



north lake tahoe

NORTH LAKE TAHOE MARKETING COOPERATIVE MEETING

Agenda

Wednesday, October 28th, 2015 – 9 am

Call in information:

Call in number: 712-775-7031

Meeting ID: 911-871-685

The October meeting of the North Lake Tahoe Marketing Coop Committee will be held on Wednesday, October 28th, 2015 at 3pm. The meeting will be held in the conference room of the Incline Village Crystal Bay Visitors Bureau located at 969 Tahoe Blvd, Incline Village, NV 89451. Phone: (775) 832-1606.

PUBLIC COMMENTS—Public comment will be at the beginning and end of the meeting and is limited to three minutes. The public is encouraged to comment on all agenda items as well as issues not on the agenda during the Public Comment period. Agenda items may be taken out of order, may be combined for consideration by the Board, and may be removed from the Agenda at any time. Members of the public desiring to speak must complete a “Request to Speak” form and return it to the clerk at the meeting. Public comments may not be accepted after the chairman closes any period for public comment.

- | | |
|--|-------------------|
| A. Call to Order | Chair |
| B. Public Comment (Pursuant to NRS 241.020) | Chair |
| C. Roll Call/Introductions | Chair |
| D. Approval of Agenda (For Possible Action) | Chair |
| E. Approval of June 22, 2015 Coop Meeting Minutes
(For Possible Action) | Chair |
| F. Review of Consumer Marketing Efforts | School of Thought |

- | | |
|--|-----------------|
| G. Review and Discussion on PR & Social Efforts Agency | The Abbi |
| H. Review and Discussion on FY 2015/16 Coop Q1 Financials | Sabella/Chapman |
| I. Advertizing RFP to go out in January – Committee Selection | Thompson |
| J. NLTRA Fund Balance Outline (For Possible Action) | Thompson |
| K. New Business | Chair |
| L. Old Business | Chair |
| M. Public Comment (Pursuant to NRS 241.020) | Chair |
| N. Adjournment (For Possible Action) | Chair |

Physically disabled persons desiring to attend this meeting should contact Anna Atwood at 530-581-8700

Public Posting

- | | |
|---|-----------------------|
| Incline Village Post Office | IVGID |
| Crystal Bay Post Office | Incline Justice Court |
| Incline Village Crystal Bay Visitors Center | Meeting Location |
| North Lake Tahoe Resort Association | |



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NLT Marketing Cooperative Committee Meeting Minutes – Monday June 22, 2015

The North Lake Tahoe Marketing Cooperative Committee Meeting was held at the Tahoe City Visitors Information Center.

1.0 CALL TO ORDER

1.1 The meeting was called to order at 3.01 pm and a quorum was established.

2.0 PUBLIC COMMENTS

2.1 Andy Chapman introduced Brian Lang as a new committee member and Heather Bacon will be taking over Lee Koch as of the next meeting.

3.0 ROLL CALL

3.1 Committee members present: Bill Wood, Lee Koch, John Monson, Sandy Evans Hall, Brett Williams, Andy Chapman, Brian Lang

Other people present at the meeting: JT Thompson, Heather Bacon, Joe Newfield, Stacia Hanley, Ryan Gelow, Diana Wolf, Connie Anderson, Abbi Whitaker, Cadence Matjevich, James Hipkin, Anna Atwood, Marc Sabella

4.0 APPROVAL OF AGENDA

4.1 **M/S/C (Chapman/Williams) (7/0) to approve the agenda as stated.**

5.0 APPROVAL OF OCTOBER 23, 2014 COOP MEETING MINUTES

5.1 **M/S/C (Williams/Wood) (7/0) to approve the Coop Meeting Minutes from October 23, 2014.**

6.0 REVIEW AND DISCUSSION ON FY 2015/16 COOP BUDGET – JT THOMPSON/ANDY CHAPMAN

6.1 Andy reported that there is an increase in the NLTRA funding pending final approval, and also an increase from IVCBVB; \$138,000 that has already been approved. The IVCBVB NCOT Grant is another funding source from the State of Nevada that is grant dollars put in the budget and matched. This year some of that funding will be used for an "Ale Trail" program that will help promote the region. Andy reported that they are projecting an over-spend of \$7404 for this FY 2014/15 year that will be rectified in next year's budget. He also shared the increase in some of the line items in the budget such as Public Relations/Social Media, Leisure Sales and Conference Sales Media/Travel. Andy also shared the increase of \$50,000 in the Regional Air Service Corporation and what that covers.

6.2 **M/S/C (Evans Hall/Williams) (7/0) to approve the Draft 2015/16 North Lake Tahoe Marketing Coop budget pending final approval from Placer County.**

7.0 REVIEW AND DISCUSSION ON SUMMER CONSUMER MARKETING EFFORTS – SCHOOL OF THOUGHT

7.1 Ryan with School of Thought reviewed the media recommendations for the High Notes Campaign.

High Notes - 2015 approach:

- 100% Audio: Sacramento and Reno markets

- Spots: :15s and :60 live reads, digital banners if necessary
- Flight Dates: 6/29/15 – 8/30/15
- Budget: \$20,000
- Radio stations in Sacramento: 96.9 Eagle, 107.9 and 94.7
- Radio stations in Reno: 106.9

Recommendation: Terrestrial Radio has a net reach of 684,600 and cost \$7.28 CPM. While digital streaming presence is strong, terrestrial audio is superior with greater target reach equals more cost efficient. Additional value of local personality /inclusion (live reads)

There is a great added value opportunity to lodging properties and event producers that would like to donate a free night stay or tickets to any events. This will be aligned with the High Notes radio spots and a perfect opportunity to promote your business or do a contest. For more information please contact JT Thompson.

Action to staff (JT/Emily): Get information out to the lodging properties and event producers regarding this radio opportunity.

Comments by committee members: How do we help High Notes music events to cast a bigger net going forward? Could we ask lodging properties, PUD's or promoters of events to help with funding?

- 7.2 Stacia with School of Thought reviewed the 2015/16 Communication Strategy plan. The objective is to increase mid-week heads-in-beds through: 1) Drive longer vacations (defined as 5+ nights) 2) Increase length of weekend stays (defined as 3+ nights). The tentative media budget for next FY 2015/16 is \$528,000 (Commissions + High Notes included; productions excluded).

Geography:

Southern California is the largest and closest travel market beyond the Bay Area, that is likely to support extended weekend stays (3+ nights) and vacations (5+ nights), but requires higher investment.

Bay Area + surrounding markets are most familiar with NLT, and because of close proximity provide the best traction when driving short term efforts + shoulder season visits.

Beyond California, a built-in flexibility is needed in order to best support any markets, as opportunities arise.

School of Thought's recommendation:

1. Focus paid media activity in shoulder months
 - Fall 2015: September 14 – November 29 (11 weeks)
 - Spring 2016: March 28 – June 12 (11 weeks)
2. Utilize owned, earned and partnerships to support high seasons and drive DR awareness for more immediate shoulder season travel
 - PR (TAA)
 - Social (TAA)
 - Co-op piggyback (SOT to assist)

Based on budgets School of Thought are recommending Video and Digital. For Engagement SOT will still handle Search and The Abbi Agency will handle Social and PR. Stacia shared the different companies they are considering for video, digital and search.

Comments:

Consider targeting the coastal communities in Southern California that are constantly in the fog.

8.0 REVIEW AND DISCUSSION ON SUMMER PR & SOCIAL EFFORTS – THE ABBI AGENCY

- 8.1 Abbi and Connie reported on the key themes that have been focused on:
- Summer recreation
 - Festivals/Human Powered Events : USA Cycling, Alpenglou Mountain Festival, Ta-Hoe Nalu and Wanderlust
 - Weather + Boating Conditions
 - Crisis Communications: Drought
 - Cools Deals

- East Coast Travel: Non-Stop Service on JetBlue from JFK to Reno-Tahoe

Abbi reported that some of their goals and objectives with the new JetBlue flight is to grow the media footprint in New York City through meetings, attendance at Travel Nevada media events and through RASC media trip.

Connie shared they are focusing their presence in the Bay Area through PR. She is working on a media event for the fall and some great upcoming content marketing for fall/winter. Also in the works is the Ale Trail Campaign. Abbi reported they are planning a lot of media trips.

9.0 REVIEW OF GOTAHOENORTH NEW SITE – SCHOOL OF THOUGHT/JAMES HIPKIN

9.1 Joe with School of Thought did a quick review of the new website. The new site really captures the extraordinary North Lake Tahoe experience for all types of visitors. The tone is: down to earth, inviting and iconic. This new website makes it easy for properties to login and update their property description, images and videos. The new login information was sent out and Emily and JT will be working with the properties to make sure everyone knows how to update their information. There is also a tutorial video available.

James with Red8 shared if something is broken please direct them to JT Thompson but they need to document the following: 1) What browser you were using and 2) What operating system you are on.

10.0 FY 2014/15 BUDGET DISCUSSION

10.1 Marc reviewed the FY 2014/15 Marketing Coop budget with the committee members. He shared the numbers reflected on the balance sheet shows a deficit but there is still a month of funding coming from the IVCBVB.

10.2 M/S/C (Evans Hall/Monson) (7/0) to approve FY 2014/15 Budget.

11.0 UPDATE ON NLT COOP RENEWAL AGREEMENT

11.1 Sandy gave the committee member an update on the revised 2015-16 North Lake Tahoe Marketing Cooperative Participation Agreement, with the following revisions made to go into effect July 1, 2015:

- 1.6 – Budget Administrator: The NLTRA will perform all bookkeeping and accounting services and an annual independent review of the NLT Marketing Coop financial accounts.
 - i. This review replaces the annual audit which was considered to be a financial burden, with a financial review producing the same results.
- 5. – Term: It is further agreed by the Participants that either party hereto may request a review/modification of this agreement upon a 60 day written notice to the other.
 - i. This replaces the three year term of the agreement and allow it to live in perpetuity either party the option to change the agreement with a 60 day notice.

12.0 APPOINTMENT OF CHAIR AND VICE CHAIR FOR FY 2015/16 TERM

12.1 Andy shared that the two organizations rotate the chair position and it is the NLTRA turn. Sandy nominated John Monson for Chair and Bill Wood for Vice Chair for the next FY 2015/16 term.

12.2 M/S/C (Evans Hall/Chapman) (6/0) to elect John Monson as Chair and Bill Wood as Vice Chair for FY 2015/16 term.

13.0 NEW BUSINESS

13.1 None.

14.0 OLD BUSINESS

14.1 Andy thanked Lee Koch for her years of service to the Marketing Coop Committee. This is her last meeting.

15.0 PUBLIC COMMENT

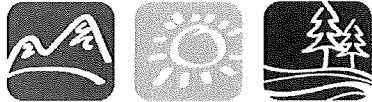
15.1 None.

16.0 ADJOURNMENT

16.1 The meeting adjourned at 5:00 pm.

Submitted By:

Anna Atwood, Marketing Executive Assistant
NLT Chamber/CVB/Resort Association



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Chamber | CVB | Resort Association

Memorandum

Date: September 25, 2015

To: Sandy Evans Hall

From: JT Thompson

RE: Marketing Suggestions & Scope of Work for FY 14-15 Fund Balance

The following is a Scope of Work for the attached proposed budget for the Fund Balance.

Mexico Marketing \$35,000.00 Nov-June

With Direct air service on Volaris from Guadalajara, Mexico into Reno International we are seeing an increase of Mexican visitors to North Lake Tahoe. With additional resources invested in this market we would be able to develop a broader marketing strategy and grow our exposure in the travel trade and travel media. We would partner with Visit California and/or Travel Nevada, and request local resorts to join us to boost the value to each of these items. (If we are unable to gain any paying partners for the Mexico City event we will attend the NCOT and Visit CA Sales Missions).

Travel Trade Representation	\$18,000
Tour Operator Brochure Support	\$8,000
Travel & Media Event in Mexico City	<u>\$9,000</u>
Total	\$35,000

With 521,000 air travelers from Mexico to California in 2014, Mexico is one of California's Top 5 international markets.

Mexican visitors arriving by air spent approximately \$519 million collectively; with an 8.2-night average stay and \$998 average spend per visitor. Mexican air arrivals to California have steadily increased for the past five years from 335,000 in 2009, to 521,000 in 2014.

The Mexican market will continue to be interested in California and, as the data show, that interest is only growing, with a forecasted increase of 9.6 percent expected through 2018. California's proximity to Mexico is a distinct advantage, while the challenge is keeping California fresh as a destination with limitless opportunities and experiences across the target market segments.

While travel agencies continue to be critical market influencers, the Mexican booking pattern also has shifted recently with the country offering tremendous opportunity online. The travel trade program has

been a staple in the market with additional funding and efforts geared toward programs to provide further education and drive consumer demand.

Over the past 18 months, Visit California executed a digital advertising campaign and a recent spring television spot to highlight the vast travel offerings in California. A strategic layered consumer campaign is anticipated in the coming fiscal year, which will include digital and television.

Market Overview

		Yr/Yr % Chg
Total Visitors to California (2014)	7,577,000	1.3%
Visitors by Air (2014)	521,000	1.1%
Total Visitor Spending (2014)	\$3,047 million	1.7%
Visitor Spend by Air Travelers (2014)	\$519 million	1.4%
Market Share of Air Travelers (2013)	23.2%	2.4%
Average Length of Stay - nights - by Air Travelers (2013)	8.2	
Weekly Non-Stop Flights (2015)	423	3.4%
Weekly Non-Stop Seats (2015)	62,516	1.6%
2015 Visitation Forecast (% change vs. 2014)	7,900,000	4.3%
2015 Visitation Forecast by Air (% change vs. 2014)	532,000	2.1%
2018 Visitation Forecast (% change vs. 2014)	9,400,000	24.1%
2018 Visitation Forecast by Air (% change vs. 2014)	571,000	9.6%

Source: Office of Travel and Tourism Industries, CIC Research, Tourism Economics, OAG

Visitor Spending by Category 2013

	% spending	\$ Category Spending
Accommodations	32.3%	\$165 million
Entertainment/Recreation	10.0%	\$51 million
Food & Beverage	17.2%	\$88 million
Ground Transportation	3.5%	\$18 million
Shopping	23.8%	\$122 million
U.S. Air Transportation	9.5%	\$49 million
Other	3.1%	\$16 million
Total	100.0%	\$512 million

Source: U.S. Dept. of Commerce; CIC Research, Inc.; U.S. BEA; Tourism Economics

China Marketing \$10,000 Jan-June

Chinese are starting to venture away from the gateways of LAX and SFO. California is the largest market for the inbound Chinese traveler. We need to make sure we are a part of this! We will work with Visit CA with some initial digital marketing and see how much return we get on it for six months.

Our staff will focus on meeting with Chinese Inbound Receptive Tour Operators in the Bay Area and Los Angeles on desk side sales calls prior to launching any In-market digital advertizing. We will need to make sure we have some hotel packaged product in their portfolios.

Staff will also have to educate some of the hotel partners on this market in order to make sure we are ready for this traveler.

Co-op Digital Advertizing with VCA	\$7,500
Tour Operator Brochure Support	<u>\$2,500</u>
Total	\$10,000

The number of Chinese visitors to California continued to outpace all other overseas source markets in 2014, growing by 24.8 percent to a record 1,022,000, making China the No. 1 source of overseas visitors for California.

Chinese buying power also surged by 32.7 percent in 2014, with visitors spending \$2.5 billion in California or three times the spending of visitors from the United Kingdom and Japan – the No. 2 and No. 3 overseas markets for California.

China outbound visitation hit a record high of 114 million in 2014, a 20 percent year-on-year increase. Chinese spent more than \$140 billion on overseas trips in 2014, up 20.7 percent year-on-year and making Chinese the No. 1 spenders on travel in the world.

The U.S. government extended the validity of Chinese business and tourist visas to 10 years and student visas to five years, which will result in even more rapid growth in visitation to the United States and consequently to California, which enjoys more than 45 percent market share of all Chinese travel to the United States. The new policy will drive significant numbers of repeat visitors to California – a trend already evident among Flexible Independent Travel (FIT) and semi-FIT travelers – and will stimulate in-depth tours to just California. As a result, growth in beyond-the-gateway travel across California will benefit a wider range of California partners. The policy also is expected to shorten the length of Chinese shoulder seasons and extend peak season periods. With continuing strong growth in the China market, the Chinese travel trade is eager to develop new California tour packages, and major tour operators are hungry for destination information to develop new products to cater to the different needs of group and FIT travelers.

In response to the rapid growth in arrivals from China, Chinese and international airlines increased flights to California by 6.9 percent in 2014 and further expansion is planned in 2015. In addition to airlift increases from the traditional gateway cities of Shanghai, Beijing and Guangzhou, new services were added from two new China gateways in 2014 – Chengdu and Wuhan. Greater flight capacity will allow

Visit California China to expand its efforts in developing second-tier markets and ultimately reach the entire China market with an emphasis on establishing a foothold in West China centered on Chengdu.

Market Overview

		Yr/Yr % Chg
Visitors to California (2014)	1,022,000	24.8%
Visitor Spending (2014)	\$2,583 million	32.7%
Market Share (2013)	45.3%	-0.4%
Average Length of Stay - nights (2013)	9.5	
Weekly Non-Stop Flights (2015)	77	6.9%
Weekly Non-Stop Seats (2015)	24,071	6.1%
2015 Visitation Forecast (% change vs. 2014)	1,165,000	14%
2018 Visitation Forecast (% change vs. 2014)	1,820,000	78.1%

Source: Office of Travel and Tourism Industries, CIC Research, Tourism Economics, OAG

Visitor Spending by Category 2013

	% spending	\$ Category Spending
Accommodations	19.7%	\$384 million
Entertainment/Recreation	12.1%	\$236 million
Food & Beverage	8.8%	\$171 million
Ground Transportation	11.5%	\$224 million
Shopping	7.3%	\$142 million
U.S. Air Transportation	38.2%	\$744 million
Other	2.3%	\$45 million
Total	100%	\$1,947 million

Source: U.S. Dept. of Commerce; CIC Research, Inc.; U.S. BEA; Tourism Economics

Bike Tahoe \$4,000 Oct.

Unbudgeted sponsorship opportunity that aligns with our core HPS mission. A GPS enabled guide (app) that we would be able to utilize and boost on our website for the biking enthusiast. Package also includes video that highlights our bike trails.

Exclusive Regional Partner Sponsorship \$4,000

Regional Partner - Brand Exclusivity

The BikeTahoe.org Regional Partner receives the following Rights and Privileges:

Designation. The Regional representative shall receive the designation, "Bike Tahoe Regional Partner", and may use this designation for their promotional purposes.

Exclusivity. Regional representative shall receive brand exclusivity (name/logo/click-through link) on their region's landing page for a period of two years from date of initial publishing.

Regional Branding. Regional representative's brand (logo/name/click-through link) shall exclusively appear at the top of their regional landing page, and on the Sponsor's page.

Page Branding. Regional representative's brand (name/logo/click-through link) shall prominently appear on the top of the right side bar (300 x 250) of each ride page within their region.

Greeting. Regional representative shall receive a greeting phrase on their landing page that welcomes visitors to their page. Regional representative may offer a greeting suggestion for consideration. (i.e. Welcome, Brought to you by, etc.)

Grant of Use. Regional representative is granted use of Bike Tahoe logo for their promotional purposes.

Reciprocal Link. Regional representative is granted use of Bike Tahoe.org URL link for its web site.

Publicity. Regional representative shall be mentioned in news releases sent to print and digital media. When possible, radio and television interviews shall be scheduled with representative.

Analytics. Regional representative shall receive annual web-based visitor analytics from their region and results from visitor surveys.

First Right of Renewal. Regional representative shall receive "First Right of Renewal" 60 days prior to the sunset of their exclusivity period.

CRM Upgrade 2.0 \$10,000 Oct-Dec

We currently have budgeted funds for the initial upgrade of our CRM Database, but these additional funds will allow us to get where we need to be out of the gate, instead of waiting for additional training and custom reports until the next budget cycle.

Simpleview.com

Customer Relationship Management only scratches the surface of our web-based destination management system.

Combining meeting sales, industry partner management, consumer marketing, forecasting, business analysis, reporting, and more, Simpleview CRM is the most widely used tool in destination marketing. For many of our customers it comes down to four great reasons:

- **It's fully integrated with Simpleview CMS**
Your website and relationships don't exist in separate worlds, and neither should the tools you

use to manage them. Simpleview CRM and CMS were designed to work together, letting you do more in less time.

- **It offers peace of mind**

By consolidating data and tools that are split up in a dozen different places today, it gives you one solid foundation for everyone to work from.

- **It's designed for DMOs and best practices**

That makes Simpleview CRM more intuitive right out of the box. At the same time, it can be customized and configured to your needs.

- **There are no surprises when it comes to cost**

Upgrades are always free, so there's no need to budget for the latest and greatest. And annual licensing includes big bundles of support.

Underlying all four reasons is one more factor: We pour tons of time and money into R&D. For you, that means always having the most advanced solution on the market.

Computer Hardware Equipment **\$2,000** **Oct.**

This is for unbudgeted computer hardware that is needed, and alleviates the need to wait for another budget cycle.

Domestic FAM's **\$2,500** **Jan-June**

This will allow us to add 1-2 additional domestic FAM's for Travel Agents in this FY.

International FAM's **\$5,000** **Nov-June**

This will allow us to add 3-5 additional international FAM's from China and/or Mexico.

Email Marketing Initiative **\$10,000** **Oct-June**

This will allow us to maximize our email database further with professionally designed custom templates, website integration, international translation and market specific messaging. This would be a onetime set up fee. In future years we would just pay for the email send and sporadic design changes.

Add on to Destination Video **\$15,000** **Oct-Dec**

These funds would allow us to supplement our destination video with a more professional look and give us the opportunity to pay for local celebrities to be in the video. This will also allow for translation into Spanish and possibly Mandarin.

Conference Sales Calls **\$20,000** **Oct-June**

These funds will allow Conference Sales Staff to conduct 3-4 additional desk-side sales calls into key feeder markets; New York City, Boston, Washington D.C. and Atlanta.

Leisure Sales Coop with VCA and NCOT \$20,000 Oct-June

These funds will allow Leisure Sales Staff to conduct 2-3 additional sales missions into Mexico, Canada and possibly China. Traveling with Visit CA or NCOT as a group has huge advantages over going on our own. These missions include sales calls, training seminars to travel agents and evening events for high level travel industry executives and media.

- END -