

WYOMING AERONAUTICS COMMISSION
AIR SERVICE ENHANCEMENT PROGRAM GRANT REQUEST

INITIAL PROJECT SUMMARY

ORGANIZATION NAME: Critical Air Service Team (CAST)	REQUEST DATE: 5/17/2016
SCOPE: 13 weekly round trips to Denver International Airport (DEN), adding tagged service via Riverton Regional Airport (RIW)	AIRPORT: Sheridan County Airport (SHR)
PROVIDER/HUB: Denver Air Connection (DAC), Operated by Key Lime Air to Denver International Airport (DEN)	PROJECT NO: CSSHR01
	CONTRACT TERM: 7/1/2016-6/30/2017
TYPE OF CONTRACT: Minimum Revenue Guarantee (MRG)	STAFF RECOMMENDATION: Approve at requested funding level not to exceed \$1,193,090, at a state matching rate of 60%.
NEW OR EXISTING: Extending and amending existing service agreement to include Riverton	

INTENDED BENEFITS:

Critical Air Service: Yes, this project is considered critical air service.

Economic Benefit: The potential economic impact of this service represents \$3,168,000.

Enplanements: When compared year-over-year for the same time period as the proposed project amendment (July - June), SHR enplaned 1,423 passengers in the 2014/2015 period. For the same 2013/2014 cycle, the airport enplaned 12,670 passengers, as operational issues at Great Lakes Airlines first began to effect service levels. For the duration of the proposed extension, July 2016 - June 2017, the project is anticipated to generate 9,851 enplanements. Including the incumbent months (November 2015 - June 2016) from the original agreement, this project is expected to generate 14,900 enplanements.

Passengers Under Contract: The passengers under contract for this service will account for 100% of the airport's annual passenger totals.

Passenger Retention: Passenger retention for 2015 averaged 5%, which is down 18 points from the previous year. Great Lakes Airlines, the former sole air service provider to SHR, suffered crew issues, resulting in industry subpar reliability and on-time performance. This forced passengers to seek other airports for more reliable options, including Billings Logan Airport capturing 55% in 2015, versus 45% in 2014, and 40% in 2013.

Capacity: The proposed extension to DEN would include RIW and will be operated with a 30 seat Fairchild-Dornier 328JET aircraft. This will result in approximately 20,370 seats out of SHR. This would be a decrease of about 40% from the July 2013 - June 2014 period, as Great Lakes Aviation also provided service with 30 seat aircraft, but with an additional roundtrip per day. However, this would be a 140% increase from the July 2014 - June 2015 period, as Great Lakes terminated service at the end of April of 2015.

Air Fares: The air fares and revenue management for this project will be managed by a designee of CAST, allowing community engagement and ownership of the service. Stakeholders will be able to monitor demand and keep prices competitive, as opposed to having an airline dictate pricing, as small low frequency communities are a lower priority. Since inauguration in November of 2015, fares have remained competitive.

BASELINE: 12/1/2013 - 6/30/2015

Enplanements: 10,174

Passengers Under Contract: N/A - No Passengers at SHR have been under contract during the baseline

Passenger Retention: 12.2%

Capacity: 26,601

Air Fares: \$151 local fare to DEN

<i>from Aeronautics Database</i>	THIS APPLICATION		
	STATE	LOCAL	TOTAL
PERCENTAGE:	60%	40%	100%
AMOUNT:	\$1,193,090	\$795,393	\$1,988,483

NEGOTIATIONS: Negotiations for this contract were conducted by the Critical Air Service Team (CAST), the Sheridan County Airport, and Division staff. Collaborative in-person meetings and calls were held with Key Lime Air to account for any costs associated with extending the service and including Riverton, negotiating any in-kind contributions or waived fees from both airports, and determining feasibility based on cost and revenue models.

FLIGHT SCHEDULE: Attached from Aeronautics

CONNECTION TIMES MAXIMIZED: Yes, arrival and departure times in DEN will be maximized with hubbed carriers in order to facilitate connections.

BEGIN SERVICE: 7/1/2016

AIRCRAFT: Fairchild-Dornier 328JET

OPERATIONAL RESTRICTIONS: None

MARKETING FOR THIS SERVICE: A marketing plan is currently being executed by a sub-committee of CAST. The Sheridan County Chamber of Commerce alongside the Johnson County Chamber of Commerce, have been leading all marketing efforts.

LOCAL DOLLARS FOR MARKETING: \$50,000 has been committed by the community for marketing efforts and an additional \$50,000 has been sought from the state.

STANDARDIZED AIRLINE PROFIT %: 10%

ADDITIONAL/VETTING NOTES: The proposed service would meet five (5) of the six (6) statutorily mandated benefits, and Division staff regard the project as a good use of funding for the Air Service Enhancement Program's intended benefits.

<i>From Aeronautics Database</i>	RECOMMENDATION		
	STATE	LOCAL	TOTAL
PERCENTAGE:	60.000%	40.000%	100%
AMOUNT:	\$1,193,090	\$795,393	\$1,988,483

Criteria	Priority	Definition	Qualification				Scoring Value	CSSHR01 Score	Points Awarded	
Statutory Benefit	20	Increasing the number of enplanements at airports facing a possible loss of federal AIP funding	Brings total above 10,000 during first calendar year of contract				5	1	20	
			Brings total above 10,000 by second calendar year of contract				3			
			Does not bring above 10,000 but improves				1			
			Airport will already achieve 10,000 enplanements for any calendar year during proposed service				0			
		Increasing passenger enplanements at commercial airports in Wyoming	Year-round, annual service level	Increase in excess of 100%, or is responsible for all enplanements as defined by Primary Air Service enplanements	Seasonal / leisure or recreation oriented service	Increase ≥6%		5	5	100
						Increase ≥4% but <6%		3		
						Increase ≥2% but <4%		2		
						Increase < 2%		1		
		Increasing flight frequency or sustaining flight operations to regional airport hubs	Year-round, annual service level		Seasonal / leisure or recreation oriented service	≥ 4 flights / week		5	5	100
						≥ 3 but < 4 flights		3		
						≥ 2 but < 3 flights		2		
						≥ 1 but < 2 flights		1		
		Reducing passenger leakage to out of state airports		Project introduces carrier which is projected to be responsible for at least 90% of all capacity				5	5	100
				Project introduces at least once daily jet service to airport				5		
				Project introduces a new marketing carrier with at least once daily, year-round service to a second hub airport				5		
				Project introduces a new carrier with at least once daily, year-round service to a third hub airport				3		
				Project introduces a second or third hub by the same marketing carrier				2		
				Project introduces additional capacity to same hub (Upgrading or additional flights)				2		
				Project introduces at least 2x weekly leisure service				1		
		Increasing the reliability of service		Reliability of airline is ≥ industry standard				5	5	100
				Reliability of airline is < industry standard, but ≥ 95%				3		
				Reliability of airline is < 95%				1		
		Increasing the on-time performance of service		On-time performance of airline is ≥ industry standard				5	5	100
				On-time performance of airline is < industry standard, but ≥ 75%				3		
				On-time performance of airline is < 75%				1		
		Lowers air fares		Project introduces second new marketing carrier				5	3	60
				Project introduces at least a 33% increase in capacity				3		
Project introduces third new marketing carrier				2						
Project introduces leisure LCC service				1						
Does the project maintain Primary Air Service		Yes				2	2	40		
		No				0				
Total Points Statutory Benefit							620			

Criteria	Priority	Definition	Qualification				Scoring Value	CSSHR01 Score	Points Awarded	
Economic Benefit	10	Economic impact from proposed air service (placeholder until WYSASP tool is complete)	Year-round, annual service level	Increase in excess of 100%	Seasonal / leisure or recreation oriented service	Increase ≥6%		5	5	50
						Increase ≥4% but <6%		3		
						Increase ≥2% but <4%		2		
						Increase < 2%		1		
		Economic benefit above project cost to state		Increase in excess of 400%				5	2	20
				Increase ≥ 300%, but < 400%				3		
				Increase ≥ 200%, but < 300%				2		
				Increase ≥ 200%				1		
		Additional Passenger Facility Charge (PFC) revenue	Year-round, annual service level	Increase in excess of 100%	Seasonal / leisure or recreation oriented service	Increase ≥6%		5	5	50
						Increase ≥4% but <6%		3		
						Increase ≥2% but <4%		2		
						Increase < 2%		1		
		Additional revenue from on airport activities (fuel flowage, rental space, etc)	Year-round, annual service level	Increase in excess of 100%	Seasonal / leisure or recreation oriented service	Increase ≥6%		5	5	50
						Increase ≥4% but <6%		3		
						Increase ≥2% but <4%		2		
						Increase < 2%		1		
Total Points Economic Benefit							190			

Criteria	Priority	Definition	Qualification	Scoring Value	CSSHR01 Score	Points Awarded
Community Involvement	10	Community lead task force	Yes	4	4	40
			No	0		
		Community developed marketing plan for proposed service	Yes	4	4	40
			No	0		
		Historic involvement in air service	Yes	2	2	20
			No	0		
		Demonstrated community involvement with airline partner	Yes	2	2	20
			No	0		
		Community efforts to secure additional funding for air service	SCASD grant application within the last 2 years	10	10	100
			Community economic development organization providing at least 25% of total contribution	10	0	0
			Total City / County Government providing at least 50% of total contribution	15	0	0
			Total City / County Government providing at least 33% of total contribution	7	0	0
			Total businesses providing in excess of 10% of total match	15	0	0
			Community in-kind contribution totaling in excess of \$100k	10	10	100
Max dollar contribution	# of dollars committed to service	\$ 795,393.00				
Total Points Community Involvement					320	

Criteria	Priority	Definition	Qualification	Scoring Value	CSSHR01 Score	Points Awarded
Differentiating Characteristics	5	Core-Based Statistical Area (CBSA) population	Greater than or equal to 45,000	4	1	5
			Greater than or equal to 35,000 but less than 45,000	2		
			Less than 35,000	1		
		Drive time to largest leaked out of state market	In excess of 180 minutes	4	2	10
			≥ 90 minutes, but < 180 minutes	2		
			< 90 minutes	1		
		Airline code share or interline agreement	Yes	5	0	0
			No	0		
		Airline interline/baggage agreement	Yes	3	0	0
			No	0		
		Ability for input of pricing	Yes	3	3	15
			No	0		
		Ability for input of scheduling	Yes	3	3	15
			No	0		
		Scheduled times are ideal for type of service	Yes	2	2	10
			No	0		
State cost (MRG required) per available seat	< \$50	5	5	25		
	≥ \$50 but < \$60	2				
	≥ \$60	1				
Previous participation in the ASEP	Has not participated within the last two (2) calendar year	3	0	0		
	Has participated within the last two (2) calendar years	0				
Total Points Differentiating Characteristics					100	
Total Points					1230	



Fiscal Year:	2017
Application Due Date:	May 2, 2016
WAC Meeting:	June 16, 2016

Air Service Enhancement Program (ASEP) Grant Application for Fiscal Year 2017

1. Name of the community sponsor applying for the ASEP grant;

Critical Air Service Group (CAST)

2. Please provide the funds sought from the ASEP as well as other sources of funding for the MRG;

Source of funds		\$ Amount	% of Total
SCASD Grant		60,000	3
Community development organization(s)			
Local government(s)		635,393	32
Local businesses			
Other (Specify)	Private-Citizen Contribution	100,000	5
Other (Specify)			
Other (Specify)			
Total Local Contribution			
Sought from ASEP		1,193,090	60
Total MRG required		1,988,483	100

Additional Comments:

Sheridan County, Johnson County, the City of Sheridan, and the City of Buffalo have agreed to pledge, if necessary, \$635,393 toward the minimum revenue guarantee associated with continuing Denver Air Connection service to Denver, from July 1, 2016 through June 30, 2017. The remaining amount of \$60,000 from a 2014 SCASD grant, the \$100,000 private funding, along with the pledged amount of \$635,393 will offset the amount sought from ASEP.

3. Name of the marketing and operating airline(s) or prospective airline(s);

Ex: United Express operated by SkyWest Airlines

Denver Air Connection operated by Key Lime Air

4. Schedule Information;

a. Is this year-round or seasonal service?

Year-round Seasonal

b. Schedule specifics: Please fill out Attachment 1: "Schedule", with as much information as possible.

Please refer to Appendix 4 of the Application Instructions and Supplemental Information document for more information and an example. This information may be updated with future applications.



Fiscal Year:	2017
Application Due Date:	May 2, 2016
WAC Meeting:	June 16, 2016

5. Please provide anticipated or forecasted levels of enplanements at the airport before the proposed service and the additional enplanements the proposed service would bring:

Ex: JAN: 1,000, FEB: 900...

Month	# Enplanements Before	# Additional Enplanements
January	685	115
February	520	280
March	641	210
April	0	800
May	0	1,000
June	0	1,200
July	0	1,200
August	0	1,200
September	0	800
October	0	800
November	114	885
December	463	825
Total		9,315



6. Please provide the anticipated increased capacity (seats available) associated with the proposed service and specify one-way or the bi-directional total;

30 available seats on a shared one way route to Denver with Riverton Regional Airport

7. What is the passenger facility charge (PFC) at the airport?

\$4.50

8. Please provide any additional revenue the airport may receive excluding PFCs:

Source of Revenue		\$ Amount
Additional rental space revenue		32,000
Additional Fuel Revenue		
Other (Specify)	Landing Fees	25,000
Other (Specify)	Fuel Flowage Fees	15,000
Other (Specify)		
Other (Specify)		
Other (Specify)		
Other (Specify)		
Total:		72,000





9. Please indicate whether the community has a task force dedicated to air service development and briefly explain its role.

The Sheridan-Johnson County Critical Air Service Group (CAST) formed in 2012, is a non-profit organization supporting local air service. CAST is comprised of key stakeholders in both Sheridan and Johnson Counties, and includes residents, members of local government, travel & tourism representatives, chamber of commerce representatives, economic development organizations, and private industry personnel. The primary focus of CAST is to promote reliable passenger air service from the Sheridan airport. In September 2015 CAST contracted with Key Lime Air, dba Denver Air Connection (DAC) to operate as a public charter for passenger air service. CAST is

Summary of Comments on ASEP Application Form FY17.pdf

Page: 2

 Number: 1 Author: robermueller Subject: Sticky Note Date: 4/13/2016 12:00:06 PM
Enplanement total before 2,423. Anticipated enplanement total combined 11,738

 Number: 2 Author: robermueller Subject: Sticky Note Date: 4/13/2016 2:55:39 PM
Some or all of this revenue may be waived to continue support for air service.



ASEP Grant Application

Fiscal Year:	2017
Application Due Date:	May 2, 2016
WAC Meeting:	June 16, 2016

10. Does the airport or community sponsor have a marketing plan to coincide with the proposed service?

Yes No

a. If no, will the airport or community sponsor have a marketing plan ready to be executed two (2) months before the proposed start date?

Yes No

b. If yes, please attach and supporting information and include a budgeted list of expected expenditures:

Ex: Television: \$10,000, Newspapers: \$5,000, etc.

11. Has the airport sought or **will** seek funds from the WYDOT marketing grant match to coincide with the service?

Yes No

12. Please provide examples of community or airport involvement with air service development in the past two (2) years from the time of this application.

Ex: Attending ACI JumpStart events, Routes, or other conferences for ASD.

Prior to September 2015, CAST members met on several separate occasions with representatives from WY Aeronautics, United Airline, and SkyWest Airline representatives seeking passenger air service to Sheridan. Great Lakes Airline left Sheridan in March 2015, and negotiations began with KLA to bring air service back to Sheridan. CAST entered into contract with KLA in September 2015, and members continue to meet with Key Lime Air representatives regarding air service. A weekly meeting is held by CAST and all partners are invited to attend in person or via phone conferencing. Several events have taken place post signing of the KLA contract; CAST group

13. Please indicate and provide brief examples if the airport or the community sponsor has shown a level of involvement with the participating airline.

Ex: In-person meetings with airline staff, seeking cooperative promotional efforts with the airline.

Members of CAST and Key Lime Air staff hold weekly meetings regarding air service; from these meetings, each participating member takes action items to implement across marketing, community outreach, revenue management, logistics, and more. CAST works hand-in-hand with Key Lime Air, often on a daily basis, on all aspects of airport and airline management and implementation.

14. Please indicate if the community or airport has applied for a SCASD grant within the last two (2) years from the time of the proposed service start date or **will** before the summer 2016 deadline.

Yes No


15. Airline code share and interline agreement;


a. Does the participating airline have a code share, interline or baggage agreement with a carrier at the destination hub? If yes, please indicate what airline and/or airline alliance. If no, please elaborate why.

Denver Air Connection does not have code share, interline, or baggage agreements with any other carriers. The scheduled commercial service provided by DAC under 380 regulations is still relatively new and agreements with other carriers have yet to be developed.

16. Has the community sponsor or airport undertaken efforts previously, or **will** take a progressive role regarding price controls, revenue management or scheduled times for the proposed service? Commitment to a provided example will count towards future efforts. Please provide examples.

Ex: Airport has or will visit in-person with partnering airline and specifically address pricing, revenue management or desired schedule times to improve traffic or connections; airline agrees contractually to maintain competitive fare practices.

 Number: 1 Author: robermueller Subject: Sticky Note Date: 4/13/2016 12:00:17 PM
Current WYDOT marketing grant and CAST marketing dollars will be utilized. Approximately \$53,000 is available.

 Number: 2 Author: robermueller Subject: Sticky Note Date: 4/13/2016 12:00:24 PM
Remaining funds from the 2014 SCADS grant will be utilized to continue service.



ASEP Grant Application

Fiscal Year:	2017
Application Due Date:	May 2, 2016
WAC Meeting:	June 16, 2016

Denver Air Connection (KLA) operates under 380 regulations. As such CAST is involved in price control and revenue management. Forecast, Inc. a third party consultant is currently under contract with the Sheridan County Airport to provide this service.

17. Signature of the individual completing this application:

Sponsor signature: <i>Brian E. Fisher, Chairman</i>	Date: 4/13/2016
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To the best of my knowledge the above information in this application is true, accurate and complete

Critical Air Service Group (CAST)-Sheridan/Johnson County's

Full narrative (application form does not print expanded narrative)

#9

The Sheridan-Johnson County Critical Air Service Group (CAST) formed in 2012, is a non-profit organization supporting local air service. CAST is comprised of key stakeholders in both Sheridan and Johnson Counties, and includes residents, members of local government, travel & tourism representatives, chamber of commerce representatives, economic development organizations, and private industry personnel. The primary focus of CAST is to promote reliable passenger air service from the Sheridan airport. In September 2015 CAST contracted with Key Lime Air, dba Denver Air Connection (DAC) to operate as a public charter for passenger air service. CAST is currently working with KLA and Riverton Regional Airport to continue passenger air service to Denver from Sheridan and Riverton.

#12

Prior to September 2015, CAST members met on several separate occasions with representatives from WY Aeronautics, United Airline, and SkyWest Airline representatives seeking passenger air service to Sheridan. Great Lakes Airline left Sheridan in March 2015, and negotiations began with KLA to bring air service back to Sheridan. CAST entered into contract with KLA in September 2015, and members continue to meet with Key Lime Air representatives regarding air service. A weekly meeting is held by CAST and all partners are invited to attend in person or via phone conferencing. Several events have taken place post signing of the KLA contract; CAST group presentation 11-19-15 at the Sheridan Chamber Luncheon, the air service launch party in the airport terminal on 11-19-15, a community update held at the Best Western Sheridan Center-Sheridan on 2-16-16, a community update held at the Bozeman Trail-Buffalo on 3-10-16 with CAST, FAST and KLA representatives. Most recently CAST sponsored a booth at the Big Horn Home Builders Association Home & Garden Show on March 11-13, 2015 reaching thousands of residents at the annual community show.



Fiscal Year:	2017
Application Due Date:	May 2, 2016
WAC Meeting:	June 16, 2016

Contact Information:

Please provide all pertinent contacts relating to this grant request beginning with the individual who completed the application, followed by airline contacts (Planning, scheduling, pricing), airport contacts, and local supporters.

Name	Address	Company or Affiliation	Email	Phone
Renee' Obermueller	224 S. Main St., Sheridan	Sheridan County	robermueller@sheridanc	307-675-2910
Bruce Garber	40 E. Works, Sheridan, W	CAST Chairman	bruce.garber@century21	307-672-5838
Jay Stender	PO Box 849, Sheridan, W	CAST Vice President	jay@forwardsheridan.co	307-673-8004
Cliff Honeycutt	13252 Control Tower Rd,	Key Lime Air	cliff@keylimeair.com	303-768-9626
Glen Rich	13252 Control Tower Rd,	Key Lime Air	grich@keylimeair.com	303-768-9626
Wade Geotz	13252 Control Tower Rd,	Key Lime Air	wade@keylimeair.com	720-771-2233
John Stopka	908 W. Brundage, Sheric	Sheridan County Airport	jstokpa@sheridancounty	307-674-4222 Ext. 1

Key Lime Air
 Sheridan/Riverton Flight Schedule
 April 05, 2016

Exhibit A

Proposed Flight Schedule

<u>Leg #</u>	<u>Leg Rte</u>	<u>Out</u>	<u>Off</u>	<u>On</u>	<u>In</u>	<u>Turn Time</u>	<u>Block (min)</u>	<u>Flight (min)</u>	<u>Block (hun)</u>	<u>Flight (hun)</u>
1	SHR-RIW	7:00	7:03	7:36	7:39	0:30	0:39	0:33	0.65	0.55
2	RIW-DEN	8:09	8:12	9:11	9:18	1:32	1:09	0:59	1.15	0.98
3	DEN-RIW	10:50	10:57	11:56	11:59	0:30	1:09	0:59	1.15	0.98
4	RIW-SHR	12:29	12:32	13:05	13:08	0:30	0:39	0:33	0.65	0.55
5	SHR-DEN	13:38	13:41	14:49	14:56	4:16	1:18	1:08	1.30	1.13
6	DEN-RIW	19:12	19:19	20:18	20:21	0:30	1:09	0:59	1.15	0.98
7	RIW-SHR	20:51	20:54	21:27	21:30		<u>0:39</u> 6:42	<u>0:33</u> 5:44	<u>0.65</u> 6.70	<u>0.55</u> 5.73

Monthly Fly Sheridan Marketing Assessment

Reporting Period: March 2016

Executive Summary

Overall marketing performance showed significant gains over the month of February, largely stemming from engagement with the fare promo run during the first half of the month. However, although marketing efforts were effective in driving visitors from various outlets into the Fly Sheridan website, it did not yield an increase in click throughs to the booking engine. Marketing efforts will continue to focus on improving conversion strategies within the site to promote greater click throughs to the booking engine. The following are key points from the report below:

- Website sessions and user count increased significantly (28%) from February, showing increases in all traffic sources except referral traffic. Referral traffic decrease is likely due to lost traffic to the Sheridan County Airport website, now that it is running again.
- Despite significant increase in overall traffic, click throughs to the booking engine decreased slightly (2%) from February.
- Paid social media reach and engagement through March 11 in support of the fare sale promo remained high, showing continued performance exponentially higher than organic engagement.
- Total Facebook page likes continued steady growth, showing an increase of 20% (up to 904) over the previous month.
- Paid social media campaign in support of the promo had a total reach in March of 46,011 and clicks to the website of 2,246.
- Paid social media campaign in support of the promo including February and March had a total reach of 53,553 and clicks to the website of 3,504.
- Radio advertising continued on the aggressive schedule set in February through the end of the month.
- Print advertising continued in support of the fare sale promo with ¼-page color advertising.
- Stood up Constant Contact account for Fly Sheridan to push out special promotions to customers, with electronic sign ups available on the Fly Sheridan website. Organic social media messaging emphasized the availability of this tool in the latter half of the month.

Current/Forward Looking

- Radio schedule for April to be determined in conjunction with marketing committee chair.
- Print ads to be backed off to weekly or twice-weekly black-and-white 1/8-page ads, pending approval by marketing chair.

- Google ad keywords to be refined to target customer demographics that are more likely to convert to booking engine click throughs.
- Provide marketing support/adjust marketing programs to support potential fare sales.
- Overall goal: increase traffic to Fly Sheridan website with corresponding increase in booking engine clickthroughs.

Marketing Plan Key Performance Indicators

- **Website:** Click throughs to booking engine for March
 - *Actual:* 1,478
 - *Revised target:* 1,801
 - *Assessment:* Overall site traffic increased significantly over the previous month, but this did not yield a higher level of click throughs to the booking engine. The largest increases in overall site traffic came from Google advertising; however, these sources tended to have the highest bounce rates and lowest level of content engagement – indicating that the traffic originating from these sources may not be target customers for Sheridan’s air service. PBC will adjust targeting of these ads to target demographics more likely to engage with Fly Sheridan content and convert to booking engine click throughs.
 - *Actions:* PBC adjust Google advertising targeting to promote higher conversions on click throughs:
 - *Goal:* increase actual booking engine click throughs by 20%
 - *Revised target KPI:* 1,773 click throughs
 - *Strategy/Actions:*
 - Revise Fly Sheridan website content to promote micro conversions (e.g. reviewing travel info, reviewing schedule info, etc.)
 - Revise micro-conversion destination pages to further promote macro conversion of booking engine link
- **Social Media:** Traffic to website for March
 - *Actual:* 22.3% of website traffic
 - *Target:* 17%
 - *High threshold:* 20%
 - *Assessment:* Fly Sheridan ran the following paid Facebook campaigns:
 - 3/1 – 3/11 targeting all residents of Sheridan and Johnson Counties, age 23+ with specific messaging regarding the \$79 fare sale
 - 3/1 – 3/11 targeting all residents of select Billings zip codes based on purchase pattern recommendations, age 23+ with specific messaging regarding the \$79 fare sale. This

campaign had a significantly lower budget than the campaign targeting Sheridan and Johnson County residents.

- Overall, the latter campaign had significantly higher reach and similar levels of ad engagement compared to the Sheridan and Johnson County ad set. PBC will coordinate with members of the team to analyze purchase data during this same period and determine if this had a corresponding increase in purchases among Billings residents to determine in future marketing to this demographic is worthwhile.
 - *Actions:* re-start paid Facebook advertising in support of the fare sale, on the approved increased budget. Due to high volume of saturation with this ad campaign, paid social advertising may be temporarily suspended after the fare sale to avoid over-saturation of messaging to customers.
- **Online/Digital Advertising:** Google ad and www.sheridanwyoming.com traffic to website:
 - *Actual:* 15.0% of website traffic
 - *Target:* 14%
 - *High Threshold:* 17%
 - *Assessment:* as noted in the website traffic section above, online/digital advertising accounted for a large increase in overall site traffic; however, the traffic from these sources did not tend to interact with the Fly Sheridan website or click through to the booking engine. PBC will revise targeting of the Google ad campaigns to capture demographics with higher probability of converting to booking engine click throughs.
 - *Actions:*
 - Continue monitoring and adjusting of Google ad keywords to optimize keyword performance.

Leading Indicators

- **Print Advertising:** Ads were run in The Sheridan Press, Country Bounty, and Buffalo Bulletin in support of the promo. For the first week in March, ¼-page color ads were run twice-weekly in The Sheridan Press and once weekly in the Buffalo Bulletin and Country Bounty. In the second week, the Bulletin and Bounty were switched to black and white for cost control. Standard-messaging ¼-page color ads ran twice weekly in The Sheridan Press, along with a bi-weekly color banner ad for the remainder of the month.
- **Radio Advertising:** Radio advertising continued through both Sheridan Media and Big Horn Mountain Radio beginning 2/23. Ads were ran on a high daily saturation on 5 Sheridan Media radio stations and 3 BHMR stations, schedule through the end of March.
- **Billboard Advertising:** No changes in billboard advertising. The current billboards are:

- Placement east of Buffalo for west-bound traffic (partnered with Sheridan Travel and Tourism)
- Placement within Buffalo on the HWY 16 cut across.

Fly Sheridan Marketing Expense Update
3/31/16

Marketing Expenses Through 3/31/16			
Campaign Element	Budget	Committed	Remaining
Fly Sheridan website	\$ 2,000.00	\$ 1,500.00	\$ 500.00
Radio Advertising	\$ 20,000.00	\$ 12,900.00	\$ 7,100.00
Print Advertising	\$ 20,000.00	\$ 14,800.00	\$ 5,200.00
Billboard Advertising	\$ 10,000.00	\$ 7,125.00	\$ 2,875.00
Social Media	\$ 12,000.00	\$ 2,900.00	\$ 9,100.00
Online/Digital Advertising	\$ 10,000.00	\$ 5,100.00	\$ 4,900.00
Content/General Collateral	\$ 5,000.00	\$ 2,300.00	\$ 2,700.00
Community Outreach	\$ 2,000.00	\$ 350.00	\$ 1,650.00
Naturally In-Flight Magazine	\$ 4,000.00	\$ -	\$ 4,000.00
FAM & Media Tours	\$ 10,000.00	\$ -	\$ 10,000.00
Trade Show & Event Marketing	\$ 5,000.00	\$ -	\$ 5,000.00
	\$ 100,000.00	\$ 46,975.00	\$ 53,025.00

Marketing Expenses Projected Through 4/30/16					
Campaign Element	Budget	Committed	Projected Next Month	Remaining	Remaining Amortized Monthly Budget Through 10/31/16
Fly Sheridan website	\$ 2,000.00	\$ 1,500.00	\$ -	\$ 500.00	N/A
Radio Advertising	\$ 20,000.00	\$ 12,900.00	\$ 900.00	\$ 6,200.00	\$ 1,033.33
Print Advertising	\$ 20,000.00	\$ 14,800.00	\$ 900.00	\$ 4,300.00	\$ 716.67
Billboard Advertising	\$ 10,000.00	\$ 7,125.00	\$ -	\$ 2,875.00	N/A
Social Media	\$ 12,000.00	\$ 2,900.00	\$ 1,000.00	\$ 8,100.00	\$ 1,350.00
Online/Digital Advertising	\$ 10,000.00	\$ 5,100.00	\$ 700.00	\$ 4,200.00	\$ 700.00
Content/General Collateral	\$ 5,000.00	\$ 2,300.00	\$ -	\$ 2,700.00	N/A
Community Outreach	\$ 2,000.00	\$ 350.00	\$ -	\$ 1,650.00	\$ 275.00
Naturally In-Flight Magazine	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00	N/A
FAM & Media Tours	\$ 10,000.00	\$ -	\$ -	\$ 10,000.00	N/A
Trade Show & Event Marketing	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	N/A
	\$ 100,000.00	\$ 46,975.00	\$ 3,500.00	\$ 49,525.00	\$ 4,075.00