CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: December 1, 2009

To: City Council

From: Alison Maxwell, Director Economic Development and Marketing

Subject: First Quarter Report by Beverly Hills Conference and Visitors Bureau

Attachments:
1. Conference and Visitors Bureau Report
2. Breakfast in Beverly Hills Report
3. CVB New York Mission Report (2nd Quarter)

INTRODUCTION

This report provides an update on the program of work for the first quarter 2009-2010 undertaken by the Beverly Hills Conference and Visitors Bureau (CVB) under contract to the City.

DISCUSSION

The City Council contracts with the CVB for a wide range of destination marketing and visitor attraction programs. The CVB is funded via a portion of the 2% for Marketing Transient Occupancy Tax (TOT). Other programs funded via TOT 2% include Rodeo Drive Walk of Style and the Holiday décor.

Until June 2009, the CVB was a division of the Chamber of Commerce. The CVB has now incorporated as an independent agency and starting in July 2009, the City contracts directly with the CVB rather than via the Chamber of Commerce. As part of the 2009-2010 Agreement for Services, the City is requiring that the CVB provide quarterly reports to City Council.

Attached to this staff cover report is a report by the CVB on their first quarter programs and activities including:

- Breakfast in Beverly Hills Marketing Campaign (a separate attachment is provided for this program)
- Beverly Hills Showcases/Familiarization Trips
- Public Relations and Media Coverage
- International Marketing
- Key CVB Initiatives (includes Council approved transition activities)
- Outline of Preparation for the 2nd Quarter (also included is a separate report on the New York Trade Mission)

COMMITTEE REVIEW

The Ad Hoc Committee for the CVB Transition (Council Member Brucker and Council Member Brien) met on Tuesday, November 10, 2009 to review and discuss the CVB quarterly update, a report on Breakfast in Beverly Hills Marketing Campaign, and the New York Outreach Mission.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that City Council receive and file the report

Approved by:

Alison Maxwell, Director Economic Development and Marketing

Beverly Hills Conference & Visitors Bureau

November 10, 2009

The Honorable Mayor Nancy Krasne
Members of Beverly Hills City Council
City Hall
455 N. Rexford Drive
Beverly Hills, CA 90210

Dear Mayor Krasne and Members of City Council:

Attached please find a summary of Beverly Hills Conference & Visitors Bureau's accomplishments for the period July through September 2009.

Beverly Hills Conference & Visitors Bureau is dedicated to enhancing the economic vitality of Beverly Hills through destination marketing. Efforts target consumers, trade and media in key markets throughout the US and internationally. The CVB's primary marketing focus is incremental business requiring an overnight stay. In addition, the CVB strives to enhance the overall visitor experience for both hotel guests and day visitors.

The attached provides a snapshot of the first quarter along with progress made toward the strategic plan and new office space for the CVB, which has been a major focus during the past quarter. Should you have any questions or if additional information is needed, please do not hesitate to contact me.

Thank you for the opportunity to promote the City of Beverly Hills.

Best regards,

Kathryn Smits
Executive Director, Beverly Hills Conference & Visitors Bureau

cc: Rod Wood, City Manager
Mahdi Aluzri, Assistant City Manager
Katie Lichtig, Assistant City Manager
Alison Maxwell, Director of Economic Development and Marketing

CVB Accomplishments
July - September 2009

Breakfast in Beverly Hills Marketing Campaign

- An ROI of 129% plus an ad equivalency of over $500,000 as a result of the citywide campaign, which concluded in August.
- Full report submitted under separate cover.

Beverly Hills Showcases/Familiarization Trips

Results: 12 trade and media fams secured with a total of 65 participants.
Highlights (partial listing):

- **China Travel Channel** – As a result of BHCVB's ongoing outreach and representation in China, this film shoot was coordinated in collaboration with CTTC. A special 3-part series showcasing California will air nationwide in October/November 2009. The Beverly Hills segment will feature the host "living like a celebrity" at Montage Beverly Hills and Brooks Brothers. China Travel Channel is the only national travel TV channel in China and airs to 30 million people.
- **Gala Magazine** – JF Guggenheim, a French journalist and photographer, visited Beverly Hills on assignment for "where the stars go." The four-page spread will run in November 2009 covering celebrity hot spots including Raffles L'Ermitage and the Beverly Wilshire. Gala has a circulation in France of 300,000.
- **Sun Media** – Jeff Voth, a Canada-based writer for Sun Media, visited Beverly Hills, and the CVB arranged for a stay at Raffles L'Ermitage with visits to Villa Blanca and Luxe Hotel Rodeo Drive. Published in Canada to a Sun Media audience in excess of 3 million, Voth's bi-weekly destination stories are published in major markets plus regional newspapers and online. The Beverly Hills features are slated to run in October 2009.
- **CTTC UK/Ireland Super FAM** – 17 frontline travel trade staff qualified for the FAM by completing destination educational programs created by CTTC/UK. BHCVB provided BH welcome kits and hosted a chartered BH trolley tour.
- **CTTC China Staff FAM** – BHCVB hosted five staff (media and trade representatives) from the CTTC/China office on a walking tour that included site inspections of the Beverly Wilshire, Luxe Hotel Rodeo Drive and Montage Beverly Hills.

Public Relations/Media Coverage

Results: Circulation of more than **25 million** equating to more than **$15 million** in advertising equivalency value.

Highlights (partial listing):

- **Getaway Australia** – A luxury segment and 'Beverly Hills on a Budget' aired September 4th as part of a series on Los Angeles. Getaway is the number one travel show in Australia reaching 2 million viewers. Participating hotels and retailers along Rodeo Drive and Canon Drive have reported a spike in Australian visitors since the show aired.
- **GMTV (UK)** – In August, BHCVB coordinated a TV shoot for morning show GMTV. The series, called "Live Like a Star," was presented by Ross King, the local entertainment reporter for KTLA. The series included Rodeo Drive retailers and the Beverly Wilshire. The substantial feature, covering Los Angeles and Beverly Hills, ran for two weeks beginning September 14th. There was also web coverage on the homepage of GMTV, which remained live for two weeks. The show attracts 4 million viewers.
- **CTTC Media Event in San Francisco** – The state tourism media event for Bay Area journalists was held September 28th and resulted in likely media hits in the *San Francisco Chronicle* and *Sierra Magazine*.
- ***Verve Magazine* (EVA Air In-Flight)** – As a result of pitching Rodeo Drive, a 6-page story appeared in the September issue of the magazine, which reaches travelers in mainland China. The story will also appear in the October issue of *Open Skies*, the in-flight magazine for Emirates Airline.

In summary, coverage ranged from a feature on Handbag.com as a direct result of a 2008 fam trip to "It's All About the Art-i-tude" coverage in several China publications as a direct result of pitching the CVB's new art and architecture walking tour.

International Marketing

Results: Leads generated, media coverage and business booked as a result of 1) Assuran Incentive, 2) Local Chinese Tour Guide Training, 3) Christmas in Beverly Hills and 4) Local Outreach to Receptive Operators

Highlights:

- **Assuran Japanese Incentive Group – September 2-8, 2009**
  This high-end incentive group of 550 top salespeople generated over $700K in incremental revenue for the city. The Beverly Hilton was the group's host hotel and venue for the opening and closing galas. BHCVB organized a Rodeo Drive Shopping Experience for the delegates including special offers, a drop-off/pick-up on Rodeo Drive, and a stationed BH Trolley to provide information. On the dining front, BHCVB secured dinners for the group at Gonpachi, Lawry's, El Torito and McCormick & Schmicks. Mayor Krasne and the CVB welcomed the group to Beverly Hills during the opening session.

- **Chinese Tour Guide Training Workshop – August 26th**
  BHCVB hosted 42 local Chinese tour guides for a destination workshop that included Beverly Hills training and a guided walking tour of the city. The Paley Center hosted the formal training session, and all delegates were presented with certificates of achievement at the CVB-sponsored lunch at Montage Beverly Hills. All of the guides belong to the US-China Inbound Association, a group that is committed to providing Chinese visitors with a positive visitor experience.
- **Christmas in Beverly Hills**
  The most successful film franchise in Italy will feature Beverly Hills in its upcoming holiday movie. Filming took place at key locations such as The Beverly Hilton, Rodeo Drive and Two Rodeo. In addition to room nights generated, exposure for the city, and partner opportunities, the film provides opportunities for media fams, travel agent packages and product integration, which the CVB is pursuing. A recent press junket in Beverly Hills for the film resulted in tremendous Italian media coverage.

Key CVB Initiatives

- Strategic Plan
  In collaboration with the City and key stakeholders, the CVB has outlined the proposed scope, process and deliverables for a strategic plan as well as selected a consultant to conduct the study, which will focus on consumer attraction.
- Relocation
  The CVB identified a location and entered into negotiations for office space and a small visitor center; however, due to an issue that could not be resolved, negotiations ended. Since, the CVB has identified and is pursuing other space with the goal of moving in the spring.

Preparation for 2nd Quarter

- dineLA
  - BHCVB, in coordination with LA Inc.'s dineLA team, again led the Beverly Hills effort, assisting with restaurant recruitment and local marketing to position Beverly Hills as a "foodie" destination. The program returned October 4 – 9 & October 11 – 16, 2009. BHCVB's outreach resulted in over 28 participating restaurants, a staged 'food truck' and media results in the *Beverly Hills Courier* and the *Los Angeles Times.*
- New York Sales Mission
  - BHCVB will again spearhead the annual sales mission to New York. A full report has been prepared under separate cover.

- World Travel Market in the UK and Media Calls in the UK and Italy
  - BHCVB will participate in California's kickoff event targeting key trade and media at WTM, the largest trade show in the UK. In addition, the CVB will conduct desk side briefings for targeted media including appointments with *Harpers Bazaar UK* and *Condé Nast Traveller*.
  - Leveraging the publicity surrounding Christmas in Beverly Hills, BHCVB will call on key Italian media outlets following WTM. The mission will include an informal press event in Rome followed by a day of one-on-one media appointments with luxury lifestyle outlets in Milan.
- CITM Trade Show and China Sales Mission
  - BHCVB will participate with CTTC at China's largest travel market followed by targeted trade and media events in key markets.
- Deck the Hills 2009
  - Again this year, BHCVB is working with the City and partners to orchestrate holiday marketing and promotional efforts. New this year will be a collective hotel offer and online advertising in outer markets.

2009 Breakfast in Beverly Hills

CBH - City Council Study Session 12/01/2009

Objective & Strategy

Joint Collaboration

- Beverly Hills Conference & Visitors Bureau
- Economic Development Division of Beverly Hills Chamber of Commerce
- City of Beverly Hills

Objective

- Integrated city-wide campaign to increase business for Beverly Hills hotels, restaurants and retail establishments

Strategy

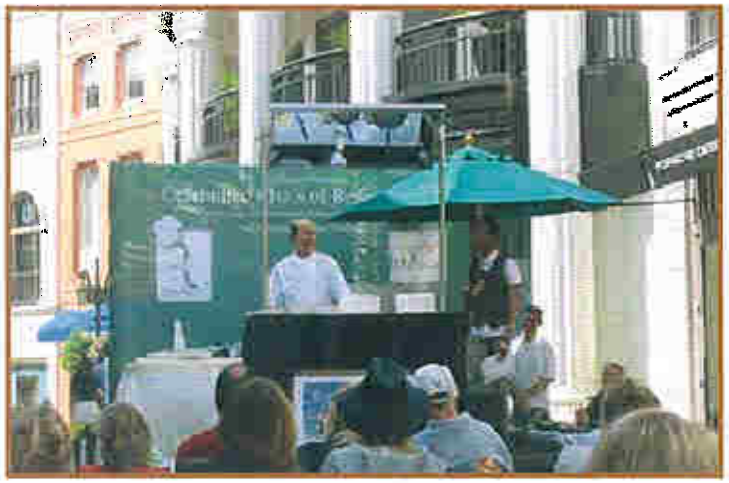
- Tactical campaign that holds true to the Beverly Hills brand
- Tempered luxury and accessibility
- Two-pronged approach targeting locals and visitors
- Template that can be turned on/off

Local Campaign Breakdown

- Offer
- Marketing Tactics
  - Coffee Sleeves
  - Direct Mail Piece
  - Buckslips
  - Advertising
  - City and Chamber Outlets
  - Food Drive Partnership with LA Food Bank
  - Breakfast in Beverly Hills Website
- Results

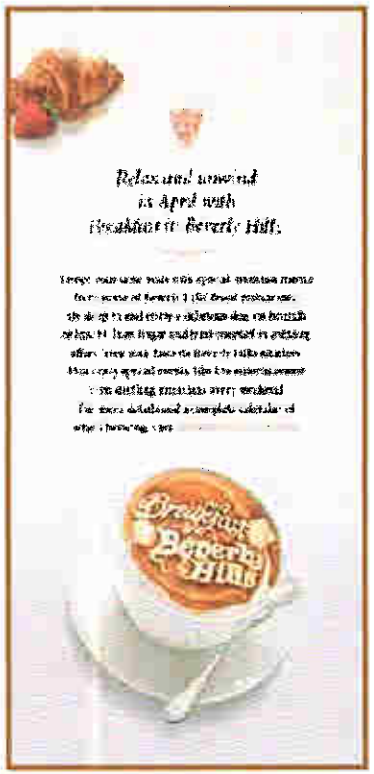
Local Offer

- April 1, 2009 – April 30, 2009
- Meal and Retail Offers throughout Beverly Hills
- Street Entertainment
- Cooking Demonstrations



Local Marketing Tactics

- 131,000 Coffee Sleeves
- 95,000 Direct Mail Pieces
- 10,000 Buckslips



Local Marketing Tactics

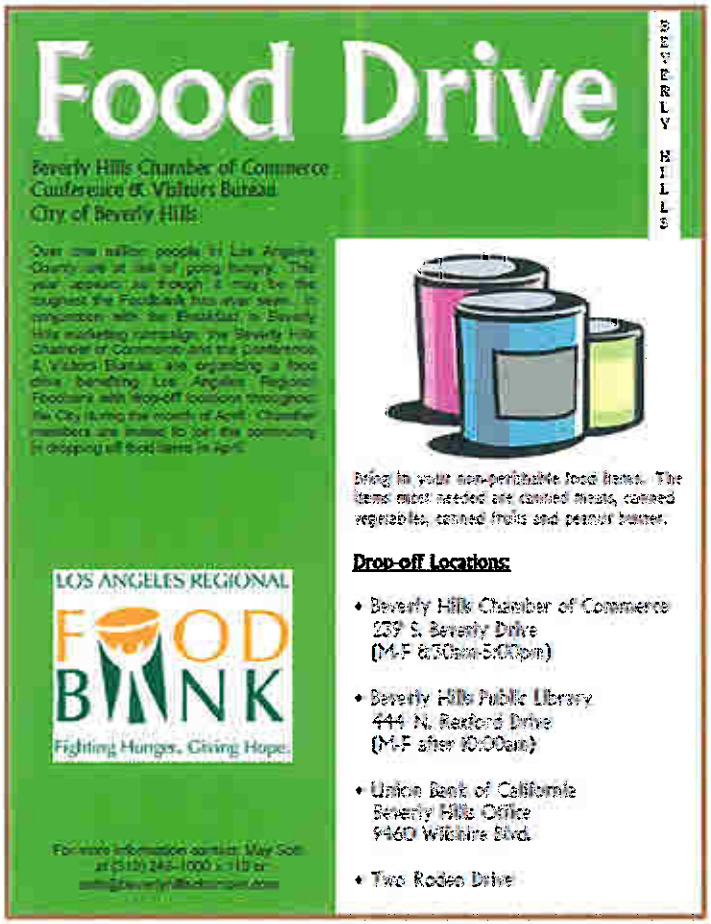
- Advertising
  - April 1-30 (4 weeks)
  - Market: Los Angeles

Local Marketing Tactics

- City of Beverly Hills
  - In Focus
  - BHTV
- Beverly Hills Chamber of Commerce
  - Eview
  - Events Calendar
  - Website Link to Breakfast in Beverly Hills

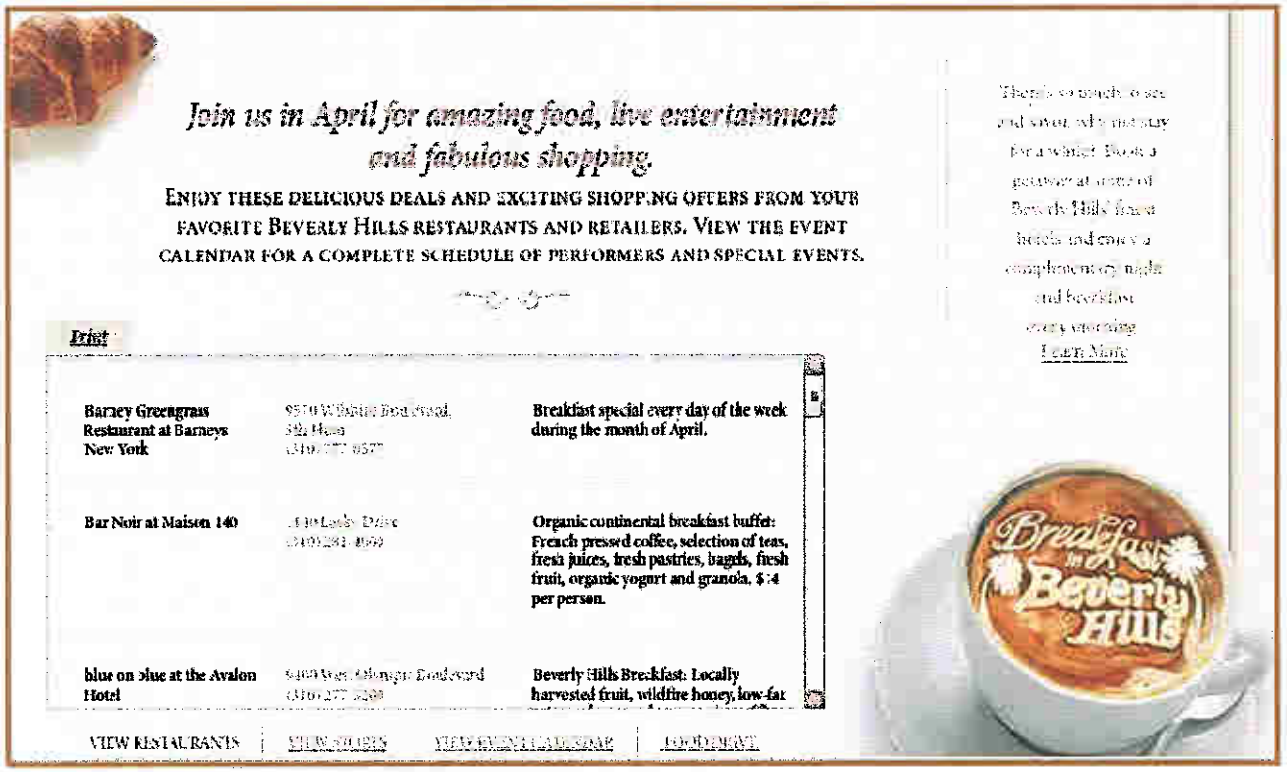
Local Marketing Tactics

- Charity Partnership: Food Drive Sponsorship with LA Food Bank



Local Marketing Tactics

- Website www.breakfastinbh.com/info



Local Results

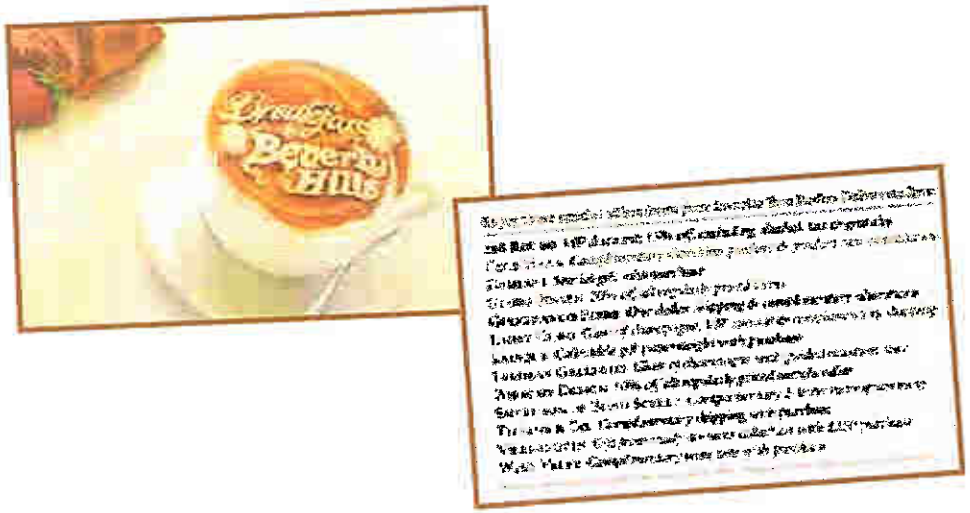
- Goals:
  - Promote Beverly Hills as a shopping and dining destination
  - Keep Beverly Hills top of mind for residents and LA County visitors
  - Increase foot traffic
- Metrics:
  - Website hits
  - Survey of retailers and restaurateurs
  - Satisfaction index from Two Rodeo
- Results:
  - Website hits from April 10 – May 31
    - Breakfast in Beverly Hills Information = over 2,000 pageviews
    - Total pageviews for Breakfast in Beverly Hills = 75,935
  - 90% of survey respondents want to have more city-wide marketing programs
- **City/EDD Investment** : $149,638 ($25,739 CVB Funds)

Visitor Campaign Breakdown

- Offer
- Marketing Tactics
  - BH Card
  - Branded Cappuccino Mugs
  - Website
  - Online Marketing Campaign
  - E-Direct Mail
  - Social Media
  - Reception for Local Tour Operators
  - Familiarization Tours
- Return on Investment
- Editorial Coverage
- Breakfast in Beverly Hills 2010

Visitor Offer

- April 1, 2009 – July 30, 2009*
- Free Night Stay and Complimentary Breakfast
  - 100% Hotel Participation
- Beverly Hills Card
  - Exclusive Two Rodeo Offers



* Redeemable through August 31, 2009

Visitor Marketing Tactics

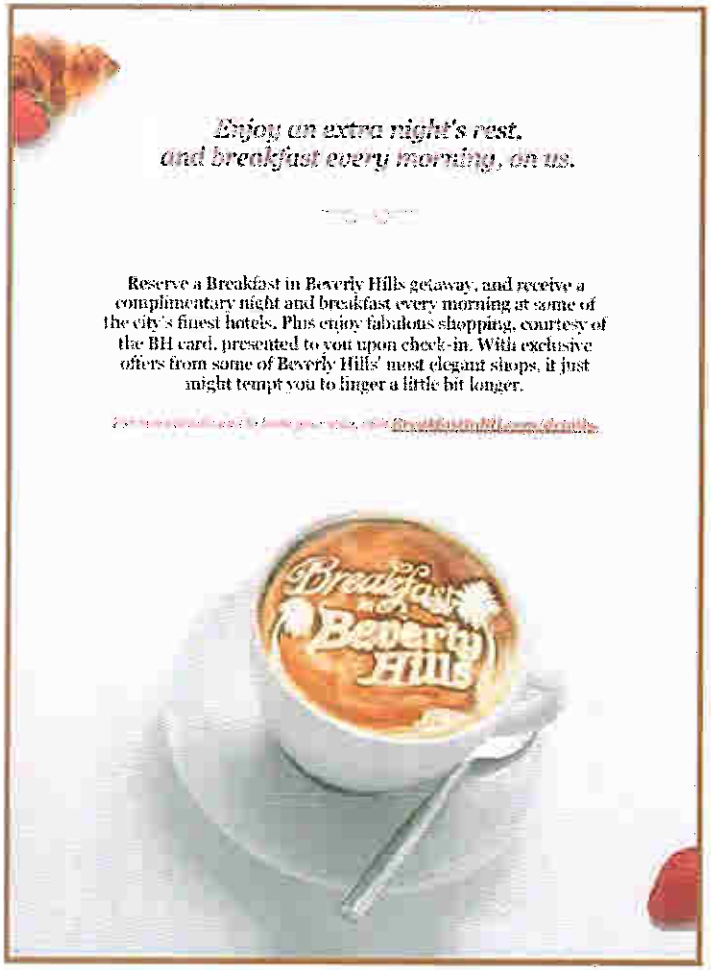
- Beverly Hills Card
  - Exclusive to Hotel Guests
  - 3,000 Cards

- Branded Mugs
  - Media and Trade Incentive

Visitor Marketing Tactics

- Online Marketing Campaign
  - April 1 – July 31, 2009 (18 weeks)
  - Targeted and Monitored
  - Total Budget: $381,293

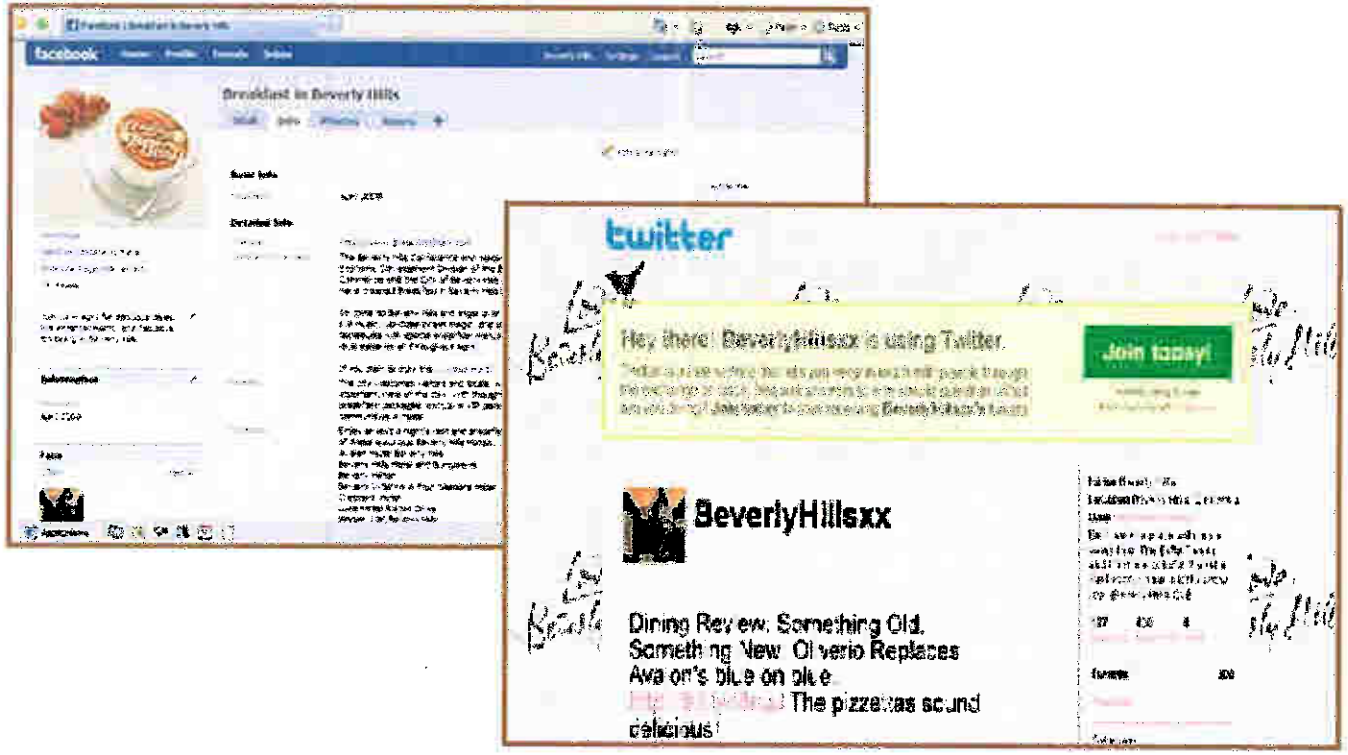
Visitor Marketing Tactics



- E-Direct Mail
  - Residents
  - Travel Agents
  - L.A. Concierge Association
- E-Newsletter
  - Travel Trade
  - Media

Visitor Marketing Tactics

- Social Media
  - Facebook Event Page
  - Daily Twitter Updates



Visitor Marketing Tactics

- Reception for Local Tour Operators
  - Breakfast in Beverly Hills at Crescent Hotel followed by trolley tour and shopping
  - Over 40 attendees
- Familiarization Tours
  - 3 media and trade fams secured

Visitor Marketing Tactics

- Website
  - www.breakfastinbh.com/details
  - Breakfast in Beverly Hills packages
  - Over 70,000 pageviews

Visitor Return on Investment

ROI = [(Payback-Investment)/Investment)] *100

- Revenue April – August
  - 2,528 room nights
  - ADR $354
  - $882,945.37*
- Investment: $385,043
- ROI: 129%

*Reflects rooms revenue only

Editorial Coverage Secured

- 45 media hits and over 69 million media impressions
- Campaign featured in *Washington Post*, *Travel & Leisure* "hot deals" and *Wall Street Journal*
- Circulation of 69,074,253
- Ad equivalency of $524,040

Breakfast in Beverly Hills 2010

- Repeat in 2010
  - April 1st Launch
- Leveraged during New York Sales Mission
  - Breakfast in Beverly Hills media event
  - Breakfast in Beverly Hills trade announcement
- Model for Holiday Campaign
  - "And to all a free night…"
  - Holiday Cocktail

Beverly Hills
Conference & Visitors Bureau

New York Sales Mission

October 2009

CBH - City Council Study Session 12/01/2009

Beverly Hills Conference and Visitors Bureau

Background

- CVB Missions to New York annually for almost 20 years
- New York is the #1 market for hotels
- New York is the #2 feeder market for all visitors
- New York is *the* media hub
- Essential that Beverly Hills remains top-of-mind
- Destination constantly evolving

Beverly Hills Conference and Visitors Bureau

Strategy

- Ensure that Beverly Hills remains top-of-mind
- Develop and solidify relationships
- Provide a platform for the destination highlighting what's new
- Thank both the media and trade for their continued support
- Generate future bookings and media coverage

Approach

- Media Event
- Travel Trade Event
- Joint Sales Calls
- Deskside Media Briefings
- Tourism & Hospitality Update at Mayor's Executive Luncheon

Beverly Hills Conference and Visitors Bureau

Delegation

12 Hoteliers

Avalon, The Beverly Hills Hotel, The Beverly Hilton, Beverly Wilshire, The Crescent Hotel, Luxe Rodeo Drive, Maison 140, Montage Beverly Hills, The Mosaic Hotel, Peninsula Beverly Hills, Raffles L'Ermitage, Thompson Beverly Hills

3 Car Rental Sponsors

Beverly Hills Rent-a-Car, Enterprise Rent-a-Car, Platinum Collection by Midway Car Rental

Partner

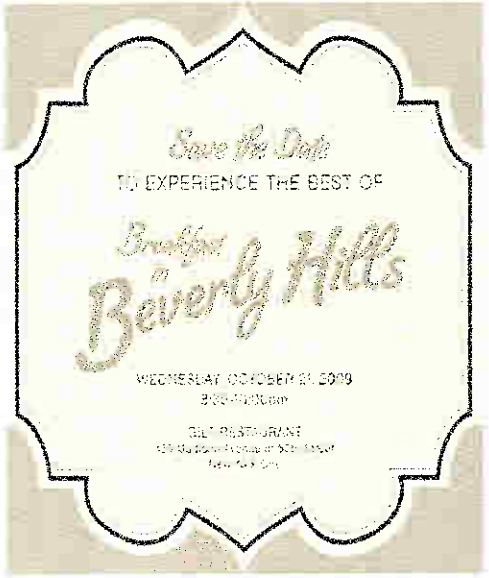
Canon Drive Association

CBH - City Council Study Session 12/01/2009

Beverly Hills Conference and Visitors Bureau

Accomplishments

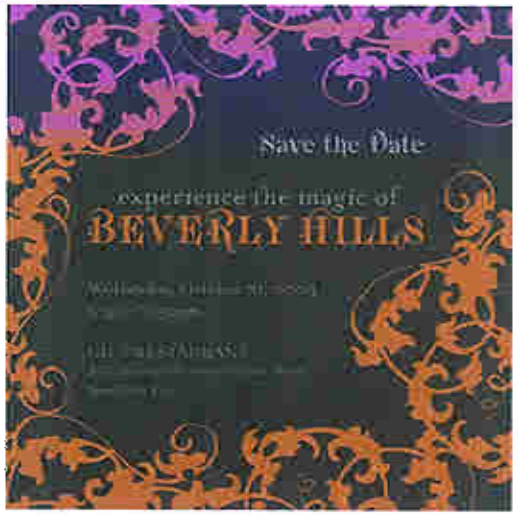
- Breakfast in Beverly Hills Media Breakfast
  -30 media including representatives from *Departures, Travel & Leisure, Saveur, Maxim, Elite Traveler, InStyle, New York Daily News, American Spa, Shape, Family Circle, Brides*



Beverly Hills Conference and Visitors Bureau

Accomplishments

- Travel Trade Reception
  - -Over 200 top travel agents and trade partners
- Joint Travel Agency Sales Calls
- Deskside Media Briefings
- Announcement of Zina Partnership
- Tourism & Hospitality Update at Mayor's Luncheon
  - -Hotel General Managers in attendance
  - -Opportunities for hotel/retail cross promotion



Beverly Hills Conference and Visitors Bureau

"Thank you and your team very much for your hospitality last evening. The venue, energy, food and fun were great! I shared a second set of the business cards that I received last evening with our VIP Concierge team, a new department at ATP here in NYC. They will contact you regarding any of their Client opportunities for your sunny destination!"
-Stacy Spangler, AlliedTPro, Inc.

"I had so much fun as I usually do. Every year it gets better and better. Thanks again."
-Direct Travel, on-site at Sotheby's

"Attendee Josh Pramis of Travel + Leisure Online and Edward Glavarez of the New York Daily News both said they were excited to look through all the information on the flash drive and were sure they were going to find lots of interesting material for future stories. Jen Murphy of Food & Wine loved the info and will be including the destination in a March 2010 story, as will attendee Karen Shimizu of Saveur who is putting together a special issue focused on the food of Los Angeles. Freelancer Susan Redstone will be in Beverly Hills in mid-November and is speaking with her various editors about an assignment, and editors from Lucky, Maxim, Travel + Leisure and InStyle all said they will keep Beverly Hills in mind for future stories."
-Weber Shandwick

Beverly Hills Conference and Visitors Bureau

"I wanted to take the time to thank you for all your help and coordination with regards to the New York Sales Mission. As a hotel owner I was impressed with the attention and heartfelt care I experienced and observed during the event. The city of Beverly Hills will surely generate some good rewards as a result of your efforts."
-Efrem Harkham, Luxe Hotels

"I just got back from New York. The entire week went very smooth. Thanks to you and your staff the entire trip was a huge success for the city and I know for sure my company. The Media Event and Trade Event were so very professional and elegant. I was so proud to represent Beverly Hills as a destination."
-Ken Kerzner, Midway Car Rental

Beverly Hills Conference and Visitors Bureau