

2009 Q1 *marketing update*

by **Scott Schult**, executive vice president of marketing

As we enter our summer season amid a cloud of uncertainty on just how well our local tourism economy will fair, let me shed some light on what your marketing investment in your regional CVB has produced in the first quarter of 2009.

If you remember from last fall, the board saw fit to significantly increase our online investment. This resulted in allocating 60 percent of our media investment to Internet advertising while dedicating 20 percent to TV advertising; the balance being made up of newspaper, magazine, promotion and radio advertising. This mix, along with active media management by the Myrtle Beach Area Convention and Visitors Bureau marketing staff, has paid dividends for our members – especially in online lead referrals.

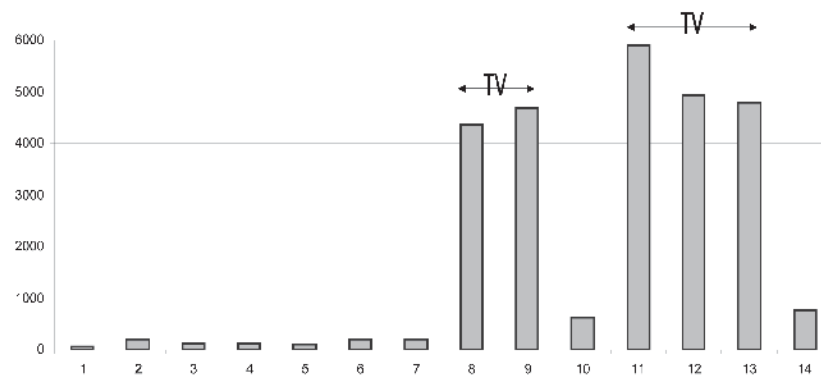
Through integrating media channels, targeting key markets, and focusing creative and communicating with consistent messaging, unique visits to the destination's Web site, VisitMyrtleBeach.com, are up 32 percent versus Q1 2008. With the deployment of the new Web site and increased visitation, referrals to advertising members have also increased 32 percent. Almost 1.5 million leads have been delivered to member Web sites in Q1 2009 and are on pace to continue solid monthly gains into the immediate future.

People are still traveling, but they are seriously watching their expenditures, length of stay, and distance traveled to their destination. National research shows that most consumers plan to travel the same or more in 2009. Only 15 percent plan to cut back on their travel plans. The key challenge is in projecting sales due to the considerable reduction in the booking window.

National research reinforces our shift to a greater online presence. According to a recent Google poll, 85 percent of travelers turn first to the Internet when planning their travel. Family and friends come in second at 38 percent. The Internet also is the top resource used by U.S. and Canadian travelers

Impact of TV Advertising on Call Volume

Weeks 1-14, 2009



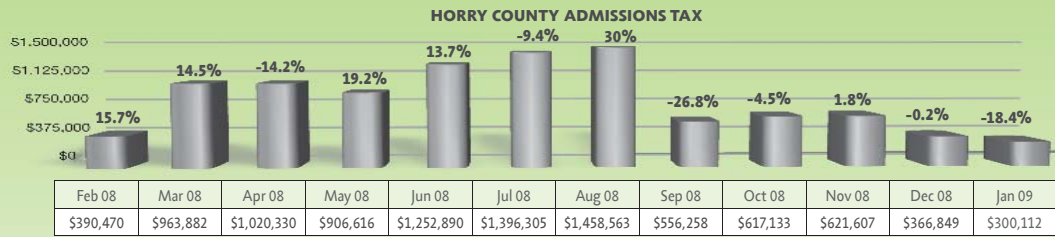
to select a destination, 58 percent and 69 percent respectively. Referral by family and friends is a close second at 52 percent for both U.S. and Canadian travelers.

Another key point to note is that weekly media consumption for online U.S. consumers aged 25-54 averages 15 hours per week.

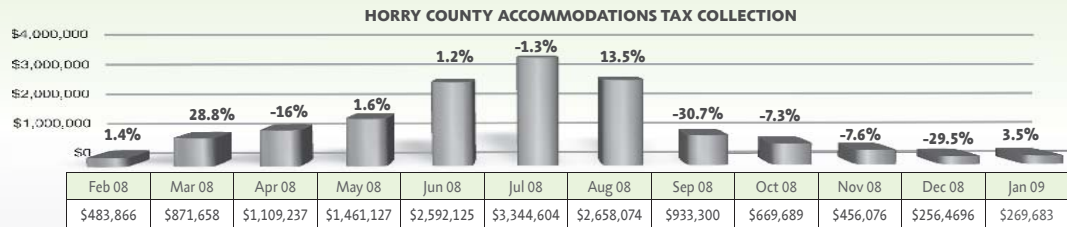
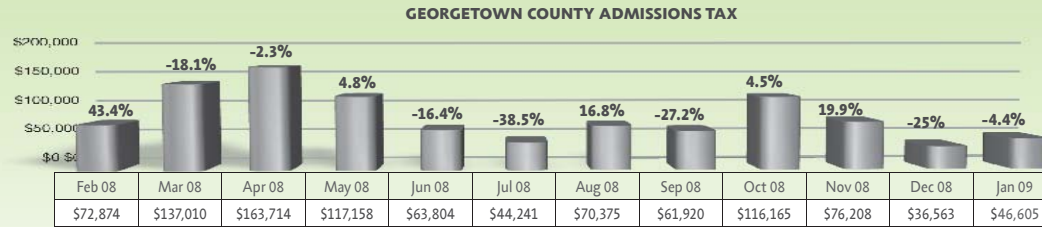
The Myrtle Beach area is uniquely positioned to capture vacationers this year, even given the current economic conditions. Research shows that beach destinations are the most popular vacation spots for U.S. and Canadian travelers; however, price, safety and weather are paramount in order to secure them.

Knowing that affordability and value remain top-of-mind for consumers, we have accurately positioned our TV commercials to speak directly to these concerns and have seen very favorable ROI via this medium. CPL's have

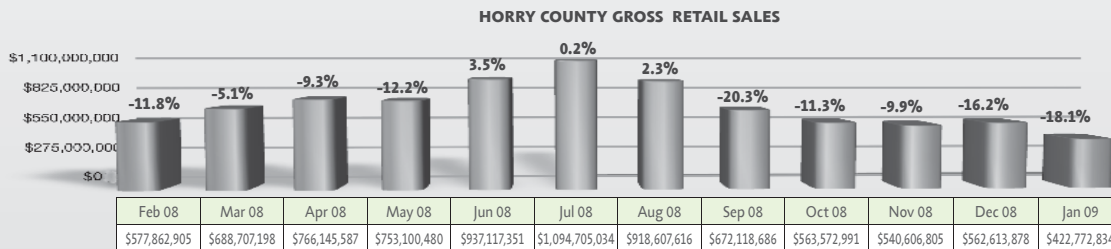
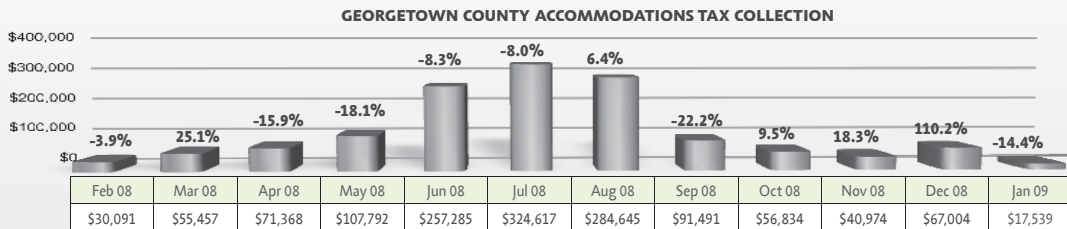
Marketing Update, Continued on CVB Insider Back Page



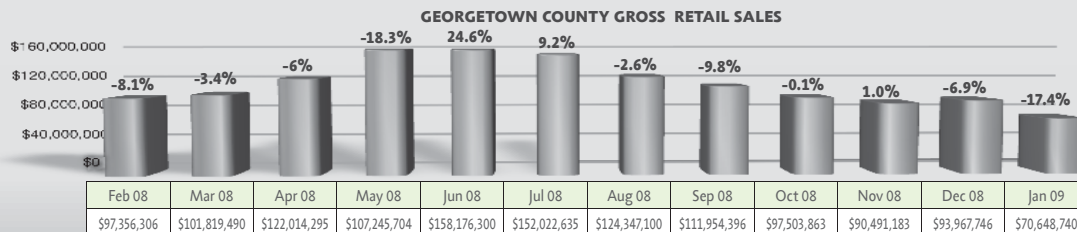
Percentages Shown Are Percent Change From Previous Year



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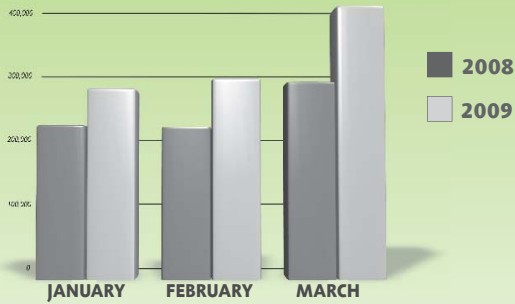
Percentages Shown Are Percent Change From Previous Year



For more information regarding additional research conducted by the chamber, contact Wendy Bernstein at Wendy.Bernstein@VisitMyrtleBeach.com

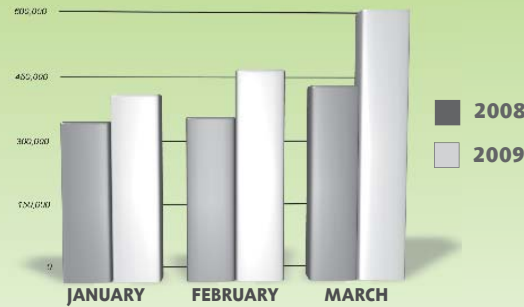
Source: S.C. Departments of PRT and Revenue,

UNIQUE *User Sessions*



	2008	2009	Change
JAN	217,261	269,285	23.95%
FEB	215,092	283,597	31.85%
MAR	279,302	388,477	39.09%

ADVERTISER *Referrals*



	2008	2009	Change
JAN	347,720	406,873	17.01%
FEB	358,112	459,712	28.37%
MAR	426,144	588,396	38.07%

YEAR OVER YEAR

YTD Referral Click % Change*

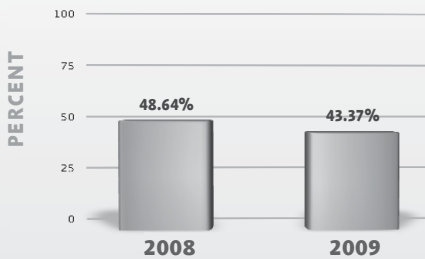
Category	% Change
Lodging	+36.15%
Amusements	-5.95%
Theaters	+8.37%
Dining	+56.09%
Shopping	+58.86%
Watersports	+89.98%
Weddings	+22.48%
Golf	+26.95%
Additional Services	+53.38%

* Jan. 1 - Mar. 31

For more information, contact: Bill.Rosenthal@VisitMyrtleBeach.com

OCCUPANCY PERCENT PER ROOM WEEK*

(March 1, 2009 - April 11, 2009)



	Jan	Feb	Mar	Apr	May	Jun
2009	29.54%					
2008	32.12%	49.96%	62.09%	60.00%	58.93%	72.96%
2007	34.01%	53.01%	64.18%	69.10%	60.85%	74.59%

	Jul	Aug	Sept	Oct	Nov	Dec
2009						
2008	83.39%	73.73%	52.17%	55.87%	39.88%	25.22%
2007	82.94%	75.78%	62.40%	54.25%	39.86%	24.74%

AVERAGE DAILY RATE PER ROOM WEEK*

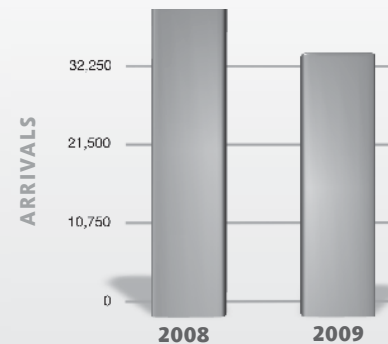
(March 1, 2009 - April 11, 2009)



	Jan	Feb	Mar	Apr	May	Jun
2009	\$55.45					
2008	\$58.54	\$73.02	\$88.87	\$95.87	\$111.84	\$145.72
2007	\$55.95	\$71.90	\$83.84	\$98.29	\$116.61	\$144.34

	Jul	Aug	Sept	Oct	Nov	Dec
2009						
2008	\$159.59	\$125.09	\$83.14	\$77.98	\$69.80	\$59.92
2007	\$162.96	\$129.77	\$93.15	\$76.80	\$68.82	\$59.20

JANUARY AIRPORT ARRIVALS



	2008	2009	Change
Arrivals	42,484	32,955	-22.43%

*Dr. Taylor Damonte, Director • Clay Brittain, Jr.
Center for Resort Tourism • Coastal Carolina University
tdamonte@coastal.edu

Source: Horry County Department of Airports

HELP US HELP YOU
Provide data to CCU

By sending in your weekly numbers, you will be providing valuable data that helps us to keep updated information. For more information, please contact Dr. Taylor Damonte, director of Clay Brittain, Jr. Center for Resort Tourism at Coastal Carolina University, tdamonte@coastal.edu.

Groups explore Grand Strand

Designed to fit into the group leaders' busy schedules, familiarization (FAM) tours bring participants in and out of a destination for a quick sample of what makes that locale unique. From March 23-25, the AAA East Central Pittsburgh Group got a "dress rehearsal" of what they would encounter if they were to bring a group tour to the Myrtle Beach area.

"The Myrtle Beach Area Convention and Visitors Bureau wants to provide travelers with the very best experience possible," noted Sandy Haines, CVB group sales manager. "FAM tours allow us to showcase the area's attractions, accommodations, shopping venues and dining locations and help arrange itineraries that will make group tours memorable."

The group of 38 from the Pittsburgh area stayed at Sea Mist Oceanfront Resort for the first half of their visit and then switched to Sandcastle South Beach for the last couple of days. They checked out many local CVB member attractions, including Alabama Theatre, Planet Hollywood, Ripley's Aquarium, Legends In Concert, Original Benjamin's Calabash Seafood, IMAX 3D Theatre Myrtle Beach, Landmark Resort, The Palace Theatre, Roy & Sid's American Kitchen, Brookgreen Gardens and The Carolina Opry. A Mini-Market was held at Planet Hollywood where another 33 CVB members were on hand to pass out brochures and knickknacks and answer questions about their venues.

Haines explained that the Mini-Market is a one-stop shop where FAM tour participants can get a sampling of what to do, what to see, where to eat and where to stay while vacationing in the area.

"Why would a visitor come to the Myrtle Beach area rather than a competing destination?" Haines asked. "We are answering that question for our potential visitors by creating an experience that is special, unique and interesting."

FAM tours build awareness about tourism products in the area and build rapport among operators in the region. After attending a FAM tour, group leaders can build an itinerary based around attraction their group is most interested in seeing and on a schedule that works for them.

Myrtle Beach Area Convention and Visitors Bureau Insider is published monthly by the Myrtle Beach Area Chamber of Commerce, 1200 N. Oak St., Myrtle Beach, SC 29577. If you have story ideas or questions, please contact Pat Creed, membership programs manager and CVB member liaison, at Pat.Creed@VisitMyrtleBeach.com or (843) 916-7225. Printed by Inlet Printing Co.

Marketing Update, Continued from CVB Insider Cover

averaged between \$16.50 and \$19.50 throughout the campaign which are significantly improved over 2008. Take a look at the chart on the CVB cover and you can see just what turning on our TV advertising accomplishes in respect to call volume: In Q1, we ran five weeks of TV covering 23 markets in February and 30 in March. In 2008, TV approached 50 markets, and in 2007 almost 80. Due to funding challenges, we have been limited to the number of markets we can effectively promote to grow market share. We hope to secure new recurring funds soon so that we can effectively expand our reach to grow visitation.

I would be remiss if I did not mention just how vital our PR initiatives are to the success of our marketing efforts. Q1 results were significantly improved in 2009. PR value reached almost \$10 million for the quarter, a 546 percent increase over 2008. This is attributed to a stronger emphasis on direct media relations, improved placement in higher quality and greater circulated publications, as well as a stronger focus on Web distribution.

As we move into the summer season we remain optimistic that through our collaborative efforts and dedicated regional promotion, we can stimulate travel and capture a greater share of last minute business. We have a tremendous opportunity in front of us to grow market share and make a significant impact on our tourism industry, local economy and our communities along the Grand Strand. We appreciate your partnership as we move forward.

Where in the world is the CVB?

May 16-20	International POW-POW	Miami, FL
May 27-29	Georgia Society of Association Executives	Asheville, NC

The CVB is busy this month welcoming seven groups with 911 attendees.