



AGENDA REPORT

Meeting Date: August 16, 2011
Item Number: E-2
To: Honorable Mayor & City Council
From: Cheryl Friedling, Deputy City Manager for Public Affairs
Megan Roach, Marketing and Economic Sustainability Manager
Subject: APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND THE BEVERLY HILLS CONFERENCE AND VISITORS BUREAU FOR PROMOTION OF THE CITY FOR FISCAL YEAR 2011-2012; AND APPROVAL OF A PURCHASE ORDER IN A NOT-TO-EXCEED AMOUNT OF \$1,791,750 TO THE BEVERLY HILLS CONFERENCE AND VISITORS BUREAU FOR THESE SERVICES.

Attachments:

1. Agreement
2. Fiscal Year 2011-2012 Scope of Work

RECOMMENDATION

It is recommended that the City Council approve an agreement between the City of Beverly Hills and the Beverly Hills Conference and Visitors Bureau for promotion of the City for Fiscal Year 2011-2012 and approve a purchase order in a not-to-exceed amount of \$1,791,750 for these services.

INTRODUCTION

On July 7, 2011, the City Council approved an interim funding agreement with the Beverly Hills Conference and Visitors Bureau ("BHCVB") for the months of July and August. The interim agreement was intended to support the BHCVB's marketing operation until an acceptable, comprehensive work plan was developed. This item requests the City Council approve the work plan and agreement for the remaining ten months of Fiscal Year 2011-2012 and approve a purchase order in the amount of \$1,791,750 for these services.

DISCUSSION

The Beverly Hills Conference and Visitors Bureau is contracted by the City to conduct a variety of tourism and marketing programs promoting Beverly Hills. The CVB/Marketing Liaison Committee (Vice Mayor Brien and Councilmember Mirisch) met several times with BHCVB representatives to review the proposed scope of work for Fiscal Year 2011-

2012, which is included as Attachment No. 2. The Liaison Committee recommended approval of the scope of work and corresponding funding request of \$2,150,100, of which the CVB has already received \$358,350. The \$2,150,100 includes \$100,000 for Visitor Center construction and staffing. The remaining \$2,050,100 is allocated as \$891,100 for Operations and \$1,159,000 for Marketing.

The BHCVB is now entering its third year of independent operation. Last year marked the beginning of a new strategic approach which resulted from an extensive study conducted by the Conrad Hilton School of Hotel Management at the University of Houston. The study assisted the BHCVB in developing their first strategic marketing plan. The plan identifies opportunities for the BHCVB to target customers, define key value propositions, communicate how they will market to these visitors and prospects, and develop meaningful metrics to measure the success of these efforts. The BHCVB's Fiscal Year 2011-2012 scope of work is a reflection of their strategic marketing plan.

FISCAL IMPACT

The City's Finance Division budgeted \$26,075,000 in Transient Occupancy Tax revenue for Fiscal Year 2011-2012, which results in a base tourism and marketing budget of \$3,725,000 (this figure does not include the projected \$420,000 in carryovers from Fiscal Year 2010-2011). This funding is budgeted in the Tourism and Marketing Program account 0101311.

The Council Liaison Committee is recommending that of this amount, \$2,150,100 be allocated to the BHCVB for its Fiscal Year 2011-2012 budget request. Of this amount, \$358,350 was approved for interim funding (July 1 through August 31, 2011), resulting in an amount of \$1,791,750 for the balance of the Fiscal Year.



Scott Miller
Finance Approval

Cheryl Friedling
Approved By 

Attachment 1

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND THE BEVERLY HILLS CONFERENCE AND VISITORS
BUREAU FOR PROMOTION OF THE CITY FOR FISCAL
YEAR 2011-2012

THIS AGREEMENT is made and entered into in the City of Beverly Hills by and between the City of Beverly Hills, a municipal corporation ("City") and the Beverly Hills Conference and Visitors Bureau ("CVB"), a non-profit corporation.

RECITALS

A. CVB is located in the City of Beverly Hills and has special knowledge and experience to conduct or participate in promotional, publicity, and advertising activities for the benefit of City.

B. City and CVB entered into an interim funding agreement for the period of July 1, 2011 through August 31, 2011.

C. City desires to continue to engage the services of the CVB for promotional activities and other services for fiscal year 2011-2012.

D. Section 37110 of the State Government Code authorizes the expenditure of monies for promotion.

NOW, THEREFORE, in consideration of the mutual covenants of the parties hereto, the parties hereby agree as follows:

Section 1. Scope of Work and Authorization of Funding.

a. For the interim period of July 1, 2011 through August 31, 2011 ("Interim-Period"), the City provided the CVB with a portion of its 2011-2012 funding in the amount of \$358,350 for expenditures in support of the City and CVB's visitor and marketing programs ("interim funds"). For the remainder of the 2011-2012 fiscal year (September 1, 2011-June 30, 2012), the City shall provide the CVB with its remaining 2011-2012 funding in the amount of \$1,791,750 ("remaining funds") for expenditures in support of the City and CVB's visitor and marketing programs as set forth herein. Any monies not expended in fiscal year 2011-2012 that are earmarked for specific projects taking place within 60 days of the termination date of this Agreement, shall be carried over to the CVB fiscal year 2012-2013 budget for those specific projects.

b. CVB shall provide the services (both personnel and deliverables) necessary to implement the marketing strategies and programs for the promotion of the City as set forth in Exhibit A ("Scope of Service"). Both the interim funds and the remaining funds shall be utilized and serve as compensation (including but not limited to overhead, third party costs, etc.) for the CVB's implementation of the Scope of Services. Any revision to the Scope of Services

requested by the CVB or City shall be approved by the City Council CVB/Marketing Liaison Committee ("Committee"). If approved by the Committee, the City Manager is hereby authorized to execute an amendment to this Agreement. In no event shall any revision to the Scope of Work increase the amount of funding and compensation provided under this Agreement.

c. In connection with CVB's marketing and promotional programs, CVB may, on behalf of and at the sole discretion of City, use the funds to produce, purchase, install and de-install light pole banners or other displays in the public-right-of-way. All such light pole banners shall comply with the City's adopted Banner Policy, copies of which are available from the Office of Communications and Marketing, and shall be approved in writing in advance by City prior to installation. City shall have sole discretion over the design, placement, and duration of display and shall retain ownership of all banners funded under this Agreement.

Section 2. Payments. CVB shall submit written requests for advanced payments for expenditures based on the CVB's adopted budgets under the Scope of Services in the time-frame and amount set forth in Exhibit B. The City's Deputy City Manager, Public Information, is delegated authority to revise the payment schedule in Exhibit B as long as the payment amount for September 1, 2011 through June 30, 2012 does not exceed \$1,791,750. City shall provide payment to the CVB upon approval of the request by the City's Chief Financial Officer. City shall use its best efforts to make payment to CVB within 15-days of receipt of request. Any monies not expended in the Interim Period may be carried over to the remainder of fiscal year 2011-2012 at the discretion of the City. If not carried over, any excess monies not expended shall be returned to the City.

Section 3. Reports.

a. The CVB shall submit a report quarterly to City and shall be in a form and content acceptable to the City Manager or his designee. The reports shall include, without limitation, information on overall project management and achievement of action items in relation to the Scope of Services as set forth in Exhibit A, including the percentage of services and/or action items completed as well as attainment of the metrics as described in the Scope of Services.

b. CVB shall also supply the City with an Audited Annual Financial report prepared by a Certified Public Accountant for the Fiscal year 2011-2012. Such report shall provide consolidated financial reporting for CVB as a whole, and separately detailed accounts for each program funded by City. The report shall be due within six months of the end of CVB's 2011-2012 fiscal year. At City's sole discretion, consolidated annual accounts may be substituted for full audited accounts.

c. With reasonable notice from City, CVB shall provide to City copies of any and all work product, documents reports, property and books produced by CVB in fulfillment of this Agreement ("Documents"). This shall be solely for the purpose of confirming and evaluating the execution of the programs described in this Agreement and shall not include records and documents unrelated to the execution of such programs (e.g., personnel records). CVB's

obligation to maintain such Documents shall continue for three years after the termination of this Agreement.

d. CVB shall establish and maintain an accounting system in accordance with generally accepted accounting principles and standards. The system shall detail all costs chargeable to City under this Agreement and shall substantiate all such costs (i.e. provide invoices from third parties, time and materials costs, etc.), and comply with any applicable State and Federal standards.

e. CVB shall endeavor to develop, in consultation with City, a program-based budget for all City-funded programs. Implementation of a program-based budget is not intended to affect the requirements outlined in paragraph (d) of this Section relating to generally accepted accounting principles.

Section 4. Ownership of Work Product.

a. Unless otherwise agreed upon in writing, all reports, documents, or other written or visual material or any other material in any media, including any images, taglines, logos, or other media created or developed by CVB or any third party contracted by the CVB, in the performance of this Agreement, whether or not paid in whole or in part by the funding provided by this Agreement ("Work Product") shall be and remain the property of City without restriction or limitation upon its use or dissemination by City. All Work Product shall be considered to be "works made for hire", and all such Work Product and any and all intellectual property rights arising from their creation, including, but not limited to, all copyrights and other proprietary rights, shall be and remain the property of City without restriction or limitation upon their use, duplication or dissemination by City. CVB shall not obtain or attempt to obtain copyright protection as to any of the Work Products.

b. CVB hereby irrevocably assigns exclusively to City, all right, title and interest in such trademarks and/or copyrights or other intellectual property rights in the Work Products. CVB shall take all acts requested by the City in order to enforce City's rights under this Section.

c. CVB shall not retain ownership of or any right, title or interest in any of the Work Products, including, but not limited to, in any related trademarks, copyrights, or other proprietary rights. The City and CVB agree that the Work Product and all such rights, title and interest in or to the Work Products belong to and are being sold and assigned in their entirety to City for whatever use it desires, and that City does and shall at all times own, solely and exclusively, complete and unencumbered, all right, title and interest in and to all of the Work Product worldwide, any modifications thereto and any derivative works based thereon (including, but not limited to, all patent, copyright, trademark, service mark and trade secret rights). Nothing contained herein shall be deemed to constitute a mere license or franchise in City. The parties further agree that City will be free to use, modify, distribute, sell, license or otherwise exploit all such Work Products and any modifications to or derivative works based thereon without any restrictions or limitations or any obligations or payments to CVB and that CVB shall have no such rights.

d. From time to time the CVB will engage photographers to take photographs or will purchase images for use in CVB's marketing campaigns, collateral or other uses. As to those third party photographs or images whereby the CVB negotiates to purchase not only the photograph or image but also the copyright or other intellectual property rights, the provisions of this Section 5 will apply. As to those third party photographs or images whereby the CVB negotiates to purchase only the use of the photograph or image and the copyright is maintained with the photographer, the provisions of this Section 5 will not apply.

e. This section shall survive termination of this Agreement.

Section 5. Assignment. This Agreement shall not be assigned by CVB without the written consent of City.

Section 6. Independent Contractor. At all times during the term of this Agreement CVB shall be independent contractors and CVB, their officers, employees and agents shall not be employees of City.

Section 7. Term. This Agreement shall remain in full force and effect from September 1, 2011 through June 30, 2012, unless terminated earlier as provided in Section 8 of this Agreement.

Section 8. Termination of Agreement. Upon ninety (90) days written notice to CVB, this agreement may be terminated by City, with or without cause, only by a majority vote of the City Council. In the event of such termination, City shall pay CVB for all costs and obligations reasonably incurred by CVB for Visitors Bureau activities in performing its services under this Agreement prior to the date of termination and such payment shall be in full satisfaction of City's obligations hereunder. City shall not be obligated to pay additional funds after issuance or receipt of such notice.

Section 9. Notice. Whenever it shall be necessary for any party to serve notice on another respecting this Agreement, such notice shall be served by certified mail addressed to the City Clerk of the City of Beverly Hills, 455 North Rexford Drive, Beverly Hills, California 90210; or to Beverly Hills Conference and Visitors Bureau, 239 South Beverly Drive, Beverly Hills, California 90212, unless and until a different address may be furnished in writing by any party, and such notice shall be deemed to have been served within seventy-two (72) hours after the same has been deposited in the United States Post Office by certified mail. This shall be valid and sufficient service of notice for all purposes.

Section 10. Indemnification and Insurance.

a. CVB agree to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all claims, liability or financial loss resulting from any suits, claims, losses or actions, and from all cost and expenses of litigation, brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the actions or omissions of CVB or

their officers, employees, agents or others employed by CVB in the conduct of the projects funded by this Agreement.

b. CVB shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by CVB.

c. CVB shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Contractor in performing the services required by this Agreement.

d. CVB agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation and employer's liability insurance as required by law.

e. CVB shall require each of its sub-consultants or sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement unless otherwise determined by the City's Risk Manager.

f. The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

g. If CVB fails to keep the aforesaid insurance in full force and effect, City shall notify CVB that it is in breach of the Agreement and CVB has three (3) days to cure such breach. If such breach is not cured by CVB as required in this paragraph, City may terminate the Agreement or, if insurance is available at a reasonable cost, City may take out the necessary insurance and pay, at CVB's expense, the premium thereon.

h. At all times during the term of this Agreement, CVB shall maintain on file with the City Clerk a certificate or certificates of insurance on the form required by the City, showing that the aforesaid policies are in effect in the required amounts. CVB shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The policies of insurance required by this Agreement shall contain an endorsement naming the CITY as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to CITY, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

i. The insurance provided by CVB shall be primary to any coverage available to City. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

j. Any deductibles or self-insured retentions must be declared to and approved by City prior to commencing work under this Agreement.

Section 11. Extent of Agreement. This Agreement represents the entire and integrated Agreement between the parties on the matters included herein and supersedes any and all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by all parties to the Agreement.

Section 12. City Not Obligated to Third Parties. The City shall not be obligated or liable under this Agreement to any party other than CVB.

Section 13. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the
____ day of _____ 2011, at Beverly Hills, California.

CITY OF BEVERLY HILLS,
A municipal corporation

BARRY BRUCKER
Mayor of the City of Beverly Hills

ATTEST:

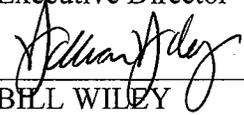
BYRON POPE
City Clerk

(SEAL)

BEVERLY HILLS CONFERENCE AND
VISITORS BUREAU

 8/9/11

JULIE WAGNER
Executive Director

 8/9/11

BILL WILEY
Chair

APPROVED AS TO FORM:



LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

JEFFREY KOLIN
City Manager



CHERYL FRIEDLING
Deputy City Manager for Public Affairs



KARL KIRKMAN
Risk Manager

EXHIBIT A

SCOPE OF SERVICES

The CVB has developed strategies to implement the primary objective to ensure that the City of Beverly Hills continues to be a premiere domestic and international tourist and leisure destination. Accordingly, the CVB shall provide the services (both personnel and deliverables) necessary to implement those strategies as set forth in this Exhibit A.



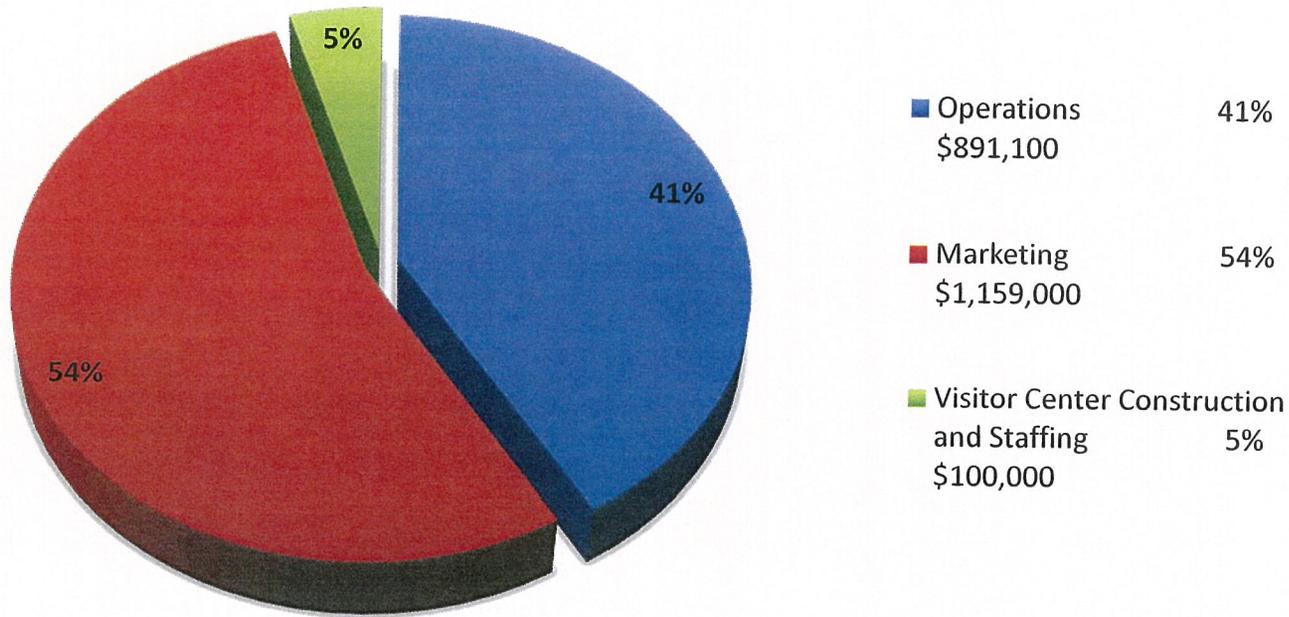
CONFERENCE &
VISITORS BUREAU

Love Beverly Hills

Fiscal Year 2011/12

Budget Overview

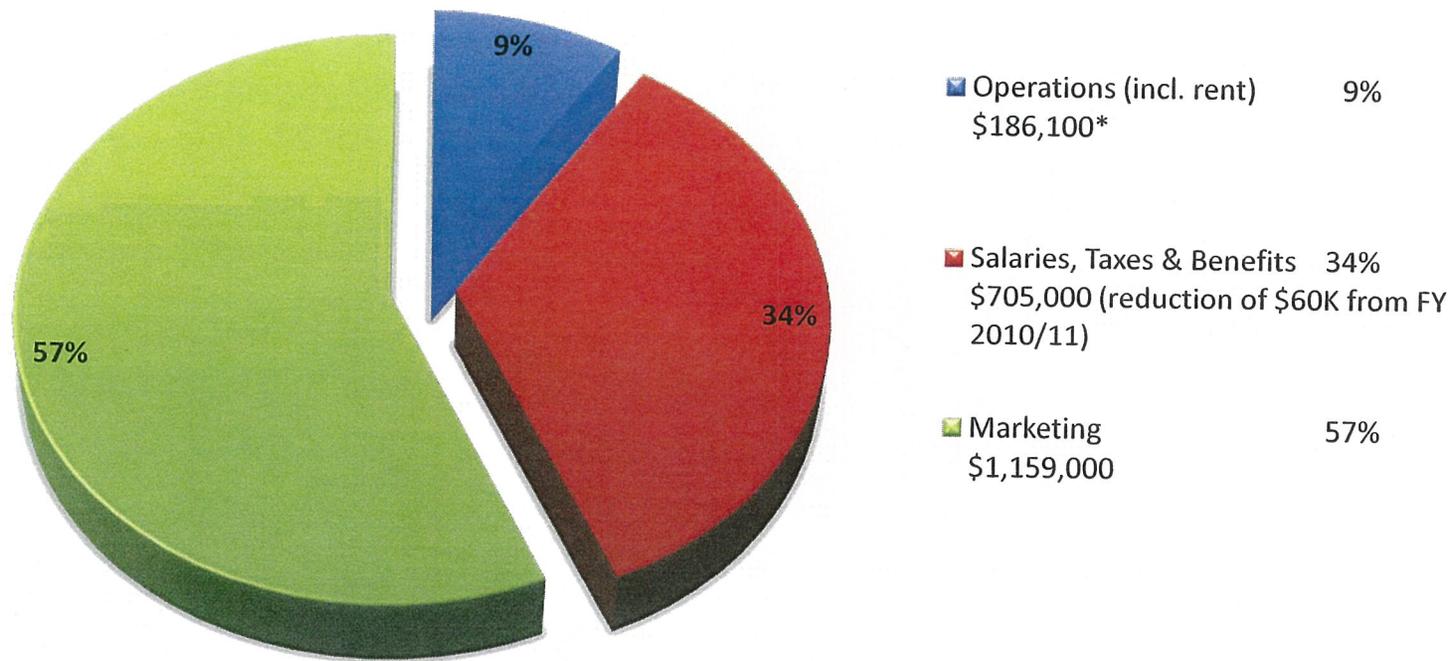
FY 2011/12 Overview
\$2,150,100
(Includes new Visitor Center)



FY 2011/12 Overview

\$2,050,000

(same budget as prior year after 5%
reduction received in 2010)



*Assume 2/2012 delivery of space to CVB, 6 months free , rent begins 8/2012.





CONFERENCE &
VISITORS BUREAU

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Fiscal Year 2011/12

Strategies and Detailed Budgets

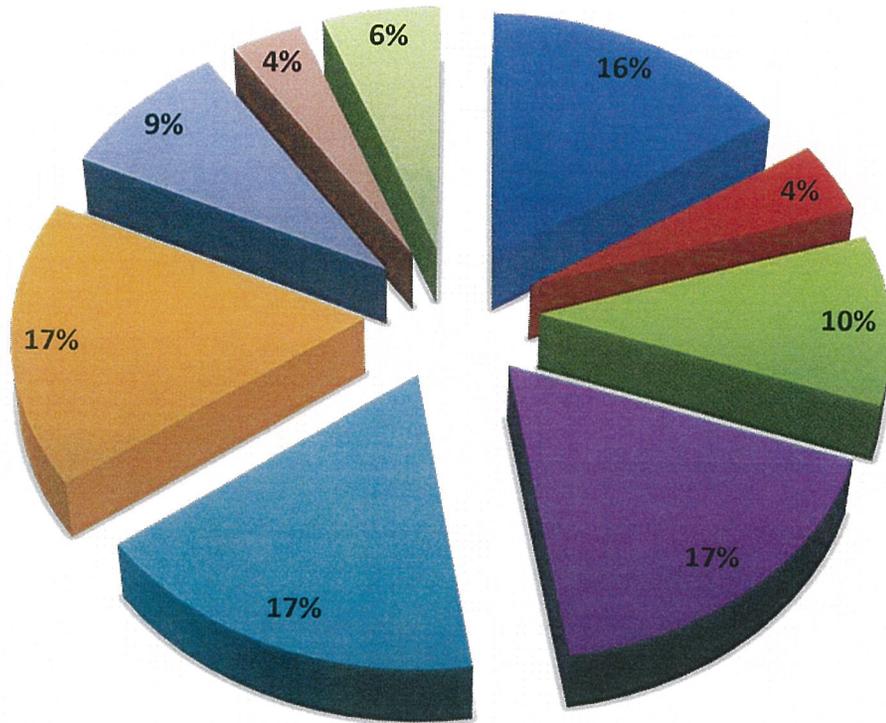


2011/2012 Strategies

1. Local events and “street-life”
2. Visitor Experience
3. Local Marketing
4. California Marketing
5. Domestic Marketing (outside California)
6. International Marketing
7. Expand Online Presence
8. Collateral
9. Continued evaluation, assessment and redirection as required
10. Visitor Services

Marketing Strategies Overview

\$1,159,000



■ Events	\$180,000	16%
■ Experience	\$50,000	4%
■ Local	\$120,000	10%
■ Domestic	\$200,000	17%
■ California	\$200,000	17%
■ International	\$200,000	17%
■ Interactive	\$100,000	9%
■ Collateral	\$41,000	4%
■ Special Programs*	\$68,000	6%

*Special programs include contingency, marketing support, training, and community relations.





What's New for 2011/2012

In addition to traditional roles and responsibilities, opportunities exist for the CVB to explore new areas of focus:

- The **booking engine** on BHCVB's new website provides a new mechanism for driving revenue. BHCVB will work to create initiatives that reward online booking activity.
- BHCVB will be focusing on **event generation** with reorganization of staff responsibilities and allocation of dollars to new events.
- With the construction of space at 9400 Little Santa Monica well underway, the BHCVB will be developing a state of the art **Visitor Center** with the latest technology, merchandising platform and programs and incentives to drive retention and repeat business and stimulate trial at merchants, restaurants and hotels throughout the city.



Strategies - Events

Develop and promote events to create “street-life” in order to give visitors - especially LA County residents - a reason to visit Beverly Hills.

1. Tactics

- Support signature events with collateral, media and tie-in promotions targeted to local and domestic markets:
 - Taste of Beverly Hills
 - Rodeo Drive Committee (Fashion’s Night Out, Holidays, Concours)
- Fill periods of inactivity with new events
 - Work with promotional agency to develop new ideas and implementation plans surrounding periods of inactivity in the city. Ideas include ongoing and one-time events that can become traditions in the city (ex: one night a week shopping, art and culture night, dining, family event, etc.).
- Support General City Funded Events with collateral, communications via all BHCVB channels and PR.
 - Greystone, Affaire in the Gardens, Farmers Market, etc.
- Reorganize BHCVB team to put a Manager in place who can be focused specifically on marketing events in Beverly Hills.



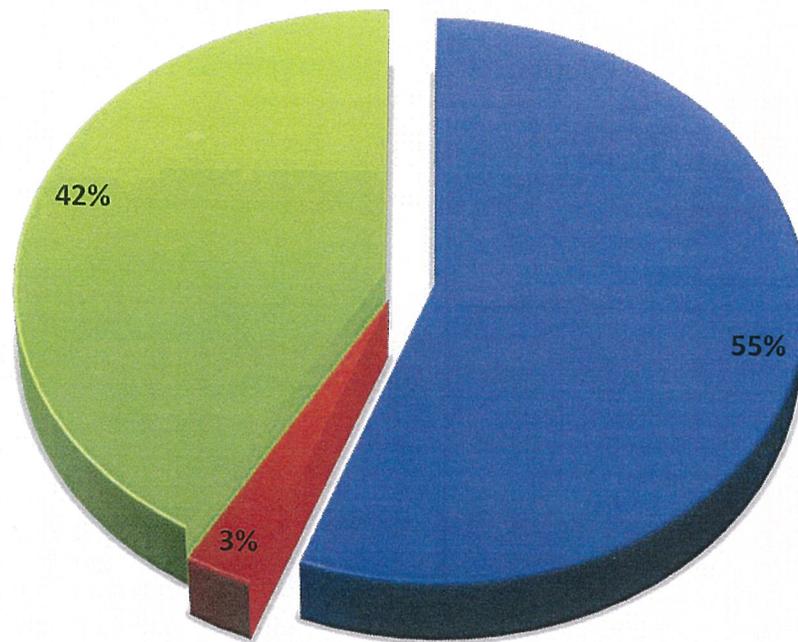
Strategies - Events (cont'd)

2. **Metrics** (Signature and Event Development)

- Measure event impact with questionnaires to local retailers, and hotels after specific events (Marketing Index):
 - Traffic
 - Revenue
 - Conversion rate
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- Media – measure click-through rates and return on investment (roi - when possible) for digital media.
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- Data to be provided by the city *if available* to provide holistic view (ex: parking lot revenues, pedestrian counts from city cameras, license plate total counts, etc.).

3. **Budget:** \$180,000

Develop and Promote Events \$180,000



- Promote Signature Events 55%
\$100,000
- Support City Events 3%
\$5,000
- Event Development 42%
\$75,000





Strategies - Visitor Experience

Develop and implement plan to improve the visitor experience.

1. Tactics

- Finalize mobile application and market through BHCVB communications channels with contests and giveaways to reward customers for downloading.
- Develop plan for loyalty program with benefits that drive retention, stimulate trial and enhance the perception of Beverly Hills attention to service.
- Incorporate key message points into BHCVB communications that reiterate the ease of parking, walkability of the city, one-stop shopping for all your needs and convenience.
- Explore opportunities to promote 100 year anniversary.



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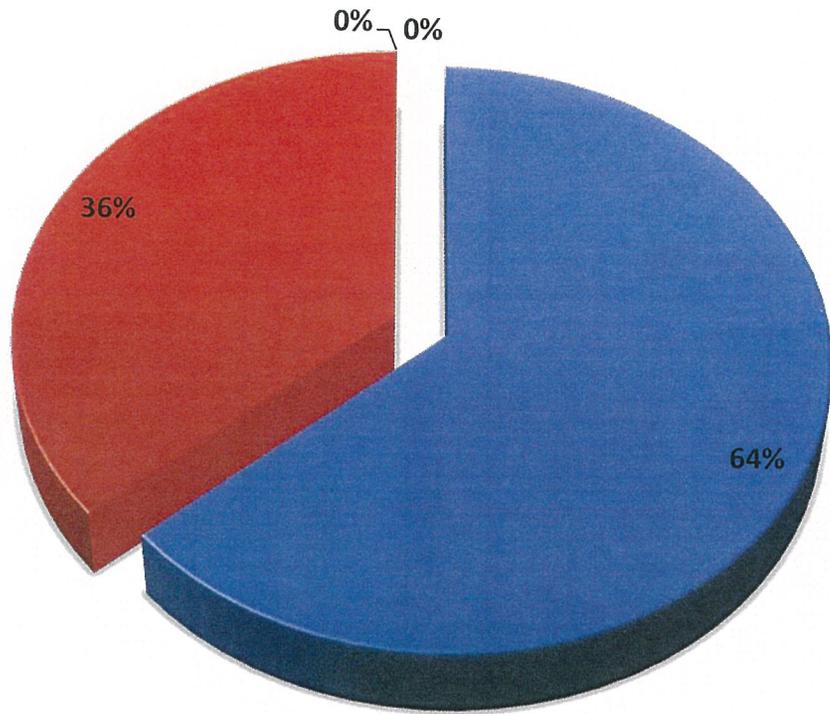
Strategies - Visitor Experience (cont'd)

2. **Metrics**

- Achieve specific amount of mobile application downloads.
- Measure effects of efforts by conducting several online surveys throughout the year to see if perceptions improve over time.
 - Convenience
 - Attention to service
 - Ease of parking
 - User friendliness of tools (i.e., website, mobile application)
 - Appeal of promotions and ease of redemption

3. **Budget: \$50,000**

Experience \$50,000



- Loyalty Program Planning \$35,000 64%
- Mobile Application Enhancements \$20,000 36%
- Messaging \$0* 0%
- Research \$0* 0%

*Costs for messaging and online surveys/research will be obtained from geographic budgets and collateral





Strategies - Local

Local Marketing

Rationale: Beverly Hills derives traffic and revenue from the following domestic feeder markets: **LA County** (local); **California** (outside LA County); Other US Regions (specifically **New York/Tri-State, Texas, Illinois, Florida, Arizona**, etc.).

1. Tactics

- Tie in local elements with overnight initiatives (ex: Holiday Cocktails with *And To All A Free Night*) for Fall 2011.
- Develop strategic alliances with third parties:
 - Pacific Standard Time event and The Getty Museum, value added offers to tie-in with third party offerings, and new partnerships with companies that can bring the Love themes to life.
- Seasonal and event tie-in offers:
 - Holidays, Award Season, Rose Bowl, Annual Holidays
- Insider Program (opt-in marketing program):
 - Develop opt-in exclusive program that provides targeted specials and offers at hotels, restaurants and retailers.
- Partner support:
 - Brainstorming meetings, marketing tool kit for local businesses, website shelf offers, offerings to new businesses (ex: MGM; Google).



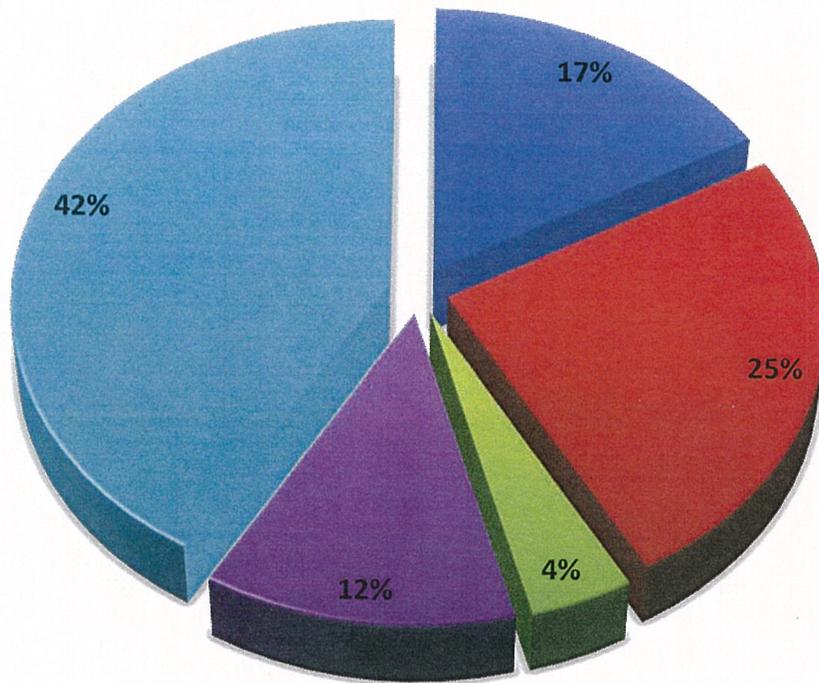
Strategies - Local (cont'd)

2. Metrics

- Achieve campaign specific amount of revenue and number of visitors for local marketing tie-in offers (See Events Strategy) and opt-in marketing offers (Insider Program).
- PR/Media results including identifiable number of stories and leads.
- Measure response with specific goals for website metrics including page views, unique visits, click through rates, etc.). (See Online Strategy)
- Advertising – achieve specific goals for return on investment (roi) and click through rates for local campaigns. (Digital Media Campaigns)
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- # of partners that participate in campaigns and activities.

3. Budget: \$120,000

Local Marketing \$120,000



- Tie-in with Overnight Campaigns 17%
\$20,000
- Insider Program 25%
\$30,000
- Consumer Marketing Tool Kit 4%
\$5,000
- Partnership 12%
\$15,000
- Seasonal Offers (Holidays) 42%
\$50,000





Strategies - Domestic

Domestic Marketing

Rationale: One of the key findings in the Trends report was that more customers are traveling closer to home for their vacations. California is the largest feeder market for day visitors and overnight visitors (LA County, Bay Area, Santa Barbara, Orange County, Ventura County). New York and Texas drive significant overnight traffic with pockets of significance such as Scottsdale, Arizona.

1. Tactics

- Create hotel overnight packages to tie in with signature events.
- Develop seasonal hotel booking campaigns (ex: fall, spring).
- Identify strategic alliances that will extend our reach into key markets (ex: American Airlines Admirals Club in New York and Texas).
- Create consumer database and begin marketing to audience on a regular basis with specials and offers.
- Sales missions – identify key markets to build relationships with trade and media (ex: New York Sales Mission).
- Participate in California Travel and Tourism Commission media events.



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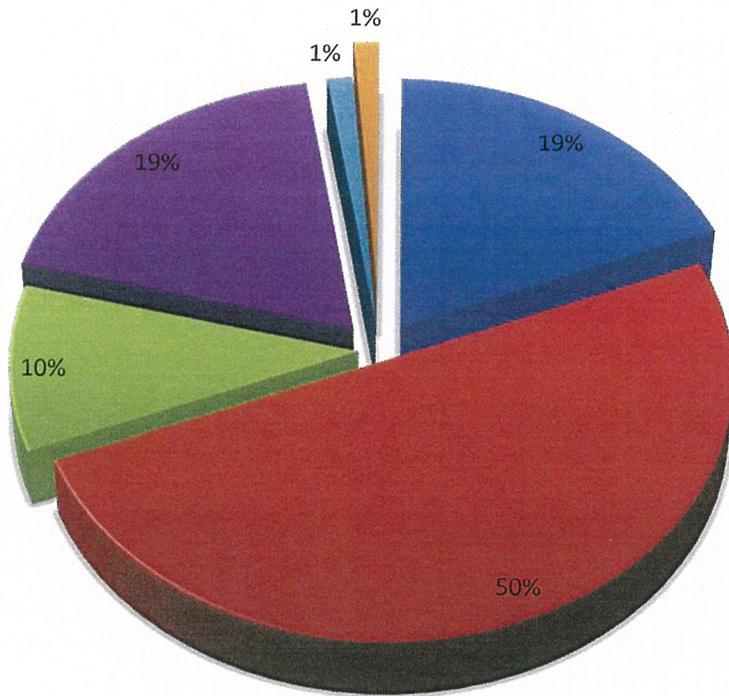
Strategies - Domestic (cont'd)

2. Metrics

- Achieve campaign specific amount of revenue and number of visitors for overnight campaigns.
- Achieve higher activity (ADR, occupancy and REVPAR) against competitive markets to be measured by subscribing to outside reporting sources like PKF and Smith Travel Research. (See Metrics/Research Strategy)
- PR/Media results including identifiable number of stories and leads.
- Measure response with specific goals for website metrics including page views, unique visits, click through rate and booking engine revenue by market. (See Online Strategy)
- Advertising – achieve specific goals for return on investment (roi) and click through rates for local and overnight campaigns. (Digital Media Campaigns)
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- # of partners that participate in campaigns and activities.

3. **Budget:** California \$200,000; Domestic Other \$200,000

National Marketing \$400,000 (California \$200,000 and Domestic \$200,000)



■ Fall/Holiday Overnight \$75,000	19%
■ Spring Overnight \$200,000	50%
■ Partnership Opportunities \$40,000	10%
■ Sales Missions \$75,000	19%
■ Media Events \$5,000	1%
■ FAMs \$5,000	1%





Strategies - International

International Marketing

Rationale: Over **40% of all visitors to Beverly Hills arrive from abroad** with hotel and other spend that is much higher than domestic counterparts.

1. **Tactics**

- Focus initiatives on UK, Australia, China, Japan, Korea and Mexico, and introducing Brazil.
- Sales missions and trade shows:
 - Pow Wow – Beverly Hills will have an increased presence at the May 2012 show in Los Angeles.
 - Leverage LA Inc and CTTC initiatives in targeted markets:
 - Australia Sales Mission - August
 - World Travel Market, UK – November
 - CITM China - November
 - Mexico Sales Mission – December/February
 - Japan/Korea Sales Mission – July
 - Familiarization Trips - ongoing



Strategies - International (cont'd)

1. Tactics (cont'd)

- Build and expand Chinese Commission Program to drive additional group business into the city.
- Identify opportunities with international airlines.
- Create in-language fully-functioning pages for Chinese (Mandarin), Japanese, and Spanish.
- Create landing pages for German, French, Korean and Italian.
- Contract with third parties, CTTC and LA Inc. to promote Beverly Hills “in-country.”
- Develop FIT (individual leisure traveler) business by including more information on third party Chinese websites and search engine marketing.

2. Metrics

- Target identifiable # of sales leads from the website and from Trade Shows and Sales Missions.
- PR/Media results including identifiable number of stories and leads.
- Identify growth in # of visitors by county. (To be obtained from hotels)
- Achieve measurable revenue generated from groups.



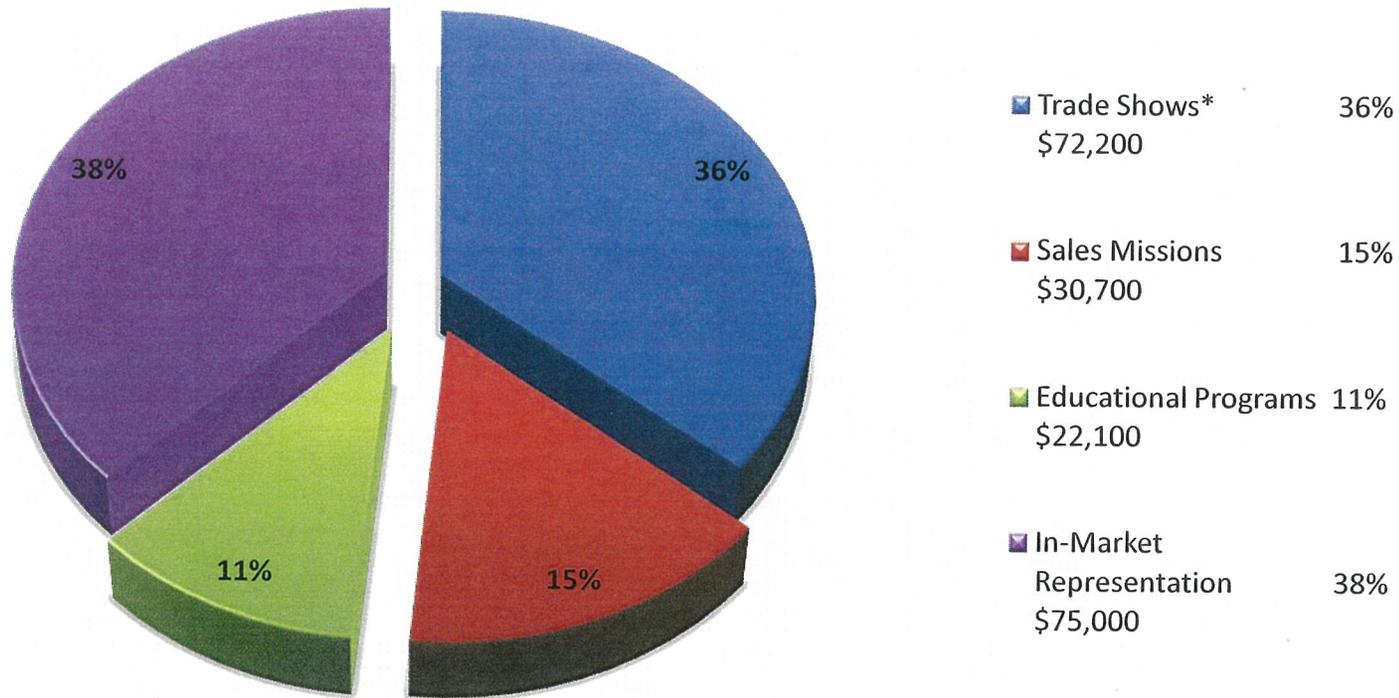
Strategies - International (cont'd)

2. Metrics (cont'd)

- Revenue driven through China Commission Program.
- Growth in number of China Commission Program participating retailers.
- Measure in-language online page activity for both BHCVB and third party websites by country. (See Online Strategy for BHCVB website)
- Measure number of website visitors by country.
- Measure revenue generated from online booking engine. (See Online Strategy)
- Specific amount of in-kind dollar contributions from partners.
- Partner feedback to groups and fams.
- Identify # of fams producing business.
- Achieve measurable revenue and subsequent activity generated from fams.

3. Budget: \$200,000

International \$200,000



*This year PowWow, the largest International trade show in the US, will be taking place in Los Angeles. Dollars will be allocated to participation as well as production of Beverly Hills destination specific events and activities.





Strategies - Interactive

Leverage online presence as a key vehicle for marketing the city.

Rationale: Destination **website was sited as the second most popular source of choice** behind referral from friends.

1. Tactics

- Create incentives to stimulate email sign-ups including contests with free give-aways, exclusive offers, etc.
- Create targeting mechanisms that help customize offers to increase response of email.
- Create automated rfp process to increase lead generation for events and groups.
- Develop pay-per-click strategy to drive bookings to the BHCVB online booking engine to generate revenue.
- Search engine optimization of all new content.
- Work with third party providers to facilitate restaurant reservation bookings, spa appointments, etc.



Strategies - Interactive (cont'd)

1. Tactics (cont'd)

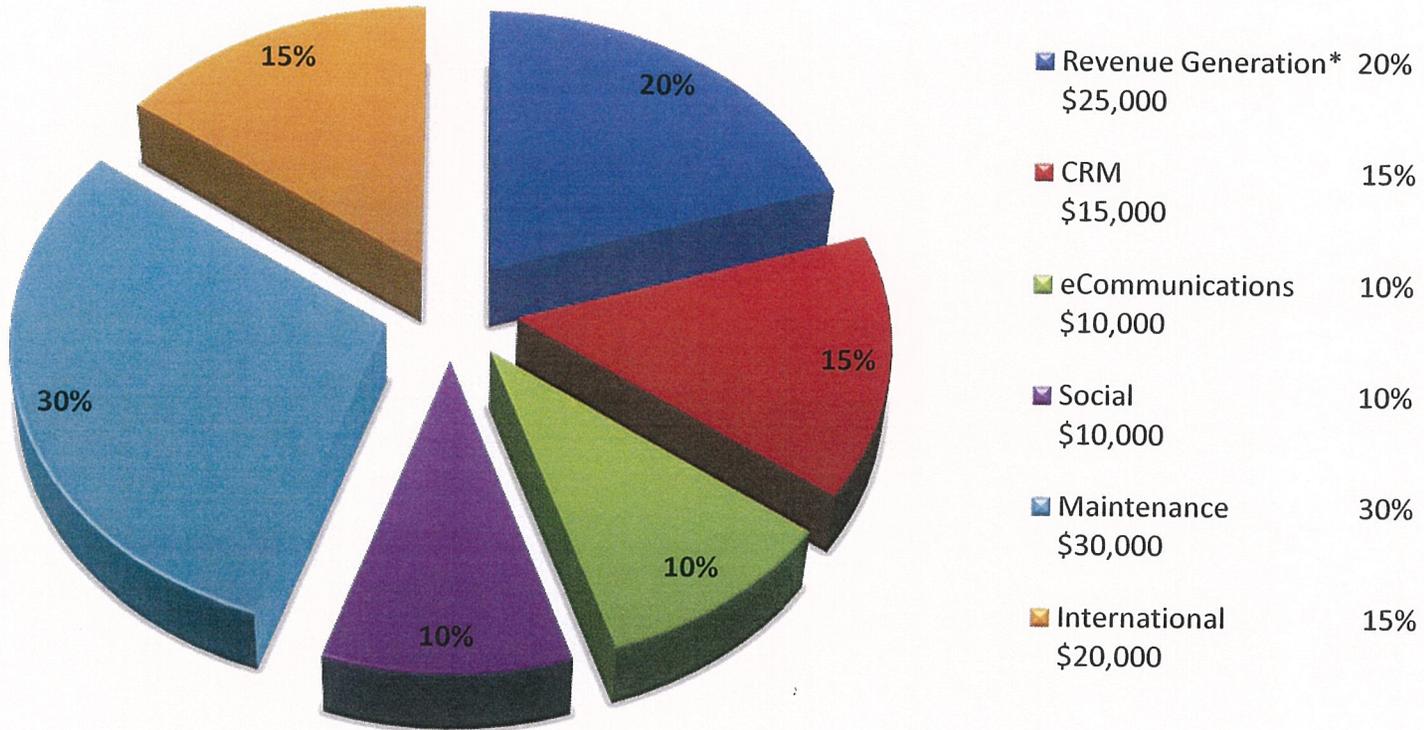
- Social Strategy:
 - Enhance social functionality online so guests can share experiences with each other.
 - Conduct regular contests and sweepstakes and incorporate Facebook into media strategy to increase number of followers.
 - Look for opportunities to tie-in with Facebook Places and Foursquare to help facilitate automated fulfillment and tracking of special offers.

2. Metrics

- Website activity (specific # of site visits, page views, etc).
- Number of consumers communicated with regularly and growth of the database.
- Specific percentage of email response rates and open rates.
- Social site audience and activity (followers, retweets, posts, response to campaigns).
- Booking engine revenue generated (see Domestic and International).

3. Budget: \$100,000

Interactive \$100,000



*Search Engine Marketing/Revenue Generation will also be allocated to campaign marketing from Local, Domestic and Event budgets.





Strategies - Collateral

Improve collateral offerings.

1. **Tactics**

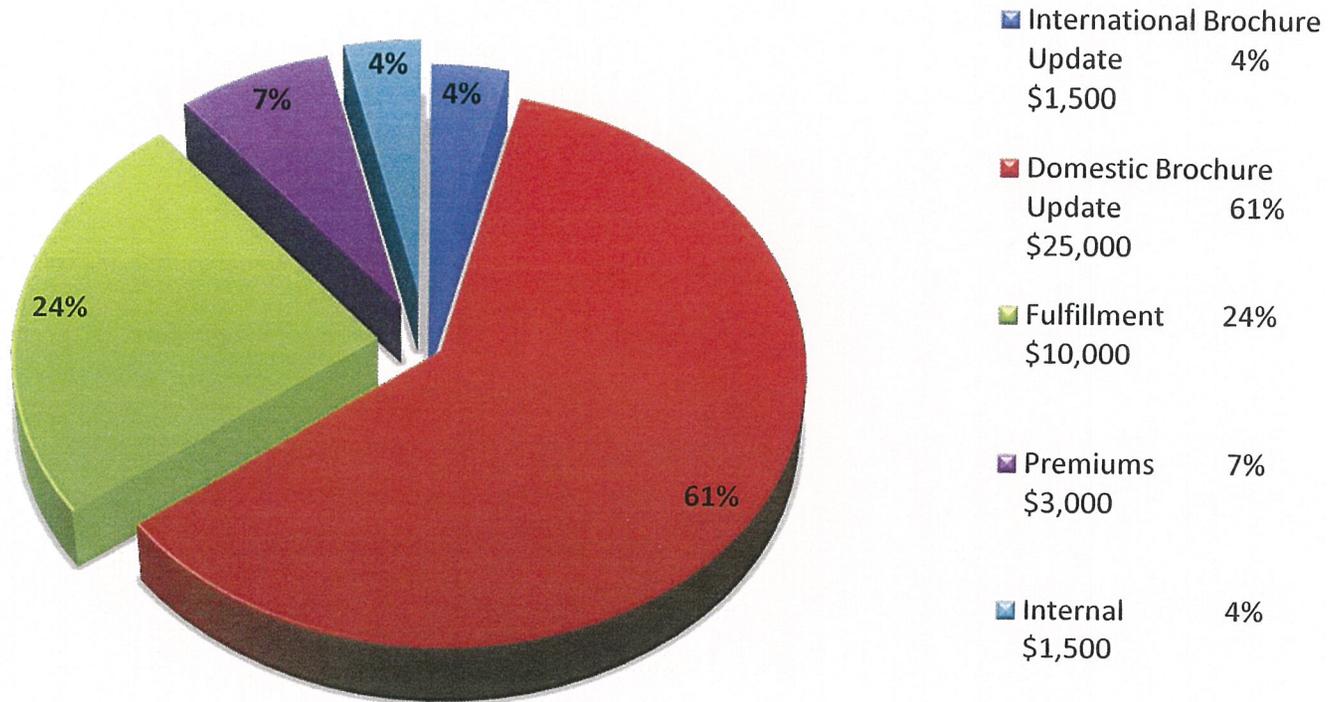
- Review existing collateral to determine areas for cost savings and more effective use.
- Identify and redesign materials when needed to include refreshed branding and photography.
- Review emerging markets and develop materials in additional languages when required.
- Develop premiums to expand the brand reach and remind recipients of Beverly Hills at home.

2. **Metrics**

- Improve cost per unit for materials and develop new ideas for presentation.
- Distribute customer online survey (including trade and media) to determine effectiveness of materials.

3. **Budget: \$41,000**

Collateral \$41,000





Strategies - Metrics/Research

Regularly assess and evaluate all activities and identify and implement redirection as required.

1. Measurement Tactics

- Regular online reporting of website activity through Google Analytics. (See Online Strategy).
- Regular social site reporting from Interactive Agency/Radian 6. (See Online Strategy).
- Regular search engine optimization reporting evaluating effectiveness of the website from Interactive Agency. (See Online Strategy)
- Marketing Index of local businesses to measure qualitatively (and quantitatively when possible) effectiveness of signature events. (See Events Strategy)
- Work with city to obtain information including: parking lot capacity, pedestrian counts from cameras, feeder market data from license plates, etc. (See Events Strategy)
- Obtain information about hotel activity in competitive markets through Smith Travel Research, PKF and the hotels. (See Domestic and International Strategies)
- Establish relationship with data provider to determine benchmarks for spend by market, season, and activity as well as conversion rates.



Strategies - Visitor Center

Develop a visitor service plan that will raise awareness of Beverly Hills as must see location and establish the city as a welcoming destination that is easy to see and experience.

1. **Tactics**

- Visitor Center competitive analysis
 - Research and create competitive analysis of other city programs and best practices to determine baseline for delivery.
 - Develop ideas and plan for cross promotion with other Visitor Centers.
- Design proposal
 - Interview designers that can create a fully-functioning state-of-the-art space and experience cost effectively.
- Visitor Center Content
 - Explore third party tie-ins/sponsorships.
 - Create a merchandising plan incorporating Shop BH.
 - Develop a staffing plan.
- Loyalty Program
 - Explore costs to develop plan that rewards customers for their patronage. (See Visitor Experience Strategy)



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2011/2012 Budget Key Categories

	AMOUNT	PERCENTAGE	STAFF TIME
1. Marketing/Visitor Services	\$1,159,000	57%	
• Events	\$ 180,000		15%
• Experience	\$ 50,000		5%
• Local Marketing	\$ 120,000		10%
• Domestic Marketing	\$ 400,000		10%
• International Marketing	\$ 200,000		15%
• Interactive	\$ 100,000		20%
• Collateral	\$ 41,000		5%
• Special Programs/ Contingency	\$ 68,000		TBD
• Additional Assessment/ Research	\$ 0		10%
2. Salaries, Taxes & Benefits	\$ 705,000	34%	
3. Operations	\$ 186,100	9%	
5. Visitor Center+	\$ 100,000		10%

TOTAL

\$2,150,100

+Does not include carry-over, only new funding. No percentage represented as Visitor Center development is in addition to standard activities.

EXHIBIT B

PAYMENT SCHEDULE

Unless otherwise agreed to by the City's Deputy City Manager, invoices and payments shall be governed by the schedule below.

Funding Period (September 1, 2011 – June 30, 2012)			
CVB Remits Invoice to City	City Issues Payment to CVB	Period Covered	Payment Amount
August 18	September 1	September 1 – November 30	\$597,250.00
November 17	December 1	December 1 – February 29	\$597,250.00
February 16	March 1	March 1 – June 30	\$597,250.00
TOTAL			\$1,791,750

Attachment 2



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Scope of Work and Budget
City Liaisons Presentation

August 1, 2011



Background

BHCVB is now entering its third year of independent operation. Last year marked the beginning of a new strategic approach which resulted from an extensive study conducted by the Conrad Hilton School of Hotel Management at the University of Houston. The following objectives were identified:

- Understand what Beverly Hills means to different target markets
- Understand behavior of users and non-users
- Understand the geographic regions of interest for marketing:
 - Beverly Hills residents
 - Los Angeles county residents, excluding Beverly Hills
 - California residents, excluding Los Angeles County
 - US residents, excluding California
 - Outside of US
- Shape and define strategy for moving forward



Guiding Principles

1. Who is our target audience?
2. What is the value we create for each customer/visitor?
3. How do we reach the target audience with our message?
4. How do we measure or quantify the results?



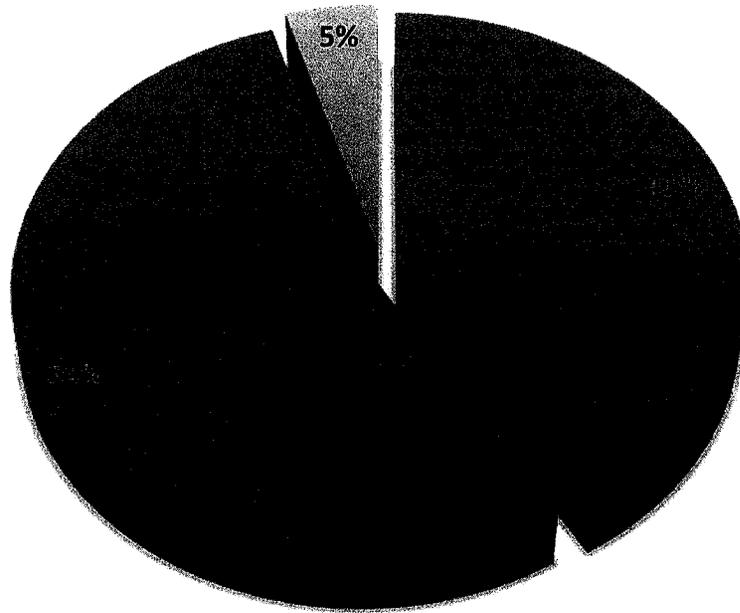
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Fiscal Year 2011/12

Budget Overview

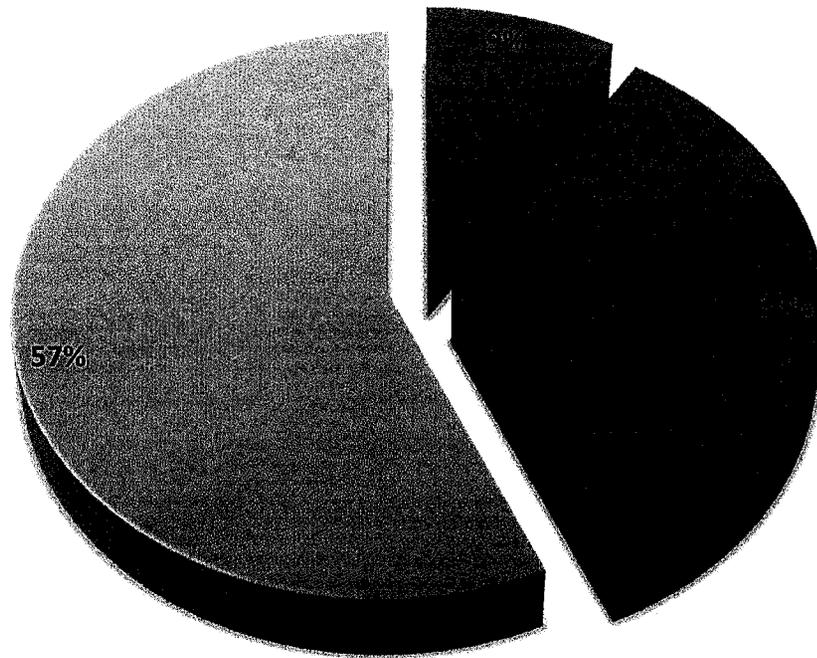
FY 2011/12 Overview
\$2,150,100
(Includes new Visitor Center)



■ Operations	41%
\$891,100	
■ Marketing	54%
\$1,159,000	
■ Visitor Center Construction and Staffing	5%
\$100,000	



FY 2011/12 Overview
\$2,050,000
**(same budget as prior year after 5%
reduction received in 2010)**



- Operations (incl. rent) 9%
\$186,100*
- Salaries, Taxes & Benefits 34%
\$705,000 (reduction of \$60K from FY
2010/11)
- Marketing 57%
\$1,159,000

*Assume 2/2012 delivery of space to CVB, 6 months free , rent begins 8/2012.





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Fiscal Year 2011/12

Strategies and Detailed Budgets

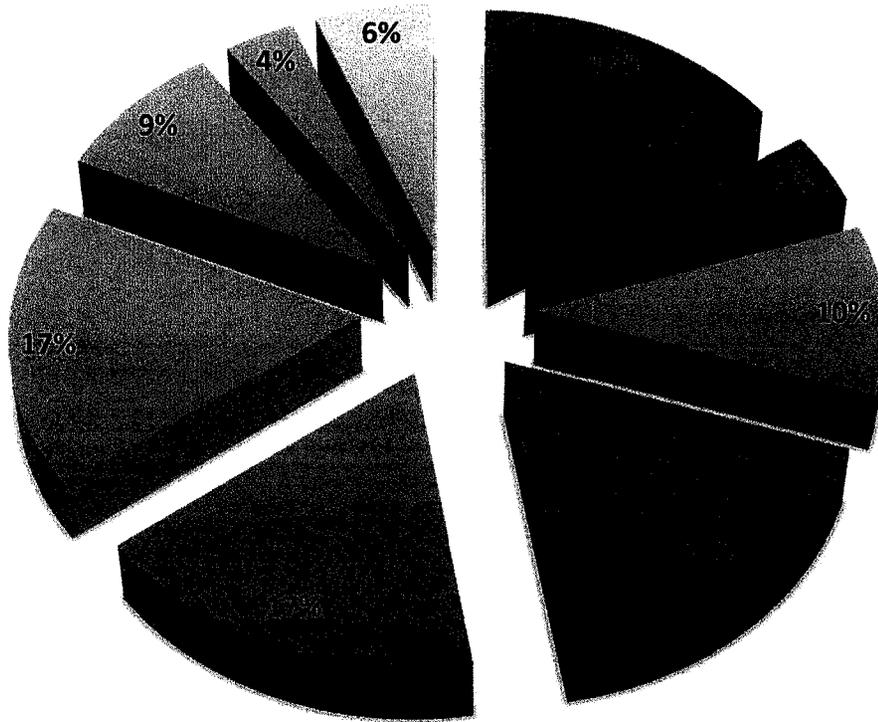


2011/2012 Strategies

1. Local events and “street-life”
2. Visitor Experience
3. Local Marketing
4. California Marketing
5. Domestic Marketing (outside California)
6. International Marketing
7. Expand Online Presence
8. Collateral
9. Continued evaluation, assessment and redirection as required
10. Visitor Services

Marketing Strategies Overview

\$1,159,000



■ Events	16%
\$180,000	
■ Experience	4%
\$50,000	
■ Local	10%
\$120,000	
■ Domestic	17%
\$200,000	
■ California	17%
\$200,000	
■ International	17%
\$200,000	
■ Interactive	9%
\$100,000	
■ Collateral	4%
\$41,000	
■ Special Programs*	6%
\$68,000	

*Special programs include contingency, marketing support, training, and community relations.

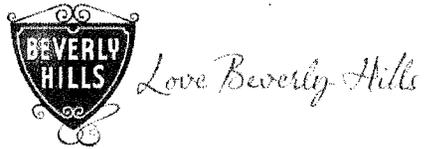




What's New for 2011/2012

In addition to traditional roles and responsibilities, opportunities exist for the CVB to explore new areas of focus:

- The **booking engine** on BHCVB's new website provides a new mechanism for driving revenue. BHCVB will work to create initiatives that reward online booking activity.
- BHCVB will be focusing on **event generation** with reorganization of staff responsibilities and allocation of dollars to new events.
- With the construction of space at 9400 Little Santa Monica well underway, the BHCVB will be developing a state of the art **Visitor Center** with the latest technology, merchandising platform and programs and incentives to drive retention and repeat business and stimulate trial at merchants, restaurants and hotels throughout the city.



Strategies - Events

Develop and promote events to create “street-life” in order to give visitors - especially LA County residents - a reason to visit Beverly Hills.

1. Tactics

- Support signature events with collateral, media and tie-in promotions targeted to local and domestic markets:
 - Taste of Beverly Hills
 - Rodeo Drive Committee (Fashion’s Night Out, Holidays, Concours)
- Fill periods of inactivity with new events
 - Work with promotional agency to develop new ideas and implementation plans surrounding periods of inactivity in the city. Ideas include ongoing and one-time events that can become traditions in the city (ex: one night a week shopping, art and culture night, dining, family event, etc.).
- Support General City Funded Events with collateral, communications via all BHCVB channels and PR.
 - Greystone, Affaire in the Gardens, Farmers Market, etc.
- Reorganize BHCVB team to put a Manager in place who can be focused specifically on marketing events in Beverly Hills.



Strategies - Events (cont'd)

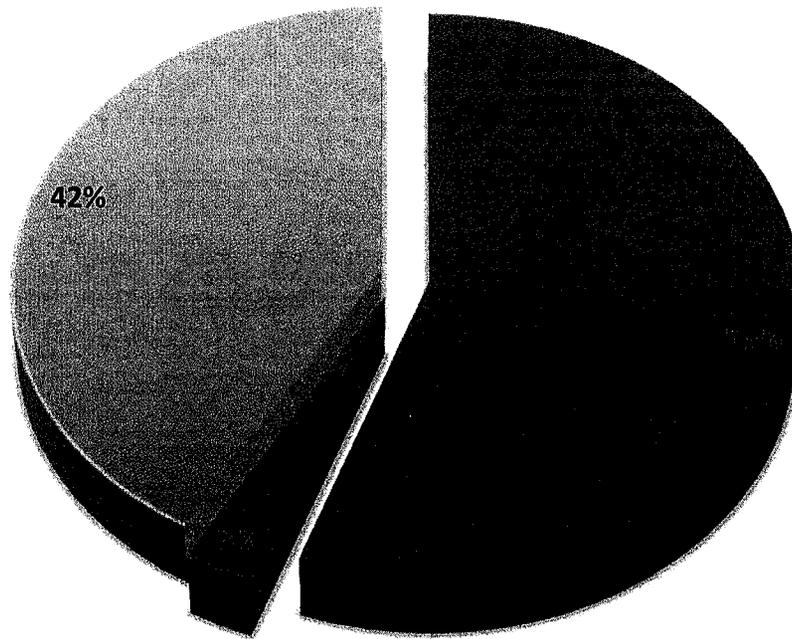
2. **Metrics** (Signature and Event Development)

- Measure event impact with questionnaires to local retailers, and hotels after specific events (Marketing Index):
 - Traffic
 - Revenue
 - Conversion rate
- PR/Media results including identifiable number of stories and leads.
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- Media – measure click-through rates and return on investment (roi - when possible) for digital media.
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- Data to be provided by the city *if available* to provide holistic view (ex: parking lot revenues, pedestrian counts from city cameras, license plate total counts, etc.).

3. **Budget:** \$180,000

Develop and Promote Events

\$180,000



■ Promote Signature Events 55%
\$100,000

■ Support City Events 3%
\$5,000

■ Event Development 42%
\$75,000





Strategies - Visitor Experience

Develop and implement plan to improve the visitor experience.

1. Tactics

- Finalize mobile application and market through BHCVB communications channels with contests and giveaways to reward customers for downloading.
- Develop plan for loyalty program with benefits that drive retention, stimulate trial and enhance the perception of Beverly Hills attention to service.
- Incorporate key message points into BHCVB communications that reiterate the ease of parking, walkability of the city, one-stop shopping for all your needs and convenience.
- Explore opportunities to promote 100 year anniversary.



Love Beverly Hills

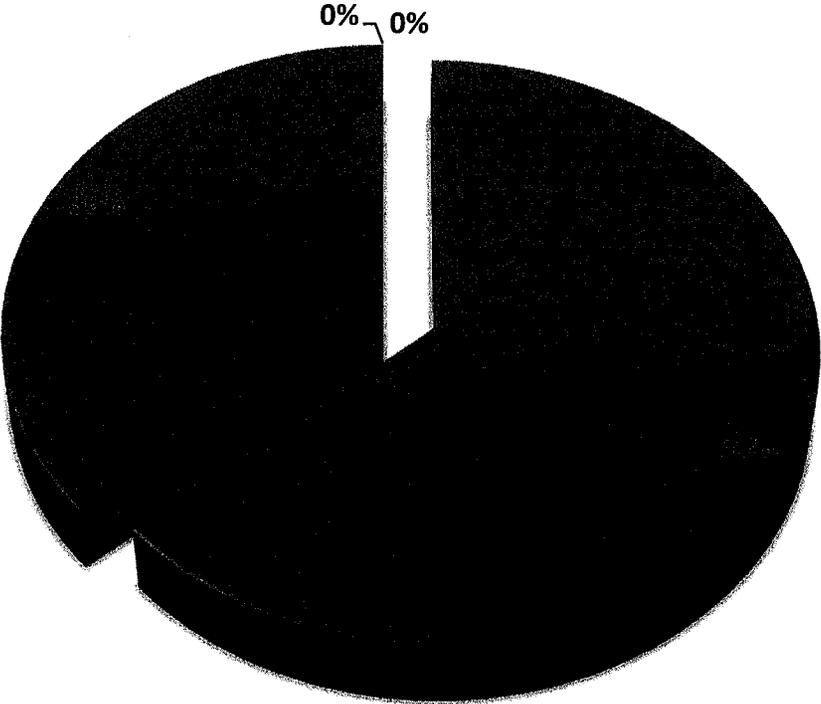
Strategies - Visitor Experience (cont'd)

2. **Metrics**

- Achieve specific amount of mobile application downloads.
- Measure effects of efforts by conducting several online surveys throughout the year to see if perceptions improve over time.
 - Convenience
 - Attention to service
 - Ease of parking
 - User friendliness of tools (i.e., website, mobile application)
 - Appeal of promotions and ease of redemption

3. **Budget:** \$50,000

Experience \$50,000



- Loyalty Program Planning 64%
\$35,000
- Mobile Application Enhancements 36%
\$20,000
- Messaging 0%
\$0*
- Research 0%
\$0*

*Costs for messaging and online surveys/research will be obtained from geographic budgets and collateral





Strategies - Local

Local Marketing

Rationale: Beverly Hills derives traffic and revenue from the following domestic feeder markets: **LA County** (local); **California** (outside LA County); Other US Regions (specifically **New York/Tri-State, Texas, Illinois, Florida, Arizona**, etc.).

1. Tactics

- Tie in local elements with overnight initiatives (ex: Holiday Cocktails with *And To All A Free Night*) for Fall 2011.
- Develop strategic alliances with third parties:
 - Pacific Standard Time event and The Getty Museum, value added offers to tie-in with third party offerings, and new partnerships with companies that can bring the Love themes to life.
- Seasonal and event tie-in offers:
 - Holidays, Award Season, Rose Bowl, Annual Holidays
- Insider Program (opt-in marketing program):
 - Develop opt-in exclusive program that provides targeted specials and offers at hotels, restaurants and retailers.
- Partner support:
 - Brainstorming meetings, marketing tool kit for local businesses, website shelf offers, offerings to new businesses (ex: MGM; Google).



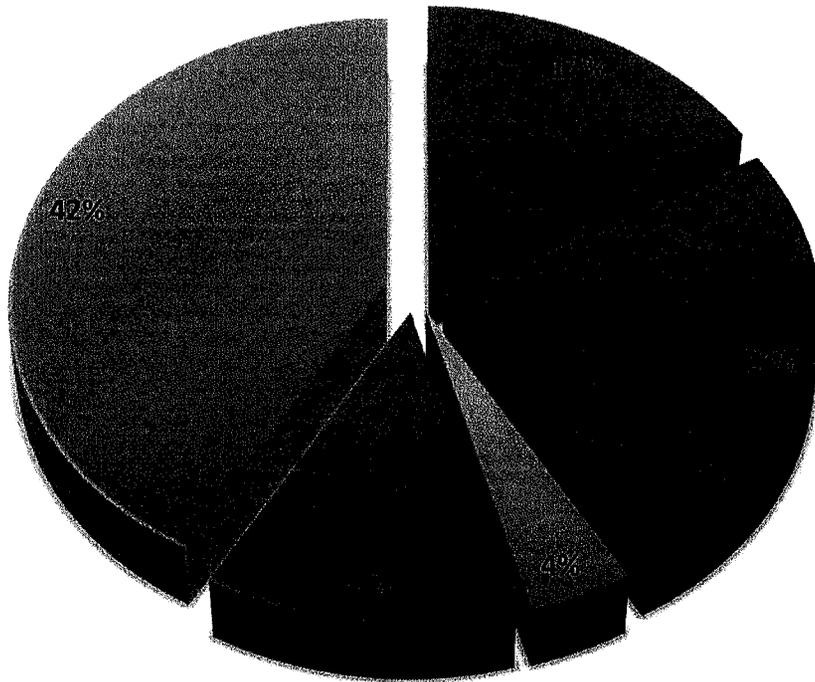
Strategies - Local (cont'd)

2. Metrics

- Achieve campaign specific amount of revenue and number of visitors for local marketing tie-in offers (See Events Strategy) and opt-in marketing offers (Insider Program).
- PR/Media results including identifiable number of stories and leads.
- Measure response with specific goals for website metrics including page views, unique visits, click through rates, etc.). (See Online Strategy)
- Advertising – achieve specific goals for return on investment (roi) and click through rates for local campaigns. (Digital Media Campaigns)
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- # of partners that participate in campaigns and activities.

3. Budget: \$120,000

Local Marketing \$120,000



- Tie-in with Overnight Campaigns 17%
\$20,000
- Insider Program 25%
\$30,000
- Consumer Marketing Tool Kit 4%
\$5,000
- Partnership 12%
\$15,000
- Seasonal Offers (Holidays) 42%
\$50,000





Strategies - Domestic

Domestic Marketing

Rationale: One of the key findings in the Trends report was that more customers are traveling closer to home for their vacations. California is the largest feeder market for day visitors and overnight visitors (LA County, Bay Area, Santa Barbara, Orange County, Ventura County) . New York and Texas drive significant overnight traffic with pockets of significance such as Scottsdale, Arizona.

1. **Tactics**

- Create hotel overnight packages to tie in with signature events.
- Develop seasonal hotel booking campaigns (ex: fall, spring).
- Identify strategic alliances that will extend our reach into key markets (ex: American Airlines Admirals Club in New York and Texas).
- Create consumer database and begin marketing to audience on a regular basis with specials and offers.
- Sales missions – identify key markets to build relationships with trade and media (ex: New York Sales Mission).
- Participate in California Travel and Tourism Commission media events.



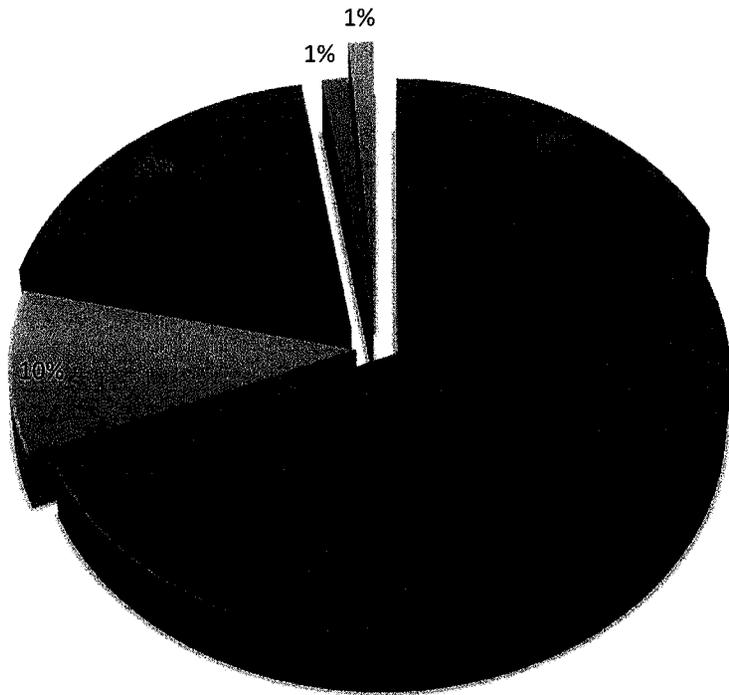
Strategies - Domestic (cont'd)

2. Metrics

- Achieve campaign specific amount of revenue and number of visitors for overnight campaigns.
- Achieve higher activity (ADR, occupancy and REVPAR) against competitive markets to be measured by subscribing to outside reporting sources like PKF and Smith Travel Research. (See Metrics/Research Strategy)
- PR/Media results including identifiable number of stories and leads.
- Measure response with specific goals for website metrics including page views, unique visits, click through rate and booking engine revenue by market. (See Online Strategy)
- Advertising – achieve specific goals for return on investment (roi) and click through rates for local and overnight campaigns. (Digital Media Campaigns)
- Social Media – achieve specific amount of customer activity including number of posts, increase in followers/likes, retweets and sharing of information. (See Online Strategy).
- eCommunications – achieve goals for customer activity – open rate and click through rates. Measure size and growth of consumer database. (See Online Strategy)
- # of partners that participate in campaigns and activities.

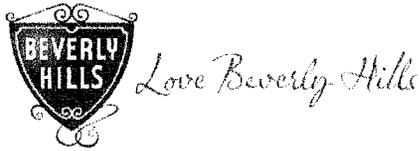
3. Budget: California \$200,000; Domestic Other \$200,000

National Marketing \$400,000 (California \$200,000 and Domestic \$200,000)



■ Fall/Holiday Overnight \$75,000	19%
■ Spring Overnight \$200,000	50%
■ Partnership Opportunities \$40,000	10%
■ Sales Missions \$75,000	19%
■ Media Events \$5,000	1%
■ FAMs \$5,000	1%





Strategies - International

International Marketing

Rationale: Over **40% of all visitors to Beverly Hills arrive from abroad** with hotel and other spend that is much higher than domestic counterparts.

1. **Tactics**

- Focus initiatives on UK, Australia, China, Japan, Korea and Mexico, and introducing Brazil.
- Sales missions and trade shows:
 - Pow Wow – Beverly Hills will have an increased presence at the May 2012 show in Los Angeles.
 - Leverage LA Inc and CTTC initiatives in targeted markets:
 - Australia Sales Mission - August
 - World Travel Market, UK – November
 - CITM China - November
 - Mexico Sales Mission – December/February
 - Japan/Korea Sales Mission – July
 - Familiarization Trips - ongoing



Strategies - International (cont'd)

1. Tactics (cont'd)

- Build and expand Chinese Commission Program to drive additional group business into the city.
- Identify opportunities with international airlines.
- Create in-language fully-functioning pages for Chinese (Mandarin), Japanese, and Spanish.
- Create landing pages for German, French, Korean and Italian.
- Contract with third parties, CTTC and LA Inc. to promote Beverly Hills “in-country.”
- Develop FIT (individual leisure traveler) business by including more information on third party Chinese websites and search engine marketing.

2. Metrics

- Target identifiable # of sales leads from the website and from Trade Shows and Sales Missions.
- PR/Media results including identifiable number of stories and leads.
- Identify growth in # of visitors by county. (To be obtained from hotels)
- Achieve measurable revenue generated from groups.



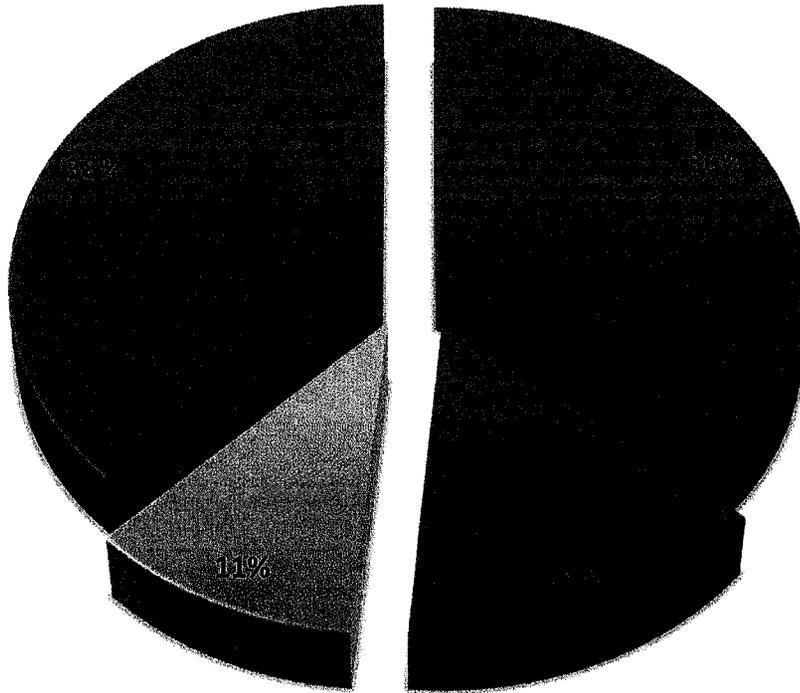
Strategies - International (cont'd)

2. Metrics (cont'd)

- Revenue driven through China Commission Program.
- Growth in number of China Commission Program participating retailers.
- Measure in-language online page activity for both BHCVB and third party websites by country. (See Online Strategy for BHCVB website)
- Measure number of website visitors by country.
- Measure revenue generated from online booking engine. (See Online Strategy)
- Specific amount of in-kind dollar contributions from partners.
- Partner feedback to groups and fams.
- Identify # of fams producing business.
- Achieve measurable revenue and subsequent activity generated from fams.

3. Budget: \$200,000

International \$200,000



Trade Shows*	36%
\$72,200	
Sales Missions	15%
\$30,700	
Educational Programs	11%
\$22,100	
In-Market Representation	38%
\$75,000	

*This year PowWow, the largest International trade show in the US, will be taking place in Los Angeles. Dollars will be allocated to participation as well as production of Beverly Hills destination specific events and activities.





Strategies - Interactive

Leverage online presence as a key vehicle for marketing the city.

Rationale: Destination **website was sited as the second most popular source of choice** behind referral from friends.

1. **Tactics**

- Create incentives to stimulate email sign-ups including contests with free give-aways, exclusive offers, etc.
- Create targeting mechanisms that help customize offers to increase response of email.
- Create automated rfp process to increase lead generation for events and groups.
- Develop pay-per-click strategy to drive bookings to the BHCVB online booking engine to generate revenue.
- Search engine optimization of all new content.
- Work with third party providers to facilitate restaurant reservation bookings, spa appointments, etc.



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Strategies - Interactive (cont'd)

1. **Tactics (cont'd)**

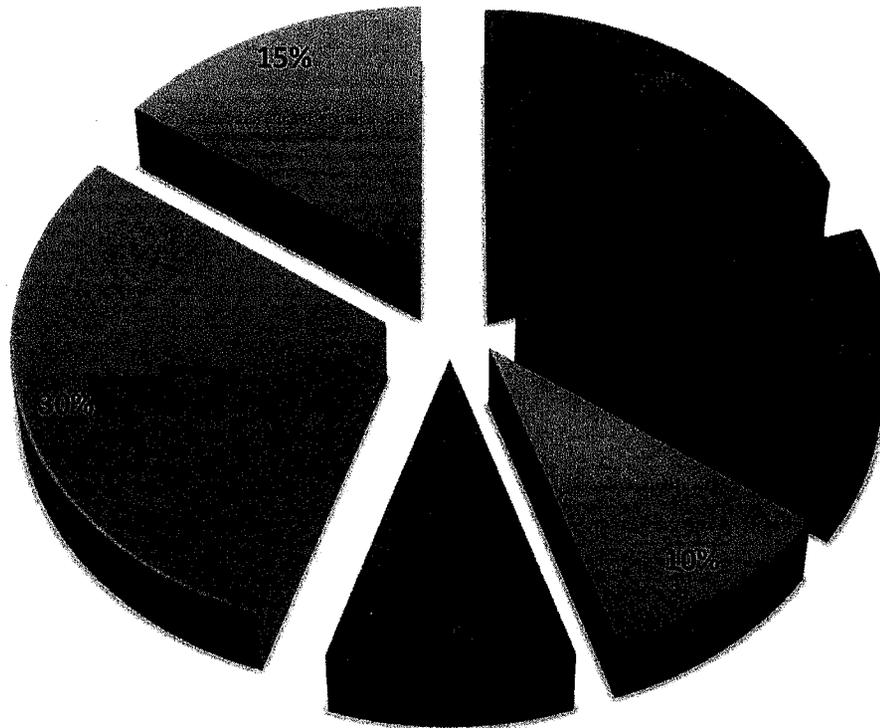
- **Social Strategy:**
 - Enhance social functionality online so guests can share experiences with each other.
 - Conduct regular contests and sweepstakes and incorporate Facebook into media strategy to increase number of followers.
 - Look for opportunities to tie-in with Facebook Places and Foursquare to help facilitate automated fulfillment and tracking of special offers.

2. **Metrics**

- Website activity (specific # of site visits, page views, etc).
- Number of consumers communicated with regularly and growth of the database.
- Specific percentage of email response rates and open rates.
- Social site audience and activity (followers, retweets, posts, response to campaigns).
- Booking engine revenue generated (see Domestic and International).

3. **Budget: \$100,000**

Interactive \$100,000



■ Revenue Generation*	20%
■ CRM	15%
■ eCommunications	10%
■ Social	10%
■ Maintenance	30%
■ International	15%

*Search Engine Marketing/Revenue Generation will also be allocated to campaign marketing from Local, Domestic and Event budgets.





Strategies - Collateral

Improve collateral offerings.

1. **Tactics**

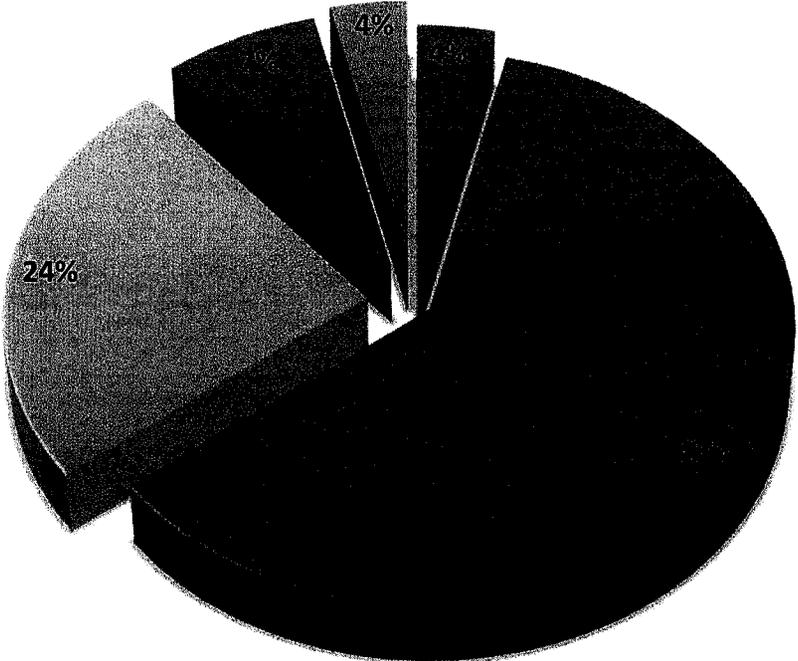
- Review existing collateral to determine areas for cost savings and more effective use.
- Identify and redesign materials when needed to include refreshed branding and photography.
- Review emerging markets and develop materials in additional languages when required.
- Develop premiums to expand the brand reach and remind recipients of Beverly Hills at home.

2. **Metrics**

- Improve cost per unit for materials and develop new ideas for presentation.
- Distribute customer online survey (including trade and media) to determine effectiveness of materials.

3. **Budget: \$41,000**

Collateral \$41,000



- International Brochure Update 4% \$1,500
- Domestic Brochure Update 61% \$25,000
- Fulfillment 24% \$10,000
- Premiums 7% \$3,000
- Internal 4% \$1,500





Strategies - Metrics/Research

Regularly assess and evaluate all activities and identify and implement redirection as required.

1. **Measurement Tactics**

- Regular online reporting of website activity through Google Analytics. (See Online Strategy).
- Regular social site reporting from Interactive Agency/Radian 6. (See Online Strategy).
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- Work with city to obtain information including: parking lot capacity, pedestrian counts from cameras, feeder market data from license plates, etc. (See Events Strategy)
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- Establish relationship with data provider to determine benchmarks for spend by market, season, and activity as well as conversion rates.



Strategies - Visitor Center

Develop a visitor service plan that will raise awareness of Beverly Hills as must see location and establish the city as a welcoming destination that is easy to see and experience.

1. **Tactics**

- Visitor Center competitive analysis
 - Research and create competitive analysis of other city programs and best practices to determine baseline for delivery.
 - Develop ideas and plan for cross promotion with other Visitor Centers.
- Design proposal
 - Interview designers that can create a fully-functioning state-of-the-art space and experience cost effectively.
- Visitor Center Content
 - Explore third party tie-ins/sponsorships.
 - Create a merchandising plan incorporating Shop BH.
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 - Explore costs to develop plan that rewards customers for their patronage. (See Visitor Experience Strategy)



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		AMOUNT	PERCENTAGE	STAFF TIME
1.	Marketing/Visitor Services	\$1,159,000	57%	
	• <i>Events</i>	\$ 180,000		15%
	• <i>Experience</i>	\$ 50,000		5%
	• <i>Local Marketing</i>	\$ 120,000		10%
	• <i>Domestic Marketing</i>	\$ 400,000		10%
	• <i>International Marketing</i>	\$ 200,000		15%
	• <i>Interactive</i>	\$ 100,000		20%
	• <i>Collateral</i>	\$ 41,000		5%
	• <i>Special Programs/ Contingency</i>	\$ 68,000		TBD
	• <i>Additional Assessment/ Research</i>	\$ 0		10%
2.	Salaries, Taxes & Benefits	\$ 705,000	34%	
3.	Operations	\$ 186,100	9%	
5.	Visitor Center+	\$ 100,000		10%

TOTAL

\$2,150,100

+Does not include carry-over, only new funding. No percentage represented as Visitor Center development is in addition to standard activities.