



# north lake tahoe

Chamber | CVB | Resort Association

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## MARKETING COMMITTEE MEETING MINUTES Tahoe City Public Utility District Board Room Tuesday, October 24, 2017 – 2 pm

### PRELIMINARY MINUTES

**COMMITTEE MEMBERS IN ATTENDANCE:** Brett Williams, Todd Jackson, Marguerite Sprague, Eric Brandt, Christine Horvath, Becky Moore, Erin Casey, Terra Calegari

**RESORT ASSOCIATION STAFF:** Amber Burke, Jason Neary, Cindy Gustafson, Anna Atwood

**OTHERS IN ATTENDANCE:** Greg Fine, Alexis Kahn, Andy Chapman,

#### **I. MEETING OF THE MARKETING COMMITTEE**

##### **1.0 CALL TO ORDER – ESTABLISH QUORUM**

The Marketing Committee meeting was called to order at 2:02 pm and a quorum was established.

##### **2.0 PUBLIC FORUM**

- Cindy encouraged the committee members to have open and candid conversation especially when discussing the Marketing Plan. She shared staff and Board are open to changes and positive dialog is highly encouraged.
- Cindy shared on November 1, after the Board Meeting there will be a workshop to discuss the Board governance piece. This was a result of the strategic planning meeting last week and there are some proposed changes.

##### **3.0 AGENDA AMENDMENTS AND APPROVAL**

**M/S/C (Moore/Jackson) (6/0) to approve the agenda as presented.**

##### **4.0 APPROVAL OF MARKETING MEETING MINUTES FROM SEPTEMBER 26TH, 2017**

**M/S/C (Moore/Horvath) (5/0/1 – Sprague abstained) to approve the meeting minutes from September 26th, 2017.**

##### **5.0 EVENT SPONSORSHIP BUDGET – MULTI YEAR/FUTURE FISCAL COMMITMENTS POLICY - AMBER**

Amber stated she would like directions on a policy to proceed going forward with event sponsorship contracts that take place outside the current budget and contract with Placer County. She recently met with Erin Casey from Placer County and Al Priester, NLTRA Director of Finance to discuss this and would like input from this committee. One thing that was discussed was the potential of utilizing the Marketing Reserve and Marketing Cash Reserve that totals \$305,000.

These events in discussion fall in the 2018/19 Fiscal Year and are:

- **2018 Spartan World Championships** (Sept. 29 & 30, 2018), \$250,000 Sponsorship and \$14,000 to cover EMT cost and \$4,000 to the Abbi Agency
- **Wanderlust Squaw Valley** (July 19-22, 2018), \$30,000 Sponsorship
- **Lake Tahoe Autumn Food & Wine** (Sept. 7 & 8, 2018), \$30,000 Sponsorship

- **No Barriers Summit** (June 12-16, 2019), \$8,000 out of FY 2016/17 Budget and would like to add additional \$4,000 for the Abbi Agency services, totaling \$12,000)

Comments:

- Todd suggested that sponsorships should not exceed a certain percentage of the overall budget, not awarding too much to one contract. Andy shared the Board Event Policy from 2010 that outlines the different tiers of sponsorship. One category being a marquee event such as an Ironman and Spartan. Andy suggested not putting this into a policy as you don't want to be held or lose an opportunity due to a hard policy number. Amber did touch on Spartan Race sponsorship would be 50% of the total Event Sponsorship budget if it remains the same as it was in FY 2016/17.
- Brett asked that further discussion on the philosophy going forward is needed. What is our role within events? The ROI shows a great economic impact and there is a need to grow the event budget.
- Christine recommended to also look at market value (many are televised) and economic impact within that region versus economic impact to the greater region. Spartan Race is a good example as it has a ton of spill to our whole region. These metrics are important when we have these discussions.
- Erin shared in a lot of ways this is not a new scenario (committing funds ahead of the contract with the county) as this has been done in the past, but the county can not commit to funding events in the future ahead of the budget process. What is the right practice?
- Andy shared the Marketing Reserve funds has been used twice for relatively small amounts and was paid back the following years. This could potentially preclude us from dipping into the fund this winter if needed.
- Todd and Brett shared there should be guidelines, and or a cap for sponsorship, not more than 3 years. How important is TV coverage?
- A couple of motions were attempted but Erin pointed out the funds would be exhausted and wouldn't meet criteria.
- Cindy shared this will give the organization more time to research other policies and best practices.

**Directions/Recommendations to Board: The Marketing Committee's philosophy with Event Sponsorship Multi-Year/Future Fiscal Commitments Policy, is ok with using the Marketing Reserve or reallocation of the budget for future event commitments, through FY 2018/19.**

**Actions to staff: Add Event Policy discussion to the agenda at the beginning of 2018 to further discuss terms.**

## 6.0 EVENT CONTRACTS – 2018 SPARTAN WORLD CHAMPIONSHIPS - AMBER

Amber stated she included the following information for review in the packet:

- 2018 Spartan World Championships Contract Summary
- Contract (2018)
- Recap Results

Amber shared Spartan Race is looking for a verbal commitment from NLTRA by early November as they are holding off on entering into an agreement with Squaw Valley until they have a verbal commitment from NLTRA. It's a 1-Year Contract with a \$250,000 sponsorship and they are also requesting NLTRA to cover \$14,000 in EMT Services. Amber also shared there would be an additional \$4000 event specific contract with the Abbi Agency. This term same term is in the contract with a first right of refusal. This will still need to be reviewed by our legal team.

Comments:

- Christine questioned why the Abbi Agency needs a separate contract when they are on a retainer? Amber and Andy clarified that the Abbi Agency retainer is through the Marketing Cooperative and this would be additional services beyond their scope of work that is event specific with NLTRA.
- Why doesn't the Spartan Race who is being funded \$250,000 do the marketing to fill spaces and generate awareness to an audience that NLTRA is not already "talking" to? Amber shared the Abbi Agency creates all the content, social (Facebook Live) and PR for this event.
- Todd suggested funding the event \$200,000 and asked how that would be received? Amber shared that would not be received well and they would most likely take it elsewhere. She stated that she

has had conversations with Spartan that this is 50% of our event budget and if NLTRA is not interested in continuing, a North American Championships is an option.

- Some of the challenges are there are so many mountain destinations that wants events like this.
- It was recommended that we do not fund or sponsor the \$14,000 EMT services as it seems like a cost they should be paying for.
- Christine brought up the possibility of Amber working on a content plan with the host venue to eliminate the Abbi Agency cost. Amber's concern with that is pushing the region, not just Squaw. Amber will follow up and get a report from the Abbi Agency with the results from this year contract.
- Eric shared we have nothing that comes close that has the same economic impact but brought up we should not be paying for the EMT services.
- It was recommended to change under Exhibit A (Online/Social Media Promotion) to take out "Up to" as it a minimum or not limited to. (it's a bit contradictory)
- Terra questioned the value of the TV coverage? Amber will reach out and find out.

**M/S/C (Brandt/Sprague) (6/0-2 Casey and Jackson abstained) approve the contract for \$250,000 based on the previous discussions we had on the Marketing Reserve, without the EMT services.**

## **7.0 WINTER FY 2016/17 LOS ANGELES RESULTS – ANDY CHAPMAN**

Andy shared this ad awareness study was never shared with the Marketing Committee from last year and he thought it would be a great reminder as we are going into a new winter season soon. Since 2008, research has been conducted in Los Angeles to determine North Lake Tahoe advertising efficacy over time as well as overall visitation patterns and perceptions toward North Lake Tahoe. In specific, this research set out to:

- Understand resort awareness and visitation, to include North and South Lake Tahoe preferences and perceptions
- Learn of travel preferences, including year round activities
- Gauge awareness and brand perception of North Lake Tahoe
- Track and trend any differences from previous research

Methodology: There were 200 targets residents interviewed via a 10 minute online survey conducted in March 2017. Participants had to meet the following criteria: 25-54 years of age, Household income of \$75K or more, a propensity to visit a mountain destination within the past year, a propensity to visit Lake Tahoe as a winter or summer vacation destination, live in Los Angeles DMA.

Highlights:

- Compared to South Lake Tahoe, North Lake Tahoe was considered much better by 2 to 1.
- The North Lake Tahoe's 2017 ad campaign was significantly more successful than any of the earlier campaigns.
- Resort Awareness: Among LA target residents, Bear and Mammoth Mountain were the most recalled specific resort destinations.
- Lake Tahoe Resort Awareness: General Tahoe resort awareness, as well as those aware of a specific North Lake Tahoe resort, remained relatively similar between 2011 and 2017 with South Lake Tahoe awareness dropped significantly.
- North Lake Tahoe Visitation Rationale: Finding North Lake Tahoe an ideal location that they love were the top reasons why Los Angeles residents were likely to visit North Lake Tahoe in the next 12 months.
- Ad Awareness of Specific Lake Tahoe Location: Advertising identified it as being particular to North Lake Tahoe doubled since 2011 and quadrupled since 2008.
- North Lake Tahoe Ad Campaign Image Conveyance: 2 out of 3 Los Angeles residents believe that the ads for North Lake Tahoe definitely illustrate the essence of it being a captivating vacation destination.
- North Lake Tahoe Ad Campaign Impact on Visitation: The ads had a significantly higher impact on North Lake Tahoe visitation in 2017 given its being considered a premier destination for skiing and snowboarding.
- Lake Tahoe Overnight Accommodations: North Lake Tahoe was the most travelled destination among those who visited Lake Tahoe in the past 5 years, significantly higher than South Lake Tahoe which was most traveled in 2011.

- Vacation Schedule: Target residents travel most often during the summer, with little changes in travel behavior between 2011 and 2017.

## 8.0 DISCUSSION AND INPUT ON 3 YEAR MARKETING STRATEGIC DIRECTION - ANDY

In 2015 the NLTRA Board of Directors approved the North Lake Tahoe Tourism Master Plan. It was subsequently adopted by the Placer County Board of Supervisors. This document outlines the goals and objectives of the North Lake Tahoe/Eastern Placer County efforts for the next 10-15 years. As part of the current NLTRA/Placer County agreement a three year strategic tourism marketing plan will be developed that focuses and executes the recommendations of the 2015 Master Plan. Andy pointed out chapter 4 (Vision, Goals & Priorities) and Chapter 5 (Action Plan Matrix) is included in the packet and shared he would like the committee to outline the schedule for development of the Three year Strategic Tourism Marketing Plan.

Andy stated the Board may do a review of the Master Plan to make sure key areas of focus are still the right priorities. He shared housing is a hot topic and is not on the list. Cindy shared it was left out intentionally. The reason being the organization was not involved in it at the time, not because it wasn't a priority. There is a need to grow the funding pie to accomplish all the goals set forth in the Tourism Master Plan.

### Comments:

- Brett stated he is glad we are getting back to the Master Plan with the Board, Placer County and the community at large. We may not be putting enough focus on the cultural events and leaning too much on the Human Powered Sports events. Ad awareness study showed people like relaxation/unwind.
- Cindy shared she just held the first strategic planning meeting with the Board last week and looked at the funding deficit for the Tourism Master Plan. There has been a 38% increase in TOT from the past two years and the region is certainly riding on a positive economic trend right now and the longest period without a recession. We need to be prepared for something may change. How are we best positioned to add value to what the private sector is doing, add value to what the business community is doing and our destination. 40% of our TOT is collected from our lakeside community, and how are we best representing those properties and getting them involved in discussions.
- Cindy recommended not calling it a Marketing Plan as it doesn't encompass everything we are doing including events and visitors services.
- Cindy also shared that cell phone data presentation from TTD shows 24 million visitors annually into Lake Tahoe. It shows hot-spots and this was done to help transportation issues.
- Christine shared it's not about more people but about right people and right timing. We still need help with midweek stays and brand delivery and do we have the services that a destination should have? Public transportation that benefits the community as well as the visitors?
- Brett stated that the fulfilment piece is the key part as demand needs to happen before supply. Air lift is still more important. He also shared it would be great to have a marketing program, including: South Lake Tahoe, North Lake Tahoe, Truckee and Reno, especially important January – March. His vision is that NLTRA Marketing efforts are an insurance plan for our constituents. NLTRA can penetrate markets that our partners can't do on their own.
- Christine stated that it's important to revisit the conversations of how we spend money and look at the transportation piece.
- Erin shared that those conversation are taking place of how much should be spend in each category now and how does that change as revenues increase? Acknowledging that continued investment in infrastructure and transportation are important elements. Let's develop that marketing strategy and let's make sure it's leveraging other opportunities, with other resorts, and with businesses in our community to then define what the future budget could look like. The landscape is quickly changing and it's important to have community input and talk about the Master Plan. What has changed? Is our priorities different?
- Funding and TBID are important conversations to have with our broader community.
- Andy questioned Erin on the time frame. Erin stated there was an initial expectation to have this plan completed by end of January 2018. She recommended at this point talk to further discuss time frame with the NLTRA Executive Committee for this plan to further develop. The plan needs more time and Erin recommended the new plan being implemented with the start of a multi-year contract, July 1, 2018.

- It was recommended that Cindy send out a Survey Monkey to the lodging community. Christine shared its important how you frame the questions? What are their challenges? Get input on marketing.
- Being nimble and adjusting when you don't have the conditions we need.

**Action: E-mail the Master Plan to the committee members (to read Chapter 4 & 5) and develop a timeline and deliverables for the next meeting. Include the competitive set results from the Marketing Task Force.**

**Action: Send out prior 3-year marketing strategy (from 2011/12) to the committee members.**

## **9.0 REVIEW OF 2018 MARKETING COMMITTEE APPOINTMENT PROCESS - ANDY**

Andy shared the re-appointment process has started. Pool A terms out this year including Gregg Gibboney, Marguerite Sprague and Carlyne Fajkos. The NLTRA is soliciting interested parties and letters are due on Monday, November 27, 2017. Committee members that termed out may re-apply. Cindy let the committee know about the proposed changes for expansion of the NLTRA Board.

## **10.0 DEPARTMENTAL REPORTS – AUGUST**

- **Conference Sales – Jason Neary**
- **Leisure Sales – Sarah Winters**
- **Events & Communications – Amber Burke**
- **Website Content – Shelley Fallon**
- **Public Relations – The Abbi Agency**
- **Advertising – Augustine Agency**

## **11.0 STANDING REPORTS**

- **Destimetrics August Report**
- **RTIA Passenger and Cargo Report**
- **August Conference Activity Report**
- **August Lodging Referral Report**

## **12.0 COMMITTEE MEMBER COMMENTS**

No committee member comments.

## **13.0 ADJOURNMENT**

The Marketing Committee adjourned at 4.55 pm.

Submitted By:

Anna Atwood  
Marketing Executive Assistant  
North Lake Tahoe Chamber/CVB/Resort Association