



AMERICAN RELIEF ACT REQUEST

Karen Williams, President & CEO

Cleo Battle, COO

Louisville Tourism | 401 W. Main Street Louisville, KY 40202



Louisville, as a destination, was on a roll. Following a record decade expansion, nearly every facet of the hospitality infrastructure was revitalized. The past three years were especially transformational as a renovated and expanded downtown convention center spurred the simultaneous development of new and renovated hotel projects and investment by private industry in the city's primary visitor corridor and beyond.

A new tourism market built around sprits-related travel highlighting a signature Kentucky industry while also growing new audiences to the city's other heritage attractions had been delivering more than 16 million annual visitors. In 2019, that number reached 19 million. Neighborhoods offering authentic experiences including local dining and lodging had become vital assets to attracting new visitors including adventure-driven millennials.

Enter a global pandemic. Louisville had a convention-packed calendar and leisure events expected to bring \$3.5 Billion in economic impact to the city and support nearly **60,000 jobs**. In March 2020 as conventions and events canceled, hotels and attractions closed and many restaurants shuttered, the hospitality industry **furloughed 75% of the workforce**. As Kentucky entered various phases of re-opening, the recovery started small with all closed hotels open by the rescheduled Kentucky Derby in September. Restaurants started to pick up with outdoor dining options and 85% of Louisville's attractions reopened.

Enter the opportunity. Travelers with pent up demand will search out authentic, one-of-a-kind experiences. Louisville's is uniquely positioned to capture this motivated audience. Its marketable assets include a spirit of hospitality unlike anyplace else and is embodied by icons such as Muhammad Ali, Louisville Slugger, and three-year-old thoroughbreds that begin their quest for a crown at the longest running consecutive sporting event in America, the Kentucky Derby. It's a spirit that defines Louisville's culture and compassion, the arts and parks, the creative energy, the highly acclaimed culinary scene and the authentic hospitality of our workforce. And it's the collective resilience of that workforce, though smaller in number temporarily, that will help host the **19 million annual visitors** that were coming before.

COVID-19 has devastated the Kentucky Tourism Industry. Louisville Tourism's pre-pandemic **2020/21 budget** was poised to be **\$24.9 million**. Adjustments to marketing plans had to made rapidly due to the avalanche of cancellations of conventions and events reducing the budget to **\$8.6 million**. The current forecast for a **2021/22 budget is \$14.6 million** to market the destination against aggressive competition. Industry estimates predict it will take 5+ years to return to pre-pandemic tourism levels. On behalf of the local workforce in Louisville's hospitality industry, we are requesting funding for tourism in the American Rescue Act Plan. Enclosed you have our plan of action and our request.

Thank you for your consideration.

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Meeting, Conventions & Events

Louisville's convention package continues to grow as hotel development progresses even during the pandemic. Louisville has a seat at the table with some of the largest destinations and was listed the top market for hotel demand by CBRE for Q1 2019. Post pandemic, the city is positioned to compete for an additional 25% of the national share of meeting and convention business with a renovated and expanded Kentucky International Convention Center open for business after a two-year closure. Louisville's brand was at a high level of national awareness with meeting planners and decision makers. We will continue to capitalize on this, further growing Louisville's reputation as a premier meetings destination and ensure meeting planners that Louisville and our facilities are safe and ready for their meetings.

With the pandemic devastating the meeting and events industry nationwide, Louisville now needs to be more competitive than ever. The requested dollars outlined below encompass several areas that will help put Louisville at the top of a planner's consideration set. These include competitive bid fees, Kentucky Exposition Center, Kentucky International Convention Center and other state facility rentals, along with attendance building programs, which could include digital advertising, direct mail or other efforts.

Meetings, Conventions & Events	Requested Amount	Estimated Room Nights	Estimated Attendance	Estimated Economic Impact
Year 1: 2021/2022	\$ 979,000	635,488	1,480,523	\$ 382,856,068
Year 2: 2022/2023	\$ 1,198,000	656,828	1,809,963	\$ 331,371,718
Year 3: 2023/2024	\$ 1,488,000	735,722	2,223,160	\$ 371,993,585
TOTAL	\$ 3,665,000	2,028,038	5,513,646	\$ 1,086,221,371



Leisure Travel

By focusing paid leisure advertising efforts on a multi-tiered strategy, we intend to reach potential travelers at every stage of the purchase funnel in an effort to position Louisville as an ideal destination for all travelers looking for a long weekend. With this, we aim to get and stay on top of travelers' consideration sets when they are planning travel.

AWARENESS

Strategy:

Utilize high reach platforms to continue to build awareness of Louisville as an ideal weekend getaway destination.

Tactics:

Digital Awareness – General Traveler

- *Strategy:*
 - Engage high reach digital platforms to cast a wider net in key markets through a variety of tactics
 - Channels could include Connect Television, Streaming Audio, Programmatic Display, Digital Video, Paid Social, Search, Native Digital
- *Target Geography:*
 - Top Key Regional Feeder Markets, based on past visitation data, that are within less than a ½ day's drive of Louisville
 - Atlanta, Chicago, Cleveland, Cincinnati, Columbus, Detroit, Indianapolis, Nashville and Saint Louis
 - Geography could broaden in years 2 & 3 to include other key markets based on past visitation and arrival data



Digital Awareness – Multicultural Travelers

- *Strategy:*
 - Use targeted digital media to specifically reach minority audiences for additional support of the broader awareness campaign efforts
 - Black Americans spent an estimated \$109.4 billion on leisure travel in 2019, representing roughly 13.1 percent of the U.S. leisure travel market
 - LGBTQ+ travelers make up an estimated 7-10 percent of the U.S. leisure travel market.
 - Separate campaigns will be targeting African Americans and LGBTQ+ populations
 - Messaging and imagery will be tailored to specific audiences
- *Target Geography:*
 - Top key regional feeder markets, based on past visitation data
 - Atlanta, Chicago, Cleveland, Cincinnati, Columbus, Detroit, Indianapolis, Nashville and Saint Louis
 - Geography could broaden in years 2 & 3 to include other key markets based on past visitation and arrival data





Inbound Direct Flight Support Digital

- **Strategy:**
 - Build additional awareness of Louisville as a travel destination in direct flight markets as travelers become more comfortable to fly since the beginning of the pandemic
 - Collaborate with the Louisville Muhammad Ali International Airport to support efforts in new and other seasonal direct flights
- **Target Geography:**
 - New and current direct flight markets including new the Spirit Airline markets
 - Other key markets in support of the airports efforts to secure new routes into SDF



INTEREST

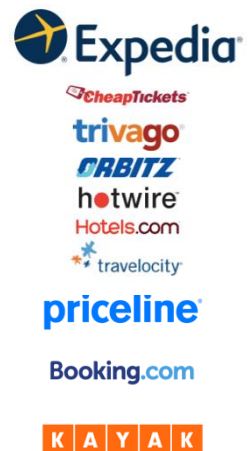
Strategy:

Utilize strategic partnerships to target individuals, behaviorally and contextually, who have expressed interest in Louisville, have expressed interest in traveling in general and/or are looking for travel recommendations.

Tactics:

Online Travel Agencies (OTA)

- **Strategy:**
 - Grow annual partnerships with the top OTA websites to get in front of consumers further down in the consideration process
 - As of 2019, OTA's represented 41% of all travel bookings
 - Focus efforts on leisure trips & utilizing past search activity for targeting
- **Target Geographies:**
 - Top Regional Feeder Markets
 - Atlanta, Chicago, Cleveland, Cincinnati, Columbus, Detroit, Indianapolis, Nashville and Saint Louis
 - Secondary Markets
 - Direct Flight Markets



Strategic Travel Site Partnerships

- **Strategy:**
 - Initiate annual partnerships with top national travel and customer review platforms (i.e. TripAdvisor, Yelp!) to connect with travelers fully immersed in the planning phase
 - Utilize partnerships as content distribution hubs as well as platforms for direct interaction with potential travelers in the planning process
- **Target Geography:**
 - Five to six-hour drive radius inclusive of top feeder markets
 - Key direct flight markets





B2B Partnerships

- *Strategy:*
 - Form partnerships with leading B2B targeted travel sites like, **Hotelbeds** who is the world's leading Bedbank, delivering hotel accommodations, excursions, tickets, transfers and car hire to travel suppliers and distributors across the industry.
 - These partnerships will allow for Louisville to be in front of key travel agents as they guide their clients through the travel planning process.
- *Target Geography:*
 - Total U.S. in year 1-2
 - Expand to include key international markets in year 2-3

DESIRE

Strategy

Continue the conversation with travelers who are looking for reasons to make it back to Louisville.

Past Visitor Campaign

- *Strategy:*
 - Utilize media partners to target individuals who have visited Louisville in the past based on credit card information and spending patterns
 - Over 96% of Louisville's visitors said they would make a return trip and over 75% of visitors in 2019 were repeat visitors according to the 2019/2020 Visitor Profile Study
 - This approach will include tailored messaging to those travelers who have specific spending habits that fit our target audience (i.e. Bourbon Travelers, Foodies, etc.)
- *Target Geography:*
 - Five to six-hour drive radius inclusive of top feeder markets
 - Secondary Markets
 - Direct Flight Markets
 - Geography will be broadened in years 2 & 3 to include other key markets based on past visitation and arrival data



LEISURE TOTALS:

LEISURE CAMPAIGN	Requested Amount	Impresssions	Estimated Total Arrivals*	Estimated Economic Impact**
Year 1: 2021/2022				
Digital Awareness - General Traveler	\$ 1,750,000	\$ 292,000,000		
Digital Awareness - Mutlicultural Travelers	\$ 550,000	\$ 74,000,000		
Inbound Direct Flight Support	\$ 400,000	\$ 54,000,000		
Online Travel Agencies	\$ 487,500	\$ 57,000,000		
Strategic Travel Site Partnerships	\$ 368,900	\$ 25,000,000		
B2B Travel Partnerships	\$ 175,000	\$ 12,000,000		
Past Visitors	\$ 400,000	\$ 45,000,000		
TOTAL	\$ 4,131,400	\$ 559,000,000	503,100	\$ 138,994,456
Year 2: 2022/2023				
Digital Awareness - General Traveler	\$ 1,527,500	255,000,000		
Digital Awareness - Mutlicultural Travelers	\$ 527,500	71,000,000		
Inbound Direct Flight Support	\$ 437,000	59,000,000		
Online Travel Agencies	\$ 487,500	57,000,000		
Strategic Travel Site Partnerships	\$ 376,000	26,000,000		
B2B Travel Partnerships	\$ 227,500	16,000,000		
Past Visitors	\$ 427,500	48,000,000		
TOTAL	\$ 4,010,500	532,000,000	478,800	\$ 132,280,949
Year 3: 2023/2024				
Digital Awareness - General Traveler	\$ 1,275,000	213,000,000		
Digital Awareness - Mutlicultural Travelers	\$ 517,500	69,000,000		
Inbound Direct Flight Support	\$ 512,500	69,000,000		
Online Travel Agencies	\$ 425,000	50,000,000		
Strategic Travel Site Partnerships	\$ 337,500	23,000,000		
B2B Travel Partnerships	\$ 258,000	18,000,000		
Past Visitors	\$ 427,500	48,000,000		
TOTAL	\$ 3,753,000	490,000,000	441,000	\$ 121,837,716

*Total Estimated Arrivals is calculated based on the Arrivals Per Thousand (APM) of 0.9 which was observed during the time period of 4/26/19 – 3/15/20. The APM is provided by Arrivalist based their members of their panel who were exposed to Louisville Tourism media during the above dates.

**Estimated Economic Impact totals of leisure travelers is calculated based on an average in-market daily spending, per person, of \$106.26 and an average length of stay of 2.6 days. These numbers are provided from a 2019/20 Visitor Profile performed by Destination Analysts.



THE REQUEST:

Louisville Tourism is requesting a **total of \$15,209,500 spread over the next 3 years** to help generate almost **\$1.5 Billion in estimated economic impact**. Below you will find a breakdown of this request by fiscal year.

TOTALS	Requested Amount	Estimated Economic Impact
Year 1: 2021/2022		
Meetings, Conventions & Events	\$ 979,000	\$ 382,856,068
Leisure Travel	\$ 4,015,000	\$ 135,762,026
TOTAL	\$ 4,994,000	\$ 518,618,094
Year 2: 2022/2023		
Meetings, Conventions & Events	\$ 1,198,000	\$ 331,371,718
Leisure Travel	\$ 3,867,000	\$ 128,302,574
TOTAL	\$ 5,065,000	\$ 459,674,292
Year 3: 2023/2024		
Meetings, Conventions & Events	\$ 1,488,000	\$ 371,993,585
Leisure Travel	\$ 3,662,500	\$ 119,351,232
TOTAL	\$ 5,150,500	\$ 491,344,817
Total Over All 3 Years	\$ 15,209,500	\$ 1,469,637,204