

Travel & Tourism Marketing Association

March 7th, 2012

LA INC. – The LACVB

Strategic Direction...

Agenda:

- Positioning Los Angeles Tourism
- The Brand: Look and Feel
- The Marketing Plan

Brand Positioning: Los Angeles



INC. The Los Angeles
Convention and Visitors Bureau

HOLLYWOOD

Scorecard:

Is it memorable?

Can we own it?

Is it distinctive?

Is it inspiring?

Is it true?

Does it have legs? (LONG TERM)

Is it broad enough? (encompass all our requirements / needs / wishes)

Does it fit L.A.'s personality?

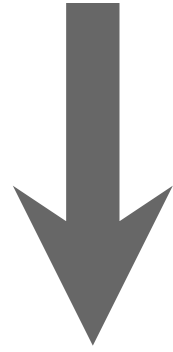
FROM THE HALL & PARTNERS STUDY:

What do we Know?

Hall & Partners

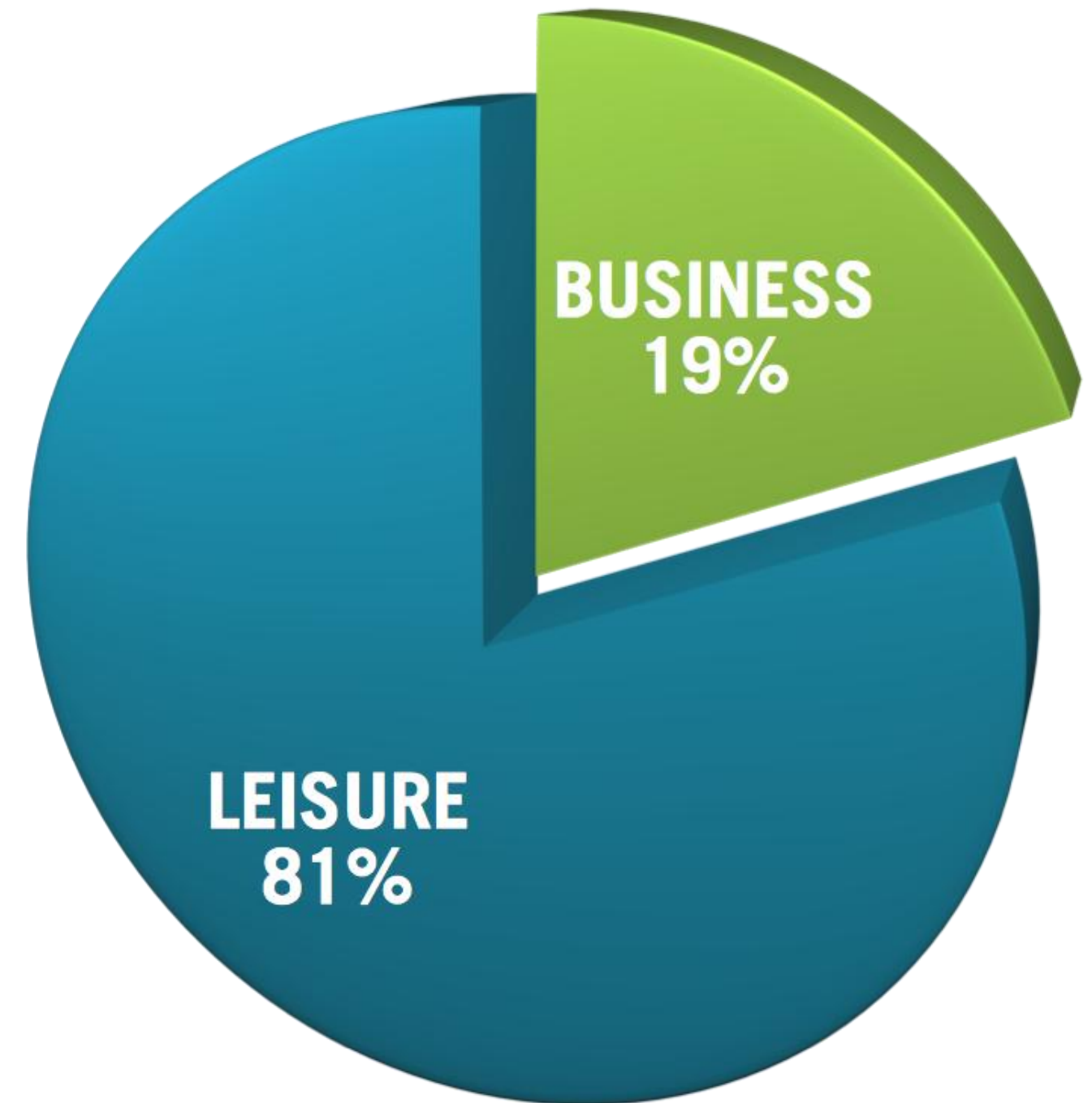
- Opportunities to brand Los Angeles are as much about driving relevance as driving awareness
- While Los Angeles has imagery (icons)...it lacks an identity
- Potential visitors don't know much about the city...it's not top-of-mind
- Repeat visitors have a much higher affinity for Los Angeles than first time visitors
- Persuasion to visit is driven by "better than all/most other destinations"

Why do people travel to Los Angeles?



RATIONALLY...

- Scenery / Beautiful Destination
- Weather / Sunny Climate
- Relaxation
- To do / experience new & fun things



BROAD CASTING



LAS VEGAS
SAN FRANCISCO
WASHINGTON DC
CAIRO
DUBAI



NARROW CASTING



LOS ANGELES
NEW YORK
BERLIN
LONDON
PARIS
TOKYO

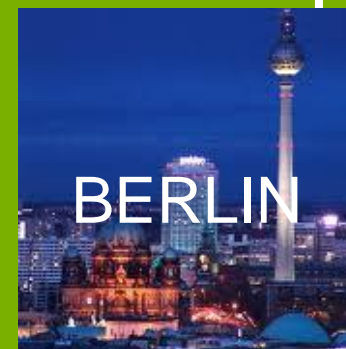


BROAD CASTING

The background of the slide features two minimalist, modern stools. They have square white tops and black metal frames. The stool on the left has a more complex, multi-legged base, while the one on the right has a simpler, more rectangular base. They are set against a plain, light-colored wall and floor.

BUT THE U.S. HAS TWO CITIES THAT STAND APART FROM THE OTHERS:
NEW YORK & LOS ANGELES

BROADCAST / UNLIMITED EXPERIENCE



MONUMENTS /
THE PAST

MOMENTS / NEXT
GENERATION



NARROWCAST / DEFINED EXPERIENCE

IN LOS ANGELES, THE QUESTION IS NEVER WHAT DO WE WANT DO,
IT'S WHAT DO YOU WANT TO DO NEXT?

LOS ANGELES IS THE PLACE OF
ENDLESS ENTERTAINMENT.

**WHATEVER YOU DREAM OF
DOING, CHANCES ARE, YOU'LL
BE ABLE TO DO IT IN LOS
ANGELES.**

LOS ANGELES IS...

ALWAYS
REINVENTING

ALWAYS LOOKING
FORWARD

DEFINERS OF THE
21ST CENTURY

GATEWAY TO THE
USA EXPERIENCE



BRAND LOS ANGELES

POSITIONING
ENDLESS ENTERTAINMENT

PROMISE

Vibrant
Exciting
Youthful
Happens here
Fusion
Trend setting
New starts here / begins here

PERSONALITY

INVENTIVE, MODERN, CREATIVE, BOLD

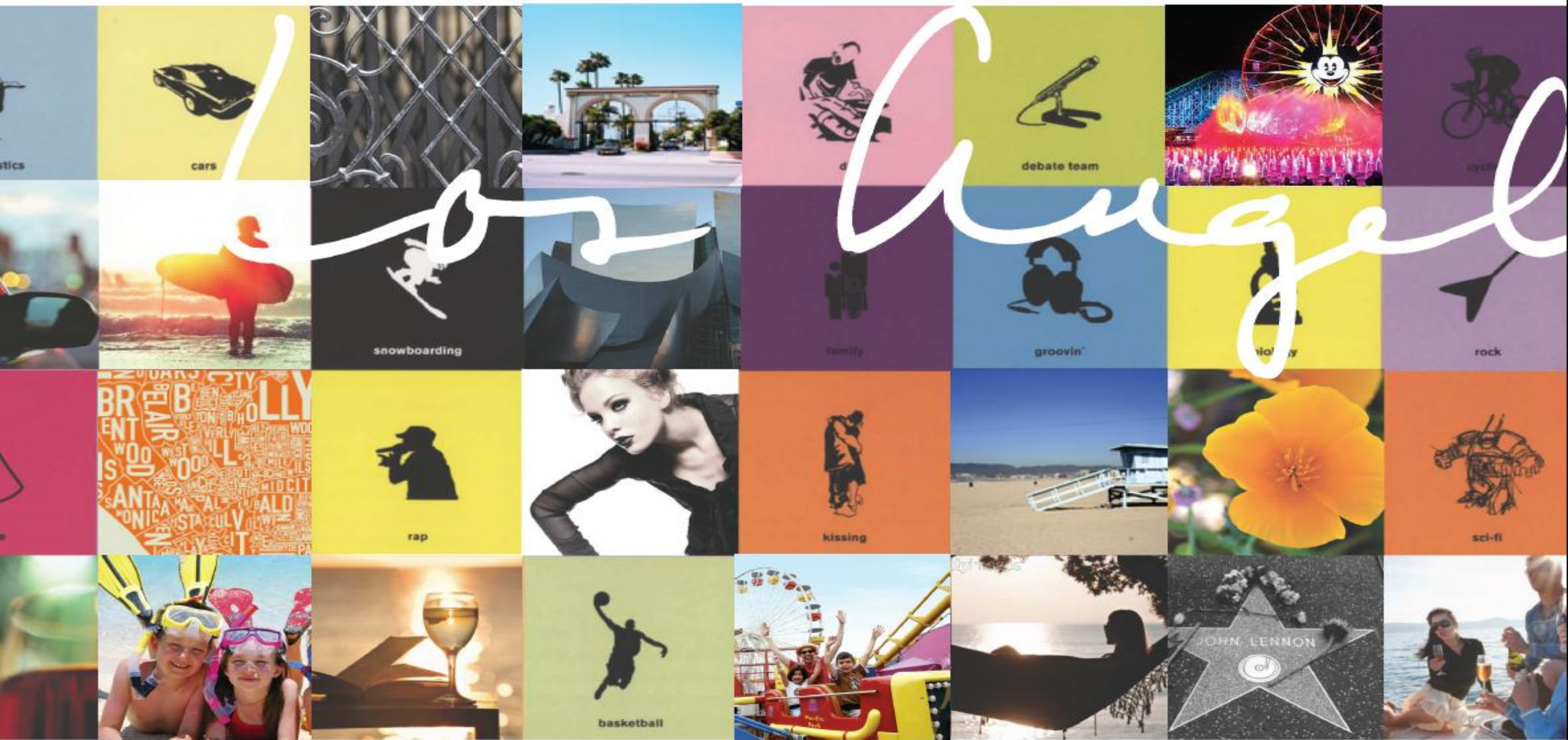


BRAND LOS ANGELES

WHAT LOS ANGELES IS NOT:

- One Thing
- Playing It Safe
- Nostalgia
- Monuments
- Standing Still
- One Moment In Time
- Europe

DISCOVER *Los Angeles*



DISCOVER *Los Angeles*

DISCOVER Los Angeles.COM

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DISCOVER Los Angeles.COM



DISCOVER *Los Angeles*

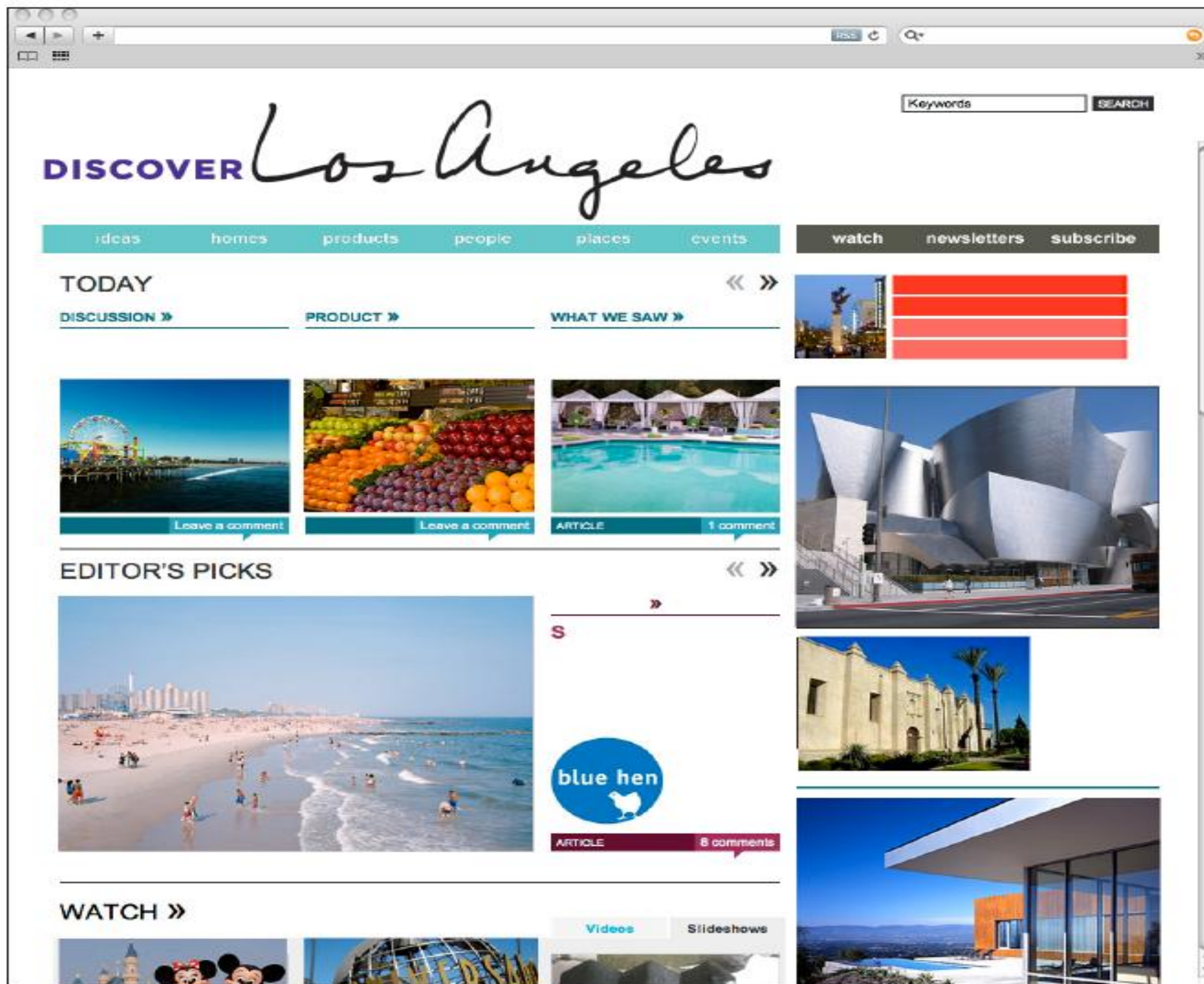


Los Angeles

DISCOVER *Los Angeles*

DISCOVER *Los Angeles*











Los Angeles

Meeting + Travel

Professionals Guide 2012



Los Angeles Meeting + Travel Professional Guide 2012 Presented By LA INC. The Los Angeles Convention and Visitors Bureau

Los Angeles CVB



LA INC. – The LACVB

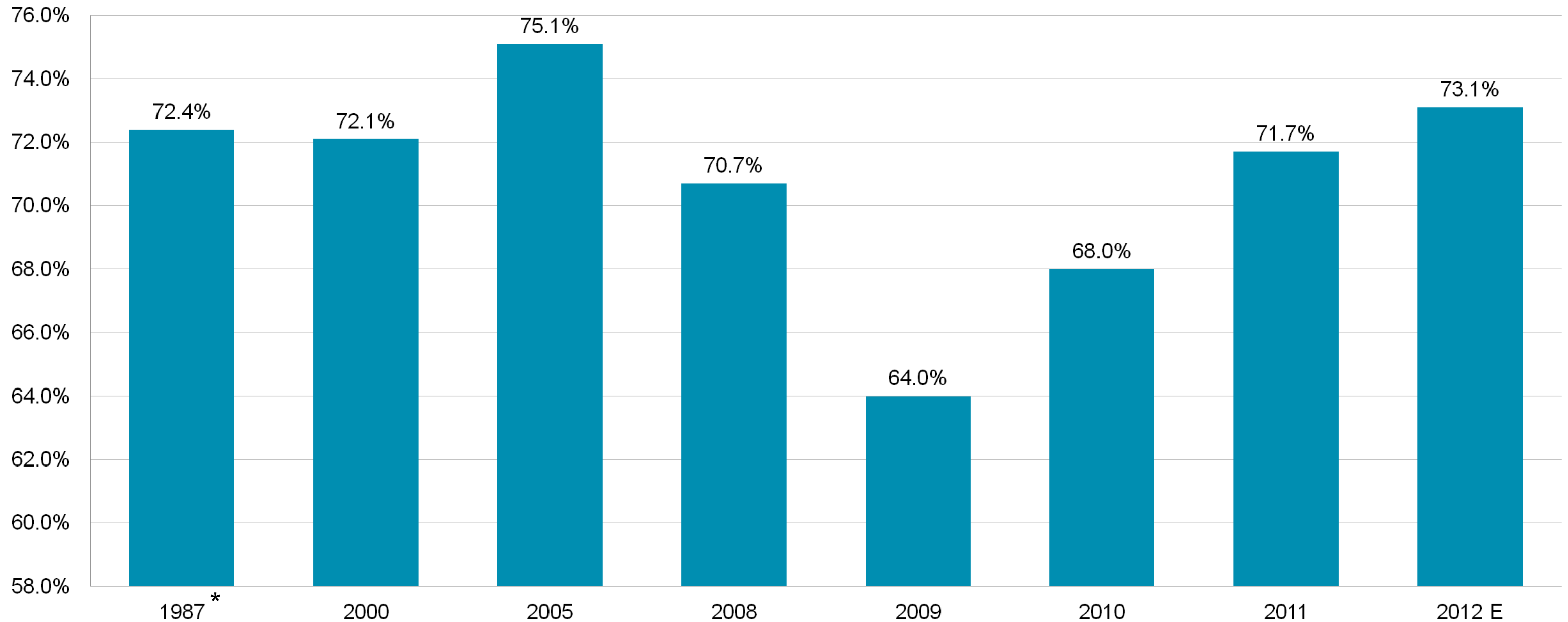
FY 12-13 Marketing Plan

FY 12-13 Marketing Plan

Hotel Occupancy: Occupancy continues to rebound after the recent economic recession

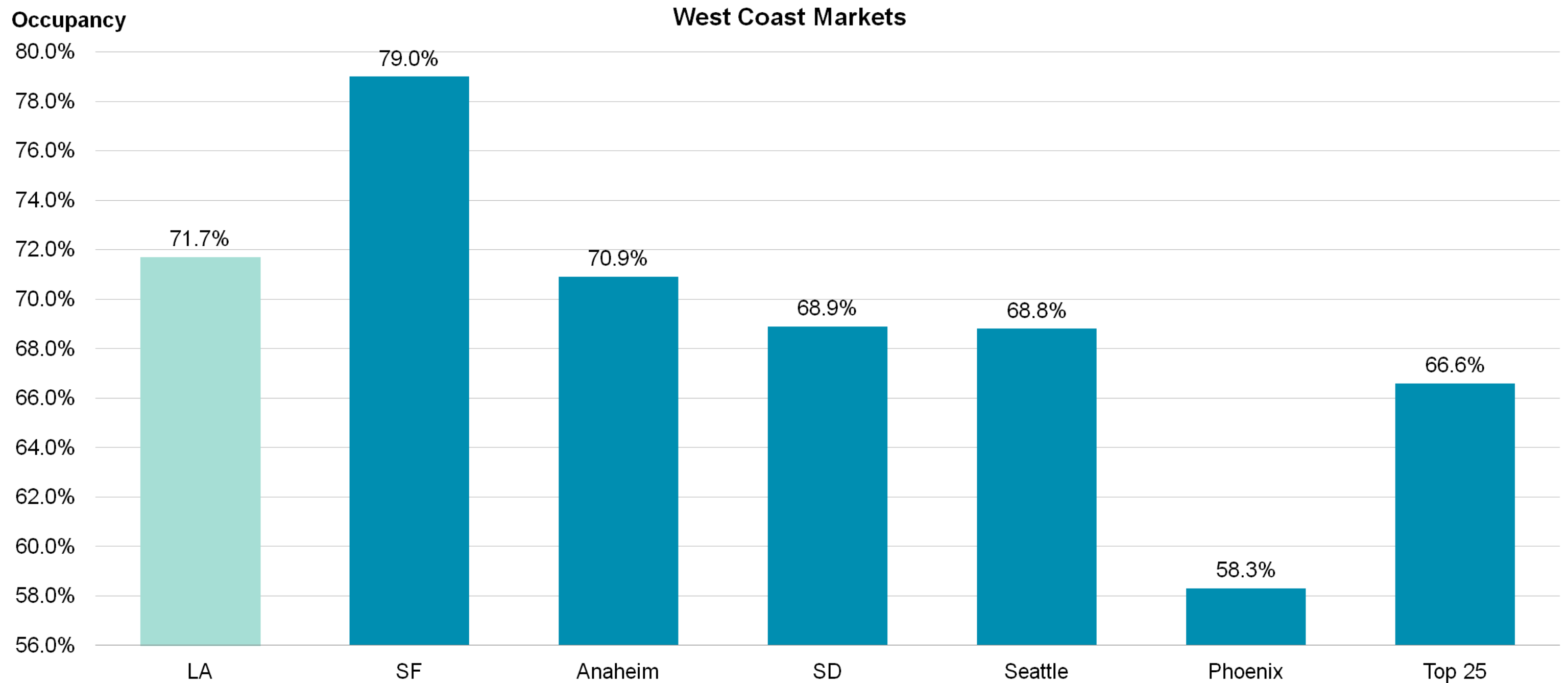
Occupancy

Occupancy Rate



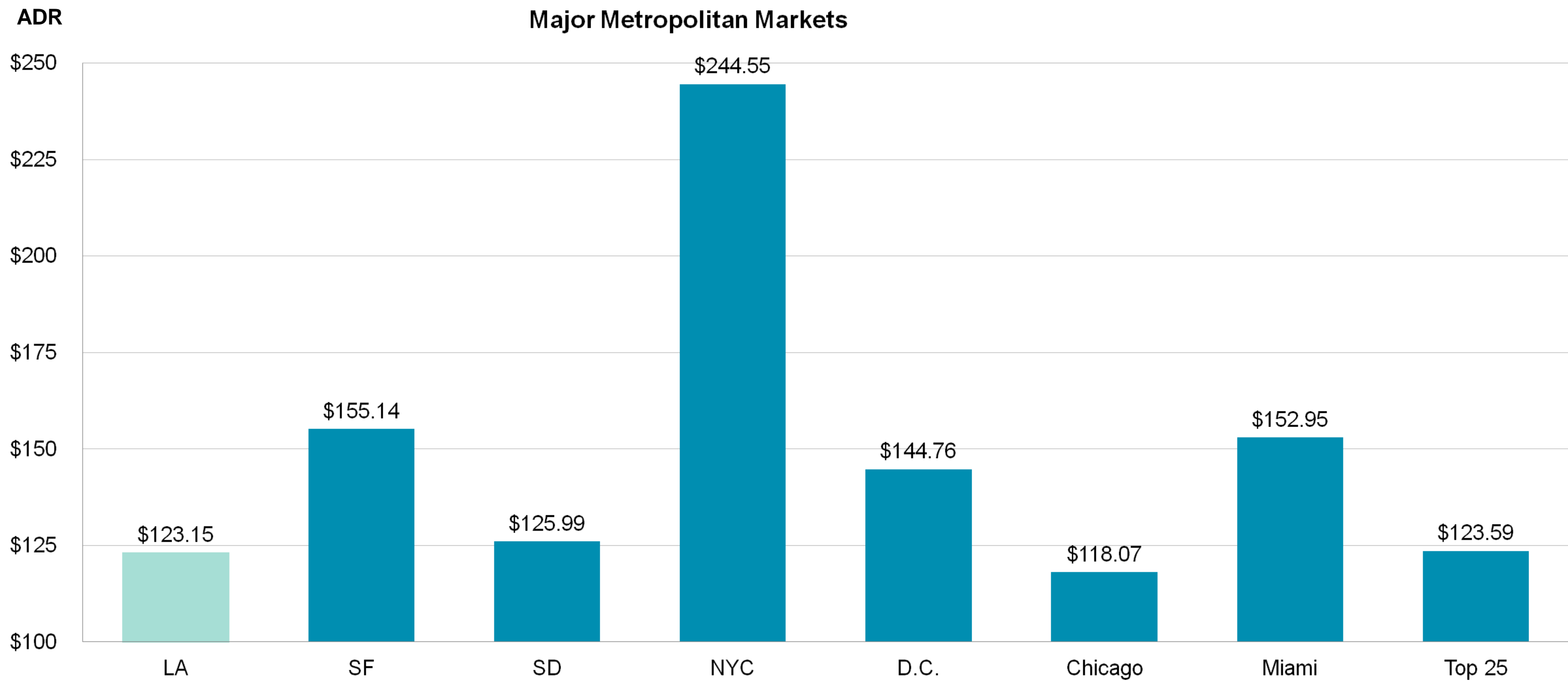
FY 12-13 Marketing Plan

Competitive Hotel Occupancy: Only San Francisco has higher occupancy among major West Coast markets



FY 12-13 Marketing Plan

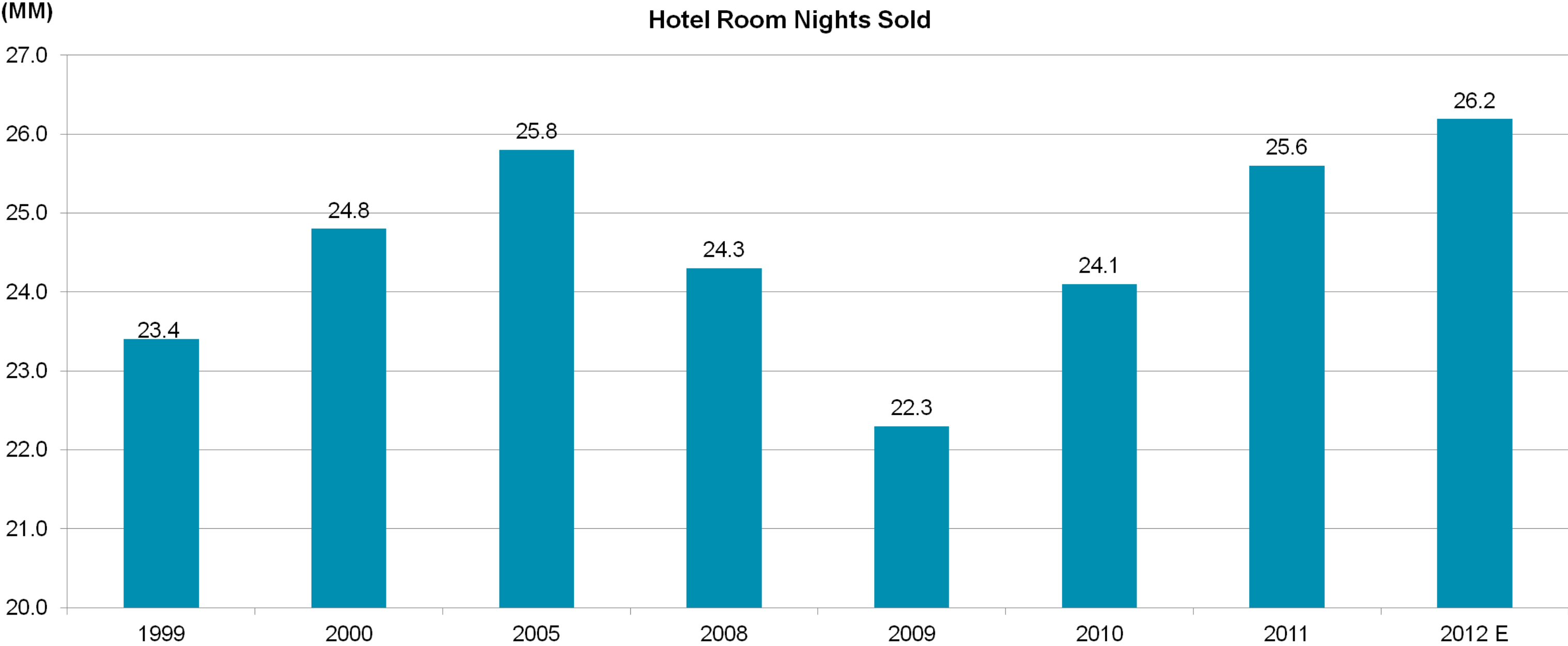
Competitive Hotel Rates: Los Angeles is not expensive. Among major metropolitan markets, it is an affordable destination.



Source: 2011 Smith Travel Research

FY 12-13 Marketing Plan

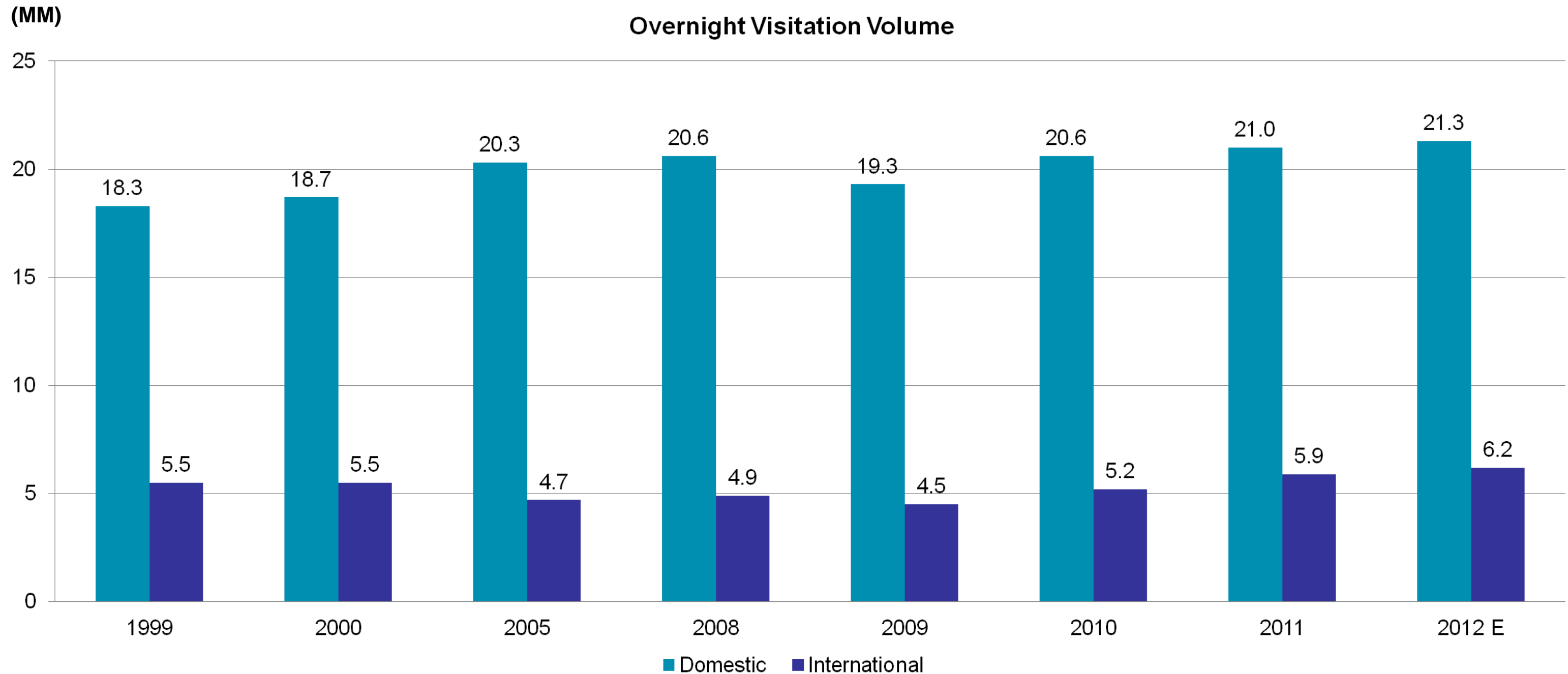
Hotel Room Nights: 2011 emerged as a record year for Los Angeles room nights...which will be eclipsed in 2012



Source: Smith Travel Research; 2012 Estimate - PKF Consulting

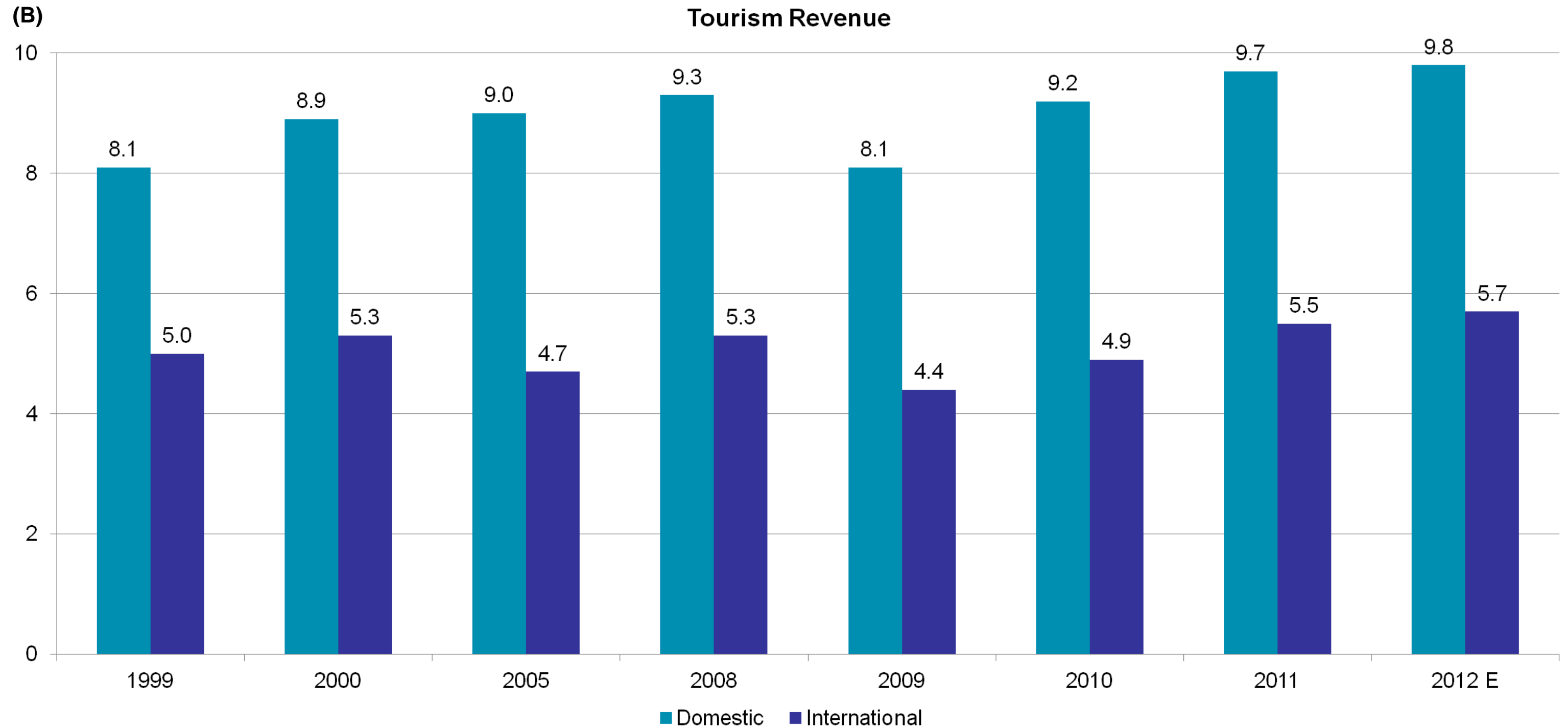
FY 12-13 Marketing Plan

- While smaller, International visitors are growing at a faster rate than Domestic visitors



FY 12-13 Marketing Plan

Tourism Revenue: On a per capita basis, International visitors spend 2x more than Domestic travelers



FY 12-13 Marketing Plan

SWOT Analysis:

Strengths:

- Launch of \$200M Brand USA campaign
- Recent passage of TMD and increasing “share of voice”
- Hosting of 2012 Pow Wow
- Expansion and opening of B.I.T. at LAX
- Affordable hotel rates and frequent direct flights
- Weather

Opportunities:

- Continued growth of International travel
- Establishing Los Angeles as a viable travel destination
- \$1.4B capital investment at LAX
- Long term growth in Convention business due to stadium project
- Creation of a manageable travel planning website

Weaknesses:

- Lack of comprehensive brand awareness
- Negative perceptions of Los Angeles as a travel destination
- The LAX traveler experience, e.g., Customs
- Limited hotel capacity adjacent to Convention

Threats:

- European debt crisis
- China’s domestic economy
- Limited capacity at LAX in the short term
- Lost short term business due to potential stadium project

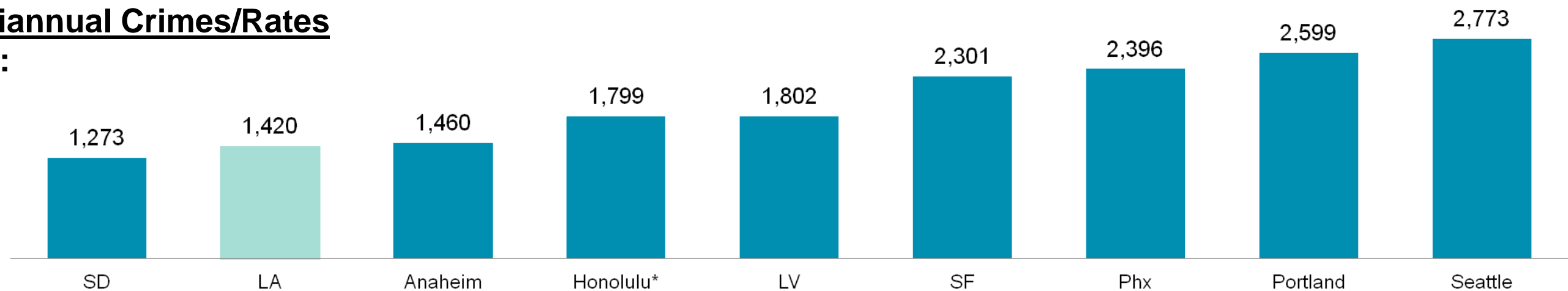
Correcting Perceptions

“Los Angeles isn’t safe”

Facts:

- 1) The homicide rate in Los Angeles is the lowest since 1967
 - When the city was a third smaller
- 2) Violent and property crimes have fallen 16% in just the last five years.
- 3) On a per capita basis, Los Angeles has one of the lowest crime rates among West Coast tourist destinations

Per Capita Semiannual Crimes/Rates (per 100k pop.):



Correcting Perceptions

“Los Angeles is expensive”

Facts:

- When looking at average hotel rates, you can stay in Los Angeles for a week, or...
 - 3.5 days in NYC
 - 5.5 days in SF
- Combined with the greatest flexibility in non-stop flights on the West Coast, accessibility and affordability make Los Angeles a great destination for conventions, meetings, or leisure travelers
 - Over 40% more domestic flights into LAX than San Francisco or Las Vegas
 - Over 70% more domestic flights than Seattle and 3x the flights into San Diego

FY 12-13 Marketing Plan

Marketing Focal Points:

Timing

- | | | |
|----|--|-----------|
| 1) | Finalize all branding aspects of the LACVB | by 4/2012 |
| 2) | Formalize a Consumer Insights function | by 4/2012 |
| 3) | Execute a flawless Pow Wow event | 4/2012 |
| 4) | Formalize international sales and marketing efforts | ongoing |
| 5) | Launch first domestic advertising campaign | 5/2012 |
| 6) | Explore in-market tourism calendar | ongoing |
| 7) | Rollout new strategy for consumer/member relationships | by 6/2012 |
| 8) | Re-launch organization's website and peripherals | by 8/2012 |

Domestic Tourism

	Market	%	Cum %	Timing
Phase I	1) San Francisco	14.4	14.4%	2012
	2) San Diego	9.6	24.0%	
	3) Sacramento	5.3	29.3%	
	4) Phoenix	4.7	34.0%	
Phase II	5) New York City	6.8	6.8%	2013 or 14
	6) Las Vegas	3.7	10.5%	
	7) Chicago	3.6	14.1%	
	8) Seattle	3.3	17.4%	
Total			51.4%	

International Tourism

- By 2016, China and Australia are projected to be LA's top two international markets
- Brazil and India are projected to grow as emerging markets
- The current strength of foreign currencies makes travel to the U.S. attractive, which benefits Los Angeles
- Increasing non-immigrant visa processing capacity and expanding Visa Waiver Programs will positively impact international travel to the U.S., which will benefit Los Angeles

International Tourism

Based on current Los Angeles visitor arrivals and U.S. projections, international visitors will come from 10 key markets:

LA INC. Ranking	Country	Size*	% Change	Direct Spend (000s)	Growth (2016)**	Projected Spend (000s)	Ease of Entry	Brand USA
1Core	Australia	361,000	55.6%	\$252,291	94%	\$489,445	Y	2
2Core	Japan	274,000	14.6%	\$402,244	14%	\$458,558	Y	1
3Core	UK	339,000	24.2%	\$297,161	24%	\$368,480	Y	1
4Core	Mexico	1,297,000	-2.0%		22%		Y	1
5Core	So. Korea	282,000	61.1%	\$231,080	53%	\$353,552	Y	2
6Core	France	247,000	35.0%	\$170,784	55%	\$264,715	Y	N
7Core	Germany	218,000	36.3%	\$115,133	27%	\$146,219	Y	1
1Emerging	China	273,000	72.8%	\$268,230	274%	\$1,003,180	N	2
2Emerging	Brazil	61,000	-1.6%	\$103,051	135%	\$242,170	N	2
3Emerging	India	61,000	-1.6%	N/A	50%	N/A	N	2
*2010 LA Arrivals								
**U.S. Travel Association Projections								
Note: Canada is classified as domestic								

In-Market Tourism

Friends & family are a critical source for information for tourists coming to Los Angeles

<u>Source of Information</u>	<u>%</u>
Friends & family in LA*	88%
Search Engines	75%
General Travel Websites	64%
Hotel Websites	56%
Travel Books/Magazines	45%