



PANAMA CITY BEACH
FLORIDA

Strategic Plan

Bay County Tourist Development Council
Panama City Beach Convention & Visitors Bureau

September, 2008

Table of Contents

- Introduction 3
- Welcome Letter from Chairman 4
- Mission Statement 5
- Vision Statement 6
- Brand Statement 7
- Brand Evolution 8
- Background and History 9
- Accolades for the Beach 11
- Competitive Landscape 12
- SWOT Analysis 13
- Key Initiatives 17
- Funding the Initiatives 24
- Acknowledgments 31

Introduction

Bay County Tourist Development Council (TDC) and Panama City Beach Convention & Visitors Bureau's (CVB) 2008 Strategic Plan has been crafted under the guidance of Ypartnership & Integrity ARTS, and was developed by the staff and Board of Directors with input from community stakeholders.

The purpose of this plan is to help build consensus within the community and guide the decision making process for the TDC for the next three to five years.

In January 2008, the TDC initiated a strategic planning process by hosting a full-day retreat with stakeholders from across the community to help define the direction for the CVB, as well as identify the issues and opportunities that the community will face in coming years. Throughout the planning process the input was solicited from TDC Board Members, stakeholders and community organizations to further refine and focus the plan.

The Strategic Plan was formally adopted by the TDC in September, 2008.

Welcome

As the chairman of the Bay County TDC and the Panama City Beach CVB, I invite you to read our 2008 Strategic Plan. This plan is intended to help guide the decision making process for the organizations for the next three to five years. The strategies, tactics and measurements will be incorporated into our annual budget and program of work.

To be effective, this plan cannot collect dust on a shelf. It must be a living, breathing document. The TDC/CVB Board of Directors will review the plan and the progress made toward accomplishing the key initiatives articulated here. Periodically, we anticipate that revisions will be made to the plan as conditions change and circumstances dictate.

Thanks to everyone who participated in bringing this plan to life.

Sincerely,

Andy Phillips

Chairman of the Board

Mission Statement

The Panama City Beach Convention & Visitors Bureau and the Bay County Tourist Development Council promote a positive image for Panama City Beach, increase tourism, and coordinate the marketing efforts of the total tourism community.

Vision Statement

The vision for Panama City Beach is to be the Gulf Coast's premier year-round beach destination.



Brand Statement

Panama City Beach is the beach of choice for those looking to have fun. We are “The Beach Lover’s Beach.”

We provide the ambiance, activities, accommodations, and environment that define a beach vacation. Regardless of what you look for in a beach destination, you can find yourself at Panama City Beach.

Brand Evolution

Panama City Beach is widely known for its sugar-white sands, as a mecca for college students on spring break, as part of the “redneck riviera,” a premier destination for amateur softball & baseball tournaments, and as a family beach resort for residents within a 300 miles radius of the beach. Each of these elements, whether they reflect a positive brand image or not, partially tell the Panama City Beach story.

Missing from this story and unknown to many past visitors and non-visitors alike are the aspirational aspects of our brand that are being driven by new lodging, shopping, dining and entertainment venues and the advent of the new Panama City-Bay County International Airport.

Regardless of your age, income, or where you call home, Panama City Beach is the beach of choice if you are looking to have a really good time on vacation.

Background & History

Panama City Beach with its sugar white sands, emerald green waters, and temperate climate has long been recognized as one of northwest Florida's most popular vacation destinations with strong demand from families, college students on spring break, sports enthusiasts, and retirees from the upper Midwest and Canada.

From the early days when the beach attracted visitors from regional markets to the local, small, family-owned and operated hotels, motels and cottages through today. During the 70s' and 80s' the tourism industry continued to develop with new and more modern hotel motels and condominiums. The expanded product and demand of the industry to attract more visitors annually required a much more aggressive approach to tourism promotion.

In 1986 the Bed Tax Referendum passed and the Bay County Tourist Development Council was formed. In 1998, the Panama City Beach Convention and Visitors Bureau was formed, and contracted with the TDC to perform tourism promotion, which remains the same today. The CVB has

Background & History

worked through the leadership of the Board of Directors to market Panama City Beach as a tourist destination.

Panama City Beach embarked on a highly successful beach renourishment program in 1998. The initial project significantly widened and raised the beach which not only helped protect the beach from subsequent storm events, but has increased the marketing value of the destination.

Over the past five years, the resort destination has experienced overwhelming growth in new development of hotels, condominiums, restaurants and retail stores. The opening of the new Panama City-Bay County International Airport in 2010 is anticipated to drive additional development demand on all aspects of the Panama City Beach market.



Accolades for the Beach

Panama City Beach is best known for its silky, white-sand beaches and the clear, emerald-green waters of the Gulf of Mexico and St. Andrew Bay. The destination boasts more than 27 miles of beach, earning such accolades as:

- #2 Beach in the Nation – *TripAdvisor.Com*, 2008
- One of America's 20 Most Beautiful Beaches - *Conde Nast Traveler*, 2006
- Top Ten Family Beach Destination - *USA Today*, 2008
- Blue Wave Beach - The Clean Beaches Council, 2002, '03, '04, '08
- #10 Beach in America - *The Travel Channel*, 2001
- Top Five "Best Beaches" - *Southern Living*, 2000
- #3 Beach in America - The Surfrider Foundation, 2000
- #1 Beach - *Dr. Beach* (Stephen Leatherman), 1995

Competitive Landscape

Vacation/Getaway Markets

- Destin, FL
- Pensacola, FL
- Gulf Shores, AL
- Daytona Beach, FL
- Hilton Head Island, SC
- Myrtle Beach, SC
- Key West, FL
- Orlando, FL

Winter Resident/Snowbird

- Destinations listed above, plus
- Sarasota
- St. Pete Beach
- Fort Lauderdale
- Mexican Beaches

Spring Break

- Daytona Beach, FL
- South Padre Island, TX
- Lake Havasu, AZ
- Cancun, Mexico
- Western Ski Resorts

Amateur Athletics

- Orlando, FL
- Polk County, FL
- Lee County, FL
- Rock Hill, SC
- Myrtle Beach, SC
- Chattanooga, TN
- Columbus, GA
- Pensacola, FL
- Tallahassee, FL
- Birmingham, AL

SWOT Analysis

Strengths

- World-class beach
- Clear Waters of the Gulf of Mexico
- Proximity to southeast US population centers
- Affordable destination
- Moderate cost of living
- Abundant outdoor recreation opportunities
- Temperate climate
- Variety of accommodation types
- Lodging inventory
- Variety of Restaurants & Attractions
- Pier Park
- Excellent facilities for organized sports
- Ability to draw participants for sporting events from around country
- Strong relationships with local sporting venues
- Revitalization of destination
- Construction of New Airport

SWOT Analysis

Weaknesses

- Lingering brand perception as “redneck riviera”
- Blight caused by suspended redevelopment or aging facilities
- Limited/expensive air service to PFN
- Climate (cold winters as compared to other FL destinations)
- Lack of Convention Center
- Limited marketing budget
- Limited Inventory of full-service, branded hotels
- Distance between sporting venues for large tournaments
- Costs of using sports facilities (field rental)
- Limited number of sports facilities, as related to competitive destinations
- Traffic along main tourist corridor
- Not on Interstate highway corridor

SWOT Analysis

Opportunities

- Pending redevelopment
- New Inventory on market
- Opening of new Panama City-Bay County International airport in 2010
- Further growth in retail opportunities
- Transportation and streetscape improvements through Community Redevelopment Agency (CRA)
- Regional collaboration through Coastal Vision 3000 (THE Beach)
- Expansion of domestic and international markets
- Low awareness regarding evolution of the destination and new product offerings

SWOT Analysis

Threats

- Economic uncertainty
- Credit crisis in development & second home industries
- High cost of gasoline
- Competition from destinations in core drive markets
- Competitive destinations are expanding their product offerings (attractions, sports facilities, etc)
- Shift from drive destination to fly destination
- Stagnant redevelopment & additional blight
- Inability to fill expanded lodging base
- Potential loss of existing restaurants and attractions
- Availability of qualified workforce
- Hurricanes or significant weather events
- Additional reinvestment needed
- Negative publicity from spring break incidents



PANAMA CITY BEACH
FLORIDA

Key Initiatives



Potential Strategies

- Collaborate with local government and community leaders on policies that will enhance the perception of Panama City Beach as a hospitable, safe, fun, beautiful vacation destination
- Collaborate with local colleges on customer service and tourism related programs
- Enhance landscaping and beach beautification initiatives
- Support the CRA and other plans to enhance mobility, the streetscape, and pedestrian friendliness along the tourist corridors
- For the peak summer season, develop a college internship program that provides beach visitor information specialists who can interact with beachgoers on beach initiatives and other tourist information

Enhance the visitor experience at Panama City Beach

The Panama City Beach brand is all about fun. To deliver on this brand promise, the community must provide a high quality visitor experience (WOW factor) in addition to having great stuff and great things to do. Relying on having the “world’s most beautiful beaches” is not enough to differentiate Panama City Beach from its competitors.

Key Measurements

- Visitor Satisfaction rates increase
- Intent to Return rates increase
- Perception of Panama City Beach among competitive destinations increases

Develop Panama City Beach into a year- round destination

Potential Strategies

- **Marketing Amateur Athletics**

- Develop “perfect sports package” to bring additional events to Panama City Beach
- Collaborate with tourism community on bid packages for sporting events that occur during shoulder season

- **Marketing Group Travel**

- Develop marketing programs to attract family reunions, military reunions, incentive travel, student & youth travel and other group related market segments to the beach

- **Marketing Eco-Tourism/Outdoor Adventure**

- Collaborate with the Audubon Society and other groups to develop eco-tourism opportunities in Bay County
- Incorporate water-based recreational opportunities (e.g. fishing, boating, diving) in marketing messages

Panama City Beach is a seasonal resort destination with 40% of tourist tax collections occurring in June & July.

In order to support the tourist infrastructure that has developed on Panama City Beach, we must cultivate new markets and expand existing markets by creating demand during the off and shoulder seasons.

Develop Panama City Beach into a year- round destination

Potential Strategies

- **Product Development**

- Collaborate with local economic development officials to attract new, family-friendly, entertainment venues that operate on a year-round basis

- **Enhance Festival Grounds**

- Develop outdoor concert venue
- Develop infrastructure at festival grounds to support greater variety of special events
- Embrace a special events philosophy that encourages events during need periods

- **Sports Marketing**

- Expand amateur athletic fields for softball, baseball at Frank Brown Park or similarly developed sports complex
- Develop 8 – 12 rectangular fields to allow the beach to host soccer, lacrosse, field hockey, flag football and similar sporting tournaments events.
- Develop 100,000 square foot field house with support facilities to allow the beach to expand its sports product offerings to include court and mat sports

Develop Panama City Beach into a year- round destination

Potential Strategies

- **Panama City International Airport**
 - Actively work with the airport authority to attract air carriers to the new airport
 - Develop co-op marketing programs with airlines serving new airport to extend reach of our traditional marketing campaigns
 - Actively partner with VISITFLORIDA and Coastal Vision 3000 on initiatives that increase awareness of the new airport

Key Measurements

- Growth in occupancy and Tourist Tax collections
- Increased number of sporting events hosted on Panama City Beach
- Increased visitation to Panama City Beach for special and seasonal events

Effectively market Panama City Beach to build occupancy

Potential Strategies

- Develop highly trackable campaigns that motivate consumers to act
- All marketing materials must be compelling and support CVB brand
- Engage consumers in an on-going dialogue to increase preference for Panama City Beach as the preferred tourist destination
- Develop comprehensive website(s) that serve as the Internet portal of choice for visitors researching or planning a trip to the beach
- Develop sales & marketing strategies specifically targeting international visitation
- Conduct research studies to thoroughly understand our current and potential visitors

With the explosion of new developments, we must grow the market and attract new visitors to the beach. Complicating this task, visitors have an ever increasing number of travel opportunities.

We must exploit technology to leverage our position and speak directly to consumers in non-traditional ways.

Key Measurements

- Growth in occupancy and Tourist Tax collections
- Track campaign metrics and web usage statistics
- Increased awareness of Panama City Beach in research studies

Diligently protect Panama City Beach's primary natural resource – the beach

Potential Strategies

- **Keep our Beaches Clean**
 - Develop additional beach grooming, recycling and trash removal programs to enhance the beach experience
 - Conduct anti-litter public awareness campaigns
 - Develop an Adopt the Beach program (similar to FDOT's highway program)
- **Federal & State Agencies**
 - Secure the necessary permits & available funds to allow for future beach nourishment and enhancement activities
 - Actively engage in programs to protect the beach's natural & marine resources.
- **Public Awareness & Safety**
 - Conduct campaigns to educate visitors on beach safety
 - Encourage responsible behavior while visiting Panama City Beach

Approximately \$100 million have been invested in the renourishment of Panama City Beach. Elected officials, community leaders and visitors alike recognize the importance of protecting the beach. It is our most identifiable attribute and strongest economic development engine.

Key Measurements

- Recognition as one of the country's top beaches from independent sources
- Receipt of the permits needed for beach nourishment and other activities
- Quality of the beach experience ranks highly in visitor surveys
- Increased awareness of beach safety programs among visitors

Potential Strategies

- Increase cooperative funding opportunities to extend the reach of the CVB's marketing efforts
- Create advertising opportunities to encourage investments into the CVB
- Encourage public/private partnerships to offset the costs of developing venues for amateur athletics and/or conventions
- Educate elected officials and the public on the positive impact tourism has on the local economy and the quality of life for area residents
- Encourage County Commissioners to investigate increasing tourist development tax rate

Funding the Initiatives

In order to effectively and sustainably execute the initiatives in this plan additional revenues are needed.

The major source of funding for the TDC/CVB is the 3% tourist development tax on overnight lodging stays in the Special Taxing District along Panama City Beach. The first two cents are used for destination marketing (fund 125) and the third cent (fund 127) is used for beach renourishment activities.

All of our competitive destinations have a tourist development tax in place and collect at a higher percentage. Having a lower tax rate is not a competitive advantage for the destination. The lower tax rate may limit our ability to reach potential visitors and inhibit the community from developing public facilities that can generate additional tourist demand.

Acknowledgments

Board of Directors

- Andy Phillips, Chairman
- Buddy Wilkes, Vice-Chairman
- Marty McDaniel, Secretary/Treasurer
- Commissioner Mike Nelson
- Mayor Gayle Oberst
- Councilman Rick Russell
- Mike Bennett
- Yonnie Patronis
- Gary Walsingham

The Board of Directors and Staff of the TDC/CVB would like to express their sincere gratitude to the community leaders that participated in crafting this inaugural Strategic Plan.

We would also like to thank Ypartnership and Integrity ARTS for their assistance in guiding the planning process.

Staff

- Dan Rowe, President/CEO
- Susan Estler, Vice-President of Marketing
- Richard Sanders, Director of Sports Marketing
- Ann Gager, Director of Sales
- Marcia Bush, Office Manager/TDC Administrator
- Dana Lent, Communications Manager



PANAMA CITY BEACH
FLORIDA

