

Agenda Item No.: 13

Date: September 12, 2012

TO:

Honorable Mayor and Members of the City Council

FROM:

Joyce Masterson, Assistant to the City Manager

SUBJECT: Proposal to Operate an Escondido Convention and Visitors Bureau

### **RECOMMENDATION**:

It is requested that the City Council approve a proposal by the Escondido Chamber of Commerce to operate an Escondido Convention and Visitors Bureau.

### FISCAL ANALYSIS:

Council has budgeted \$64,000 in the 2012-2013 General Fund Budget for Convention and Visitors Bureau services. The Chamber of Commerce is requesting this amount, as well as an additional \$21,121 specifically for paid advertising.

### PREVIOUS ACTION:

Council approved a contract with the Escondido Chamber of Commerce to provide Convention and Visitors Bureau services on January 5, 2011.

### **BACKGROUND:**

A Convention and Visitors Bureau serves as an informational hub for visitors and potential residents alike. A Visitors Bureau is often consulted on-line or in person for leisure, lifestyle, housing and economic information about the area that it serves.

The Escondido Chamber of Commerce began providing this function in January 2011 after the North County Convention and Visitors Bureau discontinued operating in Escondido. Between March 2011 and April 2012 two individuals (Daryl Reitmeyer and Kelly Allen) successively held the position of the Manager of the Escondido Convention and Visitors Bureau on a full time basis. Between April and June 2012, the position was filled on a contract basis by Mr. Allen.

The decision as to whether or not the Chamber would continue to provide this service in Fiscal Year 2012-2013 was deferred until the arrival of the new Executive Director of the Chamber of Commerce, Katherine Zimmer. The Escondido Chamber of Commerce has decided to submit a proposal to provide those services (See Attachment 1).

Escondido Convention and Visitors Bureau September 12, 2012 Page 2

Respectfully submitted,

Joyce Mustuson

Joyce Masterson

Assistant to the City Manager

August 27, 2012

Clay Phillips, City Manager City of Escondido 201 N. Broadway Escondido, CA 92025



Dear Clay:

On behalf of the Board of Directors of the Escondido Chamber of Commerce we are pleased to present the attached proposal for the continued operation of the Escondido Convention and Visitors Bureau. This proposal covers both an operational projected budget and an advertising budget proposal researched and outlined to meet a broader market with brand recognition.

#### This proposal includes:

Part 1: An overview of the roles, responsibilities, objectives, strategies, and goals

Part 2: A recap of the scope of work completed – ending June 30, 2012, the excellent positioning to continue toward the goals in fiscal year 2012-13 and the year-end Profit & Loss Statement

Part 3: Projected 2012-13 Operating Budget

Part 4: Advertising and marketing campaign proposal aimed at gaining significant traction in the visitors' markets outside of Escondido

A "Visitors Bureau" in any community serves as the destination manager and information portal for visitors, potential residents, groups, and residents to enjoy their community and share it with their guests. It must be organized to make a wide-ranging impact and yet, be efficient and strategic to gain the best exposure within the budget. Partnering with the Escondido Chamber of Commerce, the Visitors Bureau can leverage the infrastructure in place and be the successful organization for - online or in person - leisure or business, individual or group business seeking access to what our community has to offer: amazing attractions, wineries, breweries, restaurants, travel package enhancement opportunities, sports destination venues, as well as housing and economic information about the area that it serves.

### **Funding Proposal**

The Escondido Chamber of Commerce will assume the Visitors Bureau functions for the City of Escondido as specified under a renewed 2012-13 contract. It is our understanding that \$64,000 is set aside in the City budget for the this fiscal year ending June 30, 2013. We are requesting those funds be made available to the Escondido Chamber for use in hiring a professional Visitors Bureau Director and for operating expenses including office lease, staff training, overhead and needed equipment. Additionally, this proposal includes a budget plan for \$21,121 for the 2012-13 advertising campaign designed to assist in meeting the goals of the organization.

We thank you for this opportunity to contribute to the continuation of this vital program.

Sincerely.

Katherine Zimmer President & CEO

**Escondido Chamber of Commerce** 

**Brian Murphy** Chairman

**Escondido Chamber of Commerce** 

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### Part 1: Roles, responsibilities, objectives, strategies, and goals

#### Roles / responsibilities:

The Visitors Bureau Director will be hired by joint panel consisting of Chamber and City personnel. Once an offer has been accepted the CVB Director will report directly to the Chamber CEO and all communication, input, and suggested direction will be addressed through the Chamber CEO. The Chamber is responsible for supervising the CVB Director and ensuring that the objectives and goals of the Visitors Bureau remain on track.

### Objectives, strategies and goals:

- 1. To promote Escondido's unique variety of topography, natural trails, historical sites, events and many significant points of interest:
  - a. As a leisure and group traveler destination through promotion of hotels/motels, restaurants, wineries, breweries, attractions, historical sites and special events... encouraging travelers to either create their travel plans around staying in Escondido or adding our community into their itineraries as a day trip from other leisure locations or during their business/convention group free time.
  - As a sports destination through the promotion of our beautiful topographical attractions, parks, sports center, golf courses and special venues such as the Daley Ranch. Also, to be a major contributor to the attraction, organization, and on-site production of sports events.
  - c. As a convention and meeting destination through the promotion of our current larger venues such as the California Center for Arts Escondido, the Lexus Centre, and the San Diego Zoo Safari Park as well as various other meeting venues in wineries, golf courses, museums, etc.
  - d. As an opportunity to build close relationships with hotel/motels to track 'heads in beds' and work towards launching an online reservations portal on visitescondido.com to include attractions, restaurants, and events. Additionally, to research, plan, and implement other visitor benefits that provide tracking such as referral cards.
  - e. To measure and track through close relationships with venues and partner organizations, surveying visitors, online and social media analytics, and other referral avenue tracking.

### 2. Online and Print marketing, advertising and press:

- a. VisitEscondido.com continue to enhance content, links, and functionality to provide the best possible experience for the visitor, promotion for the venues/events, and produce traffic numbers attractive to revenue-generating sponsorships.
- Social media Facebook, Twitter, Foursquare, Pinterest, etc.: Utilize all possible business brand methodologies, features and options to capitalize on social media communications. Monitor engagement, numbers and trends closely and adjust accordingly.
- c. Maintain high visibility in local publications such as Escondido Magazine and online partner websites/publications such as the City of Escondido and DBA.
- d. Identify the best possible prominent regional advertising avenues, negotiate special discounted rates and strategically place our brand messaging, customized to the publication (see attached Marketing & Advertising Proposal for Sunset, CA Official State Visitors Guide, 101 Things To Do, San Diego CVB).

- e. Be consistently strong in seeking editorial opportunities through press releases, story pitches, event promotion, and building positive editorial relationships.
- f. Take full advantage of online services included in print packages and add additional online opportunities when feasible and strategic i.e. VisitCalifornia.com, SunsetGetaways.com, SanDiego.org, and 101SanDiego.com
- g. Follow up with providers to get all click though and tracking information.
- h. Engage and promote positive feedback while monitoring online travel communities such as Yelp, TripAdvisor, IgoUgo, CitySearch, FourSquare or AroundMe and travel blogs.
- i. Produce materials, monitor and maintain Escondido visitor information at various locations throughout the County: CA Welcome Center in Oceanside, Alpine Welcome Center (primary stop for AZ visitors), hotels, restaurants, attractions, AAA, campgrounds, wineries, airports, etc.
  - i. Note: Although the Visit Escondido Map was not approved as a viable marketing tool for the Visitors Bureau last year, the Chamber has updated, refreshed and reprinted it (within the Chamber's budget) with high visibility for Visit Escondido. 25,000 copies are on track to be distributed throughout the County at the locations mentioned above – on a planned 12-month feed.

#### 3. Relationships, Growth and Customer Service:

- a. Continue to build positive and mutually productive relationships with all hospitality and tourism entities in our community and regionally... as well as partner organizations.
- b. Maintain brick & mortar Visitors' Center hours with trained staff to act as concierges and assist walk-in guests and callers with referrals, reservations, itinerary planning suggestions, and eventually reservation bookings on the spot.
- c. Proactively solicit group travel business such as business meetings, social, fraternal, religious, sports and reunion organizations.
- d. Maintain memberships in appropriate associations to supplement visibility and keep on top of trends and best practices.

### 4. Administration:

- a. Provide biannual performance report to the City to include program implementation status, trending marketing avenue efforts, website and social media analytics, print and online advertising results, and office walk-in/caller reports – with a focus on conversion, not just visibility.
- b. Maintain records, invoices, and relevant documentation supporting services provided.

### - Ongoing Activities (started in prior year):

- Continue to solicit and acquire photos and video from area businesses to be shared on website and social media
- Advertising Conduct ongoing research and collect cost data for preparing future advertising budget proposals
- Escondido Magazine Calendar Collect & compile data and information on upcoming events for future magazine editions
- Grants Conduct research for potential future Community Enhancement Program, Neighborhood Reinvestment or other economic development program grants and write grant proposals
- Actively update social media pages with regular posts to engage a deep reach to target audience and to increase Social Media page fans/members
- Participate in ongoing research and training to stay on top of Social Media and online marketing changes and trends

- Monitor and respond to Visit Escondido activity and communication on outside social media pages and feedback sites and forums (i.e. Trip Advisor, Visit California, SDCVB, etc.)
- Update and maintain Escondido events and information on partner and advertiser websites
- Actively update Visit Escondido social media page and website calendar and blog
- Write regular Press Releases, Blogs & Newsletters
- Analytics Compile and analyze analytic data from website, social media and advertising efforts to track ROI and to use for planning future Marketing and Advertising strategies
- Surveys –Develop surveys that will be used on the CVB website and through social media channels to collect market demographic information from site visitors.
- Solicit prize contributions to be packaged in "Grand Prize" drawings that will serve as incentive for individuals to participate in online surveys
- Maintain open communication with Escondido business community to support promotion of travel and tourism, relocation interest and group meeting events
- Participate in meetings with event sponsors and promoters to determine methods of supporting events that appeal to travel and tourism
- Conduct regular reviews of Visit Escondido search engine presence for key/topical terms to maximize SEO
  effectiveness

### Part 2: Review of scope of work accomplished 2011-12:

#### - Creation of new VisitEscondido.com website developed and launched!

The new site includes:

- Social Media Integration (Facebook, Pinterest, Twitter, Google+ and YouTube)
- Website analytics are in place
- VisitEscondido opt-in Newsletter
- Things To Do: categorized and linked Arts & Entertainment, Attractions, Food & Dining, Shopping, Golf and Outdoor Sports, Wineries & Breweries
- Accommodations, meeting space, venues with links
- Recent News: current news relevant to tourism, promotion of events and press on stakeholders making news
- Relocation Info: weather, demographics, housing, transportation, employers, educational institutions, cultural amenities
- Blog goals to include guest bloggers and consistent content pertinent to visitor itinerary planning, personalized feedback and perspectives
- Visit Escondido map, electronic version
- Event Calendar for the year, with quick links to upcoming events
- Online Reservations/Ticketing (successful negotiations were started and will be continued asap)

The site needs freshening, branding, content updating, and re-engagement.

### - Creation and maintenance of photo libraries for social media, press, site pages, marketing, etc.

To date image galleries have been established for the following:

Cruisin' Grand

Felicita Park

Grape Day Park

California Center for the Arts

Kit Carson Park San Diego Zoo Safari Park Daley Ranch Dixon Lake

Stone Brewery

Escondido Street Fair

Welk Resort

Escondido Wineries

- Developed Visit Escondido Press & Media Contact Database for issuing Press Releases
- Developed initial Market Survey to collect "reason for visit" information:

Integrated survey link on VisitEscondido Facebook page and shared through social media posts and Visit Escondido newsletter

- Obtained San Diego CVB Membership

Submitted the following events to the SDCVB website:
Cruisin' Grand
Escondido Street Faire
Second Saturday Art Walk
Movies and Music in the Park
Independence Day Celebration in Grape Day Park
Glow in the Park Escondido
Stone 16th Anniversary Celebration & Invitational Beer Festival

- Created Visit Escondido Flicker account and added the following Galleries to the SDCVB Flicker Gallery page:

Cruisin' Grand; Escondido Wineries (Belle Marie, Cordiano, Deer Park, Orfila) San Diego Zoo Safari Park; Stone Brewery; Welk Resort

- Submitted the following events to the 101 Things To Do website:

Cruisin' Grand; Escondido Street Faire; Second Saturday Art Walk; Movies and Music in the Park; Independence Day Celebration in Grape Day Park; Glow in the Park Escondido; Stone 16th Anniversary Celebration & Invitational Beer Festival. Sent emails to notify area event promoters of the aforementioned items so they would be aware of the additional exposure for their events.

- Researched, analyzed and negotiated advertising programs to start as soon as possible. See following proposal with detailed information for:
  - 2013 California Official State Visitors Guide print and online
  - 2012-13 three-issue run in Sunset Magazine So CA edition/Travel Directory print and online
  - 2012-13 four-issue run in 101 Things To Do San Diego print and online
  - San Diego Convention & Visitors Bureau online only

### **Escondido Convention and Visitors Bureau**

Profit & Loss Statement July 2011 to June 2012

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	Net Loss	\$(14,375.00)
	Total Expenses	\$78,375.00
	Utilities	\$490.00
	Telephone	\$1,500.00
	Rent	\$7,800.00
	Professional Fees	\$6,129.00
	Payroll	\$58,656.00
	Network Expense	\$500.00
	Meeting Meals	\$1,027.00
	Computer Exp	\$1,248.00
	Auto Exp	\$406.00
•	Advertising	\$619.00
Expenses		
	Total Income	\$64,000.00
	City Funding	' '
meome	City Funding	\$64,000.00

**Professional Fees:** Initial outsourced work such as website creation and graphic design. This amount won't be as high ongoing.

**Rent:** The Escondido Chamber leases five executive office spaces, including the one used by the Convention and Visitors Bureau. \$650/month.

### Part 3: 2012-13 Projected Operating Budget

Escondido Convention and Visitors Bureau Projected Operating Budget 2012-2013

Income		
	City Funding	\$64,000.00
	Total Income	\$64,000.00
Expenses		
•	Auto Exp	\$600.00
	Computer Exp	\$300.00
	Meeting Meals	\$800.00
	Nextwork Expense	\$500.00
	Professional Fees	\$2,000.00
	Payroll	\$58,000.00
	Rent	\$7,800.00
	Telephone	\$1,200.00
	Uilities	\$700.00
	Total Expenses	\$71,900.00
	Net Loss	\$(7,900.00)

### Part 4: 2012-13 Paid Advertising and Marketing Campaign

- See attached PDF: 2 VisitEscondido\_Adv-Mktg\_Proposal.pdf
- Pending funding approval from City Council, \$21,121.



Net Annual Investment: \$6,263

# 2012 – 2013 Visit Escondido Print\* Marketing & Advertising Proposal

### **Proposal Summary:**

### 2013 California Official State Visitors Guide

Annual publication - the primary fulfillment piece for the Visit California's \$50 Million budget. It reaches a prequalified audience of consumers who request information on travel to, or within California, both domestic and international. Early Reservation Discount of 20% from our June 18 agreement has been extended.

Net Annual Investment figures includes online listing, link to ad in online magazine, and "2-Week Deals page" sponsorship as added value, but does not include online ops such as banner ads, enews sponsorship, etc., see detailed information below.

2012 Sunset Magazine – Southern California edition, Travel Directory Net Annual Investment: \$3,758 Nov. 2012 (Wine Awards), Dec. 2012 (Holiday Issue) & May 2013 (Travel Issue)
Our previously negotiated discount in June of 25% has been extended.

November issue - \$1,252 payment due Nov 2012

The Wine Awards Issue features some of the Temecula Wineries - it would be great to have the ad feature our boutique wineries here in Escondido! The Holiday Issue will draw travelers who are looking to escape to our typically warmer winter climate and the Travel Directory is a critical audience targeting the summer vacation planner.

Net Annual Investment figures includes online listing with link, see detailed information below.

### 101 Things To Do San Diego Print & Online

In addition to their current distribution through San Diego's Lindbergh Field airport, visitor information centers, over 250 hotels and strategically located newsstands throughout the county, they have just recently partnered with the SDCVB to distribute through their information centers and as mail out requests directly to convention groups, expanding pre-arrival outreach. This dramatically increases their distribution numbers and our exposure to convention visitors. Oct, Jan, April and July issues: Deadline for October- reservation and artwork: Sep 14, 2012 – \$1,365 payment due Sep 2012

Net Annual Investment figures includes online campaigns, see detailed information below.

### San Diego Convention & Visitors Bureau - online

Net Annual Investment: \$5,040

Net Annual Investment: \$5,460

This proposal is online only and reflective of Visit Escondido's marketing plans to increase traffic to the Visit Escondido website. The impressions on sandiego.org, which launched a new website June 30, will all link back to the VisitEscondido.com site. Payment due dependent on event-based marketing efforts.

Sub-Total Net Annual Marketing & Advertising Investment: \$20,521.00
Estimated Cost in Print Ad & Banner Ad Development: \$600.00
Net Annual Marketing & Advertising Investment: \$21,121.00

<sup>\*</sup> In addition to print advertising, consistent messaging will be promoted for editorial opportunities (i.e. press releases, story pitches, and editorial relationship building)

### California Official State Visitors Guide

### 2013 California Official State Visitor's Guide

(Distributed January - December 2013)

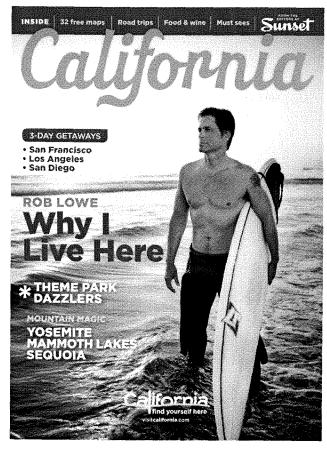
Annual publication - the <u>primary fulfillment piece</u> for the Visit California's \$50 Million budget. It reaches a prequalified audience of consumers who request information on travel to, or within California, both domestic and international. Also distributed at *Sunset* events, CA Welcome Centers and DMO's. Newsstand version through Time Inc. channels, and Digital version on www.visitcalifornia.com

Circulation:

500,000 Annually

Added Value: Enhanced Listing in the publication (Value: \$1,040 per listing), Listing on the reader service card (leads via e-mail twice monthly), Listing and hyperlink on State's web site at <a href="https://www.visitcalifornia.com">www.visitcalifornia.com</a>. Link from your ad in the Digital version to your site.

New as of 2012: iPad app with links!



### Sumei

### 2013 California Official State Visitors Guide Print Pricing:

1/6 page:

\$9,210

Early Reservation:

(1,842) 20% discount

Subtotal:

\$7,368

**Agency Discount:** 

(1,105) 15% discount – "in-house agency"

**Net Annual Investment:** 

\$6,263

Circulation is 500,000 printed copies, plus digital version on VisitCalifornia.com where the URL in your ad links to your site. Early Reservation Discount of 20% from our June 18 agreement has been extended. Payment due January 2013.

Online: 2013 California Official State Visitors Guide

### VisitCalifornia.com

### **Visitor Profile**

- 259,954 Average unique per month
- 1,497,784 Avg. page views per month
- 76,336 Avg. monthly unique first-time users
- 3:55 Avg. time spent on site
- User Origination:
- Approx 84% of users access the site from within the U.S.

### **Opportunities:**

Banner Advertising
Newsletter Sponsorships
Deals Page Sponsorships
Investment: Starting at \$600
Upload your information/events at:
www.Industry.VisitCalifornia.com





## **Sunset Magazine – Travel Directory**

### Sunset Magazine's Travel Directory

(Monthly)

Life in the West - Sunset Magazine reaches consumers through subscription and newsstand sales, covering the four "cornerstones" of Western Living: Travel, Food, Home and Garden. Regional editorial "speaks" to the reader where they live.

Loyal readership:

Sunset Magazine is enjoying it's 114<sup>th</sup> year!

Median HHI: \$91,748 (2011 GfK, MRI)

Average HHI: \$100,117 (2011 lpsos Mendelsohn)

**RPC:** 3.8

3.86 = 4.8 Million Readers

Median Age: 52.

Circulation: 1,250,000 monthly – Western 13 states

315,000 Southern California edition.

Added Value: Reader service card listing in each advertising issue, exposure on <a href="www.sunsetgetaways.com">www.sunsetgetaways.com</a> with link. See Travel Directory rate card for rates and travel planners available.



### 2012 Sunset Magazine - Southern California edition - Pricing

Southern CA circulation: 315,000 copies distributed monthly from Santa Barbara south to San Diego. The Wine Awards Issue features some of the Temecula Wineries – a great fit for an ad featuring our boutique wineries here in Escondido! The Holiday Issue will draw travelers who are looking to escape to our typically warmer winter climate and the Travel Directory is a critical audience targeting the summer vacation planner.

1x Rate Card (net)

Escondido Rate (net) for 3x frequency

**2" Color Ad:** \$1,670

\$1,252.50 (25% off of 1x net)

Nov. 2012 (Wine Awards), Dec. 2012 (Holiday Issue) & May 2013 (Travel Issue)

3" Color Ad:

\$2,510

\$1,757 (30% off of 1x net)

Sunset Magazine deadlines 2 months prior to issue date.

### 101 Things To Do - San Diego

### 101 Things To Do San Diego

### Print:

### Over 45,000 magazines distributed monthly (over a half million annually)

In addition to their current distribution through San Diego's Lindbergh Field airport, visitor information centers, over 250 hotels and strategically located newsstands throughout the county, they have just recently partnered with the SDCVB to supply magazines to the convention center and directly to convention groups with customized covers. This dramatically increases their distribution numbers and our exposure to convention visitors.

½ page ad in Oct, Jan, April and July magazine – \$1,095 per quarter (\$4,380 per year)

Deadline for October- reservation and artwork: September 14<sup>th</sup>

- Purchase of print ad qualifies us for 50% off banner ads on 101 Things website
- Two feature articles in magazine per year included, (\$300 value)
- Print ad design/layout included

### Online:

### Over 28,000 unique visitors monthly to our Internet site.

More importantly our analytics tell us that the visitors are 79.7% from Southern California. Your special promotion will be showcased weekly to over 28,000 visitors on the home page of our website with a link to your promotion and your website.

### Over 45,000 magazines distributed monthly with the QR code

With the QR code placed on our front cover you will be seen by over 45,000 potential clients monthly.

### Weekly e-Newsletter to over 6,000 subscribers & growing

101 Things To Do San Diego currently sends out a weekly email newsletter that includes our widely read weekly things to do article, recipes from our local restaurants and other great articles to over 6,000 opted in subscribers.

### Banner ad with click through to your URL

Category page Banner Ads – B: (Above fold 300 X 250 pixels) \$270.00 per quarter (\$1,080.00 per year) \*Cost includes 50% discount for placing print ad order

Category page Banner Ads – C: (Below fold 300 X 250 pixels) \$135.00 per quarter (\$540.00 per year) \*Cost includes 50% discount for placing print ad order

Banner ad developed by 101 Things To Do Magazine for no extra charge

**Total Cost** of 101 Things To Do ad campaign for **both online and print ad marketing:** Based on Print Ad in Magazine and Online Banner Ad

To include Category page online Banner Ads – B: (Above fold 300 X 250 pixels): \$1,365.00 per qtr - \$2,730.00 per six months - \$5,460.00 per year

To include Category page online Banner Ads - C: (Below fold 300 X 250 pixels): \$1,230.00 per qtr - \$2,460.00 per six months - \$4,920.00 per year

# San Diego Convention & Visitors Bureau

### **SD Convention & Visitors Bureau**

### Online only:

This proposal is online only and reflective of Visit Escondido's marketing plans to increase traffic to the VisitEscondido.com website. The impressions on sandiego.org, which launched a new website June 30, will all link back to the Visit Escondido site.

### Proposal Option #1

Website Advertising - 5.3 million annual users

# Visit Escondido 6 Month Advertising

Unit	Run of Site Impressions	Cost
300 x 250	330,000	\$ 2,640
728 x 90	400,000	\$ 2,400
TOTAL		\$5,040

SD CVB recommendation is to allocate the use of these impressions for event-based advertising. Their experience is that events tend to be the best demand drivers.