



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS MEETING

Hotel Carmel

San Carlos and 4th

Carmel-by-the-Sea, CA 93921

Thursday, November 14, 2019

2:30 PM

MINUTES

Board Members Present: Mark Watson, Pamela Sheppard, Rich Pepe, Ken Spilfogel, Chip Rerig, Amrish Patel, Berit Keeble, Ramon Serrano, John Lloyd

Board Members Absent: Jenny MacMurdo, Mary Crowe

Also in Attendance: Amy Herzog, Visit Carmel Exec Director; Steven Smith and Ashley Brune, Abbi Agency (Via Phone); Jeff Burghardt and Bryan Tracey, Madden Media; Carrie Theis, Hofsas House and CBTS City Council; Jo Todd; Jennifer Kocher and David Marzetti, MCCVB; Anthony Carnazzo, The Stationaery; Suzanne Gravelle, Carmel Area Reservation Service; Chris Whitman, OLS Hotels; Dale Byrne, Carmel Cares/CRA; Martha Torres, resident; Michael Buffo, House of 8.

MEETING CALLED TO ORDER: Rich Pepe called the meeting to order at 2:30 PM

Public Comments: Jo Todd mentioned the Monterey Museum of Art is having an art show has several Carmel Artists represented. Chris Whitman introduced himself as the new company that has taken over The Getaway and The Hideaway operations.

Approval of Minutes: ***Amrish Patel made a motion to approve the Closed Minutes from October 10, 2019. Chip Rerig seconded the motion. Minutes approved.***

Election of New Board Members: ***Chip Rerig made a motion to accept: Amrish Patel as the out-going board member; Mark Watson would be staying for another 3-year term; and John Lloyd (Pine Inn) and Ramon Serrano (L'Auberge) would be joining the Board for new 3 year terms respectively. Pam Sheppard seconded the motion. Motion unanimously approved.***

Restaurant Management Committee Elections: ***Ramon Serrano made a motion to accept the CRID committee which includes: Greg Ahn (7th & Dolores), Rich Pepe (Pepe International), Anthony Carnazzo (Chair/The Stationaery), Ken Spilfogel (Flaherty's / Village Corner), Collen Chen Panzuto (Il Tegamino),***

Sarah Kabat-Marcy (Cultura) and Wendy Walker (Yeast of Eden). Berit Keeble seconded the motion. Motion unanimously approved.

Financial Report: Mark Watson reported that VC has just under \$250K in the bank. VC has a lot of bills to pay in November but is expected to finish out the year with approximately \$289K. Revenue is off by about \$10K from projections. PR and Marketing are, so far, under budget for the year. Total expenses for October were \$144K. The 2020 Budget and the new contract with Madden Media created changes in categories on the budget in all areas. Some of the discrepancies in budget spending are due to timing of expenses. We are on target with the Budget. Jeff Burghardt reported that from a marketing standpoint all monies are being spent as expected. Chip Rerig pointed out that July/August saw a 4% decrease in REVPAR which also equated to a decrease in TOT for that period. CBTS is 4.4% up for the year in overall market share. VC discussed adding a larger comp set (possibly Lake Tahoe) to study market share due to the increasing volatility in the market place. Due to the increasing turbulence in the market place, VC decided to back off from the 2.5% spending increase slated for 2020 in an abundance of caution. The Board agreed to re-evaluate the spending after reviewing the revenue received during the 1st Quarter 2020. The Board did agree to maintain the additional \$12K added to the Digital Marketing budget to promote Carmel Culinary Week. VC has a planned \$350K going into the 1st Quarter 2020 to start the year off more robust than in previous years with more funds in reserve. This is a precautionary action on behalf of the VC Board in case the economy flattens out. The Board will vote on the proposed 2020 Budget at the January 2020 meeting.

CRID Update: Anthony Carnazzo reported mainly on the progress with Carmel Culinary Week. Sur La Table space has been secured for demos during that week. Restaurant participation is slow to confirm and participation is key to the events' success. 10 restaurants have confirmed and 10 more are forthcoming. There is a December 4, 2019 workshop scheduled for restaurants which will be key to promotion and participation in Culinary Week. Final signup for participation in December 6. The committee's goal is 50% restaurant participation for the inaugural event. The Board suggested that the committee discuss a date for next years' event to promote during this years' Culinary Week.

Executive Directors Report: Amy Herzog went over the following highlights:

- A new bookkeeper has been hired to assist Mark Watson. Her name is Karen Davis.
- Monterey Airport is doing well. They are up 16% YOY thanks in large part to the two new flights. Amy encouraged all applicable business, especially Inns, to add the link to the MC Airport to their websites. January 4 – April the two new flights will not be in service.
- Stakeholder communication mainly focusing on Carmel Culinary Week, Fall Campaign highlights, Moz survey for hotels, FAM updates and Mural Contest.
- Recap of 2nd Annual Meet the Makers Event. 130 tickets sold vs 225 in 2018. Price increase from \$10 to \$25 in 2019. Art Walk normally sees an average of 30 attendees.
- CBTS Mural contest underway. Promotional material has been disseminated around the community. 1 Entry so far.
- Amy briefly recapped that the highlights by CCTV, Visit CA and MCCVB. Visit CA continues to lead the way as a DMO, spending 88% of their budget on direct marketing campaigns. They also provided Urgent Messaging PR for the most recent round of fires in CA. This again prompted VC to do our annual review of our Crisis Communication Plan.
- No Board meeting in December. Reminder that Board Meetings are now the 2nd Thursday of the month.

Marketing and Advertising Update: Jeff Burghardt reported that the current reserve marketing budget is for high need time. Typically during the high season marketing had gone dark but this year we did continue to market during the high season but the campaign focused on a dual message of “Love Carmel Like a Local” both welcoming and promoting sustainability. Other highlights included:

- Primary Marketing Goals have been established (Impressions/Engagement/ Clicks/Room Nights). Madden Media has recognized the Non-Linear path to purchasing on the internet has been a game changer. Consistent Branding across on channels is key to non-linear purchases, Madden has sent to all Stakeholder Inns a Moz Survey that will improve Carmel’s search ranking and digital footprint
- Current Marketing is concentrating on our Feeder Markets (SF #1, LA #2, with Sacramento, San Diego, Oakland and Dallas) which have on increased YOY.
- Jack Rabbit Book Direct referrals on the VC Website estimates a \$959K ROI. Total hotel referrals YOY are 87,000. While VC referrals estimated ROI at \$619K with hotel referrals YOY at 56,000. That’s a combined revenue source of \$1,578,000.
- Trip Advisor and Booking.com are the top 2 travel booking websites.
- Jeff reviewed the various stats from the Fall Digital campaign. Quantcast has been underperforming in comparison to other strategies. As a result, Madden has shifted those funds allocated for Quantcast into the Google Campaign.
- Improvements to the VC Website include links to the MRY Airport and tracking for the Book Direct search clicks. VC is engaging with audiences in both Google and FB Campaigns. VC has recently finished their new video content that is popular with SM audiences. Madden continues to push digital images in marketing campaigns for the RID with paid social ads. As a result, restaurant web traffic has seen a significant increase on VC website.
- Madden has added the Bandwango Passport App to the VC Website to assist in visitor participation in Culinary Week. There is now an Online Signup Form for CCW available through this app on the VC website.
- Restaurants are encouraged to come to the December 4 workshop at Sunset Center from 10-12 pm. Later that afternoon from 2-4pm will be a “deep dive” workshop into marketing results. Madden Media and the Abbi Agency will run both workshops.

Public Relations and Social Media: Ashley and Steven presented the following recap via phone:

- CBTS had two media placements in October. Our current DRA is 60. The objective is to get placements with sites that have a higher DRA than CBTS to boost our own DRA.
- CBTS had 7 different Fall FAMS. CBTS is expected to get placements in upcoming media publications including: AFAR, Bay Area Reporter, The Daily Journal, Forbes Travel Guide, The Sacramento Bee, California Meetings & Events and Thrillist.
- Upcoming promotions are planned for CCW including a SM Giveaway focused on the Bay Area audience.
- Overall followers on Social Media increased by .5%. Instagram and LinkedIn saw the greatest increase. We continue to perform well compared to our comp set average. Steven highlighted our various SM posts. Our themed Spotify playlists continue to perform well. Fall influencers provided good SM coverage during their visit. Holiday Shopping focused posts are underway including amplifying MCCVB blog on holiday shopping.
- Abbi Agency plans to analyze the top 15 performing posts across all SM paths to see what /who gets most engagement to replicate for future posts. They also plan to target people who have visited the VC Social Media site by embedding a pixel in our SM posts.
- Abbi Agency received an Award of Excellence from the Public Relations Society of America – Sierra Nevada Chapter for owned media relations.

Additions to the Agenda/Future Agenda Items: Reminder that the next meeting will be January 9, 2020 (the second Thursday) at Sunset Center in the Chapman Room. Mark Watson would like to discuss adding a Budget and Finance Committee. Chip Rerig announced the City's intention to audit 3 to 5 Stakeholder Inns per year for TOT and room inventory starting in 2020.

Meeting adjourned at 4:40pm