



Grant Details

125123 - FY24 DMO Plan

128716 - Bozeman DMO Marketing Plan_FY24

DOC Office of Tourism

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DMO Plan Narrative

1. Describe Your Destination

Describe your destination (who you are, who you wish to attract and why they would come) addressing your strengths, opportunities, and potential challenges.

1. BOZEMAN AS A DESTINATION

Bozeman, Montana, surrounded by six stunning mountain ranges, four significant rivers, two entrances to Yellowstone National Park, and two major ski areas, is a beacon for those who love the outdoors. With recent growth bringing additional rest entertainment, this traditionally quiet mountain town now rivals urban areas for cultural entertainment.

Traditionally, Bozeman has held steady but stable growth numbers over the years and has been able to absorb the growth in an ongoing and reasonable manner. However, with the onset of COVID-19, the exodus of people from cities, and increase Bozeman is experiencing some growing pains.

In her annual State of the City address, Mayor Cyndy Andrus remarked, "The city has seen aspects of the 'best and worst of times.'" "Our economy is strong with solid growth and prosperity in tourism, construction, real estate, health care, and tech people living on the streets, a persistent worker shortage, and crushing housing costs."

Bed tax dollars continue to rise, partially fueled by the popularity of the hit TV show Yellowstone, generating new interest in the area. 2022 numbers came in at \$5,303,587, a 19% increase over the record-breaking 2021 numbers and an 84% increase numbers of 2019 which totaled \$2,877,820. A report by the University of Montana estimates that the 2.1 million visitors to Montana in 2021 whose decision to visit resulted from the show, spending \$730.1 million in the state last year. (ITRR: Assessi TV Series on Montana's Tourism Economy, January 2023.)

Bozeman Yellowstone International Airport now has twenty-one non-stop flights to major cities nationwide. 2,264,424 passengers came through the Bozeman airport in 2022, up 16.7% from 2021 and 44% compared to 2019. (Bozeman Yellowstone January 10, 2023.) The addition of Southwest Airlines in 2021 continues to bring people from the surrounding region to fly from Bozeman. In 2022, the airport increased its paid parking spots by 1,600, which have already been filled due to more per Airline industry serving BZN, still views Bozeman as being 500-700 hotel rooms short to consider expanding their service.)

For the sixth year in a row, Bozeman has ranked number one for having the strongest local micropolitan economy in the nation. (Polycom Corporation, 2023 Economic Strength Ratings.) And with the current population exceeding 50,000 residents, Urban Transportation District, which would qualify us for federal funds for our public transportation system, Streamline, and Galavan.

Montana State University predicts another year of record growth, and Gallatin College has sold out all 1200 spots for the spring quarter. Talks are underway to garner funding to expand the hospitality program.

There were 627 new business licenses in 2022, 1900 residential building permits, and 756 commercial building permits totaling \$305 million. This unprecedented growth has created challenges in our economy. A lack of affordable workforce housing shortage in our overall workforce, putting strain on business owners. Executive Director of Downtown Bozeman Ellie Staley says, "We had the busiest summer ever in 2021, the busiest on record, but it was probably the most challenging time for business owners as challenges have left many business owners working double time or reducing operating hours, and some still need help to get saleable goods.

Another complicated challenge facing Bozeman is the cost of doing business has risen. With a higher cost of living than competing markets, combined with national inflation of 6% - 8% and as all businesses have to do, these increased costs are piling overnight in Bozeman and Gallatin County. There is a perception that the Bozeman Average Daily Rates have outpaced other major markets in MT. This perception seems to have led to a downturn in in-state visitation, with a significant drop in state contributor to the local economy during shoulder seasons. As a result, the Bozeman Area Chamber of Commerce and the Tourism Business Improvement District are working closely with hotel owners and managers to develop an opt-in to participate in games and Montana High School Association Tournaments, similar to airline seat guarantees. If the model is successful, it could also be expanded to other times of the year.

For many years, Bozeman remained impervious to the national economy, but with increased inflation, we are starting to see the dynamics shift. Destination Analysts report in their State of the American Traveler, 2023, that 53.6% of respondents fear months. And in the past six months, gas, airfare, and personal financial reasons have kept respondents from traveling.

Additional hotel rooms are slated to come online in 2023 (Courtyard by Marriott on Baxter Lane and EVEN Hotel at the Airport Plaza in Belgrade), hopefully leading to some rate correction in the market. However, resident sentiment in the Bozeman toward Bozeman are declining, contributing to our decline in in-state visitation.

Conversely, the increase in people moving to Bozeman has positively affected visitation, with 31% of visitors in 2022 coming to visit friends or family. (ITRR, Nonresident Visitor Spending, 2022.)

Our 2022 DMO research on resident sentiment conducted by Destination Analysts measured residents' current opinions on tourism and found that higher housing prices, plus increased crowds, and traffic, drive in-state travel costs up for residents, and Montana with respect. But positively, they found that the growth creates new dining, entertainment, and shopping opportunities and helps support festivals, arts and cultural experiences, and sporting events.

Additional pressure on our outdoor recreation areas and service industries has led to a partnership with local stakeholders to implement an "Outside Kind" campaign, aiming to educate residents and visitors on how to enjoy the outdoors while sharing lightly on our natural resources.

With the increased number of direct flight markets, Bozeman DMO took a broader approach to our marketing in FY23, whereas in the past years, we have been very specific about our targets. Q4 numbers in 2022 showed a slowdown in some of the Los Angeles and San Francisco, which have traditionally been strong. In their 2023 Destination Marketing Predictions, Madden Media advises DMOs to leverage visitation data to identify top-origin markets and which target markets deliver the long with ITRR's research findings that 100% of Bozeman's visitors surveyed plan to return within the next two years, tells us that identifying our top tiers of markets will be especially important in FY24, considering both the economy and the loyalty of our

Visitor Characteristics:

The 2022 ITRR Quarterly Nonresident Visitation Study outlines the visitor characteristics of Gallatin County:

- 9% first-time visitors, 80% repeat visitors, and 100% plan to return within two years.
- 51% said their primary reason for the trip was vacation, 31% visited friends or family, and 11% were here for business, a convention, or meetings.
- If on vacation, they were attracted to Montana for Glacier National Park, mountains/forests, skiing/snowboarding, open space, uncrowded areas, family/friends, special events, wildlife, camping, Yellowstone National Park, and hunting.
- Top activities include scenic driving, day hiking, visiting a local brewery, recreational shopping, car/RV camping, wildlife watching, nature photography, visiting other historical sites, fishing/fly fishing, and skiing/snowboarding.
- Top states of residency: WA, CA, WI, IN, ND, CO, AZ, OR, UT, NY, OH
- Average age 58, median age 63, slightly older than the previous year.
- 62% have a household income over \$100,000, with 29% making \$200K or greater.
- 51% drove to Bozeman, 37% arrived by air, 11% by RV, and 1% by train.
- 48% of the groups were made up of 2 travelers. Top groups were 37% couples, 24% immediate family, and 31% self.

Expenditures:

In 2021, nonresident expenditures for Gallatin County totaled \$1,034,231,000. (ITRR 2021 Nonresident Travel Survey) Of this, the largest percentage was spent on restaurants and bars, followed by gas/diesel, hotel/motel, outfitters and guides, auto snacks, and retail.

BOZEMAN'S STRENGTHS

- Proximity to Yellowstone National Park. 3,290,242 visitors went through Yellowstone in 2022. This is down 32% from 2021, the busiest on record. The north entrance to Yellowstone is near Bozeman and was closed to the public due to the historic months. The northeast entrance was also closed, and perceived impressions that Yellowstone was closed contributed to the decline.
- World-class skiing at Bridger Bowl and Big Sky Resort.
- Ease of access: 21 non-stop destinations, nine airline carriers, and I-90 access.
- A vast amount of outdoor recreation. Destination Analysts DMO Website Importance Study, January 2020, found that 66.7% of Bozeman CVB website visitors searched for Outdoor Recreational Activities.
- A vibrant college town with a strong economy.
- High-quality museums: Museum of the Rockies, Gallatin History Museum, American Computer and Robotics Museum, Bozeman Art Museum.
- Several State Parks and Historic Sites are within driving distance: Missouri Headwaters State Park, Madison Buffalo Jump, Virginia, and Nevada Cities, and Lewis and Clark Caverns.
- Growing Nordic Skiing opportunities: Crosscut Mountain Sports Center and Bridger Ski Foundation provide multiple groomed trails.
- Montana State University
- Community partnerships between the Bozeman CVB, Yellowstone Country, Visit Big Sky, Big Sky Resort, Yellowstone Club, Montana State University, Gallatin Valley TBID, and the Bozeman Area Chamber of Commerce are working to increase business development.

OPPORTUNITIES

- Increased partnerships, local events, programs, and PR opportunities to combat the negative perception around the state of Montana that Bozeman is "too expensive."
- Spillover from Yellowstone brings people to the Bozeman area.
- Spring and summer are good for in-state visitation.
- Bozeman Yellowstone International is becoming a regional airport.
- Residual travel potential from friends and family visiting the growing population. 31% of visitors came to visit friends or family in 2022. (ITRR Nonresident Visitors Study, 2022)
- Pent-up demand for international travel.
- Talks are underway to advance the Hospitality and Culinary Programs at Montana State University and Gallatin College.
- Possible hotel training center through MSU in the future.
- Increased visitation from regional and drive markets.

- Opportunity to increase winter visitation. During the 2021-2022 ski season, skier visits to Bridger Bowl totaled 288,810. (ITRR Interactive Data, Skier Visits, 2022)
- Repeat visitors. In 2022, 80% of visitors were repeat, and 100% of visitors planned to return within two years. (ITRR Nonresident Visitors Study, 2022)
- Destination meetings. Bozeman is a sought-after meeting location, and increased air service opens up new markets.
- Impact of Southwest Airlines. Airport data shows a lot of overnight parking, indicating residents and regional neighbors are flying from Bozeman.
- Economic development partnerships for tourism events.
- Bozeman is becoming a hub for live music and entertainment, with multiple shows of all sizes occurring weekly at the ELM, Rialto, Brick Breeden Fieldhouse, Ellen Theatre, Last Best Comedy, and Gallatin County Fairgrounds.

POTENTIAL CHALLENGES

- Declines in in-state visitation and out of state visitation.
- Bozeman is gaining a negative perception in-state as being “too expensive”.
- Economic concerns of visitors. Bozeman hotel prices, gas prices, and rising inflation, in general, are leading to concerns over travel, particularly for lower-income travelers. (Destination Analysts: State of the American Traveler 2023).
- Remote work has cut into business travel. Business is slowly coming back but at a lower ADR.
- Short-term rentals are cutting into market share, with more hotels coming on board.
- Hotels are running at 80% capacity with high ADRs. New inventory may cause the market to correct itself.
- Tournament loss will impact hotels and businesses in off-season times.
- Workforce challenges, such as housing, childcare, and transportation, led to a lack of staff and decreased hours of operation for local businesses.
- Difficult to attract sports tournaments with the perception that Bozeman rates are higher than other cities that host these tournaments; these tournaments are a significant economic boost during shoulder seasons.
- Congestion in Yellowstone National Park during the summer months.
- Growing local sentiment resisting increased visitation and population growth.
- Maintaining infrastructure with increased pressure.
- Significant weather events, including poor snow, bitter temperature, poor road conditions, increased wildfires, or water restrictions.
- Lack of larger meeting spaces.
- AI travel planning.

2. Align with Montana Brand

Briefly describe how your destination aligns with the Montana Brand.

2. BOZEMAN'S BRAND

Brand Statement:

Bozeman brings together the pristine outdoors, access to the renowned wilderness of Yellowstone, a bustling downtown, and a community feel in one place. Plus, it's never been easier to visit. It's the ideal vacation destination with all the best thing

Brand Messaging Pillars:

Outdoor Activities

- Access to Yellowstone National Park
- Thousands of miles of trails
- Two ski areas within an hour

Bustling Downtown

- Restaurants, breweries, and nightlife
- Trendy, local retail
- Walkable downtown

Ease of Travel

- Direct flights/Airport
- Minimal traffic and easy, scenic drives
- Large variety of lodging options

3. What is the strategic role of your DMO?

Select all that apply: Destination Marketing, Destination Management, Destination Stewardship, Destination Development).

Destination Marketing, Destination Management, Destination Stewardship

Based on the strategic role you serve, provide the following information.

3a. Define your audience(s) (demographic, geographic, and psycho-graphic).

3. STRATEGIC ROLE OF THE ORGANIZATION

Historically, Bozeman CVB has focused primarily on Destination Marketing, working to increase awareness and visitation. While visitation continues to grow, recent research indicates Bozeman still needs to be discovered to a large population segment opening to urban areas and international travel, there will be more competition among Western states. Therefore, it is important to continue marketing Bozeman as a leisure destination.

However, in our recent Resident Sentiment Survey, our organization will also put resources toward Destination Management and Destination Stewardship to educate visitors about safety, responsibility, and the Montana way of life when recreating in partnerships, we create content around responsible recreation and act as the marketing arm for united messaging, including "Outside Kind" and our "Be Good to Bozeman" campaign.

Bozeman DMO will continue considering local and Montana resident sentiment and implement best practices to maintain our natural resources.

a. Define your audience:

Destination Marketing

GEOGRAPHIC TARGETS

In FY24, our geographic target markets will be broken into regional and national campaigns.

Top Tier
Flight Drive
Colorado Montana
Washington Wyoming
California North Dakota
Texas South Dakota
Utah Idaho
Minnesota

Secondary Tier
Portland Boston
Las Vegas New York
Phoenix Atlanta
Chicago Florida

Emerging Market
Nashville
Washington D.C.
North Carolina
Philadelphia

DEMOGRAPHIC AND PSYCHOGRAPHIC TARGETS

*NOTE: We are waiting for the results of our Visitor Profile from Destination Analysts. Target markets may change based on the data.

Outdoor Adventure Seekers: People showing interest in skiing/snowboarding, national parks, hiking, fly fishing, adventure travel, and camping. These outdoor-oriented travelers are high-potential visitors. (Montana Brand Exploration Study, 2016.)

Western Culture Seekers: Western culture has broad appeal. Outfitters and guides accounted for the second-highest expenditure in Gallatin County in 2019, reaching almost \$150,000,000. (ITRR Nonresident Visitor Expenditures by Location, Gallatin County, 2019). The television show Yellowstone has increased awareness of the area and added to this demographic.

Winter Enthusiasts: With two alpine ski areas, a plethora of Nordic and snowshoe trails, plus vast snowmobiling terrain, Bozeman is an ideal fit for the winter enthusiast, particularly those with a high interest in cold season activities. (Montana Brand Exploration Study, 2016.)

Families: Findings from Destination Analysts Montana Brand Exploration Survey, 2016, identified Family Travelers as a high-value segment indicating that they index high on outdoor psychographics, have high incomes, and would expect to spend more than other travelers.

Older Couples w/ No Kids: A segment we continue to see emerging is the over-55 married couple. This segment has a more flexible schedule, disposable income, and an appetite for adventure. They still seek the ease of travel and the comforts that they are drawn to National Parks as bucket list destinations, including Yellowstone.

OTHER TARGET MARKETS

Film: With state incentives working to encourage filmmakers to bring their work to Montana, we welcome the opportunity to collaborate with the Montana Film Office whenever possible.

Conferences and Meetings: As our hotels expand, we gain capacity for conferences and meetings.

Sports Tournaments and Events: Working in collaboration with the Gallatin Valley Tournament Committee and the Gallatin Valley TBID, we focus on statewide and regional tournaments inside and outside the Montana High School Association. We offer on room guarantees in hopes of hosting more tournaments and playoff games.

Tour Groups: DARYL, are you doing this again?: Bozeman DMO will participate in IPW in Orlando, sharing a booth with other Montana delegates. This allows us to meet with 44 shared appointments, and with international travel opening up, we expect to see more. We will also attend IMEX, the largest trade show in North America for the meeting and events industry.

Destination Management and Destination Stewardship

Bozeman Residents and Business Owners: Educating our local population about the positive economic outcomes of visitation.

Visitors to Bozeman: Educate those visiting Bozeman about trail etiquette, safety, and resource preservation across various outdoor activities.

3b. What research supports your DMO strategy?

3. RESEARCH SUPPORTING STRATEGY

Destination Analysts; 2022 Visitor Profile Study, Preliminary Findings, Final Report to Follow

The goals of the project were to understand:

- Detailed trip characteristics, including reasons for visiting Bozeman, length of stay, and lodging type
- Activities & attractions visited in Bozeman
- Evaluation of Bozeman's destination attributes
- Detailed Bozeman visitor spending estimates
- Travel planning resources used by Bozeman visitors
- Visitor satisfaction
- Visitor demographics

Preliminary, topline findings found 2022 visitors to Bozeman travel in seek of rejuvenation and exploration. The top 3 travel motivators are to take a break from everyday life (84%), to explore and do new things (84%) and to live life to its fullest (84%)

They also found that of Bozeman's visitors, the top attribute they see when selecting a vacation destination is unique landscapes and scenery (79%.) A similar share say a good value for their money is important, (78%) and national/state/local parks

Bozeman visitors were also likely to say they Bozeman offers water access (43%, access national/state/local parks (38%), wildlife viewing (37%), and reliable hospitality/service (37%).

These findings tell us that Bozeman has an opportunity to market our national/state/local parks, unique landscapes/scenery, and a good value for your money.

Destination Analysts; Bozeman Resident Sentiment Study, February 2023

This study was designed to provide PRIME / Visit Bozeman in-depth insights on Bozeman residents' current opinions regarding tourism in their community:

1. Measure resident sentiment from direct impacts of tourism on daily life.
2. Identify pain points of residents as well as strengths and opportunities.
3. Understand resident sentiment toward working in the local tourism/hospitality industries.

In total, 940 completed surveys were collected between November 30, 2022 – January 3, 2023. The survey questionnaire was deployed through PRIME / Visit Bozeman's owned channels.

Key Findings:

- Higher housing prices, plus increased crowds and traffic, drive in-state travel costs up for residents.
- Tourists don't treat Bozeman or Montana with respect.
- While tourism is generally perceived to be important to the state and Bozeman's economy, there is widespread disagreement that tourism decreases the cost of living (83%) or that tourism reduces their taxes (68%).
- Positively, tourism creates new dining, entertainment, and shopping, and helps support festivals, arts and culture experiences and sporting events.

Destination Analysts; State of the American Traveler, March 2023

Study asked the question, "In that past six months, which (if anything) has kept you from traveling. Response was too expensive, 39%, gas too expensive 35.8%, personal financial reasons, 31.9%, airfare was too expensive, 26.9%.

85.8% said they were excited or extremely excited about leisure travel in the next 12 months.

Takeaways:

- Economic concerns, but the volume of interest is high.
- Fears of a recession, 53% in the next six months.
- Domestic leisure travel is top spending priority.
- Economic uncertainty for lower income travelers.

Madden Media 2023 Destination Marketing Predictions

- Recession: DMO's should leverage visitation data to identify top origin markets and which target markets deliver the longest average length of stay.
- AI trip planning: Listen and book, example, Spotify and Easy Jet partnership.
- Experiences will connect with travelers, specifically brands that can offer genuine moments or experiences that create a sense of freedom from personal responsibilities and stress.
- Smarter content: Since Aug 2022, Google has rolled out at least 5 updates to improve search results, meet user intent, and reduce spam.

OTHER RESEARCH USED TO FORMULATE STRATEGY

- ITRR, Non-resident Travel Study, 2022
- Bozeman Consumer Sentiment Research Study, Destination Analysts, 2021
- Destination Analysts: "Montana Brand and Exploration Research," October 2016, "Profile Study of the Winter Enthusiast," February 2018
- Bozeman Yellowstone International Airport Data
- Website Traffic Trends
- Organic Traffic
- Bozeman CVB Email List
- Social Media Metrics

3c. What are your emerging markets?

EMERGING MARKETS

Emerging Geographic Markets:
Canada and the Asian Pacific Rim

Emerging Psychographic Markets:

Entertainment Seekers: The Elm, a new music venue, opened in 2021, bringing in a wide array of musical talent several times per week. In addition, The Rialto, Brick Breeden Fieldhouse, Ellen Theatre, Emerson Cultural Center, and the Willson Au national, regional, and local music, theater, dance, and comedy.

International Travelers: Canada and the Asian Pacific Rim have traditionally been good markets for Bozeman. However, Yellowstone has set records without the Asian market, and with pent-up demand for the past two years, we expect these markets to continue to grow.

4. Define and describe your overall goals.

A goal is an idea of the future or desired result that a person or group of people envisions, plans and commits to achieve.

4. OVERALL GOALS

The Bozeman DMO has identified four goals to pursue in our FY24 marketing efforts.

1. Increase in-state visitation. Through increased partnerships, local events, PR opportunities, and creative programs and messaging, combat the negative perception around the state of Montana that Bozeman is “too expensive.”
2. Re-focus national marketing campaigns on targeted direct flight and regional drive markets. Markets have been prioritized based on prior interest, ease of access, and likelihood to travel to our area.
3. Continue to increase our organization’s stewardship role through partnerships, outreach and education through programs and campaigns such as Outside Kind and Be Good to Bozeman.
4. Conduct statewide research regarding Montana resident sentiment about Bozeman.

4a. Describe proposed tactics and projects as related to overall goals and controlled by the organization in its financial statements.

FY24 Objectives and Metrics

Destination Marketing

Goals

1. Increase in-state visitation. Through increased partnerships, local events, PR opportunities, and creative programs and messaging, combat the negative perception around the state of Montana that Bozeman is “too expensive.”
2. Re-focus national marketing campaigns on targeted direct flight and regional drive markets. Markets have been prioritized based on prior interest, ease of access, and likelihood to travel to our area.

Objectives

To attract visitors most likely to travel to our area based on past interest, ease of access, and demographic/psychographic alignment.

Refocus our national marketing on primary and secondary markets to increase visitation from core direct flight markets.

Re-engage in-state and regional audiences to nurture visitation to Bozeman

Tactics and Projects

- Continue to use paid and earned media, including organic social media, to reach new customers in target markets.
- Continue our use of blog content to provide new and relevant information to visitors and increase our organic SEO.
- Continue utilizing newsletters to our existing database and continue to grow audience subscriptions.
- Participate in Joint Ventures with Brand MT, Yellowstone Country, and other local tourism stakeholders to maximize our marketing dollars.
- Expand our photo and video library to maintain fresh imagery in all of our marketing.

Metrics

Increase bed tax dollars by 5% over FY22 (State of Montana)

Increase Airport deplanements by 10% over 2022, to 1.23 million people (Bozeman Airport)

Increase website sessions by 5% over FY23 projected to 742K (Google Analytics)

Increase new contacts by 10% over FY23 projected to 6500 (Hubspot)

Increase occupancy rate of hotels from 65% to 67% (STR Reports/ CoStar Reports)

Destination Stewardship

Goal

1. Continue to increase our organization's stewardship role through partnerships, outreach and education through programs and campaigns such as Outside Kind and Be Good to Bozeman.

Objectives

Maintain key cooperative partnerships with local organizations to expand communications around stewardship of Bozeman and its people, businesses and places.

Tactics and Projects

- Continue cooperative partnership in Outside Kind, an alliance streamlining the messaging for trail etiquette across all user groups. This endeavor seeks to share best practices, principles, and tips for enjoying the outdoors together and provides context around outdoor activities and positive local ethics.

- Continue the Be Good to Bozeman campaign with community stakeholders for traveler education.
- Create a quarterly dashboard for business owners and residents illustrating estimated economic impact through tourism. (We were not able to acquire key data pieces until April of FY23. Now we have the full capabilities to create this asset in FY24.)

Metrics

Partner on 5 co-op media buys or placements targeting both locals and visitors.

Create the quarterly dashboard and make it accessible on the Visit Bozeman website in FY24.

Destination Management

Goal

1. Conduct statewide research regarding Montana resident sentiment about Bozeman.

Objectives

Understand in-state perspective of Bozeman and its value to in-state visitation.

Understand how vacation rentals are positively and negatively impacting visitation in our market.

Understand how Bozeman's increase in hotels/rooms is impacting overall occupancy rates, affordability, and perception.

Tactics and Projects

Contract with outside firm to conduct research.

Metrics

Complete in-state perception research.

Develop benchmarks on vacation rentals vs. hotels. Create a report to measure impact.

Chart trends in key metrics to measure Bozeman's hotel room growth, occupancy rates, ADR, and compare to in-state perception results.

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Objectives/Metrics/Evaluation

Objectives	Measurable Metrics for Success	Report the Metric Achieved	Evaluation of Measurable Metrics for Success
<p>Destination Marketing</p> <p>Objectives Refocus our national marketing on primary and secondary markets to increase visitation from core direct flight markets. Re-engage in-state and regional audiences to nurture visitation to Bozeman.</p>	<p>Destination Marketing</p> <p>Metrics Increase bed tax dollars by 5% over FY22 (State of Montana) Increase Airport deplanements by 10% over 2022, to 1.23 million people (Bozeman Airport) Increase website sessions by 5% over FY23 projected to 742K (Google Analytics) Increase new contacts by 10% over FY23 projected to 6500 (Hubspot) Increase occupancy rate of hotels from 65% to 67% (STR Reports/CoStar Reports)</p>	<p>Metric</p> <p>Increase bed tax dollars by 5% over FY22 (State of Montana)</p> <p>Result</p> <p>7/1/23-9/30/23: \$1,958,037 (+2%)</p> <p>10/1/23-12/31/23: \$949,835 (-6%)</p> <p>1/1/24-3/31/24: \$983,686 (-6%)</p> <p>4/1/24-6/30/24: \$1,328,258 (-5%)</p> <p>Metric</p>	<p>Yes, we met our objective. The objective was successful, even though our bed tax definitely make this objective a priority again.</p> <p>While the warm season started out well, unusually low snowpack affected our lower bed tax dollars than in FY22. While the first part of this objective was no markets, in-state, and regional drive markets did prove to be fruitful in both we visitation, with particular growth from New York, Los Angeles, Spokane, Seattl</p> <p>Of our visitors, the top ten markets by origin are all direct flight or regional driv success of targeting our paid media to these areas:</p> <ul style="list-style-type: none"> • Montana • Washington

Increase Airport deplanements by 10% over 2022, to 1.23 million people (Bozeman Airport)

Result

- **2023 Deplanements - 1,232,410 people**

Metric

Increase website sessions by 5% over FY23 projected to 742K (Google Analytics)

Result

- **FY24 Website Sessions - 813,075**

Metric

Increase new contacts by 10% over FY23 projected to 6500 (Hubspot)

Result

- **FY24 Contacts Created - 8,644**

Metric

Increase occupancy rate of hotels from 65% to 67% (STR Reports/ CoStar Reports)

Result

- **Average Monthly Occupancy for FY24 - 67.2%**

- California
- Colorado
- Idaho
- Utah
- Minnesota
- Texas
- Oregon
- Arizona

Even though visitation was affected by low snowfall, we did achieve the desire due to the high volume of business travelers, as well as people who come to friends. Our airline marketing efforts continue to support the direct flights, and Yellowstone International Airport.

Our website traffic continues to grow, and our FY24 goals were achieved. Our largest driver in traffic at 36%, with a large focus on content including Yellowstone contributions driving the increase include paid social, paid search, paid media

Our new contacts well exceeded our goal, with an increase in people signing up newsletters. A robust retargeting campaign helped drive signups, as well as blog itineraries.

We did achieve our occupancy rate goal, with the help of shoulder season events and opt-in hotel promotions such as the special Montana rate for local residents

<p>Destination Stewardship Objectives</p> <ul style="list-style-type: none"> Maintain key cooperative partnerships with local organizations to expand communications around stewardship of Bozeman and its people, businesses and places. Create a quarterly dashboard for business owners and residents illustrating estimated economic impact through tourism. (We were not able to acquire key data pieces until April of FY23. Now we have the full capabilities to create this asset in FY24.) 	<p>Destination Stewardship Metrics</p> <ul style="list-style-type: none"> Partner on 5 co-op media buys or placements targeting both locals and visitors. Create the quarterly dashboard and make it accessible on the Visit Bozeman website in FY24. 	<p>Result</p> <ul style="list-style-type: none"> Partnered with four organizations on five different promotions with media placements, recreate responsibly messaging, and shoulder season events. Quarterly dashboard is up and running on https://visitbozeman.com/tourism-resources. Hoteliers can monitor this to view average occupancy and ADR, website traffic, marketing conversions, and visitor states of origin. 	<p>Yes, we met our objective. This method was very successful, and we will continue to utilize these methods.</p> <p>We successfully partnered with Crosscut Mountain Sports Center and Yellowstone Cour Bozeman. The race brought 8,311 adult races, and 1,036 kid racers accounting for almost the entire spring shoulder season.</p> <p>Maintaining a partnership with Crosscut Mountain for the Spartan Race during Bozeman's shoulder season is a valuable strategy to boost economic impact thoughtfully and sustainably. This collaborative effort around stewardship, aiming to support Bozeman's people, businesses, and unique community's needs and the area's natural landscape. By scheduling the race in the less crowded shoulder season, we can alleviate peak-season pressures, directing economic benefits to local businesses without the negative impacts of the melt season. Additionally, coordinating closely on timing and logistics with respect to the terrain, reducing erosion and environmental impact. We can craft messages that educate and highlight the importance of supporting Bozeman's businesses, fostering a sense of community among people who make Bozeman special.</p> <p>We also partnered with 3 organizations to promote stewardship and product development:</p> <ul style="list-style-type: none"> Bridger Ski Foundation - Be Good To Bozeman partnered the BSF nordic trail project to improve the back of the passes Outside Kind - Partnered on 4 seasonal magazine ads in Outside Bozeman with strategic logo placement Downtown Bozeman - Partnered on promotions for Restaurant Week to grow and promote it outside of Bozeman to attract in-state visitation Downtown Bozeman - Partnered with the DBA to promote Be Good to Bozeman over the 4th of July week <p>Tourism Resource Dashboard: We have been publishing our monthly report on the Visit Bozeman website December 2024 which includes a monthly report for the hotels and other tourism partners: https://visitbozeman.com/resources</p> <p>Example: https://s3.us-west-2.amazonaws.com/bozeman-cvb/Resources/Visit-Bozeman-2024.pdf</p>
<p>Destination Management Objectives</p> <ul style="list-style-type: none"> Understand in-state perspective of Bozeman and its value to in-state visitation. 	<p>Destination Management Metrics</p> <ul style="list-style-type: none"> Complete in-state perception research. Develop benchmarks on vacation 	<p>Completed a resident sentiment research study in October of 2024.</p> <p>We have completed these benchmark reports on vacation rentals vs. hotels and are charting the trends, updating/reviewing/presenting this data monthly.</p> <ul style="list-style-type: none"> Hotel Occupancy Rates: https://app.databox.com/datawall/185d3a93752fa5b669e2fc63ec6c06a14d7e0fc65ad7405 	<p>Yes, we achieved this objective. The objective was very successful and the hoteliers are providing valuable information. We will continue to utilize this objective.</p> <p>Resident Sentiment Research Study</p> <ul style="list-style-type: none">

- Understand how vacation rentals are positively and negatively impacting visitation in our market.
- Understand how Bozeman's increase in hotels/rooms is impacting overall occupancy rates, affordability, and perception.

rentals vs. hotels. Create a report to measure impact.

- Chart trends in key metrics to measure Bozeman's hotel room growth, occupancy rates, ADR, and compare to in-state perception results.

- Hotel ADR:
<https://app.databox.com/datawall/0bedef72c3357be2b94d084b941f320f1084fac65ad76c4>
- Hotels vs. Short Term Rentals:
<https://app.databox.com/datawall/da2c1424c01c716a96d7c20c8f6afb1b53497c065ad792b>

Completed a resident sentiment research study in October of 2024. Re and will utilize the information to continue to target and attract in-state as use the information for strategic initiatives to strengthen Bozeman's residents.

Develop benchmarks on vacation rentals vs. hotels. Create a report to trends in key metrics to measure Bozeman's hotel room growth, occup compare to in-state perception results.

- We have completed these reports and are updating/reviewing/presenti regards to the hotel room growth, we have been tracking these numbe and watching the projected new hotel developments coming to the Bo: The number of new/under construction projects currently sits at appro

- Hotel Occupancy Rates:
<https://app.databox.com/datawall/185d3a93752fa5b669e2fc63>

- Hotel ADR:
<https://app.databox.com/datawall/0bedef72c3357be2b94d084t>

- Hotels vs. Short Term Rentals:
<https://app.databox.com/datawall/da2c1424c01c716a96d7c20t>

Understanding the effects of increased hotel inventory

- With Bozeman's rapid increase in hotels and rooms, our Destination M (DMO) is actively assessing how this growth affects occupancy rates, perception. As the hotel inventory expands, this benefits visitors by pr occasionally driving competitive pricing. This influx of accommodation: smaller, independent lodging providers, challenging them to stay comp community perspective, the growing hotel presence brings both oppor While this provides an economic benefit, the growth also puts strain oi natural resources.

- Our DMO has proactively met with all hoteliers across the community. has provided valuable insights into occupancy trends, pricing challeng and community concerns about the projected growth over the next fou our stakeholders together allows our DMO to develop a strategic appr community's values, ensuring Bozeman's hospitality growth is manag continues to benefit both visitors and residents.

Bozeman DMO has launched several targeted, opt-in promotional offers designed to help hoteliers maintain healthy occupancy levels and stay alignment with tourism goals. These promotions can be opted into during slower periods to encourage visitors during traditionally slower periods to visit. This supports occupancy year-round while reducing peak season pressure and focusing on extended stays that drive deeper economic engagement with local businesses in the tourism and retail sectors. These opt-in promotions not only assist but also foster a sustainable growth model for Bozeman's tourism industry.

DMO Budget

Allowable Methods	Amount Budgeted	% of Budget Allocated	Amount Expended	% of Budget Expended
Administration	\$121,180.00	19.02	\$118,480.00	19.02
Cooperative Marketing	\$27,492.00	4.31	\$29,017.04	4.31
Joint Venture	\$196,092.00	30.77	\$123,912.23	19.02
Opportunity Marketing	\$30,000.00	4.71	\$12,686.48	1.93
Paid Media	\$151,000.00	23.7	\$157,833.60	23.7
Marketing Personnel	\$6,500.00	1.02	\$6,500.00	1.02
Research	\$25,000.00	3.92	\$56,887.50	8.15
Travel/Trade Shows	\$17,500.00	2.75	\$7,500.00	1.02
Visitor Services	\$61,500.00	9.65	\$63,343.73	9.65
Website Development (Online, Website, Mobile)	\$1,000.00	0.15	\$94.98	0.15
	\$637,264.00	100.00	\$576,255.56	90.44

Narrative Evaluation

Destination Marketing

Objectives

Refocus our national marketing on primary and secondary markets to increase visitation from core direct flight markets.

Re-engage in-state and regional audiences to nurture visitation to Bozeman.

Metric

Increase bed tax dollars by 5% over FY22 (State of Montana)

Evaluation

7/1/23-9/30/23: \$1,958,037 (+2%)

10/1/23-12/31/23: \$949,835 (-6%)

1/1/24-3/31/24: \$983,686 (-6%)

4/1/24-6/30/24: \$1,328,258 (-5%)

While the warm season started out well, unusually low snowpack affected our winter visitation, resulting in lower bed tax dollars than in FY22. While the first part of this objective was not met, our focus on direct flight markets, in-state, and regional drive markets did prove to be fruitful in both website traffic and actual visitation, with particular growth from New York, Los Angeles, Spokane, Seattle, Idaho, and Phoenix.

Of our visitors, the top ten markets by origin are all direct flight or regional drive markets, illustrating the success of targeting our paid media to these areas:

- Montana
- Washington
- California
- Colorado
- Idaho
- Utah
- Minnesota
- Texas
-

Oregon

- Arizona

Metric

Increase Airport deplanements by 10% over 2022, to 1.23 million people (Bozeman Airport)

Evaluation

- **2023 Deplanements - 1,232,410**

Even though visitation was affected by low snowfall, we did achieve the desired goal for airport deplanements due to the high volume of business travelers, as well as people who come to Bozeman to visit family and friends. Our airline marketing efforts continue to support the direct flights, and growth at the Bozeman Yellowstone International Airport.

Metric

Increase website sessions by 5% over FY23 projected to 742K (Google Analytics)

Evaluation

- **FY24 Sessions - 813,075**

Our website traffic continues to grow, and our FY24 goals were achieved. Organic search accounts for the largest driver in traffic at 36%, with a large focus on content including Yellowstone National Park. Other contributions driving the increase include paid social, paid search, paid media, and email newsletters.

Metric

Increase new contacts by 10% over FY23 projected to 6500 (Hubspot)

Evaluation

- **FY24 Contacts Created - 8,644**

Our new contacts well exceeded our goal, with an increase in people signing up for our blogs and newsletters. A robust retargeting campaign helped drive signups, as well as blog content and localized itineraries.

Metric

Increase occupancy rate of hotels from 65% to 67% (STR Reports/ CoStar Reports)

Evaluation

- **Average Monthly Occupancy for FY24 - 67.2%**

We did achieve our occupancy rate goal, with the help of shoulder season events such as the Spartan Race, and opt-in hotel promotions such as the special Montana rate for local residents.

Destination Stewardship

Objectives

Maintain key cooperative partnerships with local organizations to expand communications around stewardship of Bozeman and its people, businesses and places.

Create a quarterly dashboard for business owners and residents illustrating estimated economic impact through tourism. (We were not able to acquire key data pieces until April of FY23. Now we have the full capabilities to create this asset in FY24.)

Metrics

Partner on 5 co-op media buys or placements targeting both locals and visitors.

Create the quarterly dashboard and make it accessible on the Visit Bozeman website in FY24.

Evaluation

We exceeded our goals in Destination Stewardship through local partnerships collaborating to share recreate responsibly messaging, increasing shoulder season events such as the Spartan Race, and creating a quarterly dashboard that hoteliers can monitor to view average occupancy and ADR, website traffic, marketing conversions, and visitor states of origin.

Partnerships

We successfully partnered with Crosscut Mountain Sports Center and Yellowstone Country to bring the Spartan Race to Bozeman. The race brought 8,311 adult racers, and 1,036 kid racers accounting for almost 2,000 hotel nights during the spring shoulder season.

Maintaining a partnership with Crosscut Mountain for the Spartan Race during Bozeman's shoulder season months is a valuable strategy to boost economic impact thoughtfully and sustainably. This collaboration can expand communication efforts around stewardship, aiming to support Bozeman's people, businesses, and unique places while being mindful of the community's needs and the area's natural landscape. By scheduling the race in the less-busy shoulder season, we can alleviate peak-season pressures, directing economic benefits to local businesses without overwhelming the community. Additionally, coordinating closely on timing and logistics with respect to the melt season will help preserve the integrity of the terrain, reducing erosion and environmental impact. We can craft messages that educate participants about responsible recreation and

highlight the importance of supporting Bozeman's businesses, fostering a culture of care for the land and the people who make Bozeman special.

We also partnered with 3 organizations to promote stewardship and product development in FY24:

- Bridger Ski Foundation - Be Good To Bozeman partnered the BSF nordic trail passes and had logo placement on the back of the passes
- Outside Kind - Partnered on 4 seasonal magazine ads in Outside Bozeman which included Be Good to Bozeman logo placement
- Downtown Bozeman - Partnered on promotions for Restaurant Week to grow exposure of that event to help promote it outside of Bozeman to attract in-state visitation
- Downtown Bozeman - Partnered with the DBA to promote Be Good to Bozeman with a banner across Main Street over the 4th of July week

Tourism Resource Dashboard:

We have been publishing our monthly report on the Visit Bozeman website December 2023 on the tourism resources page, which includes a monthly report for the hotels and other tourism partners: <https://visitbozeman.com/tourism-resources>

Example: https://s3.us-west-2.amazonaws.com/bozeman-cvb/Resources/Visit-Bozeman_Executive-Summary-September-2024.pdf

Destination Management

Objectives

Understand in-state perspective of Bozeman and its value to in-state visitation.

Understand how vacation rentals are positively and negatively impacting visitation in our market.

Understand how Bozeman's increase in hotels/rooms is impacting overall occupancy rates, affordability, and perception.

Metrics

Complete in-state perception research.

Develop benchmarks on vacation rentals vs. hotels. Create a report to measure impact. Chart trends in key metrics to measure Bozeman's hotel room growth, occupancy rates, ADR, and compare to in-state perception results.

Evaluation

Resident Sentiment Research Study

- Completed a resident sentiment research study in October of 2024. Reviewing these results now and will utilize the information to continue to target and attract in-state visitors in the future as well as use the information to strengthen Bozeman's appeal to our in-state residents.

Develop benchmarks on vacation rentals vs. hotels. Create a report to measure impact.

Chart trends in key metrics to measure Bozeman's hotel room growth, occupancy rates, ADR, and compare to in-state perception results.

- We have completed these reports and are updating/reviewing/presenting this data monthly. In regards to the hotel room growth, we have been tracking these numbers on an infrequent basis and watching the projected coming to the Bozeman/Belgrade markets. The number of new/under construction projects currently sits at approximately 26.
 - Hotel Occupancy Rates: <https://app.databox.com/datawall/185d3a93752fa5b669e2fc63ec6c06a14d7e0fc65ad7405>
 - Hotel ADR: <https://app.databox.com/datawall/0bedef72c3357be2b94d084b941f320f1084fac65ad76c4>
 - Hotels vs. Short Term Rentals: <https://app.databox.com/datawall/da2c1424c01c716a96d7c20c8f6afb1b53497c065ad792b>

Understanding the effects of increased hotel inventory

- With Bozeman's rapid increase in hotels and rooms, our Destination Management Organization (DMO) is actively assessing how this growth affects occupancy rates, affordability, and local perception. As the hotel inventory grows, it attracts more visitors by providing more choices and occasionally driving competitive pricing. This influx of accommodations can place pressure on smaller, independent lodging providers, challenging them to stay competitive. From a community perspective, growing hotel presence brings both opportunity and concerns. While this provides an economic benefit, the growth also puts strain on infrastructure and natural resources.
- Our DMO has proactively met with all hoteliers across the community. Connecting with them has provided valuable insights into occupancy trends, pricing challenges, local perspectives, and community concerns about the next four to five years. Bringing our stakeholders together allows our DMO to develop a strategic approach that aligns with the community's values, ensuring Bozeman's hospitality growth is managed responsibly and in a way that benefits both visitors and residents.
- Bozeman DMO has launched several targeted, opt-in promotional offerings. These initiatives are designed to help hoteliers maintain healthy occupancy levels and strengthen community alignment with tourism goals. Through these promotions, we encourage visitors during traditionally slower periods to visit. This supports consistent occupancy year-round while reducing peak season pressure and focusing on promoting extended economic engagement with local businesses, benefiting both the tourism and retail sectors. These opt-in promotions not only assist hotels in filling rooms but also foster a sustainable growth model for Bozeman's tourism industry.

DMO Plan Attachments

Description

File Name

File Size

Reg/CVB Required Documents

Description	File Name	File Size
Bozeman Bylaws	Bozeman Bylaws.pdf	174 KB
Bylaws are in additional attachments.	Bozeman DMO_Required Documents.pdf	194 KB

