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TOURISM 2004

REPORT TO THE INDUSTRY

by GREATER PHILADELPHIA TOURISM MARKETING CORPORATION

JFK PLAZA AND CITY HALL



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THANKS, WE COULDN'T DO IT WITHOUT YOU

- | | | |
|---|---|---|
| <ul style="list-style-type: none"> ■ Mayor John F. Street ■ The City of Philadelphia ■ Philadelphia City Council ■ Governor Edward G. Rendell ■ The Pew Charitable Trusts ■ Delaware River Port Authority ■ Pennsylvania Department of Community and Economic Development ■ Pennsylvania State Legislature ■ Pennsylvania State Travel and Tourism Committee ■ William Penn Foundation ■ Greater Philadelphia Hotel Association ■ Smith Analytics, LLC, Peter Tyson ■ Brandywine Conference & Visitors Bureau ■ Bucks County Conference & Visitors Bureau, Inc. | <ul style="list-style-type: none"> ■ Chester County Conference & Visitors Bureau ■ Philadelphia Convention & Visitors Bureau ■ Valley Forge Convention & Visitors Bureau ■ Multicultural Affairs Congress ■ Independence Visitor Center Corporation ■ Greater Philadelphia Chamber of Commerce ■ Greater Philadelphia Cultural Alliance ■ Pennsylvania Convention Center Authority ■ Pennsylvania Economy League ■ Campus Visit Philadelphia ■ Knowledge Industry Partnership ■ Center City District ■ Independence Foundation | <ul style="list-style-type: none"> ■ University of Pennsylvania ■ Temple University School of Tourism & Hospitality Management ■ Phila.gov ■ Philadelphia Industrial Development Corporation ■ Southwest Airlines ■ Port of Philadelphia and Camden ■ Comcast Corporation ■ Comcast Spotlight ■ Philadelphia Gay Tourism Caucus ■ Heritage Philadelphia Program ■ Penn's Landing Corporation ■ Philadelphia International Records ■ National Park Service ■ AAA ■ Amtrak ■ US Airways |
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TOURISM 2004

EXECUTIVE MESSAGE

Let's look at some big numbers: \$525 billion—17 million jobs—and 3.5% of the national gross domestic product. That's the impact of travel and tourism to the U.S. economy.

In the Philadelphia region, travel and tourism represents nearly \$9 billion in direct, indirect and induced spending and more than 125,000 jobs. In the last 30 years, our travel service industry has grown by 50%.

But until the 1990s, tourism in this region was under-performing compared to other regions and to our own potential: Philadelphia was “a best-kept secret.” In 1995, The Pew Charitable Trusts released its strategic tourism plan, *Philadelphia Tourism: Assessment, Analysis and Recommendations*, which concluded that to make the Philadelphia region a destination, it would need to develop and implement an effective and consistent marketing campaign run by a centralized agency.

Since that time:

- Leisure overnight trips to the five-county area increased from 5.59 million in 1997 to 7.8 million in 2002, a 39.5% growth rate in five years.
- In 1990, the average length of stay in Philadelphia was 1.8 days. It is now 3.6 days.
- Regional hotel room night revenue rose 55% between 1995 and 2003—from \$498 million to \$775 million.
- The leisure traveler now occupies 26% of hotel room nights in Center City (a region naturally dominated by convention and business travelers) and that's up from 15% in the 1980s.

The formula for success is simple yet tough to execute. You need:

- A good product—and thanks to public and private investment, Greater Philadelphia is better than ever.
- Consistent funding for marketing—and thanks to the City of Philadelphia, Commonwealth of Pennsylvania, Delaware River Port Authority, William Penn Foundation and Pew Charitable Trusts, we have had that.

- A strong team to execute—our staff, board and many many partners are dedicated and talented.
- The ability to measure and improve marketing investments—and since 1997 GPTMC has had third-party companies measure the return on our key initiatives. They have found that for every marketing dollar spent, the yearly return has climbed from \$55 in 1997 to \$92 in 2001 in direct visitor spending.

In 2003, GPTMC commissioned Econsult Corporation to analyze the impact of tourism marketing on job creation and tax generation. The newly released study, the *Greater Philadelphia Tourism Monitor: Making the Case for Investing in Tourism Marketing* compiles research from Econsult's study and six other independent firms and demonstrates how tourism marketing (and GPTMC's integrated approach to it) has built leisure tourism into one of the cornerstones of our regional economy. (See page 22 for additional research.)

Another benefit of selling image and visitation is that as residents feel better about where they live, other good things happen. The positive aura rubs off; more people want to live here, more businesses want to relocate here, and more students want to stay here.

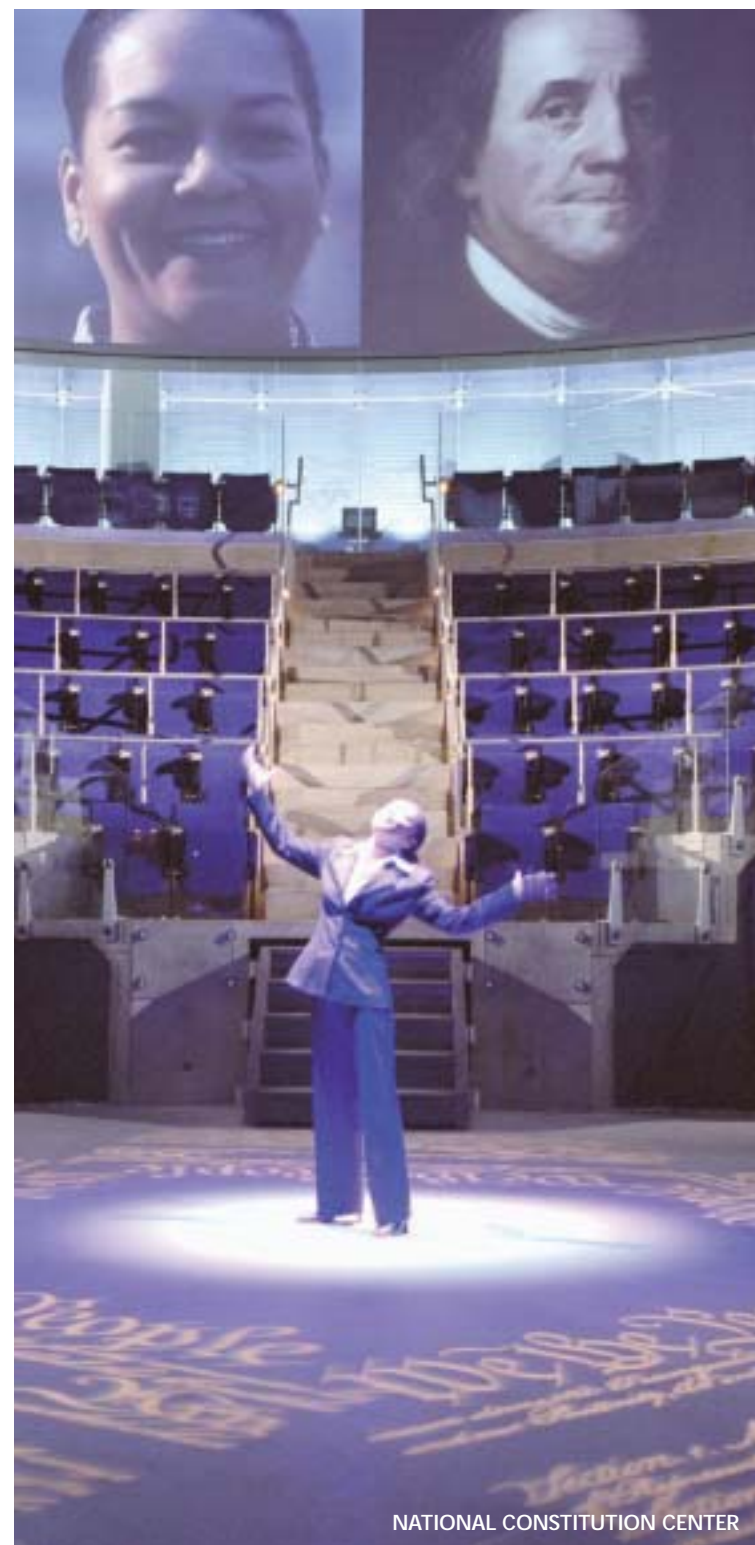
We thank the city, the state and the area's foundations for supporting the travel and tourism industry, and we thank the region's hotels, restaurants and attractions for giving us all so much to brag about.



MANUEL N. STAMATAKIS
Chairman



MERYL LEVITZ
President and CEO





BOATHOUSE ROW



LOVE
STATUE



VALLEY FORGE NATIONAL
HISTORICAL PARK

GPTMC'S MISSION STATEMENT

GPTMC, Philadelphia's regional tourism marketing agency, is a private, non-profit organization dedicated to building the region's economy and positive image through tourism and destination marketing.

TOURISM MATTERS

Tourism is the second largest industry in the Philadelphia region. It is wide-ranging, with a significant trickle-down effect. It affects hotels and restaurants, as well as shopping and taxi fares. But drill down further and see how it affects the fishermen, the pastry makers and the produce vendors who sell to the restaurants, the plumbers who service the hotels or the artists who design the museums' brochures. It goes on and on. In a recent report by D.K. Shifflet, tourism's impact is clear: it's huge.

- \$5.3 billion a year in direct visitor spending, both day and overnight trips
- That's \$14.5 million spent per day
- Generating \$9 billion a year in direct, indirect and induced spending
- With 41% of hotel room nights in the region occupied by leisure travelers, that's \$3.1 million room nights

Since 9/11, tourism has been the lifeline for our hotel. We've seen a big increase in hotel bookings from the region. Folks are coming into the city for the nightlife, restaurants and shopping and they are willing to change their plans to take advantage of our 2-for-1 hotel packages with GPTMC. One thing that has been really effective is our ability to sell up from our original 2-for-1 rate of \$116 in 2001/2002, to a three-tiered rate \$159/\$169/\$179 for the most recent 2003/2004 promotion. The promotion has been terrific and proves that when you participate, you reap the rewards. We have been involved in GPTMC's hotel packages from the beginning, and the success of the packages has caused us to ramp up our front desk staff on weekends.

■ PAUL FARNELL, GENERAL MANAGER,
LATHAM HOTEL

AND TOURISM MARKETING MATTERS 2003 BIG NUMBERS

GPTMC makes every dollar work hard. In a recent study, Econsult Corporation examined the results from three GPTMC campaigns and found that, for every dollar spent in advertising, \$185 in direct, indirect and induced¹ spending was generated and \$13 in regional and state taxes was produced. The same study determines that the return on investment from the advertising campaigns included \$41 in additional wages for every dollar of advertising spending. Looked at another way, for \$6,700 of investment in tourism advertising over ten years, one full-time, permanent job can be created (at a salary of \$30,000).

ADVERTISING:

Created 318,537,588 advertising impressions in broadcast and cable TV, radio, print and outdoor advertising.

COOPERATIVE ADVERTISING:

Created 54,827,732 advertising impressions in print, with participation of more than 73 attractions and destinations throughout Philadelphia & Its Countryside.

CULTURAL TOURISM GRANTS:

\$530,400 in grants awarded increased the marketing reach for 25 of the region's arts, multicultural, cultural and heritage organizations.

LEISURE HOTEL ROOM NIGHTS:

3.1 million leisure hotel room nights were booked in the region, including 581,000 leisure room nights in Center City (in 2002).

PACKAGE HOTEL ROOM NIGHTS:

Since November 2001, GPTMC's *Philly's More Fun When You Sleep Over*® advertising campaigns generated a total of 115,000 packaged room nights.

PUBLIC RELATIONS:

Generated 3,290 stories, worth \$51 million in advertising value and 950 million impressions.

WEB:

Again set record for visitation to gophila.com with more than a 16% increase in usage compared to 2002 for a total of more than 3.6 million unique visits and 11 million page views. Published 49 issues of the gophila! e-newsletter and delivered a total of 736,000 of them to more than 100,000 subscribers.

We thank our primary funders:

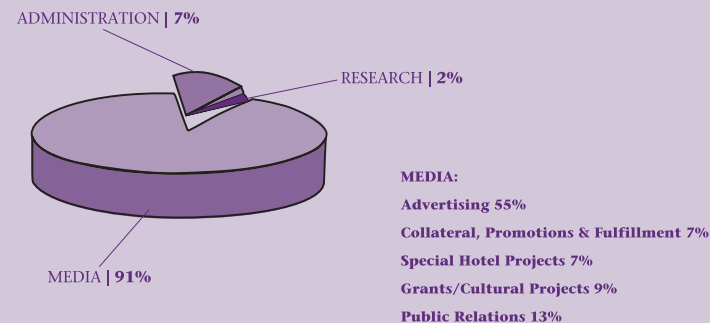
- Philadelphia County hotel tax ■ Commonwealth of Pennsylvania ■ Delaware River Port Authority
- William Penn Foundation ■ Independence Foundation

Tourism is one of Philadelphia's most productive export industries. Our study demonstrates that investment in tourism marketing and promotion works: More visitors mean significant dividends to the region in the form of increased economic activity, personal income, employment and tax revenues.

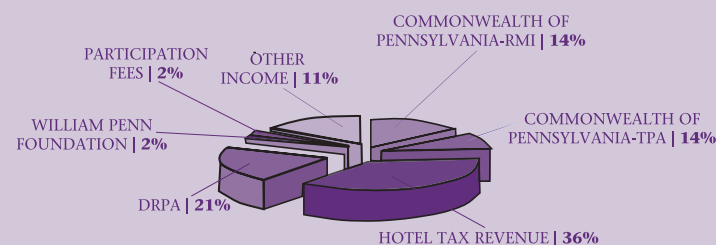
■ STEPHEN MULLIN, SENIOR VICE PRESIDENT AND PRINCIPAL, ECONSULT CORPORATION

¹ Direct spending represents what visitors spend on hotels, dining, attractions and purchases. An example of indirect spending are the items the hotel buys to run the hotel, and an example of induced spending are the items the hotel employees buy with their salaries.

FY 2004 EXPENDITURE ALLOCATIONS



FY 2004 REVENUE SOURCES



PENNSYLVANIA BALLET



Among the nearly 100 destinations that TravelHero is currently partnered with, GPTMC has separated themselves from the pack as our top producing partner in terms of overall reservations volume. GPTMC's expertise in executing their marketing strategies is very evident based on the success of the Philly Overnight program that drives a tremendous amount of weekend stays to participating lodging when they need the business. We are truly honored to be working with such a professional and productive organization, and look forward to working with GPTMC to develop other successful programs that will generate both overnight stays as well as promote area attractions and events.

■ BARRY NAKANO, VICE PRESIDENT BUSINESS DEVELOPMENT,
TRAVELHERO



CITIZENS BANK PARK

A MARKETING PLAN FOR MOVING FORWARD: 2004-2005

GPTMC's current marketing plan is based on 18 strategies that build on past programs and emerging opportunities. These strategies are as follows:

- Use print, radio and television advertising to position Philadelphia and Its Countryside as a fun, exciting, urban/country destination and leverage our unique competitive advantages, such as history and heritage, dining and cultural pursuits.
- Brand Philadelphia as an affordable weekend getaway destination.
- Promote Philadelphia through advertising in the highest-yield consumer markets.
- Close the sale through continued advertising of and links to accommodations through gophila.com.
- Capitalize on growing consumer segments, such as the African American, Hispanic, Asian American, gay and lesbian, AAA, girlfriend travel and student segments.
- Extend reach of advertising in local, regional and national media through use of strong in-house PR agency.
- Make it easy for editors and writers to produce news and editorial coverage of Philadelphia and Its Countryside.
- Mount aggressive in-region PR campaign to promote the economic role of tourism marketing and to involve regional residents in tourism.
- Promote the region's established and emerging "destination definer" attractions and events through integrated marketing activities.
- Based on growth of online commerce, continue to make gophila.com the call to action for all GPTMC marketing efforts.
- Grow the Web, gophila.com, as the region's preeminent tourism Web information source.
- Expand or improve the visitor experience in Philadelphia to extend the economic impact of tourism.
- Talk directly with the region's residents to motivate in-region exploration and hotel overnights from visiting friends and relatives.
- Accelerate stakeholder relations activities to promote investment in tourism.
- Evaluate economic impact and image/visitation results from GPTMC's marketing efforts.
- Provide a platform for increased collaboration on a regional partnership level.
- Increase synergy between the Commonwealth of Pennsylvania's and GPTMC's tourism marketing efforts.
- Continue to promote the Independence Visitor Center (IVC) as the region's consumer service center.

If you would like a copy of the marketing plan, please visit gophila.com.

ADVERTISING

Since 9/11, GPTMC has concentrated a significant amount of its advertising dollar on the mainstream market with our branded campaign Philly's More Fun When You Sleep Over®, supported by a winter seasonal hotel package called Philly Overnight® and a summer package, Philly—You Just Can't Do It In A Day™.

THE POWER OF THE HOTEL PACKAGE

The post-9/11 starting price of the Philly Overnight® Hotel Package was \$89 for two nights. In 2003, the starting price of the hotel package was up to \$149 for two nights.

- Average daily rate (ADR) of the two-night packages went up 8% between fall 2002 and fall 2003, from \$86 in 2002 to \$93 in 2003, while general hotel ADR went down 4.2% between 2002 and 2003.
- During the 2003 package season, the number of packages booked increased: Room nights booked through the hotel package were up 15% from 36,182 during the 2002 package season to 41,558 during the 2003 package season.
- Hoteliers confirmed that GPTMC's hotel package advertising has raised all weekend leisure sales.

There was a dramatic increase in leisure tourism in 2003, not just at our hotel, but throughout the whole city. Our numbers indicate that through December, the city ran over 70% in weekend occupancy, which is up 4.5%. The Doubletree ran over 83% occupancy on weekends, which is up 8%. So the weekends are a positive story and I think it's in large part due to GPTMC and the work they have put into leisure marketing and advertising. It's absolutely paying off!

■ BILL FITZGERALD, GENERAL MANAGER, DOUBLETREE HOTEL

SOURCE: SMITH TRAVEL RESEARCH, FIVE-COUNTY PHILADELPHIA AREA LODGING MARKET, HISTORICAL PERFORMANCE 1990 THROUGH 2003



PHILLY'S MORE FUN WHEN YOU SLEEP OVER.

Stay one night and get the second free.

The Philly Overnight Hotel Package is back. Check in Friday or Saturday, November 21, 2003 - March 28, 2004. Package includes FREE hotel parking for both nights, Philly Insider's Guide and a special gift.



i found a great hotel package at gophila.com

Philly's a lot more fun when you sleep over. Whether you're looking for a luxurious getaway in Center City or a romantic bed and breakfast in the countryside, gophila.com has an up-to-date list of hotel offers, rates and hotel packages. Book online or call your favorite hotel. A great stay in Philadelphia begins here - at gophila.com.

For information and to book your trip visit gophila.com

PA PHILADELPHIA

The Greater Philadelphia Tourism Marketing Corp. (GPTMC) has shown that targeted campaigns bring in thousands of visitors and millions of dollars.

■ THE PHILADELPHIA INQUIRER, OCTOBER 10, 2003

PHILLY'S MORE FUN WHEN YOU SLEEP OVER® BANNER IN NEW YORK CITY



SUMMER:

“PHILLY. YOU JUST CAN'T DO IT IN A DAY™” MARKETING CAMPAIGN

“P hilly. You Just Can't Do It In a Day™”. Introduced in summer 2003 “You Just Can't Do It In A Day” was a big success. The hotels reported more than 15,000 room nights topping the 2002 summer package by more than 9,000 room nights and proving that our visitors really couldn't “do it in a day.” This new message needed a new advertising campaign, which was designed by our creative agency, Red Tettemer. Media partners Mayo Seitz, Mecca and Unreal Marketing concentrated the new message regionally in New York, New Jersey, Philadelphia, Harrisburg-Lebanon-Lancaster-York and Baltimore-Washington D.C. and nationally through the Internet.

FALL AND WINTER:

“PHILLY OVERNIGHT®” MARKETING CAMPAIGN

I n its third year, the Philly Overnight® Hotel Package increased the number of participating hotels to 47 Philadelphia hotels and 22 hotels in the countryside. More than 50 hotels sold the package online, versus 12 the previous year. Eye catching outdoor advertising was created featuring our now-famous pajama man. In New York, the top feeder market, GPTMC used a 100-foot banner at Madison Square Garden and a video marquee at Times Square reaching local, national and international audiences.

The ‘power of the package’ and what it did for this City was overwhelming, and it has increased not only room nights but the perception of this City and the exposure of this City. Our occupancies are up and I think it's evident when looking at the leisure market. Every year the leisure market has increased.

■ CHRIS HOSMER, GENERAL MANAGER, COURTYARD BY MARRIOTT, PHILADELPHIA DOWNTOWN

ONE SIZE DOES NOT FIT ALL: HOW WE REACH HIGH-YIELD MARKETS

GPTMC has made a strategic decision to allocate marketing funds to extend our reach into high-yield niche markets.

THE MULTICULTURAL VISITOR

GPTMC has always positioned Philadelphia as one of America's top destinations for multicultural audiences. With an investment of more than \$1.6 million over the past four years, GPTMC has highlighted the region's multicultural attractions through public relations, advertising and gophila.com and built the capacity of its multicultural partners. A key partner in all of the above is the Multicultural Affairs Congress (MAC).

The impact of the widely recognized "Philly's More Fun When You Sleep Over®" and "Philly's More Fun When You Stay Up Late™" campaigns was enhanced through the incorporation of African American images, partnerships and public relations. Working with The Philadelphia Tribune, GPTMC created an advertorial supplement to reach African American conventioners (e.g., National Baptist Convention and NAACP) and local residents, as well as two-page advertising spread in their quarterly *Sojourner* supplement. With *Al Día*, GPTMC appealed to Hispanic visitors through Spanish-language advertorials in Philadelphia, New York and Washington, D.C.

Gophila.com now also includes "The African American Experience" section, highlighting history and culture along with dining, entertainment and shopping. More than 100 African American businesses, organizations and attractions are featured. Currently in development is a section featuring the history and culture of Philadelphia's Asian American community, including an insider's guide to Chinatown, its cultural diversity and wide range of restaurants, food and gift shops. Places where visitors can experience Korean, Japanese and Southeast Asian culture will also be included.

GPTMC's Marketing Grant program invested more than \$250,000 to create new multicultural tourism experiences:

- 17 multicultural organizations, including the African American Museum in Philadelphia, Asociacion de Musicos Latino Americanos and the Asian Arts Initiative, were awarded \$136,000 to support community events and other cultural tourism projects.
- GPTMC continues its work with the Neighborhood Tourism Network, a collaboration with 15 community-based organizations. Visitors are provided access and introduction to Philadelphia's culturally vibrant neighborhoods through tours that include history, music, dance, food and shopping.

2004 | Neighborhood Tourism Network Tours:

- Latin Soul, Latin Flavor
- Philadelphia's Civil Rights Struggle
- Taking a Stand for Freedom
- The Sound of Philadelphia
- Voices of Chinatown
- Exotic Cuisine & Esoteric Culture
- Urban Oases: The Gardens of West Philadelphia & Winning City Gardens
- Fishtown & Kensington: Traditions of Art & Industry

TOURISM

TREND

Overall, domestic travel is up **2%**, but African American travel is up **4%**, Asian American travel is up **10%** and Hispanic travel is up **20%**.

Source: TIA





THE DRIVE MARKET

With 25% of the United States population within a five-hour drive of Philadelphia, the “drive” market is a natural audience. Since 2001, GPTMC has placed co-op spreads in *AAA World*, a bimonthly mid-Atlantic publication. This past year, more than 35 advertisers took advantage of the discounted rates to advertise under the Philadelphia and Its Countryside banner: 42,000 readers asked for more information.

In 2004, GPTMC began a three-year partnership with the tourism marketing offices of the Commonwealth of Pennsylvania, PCVB and the Pennsylvania Dutch Convention and Visitors Bureau to reach the region’s share of the 45 million national AAA market. A \$600,000 cooperative marketing campaign will give our destinations a unified presence as we reach AAA members through advertising with six customized AAA hotel packages, direct mail, promotions, public relations and e-marketing.

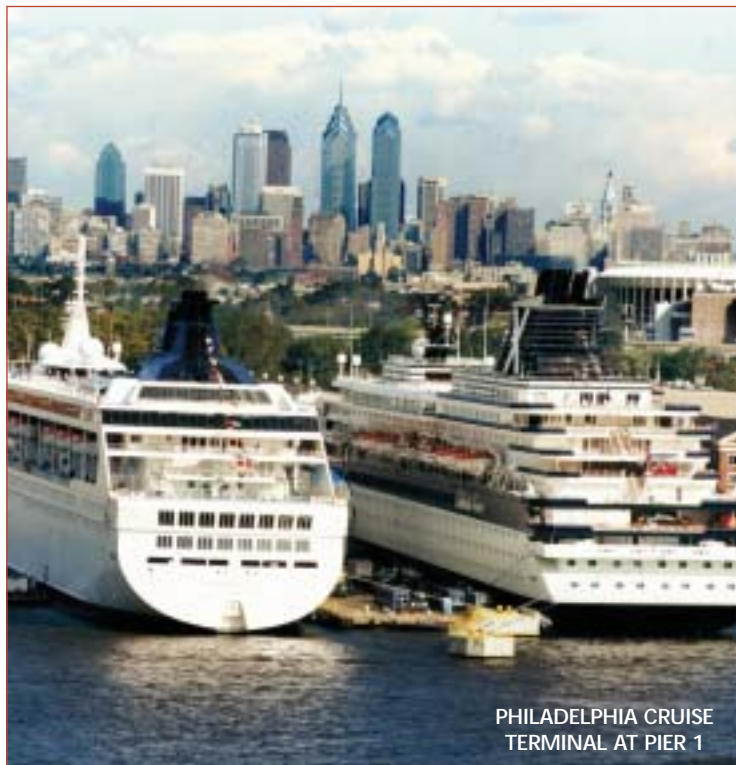
The call to action is gophila.com/aaa for travel and package information.

THE CRUISE MARKET

The CruisePhilly campaign is full steam ahead and the handsome, newly refurbished cruise terminal has been busy. In 2003, the Port of Philadelphia and Camden, a department of the Delaware River Port Authority, operated 17 cruises (almost 25,000 passengers) from Philadelphia on five different cruise lines. Ten ships made Philadelphia a port of call (4,500 cruise passengers), double the number in 2002.

In 2004, 24 ships will sail from Philadelphia, an increase of 35%. Of interest to travel and tourism providers is that 14% of embarking passengers stated that they visited Philadelphia prior to their cruise or were planning a visit following their cruise. Of that total, 54% spent one night in the area and 32% spent two or more nights—equal to 1,895 room nights.

In dollars and cents, (exclusive of the cost of the cruise) the average cruise party (2.4 people) spent \$226 for lodging, food, clothing and transit. In a year, cruise passengers contributed \$2,712,000 in direct regional spending.



PHILADELPHIA CRUISE
TERMINAL AT PIER 1

THINKING OUTSIDE THE BOX | AND OUT OF THE CLOSET

It has been called breakthrough, but Philadelphia's new gay campaign is simply good business. Like all GPTMC initiatives, it's grounded in research. Did you know that:

- The gay travel market is a \$54.1 billion business nationally
- 91% of gays and lesbians took a vacation in the past year
- 49% took three or more vacations
- 76% of gay and lesbian respondents have household incomes over the national average
- Gay travelers spend 83% more on their overnight stays than straight visitors to our area

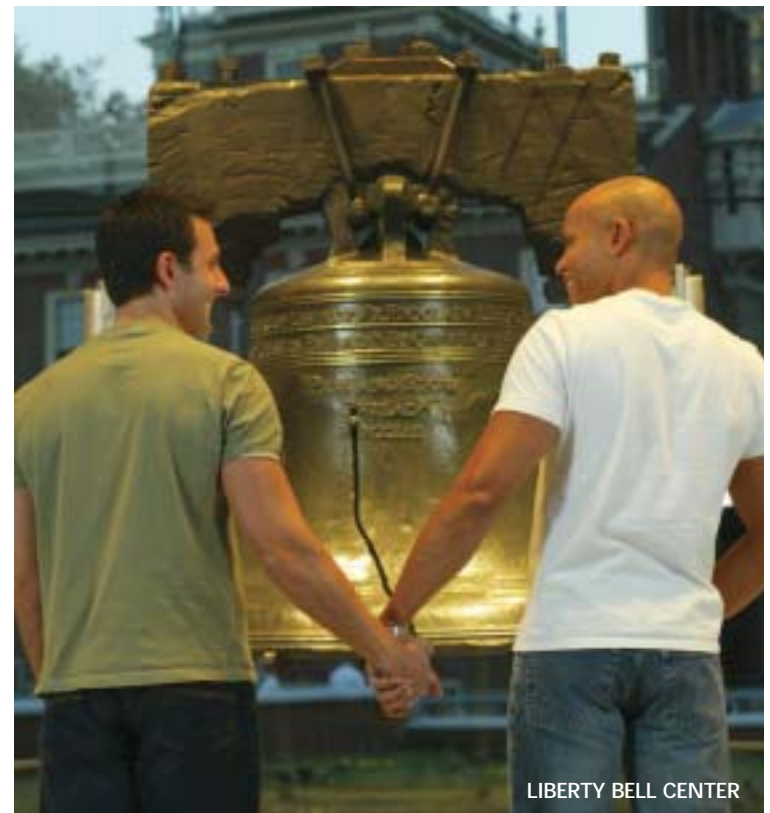
A partnership with the Philadelphia Gay Tourism Caucus—55 regional organizations, including area Convention and Visitor Bureaus represented by 85 members—helped plan and launch the campaign. We began by commissioning research in September 2002 and announced the campaign—“**Philadelphia, Get your history straight and your nightlife gay**”—in November 2003. By mid-December, our \$200,000 media buy in gay-only media had generated \$3 million in publicity in mainstream media such as the Conan O'Brien Show, CNN, BBC Radio, the Associated Press, Reuters, *USA Today* and *The Washington Post*. The campaign's success led to an invitation to a *New York Times* panel discussion on gay tourism and a keynote speech at the 5th Annual International Conference on Gay Tourism in Los Angeles.

GPTMC has designed a three-year marketing campaign, which targets the U.S. and Canadian markets and features print, television, online and cooperative advertising. In fact, the first flight of co-op ads, appearing in *Passport Magazine*, sold out in just one month. Working with Comcast Spotlight, the Philadelphia Gay Tourism Caucus and the Altus Group, GPTMC created the country's first television spot to promote a gay-friendly destination. Advertising will be complemented by continuing public relations, utilizing gay-friendly press materials, an expanded gay photo library and scheduled press trips during Philadelphia's gay events. In Canada, a Philadelphia Road Show will promote the gay-friendly message to Canadian media.

For gay-friendly information and to download a brochure, visit gophila.com/gay.

THERE'S MORE...

- Gophila.com has added information—a virtual brochure for gay visitors and an e-newsletter.
- A new gay trip planner has been published by the PCVB and the Philadelphia Gay Tourism Caucus with the support of GPTMC. More than 3,700 have been downloaded from gophila.com/gay and another 5,000 have been distributed in only three months.
- Gophila.com/gay received 48,000 unique visits, averaging 263 per day in the last six months of 2003.



LIBERTY BELL CENTER

partnerships in the knowledge industry

- The Pennsylvania Economy League
- The Commonwealth of Pennsylvania
- Campus Visit Philadelphia
- Campus Philly
- City of Philadelphia
- Innovation Philadelphia
- Greater Philadelphia Chamber of Commerce

university partners

- Arcadia University
- Bryn Mawr College
- Chestnut Hill College
- Cheney University
- Curtis Institute of Music
- Drexel University
- La Salle University
- Lincoln University of the Commonwealth of Pennsylvania
- Pennsylvania Academy of the Fine Arts
- Moore College of Art and Design
- Philadelphia College of Osteopathic Medicine
- Philadelphia University
- Swarthmore College
- University of Pennsylvania
- Temple University
- The University of the Arts
- University of the Sciences in Philadelphia
- Villanova University

THE YOUTH MARKET

Our region's wealth of colleges and universities is one of our greatest assets. The Knowledge Industry Partnership works to attract talent to the region, connect students with the community and, ultimately, retain many of those students to become a vital part of our workforce.

The Web site, onebigcampus.com, recorded 309,000 unique visitors in 2003, an increase of 32% over 2002. Through the site, visitors requested 5,248 view books from individual colleges, up 50% from 2002. Our \$90,000 public relations budget produced \$1.2 million in national and regional media value.

The Web site now features a new international section; new brochures in four different languages were created to supplement information.



ST. JOSEPH'S UNIVERSITY

THE SPORTS FAN

The state-of-the art Wachovia Center. The new Lincoln Financial Field. The brand new Citizens Bank Park. Philadelphia now has perhaps the finest collection of professional sports facilities in the country. Philly teams are always in the hunt, too. They bring great recognition to our region whenever games are broadcast. To beef up top-of-mind awareness, GPTMC purchased time on the Atlantic 10 Network and during the Philadelphia Eagles' winning season. This spring and summer GPTMC will collaborate with the Philadelphia Phillies to reach baseball fans in Philadelphia, Chicago, Houston, Miami and New York by television, in-stadium and e-mail promotions, radio and newspaper advertising.



LINCOLN FINANCIAL FIELD

THE NATURE LOVER

In May 2003, GPTMC received an 18-month planning grant in the amount of \$330,000 from the William Penn Foundation. The funding is being used to develop a plan to promote the region's outdoor experiences and natural landscapes—its parks, riverways, gardens, battlefields and walking paths—and the recreational activities that go with them. Philadelphia and Its Countryside is a beautiful place to take a nature walk, hike, bike, kayak or enjoy an outdoor concert. GPTMC will create a marketing strategy to leverage outdoor attractions.

THE INTERNATIONAL TRAVELER

With a three-year grant from Delaware River Port Authority, we've been able to promote "destination definers" such as the Philadelphia Museum of Art (PMA) and the Philadelphia Orchestra. Their exhibits (*Manet and the Sea* in 2004, Salvador Dali in 2005) and performances (2003 Tour of the Americas) reinforce our cultural story and reach additional audiences.

- To generate early publicity for *Manet and the Sea*, GPTMC worked with PMA, the French Government Tourism Office and the Barnes Foundation to produce a press preview trip to Philadelphia and France for 15 domestic journalists.
- To support the Philadelphia Orchestra's Latin America tour, GPTMC brought U.S.-based press to Mexico City for the Orchestra's performance there.
- We sponsored the Eisenhower Fellowship's 30th anniversary global conference in Philadelphia in October 2003.
- Together with the Philadelphia Convention & Visitors Bureau, GPTMC launched an integrated marketing initiative in Canada that kicked off with press events in Toronto and Montreal in November 2003 to promote Philadelphia's regional arts and culture.

GIRLFRIENDS TRAVEL

In February 2004, GPTMC conducted focus groups with women who expressed interest in traveling with their girlfriends. The research explored what motivates traveling to Philadelphia and Its Countryside, what women want while they're here and what they need to hear about our region to get them to come.

KEY FINDINGS INCLUDE |

- The message for girlfriend travel has to be *fun*. Women go with their girlfriends to *laugh, enjoy activities their husbands don't (shopping, lounging, dancing) and to be entertained*.

"With your girlfriends you just laugh more."

■ FOCUS GROUP PARTICIPANT

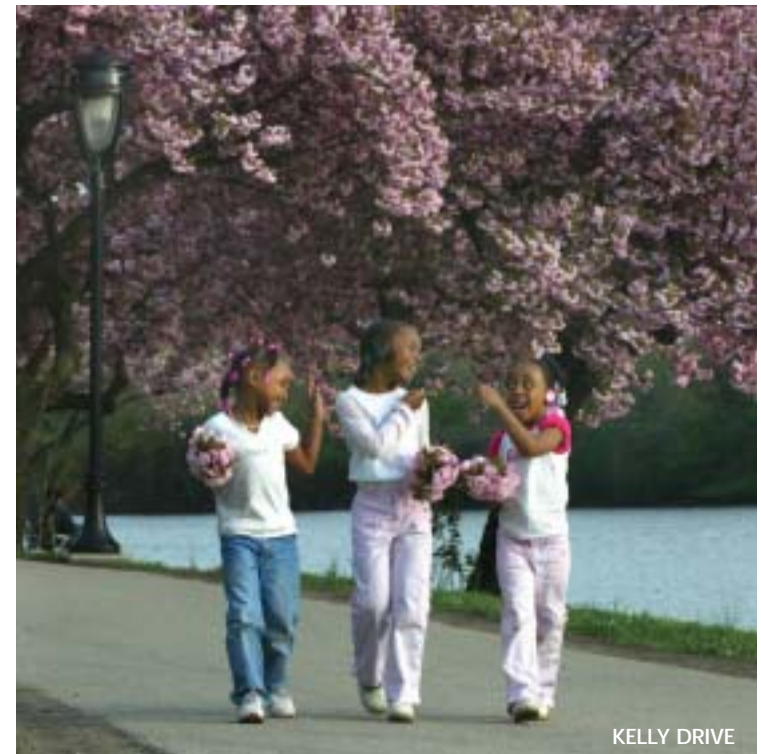
- The draws that make girlfriend travel to Philadelphia and Its Countryside attractive are: evening events/performance that make it worth it to stay over; packages that include pampering, such as spa activities; nightlife opportunities that—again—create a reason to stay over and are more enjoyable with girlfriends than boyfriends or husbands.
- Research reveals that women are looking for a reason to stay overnight; they prefer hotel packages with special offerings versus simply booking a hotel room and arranging their own activities. Packages that are most attractive would include *nightlife* activities...tickets to evening events, parties, clubs or performances. These are the most fun for women and also provide a reason to sleep over instead of making a day trip.



THE LOUVRE, PARIS

"Every time I see people walking around in PJ's, I say I want to do that for a day."

■ FOCUS GROUP PARTICIPANT



KELLY DRIVE

"Participation in the Neighborhood Tourism Network has provided an immeasurable boost to the Johnson House as we are now able to attract visitors from Center City and beyond. The tours have broadened and diversified our audience. In addition, the program has provided marketing support far beyond what we could have done alone. The Johnson House has been featured in newspapers and magazines across the country as a direct result of our participation in the Neighborhood Tourism Network."

■ EVELYN FELDER, EXECUTIVE DIRECTOR,
JOHNSON HOUSE HISTORIC SITE

PHILLY FRIENDS AT THE FRANKLIN
INSTITUTE SCIENCE MUSEUM



CLOSE TO HOME

PHILLY FRIENDS

Word of mouth is the best advertising. Philly Friends, funded by the DRPA, is designed to remind regional residents to be salespeople for their hometown, to be top tour guides when they host visitors and to explore attractions they may not have seen before. And we're ready to help them get started.

Philly Friends launched in June 2003 with a press conference that included some of our town's biggest boosters. To really get the word out, a Philly Friends Toolbox was created that includes: a Philadelphia Speaks interactive CD-Rom, a book of *188 of the Coolest Things to Brag About in Philadelphia and Its Countryside*, maps and a trip planner. Monthly e-mail newsletters are sent out informing friends about upcoming events and important Philly-centric news. And we reward our "ambassadors" with incentives like a behind-the-scenes tour of The Kimmel Center. To date, more than 2,000 Philly Friends have been recruited from our area and well beyond. Their influence has already been felt: An online survey found that Philly Friends report telling an average of eight family members or friends about tourism opportunities in the region and 86% of those they tell reportedly take action.

This year Philly Friends is reaching out to the corporate community and employees with a presentation of "The Philadelphia Story." Presented by GPTMC, the message is simple—Philadelphia is a great place to live, work, play and study. Each of us can enhance Philadelphia's quality of life and rev up the economic engine by exploring new places, trying new restaurants and talking up our town.

"Proudly, I am a new member of Philly Friends. I was at the orientation last night and it was wonderful! I came out of there so fired up..."

■ BETH MACGREGOR, DAVID TOURS & TRAVEL

TOURISM

TREND

42% of all leisure visitors to our region are visiting friends and relatives.

Source: D.K. Shifflet

ADVERTISING PARTNERS

We are fortunate to work with organizations that think big. They have helped GPTMC get the most out of its advertising dollars while building the bottom line for the region.

COOPERATIVE ADVERTISING

GPTMC's cooperative advertising program increases advertisers' buying power by providing better cost, better placement and higher frequency advertising opportunities. It enables area attractions, accommodations, cultural organizations and other CVBs to appear in full-page ads in local, regional and national publications under a consistent destination banner. GPTMC subsidizes nearly half of the cost in publications such as *AAA World*, *Conde Nast Traveler*, *Good Housekeeping*, *Preservation*, *Better Homes and Gardens* and more than 30 other magazines. In 2003, more than 60 advertisers in the region benefited from this cost-efficient program and purchased 268 individual blocks of advertising in 38 ads, creating more than 47 full pages of advertising. This three-year old, cooperative advertising program has placed 118 pages of advertising, allowing more than 100 unique advertisers to tell their individual stories to more than 81 million readers. There is also a co-op campaign for the gay and lesbian market (see Thinking Outside the Box on page 11).

ADVERTORIALS |

They may look like editorial copy but they're actually supplied and paid for by GPTMC and participating attractions. Two-, four- and eight-page advertorials feature longer copy, more photos and a softer call to action. Advertorial themes have focused on shopping, holiday events and regional tours and have run in *Central PA Magazine*, *Town & Country* (Bucks, Chester, Montgomery and Hunterdon counties) and *USA Weekend*. Our 2003-2004 schedule also includes the *New Yorker*, *New York Magazine*, *Food & Wine*, *Garden Design* and other well-read magazines—for a media buy of more than \$400,000.

MINI-CAMPAIGNS |

Sometimes campaigns are designed for a specific market, with a targeted product, a limited timeframe and a restricted budget. Summer Phlash, the downtown visitor shuttle, is a perfect example. A single full-color ad, a TV spot that ran on the Visitors Channel (hotel in-room TV) and signage that appeared on Center City bus shelters were designed for the kickoff campaign in 2003. A similar campaign supports the second year running on an extended schedule from May through November, 2004.



We would never have been able to advertise outside of the region without the GPTMC co-op program...we hired a consultant to look at what we were doing with our ad dollars. She looked at all of the stuff we had going on and said all of our money should go into the GPTMC co-op program. She compared it to a 401k because each dollar we spend is being matched.

■ SEAN KELLEY, EASTERN STATE PENITENTIARY

PHLASH AT THE PHILADELPHIA MUSEUM OF ART



NOTE TO POTENTIAL COOPERATIVE ADVERTISING PARTNERS:
For more information on 2004-2005 Cooperative publications, visit gophila.com/co-op.



ATLANTIC 10

We find ourselves envious of Philadelphia, especially the Greater Philadelphia Tourism Marketing Corp... said Ann McQueen, program officer for the Boston Foundation. In Philadelphia, said McQueen, We did notice with the tourism-marketing folks, a whole lot more collaboration between tourism and the arts.

■ THE PHILADELPHIA BUSINESS JOURNAL, APRIL 9, 2004



MARKETING PARTNERS

PHILADELPHIA MUSEUM OF ART |

In spring 2004, GPTMC again partnered with the Philadelphia Museum of Art (PMA) as they presented another blockbuster show. This time it was *Manet and the Sea*, February 15 through May 31. PMA worked with selected hotels to offer VIP tickets to the exhibit. GPTMC worked with PMA to extend the reach and frequency of their media buy.

AMTRAK |

By visiting gophila.com, visitors to Philadelphia can save 20% on the best available Northeast corridor, coach-class fare (restrictions do apply). Amtrak has also been supportive by providing transportation for press events and visits, and contributed to the production of the *Al Día* multicultural guide in Philadelphia, Washington, D.C. and New York.

COMCAST |

A valued partner since our first "Philly Overnight®" promotion in 2001, Comcast has renewed their advertising partnership with GPTMC and is committed to generating more awareness for our city via increased exposure of our in-region campaign, Philly Overnight®, multicultural and gay campaigns.

PNC BANK, PENNSYLVANIA HORTICULTURAL SOCIETY AND PHILADELPHIA MUSEUM OF ART |

Forming a marketing partnership to promote the Philadelphia Flower Show and *Degas and the Dance*, this initiative received the 2004 Business/Arts Partnership Award, Major Business from the Arts & Business Council of Greater Philadelphia.

SOUTHWEST AIRLINES |

Southwest has landed in Philadelphia with a total of 14 daily nonstop flights to Chicago Midway, Las Vegas, Orlando, Phoenix, Providence, Tampa Bay and others. GPTMC and Southwest are developing an advertising partnership that leverages public relations and expands advertising and Web site efforts to further stimulate travel to Philadelphia by targeting key push markets.

US AIRWAYS |

Initiatives include participation in the *Al Día* guide distributed in three cities. Philadelphia was also featured in a 54-page city profile in the March issue of *Attaché*, the airline's in-flight magazine, and 90-second in-flight commercials.

ATLANTIC 10 |

As a sponsor of the Atlantic 10 Women's Tournament, our overnight message was seen by millions of sports fans. Spots aired on Atlantic 10 Television, with a full-page ad in Atlantic 10 brochures, signage at the event and inclusion on their Web site.

CLEAR CHANNEL |

We expanded our advertising reach with a Clear Channel sponsorship at the following venues: PNC Bank Arts Center in New Jersey, Nissan Pavilion in Virginia, Tweeter Center at the Waterfront in Camden, New Jersey and the Merriweather Post Pavilion in Maryland. At each venue back lit and outdoor advertising along with advertisements in program guides extended our Philly's More Fun When You Sleep Over® brand.

CULTURAL TOURISM GRANTS

F For the fiscal year 2004, GPTMC awarded 25 Philadelphia-area arts, cultural and heritage organizations a combined \$530,400 for projects that have the potential to enhance the image of or increase tourism to the Philadelphia region. GPTMC grants expand the marketing reach of the region's cultural and heritage community. We further support grant projects with public relations, cooperative advertising opportunities and inclusion on gophila.com.

Almost half of this funding—\$250,000—was allocated to multicultural marketing initiatives, including the development of multicultural content for gophila.com and advertising supplements in African American and Latino publications, such as *The Philadelphia Tribune* and *Al Dia*.

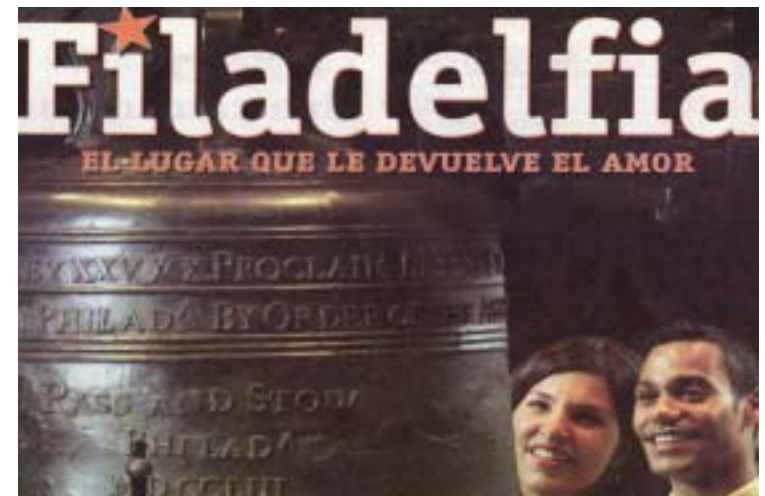
Since 1997, GPTMC has awarded **173 grants totaling \$3.5 million** which have been leveraged to generate an additional **\$6.1 million** in out-of-region marketing.

fiscal year 2004 grantees

- 88.5 WXPB
- Arden Theatre Company
- Art Sanctuary
- Brandywine Conference & Visitors Bureau
- Chester County Historical Society
- Eastern State Penitentiary Historic Site
- Friends of the Japanese House & Garden
- Institute of Contemporary Art
- Johnson House Historic Site
- Mummers Museum
- Mural Arts Program
- New Freedom Theatre
- Penn's Landing Corporation
- Pennsylvania Ballet
- Philadelphia Chinatown Development Corporation
- Philadelphia Fringe Festival
- Philadelphia Fringe Festival/Dance Advance
- Philadelphia Music Alliance
- Philadelphia Society for the Preservation of Landmarks
- Philadelphia's Historic Neighborhood Consortium
- Rosenbach Museum & Library
- Spiral Q Puppet Theater
- The Clay Studio
- The Franklin Institute Science Museum
- Valley Forge Convention & Visitors Bureau



PHILADELPHIA NEIGHBORHOOD TOURS





PUBLIC RELATIONS

PUBLIC RELATIONS GENERATES VALUE

Public Relations ensures that our advertising goes further and works harder. With a 2003 budget of approximately **\$1.7 million**, GPTMC's public relations department generated media coverage worth **\$51 million** in advertising equivalent value. The **3,290 placements** in news media created **949 million** consumer impressions throughout the region, the nation and the world. Placements garnered in some of the nation's most coveted media included:

- 22 placements in *The New York Times*
- 17 placements in *USA Today*
- 8 placements in *The Wall Street Journal*
- 4 placements in *The Washington Post*
- Other media with circulations of 500,000 or more include *Travel & Leisure*, *House + Garden*, *Conde Nast Traveler*, *Smithsonian*, *Prevention*, *AARP Magazine*, *Endless Vacation* and *Car + Traveler*

In promoting what's new, what's hot and what's not to miss, top stories included Philadelphia neighborhoods, the restaurant scene, exhibitions such as *Degas and the Dance*, cruising, family-friendly attractions, historic sites and the new gay-friendly campaign.

One of the best-covered events was "Liberty in Motion." Working with Independence National Historical Park, public relations created a day-long media event around the relocation of the Liberty Bell to its new center. Coverage of the October 9 move included the front page of *The New York Times* and stories on CBS and CNN. With funding from the Commonwealth of Pennsylvania and the Pew Charitable Trusts, GPTMC also provided press kits, a photo CD-rom, video b-roll, a media center and a luncheon for visiting media on moving day. In all, **900 stories** with an advertising value of more than **\$6.8 million** told the world about this significant—and unique to Philadelphia—event.

Periodically, GPTMC brings a taste of Philadelphia to key media markets, such as New York, giving a cross-section of Philadelphia newsmakers the opportunity to meet the press. For example, to tell the Philadelphia region's gardening story to consumer media based in New York, GPTMC brought speakers from some of our favorite green spaces: Longwood Gardens, Morris Arboretum, the Barnes Foundation and the Pennsylvania Horticultural Society. This winter, GPTMC also gathered food writers and family writers for similar presentations by some of the Philadelphia region's top chefs, restaurateurs and attractions. These Philadelphia Road Shows are often the first stop in generating articles, establishing relationships and ultimately increasing visitation.

STOP THE PRESSES!

GPTMC has been able to generate extensive coverage of the region in part through its Visiting Journalist Program (VJP), a welcome wagon for writers, editors, photographers and other industry professionals. Attracting journalists to the region and planning the press trips that engage them enables us to identify the travel trends that spark the interests of journalists and the news outlets they represent.

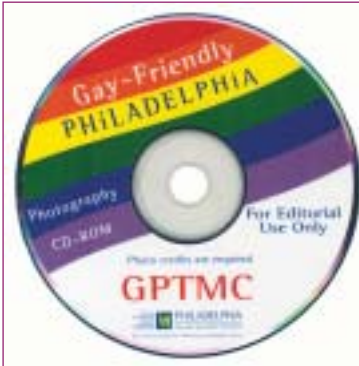
The VJP program brought 154 media guests to the region in 2003, and resulted in positive coverage of the region in major national news outlets such as *The Boston Herald* and *The Boston Globe*, *Arthur Frommer's Budget Travel*, *Travel + Leisure*, *National Geographic Traveler*, *Travelocity.com* and *Art & Antiques*.

For groups like the Society of American Travel Writers (SATW), which GPTMC hosted in spring 2003, we ensure that writers get the big regional picture and go home with many story ideas. We build customized itineraries and design in-depth tours such as the Food Markets and Culinary Tour; History in Unexpected Places; Hands-On Family Fun: New Hope and Historic Doylestown; Valley Forge and the Brandywine Valley; and Lancaster County: Heart of Pennsylvania Dutch Country.

In 2004, press trip themes included Crafts in Philadelphia, Roots of Liberty, Gay-Friendly Philadelphia, Philadelphia: City of Neighborhoods, *Manet and the Sea* and even Dog-Friendly Philadelphia, as well as customized themes for SATW writers.

Public relations' return on investment is impressive. "The Tale of Two Cities" press trip (Philadelphia & Paris) for PMA's exhibit, *Degas and the Dance*, is a stellar example. An investment of **\$55,000** in public relations produced **37** print stories (e.g., *The Boston Globe* and *Newark Star Ledger*) generating **26 million** impressions, valued at **\$2.9 million** in advertising equivalent value. The press trip, "Philadelphia: A City of Neighborhoods" drew **16 journalists** from multicultural and general travel publications. For an investment of **\$16,000**, **11 articles** were generated (e.g., *El Diario* and *Baltimore Times*) resulting in **4 million** impressions worth **\$161,000** in advertising equivalent value.





NEW TOOLS IN THE PR TOOLBOX

Include:

- Special-interest press kits created for media covering news and trends in history (Liberty Bell Center), restaurants, gardens, cruises, family-friendly Philadelphia and Gay-friendly Philadelphia.
- Compelling new photographs of nearly 165 tourist attractions in the five-county region. The newest additions to GPTMC's extensive image library include Phlash, Longwood Gardens, Peddler's Village, the Liberty Bell Center and Citizens Bank Park in addition to many other museums, historical attractions, restaurants, shops and gardens.
- High-quality b-roll footage of Philadelphia's hottest new attractions, including the National Constitution Center, the Liberty Bell Center and Lincoln Financial Field.
- A 215-image photo CD-Rom for use by media and searchable by category. Themed photo CD-ROMs featuring up to 50 high-resolution images are also available for niche publications covering dining, history, family interests, tours and many other topics.

"Wow! No other destination has given me so much well written background material, and it's an extra bonus for you to hand over great b-roll of your historic sites. Thank you."

- GARY BEATON, SENIOR PRODUCER, HOME & GARDEN TELEVISION (HGTV)

NOTE TO EDITORS: For story angles and photographic images of Philadelphia and its surrounding countryside, visit gophila.com/pressroom.

GOPHILA.COM

GOPHILA.COM | OUR LIVELY, INFORMATIVE AMBASSADOR

At the heart of our marketing efforts is gophila.com. When gophila.com launched in 1998, it received fewer than 100 visits per day. Six years later, the site receives about 10,000 visits per day and has more than 3,000 pages of content. It links to hundreds of attractions, restaurants and retail establishments. It sells thousands of hotel rooms. It maintains a database of more than 100,000 e-newsletter subscribers. And it has saved us more than \$500,000 in fulfillment and postage costs in the last two years alone.

By the end of 2003 gophila.com had logged almost 4 million unique visits, with nearly 5% coming from foreign countries. The site keeps media informed with press releases and archives. And with partners like the Greater Philadelphia Cultural Alliance's *Philly Fun Guide*, GPTMC can offer our Web site visitors real value in information—and in savings. We are also pleased that gophila.com is the official visitors' site for phila.gov (the City).

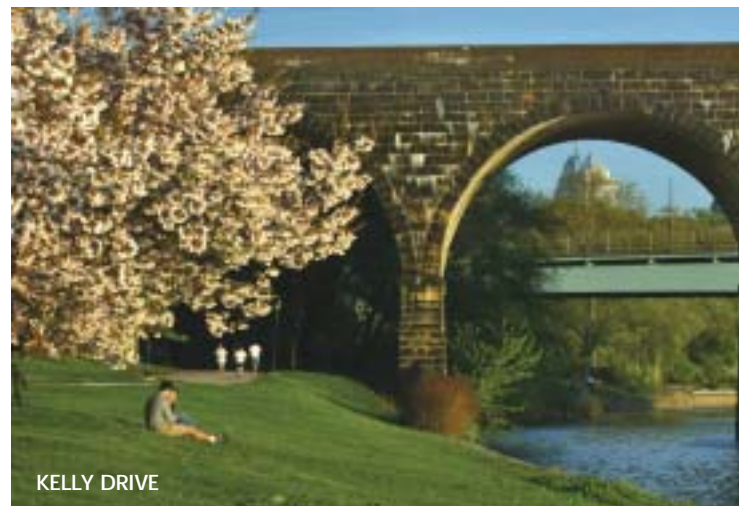
We continue to develop this valuable marketing tool, adding content and updating information on a daily basis.

"A must for visitors, this site provides extensive information about special events, hotel packages and more."

■ LONELY PLANET: PHILADELPHIA & THE PENNSYLVANIA DUTCH COUNTRY

"Philadelphia has seen many area web-sites come and go over recent years. One which just keeps getting better from month to month is the Website of the Greater Philadelphia Tourism Marketing Corporation, gophila.com."

■ ABOUT.COM



TOURISM

TREND

71% of U.S. Internet users use the Web as their primary source of research for plane tickets, hotel reservations and travel packages.

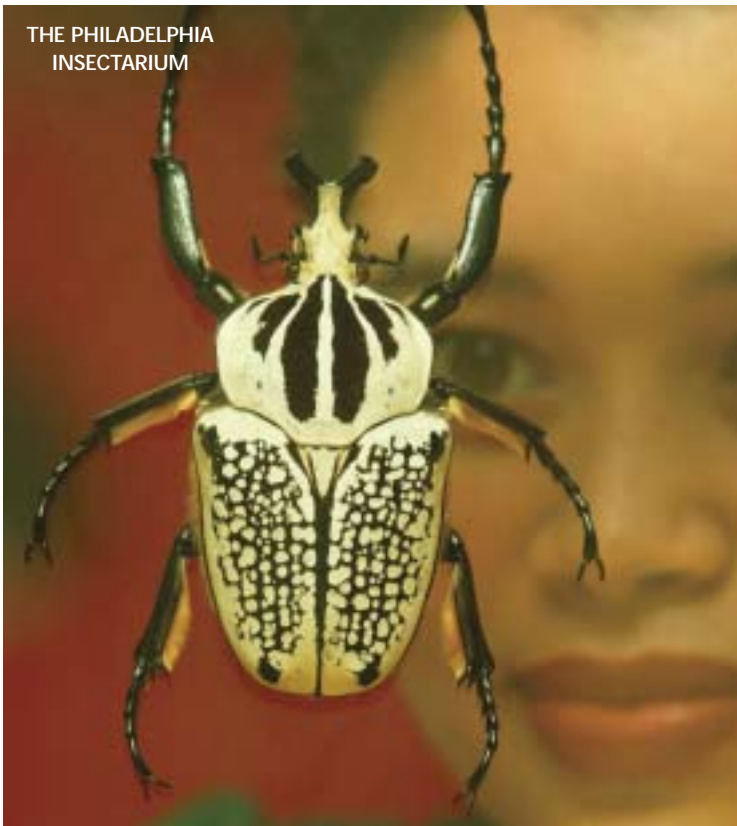
Source: Roper, January 15, 2003

CAN WE HELP YOU? | INDEPENDENCE VISITOR CENTER (IVC)

GPTMC continues to promote the IVC in collateral, press materials, cooperative advertising, fulfillment requests and concierge training.

The Independence Visitor Center has quickly become the information service center for residents and visitors alike. The Center provides maps, tour ticketing and warm and friendly concierge services. It is equipped with educational films, a gift shop and interactive exhibits. You'll often see colonial characters interacting with visitors to enhance their trip to Philadelphia and Its Countryside.

THE PHILADELPHIA
INSECTARIUM



CULTUREFILES | ANOTHER LIVELY, INFORMATIVE AMBASSADOR

CultureFiles, a section on gophila.com, is an insider's guide to arts and culture in Philadelphia and Its Countryside.

CultureFiles went live in March 2003, thanks to funding from the William Penn Foundation. Prominently displayed on gophila.com, CultureFiles provides consistent, expert information and Web links to 400 experiences on 300 Web pages.

In just 12 months, CultureFiles has logged more than 400,000 visits and has proved to be a wonderful addition to gophila.com. Each page is formatted to include professionally written text on the experience of visiting the attraction; a professional photo; practical information such as hours of operation, address, phone number, cost and, whenever possible, a link to the attraction's Web site. You can browse by location, category or special interest.

In this way, CultureFiles provides online marketing resources for the 400 participating cultural organizations. All materials are available for the organizations' own marketing use.

Like the attractions it represents, CultureFiles is updated on a regular basis. In 2003, GPTMC added the National Constitution Center, the new Liberty Bell Center, the *Money in Motion* exhibit at the Federal Reserve Bank of Philadelphia and the Fairmount WaterWorks Interpretive Center. We've taken 80 new photos of CultureFiles sites, and a new section for Public Art and Architecture, two of our region's strongest assets, is now live.

The best-laid plans begin at gophila.com/culturefiles. Visit today.

SWANN FOUNTAIN



The big story for 2003-2004 is the economic impact of tourism on our region. This impact is felt every day by hotels, retailers, attractions and our region's residents.

GPTMC's research also measures the economic impact of its advertising campaigns, determining how many visitors come as a result of GPTMC advertising and the impact of these additional visitors on jobs and tax generation in the region.

TOURISM MONITOR

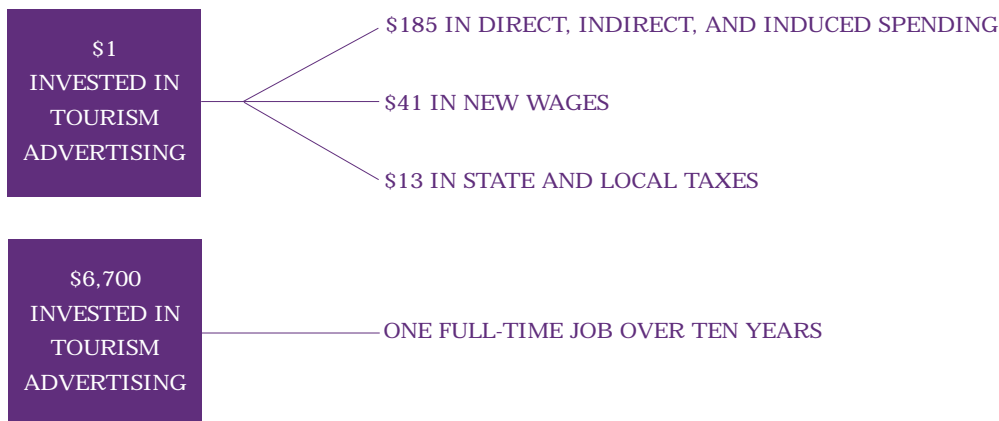
In May 2004, GPTMC rolled out the “*Greater Philadelphia Tourism Monitor: Making the Case for Investing in Tourism Marketing.*” This case statement demonstrates that investment in tourism marketing pays remarkably high dividends in the form of increased tourism, tourism spending and improved quality of life for residents. The “*Greater Philadelphia Tourism Monitor*” will also stand as a national model for tourism marketing organizations that increasingly need to show their regional stakeholders that investing in tourism marketing is smart policy and yields tangible economic returns.

ECONOMIC IMPACT OF TOURISM MARKETING |

Longwoods International conducted return on investment research (ROI) based on three GPTMC advertising campaigns over 18 months in 2001 and 2002. Econsult Corporation then analyzed the findings from the ROI study to determine the economic implications of these campaigns. The results are impressive.

For every \$1 GPTMC spent on advertising:

- \$185 in direct, indirect and induced regional spending is created
- \$41 in new wages are generated
- \$13 in state and local taxes are produced
- \$6,700 over ten years invested in GPTMC's tourism advertising can create the equivalent of one full-time job at an average salary of \$30,000 a year.



Source: ECONSULT CORPORATION, 2004

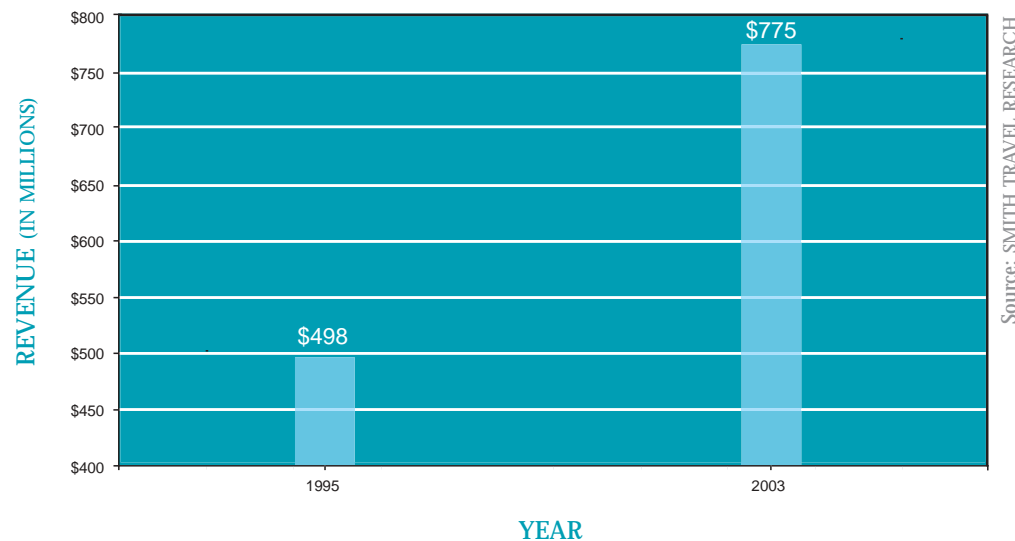
“Overall, tourism has been good in the city, and the work of GPTMC is definitely helping to build the business. Friday and Saturday stays are 100% tourism. And for us, Saturdays are extremely strong, so we have given more attention to Saturdays by restructuring our staffing two years ago. Of course, I’m sure you know I feel that the job of GPTMC is definitely helping to build our tourism numbers.”

■ BERNARD GUET, GENERAL MANAGER, PARK HYATT PHILADELPHIA AT THE BELLEVUE

SLEEPING OVER | HOTEL FACTS AND FIGURES

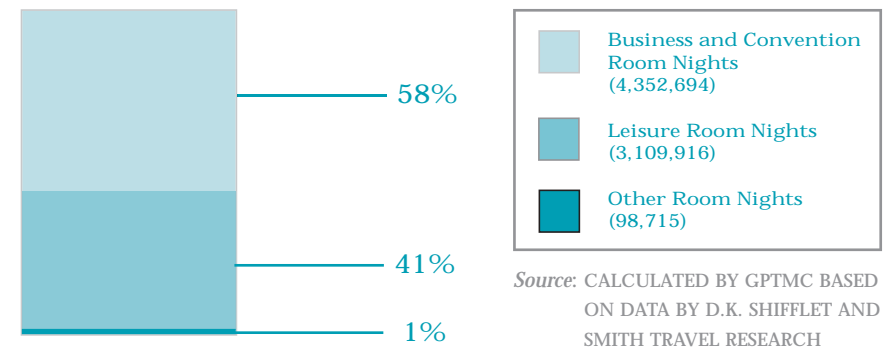
The growth in the number of occupied hotel room nights in our region is a key part of the economic impact story. The number of available hotel room nights has grown 32% since 1995, from 8.8 million to 11.6 million. Meanwhile, occupancy has remained steady and hotel room rates have risen, generating a remarkable increase in hotel room night revenue for our region, from \$498 million in 1995 to \$775 million in 2003. Leisure hotel occupancy represents a stabilizing influence in this larger hotel occupancy story.

REGIONAL HOTEL ROOM NIGHT REVENUE

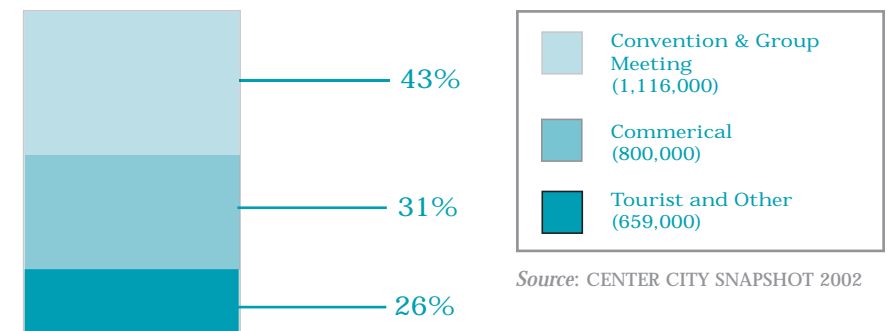


LEISURE HOTEL DEMAND IN 2002

- 3.1 million room nights were taken up by leisure tourists in the region in 2002. This figure represents an extraordinary 41% of all hotel room nights for 2002.

PHILADELPHIA and ITS COUNTRYSIDE HOTEL DEMAND
by Market Segment | 2002

- 659,000 room nights were taken up by leisure tourists in Center City in 2002. This figure represents 26% of all hotel room nights in 2002.

CENTER CITY PHILADELPHIA HOTEL DEMAND
by Market Segment | 2002



CATHEDRAL BASILICA OF SS PETER AND PAUL



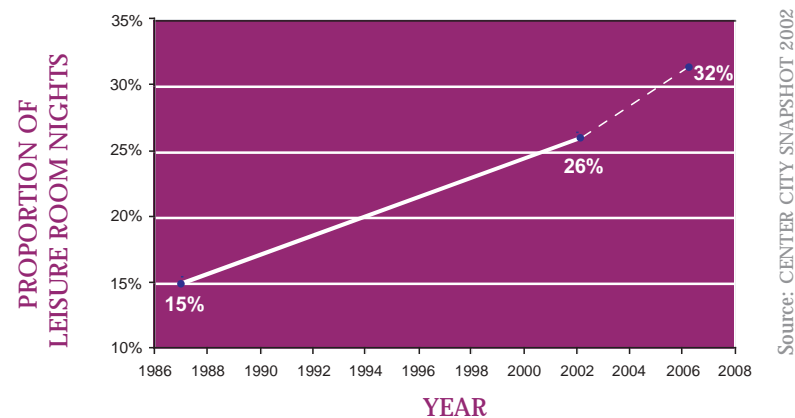
HYATT REGENCY PHILADELPHIA



30TH STREET STATION

Leisure travelers are using an increasing portion of Center City's growing number of hotel rooms, where business and convention travelers typically dominate. In the 1980s, only 15%-17% of all hotel room nights in Center City were taken up by leisure travelers. As of 2002, leisure travelers used a full quarter (26%) of all Center City hotel room nights and the projections are that this trend will continue to grow, so that by 2007—assuming the city's product and marketing stay consistently high—a third (32%) of Center City hotel rooms will be occupied by tourists. This percentage translates into 782,649 room nights occupied by tourists in Center City by 2007.

PERCENTAGE OF CENTER CITY ROOM NIGHTS OCCUPIED BY LEISURE TRAVELERS 1987-2007



REGIONAL HOTEL INDUSTRY FACTS AND FIGURES FROM 2003

HOTEL SUPPLY	11,613,629 rooms
HOTEL DEMAND	7,560,473 rooms
MARKET OCCUPANCY	65.1%
MARKET ADR	\$102.51
MARKET REVPAR*	\$66.70

*A measure which combines hotel occupancy AND average daily room rate

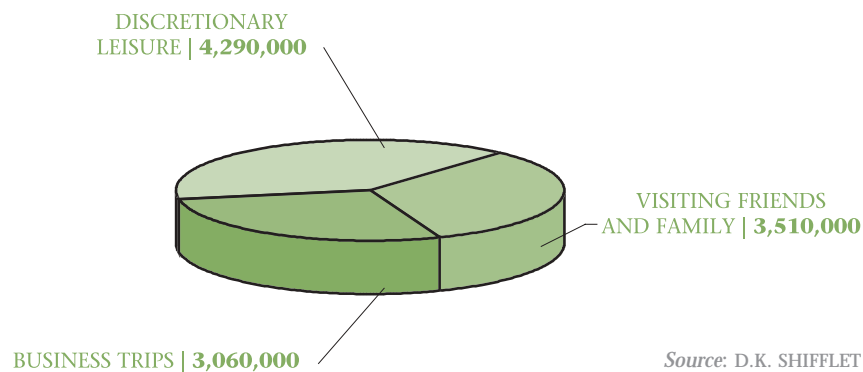
Source: SMITH TRAVEL RESEARCH

REGIONAL

TRAVEL VOLUME

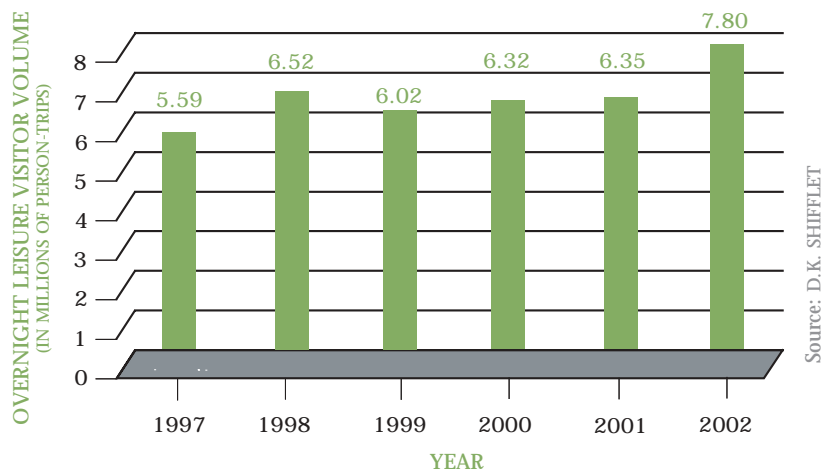
Overnight leisure visitorship in Philadelphia and Its Countryside has risen 39.5% between 1997 (when GPTMC began its first ad campaign) and 2002, increasing from 5.59 million overnight leisure visits in 1997 to 7.8 million overnight leisure visits in 2002. Compared to the 8.8% growth in overall U.S. domestic leisure travel between 1997 and 2000, this region's leisure travel growth rate is extraordinary.

PHILADELPHIA AND ITS COUNTRYSIDE
TOTAL OVERNIGHT VISITOR VOLUME
10.86 MILLION OVERNIGHT TRIPS IN 2002



Source: D.K. SHIFFLET

PHILADELPHIA AND ITS COUNTRYSIDE
OVERNIGHT LEISURE VISITOR VOLUME 1997-2002



Source: D.K. SHIFFLET

PHILADELPHIA AND ITS COUNTRYSIDE
TOTAL DAY AND OVERNIGHT PERSON-TRIPS
(in millions of person-trips*)

	2002	2001	% CHANGE
TOTAL VISITORS	22.83	20.55	+11
OVERNIGHT vs. DAY TRIPS			
TOTAL OVERNIGHT	10.86	9.16	+19
TOTAL DAY	11.97	11.39	+5
LEISURE VISITORS			
TOTAL LEISURE	16.23	14.51	+12
TOTAL OVERNIGHT	7.80	6.35	+23
TOTAL DAY	8.43	8.16	+3
BUSINESS VISITORS			
TOTAL BUSINESS	6.59	6.04	+9
TOTAL OVERNIGHT	3.06	2.81	+9
TOTAL DAY	3.53	3.23	+9

Source: D.K. SHIFFLET

* The travel industry defines a person-trip as one person traveling 50 miles or more away from home. Person-trips do not factor out repeat visitation; a person visiting twice is counted as two visitors.

NATIONAL

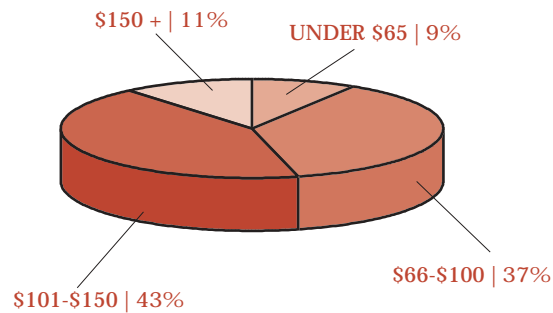
TRAVEL TRENDS

- Overall, travel spending is predicted to rise to \$568.1 billion in 2004 (4.4% increase from 2003).
- Total domestic travel is expected to rise to 1.074 billion trips in 2004 (3.2 % increase from 2003).
- Leisure travel is expected to be on the rise by 3.2% to 837.8 million person trips in 2004. (Accounting for 78% of all domestic trips)
- International arrivals to the United States are forecast to grow by 5 percent to reach a total of 42.2 million visitors in 2004.
- After health services and business services, travel was the third largest private employer in the United States in 2002, directly employing 7.2 million workers.

Source: TIA



HOTEL SPENDING BY GAY & LESBIAN TRAVELERS TO THE REGION



- Return visits and the “gayborhood”—the neighborhood from Market to Spruce Streets, Avenue of the Arts to Washington Square—are the biggest draws to the region.

RESEARCH ON HIGH-YIELD SEGMENTS

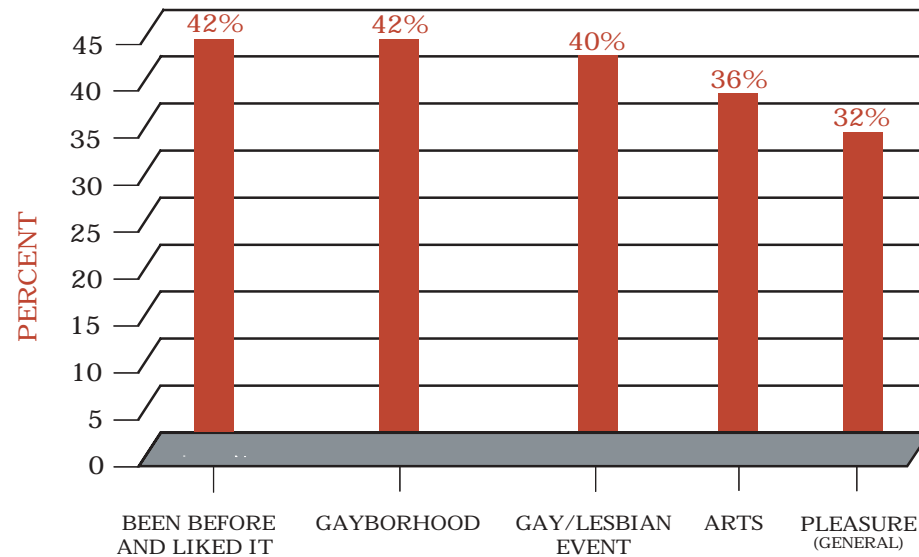
Through secondary and customized marketing research, GPTMC identifies the high-yield markets that can generate high tourism returns, such as the gay and lesbian travel market and girlfriends travel.

COMMUNITY MARKETING INC. | GAY TOURISM RESEARCH

GPTMC commissioned research of the gay and lesbian tourist market to benchmark its groundbreaking gay and lesbian marketing campaign. The survey serves as a national model of gay and lesbian travel information, detailing motivations for travel to the region, preferred travel experiences in the region and key demographics regarding travelers to the Philadelphia region.

ECONOMIC IMPACT OF GAY TRAVEL |

- Among gay and lesbian visitors staying overnight in the region, most (54%) spent more than \$100 per night for their accommodations.
- The mean household income for gay travelers is \$87,179 (much higher than the average income of overall regional visitors - \$73,670).



* Multiple answers accepted.

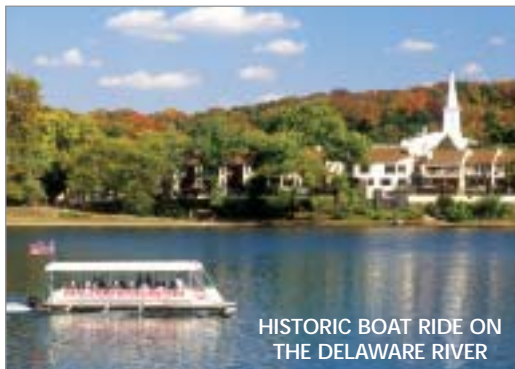
** It should be noted that 231 surveys were collected as intercept interviews at gay/lesbian events and in the “gayborhood.”

BRANDYWINE

CONFERENCE & VISITORS BUREAU

The Philadelphia region has been particularly fortunate to have the marketing skills of GPTMC. Here in Delaware County, we see more and more travelers taking the time to visit Philadelphia's countryside to discover what we have to offer. The tourism professionals in Delaware County will continue to be willing partners with GPTMC and look forward to participating in additional programs and cooperative partnerships.

■ TORE FIORE, EXECUTIVE DIRECTOR | WWW.BRANDYWINECVB.ORG



HISTORIC BOAT RIDE ON
THE DELAWARE RIVER

BUCKS COUNTY

CONFERENCE & VISITORS BUREAU

In 2003, Bucks County enjoyed record growth in occupancy and room rate. It was accomplished through a more directed strategic marketing campaign that included a partnership with GPTMC in its cooperative advertising programs. Through this partnership, we were able to supplement our campaigns with advertising directed at AAA, the gay and lesbian market, and broad-reach consumer publications—none of which we could have afforded alone. GPTMC consistently adds value to our efforts.

■ W. KEITH TOLER, EXECUTIVE DIRECTOR | WWW.EXPERIENCEBUCKSCOUNTY.COM



TYLER ARBORETUM

CHESTER COUNTY

CONVENTION & VISITORS BUREAU

Chester County, and all of the Philadelphia region, are well served by the consumer advertising campaign that GPTMC continues to operate. For many years, the missing link in the area's tourism marketing effort was a lack of such consumer advertising, and now these efforts are consistent, on message, and truly regional in their approach. We look forward to continuing to work with GPTMC to reach individual consumer travelers, including specialty markets such as multi-cultural and gay/lesbian.

■ JESSE WALTERS, EXECUTIVE DIRECTOR | WWW.BRANDYWINEVALLEY.COM



VALLEY FORGE NATIONAL
HISTORICAL PARK

VALLEY FORGE

CONVENTION & VISITORS BUREAU

GPTMC continues to add value to the region's bureaus' marketing efforts through creative and economical cooperative advertising programs and its partnership in the currently evolving and innovative interactive visitor information kiosk initiative.

■ PAUL DECKER, EXECUTIVE DIRECTOR | WWW.VALLEYFORGE.ORG



LONGWOOD GARDENS

"GPTMC is one organization that talks the regional talk and walks the regional walk. Through its efforts, GPTMC has been able to support regional economic development by recognizing and promoting all of the Greater Philadelphia region's outstanding visitor experiences, wherever they're located in the region.

■ DAVID THORNBURGH
EXECUTIVE DIRECTOR,
PENNSYLVANIA ECONOMY LEAGUE,
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