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A DESCRIPTIVE ANALYSIS OF CONVENTION AND VISITOR BUREAUS IN NORTH CAROLINA AND SURROUNDING STATES

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ABSTRACT

The purpose of the study was to gain a better understanding of the administrative practices, operations, future priorities and clientele of convention and visitor bureaus in North Carolina and surrounding states.

Thirty-five cities were surveyed in the states of North Carolina, Georgia, South Carolina, Virginia, Tennessee and Kentucky. Two surveys were used to gather data. One survey was sent to the CVB in each city and one survey was sent to the Chamber of Commerce in each city.

The response rate was 48%. The data was analyzed using means and percentages by total sample and by subgroups. Subgroups were determined by size of yearly operating budget.

Results showed that the larger the budget a bureau had the more staff, resources, room tax, salaries and clientele (visitors) they had. The main priority for most CVBs would be viable agencies for recreation majors' internships.

A DESCRIPTIVE ANALYSIS OF CONVENTION AND VISITOR BUREAUS IN NORTH CAROLINA AND SURROUNDING STATES

INTRODUCTION

"In 1895, a group of Detroit businessmen put a full-time salesman on the road to invite conventions to their city. They simply wanted to sell Detroit. But at the same time, they unknowingly launched a movement that has resulted in billions of dollars in revenue for convention-holding cities".(1) In essence, it was the beginning of a billion dollar industry. With the growth of convention business came the creation of an organization that exists for the purpose of promoting conventions and tourism to cities all over the United States. This organization is

better known as the convention and visitor bureau.

What is a convention and visitor bureau? It is a non-profit umbrella organization that represents a city or urban area in the solicitation and servicing of all types of travelers to that city or area, whether they visit for business, pleasure or both.(2) It acts as a liaison 'between city governments, meeting planners, motels/hotels, convention centers and visitors to the host city. It is probably the only organization that serves as a clearinghouse for information about what a city has to offer in the way of accommodations, meeting space, transportation, food and beverage services and tourism opportunities.

The history of convention and visitor bureaus (CVBs) date back to the formation of the International Association of Convention and Visitor Bureaus (IACVB) in 1914. It existed originally to sell convention business, but eventually branched out to include tourism and added "visitors" to their name in 1974.(1) There are now more than 320 CVBs in the international organization representing 25 countries.

Although, CVBs have been around for quite some time, only major metropolitan and tourist areas have had the services of these organizations. It has only been in the last few years that CVBs have been formed (usually out of a Chamber of Commerce) in smaller communities and less popular tourist destinations.

Tourism and conventions is big business. Most states are seeing a tremendous growth in tourism dollars (4), as well as convention business dollars. Average travel expenditures by tourists in each state is over a billion dollars a year. In North Carolina alone, tourism is a five billion dollar industry.(1) While tourism may generate income for states, it is the convention business that generates income for cities. In a study done by the IACVB (1986), the conventions generated an average income of \$787.54 per convention attendee to each host community. Not only are tourism and conventions big in dollars and cents, they also provide tremendous employment opportunities. The travel industry in the United States employs approximately seven million people.(2) Since CVBs are very much a part of the travel industry and they are experiencing new growth throughout the U.S., it stands to reason that job opportunities are also increasing in the CVB area as well.

This study was concerned with gaining a better understanding of CVBs in North Carolina and surrounding states. More specifically, the purpose was to learn more about their administrative practices and policies, funding sources and yearly operating budgets, personnel, physical and natural resources, tourism visitors and convention attendees, and priorities for future progress.

DATA COLLECTION

Thirty-five CVBs located in the states of North Carolina, Georgia, South Carolina, Virginia, Tennessee and Kentucky were used in this study. All CVBs in North Carolina and selected CVBs in the other states were surveyed. Two surveys were developed to collect the data (upon the

recommendation of experts in the convention bureau field). One (see Appendix A) was sent to the CVBs and the other (see Appendix B) was sent to the chambers of commerce in each CVB city. The CVB survey consisted of areas of questions including administrative processes, personnel demographics, funding and operating budgets, convention/meeting resources, numbers of convention attendees and tourists and future priorities. The chamber of commerce survey consisted of cluster questions concerning population demographics and the physical and natural resources of each city.

Each survey was accompanied by a cover letter and a self-addressed stamped envelope. The data was collected in the months of July and August, 1988.

DATA ANALYSIS

The CVB survey data was analyzed using means and percentages for the total sample and for subgroups based on yearly operating budgets. The following survey question areas were analyzed using the total population by percentages: administrative location, respondents breakdown, physical location, funding sources, fees for services, room tax, bureau areas of emphasis, staff time devoted to each area, percent budget devoted to each area, demographic breakdown of board of directors and personnel.

Subgrouping data was analyzed using means and percentages for the following question areas: personnel years of experience and salary range, full and part-time staff, meeting space, convention attendees, special events and tourism visitors and guest rooms.

The future priorities question was analyzed using a rank order listing of topics rated in decreasing order from one to ten. An average score for each topic was determined and then ranked from one to ten.

The Chamber of Commerce survey data was analyzed using means and percentages for the total sample and by subgroupings for the following question areas: county and city population, percent city racial breakdown, average family income and percent age breakdown. The following question areas were analyzed using percentages: destination attractions and natural resources.

RESULTS

A total of 70 surveys were sent (35 to CVBs and 35 to chambers of commerce). Sixteen CVB surveys and thirty-one chamber surveys were returned. For the purpose of this study, the data was analyzed using only the surveys returned from both the CVB and the chamber. There was a total of sixteen sets of surveys returned for a response rate of 48%. The Results are printed in Tables 1 through 13.

SUMMARY

The purpose of the study was to gain a better understanding of convention and visitor bureaus in North Carolina and surrounding states. More specifically, the study was designed to learn more about their administrative practices and policies, funding sources and yearly operating budgets, personnel, physical and natural resources, tourism visitors and convention attendees, and priorities for future progress.

Thirty-five cities were surveyed located in the states of North Carolina, Georgia, South Carolina, Virginia, Tennessee and Kentucky. Two surveys were developed to gather data for the study. One survey was sent to the CVB for each city and one survey was sent to the chamber of commerce.

The response rate was 48%. The data was analyzed using means and percentages by total sample and by subgroup. Subgroups were determined by size of yearly operating budget. The breakdown was as follows: \$0-\$3000,000, \$300-\$1 million, over \$1 million.

For the most part, it was found that the CVBs with larger budgets had more staff resources, physical and natural resources, bigger percentage of room tax, larger salaries and more visitors to the city. Increasing funding sources was the biggest priority for all CVBs. The second biggest priority was increasing the number of convention attendees and number of visitors. Judging from the number of contract and part-time staff used, CVBs could be a viable resource for recreation majors internships.

REFERENCES

- 1. International Association of Convention and Visitor Bureaus, Champaign, Illinois, 1988, 1986, and 1980.
- 2. McIntosh, R.W., and C.R. Goeldner, <u>Tourism Principles, Practices, Philosophies</u>, John Wiley and Sons, Inc., New York, New York, pp. 20, 52, 1986.
- 3. North Carolina Travel Study, <u>Technical Report</u>, North Carolina Division of Travel and Tourism, Raleigh, North Carolina, 1986.
- 4. University of Colorado, Business Research Division, <u>Tourism Top</u> <u>Twenty</u>, University of Colorado and the U.S. Travel Data Center, Boulder, Colorado, 1984.

APPENDIX A

CONVENTION AND VISITORS BUREAU DESCRIPTIVE SURVEY

Please answer the following questions concerning your Convention and $\mbox{\sc Visitor}$ Bureau and the area served.

I.	Bur	eau Profile
	Α.	Your administrative location is under which of the following:
		Chamber of Commerce
		Tourism Development Authority
		County Government
		City Government
		Other (Please explain)
	В.	The Physical location of your facilities/offices are in which of the following:
		Own Building
		Government Complex
		Chamber of Commerce
		Tourist Center
		Other (Please explain)
	c.	Your bureau is funded by:
		City or County Taxes
		Hotel/Motel Room Tax. City or county? Circle one.
		Combined Room Tax/Membership fees
		Combined Room Tax/Chamber of Commerce Funds
		Chamber of Commerce Funds
	D.	Does your CVB charge fees for any services, if so list:

E.	is charged and how much of that does your bureau receive.
	% Room Tax
	% Room Tax your CVB receives
	Total Room Tax including sales/miscellaneous taxes
F.	Yearly operating budget is approximately:
	Under \$100,000
	\$100,000 - \$300,000
	\$300,000 - \$500,000
	\$500,000 - \$1,000,000
	More than \$1,000,000
F.	Please illustrate the bureau's organizational structure (i.e., an organizational chart depicting the administrative heirarchy).
	organizational chart depicting the administrative heriarchy).
G	What is the mission statement of your convention and visitors bureau?
٥.	what is the mission statement of your convention and visitors buleau.
н.	Which of the following program areas does your bureau emphasize?
•••	Conventions (sales)
	Tourism (attractions & visitors)
	Special Events
	Other (Please explain)

I.		you checked two or m lowing:	ore of the answer	s above, please a	inswer the
	1.	What percent staff checked?	-	eau direct to eac	ch area
	2.	What percent of you to each area checke		erating budget is	allocated
	3.	Does each area have no, how are		tion/title?	
		yes			
J.	How	long has your burea	u been in operatio	on?	_
II. Bu	reau	Personnel			
A.	Pro	ofessional Staff			
	1.	Please list the fu below. For each p information:			
		c. Years bureau ed. Approximate st	the person now in xperience or relat arting salary rang 0, 2) \$15,000 - \$3	ed field e, put appropriat	e #: 5 - \$45,000,
Title		Job Description	Education Degree	Years Experience	Salary Range

	1.	Please chec	k which of	the	followin	ng are u	sed at	the	bureau.
				Yes	How	many	Full		Part
		Paraprofessi	onals						
		Administrati Assistants	ve				<u> </u>		
		Student Inte	rns	-		-			•
		Contract Ser	vices						-
		Receptionist		-					
		Other							
c.	Soci	io-Economic C	haracterist	ics					
	1.	For the BOAR following:	D OF DIRECTO	ORS,	indicate	e the n	number	of t	the
		Race:	Caucasians		Blac	cks	_ Oth	ner _	
		Age:	Under 30 _		30yr -	- 50yr _		Over	50yr
		Sex:	Men	Won	nen	•			
	2.	For the PROF following:	ESSIONAL STA	AFF,	indicate	e the n	number	of t	the
		Race:	Caucasians		Blac	cks	_ oth	ner _	
		Age:	Under 30		30yr -	- 50yr _		Ove	50yr
		Sex:	Men	Won	nen	-			
	3.	For the CONT following:	RACT/PART-T	IME S	STAFF, ir	ndicate	the nu	ımbeı	of the
		Race:	Caucasians		Blac	cks	Oth	ner _	
		Age:	Under 30 _		30yr -	- 50 yr		Ove	er 50
		Sex:	Men	Won	nen	-			

B. Contract/Part-time Staff

III	. Area	Meeting	and	Convention	Resources
-----	--------	---------	-----	------------	-----------

- A. Accommodations/Convention Centers
 - 1. Please indicate $\frac{\text{the}}{\text{if}} \frac{\text{number}}{\text{it does}}$ of each in your service area, leave item blank $\frac{\text{if}}{\text{if}} \frac{\text{number}}{\text{it does}}$ not apply).

Type of Accommo- dations	# of Guest Rooms	# of lst Class	Located downtown area Yes/No	Located Major Hwy. Yes/No	Located Near Airport Yes/No
Hotels _					
Motels	·			-	
Bed & Bre	akfast				
Resorts _					
Conventio	n <u>Centers</u>			77	
Type of Accommo- dations		# of Meeting Rooms	Total Sq. Ft. Meeting Spac	With	od Places nin 1 Block Yes/No
Hotels				-	
Motels _					
Bed & Bre	akfast				
Resorts					
Conventio	n Centers				
	2. Please at any		following faci mmodations list	lities that are ed below.	available
Туре	Swimming Pool	Sauna/ Wei Jacuzzi Roc	ight Tennis om Courts	Golf Dining Area	Night Racquet Club Ball
Hotel & Motel			May to the second of the secon		11111111111111111
Resort					

3. With regards to <u>Total Guest Rooms</u> available in your bureau area, how many are there?

		above, list any other facilities ava	
IV.	Pro	gram Areas	
		ase answer the following questions about y assis.	our bureau's program
	Α.	Special Events (For the year 1987, please regarding the following.)	e make the correct response
		Event Name	Approx. # Attending
	В.	Tourism (visitors for area attractions, y	vear 1987)
		Main Attractions	Approx. # Visitors
		*	
			
	c.	Conventions (for the 1987 year)	
		Kind of Convention (religious, # Partrade, business, etc.) or meeting	ticipants # Days

٧.	ture Directions	
	nk order the following from <u>most</u> important priority to <u>least</u> portant for the future growth of your bureau.	
	= Most important 10 = Least important	
	 Providing in-service training for professional staff. Increasing the number of full-time professional staff. Increasing funding sources. Diversifying program areas. Increasing number of convention participants. Increasing number tourism visitors. Increasing number of city/county wide special events. Increasing community awareness about visitor and convention but Educating board members about role expectations. Increasing support staff. priorities not mentioned:	ireaus.
Thai	you for your time and cooperation with this research project.	
	would like a copy of the results of this study please put your nadress below.	ıme

Appendix B

			Chamber of Commerce Area Profile Survey
I.	Cha	mber	of Commerce Area Profile
	A.	Pop	ulation Characteristics
	,	Ple	ase respond in the appropriate manner for the following:
		1.	Total County Population
			Total City/Town Population
		2.	Percent Caucasian
			Percent Black
			Percent Other
		3.	Approximate Average Income per Family
		4.	Percent under 20yr age
			Percent 20yr - 50yr age
			Percent over 50yr age
		5.	Primarily urban or rural
		6.	In general, how would you describe the people living in your area? (conservative, liberal, religious, etc.)
		7.	In your opinion, how knowledgeable are the people about your agency and what it does?
			Not at All
			Somewhat
			Very
	В.	Gen	eral Community Characteristics

1. Check the following that are in your service area.

National Business/Industrial Offices # of _____ # of ____

2. Approximately $\frac{\text{how many}}{\text{how many}}$ clubs, organizations and/or

II.	Are	a Attractions
	Α.	Natural Resources (Please check the following in your area).
		Lakes, Rivers, & Streams
		Mountains
		Forest Areas
		National Parks
		State Parks
		Scenic Sites/Natural Wonders
		Beaches/Oceans
		Other (please explain)
	В.	Destination Attractions (Please check the following which apply).
		Amusement/Theme Parks
		Historical Sites
		Cultural Activities (Opera, Theater, etc.)
		City/County Wide Special Events
		Museums
		Shopping Malls/Outlets
		Participant Sports (Golf, Tennis, Hang Gliding, etc.)
		Sporting Events (Olympics, Golf Tourneys, Semi-Professional etc.)
		Animal Preserves/Zoological parks
		Resorts
		Other (Please explain)
	c.	Transportation
		 Please indicate yes or no for each of the following types of transportation within your service area.
		Yes No
		Major regional airport

associations are in your City/Town?

		Small regional airport		
		Town-city airport		
		Taxi service		
		Motor coach		
		City bus		
		Amtrack		
		Ship		
	2.	Check the following highway systems that are county.	available	in your
			Yes	No
		Interstate Highways		
		8-lane Highways		
		6-lane Highways		
		4-lane Highways		
D.		ing Facilities (please check the following the	at are ava	lable in
	Fast	t Food Restaurants (Wendy's, Hardees, etc.)		
	Atmo	osphere/Fine Dining (Specialty places)		
	Loca	ally owned cafe's/restaurants		
	Othe	er		
	_			

Thank you for your time and consideration in completing the survey.

Table 1

RESPONDENT BREAKDOWN BY NUMBER AND PERCENTAGES
FOR TOTAL SAMPLE AND BY SUBGROUPS

State	N	\$0-\$300*	\$300-\$1 Mil1*	Over \$1 Million
North Carolina	6	33.33%	16.67%	50.00%
South Carolina	3	33.33%	66.67%	-0 -
Tennessee	3	-0-	33.33%	66.67%
Virginia	2	50.00%	50.00%	-0-
Kentucky	Ø	-0-	-0-	-0 -
Georgia	2	-0-	100.00%	-0-

^{*\$300 - \$300,000,} Mill = Million

Table 2

ADMINISTRATIVE LOCATION OF CVB TOTAL SAMPLE AND SUBGROUPS BY NUMBER AND PERCENTAGES

Admin. Loc.	N	\$0-\$300	\$300-\$1 Mill	Over \$1 Million
Chamber	7	28.57%	42.86%	28.57%
Tour Authority Chamber & Tour	2	-0-	50.00%	50.00%
Authority	2	50.00%	-0-	50.00%
City Gov.	1	100.00%	-0-	-0-
Independent	4	25.00%	-0-	75.00%

Table 3

PHYSICAL LOCATION OF CVB TOTAL SAMPLE
AND SUBGROUPS BY NUMBER AND PERCENTAGE

Phys. Loc.	N	\$0-\$300	\$300-\$1 Mill	Over \$1 Million
Own Bldg.	2	-0-	100.00%	-0-
Chamber Bldg.	7	28.57%	42.86%	28.57%
Tour Center Chamber & Tour	1	-0-	130.00%	-0-
Center & Tour	3	25.00%	25.00%	50.00%
Other	3	66.67%	33.33%	-0-

Table 4

FUNDING SOURCE FOR CVB TOTAL SAMPLE
AND SUBGROUPS BY NUMBER AND PERCENTAGE

Source	N	\$0-\$300	\$300-\$1 Mill	Over \$1 Million
City/County				
Taxes Motel/Hotel	2	-0-	100.00%	-0 -
Room Tax Room Tax/	4	25.00%	75.00%	-0-
Member Fees Room Tax/Chamber	4	-0-	50.00%	50.00%
Funds Chamber Funds/	2	-0-	-0 -	100.00%
City Tax	4	80.00%	-0-	20.00%

Table 5

MEANS FOR AVERAGE ROOM TAX AND
YEARS OF OPERATION FOR TOTAL SAMPLE AND SUBGROUPS

Fees/Taxes	\$0-\$300	\$300-\$1 Mill	Over 1 Million	Total
% Room Tax % Room Tax	3.00	2.80	3.20	5.10
Bureau Receives	25.00	49.38	38.18	35.00
Years of Operation	11	12.57	11	15.25

Table 6

MEAN PERCENTAGES FOR BUREAU EMPHASIS, STAFF TIME ALLOCATION AND BUDGET ALLOCATION FOR TOTAL SAMPLE

Area	Emphasis	Staff Time	Budget
Conventions	94%	44%	45%
Courism	100%	35%	35%
Special Events	68%	22%	14%
Other	12%	-0-	6%

Table 7
MEANS FOR PERSONNEL SALARIES, YEARS OF EXPERIENCE AND NUMBERS
OF FULL-TIME AND PART-TIME STAFF FOR TOTAL SAMPLE AND SUBGROUPS

Personnel				
Upper Mgt.				
Salary Range	2.50*	3.43	3.20	3.13
Yrs. Exp.	5.75	13.13	10.83	10.72
Middle Mgt.				
Salary Range	1.67	2.17	2.50	2.21
Yrs. Exp.	4.67	6.23	4.75	5.54
Support				
Salary Range	1.67	1.83	2.33	1.89
Yrs. Exp.	3.67	4.92	10.83	5.32
# Full-Time	1.00	6.14	20.80	9.14
# Part-Time	4.25	7.80	4.50	5.69

^{*}Means given in numbers assigned to salary (per year) ranges: 1 = \$0-\$15,000, 2 = \$15-\$30,000, 3 = \$30-\$45,000, 4 = more than \$45,000

Table 8

MEANS FOR NUMBERS OF CONVENTION ATTENDEES AND TOURISM/SPECIAL EVENTS

VISITORS FOR TOTAL SAMPLE AND SUBGROUPS

Type of Visitor	\$0-\$300	\$300-\$1 Mill	Over \$1 Million	Total
Convention	77.80*	98.75	458.50	212.31
Tourism/ Special Events	639.80	1140.45	1712.50	1331.91

^{*}Means are given in thousands

Table 9

MEANS FOR TOTAL SQUARE FEET MEETING SPACE AND TOTAL NUMBER GUEST ROOMS FOR TOTAL SAMPLE AND SUBGROUPS

Type of Facility	\$0-\$300	\$300-\$1 Mill	Over \$1 Million	Total
Total Sq. Ft. Meeting Space	61.67*	204.83	603.50	73604.92
Total # of Guest Rooms	2.56	11.11	12.00	9.10

^{*}Means listed in thousands

Table 10

DEMOGRAPHIC PERCENTAGES OF BOARD OF DIRECTORS, PROFESSIONAL STAFF AND PART-TIME STAFF FOR TOTAL SAMPLE

Demographic	Board of	Professinal	Part-
Characteristics	Directors	Staff	Time
Race			
Caucasians	89.00%	84.94%	64.29%
Black	10.00%	15.06%	35.71%
Other	1.00%	-0-	-0-
Age			
Under 30 Years of Age	16.85%	28.31%	41.05%
30 Years to 50 Years	65.01%	36.25%	37.51%
Over 50 Years	18.14%	35.43%	21.44%
Sex			
Men	74.43%	38.77%	26.22%
Women	25.57%	61.23%	73.78%

PERCENTAGES FOR CONVENTION BUREAU AREA POPULATION
DEMOGRAPHICS BY TOTAL SAMPLE AND SUBGROUP

Demographic Characteristic	\$0-\$300	\$300-\$1 Mill	Over \$1 Million	Total
Race				
Caucasian	86.75%	84.00%	75.75%	82.31%
Black	12.25%	14.40%	23.00%	16.38%
Other	.75%	2.00%	1.33%	1.36%
Age				
Under 20 Yrs.	32.00%	29.75%	29.00%	30.20%
20-50 yrs.	35.00%	42.50%	45.67%	41.20%
Over 50 yrs.	26.33%	27.50%	24.67%	26.50%

TADLE 12

MEANS FOR CITY/COUNTY POPULATION AND FAMILY INCOME FOR CONVENTION BUREAU AREA TOTAL SAMPLE

Demographic Characteristic	\$0-\$300	\$300-\$1 Mill	Over \$1 Million	Total
Total Population				
County	152.00*	212.67	307.25	221.71
City	47.50	187.00	245.50	175.25
Family Income	24.00	24.20	27.00	24.83

^{*} Means are given in thousands

Table 13

RANKED PRIORITIES FOR FUTURE GROWTH BY TOTAL SAMPLE AND BY SUBGROUPS FROM MOST IMPORTANT TO LEAST IMPORTANT

Total	Priorities	(\$0-\$3)	(\$3-\$1MM)	(\$1+)
1	Increasing fund sources	1	4	1
2	Increasing number of convention			
	attendees	5	1	4
3	Increasing number of tourists	4	2	2
4	Increasing community awareness			
	about CVBs	3	3	3
5	Increasing the number of			
	full-time professional staff	2	6	6
6	Providing in-service training			
	for professional staff	10	5	8
7	Increasing support staff	6	8	9
8	Diversifying program areas	7	7	10
9	Increasing the number of			
	special events	9	9	7
10	Educating board members			
	about role expectations	8	10	5