



PUERTO RICO
Hotel & Tourism
ASSOCIATION

2015-2019 Strategic Plan

November, 2014

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Overview

The PRHTA is the principal voice of Puerto Rico's tourism industry for over 60 years.

The Puerto Rico Hotel & Tourism Association was established as a not-for-profit trade organization in 1950.

The PRHTA has 529 corporate members, including:

- “ Hotels, restaurants, airlines, tour companies, casinos, cruise lines, and suppliers of goods and services to the tourism industry

The purpose of this Strategic Plan is to guide the Association during the next five years. Specifically, the objectives of the Plan are to:

- “ Determine the key strategic issues that must be addressed;
- “ Develop goals and objectives to address these issues, and guide corporate initiatives between 2015 and 2019; and
- “ Establish targets to measure overall performance.

This Plan was originated at a retreat facilitated by InterVISTAS Consulting Inc. on May 29, 2014. Some 35 Association Members from the PRHTA participated.





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Membership

Membership as of July, 2014

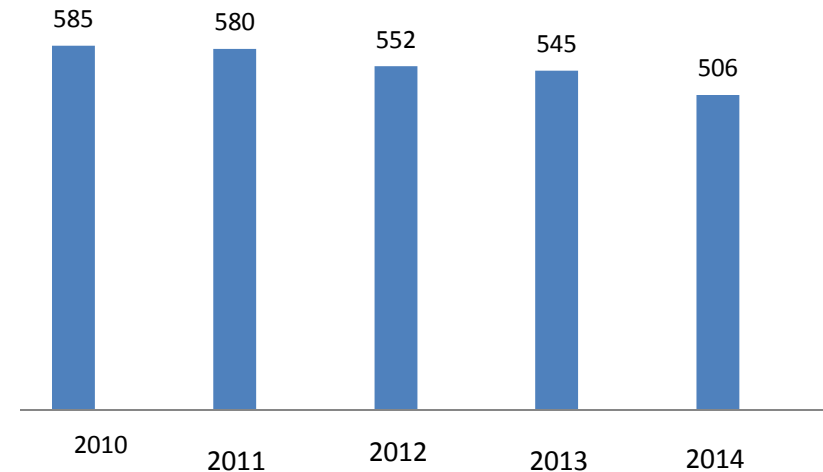
529 corporate members

- As of July, 2014, 23 new members have joined the Association.

Membership loss has been primarily due to the economic situation. We have lost 41 members between 2010 and 2014. (i.e. casinos closed, companies went out of business, restaurants closing and budget cuts)

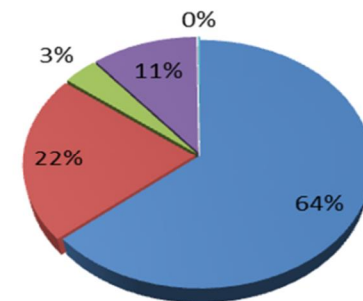
Even though we have been affected by the economic situation, the Association's retention rate has fluctuated between 89% and 97% between 2010-2014.

Number of Members



Membership

■ Allied ■ Hotels ■ Casino ■ Restaurants ■ Honorary





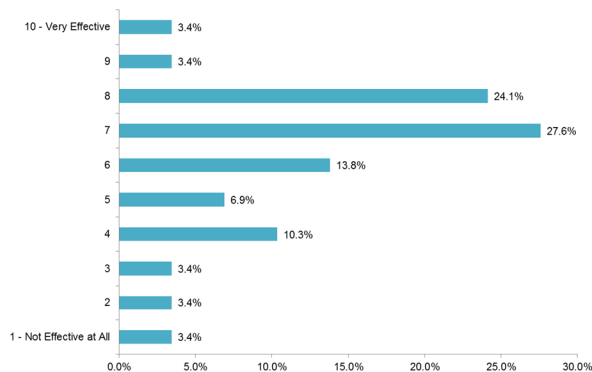
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Survey

A survey was sent out to board members and then the general membership, with 7 key questions. 29 responses were received.

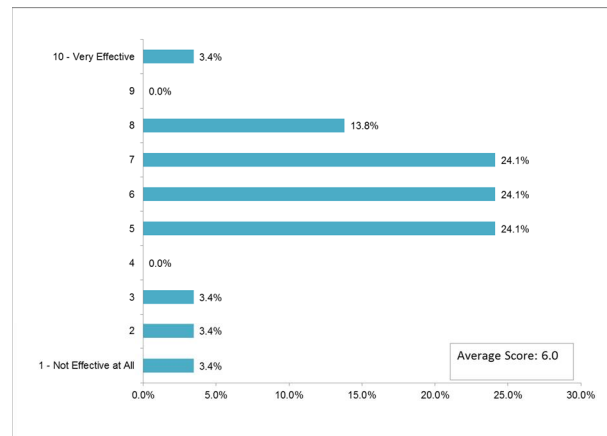
How effective has the PRHTA been in addressing your issues during the past five years?

Average Score: 6.3



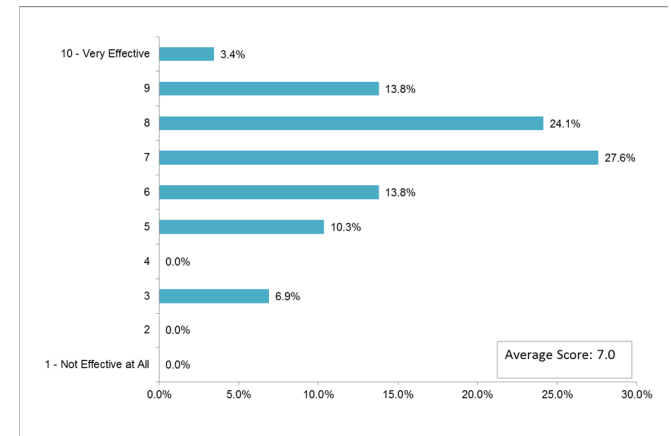
How effective is the PRTC in promoting and selling the destination?

Average Score: 6.0



How effective is Meet Puerto Rico in promoting and selling groups for the destination?

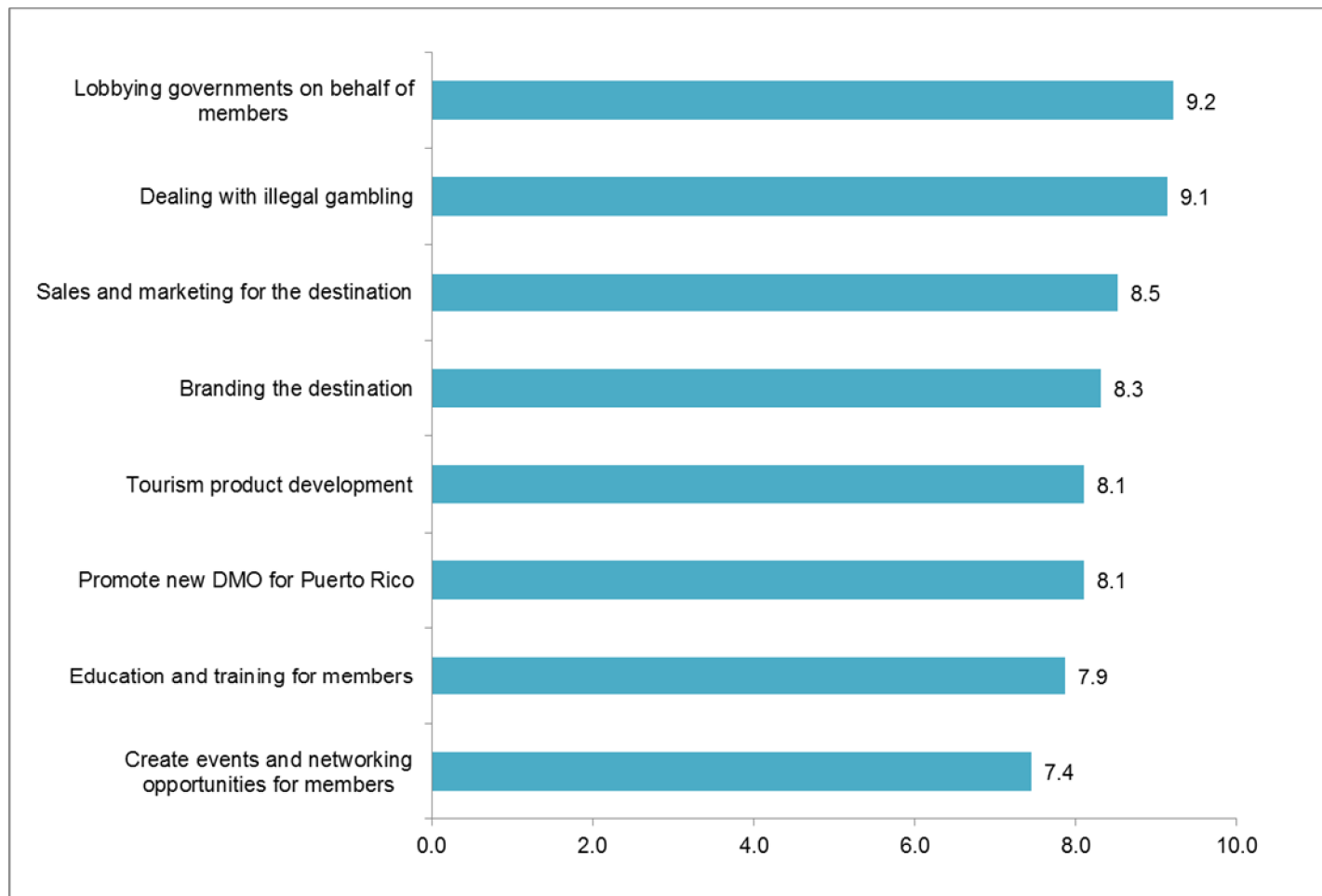
Average Score: 7.0





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Please rate how important each of the following roles for the PRHTA during the next five years:





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During next 5 years

Major challenges for the Destination	Major issues facing the Industry	Major challenges for the PRHTA
<ul style="list-style-type: none">" Sales & marketing (inconsistent & ineffective campaigns) (28)" Branding (12)" Air access (10)" Poor economic & social conditions (14)" Increased competition from other destinations (12)" Poor infrastructure (6)" Lack of service culture (6)" New product development (3)	<ul style="list-style-type: none">" Government actions and cost of doing business (26)" Difficult business conditions (competition, economy) (11)" Illegal casinos (11)" Industry fragmentation (3)	<ul style="list-style-type: none">" Promoting awareness of industry (5)" Increased role in marketing & branding destination (12)" Improving business environment (12)" Member participation, commitment & retention (10)" Strategic alliances (3)" HR & training (2)" More benefits for allied members (2)

(Number of times mentioned shown in brackets.)



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Ideal Future

The participants identified several accomplishments which should be pursued during next five years.

- “ Driving the branding of the destination
 - . Clean the image of the destination
- “ Successfully implementing the DMO
- “ Addressing the casino issue /crisis
 - . New casino model
 - . Marketing as gambling destination
- “ Effective lobbying
- “ Promoting the importance of tourism to this island
- “ Improving the value perception of the allied members for the Association
- “ Diversifying funding sources (not to rely on government)
- “ Creating new exciting and worthwhile programs for members and non members
- “ Promoting improvements in service – education
- “ Forging new strategic alliances with other organizations
- “ Establishing a think tank which can lead to a consulting division to generate more revenues

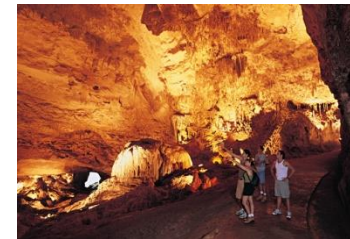


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Vision

One Voice, One Message, One Vision

***A powerful unified voice
promoting and protecting
Puerto Rico's tourism industry***





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Mission

The Mission of the PRHTA is to:

Represent

Protect

Promote

*Its members, to help them
achieve their
business objectives*

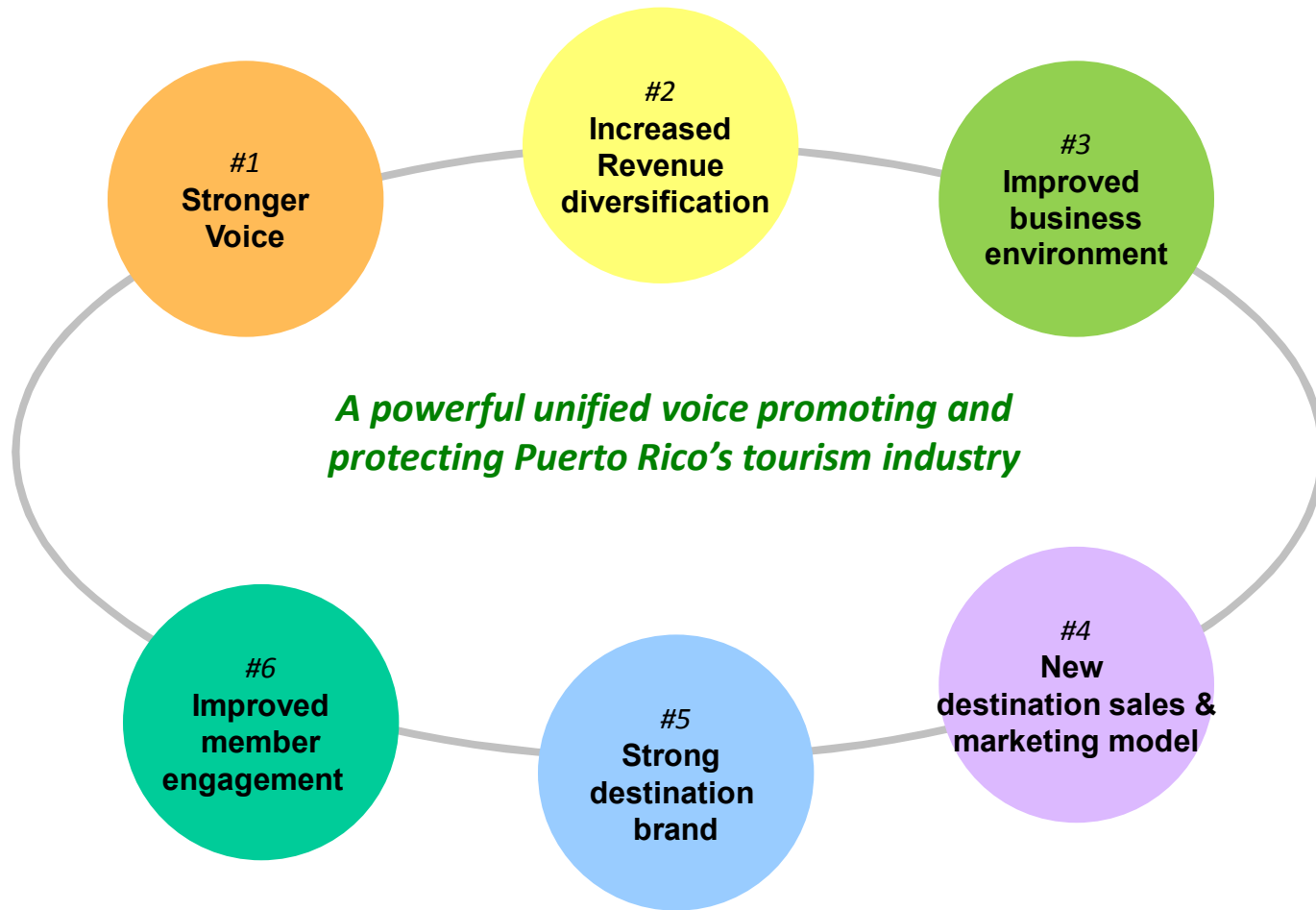
Educate

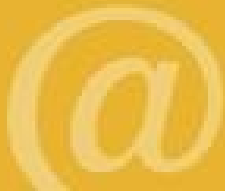
Inform



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Goals





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Goal #1 – Stronger Voice

Achieve an open dialogue with government to assist them to align new legislative projects & regulations with industry priorities

Objectives

- Continue one-on-one meetings with key government agencies, legislature, and municipalities
- Develop prioritized list of public policy issues to be resolved
- Implement aggressive communication strategy for members and general public
- Develop campaign specifically promoting importance of tourism

Lead

Board of Directors/Staff

Board of Directors

Board of Directors

Board of Directors



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Goal #2 – Increased Revenue Diversification

*Diversify the revenue
base of the association*

Objectives

- Rent out conference room for PRHTA members
- Introduce fee for service programs to non-members (e.g. Promo Eblast – Table Tops, reports)
- Promote in-house training programs for members staff on industry facilities and services
- Pursue sponsored fellowship internship program
- Pursue potential bundling package for fees with partner associations
- Pursue student membership category
- Promote certification program for members
- Review/revamp Saborea Puerto Rico and Bienvenidos
- Offer membership special offers (e.g. products, discounts & rewards)
- Explore private and government grants and sponsorships (in-kind/pro-bono)

Lead

Staff

Staff

Education/HR Committee

Education/HR Committee

Staff

Education/HR Committee

Staff

Board of Directors/Staff

Membership Committee

Governance Committee



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Goal #3 – Improved Business Environment

*Lobby aggressively to
promote policy
changes which will
improve business
environment for
members*

Objectives

- ❑ Casino
 - Continue with existing plan to block illegal machines (vlt's and other) and oppose legalization proposals
 - Develop working plan with PRTC and other agencies to implement Law 77 of 2014

- ❑ Labour
 - Stimulate the private sector to seek a labor reform
 - Develop Plan to mitigate minimum wage increase
 - Establish areas that could be controlled (Ex. Fondo, SUTA, Disability and Seguro Choferil)

- ❑ Energy/Water
 - Protect existing incentives (lobbying efforts)
 - Reestablish energy investment credit on the Tourism Development Act
 - Expand Green Hotel Program specifically for tourism
 - promote benefits / best practices
 - Develop water efficiency parameters

Lead

Executive Committee
Casino Committee

Executive Committee

Executive Committee
Conservation Committee



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Goal #4 – New Destination Sales & Marketing Model

Aggressively pursue the creation of a new sales & marketing model in Puerto Rico

Objectives

- Revise data of DMO's white paper
- Propose new model
- Retake the position on PRTC's Board of Directors

Lead

Executive Committee

Executive Committee
Board of Directors

Board of Directors



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Goal #5 – Strong Destination Brand

Ensure the design and implementation of an effective and sustained brand strategy and marketing program for the destination

Objectives

- Identify non-wanted brand attributes/toxic assets
- Identify destination brand assets
- Implement new public relations strategy
- Introduce new Speaker Series

Lead

Marketing & Public Relations Committee

Marketing & Public Relations Committee

Marketing & Public Relations Committee

Meet Puerto Rico
PRHTA



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Goal #6 – Improved Member Engagement

*Promote increased
member participation
and involvement in
PRHTA activities*

Objectives

- Conduct annual survey of members
- Communicate regularly with members on benefits of membership (e.g. success stories, best practices)
- Organize quarterly business opportunity meetings
- Organize annual forum to discuss issues and develop action plan benefitting members

Lead

Membership Committee

Staff

Membership Committee

Membership Committee