

TO: James L. App, City Manager

FROM: Meg Williamson, Assistant City Manager

SUBJECT: Professional Service Contract for Marketing on behalf of the
Tourism and Lodging Promotions Business Improvement District (BID)

DATE: April 21, 2009

NEEDS: For the City Council to consider authorizing a professional service contract on behalf of the Tourism and Lodging Promotions BID to implement marketing strategies identified by Paso Robles hoteliers.

FACTS:

1. At the request of the majority of Paso Robles hoteliers, the BID was formed via ordinance by the City Council in December 2008. At that same time, the Council appointed a seven (7) member BID Advisory Committee and adopted bylaws governing their operations and authority.
2. Collection of the two percent (2%) Business Improvement Tax began on February 1, 2009. These funds are held in a separate City fund that is to be used only for the purposes of tourism and lodging as stated in the formation Ordinance and Bylaws. It is estimated that BID collections could reach \$400,000 to \$500,000 annually.
3. The BID Committee has been meeting regularly on a monthly basis since February 2009. Their established structure includes a Chair and Vice Chair assignment, and a Marketing Plan sub committee.
4. The City of Paso Robles provides fiduciary and administrative support to the BID Committee, but the committee guides the direction and focus of spending of their growing promotions fund.
5. All spending of the BID improvement tax funds must be done in accordance with City of Paso Robles' purchasing policies. And while the Advisory Committee has a very active role in the implementation of the marketing plan, they cannot enter into contracts or make direct purchases. The City acts as the agent to accomplish those identified needs.
6. Prior to petitioning the City Council to form the BID, a group of hoteliers solicited proposals from and interviewed several marketing groups to begin feasibility analysis for formation of the district. In July 2008, the hoteliers began working with the Templeton based firm

of Mental Marketing, who generated the draft Marketing Plan and base budget that became the basis for the BID's formation.

7. Mental Marketing has continued to work closely with the BID Committee and City staff to evaluate marketing and spending needs for the district funds. Mental Marketing's involvement with the hoteliers since the inception of the Business Improvement District has solidified their value as part of the hotelier's team.
8. A professional service contract with Mental Marketing would enable their firm to act as the service agent for the hotelier group. Their services would include:
 - Unify the marketing goals of the BID Committee
 - Execute approved branding, advertising, interactive and public relations plan of the BID
 - Act as BID staff and support in coordinating with City, County & marketing partners
 - Timely financial reporting and marketing plan adjustments
 - Manage timely campaign for Return on Investment (ROI)
9. The screening of multiple service firms by the hoteliers and the demonstrated continued close involvement of Mental Marketing through the formation of the Paso Robles BID, makes them uniquely and appropriately qualified for the identified marketing service needs of the BID Committee, and City.
10. At their regular meeting of March 24, 2009, the BID Committee recommended the City Council enter into a professional service contract with Mental Marketing to implement BID marketing goals.

ANALYSIS &

CONCLUSION: Engaging a professional marketing firm is an essential step in implementation of the BID hotelier's tourism and marketing goals. The BID Committee has recommended they continue working with the firm of Mental Marketing. The City will act as agent in accomplishing this by entering into the professional service contract with Mental Marketing and administering expenditures from the BID tax fund with BID Committee oversight.

POLICY

REFERENCE: Economic Strategy; Ordinance 952 NS, forming the Tourism and Lodging Business Improvement District; BID Committee Bylaws; City of Paso Robles Purchasing Policies.

FISCAL
IMPACT:

The BID tax is being collected on a monthly basis and will accumulate in a separately maintained fund. Expenditures for marketing services and programs cannot exceed those funds which are collected. The BID Committee and City staff will jointly oversee those expenditures to assure they are within the scope of the marketing strategy and the means available in the BID fund. As such, there is no fiscal impact as a result of entering into this professional service contract. City staff will continue to commit its resources to facilitate the goals of the BID.

OPTIONS:

- a. For the City Council to adopt Resolution No. 09-XX authorizing the City Manager to enter into a professional service contract with Mental Marketing on behalf of the Tourism and Promotions BID Committee.
- b. Amend, modify or reject above option.

Attachment:

1. Resolution authorizing the City Manager to enter into professional services contract with Mental Marketing
2. March 24, 2009 Marketing Plan scope and budget recommended by BID Committee

RESOLUTION NO. 09-XXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING THE CITY MANAGER TO ENTER INTO A PROFESSIONAL
SERVICE CONTRACT WITH “MENTAL MARKETING” FOR MARKETING
SERVICES ON BEHALF OF THE TOURISM AND LODGING PROMOTIONS
BUSINESS IMPROVEMENT DISTRICT

WHEREAS, at the request of the lodging industry within Paso Robles, the Business Improvement District (BID) was created by Ordinance 952 NS in December 2008; and

WHEREAS, the City Council formed a seven (7) member BID Advisory Committee and adopted bylaws under which that group would operate to implement tourism and promotion goals associated with the collection and spending of the two percent (2%) BID tax; and

WHEREAS, the BID Committee oversees and guides the direction of BID fund spending and City staff provides fiduciary and administrative support; and

WHEREAS, the BID Committee cannot, as an entity themselves, enter into contracts or make direct purchases, but the City can act as agent for those identified needs; and

WHEREAS, in early summer of 2008 a group of hoteliers solicited several proposals, interviewed and chose to work with the firm of Mental Marketing to conduct BID formation feasibility analysis; and

WHEREAS, the Mental Marketing staff has continued to work closely with the BID Committee and City staff to evaluate marketing and spending needs for the accumulating district funds and in the formulation of a draft Marketing Plan and budget; and

WHEREAS, Mental Marketing’s involvement with the hoteliers since the inception of the BID’s formation makes them uniquely and appropriately qualified for the identified marketing service needs of the BID Committee and City; and

WHEREAS, at their regular meeting of March 24, 2009, the BID Committee recommended that the City Council enter into a professional service contract with Mental Marketing to implement the hotelier’s marketing goals; and

WHEREAS, the BID tax is being collected on a monthly basis and will accumulate in a separately maintained fund to cover expenditures incrementally identified in the Marketing Plan scope and budget; and

WHEREAS, the BID Committee and City staff will jointly oversee those expenditures to assure they are within the scope of the marketing strategy and the fiscal means available in the BID fund.

THEREFORE BE IT HEREBY RESOLVED that the City Manager is authorized to negotiate and enter into a professional service contract with Mental Marketing, on behalf of the Tourism and Promotions BID Committee, for services associated with activities which will promote tourism and benefit the industry in terms of advertising and marketing of Paso Robles as a destination location.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 21st day of April 2009 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Duane Picanco, Mayor

ATTEST:

Cathy David, Deputy City Clerk



CLIENT: Paso Robles Tourism & Lodging BID Advisory Board
 DATE: March 24, 2009
 PRESENTED BY: Mark Elterman, Maryann Stansfield
 RE: Advisory Board Review of Revised Marketing Plan (Revised)

A. Agency Responsibilities

- Unify marketing goals of BID advisory board
- Submit, revise and launch marketing plan
- Execute approved branding, advertising, interactive and PR plans of BID
- Act as BID staff & support to provide consistent BID representation in coordination with City, County & marketing partners
- Timely financial reporting and plan adjustments
- Manage timely campaign ROI
 - Monitoring the return on investment related to the advertising components in this plan can be tracked through promotional codes and various domain names used in print ads, online ads, and broadcast promotions. This practice will provide solid numbers and percentages of response that will be used to indicate the success of a program.
 - Mental can assess PR response in terms of story placements and the reach of those publications.
 - Both of the above marketing activities are enlisted to increase activity at Paso Robles Hotels. Mental will need to rely on feedback from hoteliers via surveys as to the actual dollar conversion in sales increase, revpar, etc.

B. Plan Revisions (Submitted Plan Attached)

- Goals & Objectives Remain Unchanged
- Noted Advisory Board and Marketing Subcommittee Requests
 - Create database of conferences, associations, incentive houses (PR)
 - Revise allocation reflecting City Public Relations efforts
 - Reviewing www.travelpaso.com website for portal integration
 - Updated print, online and broadcast allocation to media plan
 - Provide results tracking methodology and reallocate funds accordingly.
- Approach – Scope of Work
 - Brand Identity Creation & Toolkit (BID logo, business system, website)
 - Destination Branding
 - Ad Campaigns
 - Leisure Print, Broadcast and Interactive Media Placement
 - Group Print and Interactive Media Placement
 - Public Relations & Social Networking

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C. Trends & Implications

- According to TripAdvisor's annual travel survey, US travelers will take more car trips this year due to declining fuel prices; 61% of travelers will visit a beach destination in 2009, and 60% will go city sightseeing. A 2009 Study by American Express Travel states that Travelers are expected to seek "closer to home", affordable alternatives to overseas destinations.
- Increase in hotel rooms supplied exceeding the increase in demand, Paso Robles' occupancy rate is also expected to drop from 65.1 percent to 63.3 percent in 2009, but the average daily rate is expected to go up by 1.5 percent, ending at \$115.57.
- Spend on group meetings, conferences severely slashed.
- Foreign travelers declining.
- Paso Robles' ADR comparison supports value proposition.
- Shift to online rapidly accelerating– National magazines will be shutting down. Metro dailies suffering.
- Rapid acceleration in social networking participation and sophistication.

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Situation Analysis

During the spring of 2009, the advisory board of the Paso Robles Hotelier Business Improvement District (PRHBID) will request the City Council approve the formation of a special hotel occupancy assessment to fund hospitality marketing efforts managed by the appointed BID Advisory Board and its agency of record Mental Marketing. The BID marketing effort will address the specific marketing goals of all City hoteliers by allocating assessed funds to various branding, advertising, media relations and interactive channels. The HBID and its marketing partners will also seek to augment branding and marketing initiatives of the City, the Wine Alliance, Main Street Association and San Luis Obispo County VCB. Mental Marketing has considered the results from the Paso Robles SMG report in developing this plan.

On July 20th, 2008, Mental Marketing was appointed by the HBID Advisory Board to oversee all marketing activities required to accomplish the goals of all Paso hoteliers identified below. The appointment requires establishing unified and measurable goals of the HBID, prioritizing marketing resources, creating the operational framework for a sustainable effort, presenting and finalizing a marketing plan and executing the approved marketing plan.

This marketing plan draft has been submitted to the Advisory Board, discussed and revised for submittal to City Council. Upon City Council approval, this plan provides a record of the approach for HBID Advisory Board's ongoing management and execution.

Advisory Board Survey Insights

Mental Marketing conducted a confidential survey of the Paso Robles HBID Advisory Board members to unify marketing goals, establish targeted audiences and marketing emphasis. Below are top line results.

BID Marketing Goals

- Destination branding & image enhancement
- Increase awareness in diverse attractions and history (from feeder markets)
- Incremental mid-week business
- Increase revenue per available room (RevPAR)
- Build FAM trip interest
- Enhance web marketing

24-Month Measurable Objectives

- Achieve increase in RevPAR
- Increase occupancy
- Markets within 200 mi radius considers Paso a diverse destination
- Attract more mid-week small and mid-size group & event business (2)
- Create efficiencies through tracking, refinement, partnerships and co-op channels
- Increase average length of stay
- Equal competitor to comp set

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BID Member Perception of Destination Image

- Wine destination, next Napa
- County Fair, Western/Cowboy
- Evolving as culinary destination

Desired Image to Affect

- Casual, but sophisticated destination where you can enjoy the natural beauty of the area, fine restaurants, shops and of course wine. Paso Robles has marketed to the mature audience and would like to also be known as a diverse destination for families and groups of all sizes.
- More upscale travelers coming to our area to enjoy wine, natural surroundings, fine dining with emphasis on freshly local produce & ingredients and hospitality. Families returning to a destination they experienced 10 years prior as a child.
- Diverse weekend events.
- International brand awareness eventually.
- Recognized for mid-week events
- Corporate seminar packages known—for wine tasting, golf, castle, event center

Targeted audiences - type

- 40% - 65% Leisure
- 17- 36% Indiv. Corporate
- 10%-13% Group Business

Targeted audiences - gender

- 40-51% male
- 20-49% female
- 0-40% families

Targeted audiences – HHI

- 80k

Targeted audiences - age

- 55% =35-64
- 25% =25-34
- 10% =65+
- 10% =19-24

Targeted audiences – geographic by ranking

- Southern CA
- Northern CA
- Central CA
- Central Coast
- Western US
- National
- Canada, Europe & Asia

Destination Events Currently Participating

- Wine Festival, Zin Fest. Mid-State Fair, UCSB Econ Forecast Summit, Equine Experience, Pacific Cutting Horse, and Paderewski Festival, Hospice Du Rhone, Pioneer Parade, Amgen Bike Tour

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Potential Events for Increased BID Participation and Promotion

- Additional Equine events
- Custom Car Show at the event center
- Jeep Event
- Other events with national media coverage
- Association meetings and conferences

Advisory Board Desired Fund Allocation

- Print Advertising & Advertorial
- BID Website, SEO, Promotion, digital advertising, Google ad words
- Internet Banner Advertising
- Sponsorships, PR & Road Shows
- Direct mail
- Email blasts
- Event Participation
- Co-op with City and County Efforts

Other Submitted Strategies

- Advisory board and agency to pull budgets from similar regions.
- Advisory Board and agency should research listing of potential conferences and associations to target.
- Allocation of marketing funds should be flexible to adjust based on tangible results.
- Online is a great place to promote our destination, a website that looks great for tourists and also provides valuable tracking tools on the back-end for the city to be able to monitor marketing efforts.
- BID Advisory Board must be given flexibility to adjust BID media dollars to participate in higher performing channels.
- Advisory board should have flexibility to allocate funds to countywide VCB marketing efforts. The allocation should include a 1% countywide allocation within the next 3 years.

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Year One Marketing Plan

Destination and BID Branding

Mental Marketing will adopt the City Branding standards and key messaging and bolster the Authentic California positioning through aggressive advertising and public relations activities. In the process of branding the destination, we will distinguish our diverse lodging options from the competitive set.

As part of the branding process, hospitality BID brand will be developed to allow the lodging members to define what makes them different and then explain it to key audiences. It gives the hoteliers a unified voice when broadcast, print and online ads are seen by the tourist, or online ads are being clicked on by the meeting planner, or articles are being read by the bride.

Mental Marketing has developed working relationships with the City of Paso Robles marketing, the Paso Robles Wine Alliance, the Paso Main Street Association, the Paso Chamber of Commerce and other organizations to begin articulating the unique collective experiences necessary to increase the reach, impact and results.

Branding Objectives

- To serve the collective interests of City hoteliers
- To enable hoteliers to efficiently leverage both City of Paso brand messaging and its own brand marketing efforts
- To stimulate incremental visitation from targeted group and leisure segments
- Visually distinguish Paso Robles hospitality from competitive set
- Deliver compelling and consistent messaging focusing on visiting and staying in Paso Robles
- Provide efficient, flexible multi-media, and multiple partner execution

Components

- BID Logo
- Tagline and key messaging
- Business system (stationary, envelopes)
- HBID Website
- Loyalty Campaign
- Seasonal Ad Campaigns
- ROI

Logo

Mental will develop and present 4 “rough versions” of logo icon and logo type for Advisory Board review. From Board feedback, Mental will present two computerized options. With Advisory Board selecting one preference, logo goes to final development, which includes a color palette and multi-media usage guidelines.

Tagline and Key Messaging

The positioning statement, tagline and key messages will be developed to work in conjunction with the “Authentic California” messaging adopted by the City. This effort will progress in conjunction with the development of the HBID logo. Mental will present up to 3 taglines and 1 final back-story for review. Two rounds of revisions by the Advisory Board are assumed.

As part of the content plan Mental will provide 500-1000 highest ranked search words and phrases to increase the priority in which the website appears when “Googled” or searched. These approved elements will impact the development of website, online and print advertising approach, media relations toolkits and content for loyalty programs.

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Business System

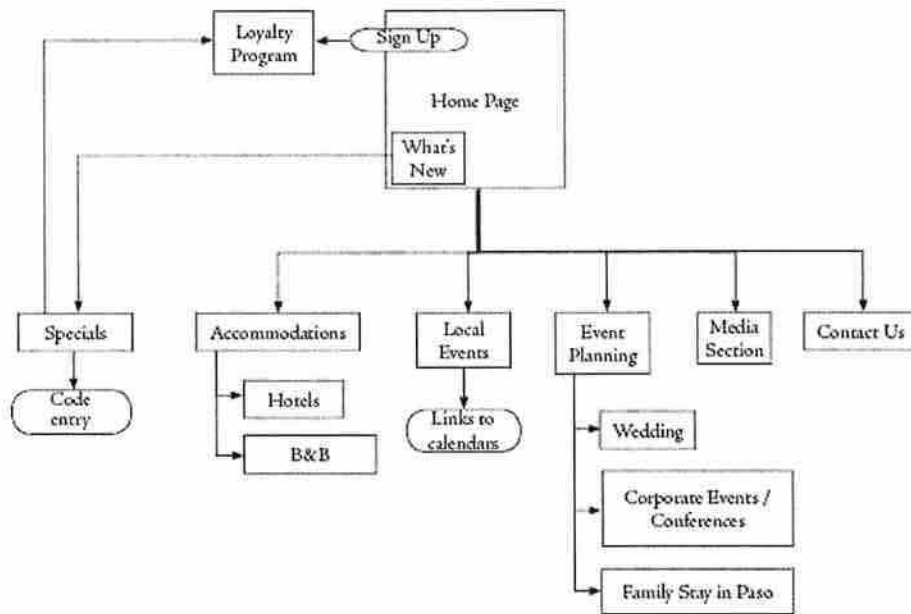
Once the logo has been finalized, Mental will quickly go to work on the other components for official business: letterhead and envelopes. The approach will be similar, yet more abbreviated than the logo development phase. Mental will present 3 layouts for each to Advisory Board for feedback. Mental will refine 1 design per category for final approval.

Website (meeting with City 3/20; will revise for 3/24 Advisory meeting)

Mental is reviewing the architecture, capabilities, content and creative approach to travelpaso.com, the City tourism website. The analysis will result in a recommendation to the Advisory Board what interim and permanent website creation will be needed to support advertising, branding and loyalty building programs. An architectural interface (AI) will be presented along with unique urls and content plan by May 1. Once the AI has been refined and approved, designing the graphic user interface (GUI) and writing content begins.

As website creation and deployment offers tremendous budgeting variability, the initial draft plan earmarks assessed funds based on these preliminary assumptions:

- Non-flash home page
- Push marketing for promotions and packages
- Brief profiles of all accommodations being assessed
- Links from profiles directly to hotelier booking engines
- 20 pages of destination background, events, packages and service-oriented information relevant to both group and leisure travel planning
- Links to other City partners
- Opt-in subscription form to capture names for loyalty program
- Request for media kit, meeting information



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Loyalty Program

As most marketers have discovered the economic benefits achieved by building brand loyalty, the first year marketing effort establishes a straightforward mechanism to continually re-engage group and leisure travelers predisposed to returning.

Objectives:

- Repeat visitation
- Identifies most profitable guests (80/20 rule prevail)
- Communicates relevant, timely and interesting information
- Reduces marketing costs by shifting mass media expenditures to HBID's most profitable group and leisure customers over time through email
- Reduces third-party admin booking costs
- Stimulates co-op list sharing arrangements
- Stimulates direct feedback from guests

Components:

- Opt-in registration through HBID website
- Registration incentives through various media and website promotional marketing

Possible Membership Benefits:

- Package offers – various meeting, event, multiple-night stay offers through HBID member promo codes
- Merchandise offers – discounts on wine and castle tours, gourmet food products, etc.
- Quarterly Email news and destination through HBID branded content
- Guest feedback mechanism to be repurposed for marketing & SEO purposes
- Potential Evolution: Tiered membership with card/pin based on RFM

Seasonal Ad Campaigns

Once all brand marketing materials are in place, the next step is to drive consumers to the HBID website for Paso event information (TBD), booking info, promotions, loyalty subscriptions and anything Paso Hospitality has to offer. To accomplish this, Mental will develop two seasonal ad campaigns using the HBID branding, tagline and key messaging that will educate and inspire our target audience. Mental will present 3 concepts per campaign and, with advisory board feedback, refine for final approval with two rounds of revisions. Upon approval, the campaign will be executed in all print and online advertising buys and will be promoted through the HBID website and loyalty program.

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Advertising and Public Relations

Media Plan (Revised 3-24-09)

An updated 12-month media plan, synchronized with local events, is attached for review, discussion and revision. Upon marketing plan approval, Mental Marketing will continue to negotiate rates and provide media placement documentation to the marketing subcommittee for approval. Rationale and descriptions are presented below.

Within the scope of this plan, we have defined two target audiences:

- Leisure Traveler
 - Upscale adult 35-64 years of age
 - HHI of \$80K+
 - Culinary traveler, internet savvy wine & food enthusiast
 - Equine Enthusiasts
 - Families

- Groups
 - Meeting/Convention/Association Planners in California and the West

To create awareness of the Paso Robles HBID locally and regionally, the first year strategy is to maximize HBID's presence through frequency in various media the member hoteliers may not be able to utilize with individual budgets. A combination of regional and statewide publications, broadcast and hyper-targeted travel web sites will be used during the campaigns. The assumed resources indicate using select, frequent, targeted placement – which will increase exposure to the Paso Robles area, lodging promotions and avail the HBID negotiating leverage for larger ads and merchandising over time.

The initial media campaign breaks down as follows: 80% of the budget is targeting the leisure traveler and 20% targets the group/meetings market.

Leisure

Travel Ad Network Online Banner Ads: An annual media allocation will provide behavioral and geo demographic banner ad placement reaching targeted travelers in Paso Robles' feeder markets and searches for hotel rooms. The network provides more than 250 of the top websites. Based on monthly conversion, the banner ad locations will shift to those sites converting greatest responses and bookings. To ensure conversion tracking, pixels "cookies" will be placed within the banner advertising following the responders to hotelier booking sites.

California Official State Visitor's Guide & Travel Planner 2010: 500,000 published and estimated another 100,000 est. can be downloaded from visitcalifornia.com. A comprehensive magazine-style travel planner that is created to inspire consumers to travel to California. Includes a pullout state map detailing the 12 California regions. Added value includes an enhanced listing in the printed guide and free monthly leads via email. Guide will be published in January, 2009 with advanced creative deadlines in late August of 2008.

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California Road Trips 2010 (formerly California Drives): In conjunction with Sunset Magazine, The California Travel and Tourism Commission (CTTC) will collaborate to produce California Road Trips. Targeted to CA's drive markets of Oregon, Nevada, Arizona and California this publication will be distributed at key state parks and will be inserted in to the June issue of Sunset magazine. Available on newsstands mid-May of 2009. Advertisers will receive a small space ad in Sunset magazine and exposure on sunsetgetaways.com with a direct link to website as well as, measurement of click thru rate and reader-service listing. Additional exposure is available on visitcalifornia.com through a link to site.

Sunset Magazine: Full run circulation of 1.2 million copies each month targeted to affluent Western households in thirteen western states. Sunset offers regional advertising coverage to include three regions: Pacific Northwest Edition, Northern CA & Southern CA. In each issue, Sunset has a "Travel Directory" section identified by state for small space four color ads. This section is recommended to build frequency of our message on a full-run basis.

Several times per year, they offer destination specific travel planners with front directory placement either on a full run or regional basis. Advertisers receive an enhanced banner and customized heading. Three month listing on sunsetgetaways.com with image, message and direct website link and reader service listing with leads e-mailed weekly. Recommended Travel Planner dates are: September 2009- Central Coast Destinations- (230,000 Mt. & Southwest and March 2010-Vacation Destinations (1.2 million)). Additionally, website banner ad/listing is also available for advertisers at sunsetgetaways.com

Airline Publications: Seek out the business & leisure travelers utilizing airline travel publications. The two regional airlines servicing the SLO airport are USAIR Express, United Express,. As these regional carriers primarily commute passengers to and from the "hub" cities of Los Angeles and San Francisco, we recommend a schedule with their airline publications.

SkyWest Magazine (United Express): Issues 6 times per-year and prints over 150,000 copies. Over 140 daily flights out of LAX and 117 daily out of SFO to all parts of the U.S. including Salt Lake City and Denver hubs. SkyWest offers the SkyWest Travel "Biz Class" section as a frequency builder for advertisers. Included in the travel package is ad, online exposure on skywestmagazine.com with link to website.

US Airways Magazine: US Airways is the 5th largest domestic airline serving over 235 destinations in 32 countries with 3,800 daily departures. After the merger of America West and US Air, the magazine agreed to offer "regional rates" to regional advertisers and who take advantage of the national exposure. 350,000 are printed each month and are available on US Air and US Air Express flights. Utilize 1/3 page 4 color square ads with frequency. Inclusion in usairwaysmag.com and email blasts are anticipated.

Newspaper & Online Opportunities: Research newspapers and their websites in the feeder markets of Fresno, LA, OC, SF, SJ. Coordinate with the 2009 travel editorial calendars specifically targeted to the Central Coast, SLO County and or Paso Robles. Create program(s) that will utilize both print and web to promote PR HBID.

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State of CA 2009 Co-op Programs: Capitalize on the California Travel & Tourism Commission (CTTC) co-op programs specifically targeted to the Central Coast. Tie-in with any of the CTTC's leveraged programs that may include: California Wine & Food Co-op and Culture California with opportunities on visitcalifornia.com and landofwineandfood.com.

Local Banner Ads

Research and recommend banner advertising on local tourism related websites that Californians who are actively seeking travel frequently search.

Broadcast (contingency budget)

Develop a summer radio campaign targeted to either LA market or SF market to "create awareness" and encourage travel to Paso Robles. Develop off season regional television campaign supported by print campaign in supporting daily publications to encourage off-season travel to Paso Robles.

Additional Leisure Media: As the media budget allows, we recommend the following:

- Revisit existing publications and make size and additional insertion recommendations.
- Further investigate AAA publications of Westways and VIA targeted to California residents/families and their strong "drive" markets.

Groups:

Meetings West Magazine: Monthly magazine with a subscription base of 31,025. The magazine targets meeting professionals who are responsible for selecting destinations and meeting facilities in the West; planning or supervising all aspects of meetings; training, management and education; incentive travel; coordination of trade shows, exhibits and conventions; and planning board meetings.

Meetings West E-newsletter: Weekly opt-in E-newsletter to over 20,000. Each weekly e-newsletter has an editorial focus. Several banner positions available in each week's edition.

MeetingsFocus.com – MeetingsFocus/TV: Up to three minute video clip on the planner's video library. The video clip allows planners to research and preview site and destinations. The video will be up for 1,000 viewable minutes or one full year. Video must be in flash (flv.) format.

MPINCC.org: The official website of *Meeting Professionals International Northern California Chapter*. The site provides members with job opportunities, events, membership directory and leadership resources. The MPINCC has 1,109 members.

MPISCC.org: The official website of *Meeting Professionals International Southern California Chapter*. The site provides members with updated information, online registration to upcoming chapter events, resources and interactive features. The MPISCC has over 800 members.

Other California MPI Chapters are the Orange County Chapter, Sacramento/Sierra Nevada Chapter and the San Diego Chapter. All three offer web site opportunities that we may look into at a later date.

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Listing of proposed websites:

sunsetgetaways.com
visitcalifornia.com
skywestmagazine.com
usairwaysmag.com
meetingsfocus.com
mpincc.org
mpiscc.org
citysearch.com
mapquest.com
tripadvisor.com
mytravelguide.com.

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Media Relations

Public relations for the BID will bolster existing City investment in tourism/culinary tourism public relations and add value by creating a spotlight of valuable feature coverage in the media outlets that most support the overall BID marketing goals of destination awareness, brand building, website traffic generation, civic pride and sales leads.

The key is the third-party endorsement that public relations placements provide. The value of this endorsement ranges from simply improved perception, to multi-million dollar sales deals.

Create the Success Foundation

- Research and draft a strategic message platform Identify and media-train advisory board member(s) for spokesperson duties
- Research and draft a comprehensive electronic BID media press kit
- Develop website pressroom
- Research and prepare focused PR program strategy via advisory board program kickoff and planning session
- Research and compile an unduplicated targeted list of print and social media targets
- Integrate message points into social media and marketing campaign

Strategy I:

Extend the return on investment (ROI) of existing and planned marketing initiatives.

Sample Tactics:

- Pursue editorial coverage in media featuring BID program advertising.
- Secure editorial coverage in geographic areas targeted by the marketing program.
- Secure unduplicated media coverage for programs & special events.
- Generate media coverage wins that can be leveraged in marketing materials.
- Develop lifestyle and destination feature stories and roundups for Paso Robles.
- Four press releases written initially and one newsworthy release per month on-going.
- Explore pitch ideas to potentially include – activities, dining, weddings, restaurants, wineries, hospitality, family destination, Hearst Castle, day excursions while staying in Paso, agri-tourism, eco-tourism, foodie destination, beach.
- Create a quarterly tip sheet (3-5 newsworthy items for distribution to targeted media)
- Targeted media pitching to generate individual and/or Media FAM trips.
- Aggressive follow-up to generate regional, national and on-line coverage.
- Explore regional travel trade show opportunities to target travel agents, meeting planners and media in major California Urban markets (San Francisco Bay Area, Los Angeles, Orange County, San Diego).

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Strategy II:

Enhance market excitement for Paso as a leading travel and lifestyle destination, while promoting lodging member offerings.

Sample Tactics:

- Drive coverage of market offerings by:
 1. Interviews: key spokespersons and members
 2. Photo/eAlert distributions
 3. News release announcements
 4. Integrated messaging in social media campaign (blog postings, etc)

- Create market & media excitement for promotional events and seasonal offerings
 1. Event news releases
 2. Selected pre-event exclusives with key media
 3. Key media/blogger invitations for event coverage and exclusives
 4. Pre- and post-event media pitching & photo distribution

- Create appreciation for Paso Robles' unique differentiators
 1. Prepare and distribute backgrounders on Paso Robles' unique history and attributes
 2. Prepare and distribute "honor roll" of awards, honors and superlatives attached to the area and its businesses
 3. Offer exclusive interviews to select publications with key area leaders and program spokespersons
 4. Send feature backgrounders and photo wrap-ups of successful events and other, seasonal draws

Strategy III:

Keep abreast of key market trends and news as covered by the media

Monitoring, Valuation and Reporting

Mental will submit a monthly Public Relations Activity Report to marketing subcommittee. Report will include new releases, media coverage and key trends and consumer behavior.

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Goal: Increase Group Visitors (Meetings, Corporate, Weddings)

Tactics:

- Develop meeting destination feature stories and roundups for Paso Robles.
- Research relevant meetings publications and media for targeted demographic.
- Pitch meetings publications with what's new at Hotels in Hospitality BID.
- Brand media releases with Paso Robles Call to action that contacts Mary Ann for lead referral to properties sales teams. This allows Mental to track leads generated by media campaign.
- Generate Group Leads from Meeting Planners and Incentive Houses for Paso BID
- Research all Meeting Planners and Incentive Houses in the State of California.
- Network through MPI membership to increase destination visibility to group market.
- Maryann Stansfield to assess value of potential Meeting Planner site visits and negotiate with Properties as necessary. Manage meetings planner site visits.
- Generate Wedding Leads for Paso Robles Hospitality BID; Pitch unique destination activities for wedding parties to wedding media.
- Network with Wedding Association, Wedding Planners and Wedding Vendors (photographers, florists, rental companies, entertainment) in Paso Robles. Be top of mind for these contacts where they refer Stay Paso call-to-action.
- Research Wedding Planners within 250 mile drive radius of Paso Robles
- Develop a timeline for implementation in 2010 or 2011.

Social Media Initiative:

According to Nielsen Online, more people in the US and other leading digital nations are using social networks and blogs than e-mail. The use of social networks and blogging sites is growing at over three times the rate of overall Internet growth. As part of our public relations strategy, the Paso Robles Tourism BID plans to conceptualize and implement a social media campaign that will:

- Engage the affluent traveler
- Build relationships and encourage interactivity
- Maximize experience opportunities for area guests
- Generate revenue opportunities for local business
- Extend the area brand
- Create top of mind positioning in the travel industry
- Integrate with existing marketing and public relations components

The following is a brief summary of components that will launch the brand of the Paso Robles market community while providing an entry into the social media universe that:

- Is easily embraced by the Paso Robles business community
- Engages the market targets
- Delivers a call to action
- Builds relationships and actionable contacts
- Is not time and resource intensive
- Is scalable – has the ability to grow

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Key challenge:

To develop a social media program that takes the offerings of several content delivery points (City of Paso Robles, Chamber of Commerce, Paso Wine Alliance, Events Center, Downtown Main Street Association) to create one compelling forum that will complement the branding, advertising and PR campaigns in the service of driving leisure, business and group travelers to Paso Robles.

We recommend a three-part plan:

Part I: Build the Strategy

In this phase, the Mental Marketing team will create a customized plan that will address:

1. A procedure for aggregating participant messages, events, offerings and services
2. Creation of a branded social media platform that will encompass:
 - a. Twitter
 - b. Facebook
 - c. Newsfeeds for participating businesses (RSS)
 - d. PR blog with integration into website
 - e. Ensure built-in two-way flow of dialogue between PR social media “brand ambassador” and market community
3. Research: ongoing research and updating of key blogger targets for media outreach
4. Leveraging identified keywords in SEO campaign for press use, blog tagging and news announcement optimization

Part II: Build the Social Media Platform

In this phase, the Mental Marketing team will create the social media platform based on the strategic recommendations, the feedback of the Paso Robles business participants, and the unique variables and opportunities of the existing marketing & public relations program, as well as the local community.

Part III: Implement and Assess

This portion of the program will be evergreen, allowing the Paso Robles business BID to see the results of the program, continue building out components as budget allows, and customizing the program in response to market participation.

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Budget Estimates & Agency Fees

Standard agency rates, used to estimate the first 12-month budget are:

Account Management, Creative, Content:	\$120 per hour
Production Management, Estimating:	\$100 per hour
Hard Costs (printing, mail, photos, video, travel):	at cost
Media Placement Costs:	Gross Media Billings to City
Billing Terms:	Monthly, Due 1 st of each month
Assessment Provision:	Monthly fees not to exceed 90% of collected assessed funds

12 Month Proposed

The initial 12-month budget takes into consideration variability of assessed funds due to occupancy performance. Hard costs for printing, postage, media comp room nights, t&e, custom and stock photography are separate and estimated in advance.

Strategic Planning, Destination and BID Branding

- Marketing plan revisions
- Strategy meetings with tourism stakeholders
- Logo, tagline
- Messaging themes, SEO
- Letterhead, envelope design and print estimating
- 2 seasonal ad campaigns creation and execution
- Display ad variations and prep (12)
- Banner ad variations and prep (10)
- Website design consulting, and Opt-in loyal subscriber database
- Account management, meetings, reporting, City coordination, financial management

Estimated Annual Hours: 925
Estimated Annual Costs: \$109,000

Public Relations

- Strategic planning
- PR Plan, toolkit development, BID spokesperson interview messaging
- Ongoing media outreach, editorial calendar pitching
- On-site media touring, 2 FAM trips and account management
- Monitoring, evaluation, analysis and ROI reporting

Estimated Set up Costs: \$25,000
Estimated Additional Annual Costs: \$40,000

Social Networking Program

- Strategic planning and Plan Creation
- Platform building
- Initial community building outreach
- On-going monthly content creation, posting and maintenance
- Monitoring, evaluation and reporting

Estimated Set up Costs: \$25,000
Estimated Additional Annual Costs: \$18,000

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Media Placement (see attachment)

Media plan, presentations, refinement
Quarterly evaluation, reporting, new opportunity research
Account management, billing reconciliation, refinement per assessment
Media placement commissions

Estimated Annual Cost: \$172,000

Loyalty Program

Strategy, set up, programming rewards, benefits
E newsletter template design (4x)
E newsletter content creation (4x)
Database management and transmission costs

Estimated Annual Cost: \$18,000

Contingency / Unallocated

Estimated \$44,000

Total assessed

\$450,000

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