



**HILTON HEAD ISLAND-BLUFFTON  
CHAMBER OF COMMERCE**

**2017 DESTINATION MARKETING  
ORGANIZATION INDUSTRY METRICS**

**ANNUAL REPORT**





*The purpose of this document is to provide the Town of Hilton Head Island Finance and Administration committee with tourism metrics and/or reports to showcase annual DMO performance in efforts pertaining to promotion of the destination, Hilton Head Island. It is understood and acknowledged that such metrics and/or reports may change from time to time based upon best practices, funding and the goals set forth in the marketing plan. The evaluation shall consider the metrics and reports in this document, collectively, and shall be compared with peers and other factors that affect the tourism industry such as the state of the economy, weather, condition of the lodging properties, etc.*

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# Revenue Per Available Room, Occupancy Rates & Average Daily Rate

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Key performance indicators (KPI) to measure operating performance for the hospitality industry include Revenue Per Available Room (RevPAR), Occupancy Rate (OCC) and Average Daily Rate (ADR). In order to achieve the most accurate performance indication, these benchmarks should be analyzed together.

Revenue Per Available Room, (RevPAR), is used to gauge industry health and is calculated by dividing the total room revenue by total room supply within a specific time period.

$$\frac{\text{ROOM REVENUE}}{\text{ROOMS AVAILABLE}}$$

Occupancy Rate (OCC) is another metric used within the accommodations industry to gauge the health of tourism. Occupancy percentage is calculated by dividing the occupied rooms by total room supply.

$$\frac{\text{ROOMS SOLD}}{\text{ROOMS AVAILABLE}}$$

Average Daily Rate (ADR) is a metric widely used to indicate the average realized room rental per day. ADR is calculated by dividing the room revenue by the total rooms sold.

$$\frac{\text{ROOM REVENUE}}{\text{ROOMS SOLD}}$$

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Details on the next page provide 2017 performance metrics for Hilton Head Island in a two-source combined calculation that includes both home & villa and hotels as well as broken out separately, home & villa and hotels, for comparison. There are also additional metrics for the hotel industry that show Hilton Head Island compared against the U.S. as a whole and top competitors, Charleston and Savannah.

Home & villa numbers are based on 6,000 units/keys and could vary, as an example from a one-bedroom villa to an eight-bedroom house. The hotel numbers are based on 2,887 total hotel rooms at fifteen properties on the island.

It is important to note that for a second year in a row, Hilton Head Island experienced a weather event in the Q3 and Q4 time frame. Tropical Storm Irma caused minor damage to the island and did not bring the same level of crews that Hurricane Matthew did. There was a four day mandatory evacuation on the island due to the slow moving nature of the storm. Because of this, business was affected pre and post the evacuation. However, occupancy is still 4% higher than the year 2015, the last year without a weather event.

# 2017 Hilton Head Island Lodging Performance

## 2-SOURCE (combined Home & Villa and Hotels Report)

## HOME & VILLA

## HOTELS

Metric	2-SOURCE (combined Home & Villa and Hotels Report)	HOME & VILLA	HOTELS
RevPAR	\$121.00  +2.5%	\$120.00  +4.3%	\$110.19  +1.5%
OCC	55.0%  +5.2%	52.1%  +6.5%	62.7%  -2.3%
ADR	\$221.00  -2.6%	\$231.00  -2.1%	\$175.73  +3.8%

Source: DestiMetrics/Inntopia

## HOTEL INDUSTRY COMPARISON

### Nationwide

- RevPAR up +3.0%
- Occupancy up +0.9%
- ADR up +2.1%

### Competitor Set

#### Charleston

- RevPAR up +4.4%
- Occupancy up +1.0%
- ADR up +3.4%

#### Savannah

- RevPAR up +1.6%
- Occupancy up +0.3%
- ADR up +1.3%

Source: DestiMetrics/Inntopia and 2017 STR Inc.

\*Weather: Tropical Storm Irma Sept 9<sup>th</sup> - 12<sup>th</sup>, 2017

# Visitor Spending Studies

This study of the economic and fiscal impact of spending by visitors to Hilton Head Island in the year 2017 was performed by Regional Transactions Concepts, LLC, in association with Dr. John Salazar of the Lowcountry and Resort Islands Tourism Institute (LRITI) at the University of South Carolina Beaufort.

The study examines spending by tourists classified into five segments according to their lodging arrangement while visiting the island: villa rental, timeshare, hotel, second homeowners and their non-paying guests, and finally those who visit for the day and do not lodge overnight. The estimated impact from spending by each of these groups is summed in order to indicate the total impact that tourists to the island have on Beaufort County, South Carolina.

# \$1.49 BILLION

## ECONOMIC IMPACT OF HILTON HEAD ISLAND TOURISM IN 2017

*Source: 2017 Economic Impact on Hilton Head Island*

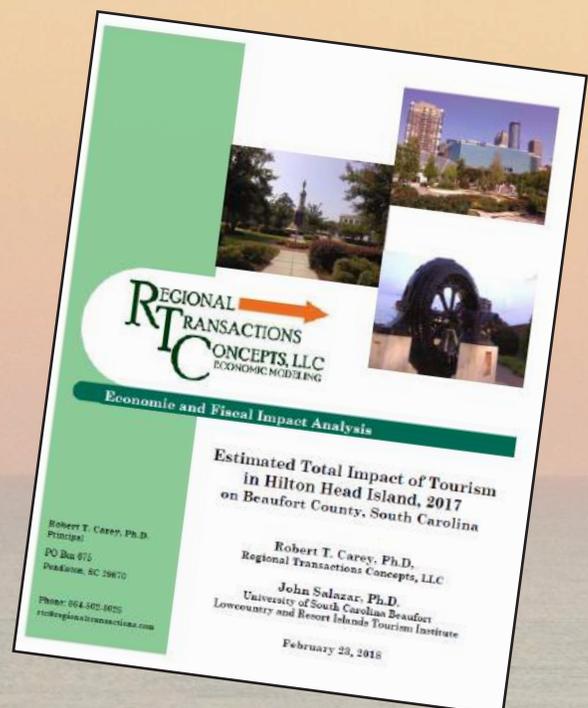
REGIONAL ECONOMIC ANALYSIS LABORATORY



**LOWCOUNTRY**

**& RESORT ISLANDS TOURISM INSTITUTE**

UNIVERSITY of SOUTH CAROLINA BEAUFORT



# ROI for Visitor Spending Per Dollar of Investment

The Visitor and Convention Bureau is the destination marketing division of the Hilton Head Island-Bluffton Chamber of Commerce. This division works to increase tourism through its marketing efforts cultivating leisure as well as meeting and group business for southern Beaufort County.

The marketing efforts put forth by the Visitor and Convention Bureau are delivered consistently to a well-defined target consumer set that aligns with our visitor research. This proactive and customized approach has led to a year over year growth in visitation at an estimated 2.74 million\* in 2017 and an 81%\*\* repeat rate from our visitors.

**FOR EVERY ATAX  
DOLLAR INVESTED  
IN MARKETING**



**\$17.08**

**IS RETURNED TO THE  
LOCAL ECONOMY  
IN NET LOCAL  
GOVERNMENT  
REVENUE**



Sources: \*2017 Economic Impact on Hilton Head Island  
\*\*2016 Visitor Profile Study

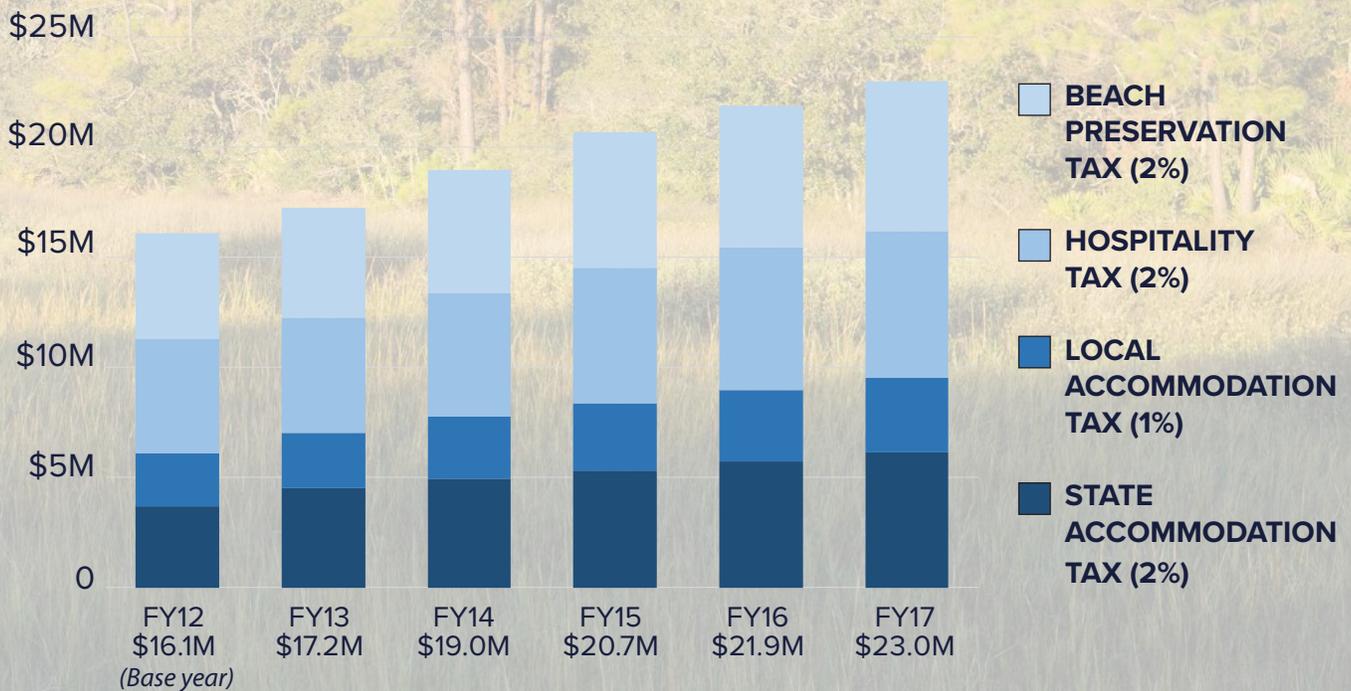
# Local Tax Revenues Generated by Visitor

↑ **43%**

**ACCOMMODATION & HOSPITALITY  
TAX UP OVER 5 YEARS**

*Source: Town of Hilton Head Island*

## TOWN OF HHI ATAX and HTAX COLLECTIONS



# Number of Visitors

Based upon research gathered both locally and nationally, the Chamber is committed to attracting an affluent traveler with a HHI of \$150K+. Our target visitor skews female (59.2%), aged 25-64 and is married (84%) with kids 18 or older (68%). This traveler has an undergraduate degree or higher (65%) and plans to take two to seven trips per year lasting an average of six nights per trip. Our target key regions include Northeast, Midwest and Southeast markets.



**59.2%**  
FEMALE

*Married (84%)  
with kids 18 or older (68%)*



**40.8%**  
MALE



**\$150K+**  
AFFLUENT TRAVELER



**65%**  
UNDERGRADUATE  
DEGREE OR HIGHER



**2-7**  
TRIPS PER YEAR

**6**  
NIGHTS AVERAGE  
LENGTH OF STAY

**2.74**  
MILLION

**RECORD NUMBER OF  
VISITORS IN 2017**

*Source: DestiMetrics / STR Two Source Report / USCB*

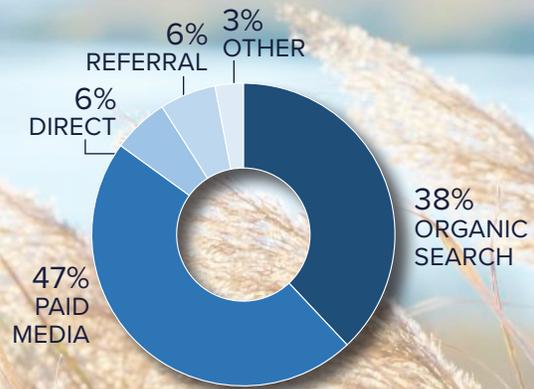
# Number of Referrals, Website Hits & Click Throughs to Area Businesses

The HiltonHeadIsland.org website is our virtual storefront. The website serves as the window to our destination and plays an integral part in the decision making process. The following metrics are important key indicators of overall brand health and allows insight into visitor behavior. The insight and data taken from this platform allows for us to better serve our partners, anticipate trends, and react to consumer behavior.

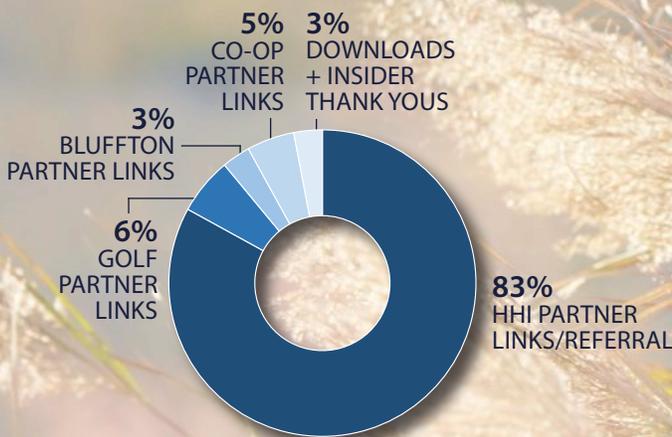
## VISITS BY SOURCE

**85%**  
WEBSITE TRAFFIC FROM  
PAID/ORGANIC SEARCH

**1.1M**  
2017 PAID MEDIA VISITS



## CONVERSION RATE OVERVIEW

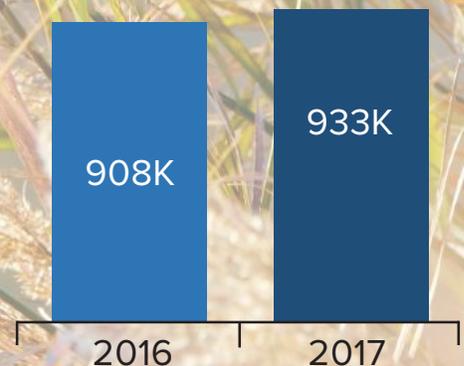


**1 Million**  
CONVERSIONS  
(UP 3% vs previous year)

**36.9%**  
CONVERSION RATE

## PARTNER LINK/ REFERRAL DETAIL

**3% INCREASE** ↑



# Numbers Related to Mail Fulfillment

The Hilton Head Island Vacation Planner, our comprehensive guide to help the visitor plan and envision their vacation here on Hilton Head Island, is our primary print fulfillment piece.

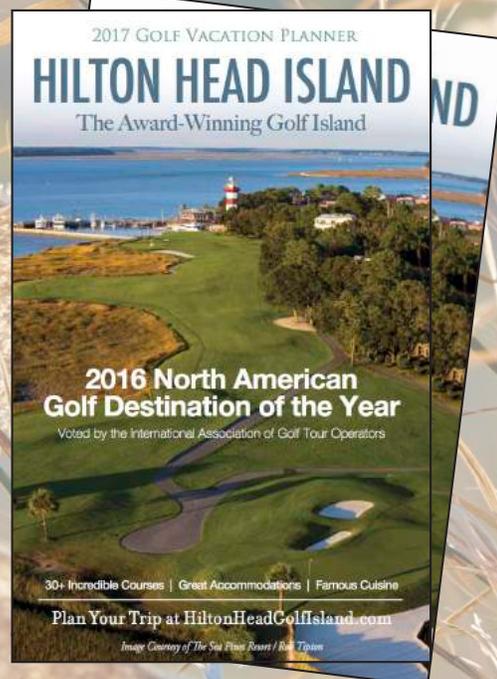
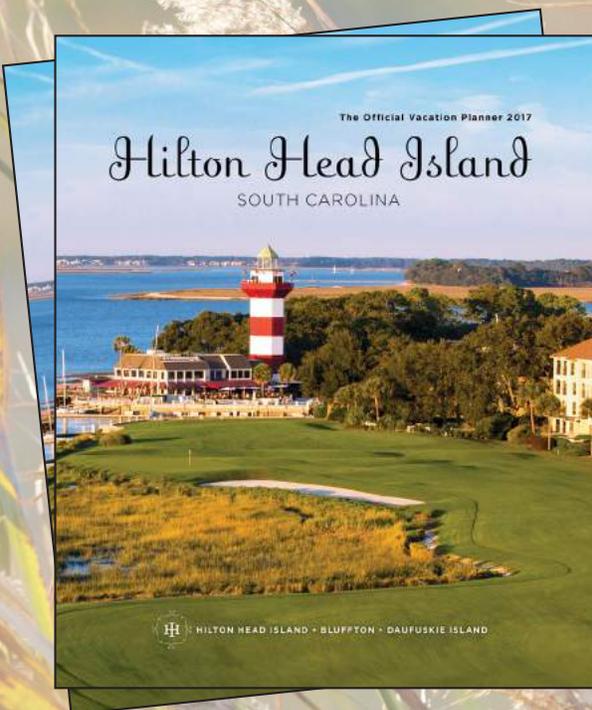
We receive requests for this piece from multiple platforms; online, media and home inquiries. In addition, we also distribute the planner to state and local welcome centers, along with trade shows and promotional events.

To cater to our golf specific visitors, we offer our Hilton Head Island, Golf Island Planner. This planner can be requested through the same channels as our Vacation Planner.

The production, fulfillment and management of our Vacation Planners is a partnership between Kennickell, our fulfillment and asset inventory partner, Impact Golf and our VCB staff.

# 96,260

HILTON HEAD ISLAND  
VACATION PLANNERS  
AND GOLF ISLAND  
BROCHURES MAILED



Source: Kennickell Fulfillment

# 2017 Destination Accolades

## SO NICE. NAMED #1 TWICE.

Hilton Head Island was internationally recognized as the #1 Island in the U.S. in both *Condé Nast Traveler* and *Travel + Leisure* magazines' 2017 readers' choice awards. We were also named #2 in the world (yes, the world) in the *Travel + Leisure* awards.

More than 60 times, the destination landed on "best of" lists in 2017, applauding our lifestyle, cuisine, scenery and more. Here are the highlights:

HILTON HEAD ISLAND  
NAMED AMONG  
**HAPPIEST  
SEASIDE TOWNS**  
- *Coastal Living*

HILTON HEAD ISLAND  
NAMED AMONG  
**BEST BEACHES  
IN S.C.**  
- *USA Today*

COLIGNY BEACH  
HILTON HEAD AMONG  
**30 BEST BEACHES  
FOR FAMILIES**  
- *TravelChannel.com*

DISNEY RESORT HILTON HEAD ISLAND  
NAMED SOUTH CAROLINA'S  
**BEST HOTEL/RESORT  
IN EVERY STATE**  
- *Condé Nast Traveler*

HILTON HEAD ISLAND NAMED AMONG  
**50 BEST PLACES IN  
THE U.S. TO TRAVEL  
THIS SUMMER**  
- *MSN*

INN & CLUB AT HARBOUR TOWN  
**TOP 100 HOTELS IN  
THE WORLD**  
- *Travel + Leisure World's Best Awards*

HILTON HEAD ISLAND  
NAMED AMONG  
**10 LUXURY  
HONEYMOON  
DESTINATIONS**  
- *TheKnot.com*

HUDSON'S OYSTERS  
NAMED TO  
**THE BEST  
FOOD IN S.C.**  
- *FoodNetwork.com*

HILTON HEAD ISLAND NAMED AMONG  
**10 BUDGET FRIENDLY  
GIRLFRIEND  
GETAWAYS FOR FALL**  
- *Southern Living*

HILTON HEAD ISLAND NAMED AMONG  
**TOP ADULT SPRING  
BREAK DESTINATIONS**  
- *TripAdvisor*



*#1 Island in the Continental U.S.  
#2 Island in the World*

*#1 Island  
in the U.S.*

HILTON HEAD ISLAND NAMED  
**TRENDING SPOTS  
FOR SUMMER  
VACATION RENTALS**  
*- TripAdvisor*

HILTON HEAD ISLAND NAMED  
**15 BEST FAMILY BEACH  
VACATIONS IN THE U.S.**  
*- U.S. News & World Report*

HARBOUR TOWN &  
LONG COVE COURSES AMONG  
**TOP 100  
U.S. COURSES**  
*- Golfweek*

HILTON HEAD ISLAND  
NAMED AMONG  
**SOUTH'S BEST  
ISLANDS**  
*- Southern Living*

HILTON HEAD ISLAND  
NAMED AMONG  
**BEST U.S.  
BEACHES**  
*- Insider.com*

HILTON HEAD ISLAND  
NAMED AMONG  
**8 BEST U.S. CITIES  
TO VISIT THIS SPRING**  
*- Marie Claire*

HILTON HEAD ISLAND NAMED AMONG  
**50 TRENDING SPOTS  
FOR SUMMER TRAVEL**  
*- TripAdvisor*

BEST HEALTH &  
WELLNESS RESORT  
**HILTON HEAD  
HEALTH**  
*- USA Today's 10 Best*

HILTON HEAD ISLAND  
NAMED AMONG  
**BEST WEEKEND  
GETAWAYS**  
*- Atlanta Thrillist*

HILTON HEAD ISLAND  
NAMED AMONG  
**50 BEST BEACHES  
IN AMERICA**  
*- TheKnot.com*

# Number of Jobs Created by Tourism

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This study of the economic and fiscal impact of spending by visitors to Hilton Head Island in the year 2017 was performed by Regional Transactions Concepts, LLC, in association with Dr. John Salazar of the Lowcountry and Resort Islands Tourism Institute (LRITI) at the University of South Carolina Beaufort.

The 16,698 jobs that comprise the estimated total employment impact generated by the five combined visitor segments in 2017 represent 15.8% of all jobs in Beaufort County.

**16,698  
JOBS**

GENERATED FROM  
HILTON HEAD ISLAND  
TOURISM

*Source: 2017 Economic Impact  
of Hilton Head Island*

TOURISM ON HHI  
NOW ACCOUNTS FOR

**15.8%**

OF ALL JOBS IN  
BEAUFORT COUNTY

# Hilton Head Island-Bluffton Chamber and Community Events

The Chamber held 90 events with over 7,000+ in attendance in 2017. Events included Business Education Partnership, Business Golf Classic, Chamber Ball, Coffee Talk, Conversation and Cocktails, Executive Connection, Fashion Week, Government Affairs, Leadership/Junior Leadership, Restaurant Week, Ribbon Cuttings, Small Business Week, State of the Region, Taste of the Season, Tech Tuesdays, Thrive Women's Conference, Young Professionals and more.

**90**  
CHAMBER  
EVENTS  
HELD



**7K+**  
EVENT  
ATTENDANCE

# Media Impressions and the Dollar Equivalent

The Chamber's communications team tracks all print, digital and broadcast mentions and stories about Hilton Head Island. Hosting visiting journalist and social influencers, meeting with editors of some of the nation's top-tier publications, working with broadcast crews and actively pitching story ideas about the destination are all part of the chamber's daily public relations outreach efforts in partnership with Weber Shandwick, one of the world's leading travel public relations firms.

**2,198**

STORIES & MENTIONS

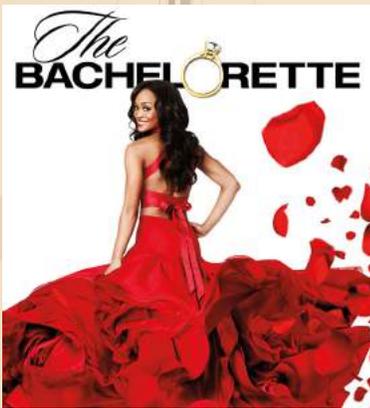
**2,881,803,723**

MEDIA IMPRESSIONS

**\$29,655,138**

AD EQUIVALENCY

*\*Calendar Year 2017 Results*



**“A TWO HOUR AD FOR HILTON HEAD ISLAND & BLUFFTON”**

*- Chris Harrison, ABC's host of The Bachelor*

**THE BACHELORETTE** created a Hollywood-like buzz in the Lowcountry as the crew filmed in the spring. It aired over two episodes in the summer, reaching

**19.3M VIEWERS**

**WELCOMING WARM WEATHER**

**9 MILLION**

viewers tuned in on the first day of spring as **THE WEATHER CHANNEL** broadcast its morning segments live from Hilton Head Island and featuring our island's history and culture, culinary, beaches and more.



**WORKED WITH AND HOSTED VISITING JOURNALISTS FROM MEDIA OUTLETS SUCH AS:**





[THINKHILTONHEADISLAND.ORG](http://THINKHILTONHEADISLAND.ORG)