

GRAND RAPIDS



RAPIDS



The mission of Experience Grand Rapids is to strengthen the region's economic vitality and quality of life by marketing Grand Rapids/Kent County as a preferred visitor destination.

PROMOTING OUR DESTINATION

Every place in the world must compete against other places to attract attention, visitors and investment. Experience Grand Rapids is uniquely qualified and singularly focused on the task of making our destination stand out from the competition.

We develop, articulate and manage the story-brand of Grand Rapids and Kent County – and we collaborate with a broad range of community resources to ensure that the destination fulfills our brand promise to visitors.

In the process, we advance opportunities for local businesses and improve the quality of life for local residents. This elevates the common good.

SITUATION COVID-19 has decimated the hospitality and tourism industry and in turn, the Experience Grand Rapids marketing budget. Coupled with the de-funding of Pure Michigan, Grand Rapids and Kent County are at risk of losing recent branding momentum.

The COVID-19 health crisis has essentially stopped the destination's momentum and no industry has been harder hit than the hotel and hospitality industry. Almost overnight hotel revenue declined 90% and 15 Kent County hotels closed their doors until the economy improves.

Restaurants, breweries, music venues, cultural attractions and performances were forced to close and furlough thousands of team members. Essentially the entire hospitality industry has been forced to alter or cease operations. Already by April 30 the impact on convention business has resulted in 94 convention group cancellations with almost 33,000 contracted hotel rooms resulting in a loss of \$21.6 million. Groups scheduled for mid-summer and fall are unsure if they too will need to cancel or postpone. Leisure travel has essentially been halted by the Governor's executive orders.

Experience Grand Rapids has expanded its marketing and sales efforts over the past ten years supported by taxes and assessments charged on overnight hotel room sales. The huge hit on hotel business in turn impacts EXGR's ability to function. To adjust to grim forecasts, expenses were cut, and 19 full time and 15 part time team members were furloughed in hopes of reserving resources to sustain operations leaving very little for marketing efforts. Unfortunately, there is no relief available in the CARES act for Experience Grand Rapids, organized as a 501c6 organizations.

Making matters more dire the award-winning state marketing campaign, Pure MI, has been completely cut from Michigan's budget. This campaign has been huge for advancing our brand nationally and allowed for an annual match of \$1 million of marketing, resulting in a marketing investment of over \$2million annually specific for Grand Rapids and Kent County. Without national advertising we step back to 2010 or 2011 exposure. It very unlikely Pure MI will be included in the upcoming 2021 calendar year budget due to reductions in the state's revenue forecast due to the virus.

Over the past 25 years, the Kent County area has become Michigan's most vibrant destination and an example of how a place can compete with places of much larger size. This happened through collaboration, forward thinking, hard work, local business investment and millions of dollars invested by the local philanthropic community. Grand Rapids and Kent County has proven it can attract investment, residents and visitors.

REQUEST Experience Grand Rapids is seeking additional funds to create and execute a national marketing campaign to reignite the Grand Rapids and Kent County community.

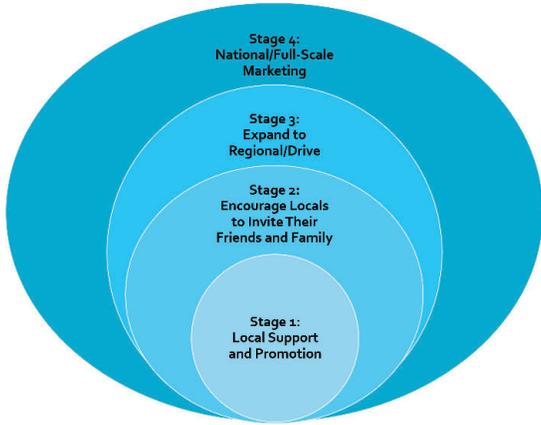
Our request is for \$1 million to create and execute a national marketing plan that will reignite the community. This pandemic and its impact on people's psyche make the need for an effective messaging strategy greater and it also makes it more difficult to develop. This requires a strategic and professionally developed campaign. Experience Grand Rapids is asking for financial support to move forward with the development of this plan.

Components of the plan will likely include creative message development, video and photography creation, and a media plan with a heavy focus on digital investments. The plan would be structured to extend over a significant period of months. The timing will need to be flexible to adjust to the COVID-19 crisis, re-opening constraints, Presidential election, and the sentiment of Americans.

This national marketing effort will transcend tourism and it will attract business investment, air travelers, college students and talent to Grand Rapids and Kent County.

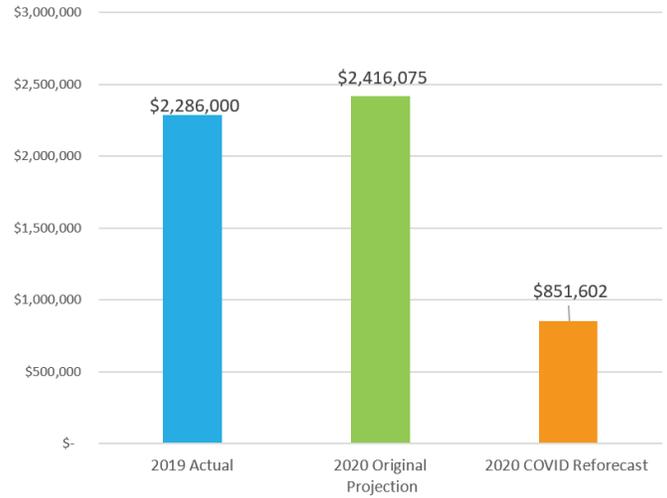
FUTURE MARKETING STAGES

Starting local leverages community members and businesses to amplify marketing messages and balances the sentiment towards travel within the destination.

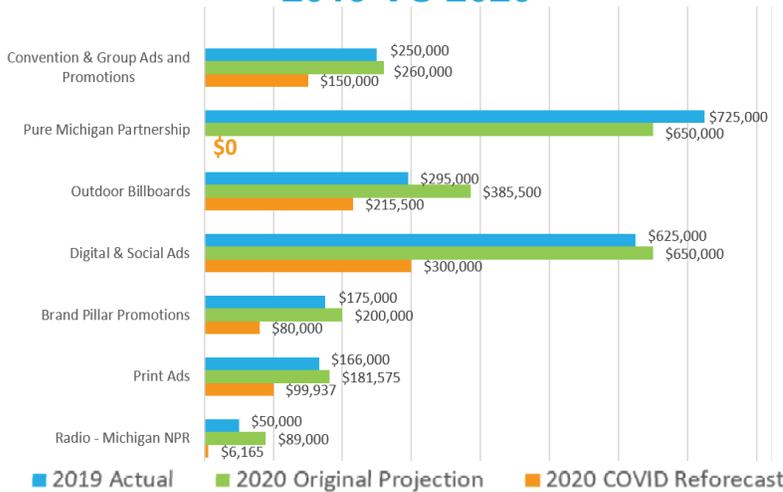


Financial assistance will be needed to shift messaging regionally and nationally.

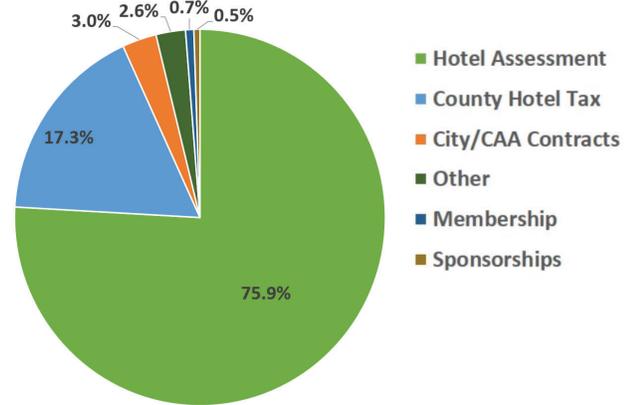
MARKETING ADVERTISING EXPENDITURES



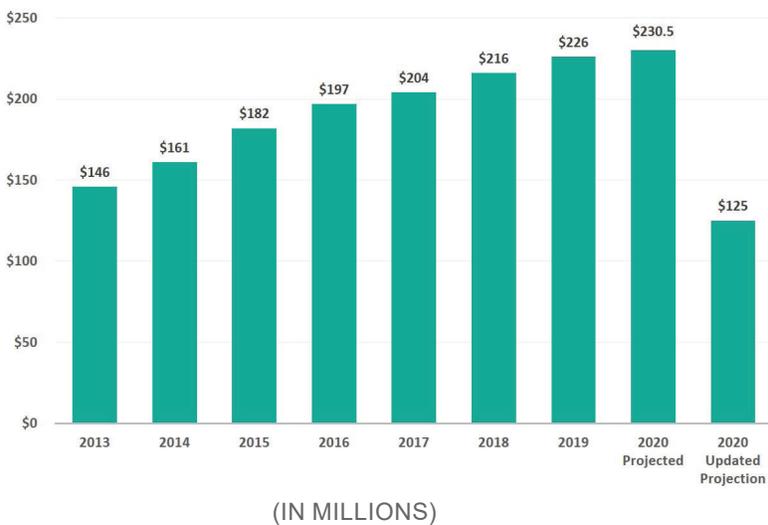
COMPARISON OF MARKETING EXPENSES 2019 VS 2020



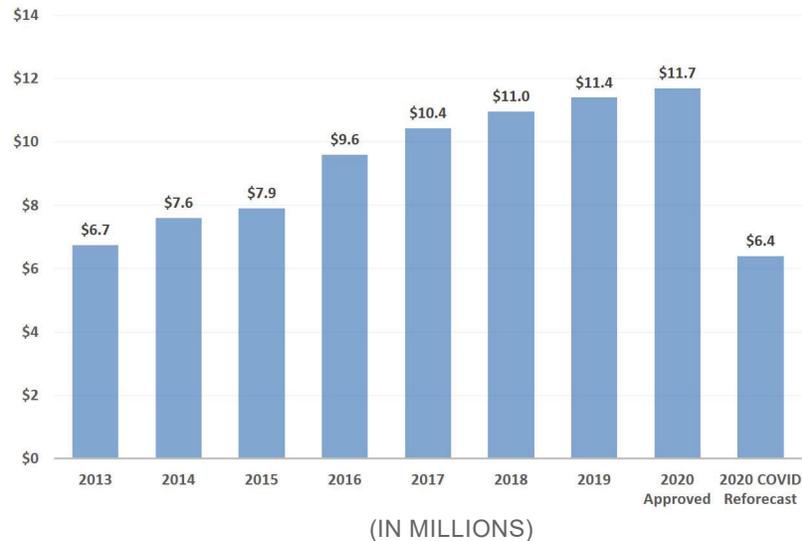
EXPERIENCE GR PRE-COVID FUNDING SOURCES



KENT COUNTY HOTEL ROOM REVENUE



EXPERIENCE GRAND RAPIDS BUDGET



Executive orders restricting travel and gatherings will dramatically reduce 2020 hotel revenue impacting Experience Grand Rapids 2020 budget, reducing resources to reignite travel to the area.