



Town of Hilton Head Island
Accommodations Tax Advisory Committee

Thursday, April 3, 2025, at 9:00 a.m.

MEETING MINUTES

Present from the Committee: Stephen Arnold, *Chairman*; John Farrell, *Vice-Chairman*; Cecile Eck, Martin Lesch, Keith Schlegel, Adriaan Radder, and Thomas Dowling

Absent from the Committee: None

Present from Town Council: None

Present from Town Staff: Adriana Burnett, *Director of Finance*; Cindaia Ervin, *Assistant Town Clerk*; Shena Smith, *Finance Assistant*; and Michele Bunce, *Senior Grants Administrator*

Present from the Media: None

1. Call to Order

The meeting was called to order at 9:01 a.m.

2. Adoption of the Agenda

Chairman Arnold called for a motion to approve the agenda. Mr. Dowling moved to approve the agenda as presented, and Mr. Lesch seconded the motion. The motion passed unanimously (7-0-0).

3. Approval of Minutes

a. Regular Meeting – November 7, 2024

Chairman Arnold asked for a motion to approve the meeting minutes from November 7, 2024. Mr. Lesch moved to approve the meeting minutes. Mr. Schlegel seconded the motion. The motion passed unanimously (7-0-0).

4. New Business

a. Presentation of the Destination Marketing Organization FY26 Marketing Plan, Budget, and Industry Metrics – Ariana Pernice, Vice President of the Hilton Head Island Visitor & Convention Bureau (HHIVCB), and Chase O'Dell, Research Manager, Hilton Head Island Visitor and Convention Bureau (HHIVCB)

Heather Woolwine, Communications Director for the Town of Hilton Head Island, introduced the Visitor and Convention Bureau staff. Ariana Pernice, VP of the HHIVCB, presented their Strategic Marketing Plan to the Committee. This plan is a comprehensive approach, including a 20-Year Comprehensive Plan, Annual Community and Visitor Surveys, Annual Strategic Marketing Plan, 10-Year Management Plan, and a Community Cornerstone Plan.

Ms. Pernice reviewed the plan's five pillars of destination values (Ecotourism, History, Arts & Culture, Recreation, Wellness), target leisure traveler identity, sustainable tourism, out-of-marketing strategy, a look back at 2024, a look forward for FY 2025 – 2026 marketing plan initiatives, global trends on travel, destination goals, FY 2025 – 2026 Strategic Marketing Roadmap, and the FY 2025 – 2026 Proposed Budget. She also reviewed the Coffee Table Book, which tells a deeper story of the island and what it has to offer the visitor.

The 2024 Visitor Profile Study provided an overview of the target leisure traveler, including metrics covering demographics and personas, education and income levels, visitor's trip characteristics when visiting Hilton Head Island, top reasons for choosing their destination, and travel behaviors. The HHIVCB has adopted an always on approach focusing on who is the decision maker when it comes to travel and how they secure the right visitor to the island. Ms. Pernice pointed out that immediately after COVID, they saw a strong demand resurgence, and in the years since, they have seen metrics start to mobilize as the post-COVID boom wanes. They stated that while the number of visitors to the island has decreased, the amount of money they are spending on the island has increased.

Ms. Pernice presented a look back to 2024, which had a 3% increase of website traffic. The current social media audience consisted of 357,000 users. Website performance looked at items such as visits/sessions, partner referrals, organic growth, impressions, stories and mentions, and ads. Also, the Official Vacation Planner was distributed January through December with a fulfillment rate of 58,549.

Ms. Pernice presented a look forward to FY 2025 – 2026 focusing on the DMO Strategic Marketing Plan Initiatives. Main focal points were a look at both global trends and destination goals in addition to being able to provide a strategic marketing roadmap. This roadmap would detail efforts to protect and preserve Hilton Head's delicate ecosystem, further invest in data management platforms, host community engagement events, maintain strong partnerships with the U.S. Travel Association and Brand USA, continue to enhance website and other digital advertising, and focus on meeting and group travel.

Lastly, a FY 2025 – 2026 Proposed Budget was shared with the Committee. Ms. Pernice stated that a corrected budget needed to be sent to the committee after today's meeting. The full budget is in the FY 2025 – 2026 Hilton Head Island Destination Marketing Plan.

Committee members asked questions, made comments, and held discussions regarding the following items:

- Benefit of a bonified event space
- Partnerships with hotels and other resources
- Percentage of budget spent on social media and how it's being executed
- How economic impact is measured
- How goals and objectives are set
- How visitor demographics are determined
- Media impressions – what's trending and utilization of marketing reports
- Use of AI technology
- Flexibility in changing strategies to meet trends, and group travel – smaller vs. larger groups

Ms. Pernice stated that awareness, feedback from local businesses and other sources, new technology, and analysis of investment all play a critical role in the overall marketing approach and strategies.

Member Schlegel made a motion to recommend the Fiscal Year 2025 - 2026 VCB Marketing Plan and Budget to Town Council. Member Eck seconded the motion. The motion was approved unanimously (7-0-0).

b. Consideration and Approval of the Revised Calendar Year 2025 Accommodations Tax Advisory Committee Meeting Dates – Michele Bunce, Senior Grants Administrator

Michele Bunce, Senior Grants Administrator, presented two revisions to the adopted 2025 Meeting Schedule. She shared that the schedule is structured around an annual cycle that aligns with the ATAX funding process and key milestones.

Ms. Bunce stated that the first request is to reschedule the July 10, 2025 ATAC Meeting to July 24, 2025 (same time) in order to allow time for ATAX policy revisions to be presented to Town Council for their approval. After such approval, these revisions would then be shared and presented to the Committee.

Chairman Arnold called for a motion to change the July meeting date from July 10th to July 24. The motion was approved unanimously (7-0-0).

Ms. Bunce presented the second proposed schedule change, which was the cancellation of the August 7, 2025 ATAC Meeting in lieu of the new onboarding process to be implemented for Committee members. The onboarding process will help Committee members understand their role and provide a thorough understanding of Town policies and strategic goals. In addition, she stated that staff will schedule two ATAX workshops – one during the day and another in the evening – giving applicants the opportunity to still review the ATAX program in more detail.

Member Farrell asked about the potential for a mentorship program for ATAX applicants. Organizations could help one another through the ATAX process based on their own experiences. Member Lesch stated that this type of program would help those applicants that don't want to hire a consultant. Member Schlegel stated that this was a good idea, but he suggested we be aware and cautious of not burdening just one or two agencies who may be willing to mentor. Finance Director Burnett stated that the mentorship could be optional, not mandatory.

Member Schlegel made a motion to cancel the August 7, 2025 meeting, and Member Farrell seconded the motion. The motion was approved unanimously (7-0-0).

5. Adjournment

At 10:12 a.m. Chairman Arnold adjourned the meeting.

Submitted by: Michele Bunce, Senior Grants Administrator

Approved: July 24, 2025