

Minutes

Visit San Luis Obispo County Marketing Committee

Visit San Luis Obispo County Marketing Committee Meeting Minutes

Tuesday, July 12, 2016 8:30am Sands Inn & Suites 1930 Monterey St, San Luis Obispo, CA 93401

1. CALL TO ORDER: Chuck Davison

PRESENT: Ashlee Akers, Terrie Banish, Molly Cano, Cheryl Cuming, Amanda Diefenderfer, Christen Goldie, Gordon Jackson, Lori Keller, Heather Muran, Jennifer Porter, John Sorgenfrei

ABSENT: Jim Allen, Jennifer Little

STAFF PRESENT: Chuck Davison, Michael Wambolt, Jordan Carson

Call to Order at 8:32am.

2. PUBLIC COMMENT (On Non-Agenda Items)

None.

ANNOUNCEMENTS

Muran announced that SLO Wine Country Association has printed its new wine maps. Porter invited the Committee to hear from Chris Reynolds of the LA Times on July 20, 2016 from 9:00am-10:30am at the SpringHill Suites in Atascadero. Jepsen bid farewell to the Marketing Committee and expressed her gratitude to them. Davison noted that Kylee will likely stay on remotely as a film commission contractor.

The Marketing Committee will not be meeting in August due to Davison's travel schedule.

CONSENT AGENDA

3. Approval of June 14, 2016 Marketing Committee Meeting Minutes

Committee Discussion.

Public Comment - None.

ACTION: Moved by **Cuming/Muran** to approve the Consent Agenda as presented.

Motion carried: 9:0:1

Akers abstained. Keller was absent for the vote.

4. CEO Report

Global People China Magazine recently published a 20+ page spread on all of the CEOs who attended the Visit California China CEO Mission, providing great exposure for San Luis Obispo County.

Research takeaways are now available online.

Davison was invited to present the findings of its research at the SLO County Mayors Meeting on July 1, 2016. During the meeting, the mayors had a robust and fragmented discussion on the illegal vacation rental issue. Davison reported that PBHA was submitting a letter to the City of Pismo Beach on the issue, Morro Bay has been trying to line up guidelines, and Paso Robles held a community-wide forum on the issue a couple months ago. Majority of the mayors don't plan on taking funds from AirB&B rentals. VSLOC is continuing to work on this item at the County level, and there is a bill that would regulate this at the state level, although it has been stalled for almost two years.

Davison provided an update on VSLOC staffing and his travel schedule.

Davison noted the trend over the past 6 months of reduced occupancy and increased RevPAR, and asked if there has been any conversation among lodging communities about this trend.

Committee Discussion — Cano noted that the discussion on reduced occupancy and increased RevPAR has emerged at SLO TBID committee meetings and has been brought to the attention of their board, but that no action will be taken. Diefenderfer noted that Paso Robles has been observing this trend. Jackson noted that rates are staying up in Pismo Beach and that Pismo is at the top of the market. He questioned if Pismo Beach should really be concerned with raising occupancy. Davison noted that there is nothing VSLOC can do about this, but it is a situation we should all be aware of. At some point we reach the peak on rates and have to come back down, which could also line up with US Travel's forecast of an impending economic slowdown. Davison added there reaches a diminishing rate of return as service and amenities sometimes don't match rate compared to our comp set, and the consumers find attachments to other markets when they become priced out. Keller explained that RevPAR is the primary concern of hoteliers. Sorgenfrei noted that Pismo Beach is starting to target a higher-end market with two higher-end hotels coming into Pismo. Wambolt noted that VSLOC will be encouraging more hotels to sign on to STR so that we can get a better feel on these trends.

Public Comment - None.

BUSINESS ITEMS

5. Update on Board Action

At the June 15, 2016 Board of Directors meeting, the Board approved the FY2016-17 budget, which included the hiring of one additional staff member, the Executive Assistant for the President and CEO. They approved the Strategic Plan with one amendment: Develop a plan for advocacy on behalf of stakeholders. All Board members who were up for election or re-appointment have been re-appointed or re-elected, and all Executive Committee seats have been renewed. The Board also approved paying off the remaining \$79,000 on VSLOC's line of credit.

Committee Discussion – Cuming noted how she appreciates VSLOC taking a step towards advocacy. Davison noted how there is a balance, and that some Board members and constituents have cautioned against playing too much of a role in advocacy. Cuming also asked if VSLOC's Bylaws dictated the composition of the Executive Committee. Davison noted that the Bylaws do not dictate this, but VSLOC has been fortunate in how the Executive Committee represents different communities and the unique lodging mix across the county.

Public Comment - None.

6. Alaska Airlines Update

On June 29, 2016, the SLO County Regional Airport held a press conference unveiling Alaska Airlines' nonstop service between SLO and Seattle, which begins April 13, 2017. This is a major victory for SLO County tourism. VSLOC worked closely with the airport and SLO EVC in persuading Alaska Airlines to begin service in the County, and the funds made available through the formation of the TMD encouraged Alaska Airlines to add this air service since there are marketing dollars now available to help support it. Davison discussed next steps, including a call with Sixel Consulting on previous successful market launches, a conversation with Alaska Airlines on co-op opportunities and reviewing grass roots marketing prior to the advertising market launch.

Committee Discussion – Sorgenfrei noted that what works in one market doesn't necessarily work in other markets. He also noted that we should pursue co-op opportunities like the *American Way* spread that can be done with Alaska Airlines. Porter said that she is open to budgeting for grassroots efforts.

Public Comment - None.

7. Strategic Plan Update

VSLOC is contracting with Coraggio Group on Operational Planning Services to execute the Strategic Plan. This will serve as the bridge between the strategic plan and day-to-day operations for the year. More updates will be available as the process begins in late August.

Committee Discussion – None

Public Comment - None.

8. Sponsorship

Davison recapped the issues with VSLOC's current event sponsorship process and the discussion from the previous month, and asked the Committee for further recommendations and feedback.

Committee Discussion – Porter asked if one of the qualifications could be that the applicants don't get funding from the TBID. Sorgenfrei noted that one of the issues with this qualification would be that events like SAVOR would never have existed if they never got funding from multiple communities. Porter noted how few events in the area are driving tourism. Cuming noted that VSLOC should provide in-kind marketing support for existing events. Sorgenfrei noted that it's a nightmare to manage event funding. Diefenderfer said that TPRA's sponsorship of Studios on the Park is part cash, part in-kind, and that the in-kind marketing sponsorship has been incredibly successful.

Public Comment - None.

9. Travel Trade Update

Wambolt provided an update on VSLOC travel trade efforts, including takeaways from IPW 2016 and future opportunities like sales missions, CalSAE's Seasonal Spectacular, Tour & Travel market opportunities for lodging partners, and IPW 2017. At IPW 2016, VSLOC had over 70 appointments, including appointments with three of the largest travel agencies in China. VSLOC is looking to bring UnionPay into the county to do an audit and see what ATMs are compatible with their system.

Committee Discussion - None.

Public Comment - None.

10. Marketing Agency Update

VSLOC has been signed its contract with BCF. BCF's Statement of Work (SoW) will be provided prior to September 1, and the Marketing Plan is due to VSLOC on November 1.

Committee Discussion - None.

Public Comment - None.

PRESENTATION

11. BCF Agency

Joslyn Stein with BCF provided an update on their immersion timeline, detailed the key themes from their stakeholder interviews and intercepts, and gave a high-level overview of their timeline. Davison noted that BCF is also reviewing SAVOR branding and booth design, as well as booth design for other trade shows. VSLOC is still making a decision on who will design the website (Simpleview or BCF). Davison also noted that Visit California has decided to include SLO County in their new ad campaign with a scene of sand surfers in the Oceano/Guadalupe Dunes. This is exciting news for VSLOC as it means domestic and international exposure for San Luis Obispo County.

Committee Discussion – Cuming asked when she might see a first draft of the Marketing Plan. Davison responded that the first glance at the Marketing Plan will likely be mid to late September.

Public Comment - None.

PRESENTATION

12. DMO Spotlight - City of Atascadero

Banish discussed Atascadero's Strategic Plan, Visit Atascadero's branding and marketing highlights, and city marketing plan. She shared examples of print, billboard and digital creative with the committee. Banish noted that the goals of the Atascadero TBID's Marketing Plan are to increase overnight stays, build Atascadero brand awareness, and target new visitors to engage in programs and increase awareness. She highlighted collaboration efforts between the City of Atascadero and the ATBID on social media and marketing, and noted the city and TBID focuses of their Event Plan.

Committee Discussion - None.

Public Comment - None.

ADJOURNMENT

Meeting adjourned at 10:20am.