



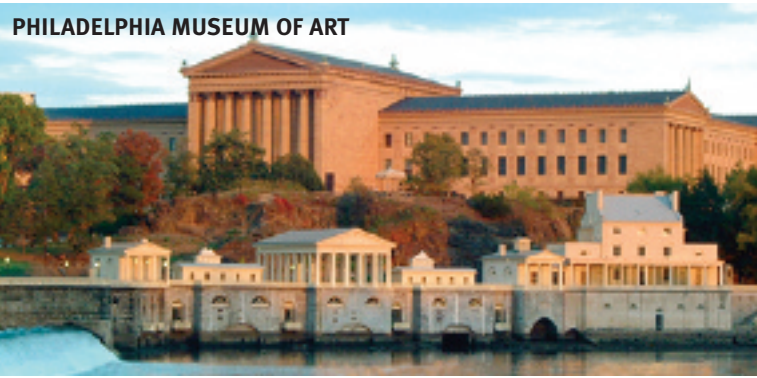
TOURISM 2006: REPORT TO THE INDUSTRY

PHILADELPHIA AND THE COUNTRYSIDE™

BRANDING BUILDS BUSINESS:

OVERNIGHT LEISURE VISITATION HAS INCREASED
55% BETWEEN 1997 AND 2005





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TOURISM 2006



In honor of our 10th anniversary, GPTMC has assembled a series of top 10 lists you'll see throughout the report. Also look out for 10 brand indicators, each showcasing how Philadelphia's brand has improved/changed over the years.

THANKS, WE COULDN'T DO IT WITHOUT YOU

- | | | |
|--------------------------------------------|-------------------------------------------------------|------------------------------------------------------------------|
| ■ Governor Edward G. Rendell | ■ Greater Philadelphia Hotel Association | ■ Philadelphia CVB |
| ■ Mayor John F. Street | ■ Heritage Philadelphia Program | ■ The Philadelphia Foundation |
| ■ AAA | ■ Independence Foundation | ■ Philadelphia Gay Tourism Caucus |
| ■ Advanta Corp. | ■ Independence National Historical Park | ■ Phila.gov |
| ■ Amtrak | ■ Independence Visitor Center Corp. | ■ Philadelphia Industrial Development Corp. |
| ■ Benjamin Franklin Tercentenary | ■ Innovation Philadelphia | ■ Philadelphia Museum of Art |
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| ■ Bucks County CVB, Inc. | ■ Multicultural Affairs Congress | ■ Port of Philadelphia and Camden |
| ■ Campus Philly | ■ National Park Service | ■ Select Greater Philadelphia |
| ■ Campus Visit Philadelphia | ■ Penn's Landing Corp. | ■ Smith Travel Research |
| ■ Center City District | ■ PA Convention Center Authority | ■ Southwest Airlines |
| ■ Chester County CVB | ■ PA Department of Community and Economic Development | ■ Temple University's School of Tourism & Hospitality Management |
| ■ City of Philadelphia | ■ PA Department of Conservation and Natural Resources | ■ Travel Industry Association of America |
| ■ Collegia | ■ PA Economy League | ■ University City District |
| ■ Comcast Corp. | ■ PA State Legislature | ■ US Airways/America West Airlines |
| ■ Comcast Spotlight | ■ PA State Travel and Tourism Committee | ■ Valley Forge CVB |
| ■ Greater Philadelphia Chamber of Commerce | ■ The Pew Charitable Trusts | ■ Wachovia |
| ■ Greater Philadelphia Cultural Alliance | ■ Philadelphia City Council | ■ William Penn Foundation |

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2006 EXECUTIVE MESSAGE

In 1996, when GPTMC was formed, our mission was to promote a positive image of Philadelphia and The Countryside™ and increase visitation. Over the last 10 years, our mission has evolved dramatically, as we held up a mirror to the region and beyond, reflecting a revitalized, full-color Philadelphia in television commercials, thousands of photographs, millions of words and miles of videotape.

We intended our efforts to impact leisure visitation, and they did; between 1997 and 2005, overnight leisure travel grew a whopping 55%. We also intended our focus on branding and image building to boost other market segments, such as business and convention, and it has done so. Our work has also impacted our region's residents and students. In shining a light on Philadelphia's history, hotels, museums, restaurants and shops, GPTMC has helped put Philadelphia on the map as a place to live, work, play, start a business and go to school.

This “glow” around our region is called its “brand,” and the glow transcends tourism. A good brand is money in the bank. It builds business. For 10 years now, we've been building the region's image and branding Philadelphia as a cool and happening place. In 2005, the city became an “overnight sensation.” During this monumental year, *National Geographic Traveler* named Philadelphia the “next great city,” *USA Today* raved that the city had gone “From Rocky to Rockin'” and *Time* magazine identified Philadelphia as one of four cities in the world to “watch” in 2006.

This year, with the help of our board and staff, we rewrote GPTMC's mission statement to reflect the impact this image and brand building has had and will continue to have over the next decade. Our new mission statement:

The Greater Philadelphia Tourism Marketing Corporation makes Philadelphia and The Countryside™ a premier destination through marketing and image building that increases business and promotes the region's vitality.

BRANDING BUILDS BUSINESS

When GPTMC was born 10 years ago, founders Rebecca Rimel of The Pew Charitable Trusts, then-Mayor Ed Rendell and then-Governor Tom Ridge published a commentary in *The Philadelphia Inquirer* entitled “Philadelphia Tourism's Golden Promise.” (See page 2 to read the piece in its entirety.) The goal of GPTMC as envisioned by our founders was “...to reclaim our place in the hearts and minds of America and to make this region once again a place where people want to come, choose to linger, and look forward to returning.”

We've come a long way toward achieving that goal. According to Global Insight, visitors spent more than a billion dollars on entertainment in our region in 2004. And, when they come to see one thing, they often stay to see others. For instance, the *Salvador Dalí* exhibition at the Philadelphia Museum of Art generated 52,000 visits to other area attractions by visitors who came to Philadelphia specifically to see the art show. With more people staying at our hotels, new restaurants opening every week and more people on the streets, it's clear that the Philadelphia brand is more desirable than ever before. It is also clear that more and more people have confidence in the brand promise: “There is so much to do, you'll have to sleep over.”

We look forward to forging ahead over the next decade with all of you who have done so much to make Philadelphia and The Countryside™ deliver on tourism's “golden promise.”

MANUEL N. STAMATAKIS
Chairman

MERYL LEVITZ
President and CEO



THE GOLDEN PROMISE

THE VISION

In May 1996, the Greater Philadelphia Tourism Marketing Corporation was born. You could say this *Philadelphia Inquirer* commentary piece by Ed Rendell, Tom Ridge and Rebecca Rimel announced our birth:

(For a look at the mighty trio's thoughts today, see page 29.)



CITY HALL

The Philadelphia Inquirer

COMMENTARY May 1996 A13

Philadelphia tourism's golden promise

By Edward G. Rendell, Thomas J. Ridge and Rebecca W. Rimel

The Philadelphia region is sitting on gold. And in these uncertain economic times, it is gold that we simply can't afford not to mine. The gold is the travel and tourism potential represented by the entire region's rich history, first-rate cultural attractions, tremendous recreational opportunities and its world-class restaurants and shopping. From the chambers of Independence Hall to the outdoor festivals on Penn's Landing, from the battlefields of Valley Forge National Historical Park to the arcades and shops of historic New Hope, Greater Philadelphia has as much to offer as any comparable area anywhere in the United States.

What's more, all these attractions sit smack in the center of one of the country's most dynamic

markets — the Eastern seaboard of the United States. Given all its excellent attractions and favorable location, isn't it high time the region takes better advantage of its potential as a travel and tourism destination?

The potential benefits of travel and tourism to the region cannot be overestimated. Nationally, travel and tourism is now the second largest employer, providing jobs for 11 million people and generating more than \$51 billion in tax receipts each year. In Pennsylvania alone, travel and tourism is an \$18.5 billion industry, supporting 344,000 jobs and growing at a rate of 4.3 percent annually.

But despite these clear economic incentives, the Greater Philadelphia region — the city and its four neighboring Pennsylvania counties — has failed to market itself in an aggressive and sophisticated way so that it might capture its share of this burgeoning market. Up and down the Atlantic coast, we have been out-hustled and outspent by cities and regions from Boston to Miami.

But this is about to change.

The Pew Charitable Trusts, recognizing the significant economic development potential of travel and tourism, have initiated a break-the-mold partnership with the city of Philadelphia and the commonwealth of Pennsylvania. The goal of the partnership is to develop a sustained cooperative strategy for promoting the entire Philadelphia region to travelers throughout the Mid-Atlantic region and beyond.

Over the next three years, the three partners plan to invest \$12 million to revitalize the travel and tourism industry in the region. The Pew Trusts have committed up to \$6 million to the effort, and the city and state are contributing \$3 million each. (Within three years, the effort is expected to be self-sustaining, funded by revenues and contributions from public and private sources.)

If \$4 million a year seems like an extravagance in these economically tough times, consider that Las Vegas alone spends \$19 million a year on tourism and travel promotion, New Orleans \$4.8 million and San Antonio \$3.5 million — and those dollars go to promoting just those



For The Inquirer: J. BARRE/MAGUIRE

The Greater Philadelphia region has failed to market itself aggressively — but that's about to change.

cities. Our plan promotes the entire region. Consider further what kind of return these cities get on their investment. Travel and tourism creates thousands of jobs and brings in millions of dollars annually to their economies. It is clearly past time for the Philadelphia region to step to the plate and get in this high-payoff game.

Building a strong regional tourism market will require a concerted and coordinated effort among many parties — both public and private. As a first step, the city, state and Pew Trusts have pooled their resources to create the Greater Philadelphia Tourism Marketing Corporation, which will be officially announced by the three of us today. The corporation's main responsibility will be to market the region to potential visitors, emphasizing Greater Philadelphia's appeal as an overnight destination. The corporation will also highlight the activities of the region's tourism-related businesses and attractions in order to leverage the area's clout as a destination. And it will start collecting the data needed to shape a smarter and more effective marketing strategy.

If it all sounds like a big job, it is, but it is also achievable if the region — the whole region — pulls together. The partnership among the city, state and the Pew Trusts signals the first of what we hope will be many region-wide cooperative efforts that will serve as a catalyst for positive and powerful change.

What we ask is that all those with a stake in the region's future — the hospitality sector, the retail sector and the corporate community in general — now come together to contribute their time, their creativity, their energy and, yes, their resources to move this effort forward. We welcome you as partners in this venture, as critical components of its success.

Ultimately, though, the effort rests not on what government or the private sector does, but on the spirit of those who make the Philadelphia area such a great place to visit — those who live and work here. We rely on you to tell the region's real story, one filled with pride for our past and enthusiasm about our future.

But old habits die hard. When it comes to finding things wrong with where they live, Philadelphians have shown themselves to have an overabundance of creativity. Word of mouth is the most powerful tourism marketing tool we have — for good or bad. Running down your city, your region or your state hurts. Baltimore and Cleveland used to be the national butt of jokes. Nobody makes fun of them anymore.

The Philadelphia region needs to join — and eventually lead — that league. Two hundred years ago, the Philadelphia region was a bustling hub of American enterprise and culture, a political nexus, and a center of intellectual endeavor. The compelling hum of its river ports and canals, the notable tolerance and diversity of its citizenry, and the fertile and gracious landscape of the region made this a destination for travelers from far and wide.

Today's Philadelphia region has as much to offer visitors as it did 200 years ago. It is time to reclaim our place in the hearts and minds of America and to make this region once again a place where people want to come, choose to linger, and look forward to returning.

Edward G. Rendell is mayor of Philadelphia, Thomas J. Ridge is governor of Pennsylvania and Rebecca W. Rimel is president of the Pew Charitable Trusts.

THE GOLDEN PROMISE

TOURISM'S 10TH ANNIVERSARY

Visitation statistics indicate that many tourists already know Philadelphia's value as a travel destination. In fact, overnight leisure tourism has increased 55% since GPTMC began advertising, from 5.71 million overnight visitors in 1997 to 8.86 million in 2005. In addition, Saturday night is now the busiest night of the week for hotels in Philadelphia, with 81% occupancy in 2005.

The tourism industry is vibrant in the Philadelphia region, but with all of the region's recent media attention comes a challenge to keep the momentum going. As GPTMC celebrates its 10th year of promoting the region as a travel destination, we are ready to take on that challenge.

HOW IT ALL BEGAN

In 1996, Rebecca Rimel of The Pew Charitable Trusts, along with then-Governor Tom Ridge, then-Mayor Ed Rendell and then-City Council President John Street, identified leisure tourism as a replacement industry for lost manufacturing revenue. Together, the city, the state and The Pew Charitable Trusts made a three-year, \$12 million investment that gave birth to GPTMC, an organization whose mission was to market the entire region (Bucks, Chester, Delaware, Montgomery and Philadelphia counties) to potential leisure visitors.

GPTMC's goal was to paint an accurate image of the region for potential visitors and to motivate them to visit. That meant investing major funds in new photos and video, developing a presence on the Internet just as it was starting to take off, creating a media database, conducting consumer research and planning long-term strategies. And, of course, it meant running television advertising campaigns, the first of which ran in 1997 as part of the “My Philadelphia” campaign.

TOURISM MILESTONES

In 1999, at the urging of the Greater Philadelphia Hotel Association, the city and state legislature approved a 1% increase in the hotel tax, a measure that helped permanently fund Philadelphia's tourism marketing efforts. The following year, the city hosted the 2000 Republican National Convention.

In 2001, the events of September 11 had a major impact on the \$100 billion U.S. travel industry, which is why Mayor John Street challenged Philadelphia's hospitality leaders to create a marketing program that would aid the region's short-term recovery. As a result, GPTMC launched the **Philly's More Fun When You Sleep Over®** campaign, an effort that generated more than 37,000 room nights and \$10 million in direct visitor spending in its first season alone. In fact, the campaign helped Philadelphia rebound faster than any other city in the U.S.

Early on, GPTMC began promoting the region to African American and Hispanic visitors, college students, Canadians, cruise passengers and residents. GPTMC launched one of its most high-profile campaigns in 2003 in an effort to invite gay travelers to visit. With its **Philadelphia - Get Your History Straight and Your Nightlife Gay®** spot, the city became the first destination in the world to broadcast a gay-friendly television commercial. Just a year after the launch of the campaign, GPTMC reported that gay travelers were spending 30% more than they did before the effort debuted, up from \$179 per day in 2003 to \$233 per day in 2004.

WHAT'S DRAWING VISITORS TO THE REGION?

The Philadelphia region has long been home to dramatic historic sites, interactive museums, a sizzling dining scene, bumping nightlife and trendy shopping. Over the years, what was already good got even better - a fact that became internationally known when MTV aired *The Real World: Philadelphia* in 2004. Philadelphia is now home to the new Liberty Bell Center, the National Constitution Center, the Independence Visitor Center, The Kimmel Center for the Performing Arts, Lincoln Financial Field, Citizens Bank Park and the Wachovia Center.

The region's restaurant and retail businesses are booming as well. The Center City District's (CCD) *State of Center City 2006* report reveals that the downtown area is now home to 167 outdoor cafes, up 61% from 2002. Bring-your-own-bottle (BYOB) restaurants are more popular than ever too, with more than 175 such establishments in the region, according to the *2005 Zagat Survey*. Retail businesses are also expanding at a rapid pace. From 1996 to 2005, CCD reports that the number of shops downtown increased from 1,869 to 2,148.

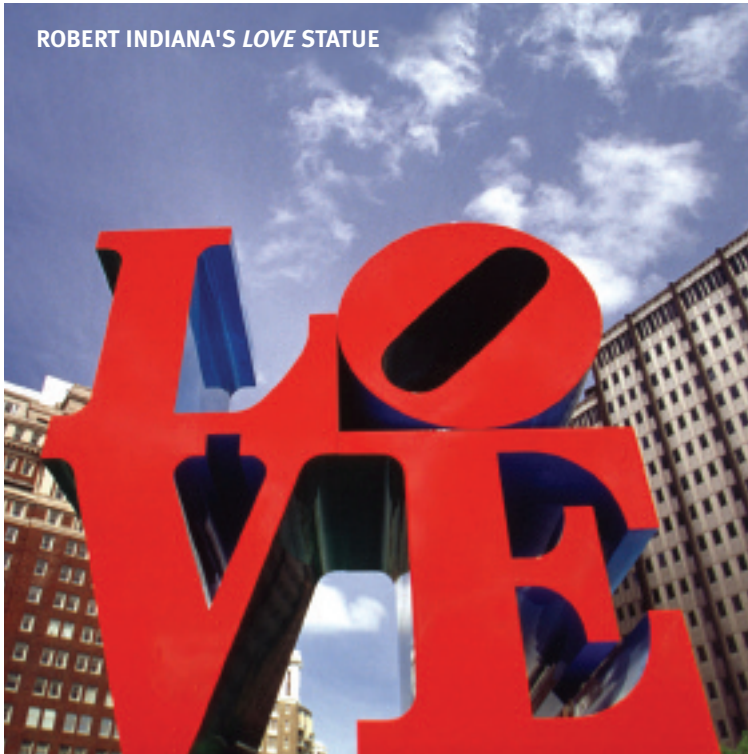
Blockbuster events give visitors timely reasons to visit the region now. From last year's *Live 8* and Elton John concerts to the *Benjamin Franklin: In Search of a Better World* and the *Body Worlds* exhibitions in 2006, the region continues to offer unique experiences. GPTMC has worked in partnership with area attractions to turn major exhibitions and happenings into “sleepover” events. This collaborative effort worked especially well when GPTMC and Advanta teamed up with the Philadelphia Museum of Art to promote the *Salvador Dalí* exhibition in 2005.

BOATHOUSE ROW WITH NEW LIGHTING SPONSORED BY PECO





LIBERTY BELL CENTER



ROBERT INDIANA'S LOVE STATUE

THE PHILADELPHIA BRAND

WHAT IS A BRAND?

Back in the day, branding was the process of burning your ranch's name onto your steers so that nobody else could claim them as their own. Later, it meant burning your name on to the packing crates you shipped your products in - and increasingly the products themselves - so that retailers could be assured of what they were getting and you could be assured of getting payment. In time, consumers learned to look for their favorite “brands” and ask for them by name - Lipton, Levi's and Ritz Crackers are early examples.

In his great book *Twenty Ads That Shook the World: The Century's Most Groundbreaking Advertising and How it Changed Us All*, James B. Twitchell tells what happened next:

“In the 1950's, brands were rediscovered. What was slowly becoming clear was that (1) brands were being applied not just to the product but to the end-user and (2) consumers were eager to enter affiliation with objects, regardless of how irrational it might appear. People voluntarily wore shirts with little alligators sewn on them, they drove cars with huge chromium statues on the hoods, and they would soon wear shoes with giant swoosh marks.”

WHAT IS PHILADELPHIA'S BRAND?

Here are five definitions to consider:

- “My Philly is food, fun, basketball and the museums.” - A Philadelphia visitor
- “My Philly is artsy, worldly and cozy.” - A Philadelphia native
- Philadelphia is “freedom, fraternity, faith and fulfillment.” - Dr. Clifton Davis, *Sunoco Welcome America*, Inc.
- Philadelphia is “historical and hip, hot and cool.” - Stephanie W. Naidoff, City of Philadelphia
- “The Philadelphia experience is one of innovation, invention and re-invention in all things. Above all, the Philadelphia experience is a promise of personal independence.” - Ed Tettemer, Red Tettemer

HOW DOES GPTMC DEFINE THE PHILADELPHIA BRAND?

Ten short years ago, there wasn't one to see. No image, no aura, no promise of a fully rounded visitor experience. Over the last 10 years, the brand has been developing. Signing off initially with **The Place That Loves You Back** and **Make My Philadelphia Your Philadelphia**, the branding of Philadelphia and The Countryside™ has evolved into a “More Fun” message.

Our brand promise is that our visitors will find more authenticity, beauty, personality, history, magic moments and fun than they had expected.

With the support of our funders and partners, we ensure the brand is burned onto every message we put out there so that potential visitors can distinguish a Philadelphia experience from all others, value it as such and ask for it by name.

01

Brand Indicator #1

Saturday night is no longer the loneliest night of the week. Saturday night was the strongest night of the week for hotel occupancy in Philadelphia in 2005 at 81%. The average daily rate was higher than it has ever been too. (Smith Travel Research)

THE BIG PICTURE (CONTINUED)

WHAT WE DO

NEW MISSION STATEMENT : The Greater Philadelphia Tourism Marketing Corporation makes Philadelphia and The Countryside™ a premier destination through marketing and image building that increases business and promotes the region's vitality. (See Executive Message on page 1 for details about our new mission statement.)

PHILLY'S MORE FUN ALLIANCE

The Philly's More Fun Alliance serves as an advisory group to the GPTMC board of directors. Made up of individual leaders from area corporations, government, arts and cultural organizations and the hospitality industry itself, the Alliance acts as a sounding board for developing and enriching emerging marketing concepts. In 2005, the group helped leverage the marketing of the *Benjamin Franklin: In Search of a Better World* exhibition and has developed several marketing ideas for an upcoming nightlife program. The following leaders are members of the group:

- | | | |
|-----------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------------------|
| ■ Peggy Amsterdam, Greater Philadelphia Cultural Alliance | ■ Steve Grandizio, Friendly Mortgage | ■ Ike Richman, Comcast-Spectacor |
| ■ Karen Dougherty Buchholz, Comcast Corp. | ■ Melissa Grimm, Philadelphia 2016 | ■ James Roebuck, State Representative |
| ■ Gene Castellano, Cabrini College | ■ Ed Grose, Greater Philadelphia Hotel Association | ■ Judith Rogers, Parkway Council Foundation |
| ■ John Chin, Philadelphia Chinatown Development Corp. | ■ Jon Herrmann, Campus Philly | ■ Tania Rorke, Society Hill Civic Association |
| ■ Lou Coffey, Center City Residents' Association | ■ Peter Iacovoni, City of Philadelphia | ■ Dianne Semingson, DLS International Inc. |
| ■ Danielle Cohn, Philadelphia CVB | ■ Amber Jaynes, Urban League of Philadelphia, Inc. | ■ Michelle Shannon, Center City District |
| ■ Karen Corbin, The Franklin Institute Science Museum | ■ Allison Kelsey, Pennsylvania Economy League | ■ Elizabeth Smith, Select Greater Philadelphia |
| ■ Charles Croce, Philadelphia Museum of Art | ■ Michael Lyons, GEP Philly | ■ Heseung Ann Song, Osiris Group |
| ■ Paul Decker, Valley Forge CVB | ■ Mervon Mehta, The Kimmel Center for the Performing Arts | ■ Tami Sortman, Philadelphia Gay Tourism Caucus |
| ■ Frances Delmar, Independence National Historical Park | ■ Jodie Milkman, Penn's Landing Corp. | ■ Paul Steinke, Reading Terminal Market |
| ■ Mary Dougherty, Nicole Miller Boutiques | ■ Bill Moore, Independence Visitor Center Corporation | ■ Mitch Sussman, Starr Tours |
| ■ J. Donald Dumpson, J. Donald Dumpson Productions, LLC | ■ Amy Needle, Historic Philadelphia, Inc. | ■ Norman Tissian, Consultant |
| ■ Gary Fassak, The Philadelphia Zoo | ■ Dianah Neff, City of Philadelphia | ■ Keith Toler, Bucks County CVB |
| ■ Jack Ferguson, Philadelphia CVB | ■ Steven Nelson, Montgomery County Commissioners | ■ Andrew Toy, Philadelphia Commercial Corridor Redevelopment Initiative |
| ■ Bill Fitzgerald, Doubletree Hotel Philadelphia | ■ Cicely Peterson-Mangum, Mt. Airy USA | ■ Lewis Wendell, University City District |
| ■ Michelle Freeman, Campus Philly | ■ Sharon Pinkenson, Greater Philadelphia Film Office | ■ Patricia Wilson-Aden, Universal Companies |
| ■ Hy Goldberg, Jeweler's Row Association | ■ Seth Rappaport, Impax Marketing | ■ Frank Wiodarczyk, POMCO Graphic Arts |
| | | ■ Ahmeenah Young, Pennsylvania Convention Center Authority |

WHAT WE MEAN BY *Philadelphia*

We mean Philadelphia and The Countryside™: Bucks, Chester, Delaware, Montgomery and Philadelphia counties

WHAT WE MEAN BY TOURISM MARKETING

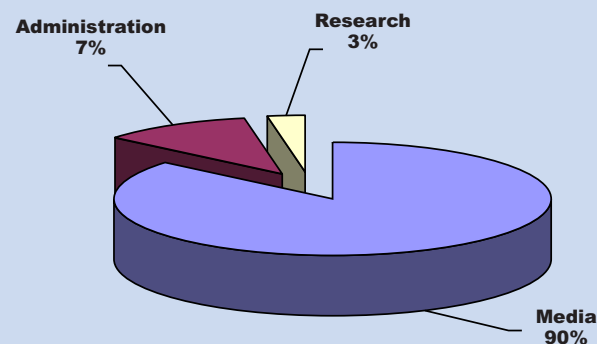
Making the region a star destination through the following:

- Advertising in print, television, radio, outdoor and online
- Brand development
- Consumer collateral materials
- Cooperative marketing program
- Cultural tourism marketing
- Event-based marketing
- **gophila.com**
- Hotel packaging
- Image building
- Media and public relations
- Partnerships, promotions and marketing alliances
- Pressroom on **gophila.com**
- Stakeholder relations
- Tourism development
- Visitor and marketing research

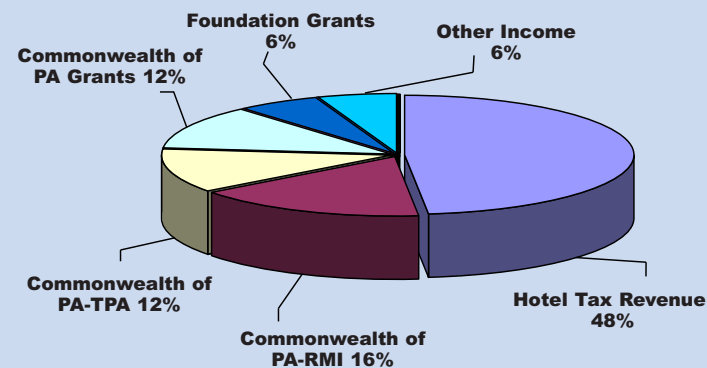


LONGWOOD GARDENS

Fiscal Year 2005 Expenditure Allocations



Fiscal Year 2005 Funding Sources



PRIMARY FUNDERS

- * Philadelphia County hotel tax
- * Commonwealth of Pennsylvania
- * William Penn Foundation
- * The Pew Charitable Trusts

THE BIG PICTURE (CONTINUED)

OUR RESULTS: 2005 BIG NUMBERS

Advertising: Created **1,099,429,363** impressions via broadcast and cable TV, radio, print, Internet and outdoor advertising

Cooperative Advertising: Created **93,727,716** advertising impressions from **56** full-color ad placements in **25** regional and national travel, leisure and lifestyle print publications, with the participation of nearly **80** partners throughout Philadelphia and The Countryside™

Leisure Hotel Room Nights: Booked **2.58 million** leisure room nights in the region, including **620,000** leisure nights in Center City (for 2005)

Public Relations: Generated **4,050** stories worth **\$55,486,613** in advertising equivalency (if we had to buy it) for **934,113,120** impressions

Web: Drove **28%** increase in usage of **gophila.com**, with **17,533,050** page views, more than **3.7 million** visits, more than **190,000** e-mail subscriptions, **24,822** downloads of the *Philadelphia Official Visitors' Guide* and *Philadelphia and The Countryside™: An Insider's Look* and nearly **16,000** room nights booked

HOW VISITORS IMPACT THE REGION

When you see people on the street or in a café studying a map of the city, you might want to go up and thank them. They stay in our hotels, eat in our restaurants, patronize our shops and visit our museums. Each day, leisure, business and convention visitors to our region spend \$18.6 million. Could you imagine where we'd be without them?

Visitor spending was up significantly from 2003 to 2004 (the most recent year for which data was available), according to research by Global Insight. Travelers spent \$6.8 billion in the five-county region in 2004, up 7% from the \$6.34 billion they spent the previous year. Leisure travelers accounted for 59% of all visitor spending in 2004, up from 56% in 2003.

- Leisure travelers spent \$4.01 billion - or \$11 million per day - in the region in 2004
- 104,543 jobs in the region were attributable to the leisure travel industry in the region
- Leisure travelers generated \$1.09 billion in federal, state and local taxes in 2004
- Revenue from hotel room night sales in the region topped \$900 million in 2005, a first for the region (Global Insight)



Brand Indicator #2

Just count the ducks. In 2004, Ride the Ducks launched its amphibious tour service with four vessels. In 2006, Ride the Ducks will put 14 of its vehicles in the water and be joined by Super Ducks and Land Sharks.

THE BIG PICTURE

WHO WE TALK TO

GPTMC creates a single brand message for the region and then translates it into the language that appeals most to our key segments. **Our visitors come as couples, families and friends**, but they also come with personal identities and specific interests that shape their expectations. Knowing who they are is key to marketing effectively to them.

- **Residents:** In 2005, 37% of those who booked a hotel stay through **gophila.com** were from the Greater Philadelphia region. Philadelphians are the best voice for all there is to see and do, so GPTMC creates campaigns for residents that key them into what's going on, making them true insiders ready to introduce their visiting friends and family to Philadelphia and The Countryside™.
- **AAA:** More than 80,000 AAA hotel room nights were booked in the Philadelphia area in 2005, and GPTMC's cooperative advertising program generated 52,620,000 impressions in AAA publications during the same year. (*Hospitality Snapshot*, PKF Consulting)
- **Hispanic travelers:** 82% of recently surveyed Hispanic travelers to Philadelphia were satisfied with their trip, and 71% expect to return. Top tourism interests include: historical attractions (47%); dining (45%); and walkability (38%). (GPTMC/NCLR Survey)
- **African American travelers:** The top markets for African American travel to the region are Baltimore and Washington D.C. (Scarborough Research)
- **Canadian travelers:** According to Philadelphia International Airport, 15% of passengers arriving to the Philadelphia International Airport come from Canada. Our northern neighbors spent \$87 million in Pennsylvania in 2004, and much of it was spent in our region, according to visitPA.com. GPTMC's advertising focused on the Canadian Automobile Association audience, inviting them to sleep over in Philadelphia and The Countryside™ on their extended U.S. trips.
- **Gay travelers:** The business decision to invite gay travelers to visit with the **Philadelphia - Get Your History Straight and Your Nightlife Gay®** campaign has yielded unprecedented results, with \$153 in direct visitor spending for every \$1 GPTMC spent on the gay-friendly campaign. (GPTMC/Community Marketing Inc.)
- **Urban explorers:** GPTMC's research shows that about half of our hotel visitors concentrate their visit on shopping, dining and walking around our neighborhoods. (GPTMC hotel visitor surveys)
- **Culture vultures:** The *Salvador Dalí* exhibition at the Philadelphia Museum of Art generated 20,700 hotel room nights and 52,000 visits to other cultural attractions. Interim data from visitors to the *Benjamin Franklin: In Search of a Better World* exhibition indicate that more than a third (37%) of respondents stayed overnight in the region. GPTMC continues to promote major shows and exhibitions to entice travelers to visit the area and spend the night. (Philadelphia Museum of Art and GPTMC surveys)
- **Foodies:** Dining is huge in Philadelphia, with distinctive options like outdoor cafes (growing 12% in Center City alone between 2004 and 2005, according to the Center City District) and BYOBs (more than 175 in our region). GPTMC visitor surveys reveal that more than 40% of our guests enjoy fine dining and a third experience ethnic cuisine during their visit.
- **College students:** There are more than 300,000 students attending the more than 80 universities and colleges in the Greater Philadelphia region, and GPTMC works closely with the Knowledge Industry Partnership (KIP) to promote the region to them and their visiting families. (KIP)

EMERGING MARKET: OUTDOOR ENTHUSIASTS

In spring 2006, GPTMC officially launched the **Think Outside™** campaign, a marketing program to promote our region's natural attractions and outdoor recreational opportunities. Even in the pre-launch phase, "...local enthusiasts and tour entrepreneurs are already reaping the benefits from GPTMC's work," reported the *Philadelphia Business Journal* in March.

The key components of the campaign include: an online go-to source for information about the area's outdoor offerings on **gophila.com**, advertising, PR and a grassroots marketing effort that taps into Philadelphia's growing base of avid outdoor enthusiasts. The campaign's goals are to:

- Build the image of the Philadelphia region as an outdoor destination
- Increase visitation to the region's outdoor attractions
- Promote outdoor experiences as a driver for increased visitation and longer stays

More than 40 partners are participating in this broad-based effort to promote in a comprehensive way our region's natural assets. Lead funding is being provided by the William Penn Foundation, the Pennsylvania Department of Conservation and Natural Resources and the Commonwealth of Pennsylvania.





LIVE 8,
PHILADELPHIA MUSEUM OF ART



FOURTH OF JULY FIREWORKS,
DELAWARE RIVER WATERFRONT

BLOCKBUSTER EVENTS BUILD BRAND (CONTINUED)

Blockbuster events are critical to building the Philadelphia brand and visitation. Each year, we promote annual and one-time only events and exhibitions that are destination builders. We took full advantage of the big opportunities that recently came our way: Benjamin Franklin's 300th birthday, a truly once-in-a-lifetime Fourth of July weekend and Gunther von Hagens' *Body Worlds: The Anatomical Exhibition of Real Human Bodies* at The Franklin Institute. Here's what we did to promote the attractions, sell hotel rooms and strengthen the Philadelphia brand, along with a look at our results:

FOURTH OF JULY FESTIVITIES

Philadelphia's 2005 Fourth of July festivities will live long in everyone's memory. More than a dozen non-profit, hospitality and government organizations partnered to plan and execute the *Sunoco Welcome America* and *Four Days of the Fourth* celebrations, as well as the *Sunoco Philadelphia Freedom Concert*, starring Elton John. But no one anticipated that *Live 8*, a global celebrity concert, would be added to the schedule just weeks before the holiday. Combined, the events drew around 2 million people to Philadelphia. Here's what we did to promote the weekend and a look how our efforts paid off:

- GPTMC's advertising department dedicated \$80,000 worth of advertising in the New York City area with 10-second radio traffic sponsorships and two billboards near Penn Station. Advertising on the *Live 8* pages of AOL's Music Channel delivered an estimated 2.4 million impressions. And, to publicize the Elton John concert, we distributed postcards to more than 10,000 gay consumers in New York City and Philadelphia. In total, the campaign made 9,144,266 impressions.
- The PR team brought together a marketing committee of representatives from around the city to maximize the weekend's media coverage. We created a unified Philadelphia press kit, distributed more than a dozen releases over the national news wires and hosted a press trip with influential travel media. Together, we garnered 1,600-plus placements, valued at more than \$13 million.
- **Gophila.com** launched a sub-section of the Web site that highlighted the many events taking place over the long weekend. Between May and July, 2005, this section of the site received 79,950 visits. In addition, we partnered with The Cloud at Wireless Philadelphia™ to promote the city's free WiFi service to *Live 8* concert goers.
- Over the holiday weekend, hotels had more leisure demand than they had over the same weekend in 2004. In addition, they made approximately 20% more in average daily rate during the weekend compared to average Friday and Saturday nights throughout the rest of that month.
- We produced 200,000 *Four Days of the Fourth* brochures to help inform visitors about what was going on throughout the weekend. The brochures were distributed by a buzz marketing team and were available at hotels and key attractions throughout the region.



Brand Indicator #3

Philadelphia hotels are charging more per night. In 1999, the average daily rate was \$122.56. That rate dipped to \$116.27 in 2003, following the events of September 11, 2001, and in 2005 it rebounded to \$132.21. (Smith Travel Research)

BLOCKBUSTER EVENTS BUILD BRAND (CONTINUED)

GUNTHER VON HAGENS' BODY WORLDS: THE ANATOMICAL EXHIBITION OF REAL HUMAN BODIES

In partnership with The Franklin Institute, GPTMC worked to extend the reach of Gunther von Hagens' *Body Worlds: The Anatomical Exhibition of Real Human Bodies*, which drew more than 600,000 people during its nearly seven-month run. Our primary goal was to build overnight visitation to the exhibition from those outer markets. Here's what we did to achieve success:

- We ran a \$329,000 advertising campaign in New York City and Boston that included print, online media and out-of-home tactics. Outdoor advertising units, including a seven-panel display on the windows of the Manhattan Mall (see below), were key to the effort's success. The campaign generated 563,338,840 impressions between October and December.
- GPTMC hosted a press trip linking the exhibition with other thematically connected sites, including the Mütter Museum and the Pennsylvania Academy of the Fine Arts, where the *In Private Hands: 200 Years of American Painting* exhibition was on view.
- **Gophila.com/bodyworlds** served as the call-to-action for the out-of-market advertising campaign. We featured the exhibition and hotel package prominently on **gophila.com's** homepage throughout the run of the show. The *Body Worlds* splash page provided exhibition details, hotel package information, photography, nearby attractions and accommodations. We logged 74,166 visits between September 2005 and March 2006.



MANHATTAN MALL,
NEW YORK CITY

TOP TEN+

Annual Events
That Brand Philadelphia

Every month of the year, there are great events that help us brand the region. The truth is, this is one list where 10 spots just won't do. Here are a dozen plus events that draw tourists to the region each year:

1. **January:** *Mummers Parade*, Broad Street and the Pennsylvania Convention Center
2. **February:** *Philadelphia International Auto Show*, Pennsylvania Convention Center
3. **March:** *Philadelphia Flower Show*, Pennsylvania Convention Center
4. **April:** *Philadelphia Antiques Show*, 33rd Street Armory
5. **April:** *Penn Relays*, Franklin Field
6. **April:** *Philadelphia Furniture & Furnishings Show*, Pennsylvania Convention Center
7. **May:** *Equality Forum*, throughout Center City
8. **May:** *Dad Vail Regatta*, Schuylkill River
9. **June:** *Odunde African-American Street Festival*, South Street
10. **June-July:** *Sunoco Welcome America*, throughout the city
11. **August-September:** *Philadelphia Live Arts Festival and Philly Fringe*, throughout the city
12. **October-November:** Three fall favorites, including *USArtists: American Fine Art Show*, 33rd Street Armory; *Treasures-From the Silk Road to the Sante Fe Trail*, University of Pennsylvania Museum of Archaeology and Anthropology; *Philadelphia Museum of Art Craft Show* at the Pennsylvania Convention Center
13. **December:** *Army/Navy Game*, Lincoln Financial Field





BEN FRANKLIN 300 PHILADELPHIA PRESS CONFERENCE, NATIONAL CONSTITUTION CENTER

BLOCKBUSTER EVENTS BUILD BRAND

BEN FRANKLIN 300 PHILADELPHIA

GPTMC joined forces with the National Constitution Center and the Benjamin Franklin Tercentenary to transform Ben Franklin's historic 300th birthday on January 17, 2006 into a year-long celebration and a marketing bonanza for the region. We aimed to drive visitation to the *Benjamin Franklin: In Search of a Better World* exhibition, to generate hotel stays at the slowest time of the year (winter), to engage the region in the celebration of all-things Ben and to stir up a lot of national excitement over Franklin's birthday. Here's a look at what we did and how we fared:

- Public relations outreach came on strong beginning in March 2005, 300 days before the birthday. GPTMC held four press conferences in four cities and two Franklin-themed press trips attended by 17 journalists. The effort generated 1,200 editorial placements valued at more than \$5 million.
- A \$760,000 advertising campaign began in October 2005 and utilized television, radio, print, outdoor and online advertising in our own city and state, New York, Northern New Jersey and Boston. A 100-foot banner on Madison Square Garden and a three-panel billboard on the Morgan Stanley Building in New York City were highlights of the campaign, which generated 234,453,890 impressions between November and April.
- A comprehensive online advertising campaign launched in December 2005 with various banners geo-targeted to our core markets; the campaign made 60,270,010 impressions.
- A mini Web site, **gophila.com/ben**, went live in February 2005 and served as the call-to-action for the campaign. We maintained the 100-page site for 15 months and promoted the exhibition, along with comprehensive travel planning information. Between March 2005 and March 2006, we logged 240,481 visits.
- Ben's Birthday Hotel Package included accommodations, tickets to the exhibition and other value-added items and generated more than 1,250 hotel room nights.
- Hotels, restaurants and shops throughout the region joined in the celebration through Ben's Birthday Hotel Package, Ben's Birthday Bake-Off, *Ben's Birthday Bulletin* and the *Little Book of BENefits* coupon book.
- Buzz marketing tactics included a "BENergy Brigade" reaching consumers in Philadelphia, New York, Harrisburg and Boston and a media tour in Canada with Ben Franklin himself.



Thanks, Ralph, for helping us make Ben's birthday celebration such a huge success. Over the course of the year-long party, Ralph traveled to six cities in two countries, went head-to-head with Stephen Colbert on *The Colbert Report*, played the glass armonica on Canadian television and blew out countless candles. For that, we say Huzzah!

RALPH ARCHBOLD

ADVERTISING (CONTINUED)

Communication with consumers in today's world has changed dramatically - in the way they receive their information and when they receive it. With this constantly changing stream of 24/7 communication, we have reevaluated how we identify our visitors and how we talk to them.

Through constant planning and testing, the media vehicles we use become flexible tools that can be modified based on lifestyle and program content. This flexibility ensures that we place our message in front of the right consumers at the right time, thereby increasing the opportunity for response and action.

WAYS WE TALK WITH OUR VISITORS

- Television:** Four 15-second television commercials position Philadelphia as a place with "so much to do." Created by Caspari McCormick, the ads ran on targeted channels like the Travel Network and the Food Network. In addition, we developed a 30-second television commercial promoting the Ben Franklin exhibition on the Discovery and History channels, among others.
- Radio:** Traffic sponsorships, which change weekly and are adjusted for station format, talk to the visitor on the go.
- Print:** Magazine and newspaper insertions extend the brand with consistent creative and a single call to action directing visitors to **gophila.com**.
- Out-of-Home:** Unique and mobile out-of-home vehicles place the brand in high-impact locations, including a 100-foot banner on the side of Madison Square Garden; a seven-panel window display at Manhattan Mall; and bus wraps, taxi tops, backlit sidewalk displays and transit boards in multiple destinations.
- Online:** Our increased investment in search engine marketing optimizes **gophila.com**, while banner ads on targeted Web sites like philly.com and comcast.net help expand the reach of our message. In fact, advertising on the *Live 8* pages of AOL's Music Channel delivered an estimated 2.4 million impressions.
- At the Movies:** 15-second animated slideshows on 640 movie screens in New York and Boston deliver the brand message to moviegoers.
- Advertorials:** Four-page, four-color themed sections deliver the brand message regularly in publications like the *Pennsylvania Travel Guide*, *Town & Country Living* (regional publications), *Pennsylvania Pursuits*, *National Geographic Traveler*, *Travel + Leisure* and *USA Weekend*.
- Cooperative:** More than 55 full-color cooperative ads run in Mid-Atlantic and national lifestyle, gay, women's and home publications supporting "all there is to do in Philadelphia" with messages from nearly 80 regional partners.
- Loyalty/Membership Programs:** Print ads in loyalty and membership publications such as *American Express* and *AAA* provide access to consumers who are actively involved in travel.
- Video-On-Demand:** More than 20 minutes of content spotlighting museums, historic sites, family-friendly attractions, entertainment options, restaurants and shops is accessible to Comcast digital cable households in Philadelphia and Harrisburg through Comcast Video-On-Demand.



Brand Indicator #4

The number of restaurants in Center City has grown 219% between 1992 and 2005, from 65 restaurants in 1992 to 207 restaurants in 2005. (Center City District)

TOP TEN

Changes in the Destination

- Independence Mall:** \$365 million renovation of Independence Mall, including the openings of the Independence Visitor Center, National Constitution Center and Liberty Bell Center
- Avenue of the Arts developments:** The Kimmel Center for the Performing Arts, Broadway at the Academy, new restaurants, retail spaces and more
- Dining, nightlife and shopping:** Major activity in Old City, University City and Manayunk; outdoor cafes and BYOBs throughout region; increased retail and nightlife
- Philadelphia International Airport:** The new international terminal and the introduction of low-cost airlines; expanded domestic and European service with the America West Airlines and US Airways merger
- New sports arenas:** Lincoln Financial Field, the new home of the Eagles; and Citizens Bank Park, home of the Phillies
- Major conventions and events:** NCAA Women's Final Four, the Republican National Convention, X Games, NBA All-Star Game 2002, Society of American Travel Writers, Army/Navy Game, National Council of La Raza, BIO 2005, among others
- The countryside:** New developments at Longwood Gardens, Sesame Place, Valley Forge National Historical Park and the opening and/or renovation of six visitor centers
- Residents and the skyline:** Residential developments leading to an animated streetscape; new buildings like the Cira Centre, Symphony House and the Comcast Tower
- Neighborhood development:** Introduction of Neighborhood Tourism Network tour program, Mural Arts Tours and growth in Center City living quarters (8,356 new residential units between 1997 and 2005)
- Wonderful events, festivals and exhibitions in 2005 alone:** *Salvador Dali*, *Once Upon A Nation*, *Odunde*, *Live 8*, the *Sunoco Philadelphia Freedom Concert*, among others



ADVERTISING

THE WORK WE HAVE DEVELOPED

With the help of Caspari McCormick, the Altus Group and GPTMC's own graphic design staff, we have developed a variety of advertising materials to promote all there is to do in Philadelphia and The Countryside™. A sampling of this creative work includes a visual representation of the slideshow that ran in Boston and New York City movie theaters (on the left); a brand ad placed in various publications; a general cooperative print ad from *AAA World* magazine; a gay cooperative print ad from *The Advocate*; an event-focused image ad from *DreamScapes* magazine in Canada; and a billboard displayed in high-profile Philadelphia and Harrisburg locations.



IN PRIVATE HANDS
200 YEARS OF
AMERICAN PAINTING
PENNSYLVANIA
ACADEMY OF
THE FINE ARTS
OCT. 1, 2005 – JAN. 8, 2006

ARTISTRY

HUMANITY



GUNTHER KUB HADEN:
BODY WORLDS
FRANKLIN
INSTITUTE
OCT. 9, 2005 – APRIL 15, 2006



BENJAMIN FRANKLIN
IN SEARCH OF
A BETTER WORLD
NATIONAL
CONSTITUTION
CENTER
DEC. 15, 2005 – APRIL 30, 2006

BENERGY



Source: GPTMC Cinema Slideshow

PUBLIC RELATIONS (CONTINUED)

HITTING THE BIG TIME

After 10 years of consistent and aggressive media relations, GPTMC's in-house public relations department "hit it out of the park" in 2006. Two decisions made years ago have paid off in a big way: to hire passionate, knowledgeable and talented staffers and to develop the highest quality content (words and visuals). We had the right stuff, and the staff has developed deep media relationships and the tools to provide the best media service.

In 2005, GPTMC's public relations department generated 4,050 stories and 934,113,120 impressions valued at \$55,486,613 in advertising equivalency (a 108% increase in stories from 2004, which translates into an 84% increase in impressions and a 58% increase in ad value). The massive jump came from coverage of *Live 8*, the *Sunoco Philadelphia Freedom Concert* with Elton John and the year-long celebration for Ben Franklin's 300th birthday.

MOST POPULAR PHILADELPHIA STORIES MEDIA COVERED

- Wireless Philadelphia
- *Live 8* concert on Benjamin Franklin Parkway
- General destination feature stories about travel to Philadelphia
- *Ben Franklin 300 Philadelphia* celebration
- *Salvador Dalí* exhibition at the Philadelphia Museum of Art
- *National Geographic Traveler's* "Next Great City" article
- Food/dining
- *Once Upon A Nation*
- Individual attractions (e.g., Eastern State Penitentiary, The Franklin Institute, Longwood Gardens)
- Elton John's *Sunoco Philadelphia Freedom Concert*
- Business of tourism



TOP TEN

GPTMC Awards in Last Five Years

1. **Greater Philadelphia Hotel Association:** "Heart of Philadelphia Award" in 2002 in recognition of the **Philly's More Fun When You Sleep Over**® campaign
2. **The Greater Philadelphia Chamber of Commerce:** "2005 Small Business Excellence Awards" winner
3. **The Arts & Business Council:** "Business/Arts Partnership Award," honoring the 2004 collaboration among GPTMC, the Pennsylvania Horticultural Society, the Philadelphia Museum of Art and PNC Bank
4. **Delaware Valley Regional Planning Commission:** "Regional Leader of the Year" award, given to Meryl Levitz in 2005
5. **Association of National Advertisers:** 2005 "Multicultural Excellence Award" winner for the gay and lesbian television commercial
6. **PRWeek:** 2005 "Multicultural Marketing Campaign of the Year" award for the gay campaign
7. **Hospitality Sales and Marketing Association International:** "2005 Adrian Awards," including a Gold award for the PR campaign to promote the *Salvador Dalí* exhibition at the Philadelphia Museum of Art, plus two Silver and three Bronze awards for Ben Franklin and Fourth of July promotions and other work
8. **Public Relations Society of America:** "2004 Bronze Anvil" for the *Liberty in Motion* media relations campaign to promote the Liberty Bell's move to its new home
9. **Hospitality Sales and Marketing Association International:** "2004 Adrian Awards," including two Platinum awards, a "Best of Show" recognition for **Philadelphia - Get Your History Straight and Your Nightlife Gay**® marketing campaign, four Gold honors and one Silver award for other projects
10. **Public Relations Society of America:** "Legends Award," given in 2005 to Meryl Levitz, only the fourth recipient in the organization's 51-year history





TRAVEL WRITERS TAKE ON PHILLY

Nearly 100 editors, writers and photographers from the Society of American Travel Writers (SATW) will convene in Philadelphia in spring 2006 for two major meetings: the SATW Editors Council Conference and the SATW Western Chapter Meeting. The meetings include professional development sessions, along with themed tours showcasing the region's best attractions, restaurants, shops and nightlife. GPTMC has worked with both chapters of SATW for more than a year to develop the tours and plan special events.

Society of American Travel Writers

PUBLIC RELATIONS (CONTINUED)

BEST MEDIA QUOTES

- “The City of Brotherly Love is experiencing a resurgence as tourists flock to attractions like the elegant National Constitution Center, the refurbished Liberty Bell Pavilion, new art galleries popping up in Old City and an increasingly hip dining scene that's serving up more than cheesesteaks.” - *Time*, January 9, 2006
- “But this year, Philadelphia has more reason to celebrate than in many years past. Center City, more populous today than a decade ago, is Philadelphia's throbbing heart and bustles day and night with lively museums, theaters, restaurants and shops...But change is particularly pronounced in fringe neighborhoods like Northern Liberties, an enclave north of City Hall, where galleries and restaurants have reclaimed the rusting factories and musty warehouses.” - *The New York Times*, December 18, 2005
- “One of Philadelphia's greatest assets is of a low-tech variety—its sidewalks. A city needs shoulders rubbing together to produce the friction that makes things happen. Philadelphia's density and sheer walkability ensure that people will keep mixing it up—and all that debating, flirting, and bargaining generates ideas.” - *National Geographic Traveler*, October 2005
- “Hip new restaurants, a bustling Center City and the Kimmel Center, a 21st-century addition to the performing arts scene, are signs of the new growth that's giving Philadelphia buzz: *National Geographic Traveler* magazine recently designated it as the ‘Next Great City.’” - *The Washington Post*, December 25, 2005
- “...Manhattanites would be well-advised to sneak a peek over their shoulders from time to time, because Philadelphia is gaining on them.” - *The Globe and Mail*, February 4, 2006
- “And in stark contrast to decades past, it [Philadelphia] has developed a sophisticated and diverse restaurant scene that goes far beyond the traditional standbys of seafood and cheese steaks.” - *Chicago Tribune*, December 18, 2005
- “...Philadelphia is an active city that keeps reinventing itself with a resounding modern performance hall and a home run of a new ballpark. You can run, inline skate, or stroll the paths of one of the world's largest urban parks, or bike the banks of the Schuylkill River.” - *Cooking Light*, July 2005
- “Lately, though, people are talking about the City of Brotherly Love from an entirely new perspective: as a reinvigorated destination, at once hip, relaxed, affordable and abuzz with the enthusiasm of youth.” - *Spirit Magazine* (Southwest Airlines), May 2005



PUBLIC RELATIONS

GPTMC EMBRACES THE “BLOGOSPHERE”

In 2005, GPTMC got friendly with new media in order to ensure that our message reached as many potential visitors as possible. Realizing that our press releases, distributed through wire services, were also reaching consumers through Google News and Yahoo, we decided to strengthen our Search Engine Optimization (SEO) capabilities to make sure our releases were more easily picked up by Web search engines. We also began building visibility on high-profile blogs and e-mail newsletters like *DailyCandy*. In 2006, we hired online PR consultant Shel Holtz to help us maximize our content on blogs, podcasts and the greater Web. Here are some priorities we've set for the year to come:

- **Search engine optimization:** We're optimizing our press releases for key word rankings on search engines such as Google.
- **RSS feeds:** This tool enables users (potential travelers and the media) to “subscribe” to Web content. In March, our online pressroom instituted six different feeds for What's New, Dining, Events, Seasonal Travel, Hotel Packages and Tourism Research.
- **News readers:** To efficiently scan and evaluate the online conversation about Philadelphia, PR staff members use news readers such as Bloglines to subscribe to selected RSS feeds.
- **Monitoring:** We've begun to monitor the “blogosphere” to identify risks, threats, trends and opportunities, using Technorati, PubSub and BlogPulse.
- **Blogs:** Blogging is here to stay, and some categories of blogs will be particularly helpful to tourism - enthusiast blogs, staff blogs, leader blogs, travel blogs and local blogs.
- **Blogger relations:** Bloggers of every stripe are becoming influential with consumers; we've already had great success focusing on top blogs and conversing with their authors.
- **Wikis:** These collaborative editing tools can and should be used for project management, as well as for content distribution.
- **Content wikis:** In addition to setting up our own wikis to manage projects, we will contribute our content to wikis relevant to Philadelphia (e.g., Wikipedia).
- **Podcasting:** This is a low-cost, low-risk means of getting alternative content to a rapidly growing audience of listeners. In summer 2006, GPTMC will unveil its Podcasting Philadelphia project - a series of downloadable audio tours throughout the city and region - funded by The Pew Charitable Trusts.
- **File sharing:** Photo and video-sharing sites such as Flickr for photos and YouTube for video give us another possible avenue to publish our images.

05 Brand Indicator #5

Center City's residential housing boom has paved the way for the addition of 8,356 new units between 1997 and 2005. (Center City District)

TOP TEN

Developments on the Horizon

1. Launch of **Think Outside™**, marketing campaign to promote the region's outdoor assets, May 2006
2. *Bank of America Big Cat Falls*, the permanent installation to open at the Philadelphia Zoo, May 25, 2006
3. Disney's *The Lion King* to open at the Academy of Music, June 8, 2006
4. *Once Upon A Nation's* revitalization of Franklin Square as a legacy of Ben's 300th birthday, summer 2006
5. House of Blues to open on Chestnut Street, fall 2006
6. Wireless Philadelphia initiative to be completed early 2007
7. *Tutankhamun and The Golden Age of the Pharaohs*, presented by Mellon Financial Corporation to debut at The Franklin Institute, February 2007
8. Please Touch Museum to reopen in Memorial Hall in Fairmount Park, fall 2007
9. Philadelphia Theater Company to reopen as the Suzanne Roberts Theater on the Avenue of the Arts, fall 2007
10. The Barnes Foundation to relocate to the Benjamin Franklin Parkway, late 2009



THE BARNES FOUNDATION



ASTA DE BLUE, SUBURBAN SQUARE

INTRODUCING THE NEW GOPHILA.COM (CONTINUED)

According to the Travel Industry Association of America (TIA), 79 million Americans - or 78% of Internet users who travel - turned to the Internet for travel or destination information in 2005. That's up from 65% in 2004. Recognizing the importance of destination Web sites, GPTMC took a major leap in 2005, revamping and redesigning its ever-popular **gophila.com**.

GPTMC grew up in the Internet age, going from a few hundred page views each month in 1997, to millions each month in 2005. Today, **gophila.com** is an industry leader. The site now prominently features beautiful photography, a contemporary design, intuitive navigation and fresh multimedia improvements. Visitors can now personalize their itineraries, listen to podcasts, book hotel rooms and watch interactive animations. In the pressroom portion of the site, journalists can subscribe to RSS (really simple syndication) feeds, download high-resolution images and more.

On **gophila.com**, content drives our success. Our goal is to deliver the most visitor-friendly information on topics that our readers want: dining, hotel packages, arts and culture, nightlife and itineraries.

NEW LOOK + NEW CONTENT + NEW FEATURES = BETTER RESULTS

Since the new Web site debuted in November 2005, it's averaging more than 2 million page views a month from more than 100 countries across the globe. And, while 2005 was our best year to date, we expect to see even bigger numbers and better results in 2006.

OTHER HIGHLIGHTS

- The site received 3.7 million visits in 2005, its highest ever, and more than 21 million page views.
- Average visit duration is 50% longer on the new site, indicating that the new design and content is helping our readers find more helpful information.
- January 2006 was **gophila.com's** best month yet, with 470,000 visits and 2.2 million page views.
- 7% of **gophila.com's** traffic now comes from a total of 189 countries, including the United Kingdom, Canada, Germany, France, Netherlands, Australia, Italy, Japan, China and Spain.

06

Brand Indicator #6
Between 1996 and 2005, an average of 30 new retail shops have opened in Center City each year. (Center City District)

INTRODUCING THE NEW GOPHILA.COM

WHAT'S NEXT?

Although **gophila.com** is better than ever, there are plenty of improvements planned for 2006 and beyond. With the launch of the new **Think Outside™** section this spring, **gophila.com** now has more than 2,500 content-rich pages for visitors to explore. Also in the works:

- New Interactive maps
- Enhanced CultureFiles® with event listings, via PhillyFunGuide.com
- Added interactivity throughout the site so **gophila.com** stays on the leading edge of consumer-generated buzz
- More new content, including dining, nightlife and neighborhood information
- New design for **gophila.com's** e-Newsletters, which have more than 190,000 subscribers
- A new, region-wide podcasting project funded by The Pew Charitable Trusts, presenting themed audio walking tours, completely mapped and customizable.

CULTURAL TOURISM MARKETING GRANTS

Each year, GPTMC awards up to \$300,000 for cultural tourism projects that have the potential to draw overnight visitors to the region. The awards for 2006 will be announced in June. Since 1997, GPTMC has awarded 208 grants totaling \$3,734,560. The projects have generated more than \$3 million in room-night revenue and leveraged an additional \$6.5 million in marketing spending.

NEIGHBORHOOD TOURISM NETWORK

Since the Philadelphia Neighborhood Tourism Network (NTN) program began in 2002, nearly 90 articles worth \$1.8 million in advertising equivalency have run in newspapers and magazines all over the country. Big publicity translates into big crowds, which is one reason the tour program is expanding in 2006. The three-hour tours, taking visitors to Philadelphia's culturally rich and diverse neighborhoods, are now offered every Saturday from May through October. Themes of the highly regarded, interactive tours include the Underground Railroad, Chinatown's history and culture, North Philadelphia's Civil Rights history, urban farms and local markets, the Sound of Philadelphia and more.

TOP TEN

Most Visited Pages
on the New **gophila.com**

1. Homepage
2. Dining and Nightlife
3. Events Calendar
4. Ben Franklin 300 Philadelphia
5. Hotel Packages
6. Things To Do
7. Philadelphia CultureFiles®
8. Dining
9. Places To Stay
10. Itineraries and Tours





THE RITTENHOUSE HOTEL



THE LATHAM HOTEL

THE HOTEL STORY (CONTINUED)

Philadelphia is more fun in large part because our hotels have renovated their properties, added lively bars and restaurants and trained their sales staffs to be aggressive and successful marketers to groups, business and leisure travelers. These innovations impacted the entire region's hotel industry. In fact, 2005 was a year of many firsts for our hotels:

- 2005 was the first year since 1998 that hotel occupancy was above 70% for the year in the five-county region.
 - 2005 was the first year that the average daily rate (ADR) in the five-county region was above \$110.
 - 2005 was the first year that hotel demand in the five-county region rose above 8 million room nights.
 - 2005 was the first year that five-county hotel revenue was above \$900 million.
- (Smith Travel Research)

FLEXIBILITY AND VARIETY

Consumers looking for variety and value got just that from the Philadelphia region's hotels in 2005. Not only did GPTMC expand hotel package options and discount offers, but we also improved the reservation process through the re-designed **gophila.com**. In 2005, we offered accommodations at several price points, along with the ability to book what would typically be considered a "weekend" package any day of the week. Not only did consumers get what they want, but participating hotels were able to increase occupancy during a need period.

FALL AND WINTER HOTEL PACKAGE

Seasonal and event-related hotel packages dominated in 2005. The *Body Worlds Exhibition Hotel Package* included two tickets to the traveling show at The Franklin Institute, and *Ben's Birthday Hotel Package* came with tickets to the *Benjamin Franklin: In Search of a Better World* exhibition at the National Constitution Center, making added-value items key to our offerings.

In addition, GPTMC brought back the ever popular **Philly Overnight® Hotel Package**, with the same great elements that made it such a hit in past years: two-night accommodations, free hotel parking and a gift upon check-in. First introduced in 2001 as a weekend-only hotel package, **Philly Overnight®** was available any night of the week this past winter. Prices this time averaged around \$239, far above the average of our original offer of \$169 in 2001.

LITTLE BOOK OF BENEFITS

A book of value-added discounts is offered with our seasonal hotel packages. The book includes 60 coupons redeemable at area attractions, retail shops and restaurants (up from 40 offers in the previous benefit book we created). The discounts are another way GPTMC satisfied visitors' needs for options and value while promoting our regional attractions.



THE HOTEL STORY (CONTINUED)

ONGOING PROGRAMS

GPTMC continues to work with the regional hotel community through several ongoing initiatives, including:

- **Philadelphia-area Hospitality Industry Snapshot:** Monthly regional travel and tourism industry report analyzing hotel statistics and demand
- **15 in 30: The Arts as a Sales Tool:** Creative presentations to keep hotel employees in the know about upcoming events, exhibitions and happenings
- **Tourism Talk:** Bi-monthly electronic newsletter geared toward hotel partners
- **Hotel Initiative Committee (HIC):** Advisory committee assisting in creating hotel packages and increasing overnight visitation, room rates and occupancy
- **TravelHero:** Providing online hotel reservations through **gophila.com**

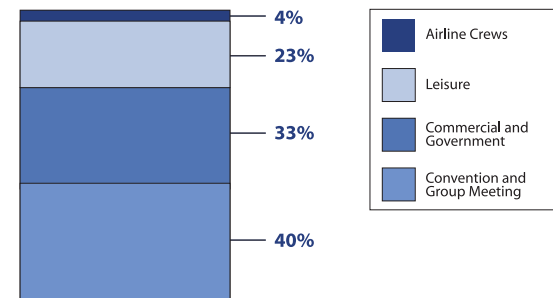
2005 REGIONAL HOTEL INDUSTRY FACTS AND FIGURES

For the third year in a row, hotel supply (the number of hotel rooms available) has gone down in the five-county region. The reduction in supply combined with stronger demand raised average hotel rates by 8.2% in 2005. Because of strong demand, reduced supply and the popularity of weekend nights for overnight hotel stays, our tourists may need to consider mid-week escapes. Here's a look at some critical 2005 numbers:

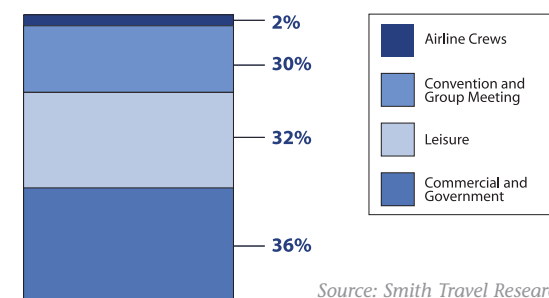
Regional Hotel Supply (Every room occupied every night):	11,415,606 rooms
Regional Hotel Demand (Occupied rooms):	8,071,863 rooms
Regional Market Occupancy:	70.7%
Regional Market Average Daily Rate (ADR):	\$112.17
Regional Market Revenue Per Available Room (RevPAR)*:	\$79.32

Source: Smith Travel Research

Center City Philadelphia Hotel Demand by Market Segment: 2005



Philadelphia and The Countryside™ Hotel Demand by Market Segment: 2005



Source: Smith Travel Research

TOP TEN

Changes in Tourism Marketing

1. **Year-round marketing:** Our first campaign promoted the summer season only; now we market the region year-round.
2. **Tourism Web site:** Our Web site, **gophila.com**, becomes increasingly more important to consumers each year, with 3.7 million visits in 2005, up from 3 million in 2004.
3. **e-Commerce:** In 2001, GPTMC began selling hotel packages on **gophila.com**. To date, we've sold nearly 80,000 room nights, totaling more than \$8 million in sales.
4. **Cooperative marketing:** Aggressive advertising program started in 2000 for the region's attractions, hotels and visitor bureaus leverages their advertising two-to-one in full-page ads in national, regional and local travel and lifestyle publications.
5. **Niche marketing:** In addition to advertising to mass audiences in key markets, we target our messages and media to specific audiences, including African Americans, Hispanic Americans and gay and lesbian travelers.
6. **The empowered consumer:** Never have there been more communication channels open to us as marketers - with traditional media as well as with consumers (through citizen journalism and marketing).
7. **Two-way consumer conversations:** Thanks to the "blogosphere," we can engage in conversations with our customer like never before through RSS feeds, blogs, wikis, podcasting and open-source marketing.
8. **The challenge implied by the "Next Great City:"** When *National Geographic Traveler* declared Philadelphia the "Next Great City," it cited our many assets but also the challenges in maintaining our visibility and our upward trajectory in the minds of potential travelers and the media.
9. **From geography to lifestyle:** We've moved away from reaching consumers geographically to reaching them through lifestyle vehicles such as Video-on-Demand on Comcast, qualitative television programming (eg. Discovery, A&E, ABC Family) and *National Geographic Adventure* for outdoor enthusiasts.
10. **Travel triggers:** We've enhanced the hotel package product by bringing together up to 40 hotels in support of major cultural exhibitions and events.

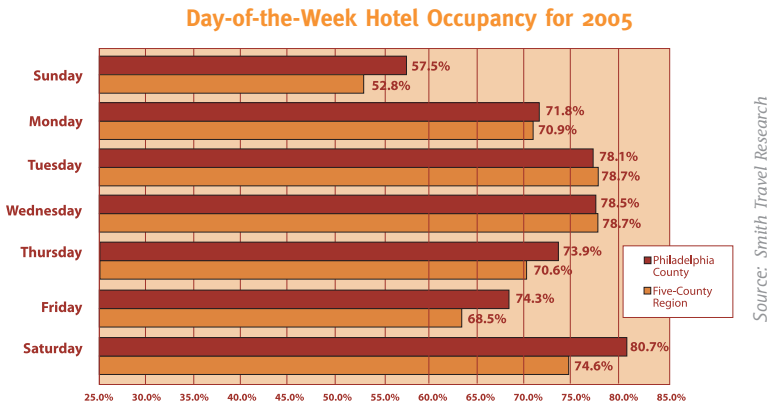




THE HOTEL STORY

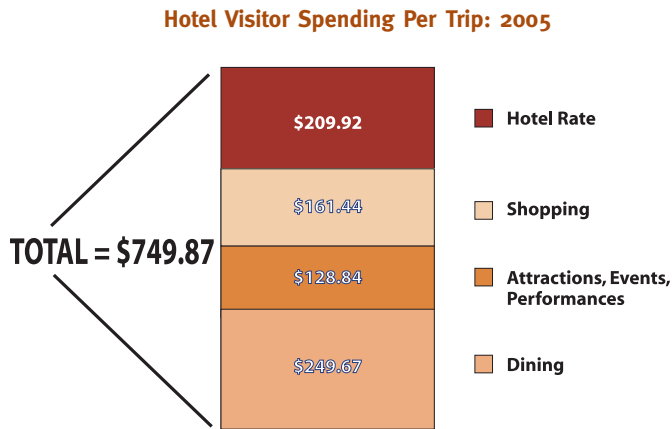
IT TAKES ALL THREE MARKET SEGMENTS TO CREATE A GOOD YEAR FOR HOTELS

Hotels need to be occupied seven days week, and that means they'll be filled with people coming in for leisure, business and conventions. Friday and Saturday, the biggest nights for leisure visitors, are still two of the strongest nights of the week in Philadelphia.



WHAT OUR LEISURE GUESTS ARE SPENDING

Leisure hotel visitor spending for 2005 increased 15% over 2004. In the summer of 2004, visitors reported spending \$651 on their trip, while this year visitors reported spending almost \$750 on their trip. The most notable increases in spending came in the hotel and dining segments. The data from the table below was calculated based on three hotel visitor surveys conducted by GPTMC in 2005. The data is based on an average stay of 1.91 nights and has been collected from visitors who stay primarily in Center City Philadelphia hotels.



VISITATION FACTS (CONTINUED)

Branding and promoting Philadelphia builds business, and GPTMC's research department tracks the economic impact of our leisure travel industry on the city, region and state. Research also goes into knowing how best to own that corner of the consumer's mind where brands live, by tracking who's coming to Philadelphia, what they enjoy doing while they're here and the reasons they come.

HOW ARE WE DOING?

In 2005, leisure travel to Philadelphia and The Countryside™ grew to 20.0 million person-trips, an increase of 6.4% from 18.8 million person-trips in 2004. U.S. domestic leisure travel was forecasted to increase only 3.8% over the same period, from 944.3 million person-trips to 980.2 million person-trips, according to the Travel Industry Association of America. Here we present the most recent statistics - 2005 data for visitor volume from DK Shifflet; 2004 visitor spending from Global Insight; and 2005 data for hotels, visitor activities and profiles from Smith Travel Research and GPTMC visitor surveys.

HOW MANY PEOPLE VISIT?

Philadelphia and The Countryside™ Day and Overnight Person Trips* (in millions of person-trips)

	2005	2004	% CHANGE
TOTAL VISITORS	27.30	25.50	7.1%
OVERNIGHT VS. DAYTRIPS			
TOTAL OVERNIGHT	12.65	12.01	5.3%
TOTAL DAY	14.65	13.49	8.6%
LEISURE VISITORS			
TOTAL LEISURE	20.03	18.82	6.4%
TOTAL OVERNIGHT	8.86	8.34	6.2%
TOTAL DAY	11.17	10.48	6.5%
BUSINESS/CONVENTION VISITORS			
TOTAL BUSINESS/CONVENTION	7.27	6.68	8.9%
TOTAL OVERNIGHT	3.79	3.68	3.1%
TOTAL DAY	3.48	3.01	15.9%

Source: DK Shifflet

* A person-trip is one person traveling 50 or more miles away from home on any overnight stay.

07

Brand Indicator #7

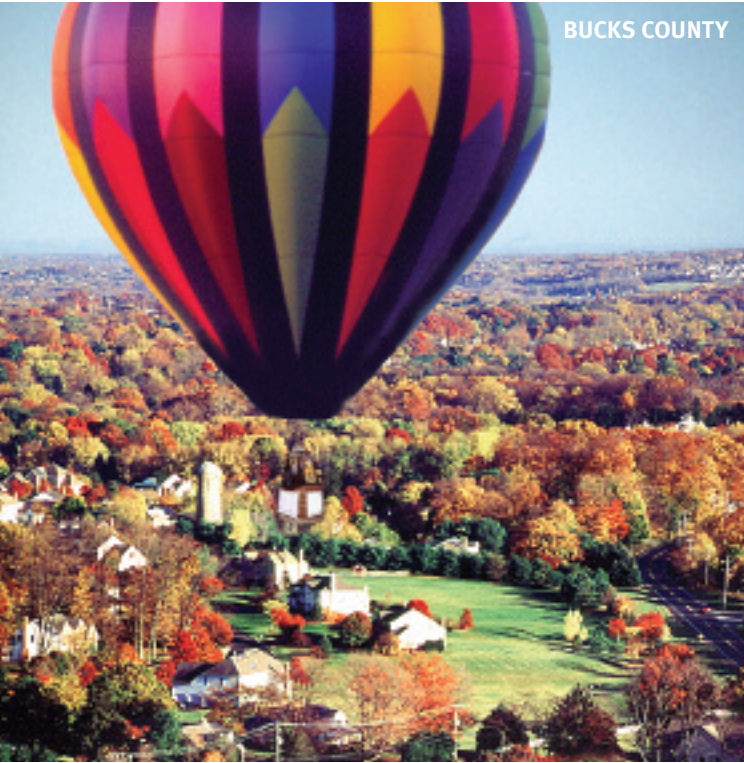
Following the redesign of gophila.com in October 2005, the site achieved the most number of visits in one month (470,314 in January 2006) in its eight-year history.

TOP TEN

Tourism Facts

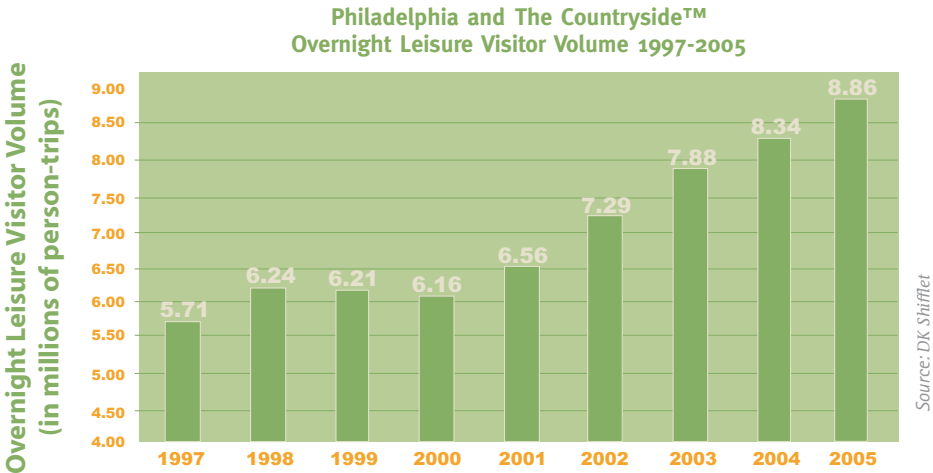
- The number of overnight leisure visitors to Philadelphia and The Countryside™ has gone up for the fifth consecutive year to 8.86 million trips in 2005. (DK Shifflet)
- From 2003 to 2005, Saturday night was the strongest night of the week for hotel occupancy in Philadelphia. The average daily rate for Saturday night in Philadelphia in 2005 was \$127.01, an 18% increase from \$107.67 in 2003. (Smith Travel Research)
- In 2004, leisure travelers accounted for 59% of total visitor spending - \$4.01 billion - or \$11 million per day in the region in 2004. (Global Insight)
- Leisure room-night market share for Center City hotels has increased from a low of 15% in the late 1980s to 23% in 2005. (Peter Tyson, PKF Consulting)
- GPTMC's advertising generated \$185 in direct, indirect and induced visitor spending for every \$1 it spent on the three campaigns measured, in addition to another \$13 in state and local taxes and \$41 in wages. (Econsult)
- GPTMC's gay-friendly marketing campaign generated \$153 in direct visitor spending for every marketing dollar GPTMC spent. (GPTMC/CMI)
- Discretionary leisure trips (non-visiting friends and relatives) are a growing portion of overnight leisure visitation to the region. This segment made up 51.8% of overnight leisure visitation in 2002, 52.4% in 2003 and 54% in both 2004 and 2005. (DK Shifflet)
- The Philadelphia Museum of Art reported that the *Salvador Dali* exhibition generated 20,700 hotel room-nights, \$54.9 million in economic impact and 52,000 visits to other cultural and historical attractions in the region. Moreover, the show brought in new visitors who were also planning return trips: 76% of Dali hotel package buyers on gophila.com had not been to Philadelphia in the past year, and 65% of them were planning to return to Philadelphia within the year.
- 2005 was the first year that five-county hotel revenue was above \$900 million. (Smith Travel Research)
- Research shows that Philadelphia's reputation is for history, but the experience is also about enjoying the city's walkability, restaurants, shops and live events.





VISITATION FACTS (CONTINUED)

Overnight leisure visitation has increased 55% between 1997 and 2005.



Look for the *Greater Philadelphia Tourism Monitor* to be released this fall. And, don't forget to check out the research section of **gophila.com** for our 2005 economic impact statistics when they are released in fall 2006. Now on **gophila.com/research**, you can find the following:

- Frequently Asked Research Questions
- 2005 Greater Philadelphia Tourism Monitor: The Changing Landscape of Tourism Marketing
- The Hispanic Traveler
- Gay Tourism: 2005
- Summer 2005: Visitor Survey Report
- Dali: Hotel Package Report
- The Role of Hotel Packaging for Destination Marketing Organizations
- Research Dictionary

08

Brand Indicator #8

Continuing a steady passenger growth trend that began in 2003, Philadelphia International Airport (PHL) accommodated 31.5 million total air travelers in 2005. The passenger total is an all-time high and represents an increase of 10.5% from 2004. Since 2003, PHL's passenger traffic has skyrocketed by 28%. (Philadelphia International Airport)

VISITATION FACTS (CONTINUED)

How Much Do Visitors Spend?

Visitor spending was up significantly from 2003 to 2004, according to research by Global Insight. Travelers spent \$6.8 billion in the five-county region in 2004, up 7% from the \$6.34 billion they spent the previous year. Leisure travelers accounted for 59% of all visitor spending in 2004, up from 56% in 2003.

- Leisure travelers spent \$4.01 billion - or \$11 million per day - in the region in 2004
- 104,543 jobs in the region were attributable to the leisure travel industry in the region
- Leisure travelers generated \$1.09 billion in federal, state and local taxes in 2004
- Revenue from hotel room night sales in the region topped \$900 million in 2005, a first for the region

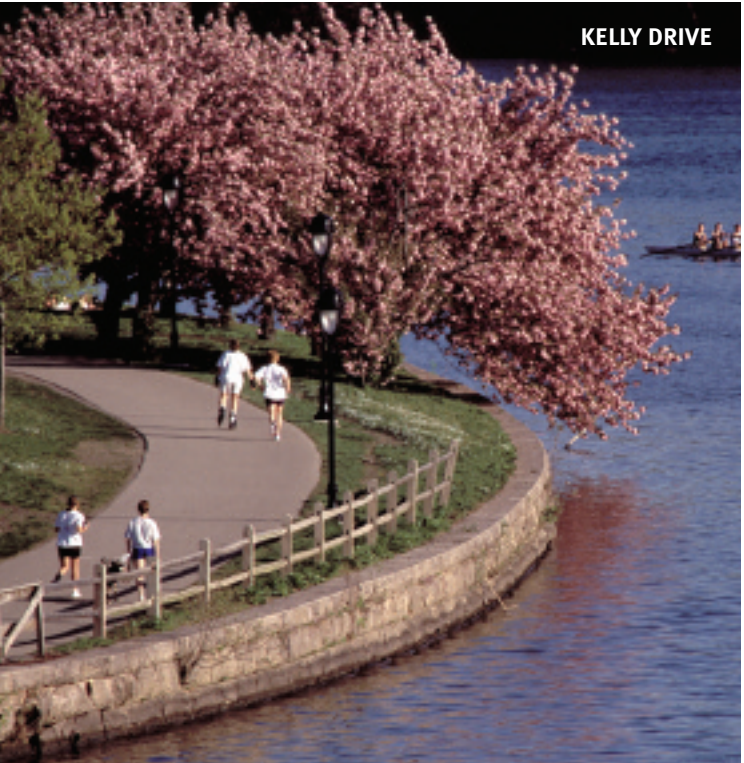
Total Travel Economic Impact Data for Philadelphia and The Countryside™: 2003 & 2004

2004 is the most recent available data on the economic impact of travel to the region. Look for 2005 statistics in fall 2006 on **gophila.com/research**:

	2004	2003	%CHANGE
TRAVELER SPENDING	\$6.8 billion	\$6.34 billion	7%
SALES — Direct, indirect, induced	\$12 billion	\$11.21 billion	7%
JOBS — Direct, indirect, induced	177,191	150,474	18%
FEDERAL, STATE AND LOCAL TAXES	\$1.84 billion	\$1.53 billion	20%

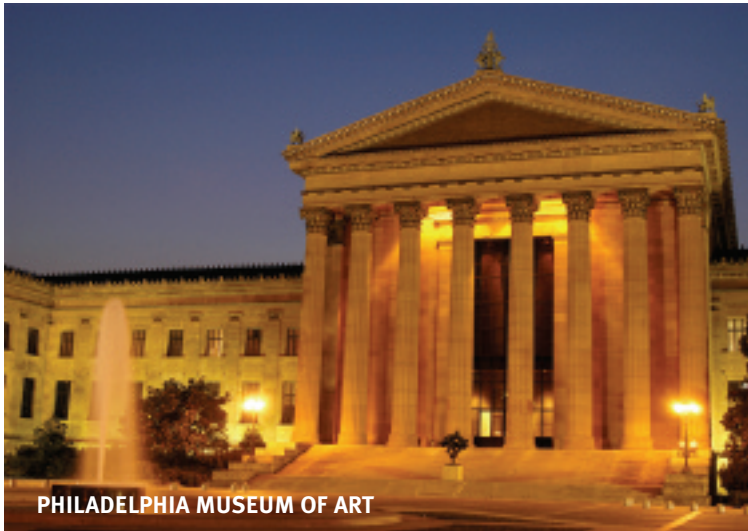
Leisure Travel Economic Impact for Philadelphia and The Countryside™: 2003 & 2004

	2004	2003	%CHANGE
LEISURE TRAVELER SPENDING	\$4.01 billion	\$3.58 billion	12%
JOBS – Direct, indirect, induced	104,543	84,265	24%
FEDERAL, STATE AND LOCAL TAXES	\$1.09 billion	\$857 million	27%





CENTER CITY PHILADELPHIA



PHILADELPHIA MUSEUM OF ART

VISITATION FACTS (CONTINUED)

WHAT'S OUR VISITOR PROFILE?

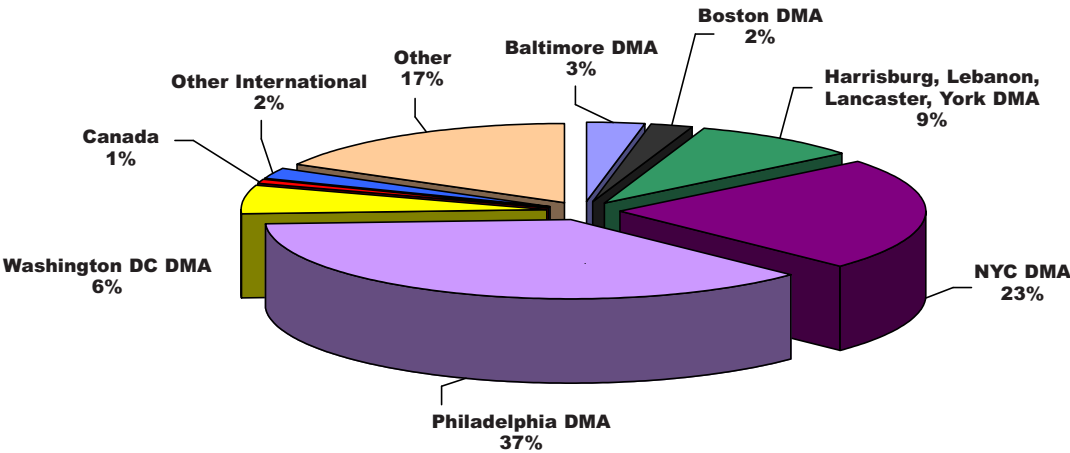
Profile of Downtown Leisure Hotel Visitor

Average Age	43
Average Household Income in 2005	\$97,000 per year
Travel Party Composition	Primarily couples, secondarily families with children under 18
Primary Purpose of Stay	Getaway weekend
Satisfaction	97%
Intent To Return	80% in the next 12 months

Source: GPTMC hotel visitor survey

In 2005, more leisure hotel visitors came from inside the Philadelphia region (Philadelphia, Southeastern Pennsylvania, Southern New Jersey and Northern Delaware) than from any other region. The New York City area (Southeastern New York, Northern New Jersey and Southwestern Connecticut) continues to be a strong market for Philadelphia and The Countryside™, accounting for almost a quarter (23%) of leisure hotel visitation in 2005.

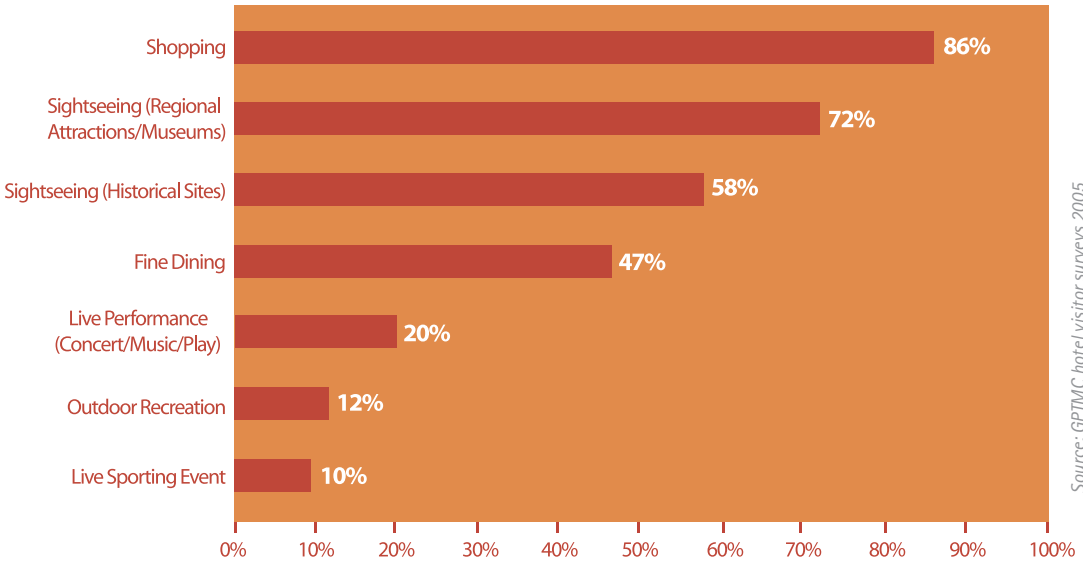
2005 Leisure Hotel Visitation By Geography



VISITATION FACTS

Philadelphia's historical attractions continue to be a top draw for overnight leisure visitors to the city. Shopping destinations like South Street and Rittenhouse Row are also popular, and nearly one-third of our leisure hotel visitors stop for something to eat at Reading Terminal Market.

Top Leisure Visitor Activities: 2005



Source: GPTMC hotel visitor surveys 2005

WHY SHOULD PEOPLE VISIT PHILADELPHIA?

Here's what our visitors have to say:

- "Philly is quaint but as cosmopolitan as any big city on the Eastern seaboard. It's close to AC, NYC, Baltimore, etc. It's strategically and tactically close to everything."
- "The City of Brotherly Love has the best food!"
- "It is an incredible, easy-to-traverse city with diverse neighborhoods, fine dining and wonderful shopping."
- "The restaurants are spectacular, the nightlife is fabulous and the city just screams 'FUN!'"
- "It is a beautiful place to see and visit. The nightlife is wonderful and full of excitement. The food is fabulous and shopping is endless."
- "The Philadelphia area offers a fantastic diversity of places to visit, activities, cultures, and cuisines. There is something for everyone in our area!"
- "Philadelphia and its surrounding area are not only historic and beautiful, but easy to navigate as well. The city is large enough for variety, but small enough to feel friendly."

Source: Open-ended comments from GPTMC surveys

TOP TEN

Uses of the Place That Loves You Back

The media has been playing with GPTMC's **The Place That Loves You Back** slogan since it debuted in 1997. We continue to use the popular saying as a sign off. Here's a look at some of the ways the media has used it in articles and headlines over the years:

- "The Chef Who Loves You Back," *Philadelphia* magazine article about Alison Barshak, January 2006
- "Philadelphia - the city that loves wireless," SearchCIO.com, March 24, 2005
- "City that loves her back gave a huge party," *The Philadelphia Inquirer* article about Oprah Winfrey receiving the Marian Anderson Award, November 21, 2003
- "A Monthly Update on the Guv Who Loves Us Back," *Philadelphia* magazine, March 2003
- "A Philly cop thanks you back," *Philadelphia Daily News* op/ed, August 8, 2000
- "Adopted home that she loves back," *The Philadelphia Inquirer* article about rower training for the Olympics, August 4, 2000
- "They love us back," *Philadelphia Daily News* article about the Republican National Convention, July 31, 2000
- "Convention volunteers get lesson on loving back," *The Philadelphia Inquirer* article about Republican National Convention training, July 7, 2000
- "People here are polite and friendly-Philly wasn't redubbed the City That Loves You Back for nothing," *In Style*, July 2000
- "Bobby Rydell, hometown singer...A former teen idol loves Philadelphia back," *Inquirer Magazine*, June 6, 1999





A VISION FOR THE FUTURE

MAYOR'S HOSPITALITY SUMMIT

When Mayor John F. Street convened 40 hospitality leaders in January 2006 to address the marketing of the “new Philadelphia,” the group generated more than 400 creative business ideas and a future vision for Philly that was both inspiring and audacious.

The ideas ranged from the small and delightful (“Let’s have a pajama party for kids”) to the bold and iconoclastic (“Let’s become the festival capital of the world, and we’ll have an R&B Festival that attracts the finest musicians, and we’ll close down Broad Street on the final night and turn it into the world’s largest dance floor!”)

Key themes emerged from the summit that will form a strategic framework for increased tourism marketing investment. Because these themes are based on current consumer behavior and attitudes, they will help us to evaluate any strategic marketing initiatives we might undertake. They are:

- **The tourism experience as a narrative, not a checklist:** Increasingly, people want to go beyond the breadth of typical “checklist” tourist attractions and have the depth of experiences that feel unique and authentic. They want to return home with a new story to tell.
- **Authenticity and personalization as antidotes to commoditization:** The consumer’s reaction to an increasingly more commoditized world is to seek out customized, participatory experiences. Particularly for people under age 40, who have grown up with increasingly vivid technology and entertainment experiences, the goal is to feel immersed in something on a multi-sensory level. The authenticity of our neighborhoods and our people position Philadelphia as the perfect destination for the urban explorer.
- **Marketing as dialogue, not announcement:** In years past, marketing has been evaluated in simple terms: reach, frequency, return on investment and brand equity. To connect with today’s savvy-but-media-saturated consumer, we need to conceive of our marketing less as an announcement of attributes and benefits and more as a dialogue with consumers. Marketing efforts need to be thoroughly imbued with that unique Philly “atty-tude” and a sense of fun.
- **Surprise: A tonic for a “been there, done that” world:** Consumers aren’t just yearning for something “new and improved.” They possess a gut-level desire to have those “wow” moments when they interact with a brand. What has an impact? Maybe it’s the cabdriver who knew where to get the best cheesesteak, a scavenger hunt through Fairmount Park or the off-beat fun of a “Philly’s More Fun and Games” festival in the city’s five squares. These little surprises are a reason to visit Philly and a powerful reason to return.
- **A society of individuals still yearning for shared experiences:** As we have become more personally empowered and individually oriented, consumers have an even greater need for shared experiences. Visitors are also seeking this sense of bonding. Summit participants talked about developing Philadelphia’s existing culture of festivals to help fulfill this need.

09

Brand Indicator #9

Total combined attendance at the region’s top attractions has climbed from more than 9.9 million visitors in 2000 to 13.5 million visitors in 2004. Visitation to the Liberty Bell alone increased 18% during this time, from 1,580,622 in 2000 to 1,867,844 in 2004. (GPTMC)

COLLABORATION ACROSS THE REGION

GPTMC AND THE PCVB: HOW WE WORK TOGETHER

GPTMC’s collaboration with the PCVB has broadened over the years to include projects that range from research to international marketing. We have combined resources to:

- Design the first joint marketing campaign for the Greater Philadelphia Hotel Association
- Create the first cooperative research report, the monthly *Hospitality Snapshot*, by jointly contracting with PKF Consulting to gather and distribute industry statistics
- Support the Commerce Department’s retail advisory board
- Assist with design and placement of the regional kiosk system, funded by the state and regional partners
- Market to traditional and niche travelers in the United Kingdom
- Expand the relationship with American Tours International, the leading AAA packaging agency, to build Philadelphia hotel packages around significant exhibitions for the AAA consumer
- Collaborate with the Philadelphia Multicultural Affairs Congress to expand marketing to the family reunion, Latino and African American markets
- Convene the Mayor’s Hospitality Summit, a day-long meeting for 40 leaders of the hospitality community to discuss the marketing of the new Philadelphia

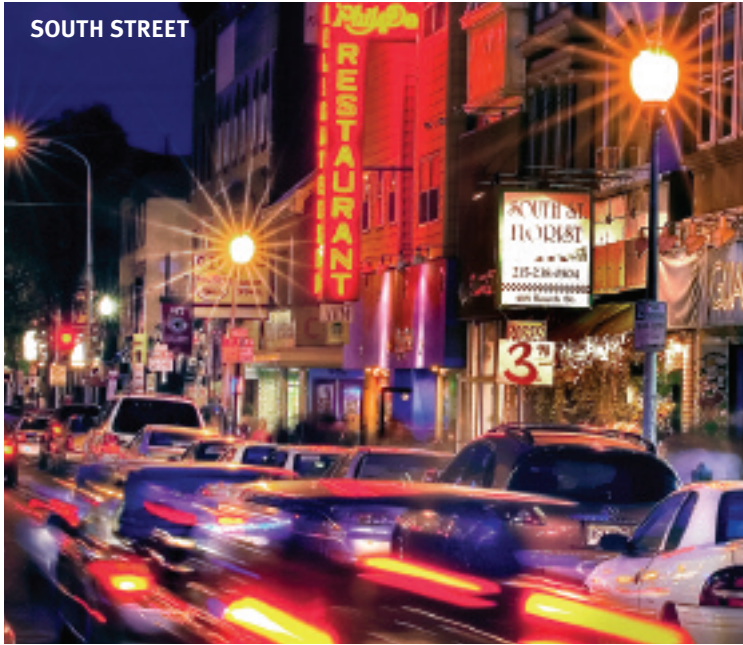
GPTMC AND THE COUNTRYSIDE: HOW WE WORK TOGETHER

GPTMC’s collaboration with Brandywine CVB, Bucks County CVB, Chester County CVB and Valley Forge CVB has allowed all organizations to combine resources in support of these regional initiatives:

- **Visiting Journalist Program:** Themed press trips allow hundreds of journalists to tour the region each year.
- **Society of American Travel Writers (SATW):** In spring 2006, nearly 100 journalists explored the region during annual meetings hosted by GPTMC.
- **Photography and b-roll:** Thousands of images and 90 minutes of b-roll featuring Philadelphia and The Countryside™ are used by newspapers, magazines, television stations, production companies and stakeholders all over the world.
- **Research:** Research reports compiled throughout the year detail visitation by segment and economic impact so we can learn why visitors come to the region, what they do while they’re here and how much they spend.
- **Cooperative advertising program:** This program supports regional businesses through a subsidized print campaign. GPTMC coordinates special sections in the *Pennsylvania Travel Guide* and *Pennsylvania Pursuits* magazine.
- **Kiosk program:** GPTMC supported the development and launch of a state-sponsored virtual information center program, providing visitor-friendly kiosks in 30 key locations throughout the five-county region.
- **Regional online presence:** The regional travel planning Web site, **gophila.com**, links to countryside-specific sections and visitor bureau Web sites.
- **Cultural tourism marketing grants:** GPTMC awards \$300,000 in marketing grants annually to arts, culture and tourism organizations within Philadelphia’s five-county region.
- **Blockbuster exhibition partnership coordination:** GPTMC coordinates and financially supports destination-defining blockbuster exhibitions such as *Salvador Dalí*, *Benjamin Franklin: In Search of a Better World* and *Body Worlds: The Anatomical Exhibition of Real Human Bodies*.



SOUTH STREET



GRANDIFLORA, WEST CHESTER

A MARKETING PLAN FOR MOVING FORWARD: 2006-2007

GPTMC's current marketing plan is based on more than a dozen marketing strategies - integrating advertising, public relations and promotions - that build on past programs and emerging opportunities. The strategies we use to help build Philadelphia's brand are as follows:

1. Position Philadelphia as an exciting and popular destination, with so much to do, focusing on its fun, vibrant side, its thriving neighborhoods, outdoor assets and its arts, entertainment and history
2. Create constant opportunities for regional outreach and inclusion to support the Philadelphia and The Countryside™ marketing message
3. Promote Philadelphia in highest-yield and growing consumer markets
4. Close the sale through continued promotion of and links to the Places to Stay section of **gophila.com**
5. Promote established and emerging "destination-definer" attractions and events through integrated marketing programs
6. Create a marketing plan for each of the biggest bang opportunities, incorporating advertising, public relations, interactive, new media and buzz marketing strategies
7. Develop seasonal and event-related hotel packages that have weekday/weekend flexibility, added value and a higher rate
8. Increase synergy with the Commonwealth of Pennsylvania's tourism marketing efforts
9. Build **gophila.com** as the call to action for all GPTMC marketing efforts by increasing the functionality, visibility, message consistency and revenue production of the site
10. Communicate messages to meeting and convention attendees to encourage convention conversion (i.e., converting them to a leisure traveler who will come at another time)
11. Promote investment in tourism through expanded stakeholder relations programs, collaboration with regional partners and sponsorship opportunities
12. Ensure that every GPTMC program/initiative has a research basis/foundation, including a tracking mechanism to gauge success and provide future marketing direction
13. Increase investment in initiatives and programs that connect tourism products to GPTMC's overall brand marketing. Products include: return of the Pajama Man, King Tut exhibitions at The Franklin Institute and the University of Pennsylvania Museum of Archaeology and Anthropology, Bank of America ZooLink, Philadelphia Neighborhood Tours, BYOB restaurants, vintage shopping, outdoor assets and the Olympic bid

10 Brand Indicator #10

In 2005, Philadelphia continued to garner a greater share of destination coverage in three top national publications: *The New York Times* five times as a destination (with 18 smaller mentions of tourism activities), the *Wall Street Journal* three times and *USA Today* five times with an additional four features on *usatoday.com*.

THE NEW PHILADELPHIA STORY

Ten years after the "Philadelphia Tourism's Golden Promise" commentary ran in *The Philadelphia Inquirer* to announce GPTMC's formation, Governor Rendell, Mayor Street and Rebecca Rimel of The Pew Charitable Trusts took a look back to see if the region delivered on that promise. Here's the new piece, which appeared in the newspaper in May 2006:

MEMO

To: *The Philadelphia Inquirer*
From: Edward G. Rendell, John F. Street and Rebecca W. Rimel
Date: May 2006
Subject: The New Philadelphia Story

"The Philadelphia region is sitting on gold."

Thus began an op-ed piece published in this paper precisely 10 years ago. The authors lamented that Philadelphia, for all its obvious attractions and great location, lagged behind cities up and down the Eastern seaboard in selling itself as a tourist destination. Part of the problem was that Philadelphians, who excel in so many areas, had a real talent for putting themselves down. Philadelphia's second-class status, vowed the writers, then-Philadelphia Mayor Ed Rendell, then-Governor Tom Ridge and Pew Charitable Trusts President Rebecca Rimel, was about to change.

Today, everyone-Philadelphians included-knows that Philly is so hot, it's cool!

"Next Great City: Philly, Really," *National Geographic Traveler* declared last fall. To be sure, the headline was overdue: By the time it appeared, visitors by the millions had already recognized that Philly had become a great destination, really. Between 1997 and 2004, the annual number of leisure visitors spending the night in Philadelphia and the countryside increased by 50 percent, to 8.3 million; preliminary numbers for 2005 show even greater results. [After this piece ran, GPTMC learned that between 1997 and 2005, the number of leisure visitors spending the night in the region increased by 55 percent, to 8.86 million.] Over 3,500 hotel rooms have been added in the region since 1999, bringing the total to more than 31,000. Even with that growth in supply, last year Center City hotel occupancy rates—"heads in beds"—averaged a dazzling 81 percent on Saturday nights. And Philly is so hot that it was the only U.S. city chosen to host a Live 8 concert last year.

But it isn't only visitors who recognize that Philly rocks—Philadelphians do, too. Between 1998 and 2004, more than 9,300 new residents moved into Center City, resulting in a 12 percent population increase over 2000, and the building boom continues. Currently some 60 projects are under construction, creating housing for 7,400 additional city-dwellers by 2008. Philadelphia is becoming a magnet for the creative class, which recognizes that it doesn't have to pay New York's or Los Angeles' prohibitive rents in order to live in a cutting-edge community. Philadelphia has always been a great place to eat, but in the last decade, the number of high-quality restaurants in Center City grew by more than 50 percent. In the same period, an average of 30 new retail shops opened their doors annually.

How did the script for "The New Philadelphia Story" get written? For starters, government and civic-minded institutions began promoting this city and its surrounding counties. In 1995, Philadelphia spent only \$200,000 a year on tourism marketing. By contrast, Washington, D.C., spent \$1.2 million; San Antonio, \$3 million. However, 10 years ago this week, as that op-ed piece announced, the City, the Commonwealth and The Pew Charitable Trusts joined together to create the Greater Philadelphia Tourism Marketing Corporation (GPTMC). This year, GPTMC, under the leadership of its dynamic president, Meryl Levitz, will spend about \$10 million.

MEMO

Market research has shown that every \$1 GPTMC has spent on campaigns such as "Philly's More Fun When You Sleep Over" generates \$185 in direct and indirect visitor spending, an additional \$13 in state and local taxes and \$41 in wages for the five-county region.

We also went to work on the city itself. For years, Independence Mall was an embarrassment. This was the city's historical crown jewel, and it badly needed polishing. Today an ambitious \$300 million revitalization is almost complete, and now, everything old is new again. The Mall has become home to three exciting and important attractions—the National Constitution Center, the Independence Visitor Center and the Liberty Bell Center.

Other institutions are also on a roll. The Philadelphia Museum of Art helped launch the city's revival with its blockbuster Cezanne show in 1996; it bookended a great decade with its Salvador Dali retrospective, which drew nearly 400,000 visitors, 85 percent of them from out of town. The Benjamin Franklin Parkway and The Philadelphia Water Works were redit and re-energized with new sculpture, new construction and new landscaping, showcasing some of Philly's greatest assets. In 2001, the Avenue of the Arts sparkled with the spectacular addition of The Kimmel Center for the Performing Arts—which joined other prominent institutions to create an extraordinary axis of arts and culture befitting a world-class city.

Looking ahead, we see Philadelphia going from strength to strength. In the next decade, we envision a city where:

- Both riverfronts are poppin' with new places to live and to enjoy.
- The City's Neighborhood Transformation Initiative is spreading community renewal deeper and deeper into our urban fabric.
- Our city is a draw for our college graduates and entrepreneurs from around the world.
- Arts lovers and artists alike recognize that this is the place to be.
- The Stanley Cup, the World Series, the NBA Championship and the Super Bowl—why not dream?—are all won by Philadelphia teams.
- And when tourists are planning their next vacation, the destination will be Philly, USA, with perhaps a side trip to New York or DC.

So move over Chicago, make way LA, step aside New York—Philadelphia has the vision, enthusiasm and, yes, the attitude to take center stage. Together we must build on the momentum we have created and capitalize on the money and energy we have invested. Only then will "The New Philadelphia Story" have the sweet ending it rightfully deserves.

Edward G. Rendell is governor of Pennsylvania, John F. Street is mayor of Philadelphia and Rebecca W. Rimel is president of The Pew Charitable Trusts.

Congratulations
to GPTMC for Ten Years of Service
to Greater Philadelphia.

