

Coronado Tourism Improvement District (CTID)



Minutes from Advisory Board/Board of Directors Meeting June 6, 2014, Council Chambers, Coronado, Ca.

1. Call to Order. The meeting of the CTID was called to order at 2:08 p.m. The following CTID Advisory Board/Board of Directors were present: Claudia Ludlow, Andre Zotoff, Mary Ann Berta, Denise Schwab, Brian Johnson, Eddie Warner and Phil Monroe. Nusrat Mirza and David Spatafore were absent.

Also in attendance: Executive Director (ED) Todd Little, Assistant Coronado City Manager Tom Ritter, Janet Francis from Coronado Visitor Center, Sue Gillingham from Hotel Marisol, plus Joe Terzi, Kerri Kapich and Margie Sitton from San Diego Tourism Authority (SDTA.)

2. Approval of Minutes from May 7, 2014. Eddie Warner submitted a correction prior to the meeting. *Motion for approval: Schwab, Second: Berta. Unanimously approved 7-0*
3. Staff Discussion and Updates. The ED said the Board packets include the very latest assessment update. In April, \$48,430 was collected, a total that is 24% above projections for the month. Year to date the assessment total is \$478,742. That pace is 6% ahead of projections with two months remaining in the fiscal year.

The Free Summer Shuttles are being wrapped tomorrow and Saturday. They begin service on Sunday. Each of the four CTID hotels will have their gratis signage inside the shuttles.

The Visit Coronado mobile app has been updated to include some new features. It now features a detailed map, weather that is updated on the hour and direct link to the live webcam at the Hotel del Coronado. The ED also updated the presentation photos and upgraded the operating system in anticipation of the new iPhones due this fall.

The app will also get some free promotion at the corner of 7th and Orange. The City offered the CTID space to alerts guests and residents and a banner was produced accordingly.

4. Oral Communications. Sue Gillingham introduced herself as a consultant for the Hotel Marisol (on Park Place) that is due to open in July. She will invite the Board Members to their grand opening.
5. Review and Possibly Approve FY15 Marketing Effort. Joe Terzi of the SDTA reflected on the four-year relationship with the CTID and felt it was the right decision to explore group meeting business in Coronado. With the economy showing signs of a strong recovery, he felt it was where the CTID should focus.

Margie Sitton said she met with most of the CTID hoteliers to discuss the possible hiring of an incentive-based national sales director (NSD). These uniquely-qualified executives secure group meeting bookings who are compensated with a gratis trip to the destination they are promoting. They project the potential number of group bookings and plan a campaign of direct contact, email, social media and newsletters.

The SDTA’s action plan would include sales trips, trade show participation and customer educational visits. It would target groups considering Santa Barbara, Orange County and Los Angeles meetings. They would meet regularly with the CTID hotels to ascertain available dates, patterns and offerings.

The NSD would position Coronado as a premier coastal meeting destination, evaluate advertising options and update SanDiego.org/Coronado to engage targeted meeting planners. This would be the first time the SDTA has worked with an incentive-based NSD. The NSD would devote 30% of his/her effort to Coronado and perhaps, in the future, that person could be retain for 100% dedication to Coronado. The SDTA recommend this budget:

SDTA Program Administration	\$16,400
Market Intel. – STR Research	\$2,500
Special Group Sales Person, FTE Salary,	\$45,000
Coronado Group Sales Collateral	\$60,000
Sales Program of Work @ 30%	\$30,000
Coronado Fam. Tour for Planners	\$10,000
Coronado Tradeshow Display	\$5,000
SanDiego.org/Coronado Landing	\$2,500

page	
Group Meetings Marketing	<u>\$156,000</u>
TOTAL	\$327,400

Brian Johnson referenced a recent group meeting lead Loews received from SDTA. It will lead to 2,000 room nights for mid-August. The La Costa Resort was also being considered. Brian thanked the SDTA and said this booking will help the other Coronado hotels because he'll have 2,000 less room available in August.

Margie Sitton added that since January, 16,027 room nights have come to the CTID hotels from SDTA leads.

Andre Zotoff felt this direction made sense because it focuses on the eight months when the hotels rely on non-leisure business. Phil Monroe asked for clarification of incentive-based sales. He was told it means the sales director researches group business in the incentive market, whereby those clients are rewarded with trips based on their company incentive guidelines and rewarded with a trip to our destination. That person targets group meeting decision-makers to keep a particular destination top of mind (and to outline the amenities/virtues of the destination.) Brian Johnson said the targets are usually the very high end group planners. Andre offered Wells Fargo as an example. They recently held their event at the Hotel del Coronado that lead to 350 room nights and three sold-out days. That booking contributed \$300,000 to Coronado's transient occupancy tax (TOT.) Mary Ann Berta said during those three sold out days at the Del, there was no over-crowding in the Downtown district, in fact, "it wasn't packed at all." Eddie Warner asked about the direct mail marketing listed in Margie's presentation. She was told it was not consumer-based, it targets a vertical market, those who specifically plan group meetings. Andre commented that 30% of those who earn an incentive trip bring a significant other at their own expense. He felt this concept was an effective measure to compete against locations such as Long Beach and other coastal locations south of Santa Barbara. Phil Monroe asked for clarification on the \$45,000 cost for the NSD. He was told by Margie it covers 30% of that person's salary so he/she could represent Coronado. The other 70% will be used to reference San Diego group opportunities. The ED commented that the existing budget for National Marketing is \$370,000 and perhaps the \$43,000 difference could one day be applied to gain a greater percentage of the NSD's efforts. *Motion to approve SDTA group meeting acquisition plan at \$327,400 expense: Johnson. Second: Schwab. Unanimously approved 7-0.*

6. Review and Possibly Approve Vendor for Web Projects. Over the past two months, the ED has been meeting with web developers, quizzing them on their capabilities and costs. The CTID has two projects brewing and the ED felt he could recommend the same vendor for each.

The ED said of the two projects, the Community Events webpage is the most time-sensitive because the CTID is timing the launch with the campaign in LA Magazine. To stay brand consistent, the webpage will mimic the ad artwork, but will also include a complete listing of Coronado events as well as photo features of the four CTID hotels. The page will have extensive hyperlinks so the reader can find what they're looking for and the CTID can track their behavior.

Raindrop Marketing was interviewed for this project because they are based in Coronado and provided immediate ideas for improving the webpage. Their bid of \$2,000 was also the most cost effective. The ED recommended them as the best provider for this project.

For the comprehensive website that is a merger with Coronado Visitor Center, Janet Francis has been included in the development, interviews and decision-making. The ED said this website will target both the potential visitor and those already on the island. In developing this project Janet Francis and the ED have envisioned a significant visual introduction followed by extensive menu options beyond what the Visitor Center currently uses and is seen on the Visit Coronado app.

This project will require new photos and videos plus a lot of man hours populating the website. Both the Visitor Center and ED believe Raindrop is also the best suited for this project based on their work with other Coronado organizations and their potential for improving upon our ideas. They have worked with the ED on the budget limitations and he's confident they'll help us reach an October 1 launch date.

Andre Zotoff has met with Raindrop Marketing in the past and thought they were impressive and forward thinking. He feels the photos and videos are critical to the success of this project and want to make sure there's a clear understanding of the Board's expectations. Eddie Warner was confused because the ED's plan differs from original talks of simply updating the existing Visitor Center website. She also wondered why CoronadoVisitorCenter.com was not the recommended web domain. She was told by the ED that the existing Visitor Center website framework was inferior and it was more cost efficient to start with a new custom website. The existing website is WordPress based and our plans would be at the mercy of an available template. The ED felt it was more strategic for the CTID to use VisitCoronado.org for the marketing of the website because it was a natural call to

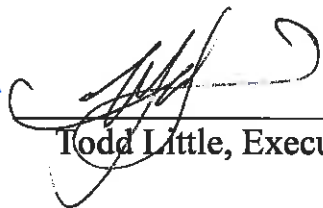
action to book a vacation. She was told that SeeCoronado.com is recommended for the Event webpage because the large-scale website will not be ready in time for the magazine ads in LA Magazine. The ED added that in the future the promotion of Coronado events could fall under VisitCoronado.org. Eddie asked if there was a working agreement between he CTID and the Visitor Center and could the Board review it. She was told by the ED there was one in development but waiting until the July meeting for Board approval was not recommended because it would jeopardize the timeline for the project. Denise Schwab said seeking approval on such an agreement would generate nine different opinions. Phil Monroe said Eddie was only asking to review the agreement. The ED will make the document available. He said the Visitor Center has been pleased with the collaboration so far. Eddie asked if the planned website would fulfill the ED wish to oblige tablet users. He said yes, in fact the new website would also included a responsive design to accommodate future devices. *Motion to approve Raindrop for both the Event webpage (\$2,000) and CTID website collaboration (\$10,000:)* Monroe. Second: Warner. Unanimously approved 7-0.

The Board discussed plans for meeting in July, tentatively using July 16th as the next available date.

7. Adjournment. The meeting was adjourned at 3:23pm

 9-4-2014

Denise Schwab, Secretary, Date

 9-4-2014

Todd Little, Executive Director, Date