



CARMEL HOSPITALITY IMPROVEMENT DISTRICT (CHID)

VISIT CARMEL

BOARD OF DIRECTORS REGULAR MEETING

At Sunset Center and via Zoom

Carmel-by-the-Sea, CA 93921

Thursday, February 9, 2023

2:30 PM

MINUTES

Board Members Present:

Chip Rerig, City of Carmel; Mary Crowe, La Playa; Mark Watson, Inns-by-the-Sea; Pam Sheppard, Horizon Inn; Amy Herzog, Executive Director; Candace Fecteau, Tradewinds Inn; Rich Pepe, Pepe International.

Also in Attendance:

Jeff Burghardt and Nicole Dore, Burghardt + Dore; Lance Wills, Kimberlie Guerrieri, Lynne Allenspach - all with the Chamber; Tim Twomey with the CRA.

(Virtual) - Janice Bradner, Carmel Cares; Tasha Witt with the CRA; Plus Suzanne Gravell, Carmel Area Reservations; Alli Williams and Haley Walter from The Abbi Agency.

Board Members Absent: Carrie Theis, Hofsas House; Greg Ahn, Folktale; Chris Whitman, Pali Society; Michael LaPier, Monterey Airport.

Pam Sheppard called the Meeting to order at 2:30 pm.

Public Comment:

Tim Twomey wanted to thank Amy and Jeff for their presentation regarding destination stewardship.

Tasha Witt wanted to give resident feedback on banners for Love Carmel Like a Local. While Tasha indicated her appreciation of Visit Carmel's efforts, some residents do not like the signage for the campaign. Tasha cited municipal code, indicating areas where she felt the signage was non-compliant. The ideas expressed were that there should be no advertising in median space - too cluttered. Colors do not reflect natural palate of town, nor do they meet design parameters outlined in municipal code on signage. Some on the resident's association hope that we will consider their concerns.

Minutes: – Chip Rerig made motion to approve minutes from January 12, 2023. Mark Watson seconded. Unanimous approval

Officer Nominations:

Officers serve one-year terms starting in April each year. No limits on terms or serving successively. Three officers - Chair, Treasurer and Secretary (current Pam Shepard, Mark Watson, Candace Fecteau) Mary Crowe nominated current officers for another term. Seconded by Chip Rerig. No discussion, nominations accepted.

Financial Report:

Mark Watson presented financial status.

Month of January financial report:

- \$2,500 under in Revenue for month
- \$90,000 under in spending for marketing
- \$8,193 over in Sales – Destination Stewardship (catching up)

Budget YTD - \$170K under in expenses. Spending is planned to bring this balance closer.

Investment Oversight Recommendations:

Oversight Committee (Mark, Carrie, and Amy)

Approved budget does not have us dropping below \$1.2 M in savings.

Recommendation #1

- Move \$1M to Money Market at Wells Fargo
- Current interest 4%
- Return approximately \$40K annually

Recommendation #2

- Government T bills at 4.6% return
- Create Trigger – if there exists more than a 1% difference between a 3-month T-bill and the Money Market, then invest in T-bill.
- Leave \$250K in the Money Market at all times for liquidity

Chip motioned to accept both recommendations seconded by Mary. Passed unanimously.

Reviewing Revised Budget:

Need to shift allocations due to change in Marketing contracts.

- New budget shows re-allocations as well as projected new revenue stream from Money Market interest.
- Existing approved budget was updated with actuals for first 6 months of Fiscal year.
- In PR category, based on some YTD under spending, new allocation was pushed forward to remaining 6 months in FY, but not indicated for specific use at this time.
- Additional 20K allocated for TV for Culinary Week, plus more allocated in digital media spend and Agency services under marketing. Brand strategy research reduced by 40K because that will be brought “in-house.”
- Marketing budget upped approximately \$4K overall, but showing a lot more for the investment.
- Difference of \$10K increase in new proposed budget, mostly due to adding in CRID renewal consulting fees of \$20K.

Chip suggested pausing until we hear Marketing update.

Marketing Update:

Strategy

- Promote off season mid-week and longer overnight stays
- Project world class brand image across all Marketing and PR
- Target upscale \$150K + educated consumers.
- Reach high intent consumers.
- Traveler journey – pushing for longer stays and return visits and travel responsibility (Love Carmel Like a Local campaign)

Results Tracking

- Pandemic boost is slowing
- Website traffic increased by 3.17% YOY
- ROI \$3.9M / Return on ad spend (ROAS) \$1 = \$7.5

Winter Campaign - digital, TV and Print media outlined.

- Hitting mainly drive market.
- Pushing “book direct” CTA
- Media mix brings 19.9 M impressions
- New TV commercial viewed. 12.3 M impressions and 534 spots
- Digital media campaign - 7.6 M total impressions – accounts for 54% of web clicks
- Prospecting performance .13% CTR
- Remarketing Performance .4% CTR
- Video Paid Social Performance - View Rate of 91.9 % as compared to 22% industry average
- Expedia Media ROAS \$1 = \$11.7 – using geo-targeting for SB, Monterey, Napa, Sonoma, Santa Rosa, SLO SF and San Jose

New Digital – Conversant Campaign. This is newly launched due to increased budget. 3-month campaign will provide:

- Target 200+M profiles
- Track in destination credit card purchases
- Report on ROAS

Monthly Eblast open rate 40.1 % over industry 16.97%

Pine Cone ad and local radio sponsorship for ATT Pro-Am

Fly Market

- Dallas, Phoenix, San Diego, Denver, Seattle
- CTR .9% over .1% industry average
- Adding 40,000 seats annually into MRY with new Dallas routes and planes

Love Carmel Like a Local

- New Website - It takes a village; Go the extra square mile; Get involved; Wear it proud
- New digital ads and video for Destination stewardship which will show when you are in area. Applied more budget to this with revised allocations.

Tasha Witt raised question about Visit Carmel designing permanent beach signage. This will be revisited.

Finalized microsite for Best Kept Carmel

Upcoming projects

- Spring Campaign Creative Media – NBC Live
- Culinary Week Campaign – SF TV, Monterey TV Digital
- Destination Stewardship – Expanded digital ads (to visitors who are in market)
- Complete full website – including Culinary Week
- Madden Voyage – Visit Carmel and MRY – IP data driven Intelligence platform
- Brand Research – consumer intercepts, online survey, stakeholder interviews

Revisiting budget – Chip motioned to accept new Budget, Mary seconded, motion passed unanimously.

Executive Director Report: Amy reported

Administrative Update

- New Agreement reviewed, finalized and signed with Burghardt+ Dore 2.0. Plus revised media plan based on revised budget as appendix.
- New Agreement finalized with 62 Above for digital media services
- Signed agreement with Civitas Consulting Services for CRID renewal - \$20K

Monthly eblast went out

Meeting with Jessica – Environmental compliance manager with City
New Earth day event

LLCL – Community Relations. Presentations to:

- City Council
- CRA board
- CCC Business RoundTable
- City Environmental Compliance Manager
- Carmel Cares
- Announced at MCCVB BOD Meeting
- Local media contacts
- Coordinated with City on hanging of banners and signs
- Many BBall caps distributed.

CCTC projects

- Hired a PR Agency
- TV show from UK coming to profile region
- Region wide video this spring
- Ad in Sunset magazine in co-op. Mag includes Alaska Airlines flights in Nov & Dec

Visit California

- Providing more leveraged media dollars and programs
- 2023 Visit California Outlook Forum in Sacramento in March
- CCTC spring retreat in Santa Cruz April 17 – 18

- Cal Travel Summit – Monterey 19 – 21

Advance Planning

- Feb 21 – CRID meeting
- March 16 VC – BOD Meeting – Change of date

Public Relations: Alli Williams presented January recap

Key themes and messages and themes

- Wellness in Carmel
- What's new in 2023
- Valentine's getaway

IMM Conference - pitches

- Vibrant Arts Scene in Carmel
- Top 10 world destination
- Culinary renaissance

PR Preparation

- Journalist content creator outreach for wellness FAM
- IMM Representation
- Creation of Love Carmel Like a local press release and op ed – Feb 1st
- Creation of best kept Carmel press release -Feb 21st

4 media placements

Looking Ahead

- Most romantic place in America
- Sustainable Tourism
- Carmel Bohemian Arts renaissance

Social Media Overview

Impressions increased 10.3% - engagement increased by 4.1%

Content focus

- Dry January, Storm Communication, Restaurant and winery roundups, Hotels, Pro-Am, Beach
- Focusing on more short form video

Placing video Travel Stories on Visit California

Social media performance overview

- showing increases with Facebook, Instagram and new format - TikTok

Boosting posts

- 3 on Facebook and Instagram
- One on TikTok (getting more followers is key initiative with TikTok right now)

Additions to Agenda: None.

Pam Sheppard adjourned meeting at 4:26PM