

2016-17 BUSINESS PLAN

MONTEREY
Monterey County Convention
& Visitors Bureau



BIG SUR | CARMEL-BY-THE-SEA | CARMEL VALLEY | DEL REY OAKS | MARINA | MONTEREY | MOSS LANDING
PACIFIC GROVE | PEBBLE BEACH | SALINAS | SALINAS VALLEY | SAND CITY | SEASIDE

TABLE OF CONTENTS

- 2016-2017 BOARD OF DIRECTORS.....3
- EXECUTIVE SUMMARY.....4
 - Long-Term Strategic Plan.....5
 - Objectives, Goals & Metrics.....7
 - Budget Snapshot.....8
- SITUATION ANALYSIS.....9
 - The Tourism Economy.....9
 - Travel Outlook.....10
 - Competative Considerations.....12
 - Destination Promotion.....13
 - Customer Segmentation.....14
 - Group Sales: Trends, Issues & Opportunities.....17
 - Leisure Travel: Trends, Issues & Opportunities.....19
 - Strategic Alliance & Channel Partners.....21
- A BRIEF LOOK BACK.....24
 - Branding Monterey County.....24
- THE PLAN.....27
 - Group Sales & Strategic Client Services.....28
 - Monterey Conference Center.....33
 - Marketing Communications.....36
 - Visitor Services & Membership.....39
 - Community Relations.....41
- REFERENCES.....42



Strength in Collaboration

No man is an island entire of itself; every man is a piece of the continent, a part of the main;

- John Donne, 1624

Replace ‘man’ with ‘tourism business’ and ‘continent’ with ‘destination’ in this quote and it states one of the most important truths about the tourism industry. Success in the tourism industry is necessarily collaborative. It is necessarily interdependent on similarly focused professionals, clusters of businesses and geographically aligned regions. Monterey County and the businesses that lie within exemplify this paradigm and the success that can be achieved by adhering to this truth. Collaboration has been the primary ingredient to success in the past and will be so much more important in the coming years.

The 2016-2017 Fiscal Year will be as formidable as ever and the business plan that follows serves as the roadmap to continued growth and balance. Each step we take toward ‘next level’ success is dependent on the path we all – collaborating as a destination – have taken in the past. So in this plan we take a moment to consider the steps already taken with a “Brief Look Back” – how we launched a brand strategy, initiated an entirely new approach to building group business, garnered support for the renovation of a vital community asset – to provide some perspective for the coming years. Looking forward, we’ve also set goals not just for the next fiscal year but for the next three years – and lay out strategies derived from community collaboration to achieve them.

Collaboration is the mortar between the bricks that have built, strengthened and will grow Monterey County’s tourism economy. Whether you are a small business owner, a general manager or director of sales for a hotel, an elected official or one of the many others with a vested interest in growing our tourism economy, the following business plan relies on and emphasizes how we collectively and collaboratively continue to grow our industry.



Bob Buescher
Chair, Board of Directors

Bob Buescher



Tammy Blount
President & CEO

Tammy Blount

2016 – 2017 BOARD OF DIRECTORS

Officers:

Bob Buescher, Chair
Carmel Mission Inn

Steve McNally, Chair-Elect
Hyatt Regency Monterey

Board Members:

Dave Potter
Monterey County Board of Supervisors 5th district

Rene Boskoff
Monterey Marriott

Janine Chicourrat
Portola Hotel & Spa

Mimi Hahn
Monterey Bay Aquarium

Tony Tollner
Downtown Dining

Advisors:

Susan Breen
Monterey County Arts Council

Carol Chorbajian
Monterey County Hospitality Association

Norm Groot
Monterey County Farm Bureau

Mike La Pier
Monterey Regional Airport

Troy Kingshaven
Monterey County Film Commission

Bobby Richards
City of Carmel-by-the-Sea

Amrish Patel
Centrella Inn

Thomas Becker, Treasurer
Carmel Valley Ranch

Mairead Hennessy, Secretary
Aramark / Asilomar Conference Grounds

Rick Aldinger, Past Chair
Big Sur River Inn

Ed Smith
City of Monterey

Ralph Rubio
City of Seaside

Diane Mandeville
Cannery Row Company

Mike Oprish
Corral de Tierra Country Club

Julie Weaver
The Lodge at Pebble Beach & Casa Palmero

Todd Kruper
City of Sand City

Marilyn Lidyoff
City of Marina

Sean Panchal
Presidents Inn Hotels

David Spaur
Economic Development for Monterey County

Kim Stemler
Monterey County Vintners and Growers Assn.

Hans Uslar
City of Monterey

Kimbley Craig
City of Salinas

Executive Summary

The Monterey County Convention & Visitors Bureau (MCCVB) is a Sales and Marketing organization dedicated to growing the tourism economy in Monterey County. After several years of adhering to a brand marketing approach resulting in consecutive years of growth in the tourism economy, the question we must now address is how to maintain positive momentum and incremental visitation. Our answer is based on three key organizational pillars:

- 1) **Collaboration** – working with each business, all jurisdictions and every stakeholder in an orchestrated approach designed to maximize the benefits of tourism for the entire destination. MCCVB programs cannot succeed without a totally collaborative approach.
- 2) **Expansive Reach** – incremental growth is reliant on reaching new audiences in new markets. In the past couple of years, MCCVB has created a foundation to expand our reach and tap into new markets, including Group Sales and International. In the coming year, MCCVB will continue to focus on incremental growth.
- 3) **Content Marketing** – a new marketing approach introduced in the past year will be expanded upon in the next. Content marketing is fully integrating and synergizing paid media, earned media (PR) and social marketing. While this is a relatively new approach for destination marketing organizations (DMOs), it has been used successfully by many top brands and has proven to be both efficient and effective.

These are the essential ingredients to achieving our next level of success, and together they deliver unstoppable momentum that we intend to carry into the next year.

VALUES

Accountability
We will be responsible for our results, actions and words

Integrity
We will at all times be trustworthy, honest and do what we say we're going to do

Leadership
We will define our vision and advocate for it, allowing our guests and members to benefit from our destination marketing and sales efforts

Passionate
We will create success using passion about our profession and achieving results

Strategic
Our plans will be an efficient and clearly defined road map to achieve the targeted goals of the organization

Visionary
We will develop, share and inspire others to realize our ideal future

Long-Term Strategic Plan

VISION

Inspire the world to experience our extraordinary destination.

MISSION

Drive business growth through compelling marketing and targeted sales initiatives that maximize the benefits of tourism to our guests, members and community.

MCCVB COMMITTEES

Member involvement is of primary importance in developing initiatives that deliver the best value to the community. The MCCVB Board of Directors has set up a number of committees to interact with staff, guide decision making, provide oversight and set goals. These include Marketing, Sales, Finance, Nominating and Community Relations.

STRATEGIC PRIORITIES - LONG-TERM STRATEGIC PLAN

Expand & Amplify	Invest	Grow	Strengthen	Maintain & Evolve
A consistent and dynamic marketing message	In market opportunities	Consumer and group market share	Relationships with the community through inclusion, open communication, collaboration and accountability	The high performance culture that attracts and maintains strong leadership
PRIMARY ACTIVITIES				
<ul style="list-style-type: none"> • Content activation campaigns • Annual seasonal marketing campaign to promote off-season travel • Targeted publicity efforts • Topical social posts 	<ul style="list-style-type: none"> • Maintain key markets • Invest in new /incremental group sales geo-markets & industries • Invest in emerging leisure markets • International market development 	<ul style="list-style-type: none"> • Group sales initiatives • Consumer marketing programs • Communication & PR initiatives • Content marketing programs • Strategic client services 	<ul style="list-style-type: none"> • Sustainable Moments initiative • Attend and support community events • City council presentations • Community organization and task forces 	<ul style="list-style-type: none"> • Hire/retain top talent • Require professional credentials • Enhanced training and team development
KEY PERFORMANCE INDICATORS				
<ul style="list-style-type: none"> • Communication effectiveness • Media impressions • Intent to visit • Earned media • Social traffic & engagement • Unique web visits • Time on site 	<ul style="list-style-type: none"> • New group business • Website visits • Content engagement • Media FAMs 	<ul style="list-style-type: none"> • Group leads • Conversion rate • Room night index • High rated business • Room nights influenced 	<ul style="list-style-type: none"> • Participation in quarterly forums, workshops, member orientations and other educational opportunities • Participation in promotions and co-op programs 	<ul style="list-style-type: none"> • Achieve organizational goals • Strong employee engagement

Objectives, Goals & Metrics

Department Goals	FY16-17	FY17-18	FY18-19
GROUP SALES GOALS			
Group Nights Booked	89,000	92,883	95,669
Pace Report Growth	3%	3%	3%
MARKETING COMM. GOALS			
Brand Preference Index	Baseline	Maintian Min	Maintain Min
Communication Effectiveness	4.1	Metric	Metric
Targeted Earned Media ¹	\$45MM	\$47MM	\$49MM
Unique Web Visits	1.7MM	1.79MM	1.88MM
Social Engagement	522K	574K	631K
VISITOR SERVICES GOALS			
Room Nights Influenced	60%	60%	60%

1. Earned Media more focused on targeted/high quality destinations with higher propensity to travel to Monterey County

Tracking Metrics

Department goals are the key outcomes determined by the Board of Directors. In addition, the team is constantly tracking a variety of metrics that play into the achievement of these ultimate outcomes. From Intent to Visit to definite room-nights and a variety of others, a number of metrics are considered and evaluated in order to better optimize focus and effort. These metrics are reported and reviewed monthly.

Department Metrics	Examples of Tracking
Group Sales	<ul style="list-style-type: none"> 1. Definite Group Bookings 2. Group Leads 3. Group Lead Room Nights 4. Group Room Night Index 5. Comp Set RevPAR Growth
Marketing Communications	<ul style="list-style-type: none"> 1. Unaided Brand Awareness 2. Total Earned Media 3. PR Impressions 4. Journalists Assisted 5. Facebook Fans 6. Twitter Followers 7. Instagram Followers 8. Visitor Database 9. Room Nights Booked Through Web 10. Economic Impact of RN Booked Through Web 11. Total Onsite Referrals 12. Total Offsite Referrals 13. Total Pageviews
Visitor Services	<ul style="list-style-type: none"> 1. Influenced Room Nights (IRN) 2. Visitors Assisted 3. Economic Impact of IRN 4. Satellite Visitor Influence Opportunities 5. Member Retention Rate 6. New Members 7. Member Engagement

Budget Snapshot

REVENUE	FY16-17
Jurisdiction Investment*	
Monterey County	\$1,230,000
City of Monterey	\$899,666
City of Carmel-by-the-Sea	\$167,656
City of Pacific Grove	\$109,156
City of Seaside	\$80,053
City of Salinas	\$72,774
City of Marina	\$59,920
City of Del Rey Oaks	\$1,000
Sand City	\$2,000
Subtotal Jurisdiction Investment	\$2,622,224
Tourism/Hospitality Improvement District	
Monterey County	\$857,915
City of Monterey	\$2,069,935
City of Carmel-by-the-Sea	\$302,407
City of Pacific Grove	\$260,104
City of Seaside	\$237,702
City of Salinas	\$275,245
City of Marina	\$178,739
Subtotal TID/HID	\$4,182,046
Private Revenue	\$305,323
TOTAL REVENUE	\$ 7,109,593

EXPENSE	FY16-17
Group Sales	
Trade Shows & Sales Missions	\$330,425
FAMS, Site Visits & Sponsorships	\$282,507
Client Engagement Events	\$140,825
Group Marketing	\$460,000
Strategic Client Services & Support	\$146,743
Other Programs & Talent	\$1,380,426
Total Group	\$2,740,926
Marketing Communications	
Advertising Programs	\$1,360,600
Media Relations	\$114,050
Research	\$125,000
Website	\$182,000
Other Programs & Talent	\$1,132,639
Total Marketing	\$2,914,289
Visitor Services	\$415,524
Membership	\$117,888
Administration	\$996,008
TOTAL EXPENSE	\$ 7,184,634

**Jurisdiction investments are based upon a formula of previous years' actual TOT collections.*

Expense has been budgeted slightly higher than revenue to allow for negotiated savings and other savings that typically manifest from vacancies due to normal staff turnover.

Situation Analysis

The Tourism Economy

Tourism is one of the most important industries in the world. Nationally, the United States Travel Association estimates that in 2015 tourism generated over \$2.1 trillion with over 15 million people make their living from the tourism economy. In 2015, California tourism generated over \$122.5 billion, an increase of 3.4% over 2014, with over one million jobs. For Monterey County, tourism is vital to the economic well-being of the region with over \$2.7 billion in economic impact—surpassing the statewide average growth with a 4.5% increase over 2014. Tourism in Monterey County provides jobs to over 24,000 people, and while generating over \$209 million in total taxes, it provides over \$109 million in local taxes that stays in and directly benefits the community.

MONTEREY COUNTY 2015 TRAVEL IMPACTS	
Total Travel Expenditures	\$2.7B (▲4.5%)
Total Tax Revenues	\$240MM (▲4.7%)
Total Jobs/Employment	\$24,390 (▲2.3%)
Total Person-Trips	\$4.5MM (▲5%)

Source: Dean Runyan, Monterey County Tourism Impacts, April 2016

Making the Most of a Rising Tide

It is said that a rising tide will favor all, but this is not always so in the highly competitive tourism industry. In the past couple of years, tourism has seen a rebound with more people traveling and spending at higher levels than before. Each visitor represents revenue opportunities for businesses and tax dollars for residents. Therefore, destinations compete with one another to drive up their market share—in part by stealing shares from competitive destinations. The difference between achieving moderate success and outpacing competitors is usually marked by the ways that a destination markets itself.

While the rebound of the tourism economy has been a source of good news, the even better news is that MCCVB and our stakeholders have unified and collaborated to ensure that Monterey County performs at levels greater than average. In the past two years, Monterey County has outpaced the national growth average of visitor spending, the average for the state of California and the averages of our closest and most competitive counties. This is in great part due to the power of our collaborations.

Visitor Spending (\$ Millions)	2012	2015	3-yr Trend
County			
Monterey	2,367	2,709	14.4%
Napa	1,112	1,269	14.1%
Sonoma	1,620	1,821	12.4%
Santa Barbara	1,859	2,060	10.8%
San Luis Obispo	1,424	1,576	10.7%
Santa Cruz	770	840	9.0%
California*	110,600	122,500	10.8%
US Average**	854,700	947,100	10.8%

*Source: Dean Runyan California Travel Impacts 2015

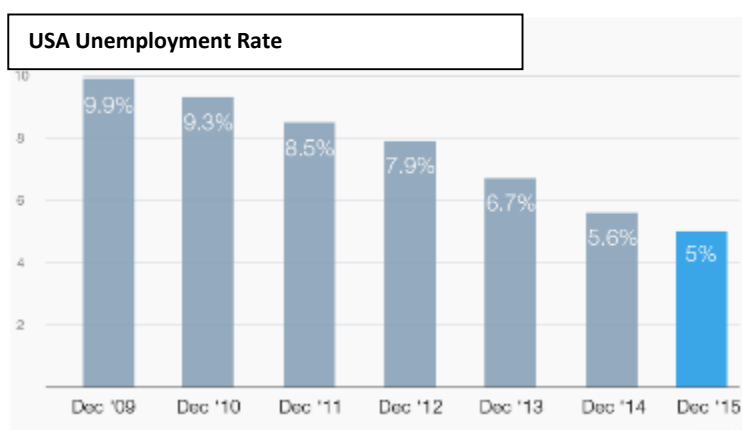
**Source: US Travel Association Forecast Reports 2016

Travel Outlook

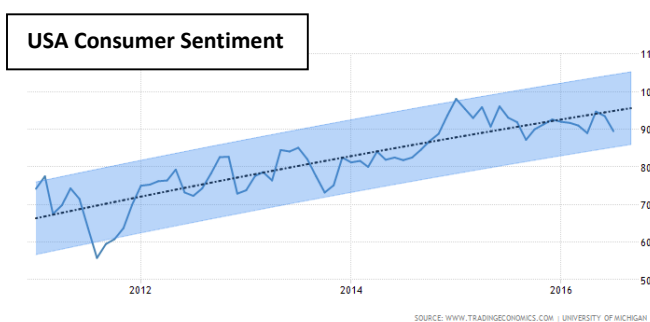
The outlook for travel and tourism is directly linked with the overall outlook for the economy. While the economy has consistently improved over the past several years, economic uncertainty lingers due to a host of factors, including stagnate growth in wages, political unpredictability over upcoming national elections and world events involving terrorism and economic downturns.

The good news is that the rebound in key economic measures seems to be consistently positive. Gross Domestic Product (GDP) is largely considered one of the most important macro-economic indications of the overall economy. It's the sum total of all goods and services produced by a country. When GDP is down, as it was in 2009 with a -2.80% growth rate, the economy is experiencing decline. When GDP is up, as it was in 2013 at 1.88% growth, the economy is in a state of improvement. 2016 is projected to experience 3.28% growth, and 2017 and 2018 are currently projected to see over 2.7% growth per year.

Another projection that merits positivism is employment. The unemployment rate has declined from 9.9% in 2009 to 5% at the end of 2015 according to the Bureau of Labor Statistics (BLS). The BLS also predicts a 6.5% increase in the overall USA workforce between 2014 and 2024. Though hints of uncertainty remain, without question there are more people working in recent years and more jobs being created for the future. This positive outlook means the potential for more discretionary income is also projected to grow, according to the US Bureau of Economic Analysis. More disposable dollars mean greater potential for continued travel growth.



Another key factor for travel and tourism outlook is consumer sentiment, which gauges consumer feelings about the economy and their ability to spend disposable income. While national consumer sentiment appear like a craggy roller coaster, a positive trend line is discernable. For the State of California, the travel outlook is cautiously optimistic with projections for an average of 2.0% growth per year through 2020.

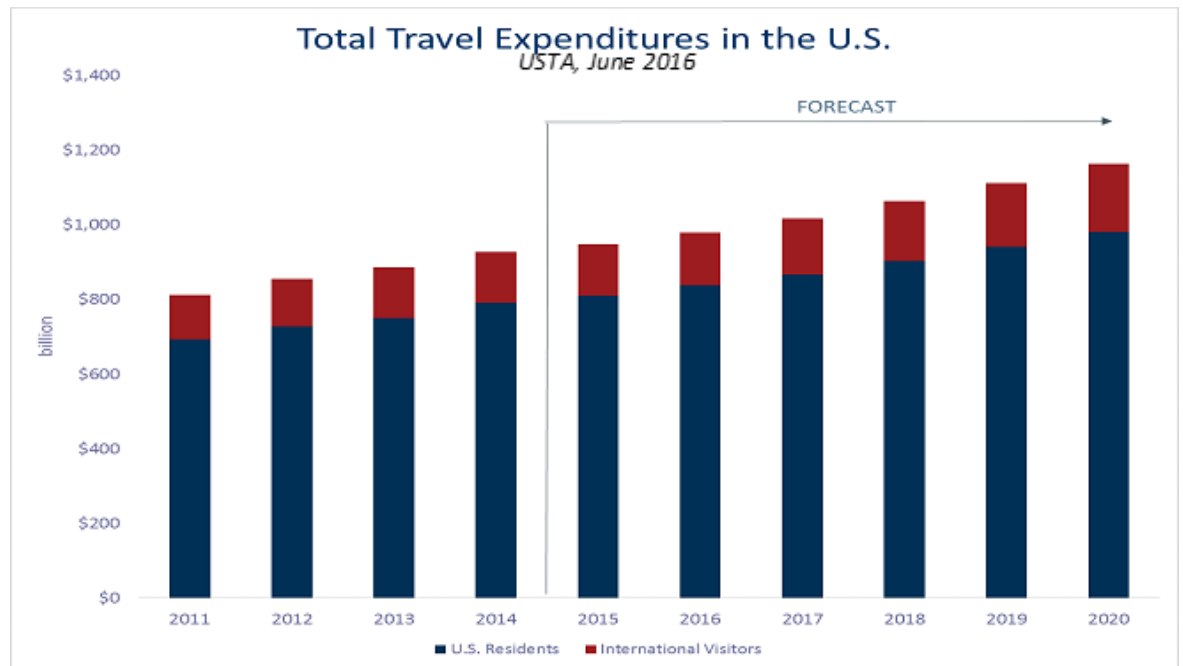


Travel Economy

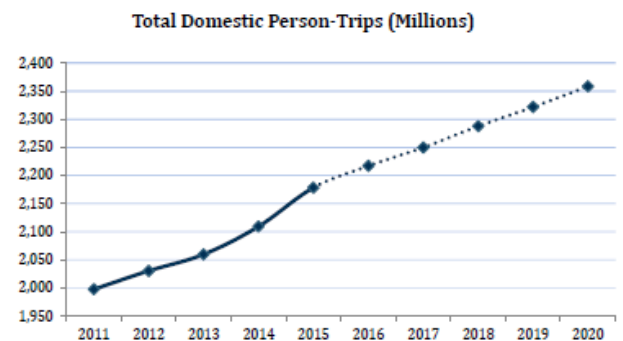
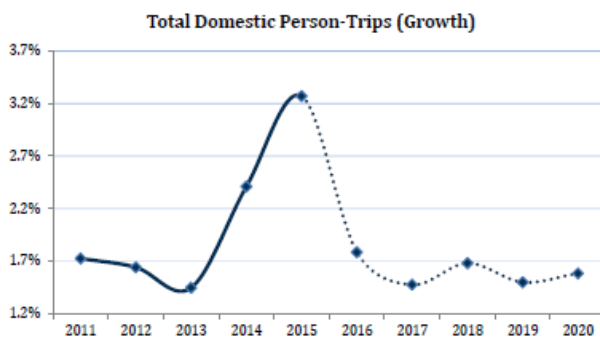
“While the economy is not running on all cylinders, the most important ones are firing away.”

- Travel Outlook, USTA, July 2016

According to the USTA, the travel economy mirrors the overall economy. That is, there are tangible signs of growth and evidence to support continued expansion. There are also factors that could reverse and inhibit that growth. Overall, travel spending is generally projected to increase into the next decade with steady growth in both domestic and international visitations.



In terms of total domestic person-trips, overall growth is forecasted, but the rate of growth is expected to decline in the coming years according to the USTA (*US Travel Forecast*, July 13, 2016).



Group Travel

“Meetings mean business,” declares the USTA—and they support that statement with impressive numbers. Travel for group business contributes over \$114 billion to the travel economy and creates nearly one million jobs. During the recovery of the travel economy, group travel was one of the fastest growing sectors, and a recent American Express study demonstrates that meetings across all segments of

the industry are increasing, along with the number of attendees and the number of days per meeting. This projection holds across all types of meetings.

WHY MEETINGS AND EVENTS MATTER



Overall growth for corporate travel is increasing, but the rate of increase is expected to slow in the coming years according to a recent PhoCusWright study. Growth by group segment is mixed but Meeting Planners International (MPI) published an April 2016 survey of planners that shows corporate meetings will see the greatest growth in the coming year, followed by association meetings, with government meetings projecting a decline.

International Travel

A major factor in the travel outlook for Monterey County is international travel, which makes up 7% or over 17 million person-trips to California. This is particularly considerable when factoring in that international travelers, especially overseas travelers, tend to spend significantly more on their trips. For example, the average Chinese traveler to California in 2014 spent \$2,253 on their trip compared to \$735 per trip spent by domestic visitors to Monterey County that same year.

One of the brighter spots on the travel economy horizon is the projected growth for international visitation. The pace for growth in this segment will be steady and it will outpace the growth of domestic expenditure, according to the USTA.

While China remains the fastest growing country for international travel to California, Canada and Mexico are the number one and number two, respectively, top markets for California travel. These three are the top priority markets for Monterey County, and because Visit California and Brand USA both have co-op marketing programs with each of them, significant opportunities are believed to be available.

MCCVB has also identified opportunistic markets that include the United Kingdom and Germany with the advent of new non-stop air service from these countries into Mineta San José International Airport. The UK alone is a considerable contributor of international visitors to California; it remains fourth behind the three priority markets, and the UK actually tops the number of Mexico visitors by air.

Competitive Considerations

Monterey County competes with a variety of destinations depending on the type of traveler. The destinations in our comp set are primarily determined by those that consumers and customers report in our research programs as destinations they are considering aside from Monterey County. For leisure travelers, these tend to be similarly sized destinations with some or many comparable experiences. For

group travelers, destinations depend on the type (corporate, association, incentive, other) and the size of the group. For international travelers, we engage in *coopetition* with neighboring regional partners because research shows they stay longer and visit more places, and these markets are best reached with shared and leveraged resources (e.g., Visit California, Brand USA). With these visitors it is better to band together to get them to our region for a portion of their total travel spending.

“Destination Promotion: An Engine of Economic Development”

Oxford Economics is one of the world’s foremost organizations focused on economic analysis, forecasting and consulting. They have conducted extensive analysis for and with a multitude of destinations, and in 2014 they published a definitive report on the economic impact of tourism promotion.



Overall, the 60-page report quantitatively reinforced how tourism is a major driver of community growth and well-being. Their key findings:

The visitor economy warrants investments in destination promotion

- i. As incomes rise, consumer spending on travel has grown at an even faster rate, and employment in the travel economy has led growth during the recent economic recovery
- ii. Hospitality and tourism have outperformed the aggregate of all other traded cluster export sectors since 1998, with employment expanding nearly 10% while all others shrank 1%
- iii. As incomes rise and globalization continues, US destinations are poised to continue to capitalize through targeted promotional investments.
- iv. Destination marketing plays an integral and indispensable role in the competitiveness of the visitor economy by pooling resources to provide the scale and marketing infrastructure to promote a place to national and international markets

Destination promotion drives economic development through several channels

- i. Building transportation networks and connecting to new markets
- ii. Raising the destination profile
- iii. Targeted economic development through conventions and trade shows
- iv. Raising the quality of life

Growth in the visitor economy drives growth in other areas of the economy

- i. Destinations with a higher concentration of visitor-related industries have tended to grow faster than average over the past decade

- ii. Econometric tests show that employment shifts in the visitor economy are followed in subsequent years by sustained changes in growth in other parts of the economy
- iii. A 10% increase in a destination’s visitor-related employment relative to the US average tends to be followed by a 1.5% rise in broader employment in the short-run

Economic development can be more effective through coordination with destination promotion

- i. Air service development initiatives can be more effective with DMOs at the table
- ii. The building and adoption of a brand should be coordinated between DMOs and EDAs (Economic Development Agencies)
- iii. EDAs and DMOs should maintain a platform for regular communication
- iv. For important new investment bids, EDA coordination with DMOs results in the best possible pitch
- v. EDAs and DMOs can jointly leverage strategic conferences and trade shows

These findings support the path MCCVB has taken in the past several years and act as guide posts for the future. As a DMO, MCCVB may lead the direction for the destination in growing the tourism economy, but the tourism economy is itself part of a larger opportunity for economic development and improvement in resident quality of life. Hence, collaboration with other organizations within Monterey County including Economic Development, MCHA, Monterey Regional Airport, City Councils and beyond are vital to fully leveraging the benefits of tourism for all in the community.

Customer Segmentation

An in-depth study by Strategic Marketing and Research Insights (SMARI) identifies the largest and most high-value visitor segments in Monterey County tourism based on the Nielsen PRIZM geo-demographic system for customer segmentation in the United States. Out of 66 different PRIZM consumer sets, 13 of them account for about half of actual Monterey visitors. SMARI groups the 13 PRIZM segments based on travel preferences and demographics to create five high-value Monterey visitor types: *Money & Brains*, *Trend Setters*, *Family Connections*, *The Young & the Curious* and *Free at Last*. This information is used to guide MCCVB messaging and media strategies.

NIelsen PRIZM

is a set of geo-demographic segments for the United States, developed by Claritas Inc. The PRIZM system categorizes U.S. consumers into 13 distinct groups and 66 demographically and behaviorally distinct types, or "segments," to help marketers discern those consumers' likes, dislikes, lifestyles and purchase behaviors. It is used by a wide variety of Fortune 500 companies.



Money and Brains

Demographics:

Wealthy • 45-64 years old • Family mix • Graduate degree or more

Key Interests:

Food & Wine • Resorts • Shopping

Attitudes:

Feel that they are seasoned travelers whom others come to for travel advice.

Preferred Social Channels:  



Free at Last

Demographics:

Middle to upper class • 55+ years old, no kids at home

Key Interests:

Scenery • Golf • Outdoor Adventure

Attitudes:

Choose vacations with lots to do • Physically active

Preferred Social Channels: 



Family Connections

Demographics:





Middle income to wealthy • 25 -34, 45-64 years old • Kids at home or empty nesters
Some college to graduate degree

Key Interests:

Kids & Family Attractions • Shopping • Hiking & Camping • Golf

Attitudes:

Like to be amazed by sights or experiences • Re-visit tried and true destinations

Preferred Social Channels:    



Trendsetters

Demographics:






Upscale • 25-44 years old • Family mix • College grade or advanced degree

Key Interests:

Wine & Wineries • Nightlife • Food

Attitudes:

Feel that last-minute travel specials are a great way to get a bargain.

Preferred Social Channels:     



The Young and Curious

Demographics:






Upper middle class • 25-54 years old • Younger, not likely to have kids • College degree

Key Interest:

Marine & Wildlife • National Parks/Outdoors • History/Culture • Scenery

Attitudes:

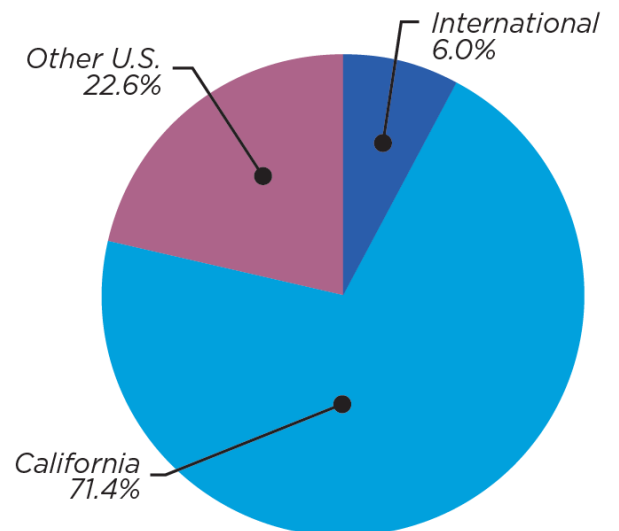
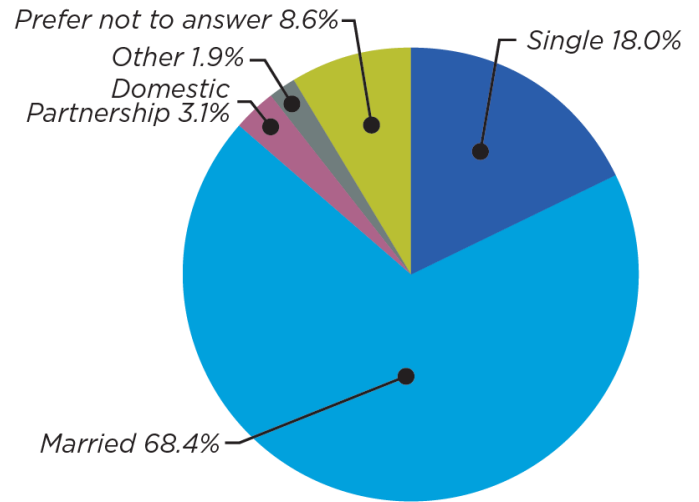
Likely to take more frequently shorter trips • Like to learn

Preferred Social Channels:     

Visitor Profile Study

Monterey County Lodging Guests and Visitor Intercept Surveys were performed by Destination Analysts to develop a *Monterey County Visitor Profile Study*, providing a clear and more in-depth picture of visitor demographics and decision-making factors.

GUEST PROFILE HIGHLIGHTS	
Average Age	49.3 Years
Average Annual Household Income	\$129,925
Children at Home (<18 yrs.)	25.9%
On Vacation	50.8%
Weekend Getaway	29.8%
First Time to Monterey	21.3%
Average Party Size	2.7 Persons
Average Length of Stay	3.0 Days 2.3 Nights
Spending Per Person Per Day	\$213.65
Mode of Arrival	79.4% Car
Most Important Reason for Trip to Monterey	62.3% Scenic Beauty



Group Sales: Trends, Issues & Opportunities

A Seller's Market?

A variety of reports and studies, including one from Carlson Wagonlit Travel, has indicated that demand for meetings and conferences will increase in coming years. CWT's study predicts a 4.2% increase for group rooms in 2016. However, this study was a macro trend analysis on North American group travel, so the findings are to be interpreted based on localized market conditions. Markets such as Monterey County have challenges such as limited airlift and being surrounded by much bigger, more accessible cities such as San Jose, San Francisco and San Diego. Nevertheless, Monterey County has thus far surpassed the projected rate trend with Group ADR growth of 7.1% and Group RevPAR growth of 4.6% in FY15-16, according to Smith Travel Research. The key takeaway is that the business climate for groups, meetings and conferences is optimistic.

Competition for Group Business

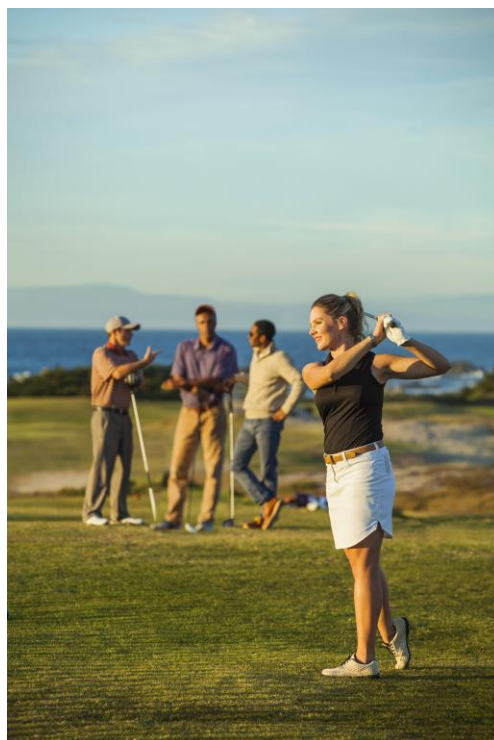
If the group travel climate is sunny, the competitive nature of the business dots the sky with clouds. First and foremost, no destination can take industry growth projections for granted. Success for Monterey County is in part reliant on understanding and taking advantage of key trends.

Experience Matters

Meeting planners still rule the roost in terms of determining destination selection. However, in recent years, especially with Millennials entering the group travel market, the experience associated with the meeting is critically important to driving attendance. A recent article on MeetingNet.com showcases "5 Myths About Attendees that Can Wreck Your Meeting." Chief among them: not paying enough attention to the overall experience. There is no destination on the west coast better able to positively maximize this trend's opportunities than Monterey County.

Lead Times

With the increases in demand for group rooms and venues comes pressure on lead times for meetings and conferences. MCCVB and Monterey County group-oriented hotels have seen this trend firsthand, witnessing RFPs being required in half or less the amount of time of just a few years ago. Fortunately, this is an area where DMOs like MCCVB can assist in ensuring the process is as smooth and complete as possible.



DMOs in the Middle

Booking a group meeting or conference pits multiple well-meaning sides against each other. On one side there is the meeting planner; on the other are multiple hotels and venues vying for business. One requires a meaningful ROI-based experience for attendees; the other requires a meaningful profit. MCCVB synergizes these expectations and plays a key role in not only attracting business for the destination, making the process easier and more productive for the hotel partners, but also ensuring the outcome for the attendees within the destination.

"Sure, you want them [attendees] to physically show up at your meeting, but is their body the only thing you want to check in? What about their hearts, their minds, their attention, their intentions?"

- Meetings.Net.com, March 2016

Food Fight

With competition being as serious as ever, Monterey County has an opportunity in a key emerging trend: food and beverage. F&B is not only considered as a top three cost consideration in planning meetings; planners understand that their attendees are seeking more and better options, according to "Top Trends 2016" from *Successful Meetings*. This is clearly a distinct competitive advantage for our region.

"Healthy options are really what we've been seeing for several years... people are taking it to the next level with organic, vegetarian, and gluten-free, as well as locally sourced - everything - from produce to microbrews."

- "Top Trends 2016", Successful Meetings, January 2016

Standard fare with a lookout for dietary concerns is no longer enough. Attendees are not just seeking fuel for their meetings or conferences. They are looking to be *wowed* and to take away something distinctive from their travel experience. Fully customized menus that blend locally sourced ingredients and indulging handcrafted beverages from micro-brews to wine are now an expectation.

Conference Center Trends

It should be no surprise that overall trends in the meetings and conference segment of the tourism economy parallel trends for conference centers as a sub-segment of that industry. Such trends benefit Monterey County and the Monterey Conference Center that will open completely renovated in 2017. The MCC has an opportunity to take advantage of those trends and become the hottest new venue on the west coast.

- **Technology** — From wifi to the latest in audio-visual, technology is absolutely critical.
- **Connectivity** — Technology is not just wires, gigabytes and bandwidth. It is fostering connections both electronic and interpersonal between attendees and those around them and their organizations and co-

workers in other places. Connectivity is a bigger matter and involves space design as well as tech; further, it involves connection between the conference facility itself and its surrounding region. In all these dimensions, the MCC and Monterey County are poised to redefine inspired and innovative meetings.

- **Premium F&B** — Some veteran meeting planners and seasoned business travelers might equate larger meeting venues with more generic menus. A recent blog on MeetingsNet.com (March 15, 2016) reinforced the need for “fresh, local, and sustainable...the trend is shifting from quantity to quality.”

Leisure Travel: Trends, Issues & Opportunities

The Experience is Everything

What was old is new again. In the travel and tourism industry, that means new recognition of the importance of the *experience* of making travel decisions. Yet, what has travel ever been but an experience? This recognition is not without serious consideration as now more than ever consumers are more self-aware. The digital age has trained us to think in terms of user-experience: experiencing the now, sharing the now with others and expanding both one’s personal experience portfolio and engagement with friends and family.



It is not surprising then that consumers are not just looking for places to visit and things to do while there. These are important aspects, but more important is the total experience. The total story. More importantly, travelers are placing a premium on *authenticity*. The experience is not enough anymore; travelers desire authentic stories to gather and add to their own life narrative. This is one of the best opportunities for Monterey County as our region delivers genuine experiences from wine country, the ocean and outdoor adventure.

Generations of Travelers

With the foretelling of the rise of the Millennial generation over the past several years, it is perhaps not surprising to learn from a Pew Research Center study published in April 2016 that this generational segment has at last become the largest. Millennials topped 75.4 million in 2015, surpassing the next largest segment, Baby Boomers, who total 74.9 million. In between is Generation X, and beyond is a generational segment generically referred to as “post-Millennial.”

While Millennials are a sheer force of total population numbers, the numbers that count most in the travel industry are related to buying power. Here, Generation X has the highest median income and Baby

travelmarket report

**Travelers Seek More
Authentic Experiences;
Agents And Tour Operators
Rise To The Challenge**

by Richard D'Ambrosio / May 09, 2016

Boomers reign supreme in terms of personal net worth according to a study by the Shullman Research Center (2015).

The most important point about generational considerations for Monterey County is the need to market to the traveler we need today while never taking an eye off the customer we want tomorrow. Some destinations and travel marketers are notoriously shortsighted in attracting travelers for immediate goals, and they lose sight of who will put heads in beds, fill shops and restaurants and buy attraction tickets in future years.

Monterey County sits on a generational divide with an average visitor age of 49.3 years, according the last annual MCCVB Visitor Profile Study. This is right between Baby Boomers and Generation X, the segments with the most disposable income for travel. However, Millennials are the fifth largest segment of travelers to Monterey County.

Travel Planning & Booking Evolution

The process of planning and booking has evolved at an incredibly rapid pace. In the mid-1990s there were over 34,000 travel agents in the USA. This number declined to roughly 14,000–15,000 by 2012 (NY Times, April 20, 2012). Do-it-yourself travel planning has increased exponentially with the rapid evolution of travel-related technology, online travel agency and apps. This trend continues to this day.

Travelers today are less influenced by advertising for destinations and they tend to determine travel methods on their own. Travelers increasingly rely on social media, mobile websites and peer reviews for travel information, as opposed to traditional sources such as newspapers, magazines and television.

Five Stages of Travel

In their research, Google has identified five stages of the total travel experience. Each stage holds opportunities to influence and inspire through Content Marketing.

- I. **Dreaming** — Every vacation begins with a dream that inspires travel plans. This dream might be inspired by an online ad, an idyllic set in a movie or a recommendation from a friend. From the dreaming stage, it isn't long before planning begins.
- II. **Planning** — Once a traveler is in the planning stage, statistics indicate that they'll visit around 20 different websites in order to find and refine the *perfect* vacation. According to Google, 66% of people spend time shopping around before booking travel.

The Generations Defined

The Millennial Generation
Born: 1981 to 1997
Age of adults in 2015: 18 to 34*

Generation X
Born: 1965 to 1980
Age in 2015: 35 to 50

The Baby Boom Generation
Born: 1946 to 1964
Age in 2015: 51 to 69

The Silent Generation
Born: 1928 to 1945
Age in 2015: 70 to 87

The Greatest Generation
Born: Before 1928
Age in 2015: 88 to 100

* No chronological end point has been set for this group. For the purpose of following a cleanly defined group, Millennials are defined as those ages 18 to 34 in 2015.

PEW RESEARCH CENTER



- III. **Booking** — Once a traveler has completed the first two stages of dreaming and planning, it's time to book the trip.
- IV. **Experiencing** — After choosing vacation plans through careful research and consideration, the outcome of the experience stage is largely reliant on hotel, restaurant and attraction staff encountered during their stay. A great travel experience results in happy customers who are likely to share their experience online with their network.
- V. **Sharing** — In the sharing stage, customer reviews or photos of their experience can influence members of their network to enter their own dreaming and planning stages. Most travelers book accommodations or make reservations based on friend and family recommendations.

32% of business travelers posted reviews online of places they have been.

- SiteMinder, 5 stages of travel

Targeting travelers at each of the five stages with tailored messaging ensures that our brand is with them along their journey.

Strategic Alliance & Channel Partners

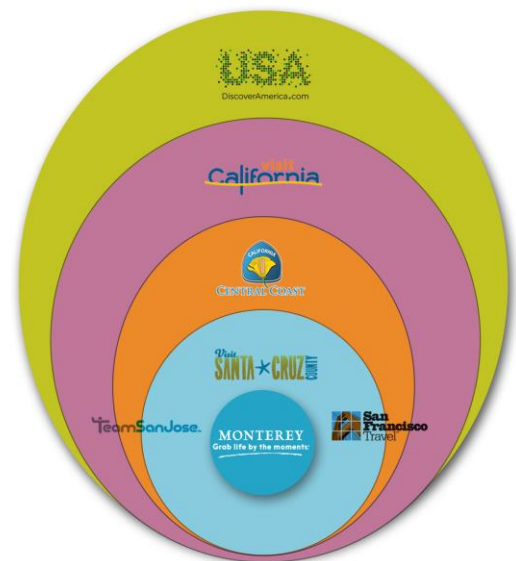
Success in the tourism economy is not only based on smart actions, but also on cultivating collaborative relationships. Specifically, it depends on developing and leveraging relationships with key strategic and travel channel partners. As a world-renown destination, Monterey County relies on reaching out to partners across the country and around the world for continued incremental growth. In maintaining these vital relationships, we are also able to tap into accumulated knowledge and experience throughout the industry.

Brand USA

Brand USA is the destination marketing organization (DMO) for the United States. It was established by the Travel Promotion Act to spearhead the nation's first global marketing efforts to promote the United States as a premier travel destination to worldwide travelers. Brand USA has international offices around the globe and creates a variety of co-op opportunities, including several that MCCVB has taken advantage of in China, Mexico, Canada and the United Kingdom. These initiatives provide a reach that would be unattainable without their programs. <http://www.thebrandusa.com/>

Visit California

Visit California, also known as the California Travel & Tourism Commission, is a non-profit organization with a mission to develop and maintain marketing programs in partnership with the state's travel industry that keep California top-of-mind as a premier



travel destination. MCCVB works hand-in-hand with Visit California on multiple marketing initiatives and target audiences. <http://www.visitcalifornia.com/>

San Francisco Travel (SF Travel)

SF Travel’s mission is to enhance the local economy by marketing San Francisco and the Bay Area as the premier destination for conventions, meetings, events and leisure travel. MCCVB has taken advantage of marketing opportunities as a premier partner destination *Beyond San Francisco*.

<http://www.sanfrancisco.travel/beyond-san-francisco>

Central Coast Tourism Council (CCTC)

The CCTC is a non-profit organization comprised of DMOs and tourism professionals throughout the California Central Coast whose marketing efforts accomplish collectively what no single tourism entity can do alone: promote the entire California Central Coast as a destination and maximize its members’ tourism budgets. MCCVB partners in their marketing efforts to international audiences, especially in the Tour & Travel markets. <http://www.centralcoast-tourism.com/>

“San Jose to Monterey Bay” Regional Partnership

International airlift into San Jose Airport (SJC) is on the rise with direct flights from Canada, England, China and Germany being added over the past year. To promote new flights and attract additional flights into SJC, the San Jose CVB has received an influx of funding to expand its marketing reach. MCCVB and Visit Santa Cruz have partnered with Team San Jose to brand our region “San Jose to Monterey Bay” and showcase the attractions and unique experiences available to international visitors within this region.

MCCVB further promotes our destination through partnerships with industry organizations that focus on growing travel and related interests that contribute to expanding the brand and increasing visitation.

Destination Marketing Association International

As the global trade association for official DMOs, Destination Marketing Association International (DMAI) protects and advances the success of destination marketing worldwide through research and education. MCCVB CEO Tammy Blount serves on the Board of DMAI and will become Chair in 2017. DMAI is an essential resource for in-depth research, development of proprietary measurements and standards and industry partnerships.

<http://www.destinationmarketing.org/>



United States Travel Association (USTA)

USTA is a 1,200-member non-profit organization dedicated to growing the travel economy in the United States. They are a leading source of industry research and they lead the charge in identifying challenges and opportunities. They also produce two important industry events: IPW and ESTO.

<https://www.ustravel.org/>

California Travel Association (Cal Travel)

Cal Travel is the industry voice for travel in California. They are a source of research as well as an advocacy and education organization.

<http://caltravel.org/>

Monterey County Vintners & Growers' Association (MCVGA)

The MCVGA is dedicated to promoting and supporting the art, science and business of wine in Monterey County. Focused on increasing the consumption of wines made in Monterey County on a local, regional, national and international level, their programs often dovetail with those of the MCCVB—after all, a sip of Monterey County wine anywhere in the world is a chance to experience a Monterey County moment.

<http://www.montereywines.org/>

Monterey County Hospitality Association (MCHA)

The MCHA is the trade association for all facets of Monterey County hospitality businesses and employees. Their goals include education, advocacy and employee recognition and MCCVB works with MCHA to collaborate on education initiatives and ensure that the Monterey brand is infused into programs such as their My Monterey training program for front line employees. <http://www.mcha.net/>

Monterey Regional Airport

The Monterey Regional Airport (MRY) is a key transportation partner for Monterey County and MCCVB with airline relationships including American Airlines, United Airlines, Alaska Airlines and Allegiant Air and direct service from San Francisco, Los Angeles, San Diego, Phoenix and Las Vegas. MCCVB works with MRY in a number of ways including promoting direct air service, such as the November 2015 launch of new service from LA on Alaska Air, promoting the destination brand at the airport itself and collaborating on data analysis to secure new direct service. <http://www.montereyairport.com/>

A Brief Look Back

The road ahead for a destination is partly guided by a firm understanding of its history. It has been three years since the MCCVB introduced an entirely new marketing approach for Monterey County—an approach that was and remains entirely based on research, including qualitative consumer insights, quantitative analysis and in many instances simply listening to our most important customers. As we collaborate with the community on next-level thinking for the coming three years, it is a worthwhile endeavor to take a quick look back on the path that has created a new level of success to this point.

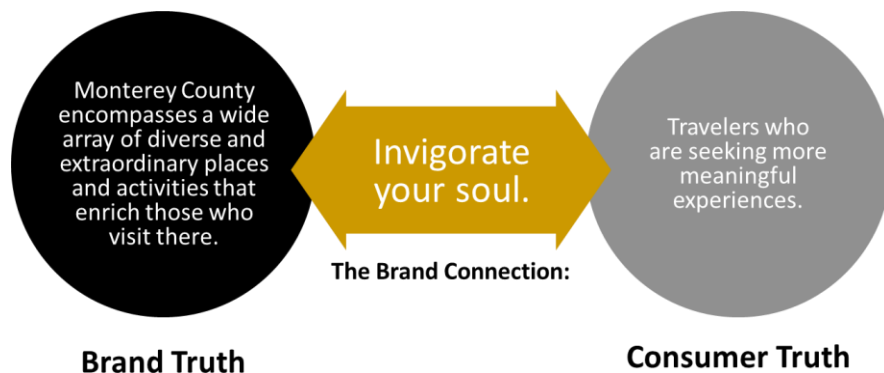
The Destination BRAND acts as a unifying force, aligning all of the people of the destination behind all that it has to celebrate in.

-CNN/Task Group, "Compass-Insights into Tourism Branding"

Branding Monterey County

Prior to FY13-14, the MCCVB relied on a traditional destination marketing approach in which the focus of advertising, public relations, promotions and other forms of marketing communications was asset- and activity-driven: *things to do and see*. In order to market Monterey County in a more enduring and compelling way, the MCCVB shifted gears in FY13-14 and transitioned to a brand-driven marketing approach. Branding—whether done by Target, Apple or Monterey County—relies on harnessing an emotional connection to not only sell a product or service, but to create an enduring and more meaningful relationship with consumers. And, a successful destination’s brand marketing strategy creates a strong emotional connection with its visitors.

At its core, branding is about *truth*. The truth about what travelers are seeking and what a destination can legitimately offer. As with any MCCVB strategy, research was first employed to reveal the truth within the Monterey County brand and to find the link with what consumers are looking for in a travel destination. As a result of many focus groups and quantitative surveys, we learned that the Monterey County brand not only touched the hearts and minds of travelers—it transcended deeper. *Monterey invigorates their souls.*



Another step in the process was determining what to call the Monterey County brand—what is our region’s identity? Again, the answer lied with travelers, and additional research was deployed to determine the most positive, useful way they refer to our region. The research was conducted in part by showing consumers the geographic area of Monterey County without labeling any part of it. Of the numerous ways that respondents referred to the region, overwhelmingly predominant identity chosen was “Monterey,” without use of the word “county.”

Further, the research showed that consumers have preexisting feelings and ideas about the word “Monterey” including notions such as *romantic, escape, adventuresome, alluring* and *bucket list*—all of which provide fertile emotional ground for building emotional connections to the brand. As a result, the brand identity and logo evolved



While the brand is referred to as “Monterey,” an umbrella identity, the brand marketing program involves and promotes the Monterey County *product* from Seaside to Soledad, Moss Landing to Big Sur and each and every life-enriching moment within.

Group Marketing

Just as with the overall destination brand, our new branding approach addressed how we brand Monterey County for group sales. Similarly, research was employed with meeting planners—from those who know us best, our Customer Advisory Board (CAB), to those planners who have never before booked a meeting in Monterey County. The research involved one-on-one and group interviews as well as qualitative nationwide surveys, and covered topics ranging from the Monterey brand and its positioning to the Monterey Conference Center and the potential impact of its renovation.

Brand direction for Monterey County for group travelers stems from the same truth motivating leisure travelers: it is about *inspiration*. In fact, our CAB said that between the incredible nature-made landscape to the great variety of interesting spaces and life-enriching places to hold meetings within the county, *inspiration is our top competitive differentiator*. Hence, the new brand identity for groups was born: “Monterey, Inspired Moments in Meetings.”



The Monterey Conference Center

The Monterey Conference Center (MCC) has been a centerpiece for meetings in Monterey County since its opening in 1977. It has a rich legacy as a center of innovation where companies and associations come to think and create; in fact, it is the birthplace of the TED Conference. However, as with any conference center, there comes a time to evolve. The questions *when, how* and *what to expect* were posed, and the MCCVB was called upon to help find the answers.

Research again guided the process to uncover the answers, and in 2013 the MCCVB conducted a cost/benefit analysis (*Monterey Conference Center Report*, SMARI, October 2013) on the renovation that involved analyzing a number of data inputs. Based on the data available at the time, the report compared the potential gains from a building renovation versus the potential losses of going without one. The results clearly demonstrated that, given those variables, there were significant potential benefits to renovation. Between this study and qualitative feedback from the CAB on the MCC renovation, the answer on whether to renovate was a resounding “yes,” and the time seemed to be “as soon as possible.”

The next question was how to best leverage this investment. In conjunction with the City of Monterey and the MCC team, the MCCVB led a comprehensive brand positioning and identity initiative for this important community asset. One of the key findings from the research was that the MCC’s positioning as a meeting and conference facility is inextricably tied to the positioning of Monterey County as one of the most inspirational destinations for meetings anywhere. Whereas Monterey County is recognized for and competitively advantaged by its *inspiration*, the MCC could be positioned as a *hub of innovation* within the greater destination.

Based on this positioning and working with the design team of the MCC architect firm, SOM, the MCCVB led the development of the new brand identity, taking the old to the new:



Where innovation and inspiration meet.™

THE PLAN

- **GROUP SALES & STRATEGIC CLIENT SERVICES**
- **MONTEREY CONFERENCE CENTER**
- **MARKETING COMMUNICATIONS**
- **VISITOR SERVICES & MEMBERSHIP**
- **COMMUNITY RELATIONS**

ACTIVITY CALENDARS

While our Business Plan is digitally published on an annual basis, our tactics and other activities are always evolving. We want to ensure our members always have the latest information, so we've created Activity Calendars for Leisure, Group and International markets. The calendars are regularly updated and always available at:

SeeMonterey.com/2016

Group Sales & Strategic Client Services

Generating leads that result in new group business for Monterey County hotels is the primary objective of the MCCVB sales team. The continued evolution and improvement of our sales team and its focus on developing relationships with hotels serve to deliver on increased booked room nights. Key to achieving this goal will be our assurance of top-quality leads (targeting new and higher rated business during off-peak times) and increased hotel response to RFPs.

Group Target Segments

Segment	Corporate	State Association	National Association	Incentive	SMERF
Definition	Company/group authorized to act as a single entity	Group organized for a joint purpose with State-only membership	Group organized for a joint purpose with National-only membership	Company where the primary goal of booking is as reward to employees/clients	Acronym: Social, Military, Educational, Religious or Fraternal groups
Timing	Can meet any time of the year, but avoid summer months/holidays. 2-3 day pattern Range: 10-600 people	Book in spring and fall dates on weekdays. 3-5 day pattern Range: 100-800 people	Book in spring or fall dates on weekdays. 3-5 day pattern Range: 300-1,000 people	Book over summer or holiday periods during weekday or weekends. 3-5 day pattern Range: 10-40 people	Looking for deal periods, so book summer or holiday and off-peak winter months.
Pricing Needs	Will pay higher rates, but not flexible with dates	More rate sensitive and more flexible with dates	Somewhat rate sensitive, less flexible with dates	Least rate sensitive, looking for highest rated facilities	Most flexible with dates, looking for the best deal

Total Experience Planning

For a meeting planner or attendee, ensuring that the hotel is fitting, the meeting room is correctly set and the F&B is delivered on time are all a given. These planning logistics are expected and important, but they are no longer the hinge that winning the business swings on. Instead, planners and their attendees have dramatically increased expectations and now look for an impressive *experience*. The experience is everything. Planners have never had so many choices and they know meeting attendance will suffer if they can't create and fulfill expectations of an outstanding experience. Now more than ever, they depend on DMOs to help carry that weight.

Monterey County is uniquely designed to fulfill this challenge, and our sales team has aligned itself to focus on the total experience. In selling the destination, we act as *experience brokers* dedicated to working with planners and our members to envision, design and deliver extraordinary experiences.

The key ingredient of our destination's brand of extraordinary experiences is *inspiration*. Extensive research with meeting planners shows that Monterey County tops other destinations in terms of its ability to deliver life- and business-enriching inspiration.



Key Initiatives & Areas of Focus

Group Sales' strategic plans will continue to focus on lead generation with an added emphasis on booked room nights and relationship building for continued growth. FY16-17 tactics will build upon the foundation of previous years with a multi-tiered client outreach at key industry trade shows, regional client events and destination FAM tours.

Trade Shows

MCCVB will focus on appointment shows that target high-propensity customers and offer the best opportunities for customer engagement.

Client Events

Client events are about generating excitement for Monterey County and developing relationships. Elements of engagement and fun are foundational to creating strong ROI.

Sponsorships

A focused approach on large industry events will gain more destination recognition from a wider, more targeted audience. We will continue to target highly rated corporate clients from MPS, PCMA, SITE and AMEX.

Familiarization Tours (FAMs)

2016-17 will feature entertaining and interesting FAMs that bring clients to Monterey and allow them to experience our destination in a relaxing, engaged and memorable way. These FAMs will be themed or event-based and include education, site visits and interactive components.

International Group

International group focus will revolve around China's MICE (Meetings, Incentive, Corporate & Exhibition) opportunities as well as both incentive and corporate group business from Mexico and Canada. Tour and Travel market development will continue to focus on building product in these target markets while supporting Visit California's 23 international offices, as they bring important FAMs for four operators and airlines around the globe.

Partnerships

The MCCVB Group Sales team will again leverage industry partnerships in order to provide greater exposure for Monterey County hotels and meeting spaces. All of these partnerships will focus on lead generation and are supported by industry trade shows and publications.

Cvent / SpeedRFP / Elite Meetings

Cvent is a leading cloud-based enterprise event management platform, including destination and venue selection. MCCVB has elevated the profile of Monterey within the Cvent network, enabling our hotel partners to increase group business demand through targeted advertising and improve conversion through proprietary demand management and business intelligence solutions.

HelmsBriscoe

HelmsBriscoe (HB) is a meetings procurement and site selection agency offering an easy alternative to the complexity and expense of planning an event. MCCVB is excited to be a preferred partner with HB, utilizing opportunities to promote *Inspired Moments in Meetings* with their associates and to their clients.

Conference Direct

ConferenceDirect is a third party meeting planner agency that places thousands of meetings and events into hotels and destinations around the world every year. Ninety-six percent of their events are placed with Preferred Partners, a program in which MCCVB participates.

Leisure Sales / Tour & Travel

Leisure sales will continue working closely with wholesalers, domestic receptive operators and international outbound tour operators to fill shoulder seasons and need periods. Primary activities include participating in B2B travel trade shows, conducting overseas sales missions and hosting FAMs for agents and tour operators to experience Monterey firsthand. In FY16-17, we will build on the successes of the previous fiscal year to further develop international source markets in China, Canada and Mexico by

COMPETITIVE SET FOR GROUP BUSINESS

- Larger Meetings, Association and Corporate
- Smaller Meetings, Corporate and Incentive

1. Napa Valley
2. San Diego
3. Santa Barbara
4. San Francisco
5. Sonoma County
6. Lake Tahoe
7. Laguna Beach & Newport Beach (OC)
8. Palm Springs
9. San Jose



Destination Analysts, April 2014

leveraging partnerships with Brand USA, Visit California, San Francisco Travel and our in-market representation in China.

Last year, President Obama and President Xi announced that 2016 will be the US-China Tourism Year. Throughout the year, the Department of Commerce will be working with the China National Tourism Administration, Brand USA, the U.S. Travel Association and other partners to promote travel and tourism between the United States and China. The MCCVB team will continue to promote Monterey to tour operators in both tier-one and tier-two cities that are sending new air lift to San Jose and San Francisco international airports. In Canada and Mexico, we will create product packages that will be delivered to key operators or wholesalers and available for them to sell via their website or other channels.

Domestic Receptive Operators

This segment will continue to be our primary resource in growing tour and travel business within our market, ensuring that we have strong relationships with the receptive operators bringing business to our region.

International Plan

China, Mexico and Canada market initiatives include trade shows and sales missions in order to grow relationships with tour operators that can or do bring business to California's Central Coast. We will work with our partners to create unique and interesting tours and opportunities with Monterey County to help attract more international business. A comprehensive international plan for Monterey County dovetails both Visit California and San Francisco Travel's international plans. It is critical that we work closely with these organizations in order to utilize and leverage the resources available to us to help grow business from new segments. The Central Coast Tourism Commission (CCTC) and the Monterey Bay Aquarium are active partners in additional international markets, such as the UK and Australia.



Strategic Client Services

Strategic Client Services (SCS) works with our community to create the magic for Monterey County meeting planners and attendees. Focused on enhancing the destination's value proposition, we offer a number of services to meeting planners. These services are designed to make our customers' jobs of planning a memorable and profitable meeting—and, therefore, their destination choice—easier. These services include:

- Site Visit Microsites
- Event Microsites
- Online Mapping Tools
- Corporate Social Responsibility (CSR) Programs
- Monterey Medical Meetings
- Flash Your Badge Program
- Pre & Post Conference Activities
- Client Event Planning
- Client Site Inspections



Leveraging these services will deliver an enhanced experience for our clients. A stronger client outreach program is underway to expand awareness and utilization of these value-add programs.

Strategic Client Services represents a core value in our message and purpose. SCS marketing is seamlessly integrated with all Group Sales marketing, and its services and programs are promoted by sales executives brokering the experience to meeting planners. The SCS team ensures that each experience is extraordinary. An extraordinary experience leads to positive content messaging before, during and after the event itself, resulting in extended stays, return trips and brand ambassadors, or evangelists, for Monterey County.

GROUP SALES

FULL CALENDAR AVAILABLE ONLINE: [SeeMonterey.com/Calendar](https://www.see-monterey.com/calendar)

Have questions or suggestions? Email Sales@SeeMonterey.com or call 831-657-6426

Monterey Conference Center

The Monterey Conference Center has always been the hub of innovation as part of Monterey County's portfolio of meeting and conference facilities. Its renovation and reopening in Spring 2017 will not only reinvigorate the venue as a state-of-the-art conference facility, but also reinforce the region's standing as a premier, inspirational meetings destination. Monterey County and the MCC have a long legacy of incredibly inspirational meetings. This renovation will make the MCC next-gen capable and better suited to continue its legacy of incubating new thinking and new ideas.



Conference Center Sales

Our primary goal in creating strategic group customer targets is to enhance our ability to bring groups to the MCC, which results in increased booked room nights and revenues to Monterey hotels and to the destination overall.

Monterey Conference Target Audiences				
Segment	Corporate	State Association	National Association	SMERF
Definition	Company/group authorized to act as a single entity	Group organized for a joint purpose with State-only membership	Group organized for a joint purpose with National-only membership	Acronym: Social, Military, Educational, Religious or Fraternal groups
Timing	Can meet any time of the year, but avoid summer months/holidays. 2-3 day pattern Range: 10-600 people	Book in spring and fall dates on weekdays. 3-5 day pattern Range: 100-800 people	Book in spring or fall dates on weekdays. 3-5 day pattern Range: 300-1,000 people	Looking for deal periods so book summer or holiday and off-peak winter months.
Pricing Needs	Will pay higher rates, but not flexible with dates	More rate sensitive and more flexible with dates	Somewhat rate sensitive, less flexible with dates	Most flexible with dates, looking for the best deal

Primary market segments:

- Corporate
 - Technology/Software
 - Agriculture
 - Pharmaceutical
 - Energy
 - Financial
 - Medical
 - Telecommunications
 - Manufacturing
- Association
 - Higher Rated State Association
 - National Association



Key Performance Indicators (KPIs)

The MCCVB dashboard will be updated on a monthly basis utilizing the booking and lead economic impact calculations from Simpleview, Monthly STR Reports and City TOT financial reports based on the following KPIs:

1. Increase annual economic impact of groups booked for Monterey Conference Center
2. Significantly increase room night bookings to Monterey hotels
3. Year-over-year TOT growth
4. Year-over-year RevPAR growth

Group Marketing Communications

Group Marketing Communications will continue to support the MCC and MCCVB sales teams in creating interest in and driving bookings to the conference center. The marketing communications plan will include paid, social and earned media and will focus on the following objectives:

- Showcase MCC construction highlights by rotating MCC messaging to key target audiences and markets.
- Maximize key trade show presence by aligning media around important MCCVB/MCC trade shows and events.
- Target beyond the meeting planner by building on the audience targeting successes of FY15-16 and reach c-suite level decision makers.



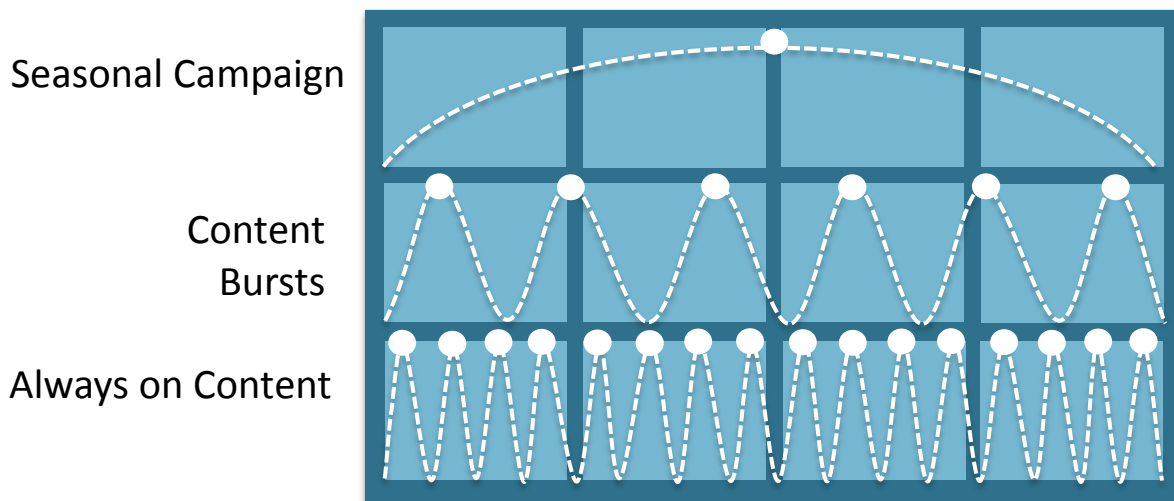
Marketing Communications

Marketing Communications will continue the evolution toward content marketing. Personnel and resources are geared to generating and distributing content that is specifically designed to drive overnight visitation.

1. **Seasonal Campaign:** Campaign to support need periods with content that supports brand strategy and principles.
2. **Content Bursts:** Create bigger content *moments* through tent pole activations in key feeder markets.
3. **Always-On Content:** Create always-on branding that runs year-round and features evergreen content and creative.

Being a content marketing organization involves more qualitative marketing, hence starting in FY15-16 much more emphasis was placed on reaching the right audience (target segments), in the right place (proximity) with the right message (tailored content). This approach will expand in the coming years. There is a trade-off with qualitative marketing; for example, it's less important to drive up overall web visits and more important that we attract people to the web who are likely to take a trip to Monterey County.

Choreographed Go-to-Market Approach



2016-2017 Areas of Development:

- Utilize content marketing to drive engagement—qualified web and social traffic
- Maintain and build upon targeted earned media (ad equivalency) in key feeder markets
- Build upon and evolve group and MCC marketing programs
- Build upon and evolve international marketing in key and opportunistic markets

- Better utilize and share research and reporting for community and members
- Increase collaboration with community and members on content marketing and key programs (e.g., Sustainable Moments)

Three-tiered Content Marketing Approach: Paid, Earned and Shared

Paid Media

Previously, paid media was the foundation for our marketing approach with two major promotions per year (fall and spring) and a level of on-going media placements. In the next year, paid media will increasingly be used to generate and amplify content engagement. There will still be one major promotion per year (fall) and the additional paid media will be used to spike social media reach and engagement.

Examples:

- TripAdvisor and Travel Zoo
- Content hubs in key markets
- Blog posts by brand influencers

Earned Media

Extending from the approach that began in FY15-16, the primary area of focus for earned media will be on the regions and markets with highest potential, determined in part by proximity. Public relations focus will also include overall national and international markets, but the primary tracking goal will be on targeted earned media in designated regions and markets. In addition, more effort will be made to amplify all earned media through social channels.

Examples:

- Media FAMs
- Earned media placements in key strategic markets

Social and Shared Media

Facebook will continue to be the main area of focus for our social program. It is both an excellent channel for content distribution and amplification as well as for converting website traffic with high-potential visits. Instagram will also remain a primary channel of focus. Twitter, Pinterest and other channels will continue to be utilized in accordance with the type of content and the users of these channels.

Examples:

- Facebook
- Instagram
- Twitter
- Blog

LEISURE

FULL CALENDAR AVAILABLE ONLINE: SeeMonterey.com/Calendar

Have questions or suggestions? Email info@SeeMonterey.com or call 888-221-1010

Research

The communication effectiveness study is evolving into a brand preference index that will be more appropriate to measuring the effectiveness of integrated communications with content marketing as a base (as opposed to using paid media as the base, as was done in the past). This measure will be conducted once at the end of each fiscal year. An annual visitor profile study will be published at the midpoint in December as a summary of the previous calendar year's research.

International

China remains the primary focus with the majority share of the international budget, with smaller allocations for Canada and Mexico. An additional portion will be used for opportunistic outreach, including the UK and Europe through the newly founded San Jose/Santa Cruz regional partnership, dubbed "San Jose to Monterey Bay."

Target Geographic Markets

California

- Drive – Northern Cal, Central Valley, Central Coast, Northern LA region
- Fly – LA, SoCal (Orange, Riverside, San Diego Counties)

Domestic

- **Short Haul** – WA, AZ, CO, NV, OR
- **Long Haul** – TX, IL, NY
- **National** (Lifestyle)
- **Group**

International

- China
- Canada
- Mexico



INTERNATIONAL

FULL CALENDAR AVAILABLE ONLINE: SeeMonterey.com/Calendar

Have questions or suggestions? Email info@SeeMonterey.com or call 888-221-1010

Visitor Services & Membership

The mission of Visitor Services is to lengthen stays, expand visitor distribution throughout the region and increase visitor spending. As the welcoming face of our destination, the Monterey Visitors Center at El Estero Park is open 7 days a week, 361 days a year. Our specialists play a key role in guiding visitors looking for ways to create a truly authentic Monterey County experience. By engaging in informative and lively conversations, our specialists directly contribute to the positive economic impact made by visitors. Our team will continue to focus on inspiring and encouraging people to do and see more during their time here.

2016-17 Considerations

- More walk-in visitors are looking for places to stay (per our survey results) than the previous year
- Satellite Visitor Center opportunities have grown year-over-year

Monterey Visitors Center

Because of the widespread availability of WiFi and technology, we continue to witness firsthand the national trend of a minor decline in walk-in traffic at Visitor Information Centers. However, we are still welcoming more than 100,000 annual customers seeking information. MCCVB will continue to invest in technology to meet the needs of those seeking information on enriching their travel experience. Our Visitors Services goal of extending stays is accomplished by regularly gathering accommodations' availability and using it to connect customers with the lodging products that they are looking for. We assist customers in making reservations directly from the center on a daily basis. Last year, the team influenced more than 90,000 incremental overnight stays, resulting in \$29.4 million in additional visitor spending. Canada, Germany, France, Australia and China remain the top five countries of origin of the Visitor Center's international customers.

Satellite Visitors Centers

Satellite Visitors Centers give us the opportunity for visitor engagement outside of the Visitors Center. By coordinating with local events, meetings, conferences and scheduled cruise ships, we are able to help connect our member businesses with visiting customers. Our team takes our portable booth, brochures, maps and other materials around the county to greet and influence guests wherever they are.

Continued Focus and Development

As we continue to try to influence visitors to extend their stay and experience more, with a goal of 60% of visitors influenced, we strive to use our resources in the most strategic, efficient ways. The MCCVB solicits, gathers and distributes member brochures wherever possible. The Monterey County Official



**VISITOR SERVICES
ANNUAL GOAL**
**60%
LONGER**
VISITORS STAY

Visitors Guide is distributed and available to visitors in 18 California welcome centers, 9 California airports and over 300 local businesses and lodging properties. It is also available for download on the seemonterey.com website, so the most up-to-date information is always at our guests' fingertips. We are always looking for additional ways to positively impact travel and exceed customers' expectations.

Membership

MCCVB Membership programs are the building blocks to fostering and maintaining mutually beneficial relationships with tourism related businesses and organizations in our destination. We get to know our members, gain an understanding of their customers and discuss the alignment of MCCVB member benefits to their needs.

We engage our members through coordinated activities and events including our annual meeting, quarterly member orientations, quarterly forums, the *Meet a Member* series, extranet trainings, content and social marketing workshops and familiarization tours (FAMs). These activities enable MCCVB team members to see and experience the products and services offered by their fellow members. They also allow opportunities for the members to learn about MCCVB programs and how they might best utilize and participate in all that MCCVB does to increase tourism.



Community Relations

The MCCVB is committed to working with our stakeholders, partners and funding jurisdictions to grow the tourism economy in Monterey County. In FY16-17, our environment will continue to change and we will pursue opportunities to evolve our programs and initiatives to meet the needs of the destination. This year, Community Relations will focus on increasing communications and outreach to ensure an ongoing dialog with our community, residents, funding jurisdictions and industry colleagues.

Sustainable Moments



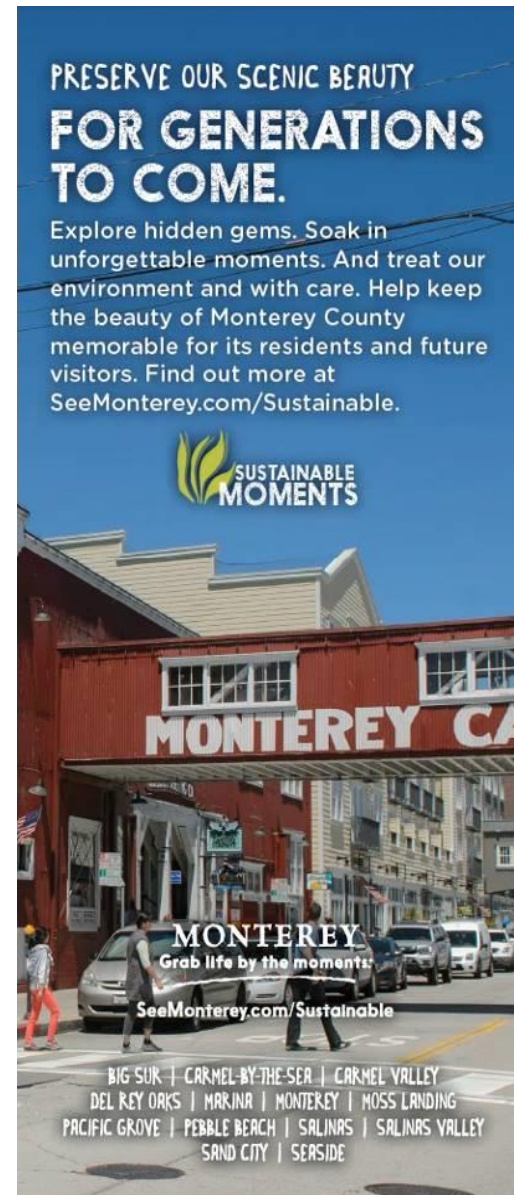
To ensure the quality of life for Monterey County residents and community stakeholders, MCCVB has launched a campaign to bring awareness to the importance of responsible tourism. Monterey County is a popular destination, and in order to remain that way, we must

balance quality of life for our residents with the needs of visitors. MCCVB has identified the need to proactively reach visitors in order to educate and encourage them to treat our destination, wildlife, natural beauty and neighborhoods with care. The campaign has two objectives:

1. Address community concerns and engage residents and stakeholders in helping to promote the campaign in their businesses and jurisdictions.
2. Educate visitors by weaving Sustainable Moments messaging throughout our website, visitors' guides, ad campaigns, tour operator education and marketing materials in an engaging way that makes them want to learn more and gets them to buy in to the facets of the campaign.

Three Key Dimensions of the Initiative:

1. Conservation
 - Stay on trails while hiking, bring reusable water bottles and eco bags, etc.
2. Safety
 - Parking guidelines, animal welfare regulations, etc.
3. Convenience
 - Public transport, public restroom maps, waste disposal locations, etc.



More information and content regarding this ongoing initiative is available on our website:

SeeMonterey.com/Sustainable.

REFERENCES

GDP PROJECTIONS

<https://knoema.com/qhswwkc/us-gdp-growth-forecast-2015-2019-and-up-to-2060-data-and-charts>

UNEMPLOYMENT RATE

<http://money.cnn.com/2016/01/08/news/economy/us-economy-jobs-second-best-year-since-1999/>

DISPOSABLE INCOME

<http://www.tradingeconomics.com/united-states/disposable-personal-income/forecast>

OXFORD ECONOMICS

http://www.destinationmarketing.org/sites/destinationmarketing.org/files/Economic%20Engine%20-%20Master%20Report_0.pdf

CUSTOMER SENTIMENT

<http://cdn.tradingeconomics.com/charts/united-states-consumer-confidence-forecast.png?s=conconconf&v=201607211912n&forecast=2&d1=20110101&d2=20161231>

TRAVELER SPENDING

Visit California (Tourism Economics; DKSA, TNS Global (domestic); CIC Research; OTTI (international); Dean Runyan (expenditures); “Monterey County Travel Impacts 2014”, Dean Runyan

MEETINGS

<https://www.ustravel.org/sites/default/files/Media%20Root/Document/MMB%20Economic%20On e%20Pager.pdf>

<https://www.amexglobalbusinesstravel.com/wp-content/uploads/2016-ME-LETTER-WEB-oct-17-update.pdf>

CORPORATE TRAVEL GROWTH

<https://skift.com/2016/04/06/the-future-of-corporate-travel-is-slow-growth/>

GROWTH BY GROUP SEGMENT

<http://www.mpiweb.org/docs/default-source/meetings-outlook/meetings-outlook-spring-2016.pdf?sfvrsn=2>

INTERNATIONAL TRAVEL

<http://industry.visitcalifornia.com/media/uploads/files/editor/CA%202014%20Visitation%20and%20Spending%20Final.pdf>

EXPERIENCE AUTHENTICITY

<http://www.travelmarketreport.com/articles/Travelers-Seek-More-Authentic-Experiences-Agents-And-Tour-Operators-Rise-To-The-Challenge>

GENERATIONAL POWER

<http://www.pewresearch.org/fact-tank/2016/04/25/Millennials-overtake-baby-boomers/>

BUYING POWER

<https://www.luxurydaily.com/Millennials-active-luxury-buyers-but-spending-power-lies-in-older-generations/>

2015 ANNUAL MCCVB VISITOR PROFILE

TRAVEL AGENTS, NEW YORK TIMES

http://www.nytimes.com/2012/04/22/travel/are-travel-agents-back.html?_r=0

CARLSON WAGONLIT STUDY

<http://www.travelmarketreport.com/articles/Meeting-Trends-Put-Planners-to-the-Test-in-2016>

MEETINGNET.COM BLOG

<http://meetingsnet.com/blog/5-myths-about-attendees-can-wreck-your-meeting>

MEETING PLANNERS/DMOs

<https://skift.com/2016/01/18/meeting-planners-are-relying-more-on-tourism-bureaus-in-2016/>

AMERICAN EXPRESS STUDY

<https://www.amexglobalbusinesstravel.com/wp-content/uploads/2016-ME-LETTER-WEB-oct-17-update.pdf>

IMPORTANCE OF FOOD IN MEETINGS

<http://www.successfulmeetings.com/Strategy/Meeting-Strategies/Top-Meeting-Trends-2016/>

USTA

<https://www.ustravel.org/system/files/Media%20Root/Document/ForecastSummary.pdf>

CONFERENCE CENTER TRENDS

<http://meetingsnet.com/blog/whats-trending-now-conference-centers>

5 STAGES OF TRAVEL

<http://www.siteminder.com/blog/the-5-stages-of-travel-how-to-maximise-your-marketing-impact/>

IS YOUR SUMMER TRAVEL CONTENT DREAM-WORTHY?

<http://www.outbrain.com/blog/2016/03/is-your-summer-travel-content-dream-worthy.html>

2016 U.S. – CHINA TOURISM YEAR



SeeMonterey.com

BIG SUR | CARMEL-BY-THE-SEA | CARMEL VALLEY | DEL REY OAKS | MARINA | MONTEREY | MOSS LANDING
PACIFIC GROVE | PEBBLE BEACH | SALINAS | SALINAS VALLEY | SAND CITY | SEASIDE