More than 3000 people are using the app.
- Using one of our most valuable resources, the Tourism Office continues the initiative of having senior volunteers to welcome visitors to Town Hall during the peak summer months.
- The Tourism Office also attends a number of Travel & Trade Shows to promote the Town. We are recommending attending the American Bus Association Annual Conference, the annual GLBT Expo, the AAA road-show in Foxborough MA, Gay Days Orlando, Fort Lauderdale Pride Expo. Community Marketing's Annual Conference, as well as trade shows in Boston. We are an affiliate member of the Greater Boston Concierges Association.
- Because the motor coach business continues to be a viable component of the Town's tourism business, we will continue to hold Tour Guide Appreciation Day to forge stronger partnerships with motor coach tour operators, in addition to attending the annual ABA Conference
- We have upgraded the brochure distribution racks in the Freeman Building foyer to provide a better appearance and visitor experience.

The VSB developed a comprehensive media plan that will reach several markets, including regional, the Arts, GLBT, Group Travel, international, domestic and eco-tourism. The media plan for FY 2014 is shown below. Note: This is a "straw man" for planning purposes.

MEDIA STRAWMAN 2016	SPEND
American Art Collector	\$2,400
ARTNews	\$7,500
Best Read Guide	\$4,000
Boston Globe Magazine and.com	\$25,000
Cape Cod Times	\$25,000
Destinations	\$7,000
Edge	\$9,000
SHE Magazine	\$1,200
Curve	\$1,600
Holiday Media (NE Group Travel Planner)	\$2,500
Hot Spots	\$8,500
Pride Publications	\$5,000
Le Traveller Voyageur	\$1,100
Radio Spots	\$30,000
Yankee Magazine Cape Cod Travel & .com	\$3,000
Group Tour	\$6,000
Cape Cod Times Meetings & Events/Weddings	\$5,000
EnGaygedWeddings.com	\$1,200
Matching Coop Grant Chamber	\$20,000
Matching Coop Grant Guild	\$20,000
Provincetown 2020	\$15,000
Total	\$200,000

The primary responsibility of the graphics design firm is to oversee the implementation of the media campaign, which includes multiple advertising insertions in approximately 20 publications, as well as internet ads. The primary focus of the public relations firm is to attract journalists and travel writers to visit Provincetown that will ultimately produce proactive published articles encouraging future travel. The following media outlets have produced stories about Provincetown during the past year: The New York Times, The Boston Globe, CNN iReport, The Wall Street Journal Blog, Purple Roofs, Wicked Gay Blog, Jazz Corner Magazine, Cape Cod Online, Gay Cities Awards 2013, Gay Cities.com, Metro, Boston Magazine, Yankee Magazine, Travel and Leisure, The Smithsonian Magazine, Fodor's, Baltimore Magazine, Boston.com, Passport, the Advocate, Edge, Bay Windows, Group Tour Magazine, Broadway World, Cape Cod Life, AOL Travel, Today Show, Vogue Magazine, Florida Cruise & Travel, and more.

Approximately 15% of the overall marketing budget has been set aside to fund the graphics design and public relations firm contracts.

The additional marketing expenses for FY 2016 are outlined below:

Travel and Trade Show	Budget
American Bus Association	\$4,000
Community Marketing Partnership	\$2,000
Boston Concierge Show	\$1,000
Ft. Lauderdale Pride Expo	\$500
Gay and Lesbian Expo	\$6,000
Gay Days Orlando	\$10,000
AAA New England Show	\$3,000
Toronto Media Operator Show	\$2,000
Governor's Conference	\$1,000
Discover New England	\$2,500
Misc Travel and Expenses	\$3,000
TOTAL	\$35,000

Other Marketing Expenses	Budget
Tour Guide Appreciation Event	\$2,000
Organization Dues	\$3,000
New Website	\$20,000
Brochure Reprint	5,000
Graphic Design	\$15,000
PR Firm	\$40,000
TOTAL	\$85,000

Grants – 22.22% \$140,000

The VSB has recommended that a significant proportion of the Tourism Fund should be used for promotional and enhancement projects. We are recommending \$140,000 (22.2%) for grants. Additionally, we estimate another *\$4,000 in unused grants from prior year that will be closed out and added to the budget request for FY 2016 to bring total grants for FY 2016 to \$144,000. This is an increase from \$125,000 in 2015.

The VSB continues to place an emphasis on grants outside of July and August, in order to extend the tourism season. As we move toward 2020 the VSB will emphasize the need to incorporate the 400 Year Commemoration into events and the marketing of events. The grant application form has been automated and is available on the Tourism website.

FISCAL 2015 AWARDED TOURISM GRANTS:

1	Afterglow	3,000
2	Bear Week	1,750
3	Cabaret Fest	2,000
4	Campus Provincetown	2,000
5	Celebrate Provincetown Off Season	*2,000
6	Dance Festival	1,000
7	Disability Commission	1,500
8	Encaustics Conference - 9th Annual	1,000
9	Family Week	1,000
10	Fantasia Fair	2,000
11	FAWC Radio Ads for Summer Workshop	3,250
12	Film Festival	15,000
13	Flag Football Kate Clinton Classic	1,000
14	NGPA Cape Cod Classic	1,000
15	Ghost Town Haunted Attraction	*2,000
16	Girl Splash	7,500
17	Great Music on Sundays @5	3,500
18	Great Provincetown Schooner Regatta	7,500
19	Holly Folly	4,000
20	Mates Leather Weekend	3,000
21	Miss Gay MA/NE US of A	1,750

22	Mr. New England Leather	1000
23	Mr. New England Rubber Contest	1000
24	Outer Cape Chorale	2,500
25	PAAM 100 A Century of Inspiration	9,000
26	Peregrine Theater Ensemble	1,500
27	PMPM 2014 Exhibit and Events	3,500
28	Portuguese Festival	6,000
29	Provincetown Dahlia Show	1,000
30	Provincetown 10K	1,000
31	Provincetown Swim for Life & Paddler Flotilla	2,000
32	Provincetown Theater - 10th Anniversary	5,000
33	Recycling Committee - Trash Barrel Painting	1,000
34	Single Women's Weekend	5,500
35	Tennessee Williams Festival	6,000
36	Winter Weekends	3,000
37	Women of Color	5,000
38	Women's Week	9,750
39	WOMR Benefit Film Series	1,000
40	WorldFest	521

Coordination/Support – 19.84% \$ 125,000

For FY 2016, we are recommending a budget of \$125,000 for Coordination and Support, as follows.

\$105,000 Salaries and benefits for Director and Assistant Director of Tourism.

\$20,000 Supplies, utilities, office expense and in-state travel.

The objective is to not have Coordination and Support exceed 20% of the budget

Municipal Projects – 5.56% \$35,000

The VSB recommends a total of \$25,000 for municipal projects, which enhance the visitor experience.

\$25,000 to Fireworks Gift Fund

\$10,000 donation toward restoration of the Bas Relief

Beautification – 1.7% \$10,000

The VSB is recommending that \$10,000 go for planting trees and landscaping town owned property in order to beautify Provincetown.

Appendices

Grant Agreements



Provincetown Board of Selectmen
AGENDA ACTION REQUEST
Monday, November 14, 2016

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OTHER

Requested by: Town Manager David B. Panagore

Action Sought: Discussion

Proposed Motion(s)

Discussion Dependent – votes may be taken.

Additional Information

Board Action

<i>Motion</i>	<i>Second</i>	<i>Yea</i>	<i>Nay</i>	<i>Abstain</i>	<i>Disposition</i>