

# SACRAMENTO TOURISM MARKETING DISTRICT

## MINUTES

### Special Meeting of the Tourism District Committee

Monday, November 5, 2018

Visit Sacramento

1608 I Street, Sacramento, CA

*The original agenda was prepared and posted in compliance with the provisions of the Ralph M. Brown Act noting that committee action may occur on any identified agenda item.*

#### A. Call to Order / Roll Call

Committee Vice Chair David Huber called the meeting to order at 9:03 a.m. and conducted a roll call of the committee as follows:

##### **PRESENT**

###### STMD Committee Members

Zone 1: Liz Tavernese, and Scott VandenBerg

Zone 2: Doug Warren, Sami Qureshi

Zone 3: Steve Young

Zone 4: David Huber (Vice Chair)

###### Sacramento Hotel Association

Teresa Stephenson, Executive Director

###### Visit Sacramento Staff

John Reyes, Sonya Bradley, Kari Miskit, Sarah Atilano, Dan Santucci, Elizabeth Anderson (*Recording Secretary*)

##### **ABSENT**

###### Committee Members

Zone 1: Kathleen Gilbey (Chair)

#### B. Public Comments – Matters Not on the Agenda

Vice Chair David Huber called for public comment on items not listed on the agenda; there were no matters presented.

#### C. FY2018-19 Zone Funding Applications for Review or Approval

The following fund applications were presented:

1. Zone 2: City of Trees 2018 (Entercom Communications) – September 9, 2018 (Initial Request: \$15,000)

**Presenter(s):** No one present, reviewing event from last meeting as the committee abstained from voting until a post event recap was available.

**Committee Review:** Doug Warren stated he reviewed hotel occupancy over the dates of this year's event and Hilton Arden West and DoubleTree both came very close to selling out the night of the event. Warren mentioned that the day did move from Sunday last year to Saturday this year and it remained a successful event. He did report that the impact was underwhelming with the day of the week change. Sami Qureshi stated that the Hilton Arden West block for the event only had 36 rooms booked and they had held 70. Qureshi believes it was still a good piece of business over the weekend and that many people booked rooms outside of the designated block. Warren stated he would motion to support the application, but not for the full amount. Huber asked for alternative numbers and Warren suggested half as he does want to support them for

using the field and an underutilized area of the city. He would also like to have further discussions with them regarding changing the day of the week as he believes Sunday was more successful.

***MOTION: Doug Warren motioned to approve the fund request for \$7,500; Sami Qureshi seconded. [Vote: Unanimous]***

2. Zones 1-4: Sacramento Convention Center (SCC) Expansion Phase 2 Marketing Campaign (Visit Sacramento) – January 2019 – December 2019 (Initial Request: \$300,000, Revised Request: \$130,436)

***Presenter(s):*** Sonya Bradley, Visit Sacramento

***Presentation/Committee Review:*** Bradley stated that she revised the funding request from \$300,000 to \$130,436. The largest amount of money removed from the request are Activations as well as moving items from this year to next fiscal year. With pushing the campaign to spring 2019, she was able to reduce cost in media spend by doing smaller ads.

Bradley reminded the committee that the key area the money is requested for is Digital Edge Marketing, which has already been hired. Visit Sacramento needs \$62,000 to finish out this fiscal year as the DMO started with only \$25,000 for convention center marketing. Scott Vandenberg asked for clarification on the plan as he was not at the October meeting. Bradley stated that the fund request is for Phase Two of Four for promoting the convention center expansion and that Visit Sacramento staff wants to start with top-of-the-line awareness with customers. Digital Edge was hired primarily for lead activation and assisting with sending the sales team qualified leads. The next area of marketing is the Professional Convention Marketing Association (PCMA), which is an association that has a membership of 86% decision makers. The third area is Connect, which Visit Sacramento invests in already and the money would add some additional media spend that is not currently taking place. The fourth area would be Northstar, which provides two of the largest media outlets for meeting planners that are available via print, digital, and webinars. Bradley would also like to release a media digital campaign through Northstar as they represent the largest 50 associations. Lastly, would be Connect Activations, which would be similar to the meet-and-greet activity Visit Sacramento sponsored for the keynote speakers at this year's Connect Marketplace. In the future Bradley would like to do more activations with Connect such as sponsoring lanyards; however, she stated that she has shifted those plans into next year.

Huber asked when they are looking to start each area. Bradley clarified the timeline as Digital Edge has already begun; PCMA will begin in January, Northstar will begin in Spring 2019, and Connect Activations will happen from January to June 2019. Huber asked what would be lost if the marketing plan had to be postponed until later next year. Bradley stated that the city would lose the awareness that is needed for the expansion as Visit Sacramento would not be able to promote it to the full extent under the standard media spend in Visit Sacramento's current budget. Bradley then asked for John Reyes to speak about PCMA as Visit Sacramento staff has just begun going to PCMA events.

Reyes noted that citywide groups normally book their conventions two to three-years in advance and most clients are starting to look at 2021 and beyond. This means awareness needs to be built now as the center will be reopening in 2021. Reyes continued by stating that Sacramento has two sets of customers, the first is repeat business that has been in Sacramento

for many years and the second are those groups that have not yet been to Sacramento. Waiting to move forward would mean missing the opportunity to talk to customers who can bring citywide business for 2021 and beyond. Reyes continued that involvement with PCMA allows Visit Sacramento's sales team to reach a new set of customers.

Bradley continued that the media options were researched and vetted before being chosen for this project. The best options became were those that had the ability to increase the outreach to the customers the city is seeking. The plan entails doing a combination of tactical digital and print ads. The first building is being demolished in December and the conversation with customers' needs to start now.

VandenBerg asked if Bradley envisioned using the renderings in the digital and print campaigns. Bradley stated yes that the campaign is talking about the highlights of the building and combining it with the destination during the promotions. Kari Miskit added that the new convention center building helps get people in the door to then promote the city.

VandenBerg agreed with Reyes' earlier point that we are in the booking window for when the center reopens, and the city needs to bring as much awareness as possible to the project. Sarah Atilano stated that the team is running out of time to be impactful. Adding if Visit Sacramento must wait until next fiscal year to add the marketing plan into the budget then it will hurt the hotel partners as the center will be closing when the budget is finalized. VandenBerg and Bradley then discussed some further ideas for marketing on Visit Sacramento's website and what has worked in the past, such as the "10 Reasons to Hate Sacramento".

Reyes added that the next two years are about building relationships and partnerships with third-party meeting planners. He mentioned that Visit Sacramento staff will be going to the HelmsBriscoe Western Region Sales Meeting in Seattle. He then continued that the West Coast is becoming very expensive and that Sacramento is a great option regarding pricing.

VandenBerg stated that he hears this all the time from customers, he knows that as a city it has been recognized and now the city needs people outside of Sacramento to know as well. There were then further comments from the group about similar discussions with customers.

VandenBerg then mentioned that Moscone in San Francisco is reopening this year and there is going to be business that they will no longer qualify for a convention center of that size. This gives Sacramento potential new business.

Huber asked if Visit Sacramento will be budgeting for the \$160,000 cut from the request during the next fiscal year budget. Bradley stated yes, they would. Huber stated that he is willing for STMD to help as well but having it in the Visit Sacramento budget is very helpful as well.

VandenBerg asked for clarification on this year's budget and how the line items are broken out. Atilano explains that this past year's budget had all the Convention Center marketing in one-line item and that the other line items he may be thinking of were for travel involved with marketing.

VandenBerg then asked for clarification on PCMA and Reyes explained that this association is targeted to corporate groups that would qualify as citywide business in Sacramento. He continued that successful convention centers are active at PCMA programs as it is a strategic way to acquire new customers. These customers would be from all over the country, with a concentration from the Midwest, Northwest and Washington, DC.

Reyes added that over the last several months Visit Sacramento staff has been in contact with many different tradeshow representatives to see what other cities have done in this situation and what Sacramento should do to be successful. This research has helped open doors and build relationships to the point that Visit Sacramento has been invited to some of the convention's VIP dinners with new clients. This has allowed the staff to talk to people who may not have come by the booth to learn about all the exciting things happening in Sacramento.

VandenBerg then asked if everything is still in line with the budget, and Daniel Santucci confirmed that the paperwork provided at the meeting was accurate for current spend on the STMD budget.

Huber asked if next budget season all the marketing expenses would be in the Visit Sacramento budget. Reyes stated that it would need to be a combination of the Visit Sacramento budget and STMD funds and it would be up to the board to decide how much the budget can increase. VandenBerg then mentioned that when the project was first being discussed that there was a possibility of splitting the marketing expense into three areas: Visit Sacramento's budget, STMD funds, and City of Sacramento funds. Huber stated he would like to see the cost initially listed in the Visit Sacramento budget for the full amount and if it does not get approved for the full amount then STMD can assist where possible. Vandenberg asked if there was still an opportunity for the City to provide funds for the marketing of the center. Atilano stated that she knows Mike Testa has had many conversations with City Manager Howard Chan in this regard. At this point in time, the City has only approved \$500,000 and it has all been allocated to relocating The Almond Industry Conference to Cal Expo during the convention center expansion as they must build custom structures to accommodate the group and not lose the business.

VandenBerg then asked if Visit Sacramento bills the Convention Center when marketing items are created, and Bradley stated they do not as the Center does not do any marketing. Bradley continued that any marketing money they have goes to Classique Catering for marketing to the local market. For example, Visit Sacramento would like to do a live video stream of the construction and the Convention Center is possibly paying for 50%; however, the center is not fully committed for the video stream as they do not currently know if they will have the money to pay for it. VandenBerg added that he would like Testa to again raise the possibility of the City contributing to marketing funds in the future. Furthermore, he noted that he understands that if the City is unable to contribute additional funds into the marketing of the center, the budget may have to be split half Visit Sacramento and half STMD funds. Atilano agreed and stated that it is a conversation they will continue to have with City staff.

Liz Tavernese stated that it is getting too late in the construction process and that Sacramento needs to start promoting and bring awareness to the convention center plans. VandenBerg agreed and stated Sacramento needs to stay ahead of the game and cannot wait any longer to move forward. Qureshi also agreed with the discussion to move forward.

***MOTION: Scott VandenBerg motioned to approve the fund request for the revised amount of \$130,436; Doug Warren seconded. [Vote: Unanimous]***

**D. Zone Funding and Post Event Recap Reports**

1. Post-Event Recap Reports

The following post-event recap report was distributed for the committee's review prior to the meeting:

- City of Trees 2017

**E. New Business**

None to report.

**F. Future Meetings and Agenda Items**

The next regular quarterly meeting is scheduled for January 14, 2019, at 11:00 a.m., at the Visit Sacramento offices.

**G. Adjournment**

Vice Chair Huber adjourned the November 5, 2018 meeting at 9:40 a.m.