

Q4 2016 Report

BERMUDA
TOURISM AUTHORITY

*Research & Business
Intelligence Division*

During Q4 of 2016, the Research & Business Intelligence Division accomplished the following:

1. Completed final conversion phase of Marketing ROI study.
2. Conducted qualitative research with business visitors and local businesses that host visitors to determine gaps and opportunities within this segment.
3. Used adjusted tourism forecast and performance metrics to set corporate objectives and room night targets for 2017.
4. Completed second wave in Bermuda Tourism Product Quality Index Analysis which compares Bermuda's quality ratings vs competitive destinations.

5.

The screenshot shows the website for the Bermuda Tourism Authority (BTA). The header includes the BTA logo and navigation links: ABOUT, DOING BUSINESS HERE, PRESS, RESEARCH (highlighted), and PARTNERS. There are also icons for INT'L EN and MENU. The main content area features the heading "Research & Reports" with a sub-heading "BTA HOME". Below this is a paragraph: "The Research & Business Intelligence team puts out a wealth of data that helps the public and private sectors make good policy decisions concerning the Bermuda tourism industry. BTA researchers also monitor international trends to provide Bermuda with the intelligence it needs to keep pace with its competitors around the world." Below this paragraph are four sections: "VISITOR STATISTICS" (describing visitor arrival data), "INDUSTRY REPORTS" (describing business intelligence reports), "CORPORATE REPORTS" (describing quarterly and annual reports), and "HISTORICAL DATA" (describing industry performance data). Each section includes a "SEE MORE »" link.

6. Assisted the Investment Division in creating a comprehensive brochure and presentation on the tourism industry in Bermuda.

In addition, the division continued to –

1. Monitor and provide analysis on:
 - a. Air service to Bermuda:
 - I. Monthly reports on capacity, load factors and route performance
 - II. Analysis on existing and potential new routes
 - III. Compiling future schedules for projections and use by staff, partners & stakeholders
 - IV. Estimate capacity needs for America's Cup event weeks in 2017
 - b. Online demand and conversion by geographic region and persona targets.
 - c. Local perception of the BTA and the Tourism Industry to assist with stakeholder and public outreach strategies.
2. Report monthly and quarterly on:
 - a. Tourism Key Performance Indicators , including air, cruise, yacht arrivals, air service, visitor expenditure, visitor satisfaction, hotel performance, future projections, etc.
 - b. Corporate objective status to staff and Board of Directors.

Product & Experiences Division

During Q4 of 2016, the Product & Experiences Division accomplished the following:

Experience Investment

Roll out of BTA-supported experiences continued successfully through the fourth quarter 2016, covering arts/culture as well as sport:

- Round the Sound Swim
- Bermuda Food Truck Festival
- Goodwill Golf
- Goslings Invitational Golf Tournament
- Chewstick Celebration
- Uncover the Arts 2016/17
- World Rugby Classic Bermuda
- Training Camps for University Swim Teams

From post-event reports received by quarter-end, the ROI from these experiences and events combined yielded in Q4 over 825 visitors and almost 2,050 room nights.

Among the highlights for the quarter was the World Rugby Classic Bermuda which generated over 400 visitors, and 1200 room nights. In October, the Round the Sound saw 150 visitors participate in the 26th Annual swimming event, generating 600 room nights.

Sports Tourism during the fourth quarter continued to yield positive visitation to the island. For the first-time we had Germantown Academy and Indiana University swim teams select Bermuda as their winter training destination, reinforcing Bermuda's positioning as a top sports tourism destination.

The St. George's Historical Re-enactment continued to be a Hub 1 favourite, as it saw 9460 watch and just over 1600 visitors participate in this live historical performance. A new offering, St. George's Skates, along with a number of Hub 1 events which included the Annual National Trust Walk-about, Lighting of the Town, Carter House and New Year's Eve Celebration saw an increase in activity and visitation to the Town.

BTA Experience Investment Awards

Building on the new experiences supported in 2016, this year's experience investment process generated 61 applications, of which 40 were approved for support. In all, at least \$826,500 is slated for investment from January - December 2017. To date, approximately \$3 million of funding has been allocated to tourism experiences aimed at increasing visitor air arrivals and supporting home-grown, authentic, visitor experiences since the start of the programme in 2014.

Leveraging on-island events and experiences to support Sales and Marketing efforts was further accomplished through this investment round. With the addition of new sporting events through this process, we will be able to continue BTA's brand positioning in the sports tourism arena to promote group business and new travelers to the island.

Cultural & Leisure Highlights

Food Truck Festival

This first-time event featuring food trucks offering a variety of local food and beverages took place over the Columbus Day weekend. The event provided an opportunity for visitors on-island over the holiday weekend to experience several facets of Bermuda culture, including mixing and mingling with locals, Bermuda-inspired food and local entertainment. Overall, 16 vendors and participants saw direct economic benefit through sales from overwhelmingly large crowds. Feedback from visitors and residents from this new event was also overwhelmingly positive. As the BTA continues to highlight and promote Bermuda's diverse food culture, the Food Truck Festival allows us to provide experiential travellers looking to immerse themselves in the destination with another opportunity to do so.

Cultural & Leisure Highlights (Cont)

Chewstick Celebration Events

To celebrate local entertainers and support Chewstick's restoration efforts, BTA collaborated with Chewstick to host a live entertainment event in December. Featuring the Pharaoh Jazz band and series of Chewstick performances in an intimate setting, approximately 80 visitors and locals enjoyed an evening of some of Bermuda's best live entertainment. In our ongoing effort to expose visitors to local entertainers, Chewstick continues to be a key partner and during the quarter was instrumental in coordinating live entertainment offerings through to year-end.

Uncover the Arts

Expanding and enhancing offerings available from November to April continues to be a key priority in order to add value to visitors' on-island experience. With a focus on health and wellness, culinary and new cultural experiences, this year's Uncover the Arts programme saw the addition of 10 new offerings aligned with travellers' interests in such categories. New offerings included a 4-day Yoga Retreat package aimed at attracting visitors to the island to relax, re-kindle and rejuvenate, a West End Food tour and cultural tours in both the City of Hamilton and St. George's.

Sports Tourism Strategy

National Sports Centre

Additional momentum and results were achieved from BTA's partnership with the National Sports Centre (NSC). Enquiries have increased and to date over a dozen sports teams have selected Bermuda for spring training under this initiative. We have also attracted new tournaments under the overall strategy, with high- quality first-time visitors.

Results from the BTA/National Sport Centre (NSC) partnership during the quarter included:

- a. **St. Andrews College Swim Team (Toronto)**. This group comprised a total of 30 athletes and support staff, from November 10-15, 2016.
- b. **Germantown Academy Swim Team (PA)**. A total of 25 athletes and support staff, from December 26-31, 2016
- c. **Indiana University Swim Team (IN)**. 75 athletes and support staff, from December 29, 2016 -January 5, 2017

Golf

The 64th Goodwill Golf Tournament and Gosling's Invitational tournament were both successful events in December. The Goodwill Tournament attracted 20 teams, a total of 80 players. The Goslings Invitational welcomed 45 participants. Both events introduced format changes in an effort to enhance the overall experience from the standpoint of tournament play and social elements reflecting local culture and entertainment.

Nike PGA of Canada

For the second year running, the Nike PGA of Canada was a successful event in October. In 2016, there was an 8% increase in room nights compared to 2015. A total of 412 room nights in 2016 and 320 room nights in 2015. Additionally, there was a 29% increase (\$990k vs \$770K) in visitor spending and a 23% increase (270 vs 220) in number of visitors.

PGA Club Professional Championship of Canada

For the first time, Bermuda was host to the PGA Club Professional Championship of Canada in November. This was a successful event, which brought in more than 100 golf professionals and over 500 room nights.

Sailing

Inaugural Pilot Gig Regatta

For the first time, Bermuda was host to the Pilot Gig Regatta in October. This event welcomed over 80 seasoned rowers from UK, Europe and USA, staying for six days. There was a total of 480 room nights generated.

Viper North American Championships

2016 marked the 20th anniversary of the design of the Viper 640 and the 10th anniversary of the relaunch of the Class Association. For the first time, Bermuda hosted the International Championships in November. There were over 50 Viper 640s registered for the event. The Championships attracted over 120 overseas sailors with representative teams coming from North America, Europe and Australia. This was largest one-design keel boat regatta ever hosted in Bermuda.

Moth International Regatta

The Moth International Regatta was a successful event. The regatta welcomed a fleet of 75 overseas sailors, over 5 days in December. America's Cup teams were also featured with both Oracle Team USA and Artemis Racing taking part. Other notable entries include Chris Draper, currently ranked 5th in the World and now sailing with Softbank Team Japan as well as current UK National Champion Chris Rashley.

World Triathlon Series

Bermuda was announced as a finalist in bidding to host two International Triathlon Union (ITU) World Triathlon series events (2018, 2019) and a Grand Final (2020). Work to prepare Bermuda's bid to host the International Triathlon Union (ITU) World Triathlon Series (April 2018 and 2019) and Grand Final (October 2020) was completed during the period. We anticipated the World Triathlon Series events could attract as many as 1,200 competitors in each of the two years, including 150 elite athletes, while the Grand Final could bring approximately 3,000 competitors. Athletes would also bring family and support staff, further increasing visitors for the events.

The BTA assessed budget/ROI and developing the bid in partnership with the Bermuda Government, the Bermuda Triathlon Association and other relevant parties. Site visits by representatives from Ironman, the world-renowned brand that manages multiple World Triathlon Series races, and the ITU took place as a precursor to drafting the bid, with favourable feedback from both respective parties.

The bid presentation took place at the ITU Congress in Madrid, 7-10 December, with the Bermuda delegation led by Hon Michael Fahy, Minister of Transport, Tourism and Municipalities, and including Bermuda's own Flora Duffy, World Champion triathlete, Pat Phillip-Fairn, Chief Product & Experiences Development Officer, BTA, Philipp Schmidt, Chairman of the bid committee, Jennifer Gunn and Patty Petty President and Vice President of the Bermuda Triathlon Association and Christian Toetzke, Consultant to the bid. Bermuda was subsequently awarded and named as host venue for three WTS events: 2018, 2019 and 2020, an achievement that was well-received locally and internationally, further elevating Bermuda's stature as a sports destination.

Sales & Marketing Snapshot

Travel, Roomnights Group & PR Dashboard

KEY METRICS	YTD 2015	YTD 2016	2016 GOAL	% OF GOAL YTD	% Δ YOY (YTD)
Total Visitor Spending Influenced by BTA	\$45,936,525	\$74,892,162	\$ 53,751,117	139%	63%
Total Room Nights Influenced by BTA	88,917	128,895	91,793	140%	45%
Total Leisure Room Nights	49,922	77,925	51,919	150%	56%
Total Group Room Nights	38,995	50,971	39,874	128%	31%
Sales & Marketing Group Room Nights	24,871	36,863	25,750	143%	48%
Product Group Room Nights	14,124	14,108	14,124	100%	
Group Sales Leads	270	438	325	135%	62%
Group Sales Calls	360	483	400	121%	34%
Number of Journalists Assisted	679	1,637			141%
*Earned Media Generated	\$26,412,509	\$18,408,129	\$27,000,000	68%	-30%
*Coverage in Top 100 Outlets	178	197	150	131%	11%
*Average Quality Coverage Score	70%	67%	71%	94%	-4%
PR Impressions Generated		1,323,310,158			

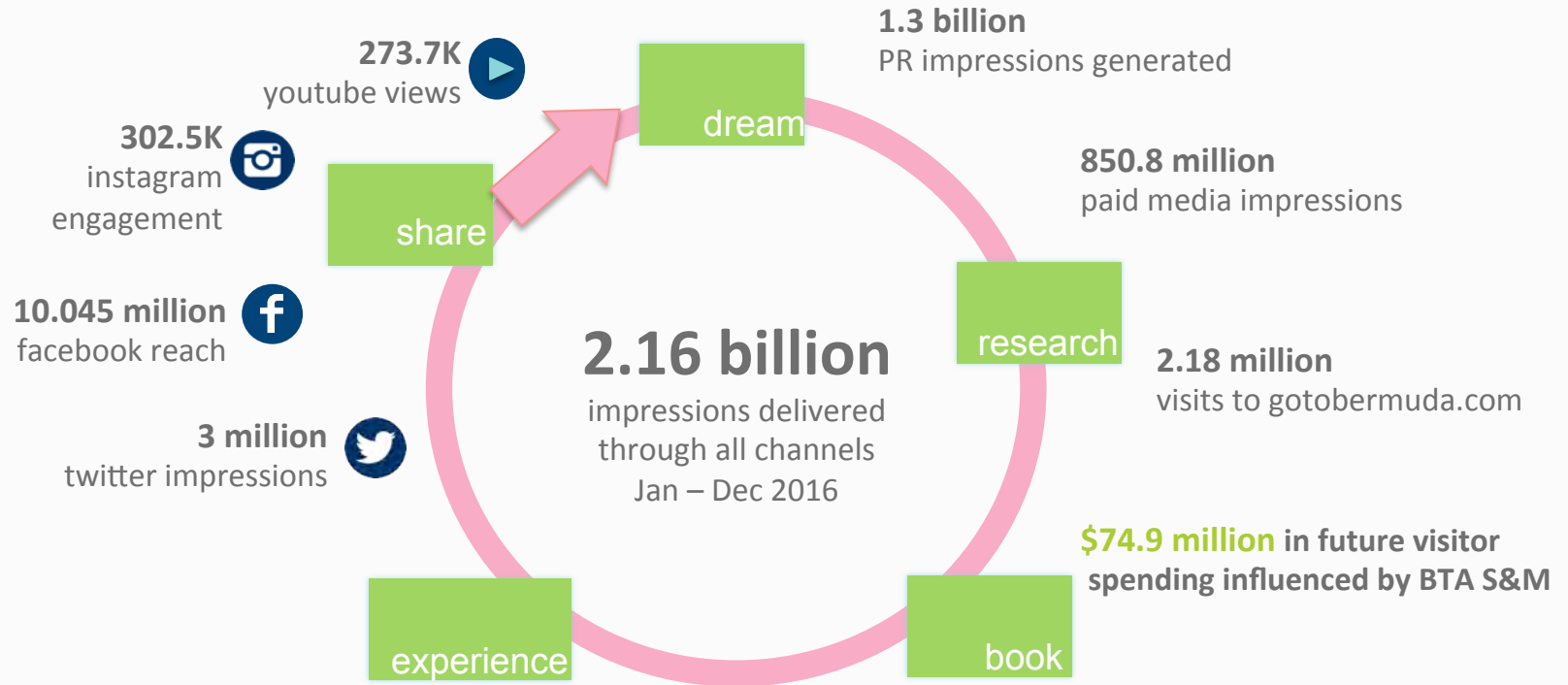
Digital Dashboard

KEY METRICS	YTD 2015	YTD 2016	2016 GOAL	% OF GOAL YTD	% Δ YOY (YTD)
Total Website Visits	2,065,813	2,181,015	2,169,104	101%	6%
Desktop Traffic	997,877	1,073,656			8%
Mobile Traffic	681,006	713,838			5%
Tablet Traffic	368,001	402,839			9%
Website Page Views	4,435,137	4,531,110	4,656,894	97%	2%
Time on Site	1:51	1:51	3:00		0%
Blog Page Views	202890	107024			-47%
Newsletter Subscribers	277,122	244,111	304,834	80%	-12%
Newsletter Open Rate	14.6%	13.3%	16%	83%	-9%
Consumer Inquiries	1340	1453			
Internet/Email	756	982			
Phone	584	471			
Brochures Distributed	15837	36715			132%
Individual	5648	5580			
Bulk	10189	31135			

Social Dashboard

KEY METRICS	YTD 2015	YTD 2016	2016 GOAL	% OF GOAL YTD	% Δ YOY (YTD)
Facebook Followers	235,323	331,067	330,000	100%	41%
Facebook Total Reach	7,757,354	10,044,987	10,800,000	93%	29%
Facebook Engagement	747,917	1,096,739	765,000	143%	47%
Twitter Followers	17,913	22,674	22,500	101%	27%
Twitter Impressions	2,786,780	2,996,022	5,250,000	57%	8%
Twitter Engagement	64,065	80,235	93,000	86%	25%
Instagram Followers	15,400	30,207	31,000	97%	96%
Instagram Engagement	111,018	302,495	200,000	151%	172%
YouTube Subscribers	1,323	1,592	1,550	103%	20%
YouTube Total Views	1,529,206	273,725	195,000	140%	-82%
YouTube Minutes Watched	1,740,156	403,431	375,000	108%	-77%
Pinterest Followers	1,737	2,274	2,250	101%	31%
Pinterest Repins	7,803	2,781	8,200	34%	-64%

2016 YTD Marketing Snapshot



Sales & Event Engagement

Events & Engagement

Event Name	Location	Start Date	End Date	Type
Afar Travel Advisory Council Meeting & FAM	Bermuda	10/1/2016	10/4/2016	Travel Trade
Red Bull Cliff Jumper David Colturi	Bermuda	10/2/2016	10/5/2016	Press Trip
Retreat Resources	Atlanta	10/3/2016	10/3/2016	Group
Travel Bulletin Luxury Roadshow	Bournemouth UK	10/4/2016	10/4/2016	Travel Trade
CHICOS (Caribbean Hotel Investment Conference & Operations Summit - Bermuda Site Visit	Bermuda	10/5/2016	10/7/2016	Group
Gilt House Travel Night	NYC	10/6/2016	10/6/2016	Promotion
La Fabbrica dei Sogni Tour Operators FAM Trip	Bermuda	10/9/2016	10/12/2016	Travel Trade
LandRover BAR Send Off Gala	London	10/10/2016	10/10/2016	Promotion
Apple Vacations/ Travel Impressions	Elk Grove Village, IL	10/12/2016	10/12/2016	Travel Trade
ACEA On-Island Partner Meeting	Bermuda	10/12/2016	10/13/2016	Travel Trade
Travelex International Destination Training	Hoffman Estates, IL	10/13/2016	10/13/2016	Travel Trade
IMEX America	Las Vegas	10/18/2016	10/20/2016	Group
Power & Communications Contractors Association - Site Visit	Bermuda	10/22/2016	10/25/2016	Group

Event Name	Location	Start Date	End Date	Type
National Pallahenic Conference	St. Louis	10/20/2016	10/23/2016	Group
Virtuoso Travel Agent Fam Trip	Bermuda	10/20/2016	10/24/2016	Travel Trade
Frontier Foiling Project (Red Bull)	NYC to Bermuda	10/22/2016	10/26/2016	Promotion
Connect Florida	Orlando FL	10/25/2016	10/27/2016	Group
TTRA Marketing Outlook Meeting	Fort Lauderdale	10/25/2016	10/26/2016	Travel Trade
Sperry AC Cup Press Event	New York City	10/27/2016	10/27/2016	Press Trip
Food Culture/Individual Influencers	Bermuda	10/28/2016	10/31/2016	Press Trip
Outstanding in the Field Dinner w/ Garden & Gun	Bermuda	10/29/2016	10/29/2016	Promotion
PADI 2nd Annual Dive Site Visit	Bermuda	10/31/2016	11/4/2016	Group
New York Taste	NYC	11/1/2016	11/1/2016	Promotion
ALHI Mingle	Toronto	11/2/2016	11/2/2016	Group
Adventure Group Press Trip	Bermuda	11/2/2016	11/6/2016	Press Trip
Travel Agent Fam Trip	Bermuda	11/3/2016	11/7/2016	Travel Trade
Vision Travel (Virtuoso) Conference	Tremblant, QC	11/4/2016	11/5/2016	Travel Trade

Event Name	Location	Start Date	End Date	Type
Leadership Summit	Albany NY	11/10/2016	11/11/2016	Group
Bermuda Tourism Partnership Summit & Tour Operator Summit	Bermuda	11/13/2016	11/17/2016	Travel Trade
ALHI Discovery Trip	Bermuda	11/18/2016	11/21/2016	Group
BTA Event Advisory Board Fam Trip	Bermuda	11/18/2016	11/20/2016	Group
Bergdorf Goodman Catalogue Photo Shoot	Bermuda	11/28/2016	12/7/2016	Press Trip
Vanity Fair UK Writer	Bermuda	11/23/2016	11/27/2016	Press Trip
Engage! 16	Sea Island, Georgia	12/3/2016	12/8/2016	Group
Larry Olmsted – USA Today	Bermuda	12/4/2016	12/7/2016	Press Trip
ALHI Holiday Showcase - Luncheon	Baltimore MD	12/6/2016	12/6/2016	Group
Travelweek Webinar	Canada	12/7/2016	12/7/2016	Travel Trade
Signature Network Sales Meeting	Las Vegas, NV	12/9/2016	12/12/2016	Travel Trade
Incentive Leadership Summit	Bermuda	12/12/2016	12/16/2016	Group
ALHI North Carolina Roadshow	Raleigh, NC Charlotte, NC	12/13/2016	12/14/2016	Group
Connect DC	Washington, DC	12/14/2016	12/14/2016	Group

Sales Engagement Highlight

AFAR Media Travel Advisory Council Fam Trip

Bermuda

September 30 – October 4

- Joint Fam trip hosted by Elbow Beach Bermuda
- Focus was on adventure/experience
- 5 Agents attended



Sales Engagement Event

LandRover BAR – Best of British Event
The British Museum, London
October 10

- Key sponsor at an evening hosted by Sir Ben Ainslie and LandRover BAR to showcase the team and British technology
- Hosted 9 guests comprising of UK Media partners and UK travel trade
- Charity auction prize donated. A holiday to Bermuda during the America's Cup
- Dark 'n Stormy offered as a welcome drink by staff in Bermuda branded aprons
- Bermudian flags used to decorate poset tables
- 2 large panels flanking the dining area using iconic Bermuda imagery approx. 9 x 2 meters
- Bermuda brochures given out to guests



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Sales Engagement Event

IMEX

Las Vegas, NV

October 18 - 20

America's Worldwide Exhibition for Incentive Travel,
Meetings & Events

- 38 one on one meetings; Shared insert as well as
- 10 leads developed
- Booth partners included Hamilton Princess and Elbow Beach Resort



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Sales Engagement Highlight

Virtuoso Fam Trip
Bermuda
October 20-24

- Hosted by Hamilton Princess & Beach Club and Rosewood Tucker's Point
- Top Virtuoso offices were represented: Brownell, Ovation, KK Travels, Elite, Global Travel Concepts and Tzell
- 8 Agents attended



Sales Engagement Highlight

PADI 2nd Annual Dive Site Visit
Bermuda
October 31 – November 4

- Facilitated second annual PADI Site Visit targeting the dive market
- The Canadian group of 20 own or manage dive shops back home and offer scuba destination tours for their clients
- Generated one lead to date



Sales Engagement Event

Bermuda Tourism Partnership Summit
Bermuda
November 13-17

- Seven UK tour operator partners hosted for a 4 night trip. These included British Airways Holidays, Prestige Holidays, Saga, Purely Bermuda, Hayes & Jarvis, Classic Collection Holidays & GTA
- Over 80 one on one meetings completed
- First time visiting the Island for 3 of the group
- Opportunity to visit hotels on Island
- Flights provided by BA
- Opportunity to experience on Island activities and hospitality



Sales Engagement Highlight

ALHI Discovery Fam Trip
Bermuda
November 18-21

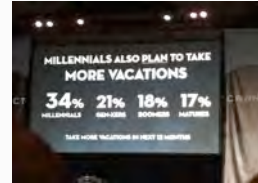
- 5 planners; 2 ALHI Reps
- Itinerary included Host hotel Fairmont Southampton among various other properties and a day of experiences inclusive of Dockyard and the Hidden Gems tour over 3 nights



Sales Engagement Event

Signature Travel Network Meeting
Las Vegas
December 8-12

- Attended new consortia partner's annual trade show in Las Vegas (60th Anniversary)
- 30-seven minute matched appointments over a two day period
- Three-hour trade show with appx 1,400 agents in attendance (96 plus agents visited the booth).



Sales Engagement Event

Incentive Leadership Summit
Bermuda
December 12-16

- 30 incentive planners; and 20 suppliers from various destinations
- 3 leads developed and multiple prospects
- Host hotel, Elbow Beach, was the venue for the opening reception, one on one meetings, and final night dinner/gala
- Planners experienced meeting & event sites including the Fairmont Southampton for dinner and a reception, lunch at Hamilton Princess as well as various experiences across the island (SoftBank Team Japan base, Fort St. Catherine, Walking tour of Hamilton, Crystal Caves etc.
- DMC partner included Select Sites



*Paid Media &
Partner Marketing*

Overview & Topline Results

Overview

Digital media geo-targeted to top feeders, market-specific print efforts, OOH in Toronto (trolley wrap), TV in NYC, Boston, Washington D.C., Philadelphia and Toronto in late Nov/early Dec, dedicated mobile buy to support re-launch of website

Topline Results

- Q4 integrated media programs attained over 202 million gross impressions
- Garnered a total of 331,145 digital media web visits and 4,605,564 non-web engagements for the quarter
- CTR at .46% for Q4, and compares favorably to the industry standard of .05 - .15%
- Total engagements through December 2016 over 3x full year of 2015
- Cost per engagement averages \$0.16 for the quarter, down from \$0.22 in Q3
- 1,652 flights from Adara Impact in Q4; 9,508 flight bookings reported YTD

Media Highlights

TIMING

Oct-Dec 2016 (flights vary for each individual media partner)

MESSAGING

100% brand focused, with the exception of dedicated messaging for Scuba/Dive (which ran on Facebook, Trip Advisor and Digilant from Oct-Nov)

TRAVEL ENDEMIC PLATFORMS

Integrated campaigns with Afar, Garden & Gun, Travel + Leisure, New Yorker, NYMag, NY Times

CUSTOM SOLUTIONS

Cinemagraph and site re-targeting segments on Facebook, streaming online video on ABC.com and NBC.com to extend reach of traditional television, Experian customer segmentation and modeling

Brand Results

- 198.7MM impressions (digital + offline)
- 4,933,977 engagements
- \$0.16 cost per engagement
- 3,620 Signals of intent; click to book
- 5,526 leads; request for more info

- Media partners included the following:
 - Digilant
 - Adara
 - Tapad
 - Sojern
 - Kayak
 - Expedia
 - ABC.com
 - NBC.com
 - Federated
 - Mobilefuse
 - xAd
 - Vox
 - Trip Advisor
 - New York Times
 - eTarget
 - Facebook

Group Overview

Campaign Details

Objective is to position Bermuda for group travel to audiences including meeting planners and corporate business incentive trips

Targeting Tactics

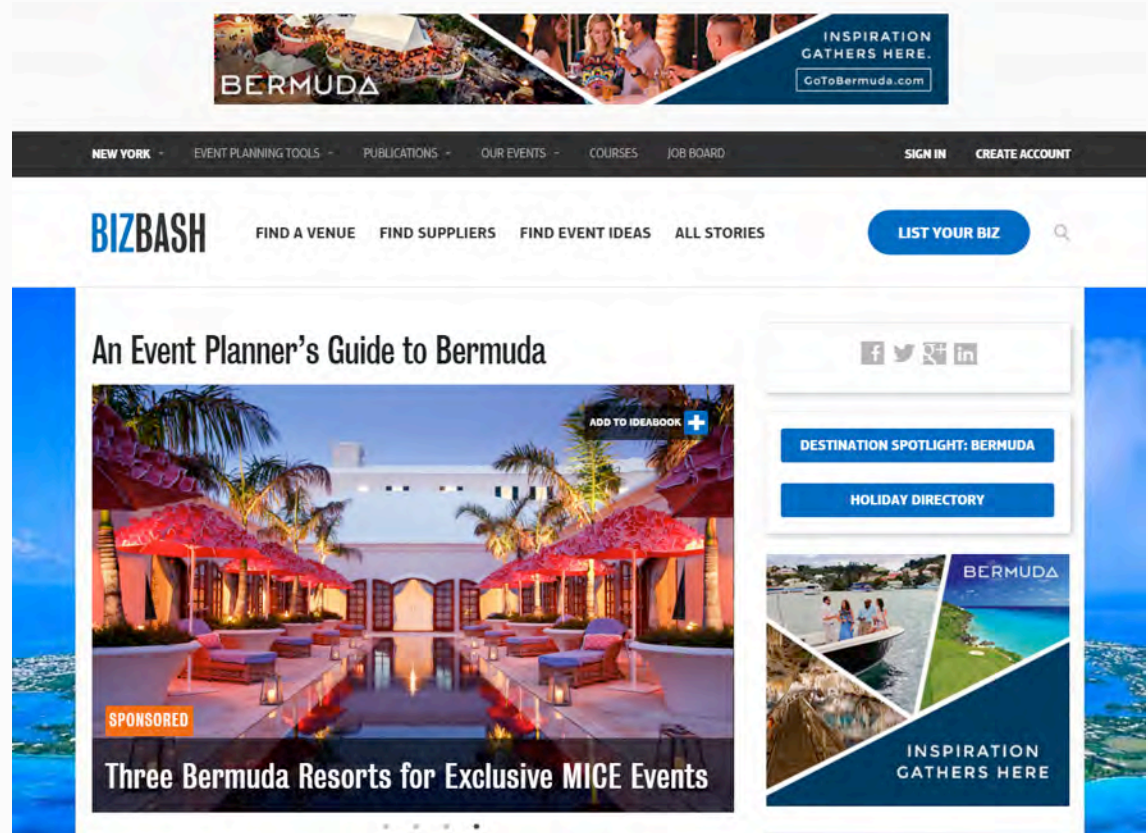
Targeted specific occupations, companies and golf-related groups

Strategies

- Create custom white lists
- Use company IP addresses to reach hard to reach audiences
- Custom packages with leading industry publications to reach consumers both in-book and online

Group Results

- 672K impressions
- 2,732 engagements
- \$2.19 cost per engagement
- Sites include:
 - Prevue Magazine
 - Incentive Magazine
 - BizBash



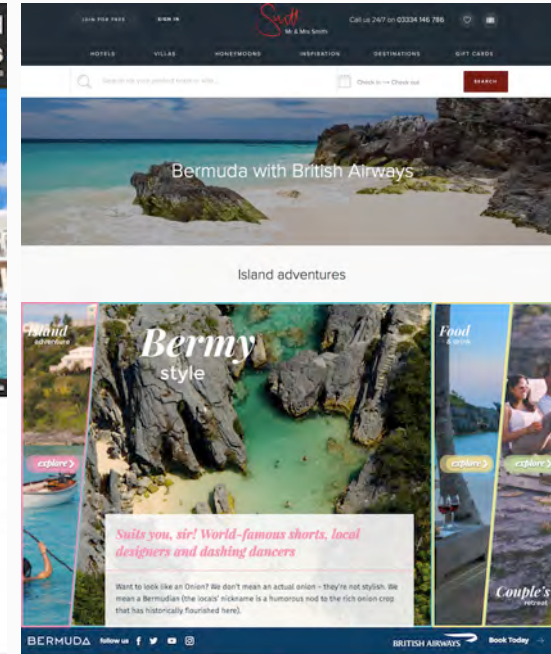
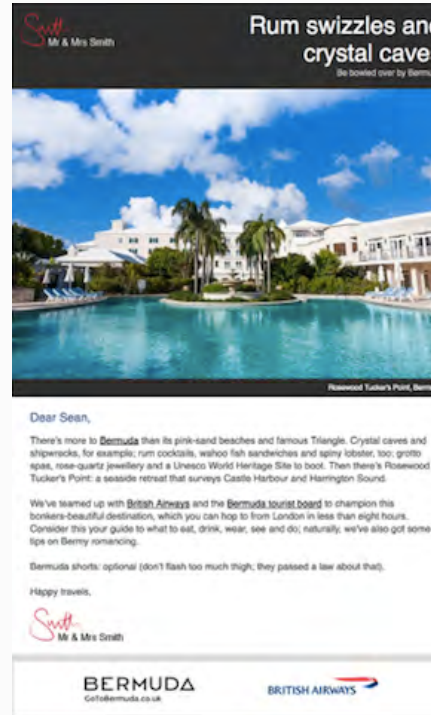
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OTA Program Overview & Highlights

- OTA (online travel agency) performance metrics snapshot:
 - 6MM impressions across Expedia, driving both on and offsite traffic
 - 1.9MM impressions on Trip Advisor
 - Maintain and expand upon partnerships with key OTAs and travel-endemic channels
- Created programs that enable year-round presence with seasonally appropriate messaging
- First to market dynamic ads powered by nSight data on Expedia
- Continued testing of Trip Advisor extended products including native video, affinity targeting and mobile
- Trip Advisor sponsorship page generated nearly 900K page views from Jan-Dec

BA Holidays – Mr & Mrs Smith Partnership – UK

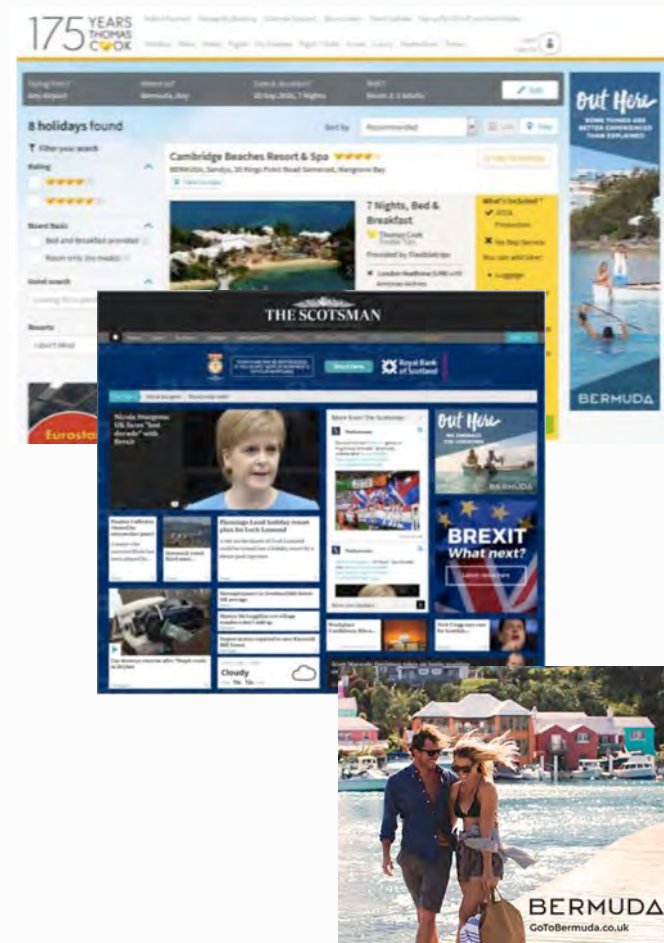
- Content written by Mr & Mrs Smith
- Lightbox created to target/influence travellers when holiday planning
- Featured content Bermu Style, Food & Drink, Island Adventure & Couples retreat
- Content promoted on Sheerlux online style magazine
- 2,250,000 impressions delivered
- 0.35 CTR
- 300,000 targeted emails distributed



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Thomas Cook Joint Marketing Campaign - UK

- Mixed banner campaign delivered on Thomascook.com and by the retargeting of travellers on non travel websites
- Display advertising on Thomascook.com
- 145,034 impressions delivered
- 226 clicks recorded
- Targeted display advertising - non Thomas Cook sites
- 145,005 impressions delivered
- 130 clicks recorded
- 0.09 overall CTR



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Outstanding in the Field

Bermuda
October 29

- BTA partnered with Garden & Gun magazine to produce and host an unforgettable Outstanding in the Field experience celebrating the local chefs, farmers, and fishermen
- Executive chef Douglas Sisk of the Reefs Resort & Club partnered with several of the island's purveyors to produce an exclusive beachfront evening featuring festive cocktails and local live music followed by a seasonal supper made with the island's freshest and finest culinary offerings
- More than 100 attendees from 14 different U.S. states traveled to the island to take part in the weekend



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Spring Street Social Society Parlor Parties

Hotel Wolcott, NYC
December 7-8

- Inspired by the many artists that inhabit or visited the island of Bermuda, the Parlor Party, "special Bermuda edition" unfolded through song, play, and visual art
- Over two nights, guests filled in a paint-by-numbers wall mural of Flatts Village. Guests engaged in a Bermuda-themed game of charades, and the night was capped off with a musical storytelling act from a group appropriately named The Triangles
- Weaving alluring stories of mystique and intrigue, engaging entertainment was paired with Dark 'n Stormies, Rum Swizzles and Bermuda-inspired cuisine
- Engaged with more than 100 guests personally
- In social, generated 8,925 likes, 160 comments on Instagram & Twitter, reaching a potential audience in excess of 600,000



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Gilt House Travel Night

New York City
October 6

- Partnered with Gilt.com to be the official destination sponsor for pop-up townhouse to keep Bermuda in the social conversation into the fall.
- Featured Bermuda bites from Marcus Samuelsson's restaurant at the Hamilton Princess. Hotel partner provided bathrobes and other amenities in the master bedroom, GiltTravel.com also is offering a discount travel package to the resort.
- Dark 'n Stormy cocktails made with Gosling's Black Seal Rum
- DJ Damon DeGraff spun tunes alongside a pink Vespa



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Social Media Advertising

Social Media

Learnings & Opportunities

Highlights

The spend for 2016 Q4 budget was approximately \$62,000. With an efficient cost per click at \$0.90 for the quarter.

The Canvas Q4 campaign continued to drive a high volume of clicks with 19,688 for the quarter.

The Broadcast Extension and Scuba Diving campaigns drove a high volume of clicks with 12,231 and 10,611 respectively. The Broadcast Extension campaign saw a very efficient cost per click of \$0.27.

Takeaways

The Broadcast Extension campaign that was launched to complement broadcast buys/markets proved to be very successful in driving engagements and an efficient CPC.

Continuous monitoring of campaigns to ensure appropriate spend pacing and to make the necessary optimizations, reaching the most optimal audience available.

Performance Overview

Overall Comparison

Metrics	Q1 2016	Q2 2016	Q3 2016	Q4 2016
Spend	\$34,452	\$49,578	\$27,514	\$61,973
Clicks	41,116	148,020	39,944	55,990
Reach	1,554,221	3,071,819	1,343,922	2,451,602
Impressions	4,124,632	7,234,901	3,872,531	6,225,862
Avg. CPC	\$1.20	\$0.33	\$0.69	\$0.90
Video Views	166,646	200,410	-	1,500,511
CPV	\$0.01	\$0.25	-	\$0.04
Leads	3,401	0	-	-
Avg. CPL	\$2.75	\$0.00	-	-

Website, SEM, SEO & Analytics

Web Metrics

Traffic

Traffic was up 8.75% in Q4, due mostly to paid search traffic and banner increases over last year.

Banner traffic saw a 200% increase in traffic over last year, and accounted for the most traffic being driven to the site

Paid Search traffic also increased 20.48% YOY, while organic traffic also increased 15.60% over last year.

Popular Landing Pages

Homepage – 56.32% of traffic

/about-bermuda/our-island/ – 3.62% of traffic

/deals/ – 3.51% of traffic

/Reefs_Wrecks_and_Sails/ – 2.87% of traffic

/island-experiences/- 2.34% of traffic

SEM Performance

In Q4, SEM campaigns delivered a total of 130,356 clicks, with an average CPC of \$0.83 & a CTR of 4.02%. Total spend for the quarter was \$107,642.03, with 18,171 total conversions.

Month	Impressions	Clicks	CTR	CPC	Spend	Avg Pos.	Conversions
October	979,677	45,932	4.69%	\$ 0.67	\$ 30,625.30	1.6	3,161
November	1,068,098	41,146	3.85%	\$ 0.86	\$ 35,508.65	1.6	7,568
December	1,193,965	43,278	3.62%	\$ 0.96	\$ 41,508.08	1.7	7,442
Total	3,241,740	130,356	4.02%	\$ 0.83	\$107,642.03	1.6	18,171

- Quarterly Comparison
 - Clicks up 44% from Q3
 - CPC stayed consistent with last quarter
 - CTR increased from 3.53% to 4.02% in Q4
 - Spend is up slightly by 11%, with incremental pushes for video & Gmail at end of the year
- Bounce Rate for Q4 was 49%
- Benchmark Comparison
 - CTR is well above the 3% benchmark
 - CPC is competitive under the \$1 mark

Google Ads & Banners

Beautiful Bermuda Island
Plan Your Island Vacation
gotobermuda.com/Island/Experiences
Make The Best Of Paradise. Visit Official Site For
Deals & Specials!

Stunning Bermuda Resorts
All-Inclusive Packages And Deals.
Book Your Stay Today And Save!
www.gotobermuda.com

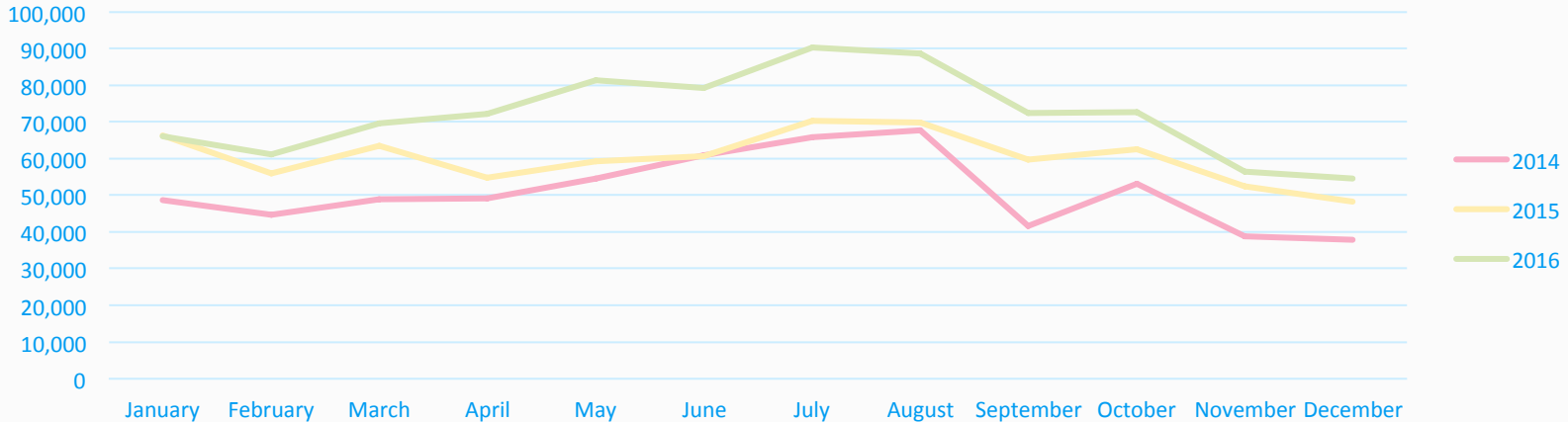
America's Cup in Bermuda
2017 Sailing World Series
www.gotobermuda.com/Americas-Cup
Don't Miss Out on the Pinnacle of International
Sailing! Book Your Trip Today



BERMUDA

Total Search Traffic

- Total Search Traffic consists of Organic Search, Paid Search, Referrals from Google.com and 50% of Direct traffic based on Industry Research
- 12% YOY growth in Q4 2016 - 20,200 additional visits
- Total YTD growth of 19% for Total Search Traffic to the website



Google Rank Improvements

- The number of keywords the site ranks on Page 1 of Google for has increased 47% to nearly 1,400 keywords
- Site has retained YOY improvement in rank through new site launch

	Dec 2016	Dec 2015	YoY Change
Ranked on Page 1	1,382	1,149	+20%
Ranked on Page 2	766	531	+44%
Ranked on Page 3	368	364	+1%
Ranked on Pages 4-10	1,318	1,930	-32%

eNewsletter Overview

PERFORMANCE AND INSIGHTS

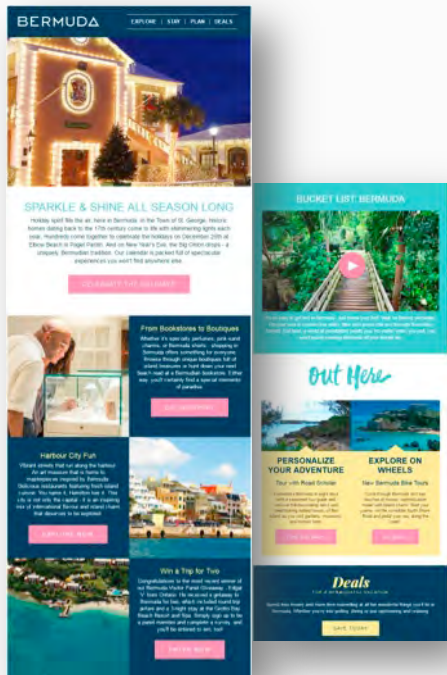
BERMUDAΔ

Overview & Highlights

eNewsletters

- Content Updates
 - Continued to use videos which has increased engagement from Q3
 - In December, created a hero image with a text overlay. Continue to explore this as well as look into creating special images/gifs for big events.
- Monthly Results Recap
 - Open rates have dropped slightly, while click-to-open has improved.
 - Click-to-open has improved up to 65% YOY
 - December had the highest click-to-open rate (12.9%). The whale video, deals, and Insiders sections had the highest click activity.
 - October had the highest click activity (29.6%) on the “Win a Trip for Two” campaign.
 - Featured videos continue to show high engagement.
 - *October – “Bucket List: Bermuda” 17.2%*
 - *November – “Sounds and Sights of Bermuda” 24.5%*
 - *December – Whale-watching 13.3%*

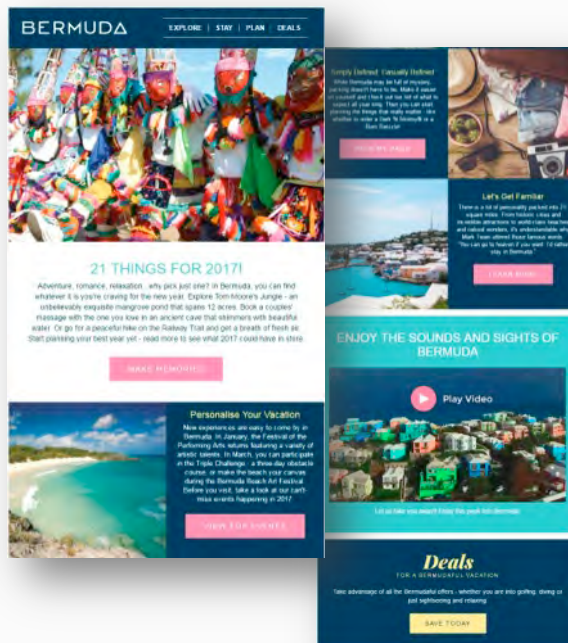
OCTOBER eNewsletters



Open Rate: 11%
Click-to-open Rate: 14%

Top Clicked Link: Online Panel – Win a Trip

NOVEMBER eNewsletters



Open Rate: 16%
Click-to-open Rate: 16%

Top Clicked Link: Video

DECEMBER eNewsletters



Open Rate: 11%
Click-to-open Rate: 12%
- Up 65 YOY

Top Clicked Link: Online Panel Application

Promotions & PR

North American Coverage Highlights

YTD Coverage Snapshot

- Number of Articles: 555
- Impressions: 1,163,654,808
- Media Value: \$16,075,715
- Average Score: 68



LonelyPlanet.com – October 25, 2016:
Where To Go in 2017



6. Bermuda

BERMUDA

Islands



Bermuda

Perfect timing here for those who like their vacay sunny but not scorching. Beach season is waning (so are hotel prices), but temps are ideal for exploring, playing golf and tennis — and watching rugby. The [World Rugby Classic](#) is the island's athletic event of the year. If Morgan Freeman and Matt Damon's *Invictus* got you hooked on this fast-and-furious sport, this is your chance to see some of its greats playing live.

Islands – October 28, 2016: *Best Places to Destination Feature*

The New York Times



In the Zika Zone, Deals Amid Uncertainty

Some destinations out of the Zika zone report an uptick in traffic, such as Bermuda where leisure visits are up 12 percent this year. Though their increase can't definitively be tied to Zika, the number of travelers ages 25 to 34 was up 23 percent through June.

NYTimes.com – October 13, 2016:
Zika-Free Destinations

Fodor's Travel

How to Explore Bermuda Without a Car



BY MOTOR SCOOTER

BY BOAT

ON HORSEBACK

BY PLANE

Fodors.com – November 3, 2016:
Adventure Travel

BERMUDA

Frommer's

Frommer's' Best Places to Go in 2017



Bermuda

Big changes have come to Bermuda. No, they haven't lost their *veddy British* habits of taking high tea or wearing Bermuda shorts—nor would we want them to! But this sun-drenched isle, with its talcum-soft sands, abundant historic sights, and Easter-egg colored homes has been barreling into the future with the recent construction of dozens of new shops, resorts, and restaurants. Among the latter: a newcomer from *Top Chef* winner Marcus Samuelsson in the Fairmont Hamilton Princess, a classic property that just underwent a \$100 million overhaul that added a new marina and a spa. Even movie

Frommers.com – December 9, 2016:
Where to Go in 2017

AP

Where to go in 2017: Best destinations around the world

In June, Bermuda hosts the America's Cup sailing race. Just don't think of Bermuda as the Caribbean. It's nearly 1,000 miles north of Puerto Rico and too chilly for ocean swimming in January. On the plus side, Bermuda is Zika-free, and its famous Hamilton Princess hotel — aka the Pink Palace — is newly renovated.

Associated Press – December 20, 2016:
Where to Go in 2017

U.S. News & World Report

6 Zika-Free Beach Destinations to Visit This Winter

Escape icy temperatures and retreat to a sunny – and safe – locale.

US News & World Report– November 1, 2016:
Zika-Free Destinations

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CONDÉ NAST
Traveler



The Best Places to Travel in 2017



Bermuda

It was a good year to be Zika free. Just far enough north to avoid the virus that rocked much of the Caribbean, Bermuda became the 2016 escape portal for Americans in the Northeast—and the Hamilton Princess and Beach Club, fresh off a \$100 million July reboot, welcomed a new wave of travelers with its pop art and infinity resort pool overlooking the harbor. Chef Marcus Samuelsson's new 'Marcus' restaurant is one of the top hotel—and Hamilton—draws; we're also partial to the Newport, a nautical gastropub in the Fairmont Southampton, and the beachside cocktail-and-seafood lunch at The Roofs. In 2017, the island—just a ridiculously short two-hour flight from the New York area—will host yacht devotees for America's Cup, so we'll be back again, long after Zika has left our vocabulary. —Lana

Dannen Redman

CNTraveler.com – December 15, 2016:
Best Places to Travel in 2017

TRAVEL+ LEISURE



THE TOP IDEAS

50 Best Places to Travel in 2017

The 50 destinations that made our list this year include one of France's lesser-known wine regions, America's next big dining spot, and a buzzy Greek island.



Bermuda

After being hit hard by the financial crisis, Bermuda is shaking itself out of stagnation and attracting a new generation of travelers. In 2014, the island won a bid to host the 35th America's Cup, the high-profile international sailing race, which takes place this fall. The promise of a flood of wealthy visitors—and a loosening of restrictions on foreign investment—has sparked a spate of development. Big news is the \$200 million overhaul of the Hamilton Princess & Beach Club, the island's 132-year-old grande dame, whose revamped rooms have a fresh, contemporary look. The hotel has also added a stellar art collection, a spa, and a restaurant serving locally sourced fare from James Beard Award-winning chef Marcus Samuelsson. Elsewhere on the island, a St. Regis, a lavish Ritz-Carlton Reserve, and the Arcl Sands resort (backed by actors Michael Douglas and Catherine Zeta-Jones) are in the works. —Paolo Stinger

CNTraveler.com – December 6, 2016:
50 Best Places to Travel in 2017

NEW YORK POST

8 essential trips that should be on your bucket list

By Andrew Seitz

December 13, 2016 1:37am 1/1,000,000

For beaches: Bermuda



New York Post – December 13, 2016:
Bucket List Trips

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North American Press Trips

Coverage Generated From Press Trips

SHAPE

Bermuda

The Perfect Healthy Travel Destinations for a Weekend Getaway with Your Friends



Fitness center, for a Core Fusion barre or yoga class. Afterward, hop on the hotel's jitney to Princess Beach Club, which boasts a private cove on Bermuda's beautiful South Beaches. Relax in the water hammocks or borrow snorkeling gear to get an up-close look at ocean life offshore.

Looking for an adrenaline rush? Go on a jet Ski adventure with your group (rentals from \$125; kwatersports.com). You'll zoom past local monuments like Somerset Bridge (the world's smallest drawbridge), and the historic forts of St. George. Be sure to slow down to explore Bermuda's amazing Sea Gardens, where colorful reefs poke out from the ocean. Go from the sea to the subterranean with a group tour of Bermuda's remarkable caverns

ALL PHOTOS

1 OF 4

Shape.com – October 28, 2016:
Destination Feature



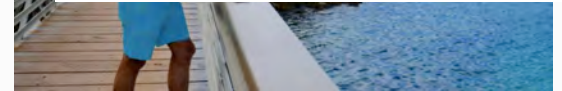
Zika-free Bermuda draws a new, younger crowd

BostonGlobe.com – October 26 and 28, 2016:
Zika-Free Destinations and Outdoor Activities

The Boston Globe



Trail reveals a little-seen side of Bermuda



BERMUDA

GEAR PATROL



Fire the Cannons

THE SAILOR'S GRIND IS THE BEST WORKOUT YOU'VE NEVER TRIED

Gear Patrol – November 28, 2016:
America's Cup



Taste of the South – November 22, 2016:
Bermuda Cuisine

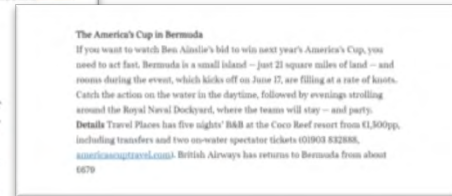
BERMUDA

UK Coverage Highlights

YTD Coverage Snapshot

- 62 Articles
- Impressions: 41,294,672
- Media Value: \$256,282

THE TIMES



The Telegraph



Breathe



travel



- 5 media trips
- Vanity Fair research trip with Alice BB



BOAT

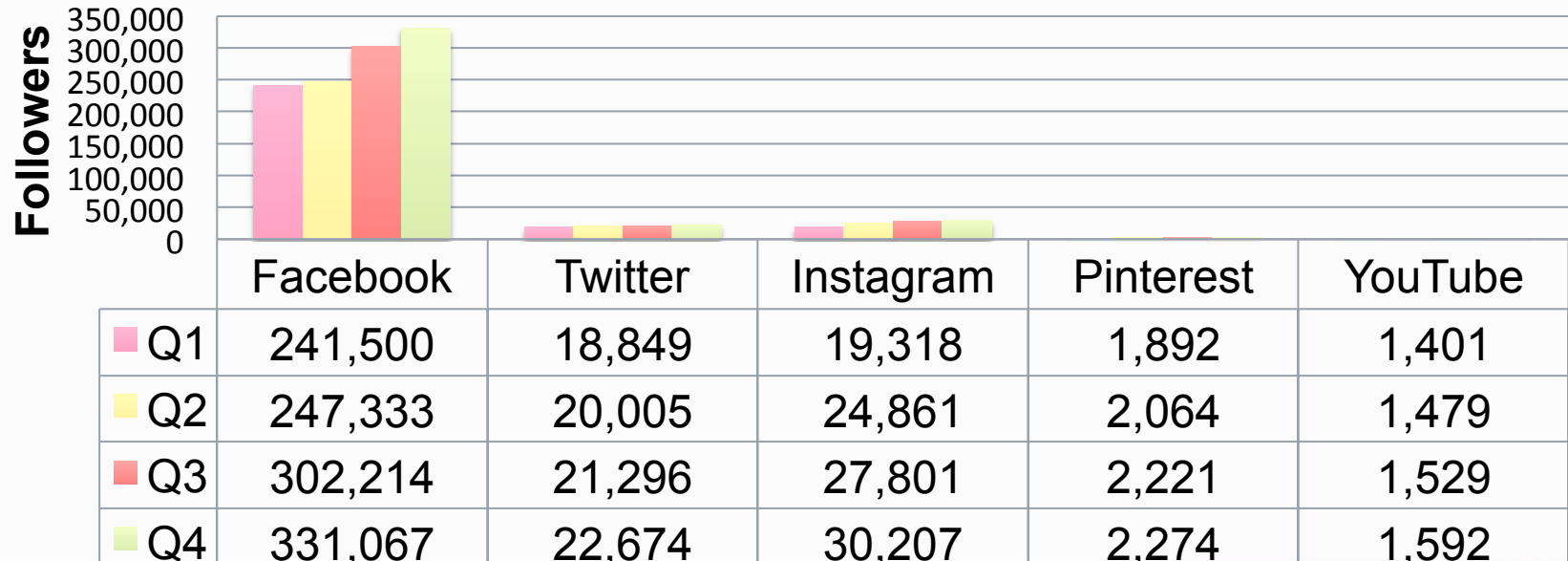


Social

BERMUDAΔ

Social Channel Growth Highlights

- Due to the paid support of follower campaigns and optimization of content on Facebook, Bermuda has reached the yearly goal of likes.
- As we began to post more user-generated content on Instagram this quarter, engagements and followers increased at a higher rate.
- Although there was a slight decrease of Twitter engagements, total followers still increased.



Social Media Engagement Highlights

- Facebook's engagement and content reach grew as there was an increase in paid support added to posts in order to reach the year-end goal.
- Engagement on Twitter has decreased slightly. We've recommended for BTA to participate in Twitter chats at a minimum of one per week.
- Although the fact that we launched less Pinterest boards in Q4 than the previous quarter may have led to slight dip in engagement on this channel, actual engagement with users is paramount to sharing new content. We recommend BTA engage more heavily on this channel by repinning and liking images from users who have posted about Bermuda, reviewing what users are pinning from the website and subsequently pinning/engaging based on this data.



- Total Engagements: **578,899 (+212.7%)**
- Total Reach: **3,293,558 (+13%)**
- Engagements per Post: **3,753 (+111.9%)**



- Total Engagements: **17,033 (-9.3%)**
- Total Impressions: **630,462 (-15.3%)**
- Engagements per Tweet: **37.61 (22.1%)**



- Total Engagements: **93,778(+13.9%)**
- Engagements per Post: **975 (+3.1%)**



- Average Daily Impressions: **18,005 (-47.9%)**
- Average Daily Repins: **5 (0.0%)**
- Average Daily Clicks: **5 (0.0%)**



- Total Video Views: **130,381 (167.8%)**
- Average Daily Video Views: **1,448.6 (149.2%)**
- Total Engagements: **253 (-16.2%)**

Top Social Posts



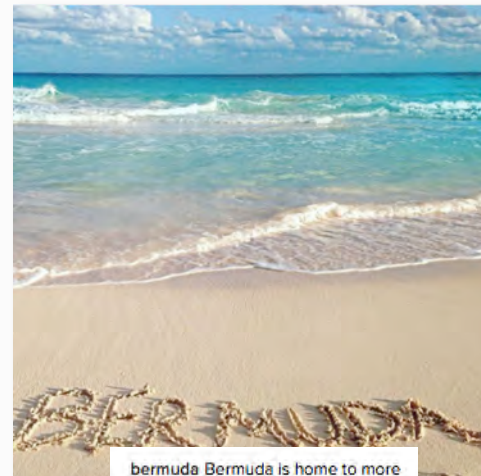
Bermuda on the rocks. Explore Jobson's Cove, just one of the island's incredible spots: http://bit.ly/Hidden_Bermuda #GoToBermuda

December 3
Total Reach: 400,790
Total Reactions: 21,716



Sometimes, you've just gotta take the plunge. [
📷: Lindsay Mello]

October 23
Impressions: 35,979
Engagement Rate: 0.7%
Engagements: 260



bermuda Bermuda is home to more than 34 beaches -- which is your favourite? [
📷 @the_wally_llama] #BeachGoals #Travellnsपो #GoToBermuda

November 4
Likes: 1,816
Comments: 52

Investment Division

During Q4 of 2016, the Investment Division focused on the following:

1. Continued attendance at investment and development conferences to raise awareness of impending changes to Bermuda's investment environment and provide updates on sales and marketing activities/ results and product and experiences developments.
2. Secured the Caribbean Hotel Investment and Operator Summit Conference to be held in Bermuda for 2017-18.
3. Created Investment Handbook to showcasing Hotel Incentives and highlighting the Investment Process



4. Provided assistance to local developers through the concierge service.
5. Continued active engagement with Ministries of Finance, Public Works and Tourism, Transport and Municipalities with a focus on development, legislation and policy.

Operations Division

During Q4 of 2016, the Operations Division accomplished the following:

Fulfilled major objectives in the advancement of national service standards. As a result of an extensive and collaborative approach with industry throughout 2016, five service principles and standards for behavior were identified. Compliance will lead to a BTA 'Seal of Approval' via an annual certification process. The goal of the programme aligns with Bermuda's brand promise, setting Bermuda apart from its competitors with superior hospitality and customer service.

Operations, General

Human Resources

As at December 31st 2016 there were 38 employees in the BTA's Bermuda and New York offices. This includes full time permanent, and one full time-fixed term contract. In comparison, 2016 began with 39 full time employees. The percentage of turnover for the year was less than 8%, and organization has maintained a 90% retention rate.

Recruitment

Kevin Dallas was announced as the new CEO and is expected to take up the post January 9th 2017. He will replace out-going CEO Bill Hanbury who completes his contract with the BTA on January 8th. Mr. Hanbury will continue on a short-term consultancy basis to assist with the transition of Mr. Dallas.

U.S firm SearchWide concluded their recruitment for the position of Director of Business Development in the New York office. The new candidate will begin with the team in January 2017.

BTA Rotational Development Programme

The Keep Bermuda Beautiful (KBB) Committee offered the BTA access to their organization as a training ground for the BTA Rotational Development Programme. The programme is designed to allow participants working exposure to a wide cross section Industry partners. As a not for profit organization, KBB are a solid and vital partner with the BTA on the Neighbourhood Beautification Project and in advancing the Beach Vision.

Training & Standards

National Service Standards Introduced

The year concluded a pilot group of companies pursuing certification for having met National Service Standards. Following the identification of service principles last quarter by the industry, Q4 focused on validating behaviors that confirmed compliance with the principles. This involved industry feedback forums and targeted surveys of frontline employees across the tourism sector.

Once service standards were agreed, a pilot group of ten businesses began their road to certification in December. The list of businesses represents a diverse array from the retail, transport and restaurant sectors:

Alexendra Mosher Studio Jewellery

Flanagan's Irish Pub & Outback Sports Bar

Bermuda Transit Services

La Trattoria Sport Café

Bermuda Restaurant Group

Lindo's Group of Companies

Boulevard Café

L.F. Wade International Airport/Department of Airport Operations

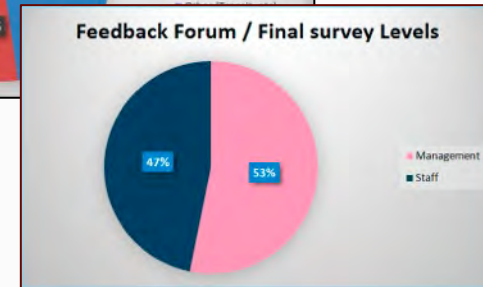
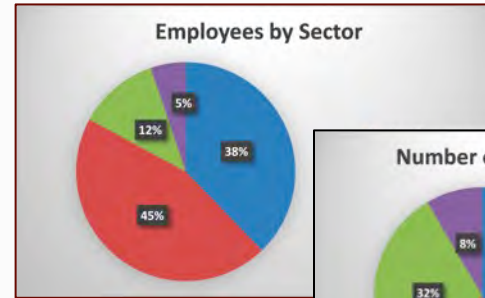
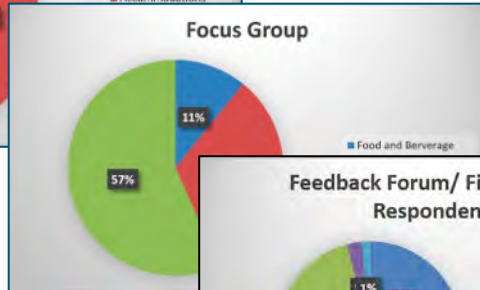
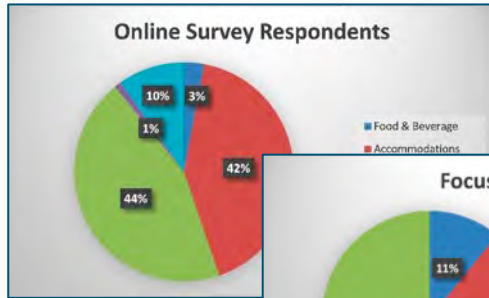
Dolphin Quest

Snorkel Park



National Service Standards Introduced (cont)

The five service standards were developed based on industry input through an extensive and collaborative process..



National Service Standards Introduced (cont)

In order to gain certification five principals of service must be consistently demonstrated:

1. Welcoming
2. Engaging
3. Delivery
4. Promoting
5. Accountability

Note: A full definition of each principal is available on the BTA corporate website

These principals are required to be exhibited by employees who deal with customers face to face, including business owners and managers tasked with creating a work environment conducive to, and supported of, the service standards. Prior to certification, trained mystery shoppers will evaluate the performance of the businesses to determine whether or not certification should be awarded.

The programme is expected to begin offering Certification to businesses island-wide during Q2, 2017.



Expanded F&B Skills Training Initiative

The BTA spearheaded a partnership with educational and training stakeholders to deliver an certified skills programme for waiter/servers. The working team consisted of the Bermuda College, the Bermuda Hospitality Institute, the Department of Workforce Development and the Chair of the Restaurant Sector of the Chamber of Commerce.

Throughout Q4 the team engaged industry to ensure the programme met the needs of the food and beverage sector; and conducted an intensive grass-roots outreach campaign targeting potential participants from various communities. Information sessions were held for the benefit of the public at large, including a session targeted at graduating high school student, while the Chamber of Commerce was instrumental in permitting unfettered access their Restaurant division members. This was invaluable as businesses were advised on how they could support the training by participating as guest course facilitators and offering required internships to students. Other sessions focused on educating audiences about the opportunities that exist in the Industry for those who wish to make hospitality a career focus, and also highlighted part time opportunities.

Subsequent to the outreach, the working group arranged 'Reality Sessions', required of all prior to acceptance in the programme. Two sessions were held, comprising presentations by waiters, captains and bartenders as to a 'day in the life of a hospitality worker'. Participants met with training officers at the Department of Workforce Development to apply for course scholarships and had interviews with human resource restaurant personnel for invaluable advice and guidance.

At the end of 2016 the First Cohort of students was confirmed for a 9 January 2017 training course.



Certified Tourism Ambassador (CTA) Renewals & Promotion
By end of Q4 there were 765 Certified Tourism Ambassadors (CTA) in Bermuda. Of the 400 CTAs that were up for renewal, 183 (43%) renewed in Q4.

Look for the Star

With the number of CTA's reaching a suitable mass, a publicly focused promotional campaign commenced in Q4 and will expand throughout 2017. 'Look for the Star' advertisements, promoting the knowledge of Certified Tourism Ambassadors, are on display at the L.F. Wade International Airport and in strategic locations in the City of Hamilton, Dockyard and St. George's.

Where to **EAT**? What to **SEE**?
What to **DO**?



Look for the STAR to get trusted advice from a Certified Tourism Ambassador. There are more than 700 of them in Bermuda, proudly wearing the CTA STAR.



Public & Stakeholder Communication

Public and stakeholder communication focused on highlighting the economic impact of sports tourism during the shoulder season; promoting the local benefit resulting from the Product & Experiences Division's activities; and advancing the BTA's position on industry issues and legislation.

Sport Tourism

Q4 saw the maximization of multitude of opportunities to tell stories around the progress in sports tourism, particularly sports training camps fuelled by the partnership with National Sports Centre (NSC).

BTA worked closely with the NSC to synergize Communications strategies around training camps including:

- Indiana University Swim Team
- Germantown Academy
- Farleigh Dickinson University Lacrosse
- St Andrew's Academy Swim Team
- St Andrew's Academy Soccer Team



Sport Tourism (cont)

In addition, the Q4 announcement of the BTA's and government's successful bid for the World Triathlon Series was coordinated by Stakeholder Relations. The media event took place at the BTA and included Chief Product & Experiences Development Officer, outgoing BTA CEO, Bill Hanbury, the Minister of Tourism and the Bermuda Triathlon Association.

Also released was the bid video created for the ITU. The video went viral on BTA's corporate FB page with 8,572 organic, non-boostered views, a record for this social media channel.



Food Truck Festival

In a concerted effort to bring food truck operators into the fold as tourism stakeholders, the BTA coordinated a food truck festival which took place in October. The event was well attended, with food truck operators considering it a success.

The majority of vendor participants belong to a single association and their members were challenged to meet the terms of the event in regards to scheduling, measuring success, etc. Based on this initial event it's unclear how it might be replicated in the future.

Nonetheless, the entire group of participants are now in the BTA stakeholder database for communication purposes.



DCI Workshop

To help decrease duplication of efforts and better align relevant communications activities, BTA hosted a workshop and reviewed the organizational structure, objectives and communications strategies for the government's Department of Communication and Information. The end result is a better understanding of roles and responsibilities, a more productive working relationship and improved information sharing.



Mini Car Rentals

The realization of legislation around mini car rentals was a major objective of the BTA in 2016 that was finally achieved in Q4. To provide the public with proactive messaging around the subject, video stories were produced highlighting the opportunity the legislation created for young entrepreneurs anxious to enter the tourism economy. When the legislation ultimately passed there were no communication challenges.

CEO Transition

Communication surrounding CEO hire Kevin Dallas was rolled out near the end of Q4. The Board of Directors was heavily involved in the messaging.

Meantime, near the end of the quarter, outgoing CEO Bill Hanbury was made available to a variety of local media for the purpose of exit interviews. That included:

The media tour allowed Hanbury to speak about the impressive October visitor numbers. On the whole there seemed to be just one area of contention: Bill mentioned, in response to a question, that lack of political unity as a threat to tourism going forward and commentators pushed back on that subject.



Airlift

In late December BTA, alongside the Ministry of Tourism, Transport and Municipalities announced the expanded JetBlue airlift out of New York City and Boston. As BTA's CEO and marketing team were heavily involved in securing the marketing arrangements that led to the increased airlift, the focus of BTA's message was the importance of marketing to fill seats as opposed to paying for seats unfilled.

Tourism Forward & Other Video Messaging

The Tourism Forward mini-series continued on the first Friday of each month in Q4, with a short video distributed to BTA stakeholders via email focusing on one relevant industry topic of interest.

In addition to e-mail distribution, BTA shares the content with online site Bernews, who posts it as part of an advertorial agreement. Topics covered during the quarter are as follows (with some performance stats included):

October - Beach Entertainment

- 307 opens (34% of total)
- 53 clicks (CTR 16%)
- 258 views on Vimeo

November - AC Benefits

- No email marketing produced
- N/A
- No new video produced

December - Dive Vacationers

- 327 opens (32% of total)
- 37 clicks (CTR 11%)
- 139 views on Vimeo

BTA also created videos on Mini Car Rentals (Vimeo views: 1,525); stakeholder engagement in St. George's, re: cruise ship scheduled (FB views: 7,181 [boosted post]); and Winter Sports Training Camps at the Aquatics Centre (Vimeo views: 228).

Hurricane Crisis Communication

The BTA's crisis communication plan served well once again through Hurricane Nicole, an especially powerful and dangerous storm.

Tourism Appreciation

#LoveMyBermuda

In support of the #lovemyBermuda community campaign, BTA secured the use of the Johnny Barnes mascot. On November 7th, and again on December 5, the mascot stood at the Crow Lane roundabout welcoming motorists with Johnny Barnes signature wave. The mascot was joined by a youth athletic group in the first instance and a Mount St. Agnes sports team during the latter, all holding #lovemyBermuda signs while greeting morning traffic. The pairing of the mascot and a youth group will occur the first Monday of the month throughout 2017.

During Q4, BTA a video was created showcasing students from five schools (MSA, Berkeley, Saltus, Whitney and Dellwood) expressing their love for Bermuda. The video was featured on local television and in local movie theatres.



Neighborhood Beautification

Following successful projects at Devon Spring Road and Lighthouse Road, the BTA showcased the Neighborhood Beautification Project on local television and in local movie theatres.



Financials

Income Statement

Income

Tourism Authority Fee - these ended the year \$492k above budget due to hotel RevPar increase being higher than budgeted driven by the increased visitor arrivals.

Visitor Information Centre - Overall, revenue is \$0.7m below budget due primarily to restrictions on selling visitor passes. There are \$0.65m of savings in the costs of the VIC (included in the Product & Experience direct costs) with a net result of the VIC costing \$48k for the year.

Direct Cost

Details of each of the division's activities are elsewhere in the report.

Structure, General & Administration

These costs have been tightly controlled throughout the year and are in line with budget.

Balance Sheet

Bank

The balance at the end of the quarter was \$2.5m.

Inventory

This relates to items at the Dockyard VIC and consist mainly of Transportation passes.

Accounts Receivable And Accrued Income

This represents the hotel fees for December (not payable until 15 January 2017) and any amounts overdue from previous months.

Prepaid Expenses

Mainly relates to Media buys for 2017.

Vendor Payables

Of the \$1.4m payable, \$0.97m relates to Sales and Marketing.

Accruals

This includes \$0.4m of liabilities yet to be invoiced and \$0.4m payroll (taxes/incentives/holiday pay).

Bermuda Tourism Authority

FINANCIAL YEAR END: DECEMBER 31, 2016

Income Statement for the Period

	Quarter 4 2016			Year To Date		
	Actual	Budget	PY	Actual	Budget	PY
Income	7,235,601	7,403,497	6,519,821	30,867,846	31,188,030	29,146,855
Direct costs	6,059,650	5,475,294	8,803,966	21,921,539	23,727,552	22,596,777
Direct surplus (deficit)	1,175,950	1,928,203	(2,284,144)	8,946,308	7,460,478	6,550,078
Structure, general & administration costs	2,147,115	2,155,198	1,692,941	8,588,076	8,734,320	8,059,161
Operating surplus (deficit)	(971,164)	(226,995)	(3,977,086)	358,232	(1,273,841)	(1,509,082)
Net finance costs	(34,307)	15,875	84,856	54,359	67,100	267,503
Net surplus (deficit) for the period	(936,857)	(242,870)	(4,061,941)	303,872	(1,340,941)	(1,776,586)

	Quarter 4 2016			Year To Date		
	Actual	Budget	PY	Actual	Budget	PY
1. Income						
Grants, subsidy & contribution income	5,675,000	5,675,000	5,425,000	22,450,000	22,450,000	22,049,250
Tourism authority fee	1,180,923	1,139,197	629,840	5,767,941	5,275,010	3,376,483
Visitor Information Centre	379,678	559,300	460,480	2,649,905	3,363,020	3,716,621
Professional Services	-	30,000	4,501	-	100,000	4,501
	<u>7,235,601</u>	<u>7,403,497</u>	<u>6,519,821</u>	<u>30,867,846</u>	<u>31,188,030</u>	<u>29,146,855</u>
2. Direct costs:						
Sales & Marketing	4,569,695	4,191,814	7,276,739	16,055,018	17,183,758	15,529,331
Product development & experience	1,149,317	1,104,193	1,137,806	5,036,338	5,734,149	5,886,133
Research & business intelligence	193,338	115,786	126,140	475,707	460,645	370,585
Operations	78,950	63,500	63,282	250,657	249,000	292,430
Investment	68,350	-	200,000	103,820	100,000	518,298
	<u>6,059,650</u>	<u>5,475,294</u>	<u>8,803,966</u>	<u>21,921,539</u>	<u>23,727,552</u>	<u>22,596,777</u>
3. Structure, general & administration costs, split:						
Staff costs	1,472,148	1,446,661	1,227,576	5,865,140	5,948,194	5,176,566
Communications & IT	135,211	133,981	130,280	550,859	535,980	595,932
General expenses	285,143	307,532	354,266	871,023	949,646	975,123
Marketing	1,433	250	638	12,907	8,100	3,776
Premises	180,345	185,988	171,765	737,456	743,950	711,972
Professional fees	62,051	72,299	(204,011)	188,289	189,200	207,991
Transport	443	437	707	2,171	3,750	2,518
Grants / Investments	-	-	-	320,000	320,000	320,000
Capital expenditure	10,341	8,050	11,720	40,231	35,500	65,283
	<u>2,147,115</u>	<u>2,155,198</u>	<u>1,692,941</u>	<u>8,588,076</u>	<u>8,734,320</u>	<u>8,059,161</u>
4. Finance costs:						
Bank charges	12,206	7,125	10,465	40,839	32,100	36,695
Foreign exchange	(46,513)	8,750	74,391	13,520	35,000	230,808
	<u>(34,307)</u>	<u>15,875</u>	<u>84,856</u>	<u>54,359</u>	<u>67,100</u>	<u>267,503</u>

Bermuda Tourism Authority

FINANCIAL YEAR END: DECEMBER 31, 2016

Balance Sheet for the Period

	Dec-16
ASSETS	
Current Assets	
Cash & Bank	2,459,184
Accounts receivable	434,704
Inventory	24,270
Accrued income	18,726
Prepaid expenses	1,133,500
Deferred costs	10,000
	<hr/> 4,080,384
Non-current assets	213,218
Total Assets	<hr/> 4,293,603 <hr/>
EQUITY & LIABILITIES	
Equity	
Accumulated surplus (deficit)	1,964,746
	<hr/>
Liabilities	
Current Liabilities	
Vendor payables	1,468,561
Accruals	860,296
Deferred income	-
	<hr/> 2,328,857
Long Term Liabilities	-
Total Liabilities	<hr/> 2,328,857 <hr/>
Total Equity and Liabilities	<hr/> 4,293,603 <hr/>

Out There

HAS ITS OWN MYSTIQUE.

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