CITY OF BEVERLY HILLS
STAFF REPORT

Meeting Date: September 21, 2010

To: Honorable Mayor & City Council

From: Cheryl Friedling, Deputy City Manager for Public Affairs

Subject: Discussion of the Liaison Committee's Recommendation Regarding the FY 2010-11 Funding for the Beverly Hills Conference and Visitor's Bureau

Attachments:
1. Strategic Plan Consumer Research Overview
2. Strategic Plan Executive Summary
3. 2009-2010 CVB Comparison
4. Program of Work and Budget City Council Presentation

INTRODUCTION

This item provides the City Council with an opportunity to review the recommendation of the Council Liaison Committee (Vice Mayor Brucker and Councilmember Brien) regarding the fiscal year 2010-11 budget for the Beverly Hills Conference and Visitors Bureau.

DISCUSSION

The Beverly Hills Conference and Visitors Bureau (CVB) became an independent organization over one year ago. During that time, the CVB has appointed its Board of Directors and established its governance process.

Most recently, a study conducted by the Conrad Hilton School of Hotel Management at the University of Houston was conducted to assist in developing the CVB's first strategic marketing plan. This plan will be used to identify opportunities for the CVB to target customers, define key value propositions, communicate how the CVB will market to these visitors and prospects, and develop meaningful metrics to measure success of these efforts.

The CVB presented the Strategic Plan to the Council Liaison Committee during July of 2010. This Strategic Plan, once approved by the City Council, will be used as the framework to guide the CVB's allocation of budgetary and staff resources during the current fiscal year.

The Liaison Committee recommended approval of the CVB's Strategic Marketing Plan along with a budget recommendation of $2,050,100 for the entire 2010-11 fiscal year. (The CVB has already received a portion of its annual funding through 'interim' funding from July through August.)

The recommended budget for the CVB represents a 5% reduction from the previous budget during fiscal year 2009-2010.

In addition to the CVB's traditional responsibilities, new elements showcased in the CVB's Plan include the following new areas of focus:

- Develop and promote street-life and signature events;
- Enhance the visitor experience to help shift perceptions;
- Focus on the local market (Beverly Hills and LA County residents).

Additionally, the CVB has committed to developing measurable methods to assess the success of its initiatives, with an emphasis on metrics which demonstrate a return-on-investment. In particular, these metrics will include sales and hotel traffic and dollars.

FISCAL IMPACT

The City's Finance Department projects $23,700,000 in Transient Occupancy Tax revenue for the 2010-11 fiscal year, resulting in a TOT budget of $3,385,712.

The Council Liaison Committee is recommending that of this amount, $2,050,100 be allocated to the CVB for its FY 2010-11 budget request. Of this amount, $341,683 has been appropriated for interim funding (July 1 through September 21, 2010), resulting in an amount of $1,537,576.00 for the balance of the fiscal year.

RECOMMENDATION

That the City Council approve or modify the Liaison Committee's recommended scope of work or funding for FY 2010-11 for the Beverly Hills Conference and Visitors Bureau. The City staff and CVB staff continue to discuss contractual terms; this Agreement and funding purchase order will be placed on the City Council's formal agenda for approval in October.

Cheryl Friedling
Approved By

ATTACHMENT 1

Beverly Hills
Conference & Visitors Bureau

Strategic Plan

Consumer Research Overview

Customer Survey

- 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

Methodology

- Database of domestic American Express cardholders with incomes of over $100,000 and recent spend in the Los Angeles area
- Additional postcards were provided to stakeholders throughout Beverly Hills to distribute
- The survey URL was posted on websites:
  - Conference & Visitors Bureau
  - City of Beverly Hills
  - Chamber of Commerce
  - Rodeo Drive Committee
  - Two Rodeo Drive
- The survey remained open for six weeks
- Customer origin data used to ensure prospective participants were geographically representative of the Beverly Hills customer population

Findings - Respondents

- 683 completed surveys
- 56% female
- 50% ages 35-55
- Over 20% income over $200,000

Where Participants Reside	Percent of Total
Beverly Hills	8%
Outside Beverly Hills, but in LA County	20%
Outside LA County, but in California	15%
Outside California, but in the US	42%
Outside the US	15%

Findings – Frequency of Visit

- More than three-fourths of LA County residents have visited Beverly Hills in the last two months
- 28% of all respondents have never visited Beverly Hills, with the majority of these living outside California or outside the US

Findings – Local Competition

Place Visited (in last 6 months)	LA County Residents by share of visits
Beverly Hills	23%
Century City	16%
The Beach	13%
Downtown Los Angeles	9%
West Los Angeles	8%
Santa Monica Third Street Promenade	7%
Robertson/Melrose	6%
The Grove	5%
Area Attractions	5%
Beverly Center	4%
South Coast Plaza	3%

Findings – Destination Competition

- Respondents who had visited Beverly Hills most frequently visited the following places over the last two years:
  - Beverly Hills residents: Santa Barbara, Las Vegas, other international destinations
  - LA County: San Diego, Orange County and Northern California
  - California: San Diego, Newport Beach, Orange County and Northern California
  - US: New York and other international destinations
  - International: other international destinations

Findings – Primary Visit Purpose

Purpose of Last Trip to Beverly Hills	Overall	LA County	CA	US	Int'l
Visit the Greater Los Angeles area	23%	2%	25%	29%	**31%**
Specifically for shopping	16%	21%	20%	**10%**	20%
Combination of leisure and business	12%	12%	**16%**	12%	10%
Visit friends and relatives	12%	5%	8%	**19%**	6%
Specifically to visit a restaurant	8%	**21%**	8%	3%	6%
Business in area surrounding Beverly Hills	5%	2%	2%	**8%**	4%

Findings

- SHOPPING

Feature	BH	LA County	CA	US	Int'l
A place I feel comfortable shopping	8.29	5.80	7.21	6.94	7.49
It is a place for people like me	8.56	6.08	6.56	6.56	7.45
The employees in retail stores in Beverly Hills provide better service than similar stores found in other areas where I shop	6.11	5.71	6.48	6.12	6.78

Findings

- SPAS AND SALONS

Feature	BH	LA County	CA	US	Int'l
Availability of spas and beauty salons	**8.64**	7.25	6.94	6.55	7.14
Beverly Hills offers everything you need to rejuvenate yourself	7.35	**6.30**	7.18	6.82	7.22

Findings

- CONVENIENCE

Feature	BH	LA County	CA	US	Int'l
It is convenient to park in the destination	7.69	6.02	4.81	5.57	5.72
It is a very "walkable city"	7.82	8.04	7.87	7.11	7.16

Findings

- VALUE

Feature	BH	LA County	CA	US	Int'l
Overall provides a great price value	6.30	4.30	5.09	5.49	5.87
It costs no more to shop in Beverly Hills than other places you shop	5.81	4.38	5.13	4.62	5.51
Something here for everyone	7.06	5.65	6.92	7.00	7.37

Findings

- A VERSATILE DESTINATION

Feature	BH	LA County	CA	US	Int'l
It is a special occasion destination	7.26	6.88	7.95	7.55	7.83
A great place for a weekend trip	7.73	6.61	7.81	7.19	7.24
It is rich in history	8.10	6.12	7.35	6.93	6.79
Is a place I would definitely like to visit	8.04	7.40	8.07	7.90	8.97
A great place for a day trip	8.55	8.19	8.54	7.59	7.81

Findings - Outside of US

- THE HUB IN GREATER LOS ANGELES

Feature	BH	LA County	CA	US	Int'l
Beverly Hills is the center of everything that goes on in Los Angeles	5.83	4.43	5.88	5.75	6.93
Centrally located to where I want or need to go	8.06	7.52	7.02	6.91	8.00

Findings - Outside of US

- THE BEVERLY HILLS EXPERIENCE

Feature	BH	LA County	CA	US	Int'l
A destination that makes me feel like someone special	7.44	5.75	7.77	6.54	7.79
There is lots of excitement in the city	7.62	5.82	7.21	7.58	8.29
Is a place that provides a wonderful experience	7.76	6.99	7.63	7.40	8.32
Is a place I would tell friends about	8.04	7.56	7.91	7.70	8.75

Conclusions

1. Focus on Experience
2. Expand Beyond Shopping
3. Promote Spas and Salons
4. Promote Restaurants
5. Leverage the History of Beverly Hills
6. Position Beverly Hills as Friendly
7. Promote Beverly Hills as **the** Place to Stay when Visiting Los Angeles
8. Do not Assume Everyone Knows What Beverly Hills has to Offer

Conclusion Summary

Segment	Messaging
Los Angeles	•Shopping •Spas and Salons •Restaurants •Convenience •Value
California, US, Outside US	•Special Occasions •Weekend Getaways •Day Trips •Convenience •Value
Outside US	•Beverly Hills as Center of Everything that Goes on in LA •Beverly Hills Provides a Great Overall Experience •Bragging Rights

ATTACHMENT 2

Beverly Hills
Conference & Visitors Bureau

Strategic Plan Executive Summary

TABLE OF CONTENTS

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

2. Develop and implement a plan to improve the visitor experience.

3. Local Marketing

4. California Marketing (outside LA County)

5. Domestic Marketing (outside California)

6. International Marketing

7. Leverage online presence as a key vehicle for marketing the City.

8. Improve collateral offerings.

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

Executive Summary of Beverly Hills Conference & Visitors Bureau Strategic Plan Outlining Tactics and Action Items

The Executive Summary of the Beverly Hills Conference & Visitors Bureau (BHCVB) strategic plan is driven from an in-depth study conducted by the Conrad Hilton School of Hotel Management at the University of Houston which was commissioned by BHCVB and its Board of Directors early 2010. The purpose of the study was to gain a better understanding of the Beverly Hills market in order to identify opportunities that will provide continued economic growth and vitality for the community. The BHCVB strategic plan will identify the target customer, define the value that Beverly Hills provides, communicate how the BHCVB will reach these visitors and prospects, and outline the metrics to measure success of its efforts.

The budget for each of the strategies outlined below is based upon the consultant's and board's view of the potential return on investment to be realized for each category based upon market data, past experience of BHCVB and views of stakeholders. Specific amounts assigned were determined using the following factors: opportunity for generating revenue (prioritized accordingly) by adding BHCVB resources to other resources, ability to gain traction through awareness building, estimated cost and resources needed to complete tactics, and methodology required to meet defined objectives.

Guiding Principles of the Tactics and Plan: "Answering the Four Key Questions"

1) Who is our target audience? (Who, where, demographics)
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?

1) Develop and promote events to create "street-life" in order to give visitors – especially LA County residents – a reason to visit Beverly Hills. Budget = $75,000

Rationale: *According to research, LA County residents do not believe that "there is a lot of excitement in the city." Stakeholders believe that in order to remain competitive in the local marketplace Beverly Hills must create "street life," "bustling activity" and "buzz."*

a. Tactics:

i. A Master Calendar must be created for all events in Beverly Hills and Los Angeles County in order to provide comprehensive information to all visitors and prospects and to identify opportunities for the CBV to partner and support. Master Calendar will be housed on the CVB website. *Calendar will be attached as Exhibit A.* (To include major and lesser events, retailers' trunk shows, art openings, restaurant promotions, community events, theater presentations, book signings, etc. The Master Calendar will be comprehensive to provide both a planning guide for CVB and stakeholders, but also a "things to do" list for leisure visitors, business visitors, any spouses or "others" accompanying them, residents and neighbors.)

ii. Signature events such as 90210/Taste of Beverly Hills, Rodeo Drive Concours d'Elegance, Greystone Concours d'Elegance, Fashion's Night Out, Rodeo Drive Walk of Style, Affaire in the Gardens, Golden Globes, Academy Awards nominations and supporting events will continue to be supported with a fresh, new approach which complements, enhances and maximizes existing efforts.

iii. Promote signature events through integrated marketing to build awareness, generate buzz and drive attendance:
    1. PR/Media
    2. Advertising
    3. Social Media
    4. eCommunications
    5. Collateral

iv. Identify periods of inactivity and brainstorm with stakeholders to fill.
    1. Ongoing one-on-one meetings with hotels
    2. Semi-annual meetings with hotel DOSM's
    3. Semi-annual agenda item/discussion with CVB Board
    4. Ongoing Visitor Marketing Committee feedback

b. Metrics (calculated for each event):

i. PR Media -- *Target Audience* – media writers for publications/web in feeder markets and "in the trade."
    1. Target Geographic Markets:
        a. Beverly Hills/LA County
        b. California (ex: Santa Barbara, San Diego, San Francisco)
        c. Other Domestic (ex: New York, Texas)
        d. International (as appropriate)
    2. # of press releases/release circulation
    3. Media inquiries
    4. Media placement
    5. Circulation
    6. Member feedback

ii. Advertising
    1. *Target Audience* – drive awareness and sales through advertising in feeder market publications and targeted online display and pay per click. Applicable markets:
        a. Beverly Hills/LA County
        b. California (ex: Santa Barbara, San Diego, San Francisco)
        c. Other Domestic (ex: New York, Texas)
        d. International (as appropriate)
    2. $'s spent
    3. $'s generated

iii. CVB Social Media
   1. *Target Audience* – build viral momentum resulting in awareness and sales through messaging to fan/follower base and prospects. Applicable markets:
      a. Beverly Hills/LA County
      b. California
      c. Other Domestic (if they follow BHCVB)
      d. International (if they follow BHCVB)
   2. # of comments
   3. Click through rate
   4. # retweets, likes, views, etc.

iv. CVB e-Communications
   1. *Target audience* – maximize communication opportunities with audience most likely to respond because they have opted in to receive communications from BHCVB.
   2. # of emails sent
   3. Open rate
   4. Click through rate
   5. Actionable leads

v. Traffic/Spend
   1. Year over year attendance
   2. Visitor spend

2) Develop and implement a plan to improve the visitor experience. Budget = $50,000

Rationale: *Survey results show that the main factors dissuading people from shopping in Beverly Hills are their perceptions of difficult parking and high prices. We believe the facts are different. An additional problem shown by the survey results indicate that only 25% of the participants rated the feature "The people who live and work in the city are extremely friendly" either a "9" or a "10." When asked how believable was the statement "Employees in retail stores in Beverly Hills provide better service than similar stores found in other areas where I shop" only 26.1% rated this statement a "9" or "10." The only statement with a lower "top-two" (percent rating a 9 or 10) was "It costs no more to shop in Beverly Hills than other places you shop." Finally stakeholder in-depth interviews revealed that the 1980s elitist philosophy displayed in the movie Pretty Women still exists.*

a. Tactics:
   i. Develop messaging strategy to address survey results:
      1. Promote free/convenient parking
      2. Prepare web-based directions showing locations of destination stores, restaurants and hotels, the closest parking facilities to them and the ingress/egress routes. Highlight free public parking facilities.
      3. Communicate wide range of pricing options throughout Beverly Hills (there's something for everyone)
      4. Convey that it's no more expensive to shop in Beverly Hills
   ii. Support Friendly City Campaign
   iii. Research and create competitive analysis of other city programs and best practices for service and friendliness
   iv. Develop strategy and implementation plan for podcasts/mobile applications
   v. Development of Visitor Center plan for 9400 Little Santa Monica Blvd.
   vi. Begin exploring opportunities to promote 100 year anniversary

b. Metrics:
   i. Visitor survey measuring city friendliness
      1. Execute in spring 2011 to measure perception of Beverly Hills in light of Friendly City campaign
      2. Possible tie-in with Tourism Impact Study*
   ii. Work with retailers/restaurants to improve their data gathering and feedback about customer originations, experience, follow-up to bring their data gathering more in line with already-sophisticated hotel data gathering.

3) Local Marketing. Budget BH = $50,000; Budget LAC = $120,000

Rationale: *Interviews with different stakeholders revealed that the LA County market was being underserved. As one interviewee stated, "My theory was always, who is going to be coming in on a rainy day in mid-February? If you don't have local support, you've got a lot of trouble. And so, our core business was built around local customers." Some retailers interviewed attributed 50% of their business to the local markets. The results of the consumer survey indicated that 16.8% of LA County residents surveyed had not visited Beverly Hills in the past 90 days. Having additional patrons also creates excitement and a sense that activity happens in Beverly Hills, which is important to the overall customer experience in the city.*

a. Tactics:
   i. Meet with/poll merchant associations/hotels to determine need periods and collectively develop messaging strategy for both Beverly Hills residents and LA County residents such as free parking, something for everyone, etc.

ii. Create assortment of stand-alone "shelf promotions" that can also be combined to appeal to specific target audiences (Beverly Hills residents vs. LA County) and customized for seasonal relevance (Mother's Day, holidays, etc.)
    1. Shopping, dining, culture options (ex: breakfast, valued added extras when purchasing at multiple stores, area attraction offers)
    2. Hotel component (ex: spa, VFR, home away from home)
    3. Parking

iii. Improve visitor experience and friendly service perception (see number 2 *Visitor Experience* above)

iv. Develop comprehensive media/communications plan targeting local publications, websites and audiences for press, advertising, email, social, etc.

v. Emphasize general attributes: free parking, ease of ingress/egress (through web-based directions and location of nearest parking facility), wide variety of stores and restaurants, tie-in with actual events open to the public.

b. Metrics:

i. Metrics by campaign
    1. # of visitors*
    2. $ amount of visitor spend*
    3. PR Media
        a. # of press releases/release circulation
        b. Media inquiries
        c. Media placement
        d. Circulation
        e. Member feedback
    4. Advertising
        a. $'s spent
        b. $'s generated
    5. CVB Social Media
        a. # of comments
        b. Click through rate
        c. # retweets, likes, views, etc.
    6. CVB e-Communications
        a. # of emails sent
        b. Open rate
        c. Click through rate
        d. Actionable leads

ii. Change in visitor perceptions (see visitor survey in metrics for *Visitor Experience*)

4) California Marketing (outside LA County). Budget = $150,000

Rationale: *One of the key findings in the Trends report was that more customers are traveling closer to home for their vacations. In addition, an American Express list of 40,000 Platinum Card members with Luxury Lodging Record of Charge in greater Los Angeles area during the past 24 months represented 15.5% of the total list. California is the largest feeder market for day visitors and overnight visitors (LA County, Bay Area, Santa Barbara, Orange County). The other regions generating significant overnight visitors to Beverly Hills are New York and Texas, with pockets of significance such as Scottsdale, Arizona and San Diego. We also believe that we have underserved the booming, affluent population of Ventura County.*

a. Tactics:
    i. Develop messaging strategy to demonstrate and communicate value in a meaningful way
        1. i.e., something for everyone, drive market message, eclectic, special occasions, weekend getaway.
    ii. Targeted promotions to drive traffic and generate incremental revenue
    iii. Partner to build and promote extensions onto existing city promotions and events to extend reach and increase value proposition
    iv. Develop comprehensive media/communications plan targeting feeder market publications, websites and audiences for press, advertising, email, social, etc.
        1. Explore limited print campaigns in New York Times and Wall Street Journal
        2. geo-target key markets to drive traffic to Beverly Hills from feeder cities
    v. identify opportunities to partner with other city cvb's to explore low/no cost opportunities for cross promotion
b. Metrics (same as Beverly Hills/LA County)

5) Domestic Marketing (outside California). Budget = $240,000

Rationale: *One of the key findings of previous research is that citizens of the US from outside Beverly Hills and Los Angeles County represent 17% of the retail spending in Beverly Hills. Naturally, US residents are also a major segment for the hotels in Beverly Hills.*

a. Tactics:
    i. Focus on New York and Texas as primary markets based on survey research
        1. Develop messaging strategy by market to demonstrate and communicate value
        2. Leverage events and other drivers to build awareness and drive traffic
        3. NY Sales/Media Initiative to keep Beverly Hills top-of-mind in key market
        4. Targeted promotions to increase city traffic and revenue

5. Partner to build and promote extensions onto existing city promotions and events to extend reach and increase value proposition
6. Develop comprehensive media/communications plan targeting feeder market publications, websites and audiences for press, advertising, email, social, etc. (see also *Explore Print Campaign* below)
    a. Explore limited print campaigns in New York Times and Wall Street Journal
    b. geo-target key markets to drive traffic to Beverly Hills from feeder cities
7. Identify opportunities to partner with other city CVB's to explore low/no cost opportunities for cross promotion

b. Metrics (same as Beverly Hills/LA County)

6) International Marketing. Budget = $200,000

Rationale: *Over 40% of all visitors to Beverly Hills arrive from abroad, with hotel and other spend that is much higher than domestic counterparts; this contributes positively to the city tax base. As such, the international markets should be targeted on an ongoing basis based on current knowledge and in a fiscally prudent manner by leveraging partnerships in order to promote in key markets and anticipate emerging markets..*

a. Tactics:
    i. Focus initiatives on UK, Australia, China, Japan and Mexico (with Brazil requiring further research)
    ii. Develop messaging strategy (identify any key points that need to be addressed for specific audiences – tour bus parking, market specific collateral, multi-lingual partners, etc) to demonstrate and communicate value in a meaningful way
    iii. Pow Wow – build awareness, solidify relationships, and develop expanded product to generate traffic and bookings
    iv. Identify relationships with international airlines for potential partnership opportunities to extend reach and receive halo effect from well-known international brands
    v. Piggyback on LA Inc and CTTC initiatives in targeted markets
        1. Sales missions
        2. Representation
        3. Promotions
        4. Fams
    vi. Create in-language landing pages and provide downloadable translated collateral pdf's on website

vii. Create where possible cost-free "strategic relationships" with tourism bureaus in Australia, Japan, Singapore and UK (primarily reciprocal direct web links between our site and theirs)

b. Metrics:
   i. Fams
      1. # of fams
      2. # of participants
      3. In-kind $'s
      4. Actionable results (media coverage, inclusion in tour programs, etc.)
   ii. In language pages
      1. # of page visits
      2. # of PDF downloads
   iii. # of visitors by country*
   iv. $'s spent by international visitors*

7) Leverage online presence as a key vehicle for marketing the City. Budget $75,000

***Rationale**: Survey results revealed that 13.6% of participants claimed that their primary source of information when planning their last trip was "website of destination." When considering all sources of information, this jumped to 28.6%. As a point of perspective, the website was the second most cited source. The first was "from friends" (all mentions 43.0%) and the third was "area attraction website" (all mentions 13.4%).*

a. Tactics:
   i. Create improved website to address current inadequacies in order to become a leader in the electronic space. Current limitations and recommendations include:
      1. Unsophisticated graphics – currently out-of-date and tired
         a. Create new look and feel for site reflective of Beverly Hills brand
      2. Lack of interactive capabilities
         a. Design optimal navigation and ensure customized experience (from sophisticated features to simpler "mapquest" type features to ease ingress/egress)
      3. Insufficient promotional tools
         a. Develop homepage real estate to support local partners and generate revenue
      4. Accurate measurement and reporting capabilities
         a. Establish ongoing tracking and reporting mechanisms to measure results

5. Prospecting functionality
    a. Maximize SEO opportunities through utilization of proper coding and usage of well-known key phrases
    b. Expansion of e-database and information captured
6. Real-time content management/speed to market
    a. Implement cutting edge content management system allowing for immediate updates to digital properties and text
    b. Filter Beverly Hills content from other resources to create all encompassing online experience.
    c. Create efficient online image library to eliminate manual fulfillment and better utilize staff resources
7. Marketing tactics to promote the new website and increase traffic
    a. Press release
    b. Advertising to build awareness of BHCVB site
    c. Links and video capabilities
    d. Promotional tie-ins
    e. Social media execution

ii. Build and execute consumer e-communications strategy to expanded database
    1. Customer profiling
    2. Templated, turnkey approach that allows for elements of customization

iii. Build a comprehensive social strategy to obtain competitive equanimity and develop a low/no cost communication infrastructure.
    1. Define social strategy for CVB website (story/photo sharing, testimonials, customer feedback, recommendations, etc.)
    2. Identify key influencers and develop relationships to leverage their audiences
    3. FB/Twitter/YouTube strategy
    4. Build followers/fans with targeted advertising and viral campaigns
    5. Develop communication calendar and publishing strategy for ongoing
    6. Identify partnership opportunities with social media organizations and other content providers with strong social media strategies
        a. Ex: Foursquare, Gowalla, Zagat, etc.

b. Metrics:
    i. # of visits (target to be determined once baseline established)
    ii. Unique visitors by geographic region
    iii. Page visits (specific count by page)
    iv. Repeat visits
    v. Click through rate to partner sites
    vi. Average length of session

vii. 5,000 qualified email addresses collected
viii. CVB Social Media
    1. # of blog mentions
    2. # of influencer fams
    3. # of Twitter/Facebook followers
    4. # YouTube views

8) Improve collateral offerings. Budget = $75,000

Rationale: *Survey results revealed that 38.7% (gave a score of a 9 or a 10) of the participants believe "there is more to Beverly Hills than just shopping." In addition just 42.7% gave the statement "A place that offers a visitor a wide variety of things to do" either a 9 or 10 rating. Finally, only 22.5% rated the statement "It is convenient to park in destination" either a 9 or 10 rating.*

A well designed piece will improve customer understanding of the city and its convenience and offerings. It will also benefit all businesses by highlighting lesser known businesses and areas as well as be informative and educational for the city tourist.

a. Tactics:
    i. Review all existing collateral
    ii. Identify and develop new materials needed (including language versions)
    iii. Development of podcasts/mobile applications (see number 2 *Visitor Experience* above)
b. Metrics:
    i. Pre/post survey to determine behavior, perceptions and spending

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

Rationale: *Each of the foregoing tasks and targets will be assessed each quarter. Metrics will regularly be reviewed and results will be evaluated for accuracy or completeness of measurement. City/CVB staff and stakeholders will be consulted whenever redirection is required and any changes or corrections indicated will be considered and, where appropriate, implemented.*

*Contingent on Tourism Impact Study.

ATTACHMENT 3

Beverly Hills
Conference & Visitors Bureau

2009-2010 CVB COMPARISON

	Beverly Hills	Los Angeles	Monterey	Newport Beach	San Diego North	Santa Barbara	Santa Monica	West Hollywood
Budget Year	30-Jun	30-Jun	30-Jun	30-Jun	30-Jun	30-Jun	30-Jun	30-Jun
Type of CVB	Independent	Independent	Independent	Independent	Independent	Independent	Independent	Independent
Total Budget	$2,158,160	$19,000,000	$4,700,000	$3,877,882	$3,353,000*	$1,900,000**	$2,400,000	$1,861,000
Full-Time Staff	5***	74	19	14	16	11	9	8
TOT %	14%	14%	10%	10%	11%	12%	14%	14%
Projected TOT	$25,375,000	$146,090,000	$16,122,000	$23,889,120	3 cities, 2 counties	$14,000,000	$28,000,000	$13,500,000
City Funding	$2,158,160	$10,435,000	$1,303,000	$2,388,912	$2,937,000	$1,500,000	$2,400,000	$1,500,000
Revenue-Membership	-	$1,317,000	$90,000	$5,000	$134,000	$92,000	-	-
Revenue-Other Public	-	$5,200,000	$1,790,000 TID Assessment	-	-	-	-	-
Revenue-Private	-	$2,554,000 Sponsorships, CoOp Programs	$500,000 Sales & Marketing CoOp Programs, Tradeshows	$1,483,970 TBID, CoOp Marketing	$148,000	$139,350 CoOp Ads, Trade Show Fees, Magazine Sales Commissions	Note: Retail sales revenue offsets labor costs of Visitor Centers	$20,000
Number of Hotels	15	475	256	18	252	165	35	18
Number of Hotel Rooms	2,019	98,600	12,157	3,040	21,054	9,600	3,600	2,000

*San Diego North's Total Budget includes County funding of $133,200
** Santa Barbara's Total Budget includes County funding of $200,00
***Total Staff now 7, as two positions added in June 2010

ATTACHMENT 4

Beverly Hills
Conference & Visitors Bureau

Program of Work and Budget

City Council Presentation

August 31, 2010

Background

A study was conducted by the Conrad Hilton School of Hotel Management at the University of Houston with the following objectives:

- 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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2010/2011 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. Expanded Online Presence
8. Collateral
9. Continued evaluation, assessment and redirection as required

What's New for 2010/2011

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

- Help to create "street-life" and a sense of excitement through the development and promotion of one-of-a-kind signature events.
- Impact the visitor experience to help shift perceptions.
- Focus on the local market (Beverly Hills and LA County residents) to drive traffic and generate incremental revenue.

Strategies

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

Rationale: LA County residents **do not believe that there is a lot of excitement** in the city. Stakeholders believe that Beverly Hills needs **activity to remain competitive**.

1. Tactics
   - Master calendar for Beverly Hills and surrounding areas
   - Promotion of signature events
     - 90210/Taste of Beverly Hills
     - Rodeo Drive/Canon Drive Events
     - Greystone Events
   - Fill periods of inactivity with new events
     - Work with BHCVB Committees and Task Forces to identify

Develop and promote events to create "street-life" in order to give visitors - especially LA County residents - a reason to visit Beverly Hills. (cont'd)

2. Metrics
   - PR/Media results
   - Advertising – return on investment
   - Social Media – customer activity
   - eCommunications – customer activity
   - Traffic/Spend
   - Development of Economic Index
3. Budget $75,000

Strategies

Develop and implement plan to improve the visitor experience.

Rationale: Only **25%** of those surveyed **rated the city's friendliness as a "9" or a "10."** The only other question to **rate a lower "top two"** (either a 9 or 10 rating) was the **perception that Beverly Hills is affordable.**

1. Tactics
   - Develop messaging strategy to address survey results
   - Support Friendly City campaign
   - Research and create competitive analysis of other city programs and best practices
   - Develop strategy and implementation plan for podcasts/mobile applications
   - Create Visitor Center plan/merchandising for 9400 building
   - Explore opportunities to promote 100 year anniversary

Develop and implement plan to improve the visitor experience. (cont'd)

2. Metrics
   - Visitor survey measuring city friendliness
   - Work with partners to improve data gathering and feedback collection
3. Budget $50,000

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Geo-Targeted Metrics

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**). All geo-targeted initiatives and tactics for these areas will be measured with the following metrics:

- Campaign specific amount of spend and number of visitors
- PR/Media results
- Advertising – return on investment
- Social Media – customer activity
- eCommunications – customer activity

Strategies

Local Marketing

Rationale: For some stakeholders **up to 50% of their business comes from the local market**. 16.8% of LA County residents surveyed had not been to Beverly Hills in the past 90 days demonstrating an opportunity to activate the local market.

1. Tactics
   - Determine need periods with Task Force
   - Create assortment of stand alone shelf promotions
   - Improve visitor experience and friendly service perception
   - Develop comprehensive media/communications plan
   - Emphasize general attributes – parking, convenience, wide variety of stores, restaurants, etc.
2. Budget $170,000

Strategies

California Marketing

Rationale: Key findings indicate **more customers are traveling closer to home** for vacations. **California** remains the **largest feeder market for day visitors** and **second largest market** for overnight visitors to Beverly Hills hotels.

1. Tactics
   - Develop messaging strategy (something for everyone, drive market, special occasions, weekend getaway)
   - Create targeted promotions to drive traffic and generate revenue
   - Partner to build and promote extensions onto existing city promotions and events
     - 90210 hotel packages
     - Rodeo Drive Concours hotel packages
     - Support marketing
   - Develop comprehensive media/communications plan
   - Identify opportunities to partner with other CVB's for no/low cost cross promotion
2. Budget $150,000

Strategies

Domestic Marketing (outside California)

Rationale: **Citizens of the US from outside the local market represent 17% of retail spending** in Beverly Hills. Additionally US residents are a major segment for Beverly Hills hotels.

1. Tactics
   - Develop messaging strategy by market, with focus on NY and TX
   - Leverage events and other drivers to build awareness and drive traffic
   - NY sales/media mission
   - Targeted promotion to increase revenue/spend
   - Partner to build and promote extensions onto existing city promotions and events
   - Develop comprehensive media/communications plan
   - Identify opportunities to partner with other CVB's for no/low cost cross promotion
   - Leverage high-end travel agent consortia opportunities
2. Budget $240,000

Strategies

International Marketing

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

1. Tactics
   - Focus initiatives on UK, Australia, China, Japan and Mexico (with Brazil requiring further research)
   - Develop messaging strategy
   - Sales Mission and Trade Shows
     - US Travel's Pow Wow - May
     - Leverage LA Inc. and CTTC initiatives in targeted markets
       - Australia Sales Mission - October
       - World Travel Market, UK – November
       - CITM China - November
       - Mexico Sales Mission – December/February
       - Japan/Korea Sales Mission – March
       - Familiarization Trips - ongoing
   - Identify opportunities with international airlines
   - Create in-language landing pages with downloadable pdf's
   - Create relationships with tourism bureaus in key markets

International Marketing (cont'd)

2. Metrics
   - Familiarization activity with trackable outcomes
   - In-language page activity
   - Arrivals of visitors by country
   - Amount spent
3. Budget $200,000

Strategies

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

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

1. Tactics
   - Create improved website to address current inadequacies:
     - Graphics, Interactivity, Promotional Tools, Reporting and Analytics, Prospecting, Content Management
   - Build and execute consumer ecommunications strategy
   - Develop and execute a comprehensive social strategy
2. Metrics
   - Website activity
   - Number of consumers communicated with regularly and activity
   - Social site audience and activity
3. Budget $75,000

Strategies

Improve collateral offerings.

1. Tactics
   - Review existing collateral
   - Identify and develop new materials where needed
   - Develop podcasts/mobile applications to bring city to life
2. Metrics
   - Customer survey to determine behavior, perceptions and spending
3. Budget $75,000

Strategies

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

1. Tactics
   - Quarterly assessment of initiatives and strategies
   - Determine quality of metrics
   - Redirect activities where necessary
   - Redefine measurement tactics as needed

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2010/2011 Budget Key Categories

		AMOUNT	PERCENTAGE
1.	Marketing/Visitor Services	**$1,110,000**	**54%**
	• *Events*	*$ 75,000*	
	• *Visitor Experience*	*$ 50,000*	
	• *Local Marketing*	*$ 170,000*	
	• *California Marketing*	*$ 150,000*	
	• *Domestic Marketing*	*$ 240,000*	
	• *International Marketing*	*$ 200,000*	
	• *Online*	*$ 75,000*	
	• *Collateral*	*$ 75,000*	
	• *Research*	*$ 40,000*	
	• *Ambassador Services*	*$ 10,000*	
	• *Special Programs*	*$ 25,000*	
2.	Marketing Support	***$ 14,000***	***1%***
	• *Database*		
	• *Association Dues*		
	• *Image Library*		
	• *Community Relations*		
3.	Salaries, Taxes & Benefits*	**$ 766,000**	**37%**
4.	Operations	**$ 160,000**	**8%**

*Includes shared positions

Beverly Hills Conference & Visitors Bureau

Budget Request

Total Request	$2,050,100
Amount Received	$ 341,683
Remaining Request	**$1,708,417**