



VISIT MENDOCINO COUNTY

STRATEGIC & MARKETING PLAN 2015/16



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WE ARE ... THE INSPIRATION HIGHWAY



This Marketing and Strategic Plan is our collective, community vision of tourism promotion for Mendocino County. In the first three quarters of FY 2014/15, Visit Mendocino County created over 892 million consumer impressions, generated thousands of new direct leads, created new contracts for group business, and grew the Facebook fanbase, to date, by over 25%. We are the Inspiration Highway. We encourage local businesses to provide exits off the highway, giving visitors inspiring reasons to stop, stay, and play!

Mendocino County continues to be one of the most unique destinations anywhere. Over the past several years, we, as a community, have worked very hard to share our stories, places, philosophies, products and experiences with all who cross our borders. Our work has and continues to pay off. Our tax receipts from visitor spending are at their highest point since Dean Runyan Associates began tracking them back in 1992. We need to continue to work together to ensure this trend continues well into the future.

It is vital for Mendocino County to continue to be a “top of mind” destination in today’s highly competitive marketing environment. With so many beautiful, unique destinations for visitors to choose from, we must stand out with all we have to offer the traveler. We have to work together to project the best possible image and brand of what the Mendocino County experience provides.

This next year, we will continue to highlight our “wines, waves and wilderness”. We will continue to grow our festivals, partner with organizations and businesses on promoting their events, unique attributes and offerings to the visitor. We will continue to target Northern California with targeted online, radio, outdoor and print advertising. Our robust public relations campaign will continue to reach markets across the US. Sales, visitor services and partnerships will round out our robust and comprehensive programming and efforts.

Some new initiatives to highlight in the coming year are as follows:

- Increase our advertising budget by over 10% to reach more potential visitors
- Re-focus our gateway signage campaign from Highway One in Gualala to Highway 128 around Yorkville
- Double our research and development budget to ensure appropriate board development/training and measurement of DMO’s programs and initiatives
- Begin exploration with local and regional partners on the possible promotion of recreational marijuana use should it become legal in 2016
- Capitalize on organization’s accreditation and CEO’s certification through Destination Marketing Association International

As always, we appreciate the opportunity to work with all of you in promoting our communities. Our door is always open and your thoughts, feedback and ideas are always welcome. Let’s work together to make 2015/2016 the best year yet with continued increase in visitation and the resulting tax dollars helping our county’s economy and culture thrive!

With warmest regards,
Scott Schneider, President & CEO
Visit Mendocino County, Inc.

MISSION

Establish Mendocino County as a premiere destination featuring quaint and charming villages, towering redwood forests and intimate and unique wineries resulting in high return on investment and increased room nights.

VALUES

Innovation

Seek out and implement new strategies and tactics to further advance the Mendocino County brand.

Teamwork

Respect diverse opinions and work together to find strategic, quantifiable solutions to achieve shared goals.

Enthusiasm

Apply the passion we have for our region's fierce beauty, independent spirit, and natural lifestyles to each project we undertake.

Accountability

Strategically plan our program of work, track our progress, and make necessary adjustments to programs in order to realize the best value possible from our tourism marketing investment.

Communication

Share information about processes, programs, and progress within our organization and the greater Mendocino County community.



Part 1: Key Trends

There can be no doubt that Mendocino County, like every tourism destination, does not operate in a vacuum, but rather is subject to a variety of market influences, including economic, travel, social, cultural and demographic trends. As such, it is important to understand the changing environment in which the organization is operating.

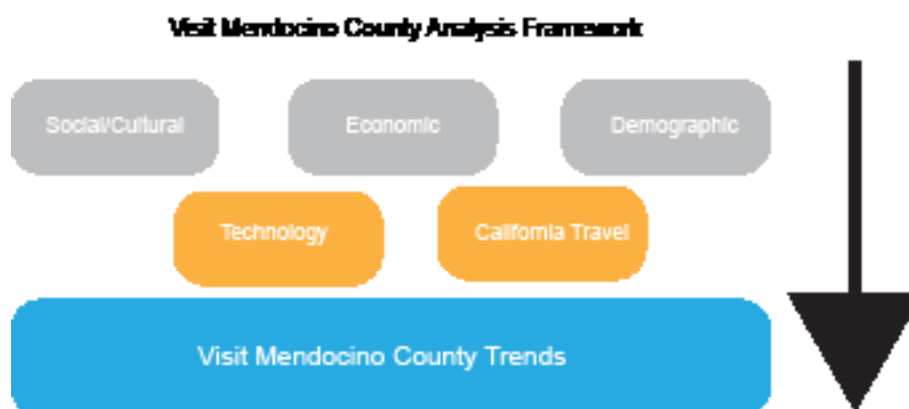
Significant changes are occurring in the California marketplace that impact tourism destinations like Mendocino County, which the bureau has responded to with new programs and strategies. These shifts are primarily the result of a dramatically changed economic environment, though there are also changes in demographics, travel, socio-cultural and consumer value trends that tourism decision makers should be aware of. For the purposes of background and context, the following is a summary of the key tourism, economic and demographic trends that will help to provide a comprehensive context for the development of the Mendocino County strategic marketing direction.

Level 1 Trends

Social and Cultural Trends – Consumers, Destinations and Communications Keep Changing

Changing Consumer Tastes

Consumer Lifestyle



- **People are seeking a deeper connection to travel brands and destinations**

Travelers today are looking to align with brands and destinations that have values and believe in something.

- **“Bleisure” Business travel as a lifestyle**

Today business travelers are looking to stay connected, network and use business travel to explore something new and expand their horizons.

- **Alternative Travel — Shared economy**

The shared economy has gone mainstream as transactions are easier, discovering is faster and feedback is transparent. This trend will continue to impact the property rental market.

- **“Welltality” is the new hospitality**

Destinations and hotels focus on adding wellness features to changing consumer tastes.

- **Luxury Travel**

As consumers today open their wallets and look to spend for unique and memorable experiences.

- **Multi-Generational Aspirational Travel**

Families today are looking for vacations that are transformative for the entire family.

Consumer Technology

- **Mobile Payment and Wearable Technology**

Wearable technology including offerings by Apple, Microsoft, Google, Facebook and many others is changing how people pay and allowing them to pay while on the move.

- **Book Anywhere**

Booking transactions for travel can be made from just about anywhere; they are now flexible and mobile.

- **A Shifting Booking Timeframe**

Mobile technology is shifting the time frame of the traveler and making them open to “Same Day/Next Day” offers. Creating opportunities for destinations and local attractions, restaurants etc.

Destination Trends

- **Rise of the Boutique Destination**

Visitors are looking for emphasis on local unique experiences. Destinations are looking for what makes them different and not what others think you want them to be.

- **Curated Experiences**

Blending of visitors meeting locals, connecting to local and cultural activities and experiencing local dining and restaurants all based on their tastes and interests.

- **Destination Celebrations**

As baby boomers age and celebrate life milestones (birthdays, anniversaries, etc.), destinations are being selected more and more as places to hold these events.

- **Pop Cultural Tourism**

Tourism destination travel based on inspiration for TV shows, movies, and other media etc.

- **Increasing Focus on Millennial Travel**

As Boomers age more focus is on Gen X and Millennials and many destinations are making that transition to messaging, themes and communication channels.

Marketing and Communications Trends

- Instagram is becoming more important in tourism marketing

As social media (Facebook and Twitter) have become augmented with Instagram which is more immediate and viral destinations are looking to more fully integrate this visual format into their marketing efforts. Likewise Visitors are using this more and more to talk about their vacation experiences.

Traveler flexibility and control – research everything

With the continued growth of online and mobile resources, consumers looking for flexibility and control of their vacation decisions have the ability to research everything and often do it not only in pre-trip planning but once a trip is underway.

- **Greater degree of personalization**

Facilitated by increased data mining capabilities, marketing efforts will lead to much more customization for each consumer. Traditional demographic segmentation and targeting will no longer be enough as cutting edge DMOs will focus more and more on customized targeting and offers.

The Face of California Continues to Change

The California population continues to change in two key areas:

1. A shift in age demographics by 2018

This shift falls along three key demographic areas: an increase of 2.5M in the 55+ market, the Millennial market (20-34) will see an increase of just under 1 million and children (ages 0-14) will see an increase of just over 1 million.¹

2. A continuing shift in ethnicity

As of 2011, California has the largest minority population in the United States. Non-Hispanic whites decreased from about 76.3 - 78% of the state's population in 1970 to 39.7% in 2011. While the population of minorities accounts for 100.7 million of 300 million U.S. residents, 20% of the national total live in California.²

Within the minority segments population growth among Latinos and Asians will continue to be strong. Latinos in California will become the single largest racial/ethnic group within the next 10 years and, by 2040, will constitute a majority of the population, according to the Department of Finance, California's Increasing Diversity). Already today, Latinos are the single largest racial/ethnic group among Californians under 35 years old, and almost half of all births in California are to Latina mothers.

Both of these shifts will continue to impact California tourism and potentially create opportunities for Mendocino for many years.

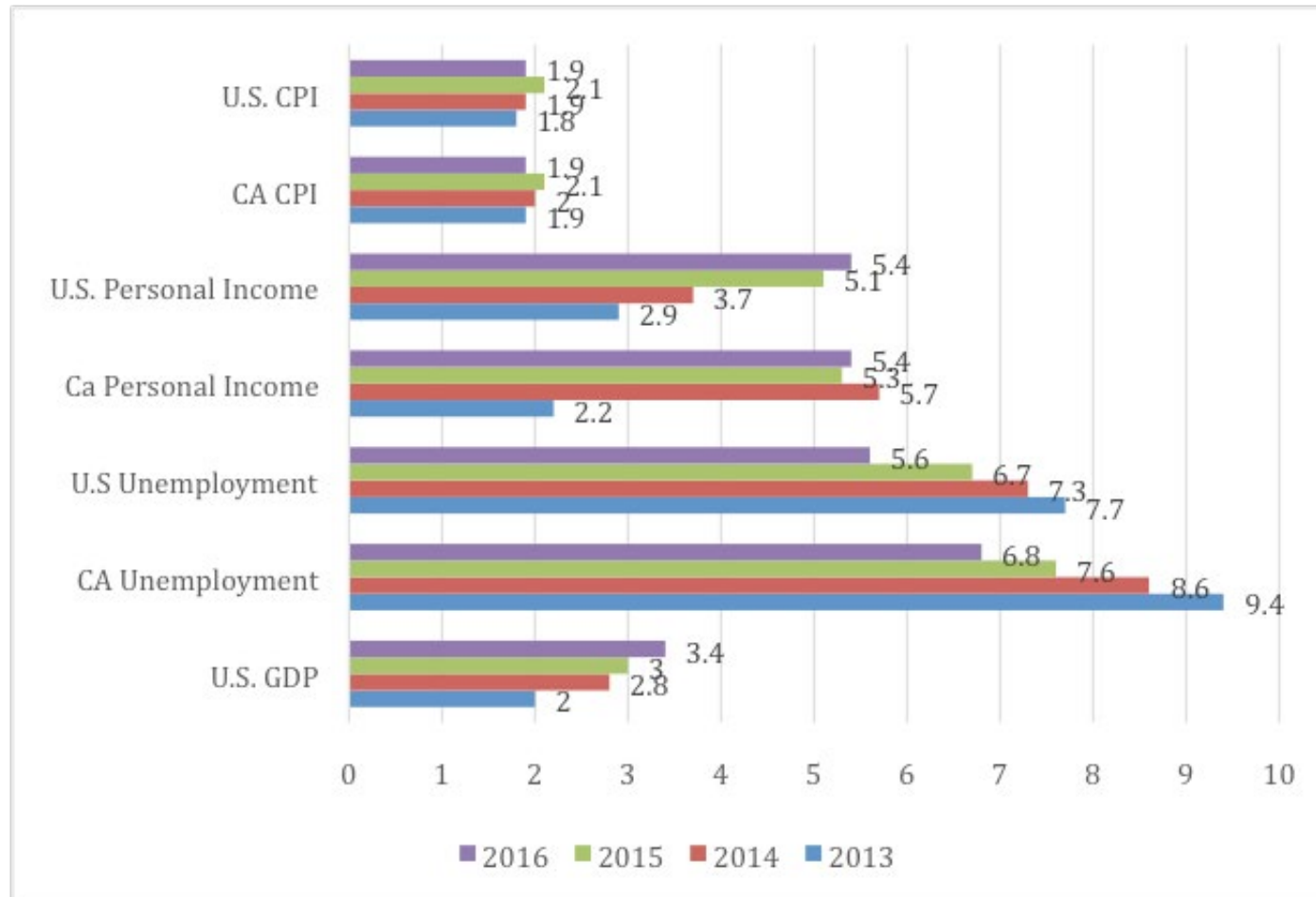
1 Wikipedia

2 Public Policy Institute of California

Economic Trends are Strong

Overall economic trends at both the National and State level have been positive and have enabled travel to become increasingly more positive.

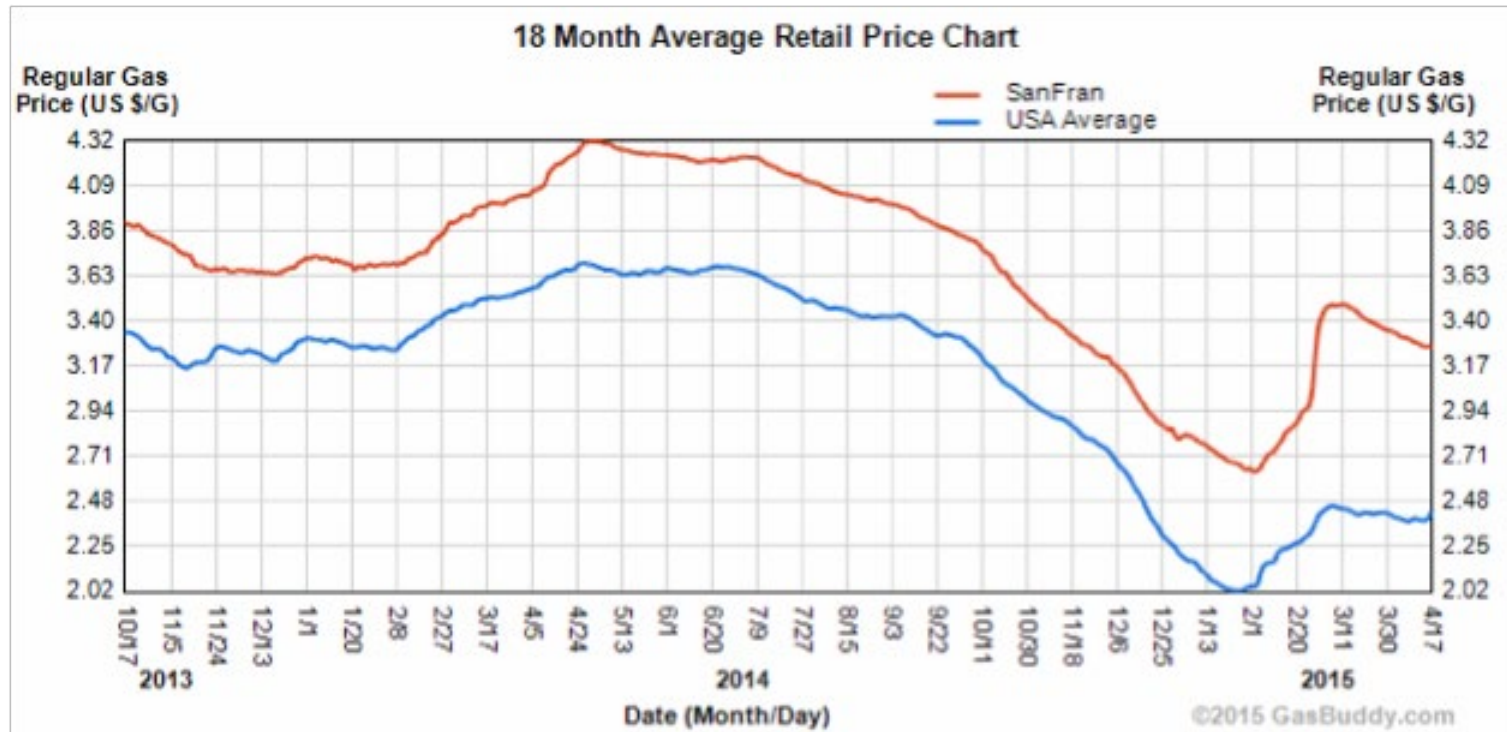
Figure 1: Key U.S. and California Economic Indicators (% Change)



Source: State of California

The price of gas continues to be favorable for regional drive travel providing consumers with more available funding to spend while in the destination. Gas prices are well below the previous high levels.

Figure 2: Fuel Price Trend



Source: GasBuddy.com

Level 2 Trends

Technology has had a significant impact on the travel industry both from a travel planning and reservation booking perspective. Table 1 below and on the following page summarizes key technology trends and their implications.

Table 1: Technology Trends

1. Mobile is now the center of multiscreen landscape <ul style="list-style-type: none">• Consumers are accessing the internet through a variety of devices, but mobile is at the center.• Mobile as primary device means that consumer is always on, and more attuned to ads and offers. This has potential implications for travel research and planning
Implication – Marketing campaigns should not be put in silos, but be part of a multichannel push.
2. Mobile is becoming an important planning and booking channel <ul style="list-style-type: none">• More than 25% of US travelers said they turned to their phones for destination selection.• It's estimated that by the end of 2013, 1 out of every 2 online travel searches came from mobile.• Mobile bookings are on the rise . According to PhocusWright, mobile bookings are forecast to be 12% of overall U.S. travel bookings
Implication – Mobile is a major tool for planning and booking travel.
3. Content marketing continues to develop and become more focused. <ul style="list-style-type: none">• Focus on blogger campaigns allows destinations to focus on niche audiences, often those who are highly engaged.• Authentic messages are replacing hard-sell pitches, making a targeted content strategy imperative.• Video has become a powerful component in content marketing
Implication – Destinations can no longer offer ‘something for everyone’. It is absolutely critical to have a strategy to effectively reach passion-based target segments.

4. Don't ignore the collaborative (shared) economy

- Shared economy businesses now represent many of the facets of DMO services, from lodging to getting around. Think AirBnB, Uber, HomeAway and Forkly.
- Since 2008, AirBNB has grown to 300,000 listings and hosted 11 million guests. In 2012 it hosted 3 million guests , and its size and ambitions may be a threat to larger hotel chains.
- While small now, the collaborative economy has growth potential.

Implication – Destinations cannot ignore the growth of the shared economy, and must identify what unique value they can provide.

5. Big data gets smart

- Huge amounts of data are now generated with every interaction on every digital platform.
- The next step is to make big data smart , by applying analytics to the sales funnel. Think optimizing pricing and inventory and providing customers with context

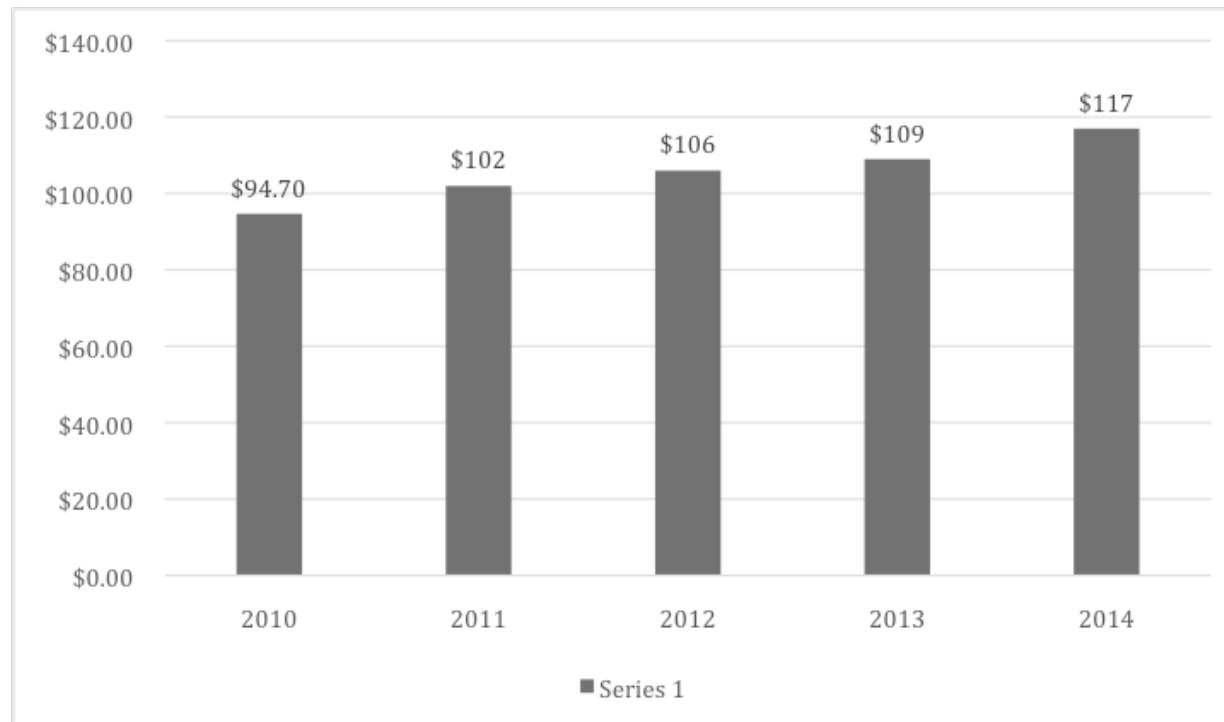
Implication – Destinations should seek to improve how they collect and use customer information to provide a better experience for potential visitors before, during and after their visit.

California Travel Trends – California Travel Spending Breaks a New Record

1. Domestic

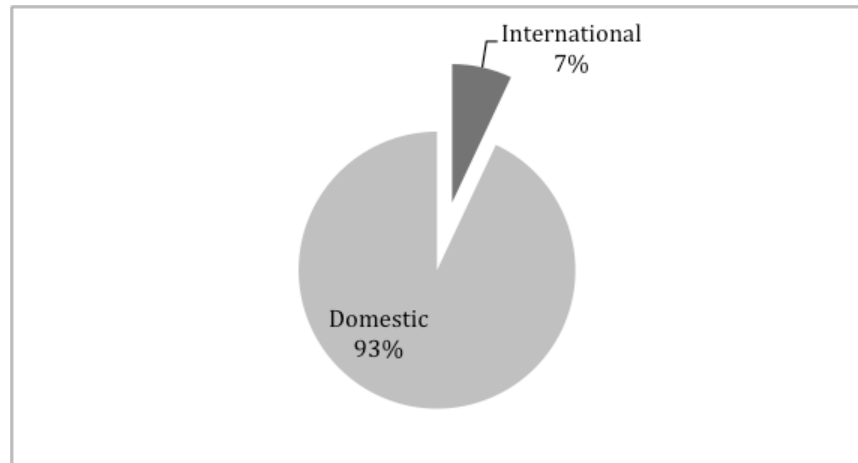
Each year, California residents and visitors travel within the state to experience its variety of attractions, scenic beauty and local culture. According to the most recently released data by Visit California, **the state generated \$117 billion in direct travel spending in 2014**, a 7% increase over the preceding year.

Figure 3: California Travel Spending 2010-2014 (\$ Billions)



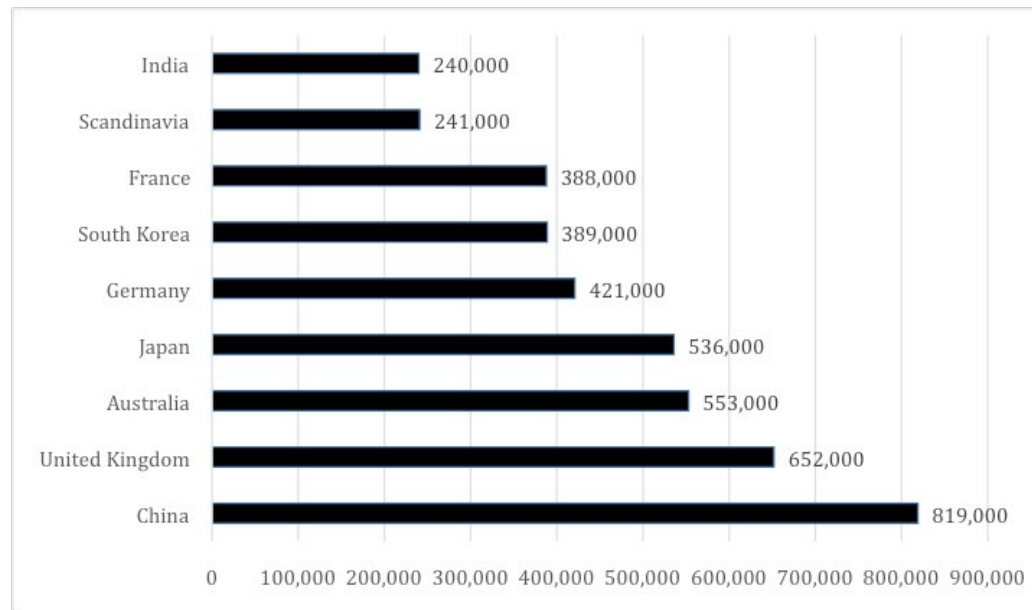
Source: Visit California

Figure 4: 2013 Total California Travel Visitors



2. International

Visit California is focusing its marketing efforts in overseas markets China, the United Kingdom and Japan along with continuing efforts in Mexico. International Visitation data by market can be found below.



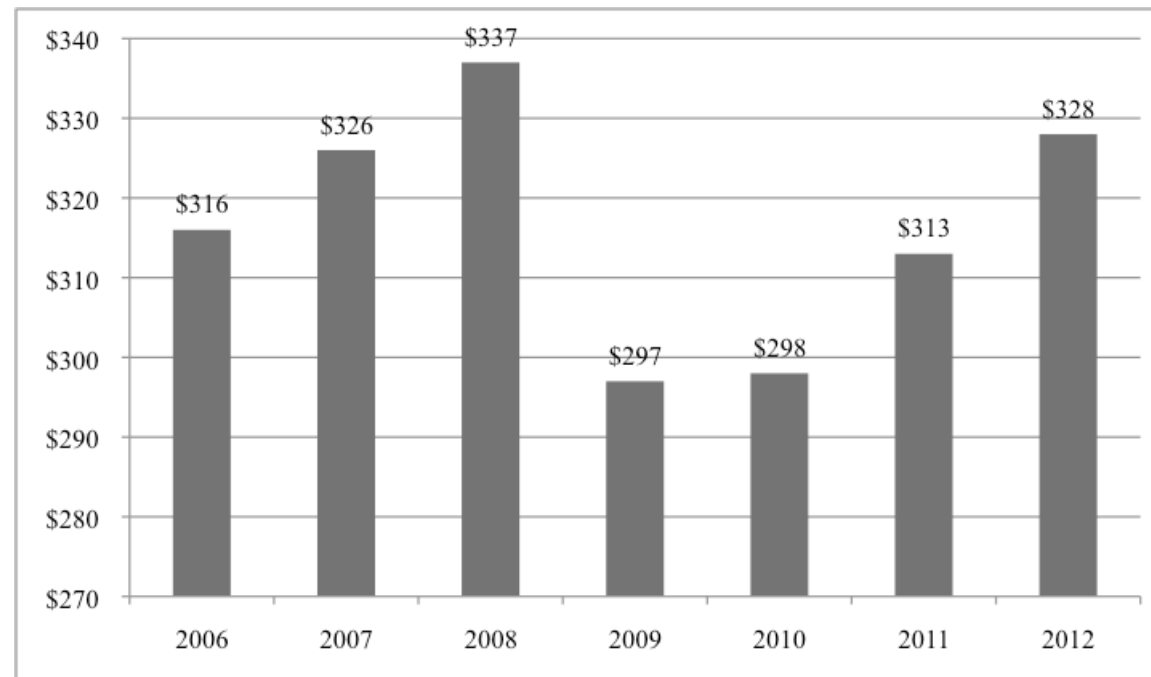
Source: Visit California

Part 2: The Mendocino County Market

A. Size and Scope of the Mendocino County Market in Perspective

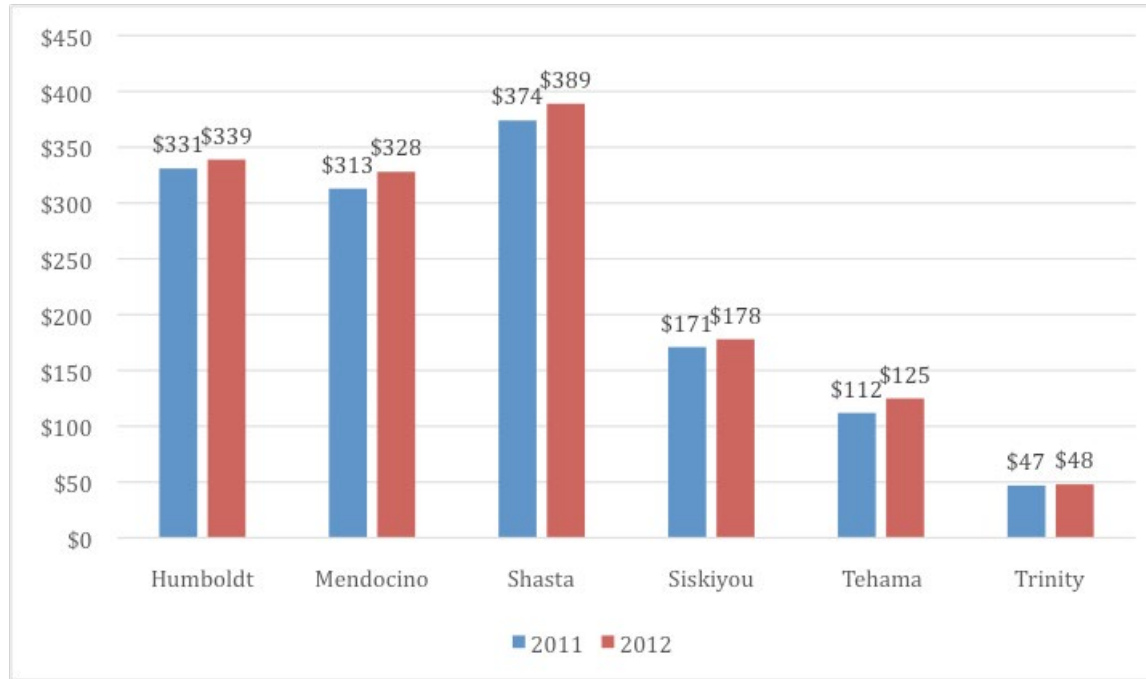
Within the State of California, **Mendocino County as a whole generates approximately \$328 million in travel spending**. The 2006 through 2012 trend is found below in Figure 6.

Figure 6: Mendocino County Visitor Spending 2006-2012 (\$ Millions)



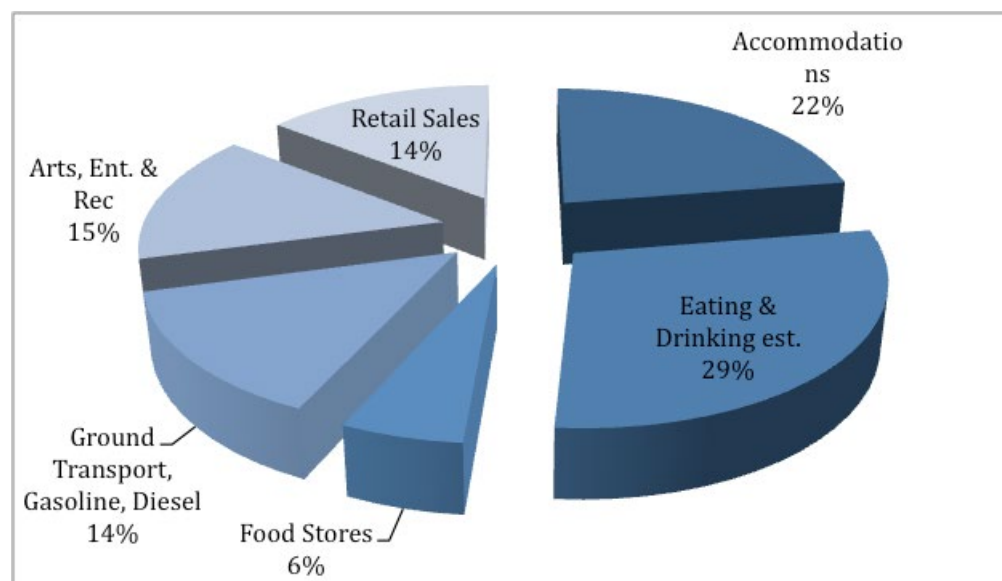
In terms of overall tourism spending, as compared to neighboring counties, Mendocino County and Humboldt County are ranked closely but are both behind Shasta County, as illustrated below.

Figure 7: Travel Spending By Selected County (\$ Millions)



Source: California Travel Impacts by County, 2014

Figure 8: Mendocino County Travel Spending by Type of Business Service (\$ Millions)



Source: California Travel Impacts by County, 2014

Table 2 below illustrates the share of travel spending among Mendocino County and its key competitors. As can be seen, travel spending share has increased for Tehama and Siskiyou County and remain constant for other counties.

Table 2: 1992 vs. 2011 Regional County Travel Spending

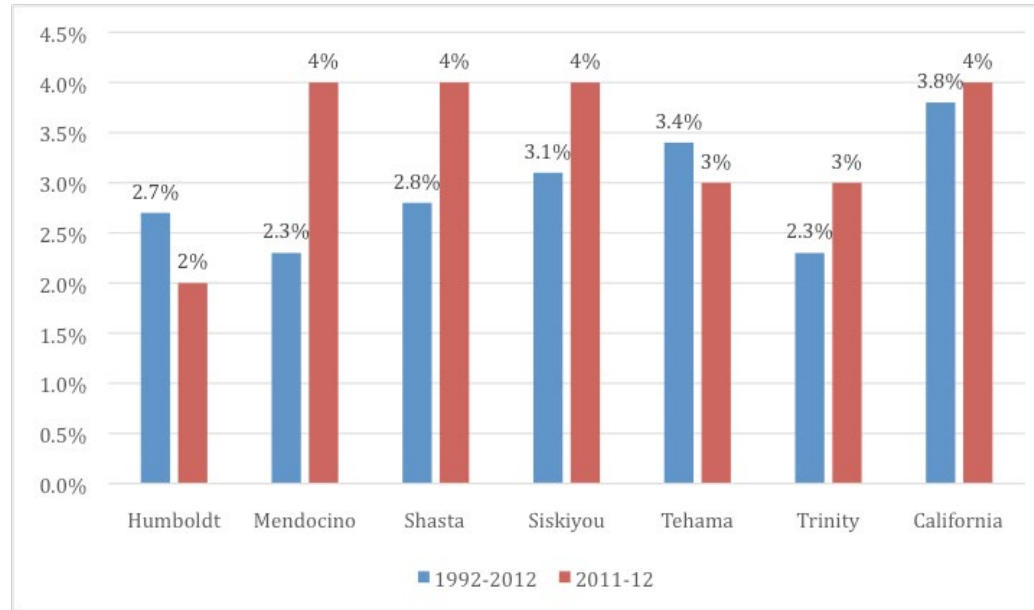
County	1992 Spending (\$ Millions)	%	2011 Spending (\$ Millions)	%
Humboldt	\$198.0	24.48%	\$324.0	23.3%
Mendocino	\$197.6	24.43%	\$328.0	23.6%
Shasta	\$222.2	27.47%	\$389.0	27.9%
Siskiyou	\$96.5	11.93%	\$178.0	12.8%
Tehama	\$63.8	7.89%	\$125.0	9.0%
Trinity	<u>\$30.7</u>	<u>3.80%</u>	<u>\$48.0</u>	<u>3.4%</u>
Total	\$808.8	100.00%	\$1,392.0	100.00%

Source: California Travel Impacts by County, March 2013

B. Travel Spending Growth Rates

Over the long-term growth during 1992-2012, travel spending in Mendocino County averaged 2.3% annually. More recently the percentage change between 2011 and 2012 was 4% right in line with the state average and one of the highest within the comp set.

Figure 9: Average Annual Travel Spending Growth Rate by Mendocino County, Competitors & State of California



Source: California Travel Impacts by County, March 2012

Spectacular scenery, a sense of isolation, an aesthetic sensibility, and a strong sense of community are the standout highlights of a trip to Mendocino County, an area that is well within a drive of the Bay Area and Sacramento.

No matter where visitors come from, their first impression of Mendocino County is one of outstanding natural beauty: redwood forests and rivers from the north, rolling hills and the promise of the ocean from the east, the blue and gold of distant mountains from the south. This is what we offer... a promise of awe at the foot of a redwood tree, a gasp at the sight of a breaching whale, a sigh of pleasure from a sip of wine hand-crafted from century-old vines... and our welcome.

The county's large geographical area is broadly divided into two separate, yet contiguous, parts: coastal and inland. And those areas are themselves subject to their own ge-partitions: north and south coast; north county, Anderson Valley, and the inland corridor. Each of the two major areas has their distinct attractions for the traveler, yet there are commonalities to be found in fine wining and dining, outdoor recreation, and experiences.

There are a myriad reasons why travelers go where they do, and these are almost impossible to quantify. However, what we can offer here is a broad spectrum of what brings visitors to the two major areas of Mendocino County.

Wild and scenic is an understated description of Mendocino County's pristine coastline. From the placid mouth of the Garcia River to the working harbor in Fort Bragg, from the towering mountains of the Lost Coast to the quaint Village of Mendocino, the coastal region invites visitors to become part of the landscape and its history.

The **majesty of the redwoods** and vistas of lush vineyards are just two of the defining characteristics of inland Mendocino County that attract visitors. With two routes into the heart of the county, travelers can opt to wind along Highway 128 through the Yorkville Highlands to the Anderson Valley, or stay on Highway 101, passing through Hopland to the county's cultural center of Ukiah on to Willits and the forests and wilderness that await at the northern part of the county.



Goal

Increase overall demand for overnight visitation (leisure and group) during key times of the year in an effort to increase revenues, employment and taxes in Mendocino County.

Objectives

1. Continue to effectively position Mendocino County as one of California's premiere coastal destinations.
2. Educate consumers on the different coastal and inland experiences that can be found within the county.
3. Maintain marketing focus to key lifestyle and passion segments including outdoor/recreation, wine, food, and romance.
4. Maintain the role of technology and digital marketing efforts in order to broaden the reach and increase effectiveness.
5. Continue implementation of a marketing dashboard that tracks the destination and VMC, and distribute that information in an effort to educate and support the tourism industry.
6. Continue implementation of research that tracks the effectiveness of the VMC website and the influence it has on persuading visitors to visit Mendocino County.
7. Develop and implement board education and training as policymakers and advocates of the county's travel industry.

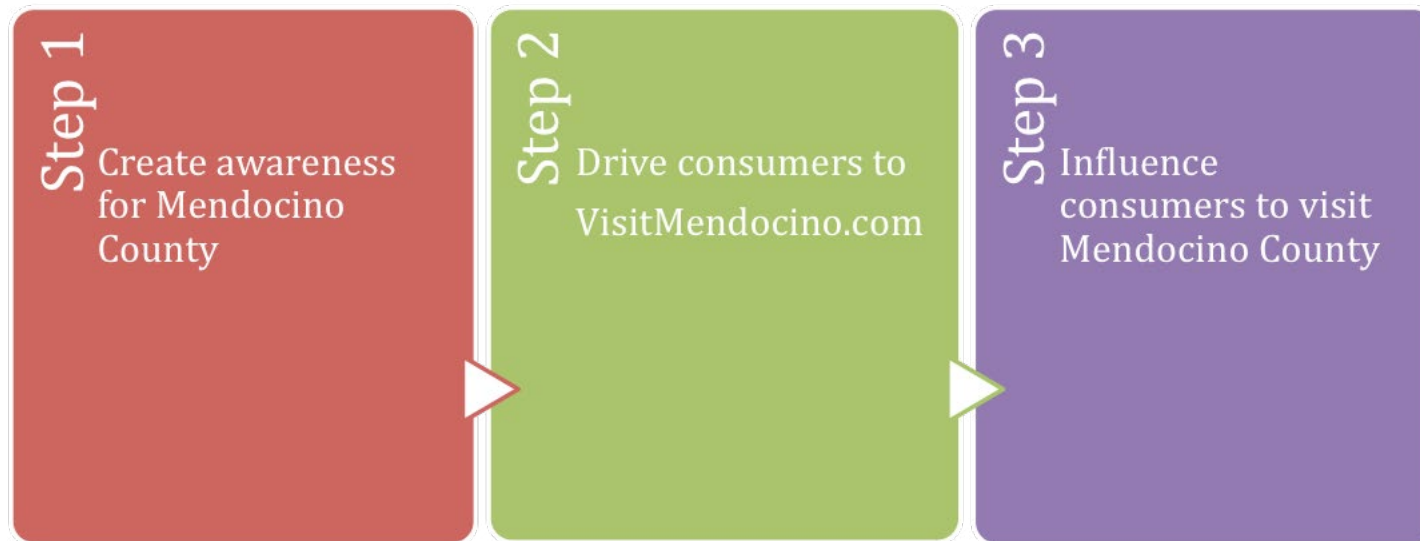


VMC MARKETING STRATEGY

Given the prominent role the Internet plays in travel planning, VMC marketing efforts should continue to drive potential visitors to its website. At the core of the strategy are two basic principles:

- The best organization to create awareness and brand positioning and influencing visitors to choose Mendocino County is VMC.
- The best organization to book a room or make a sale is a lodging property or an online travel agency (OTA).

CORE STRATEGY



How the strategy works

Marketing efforts (digital advertising, public relations, etc.) are used to create awareness and attract target market segments to www.Visitmendocino.com and to increase the existing database for future tourism marketing efforts. Once the target segment is attracted, they either show interest (go to the website) or not.

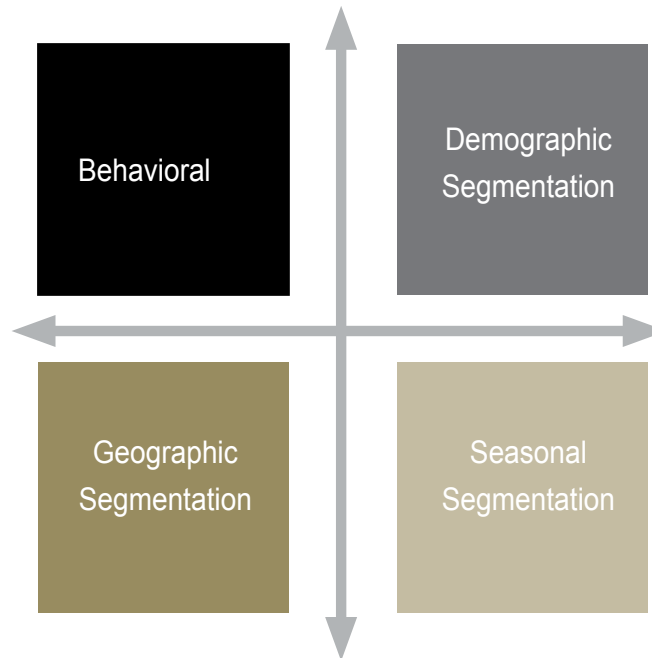
Once they go to the website, it is important for the site to effectively influence consumers to visit the destination. At some book directly or they may book through an online travel agency or some other channel. This sequence of events may happen all at once or over a period of time.

- Based upon their experience, new visitors either become repeat visitors going back to the lodging property/attraction directly, or back to VMC's website to choose another lodging property or attraction.

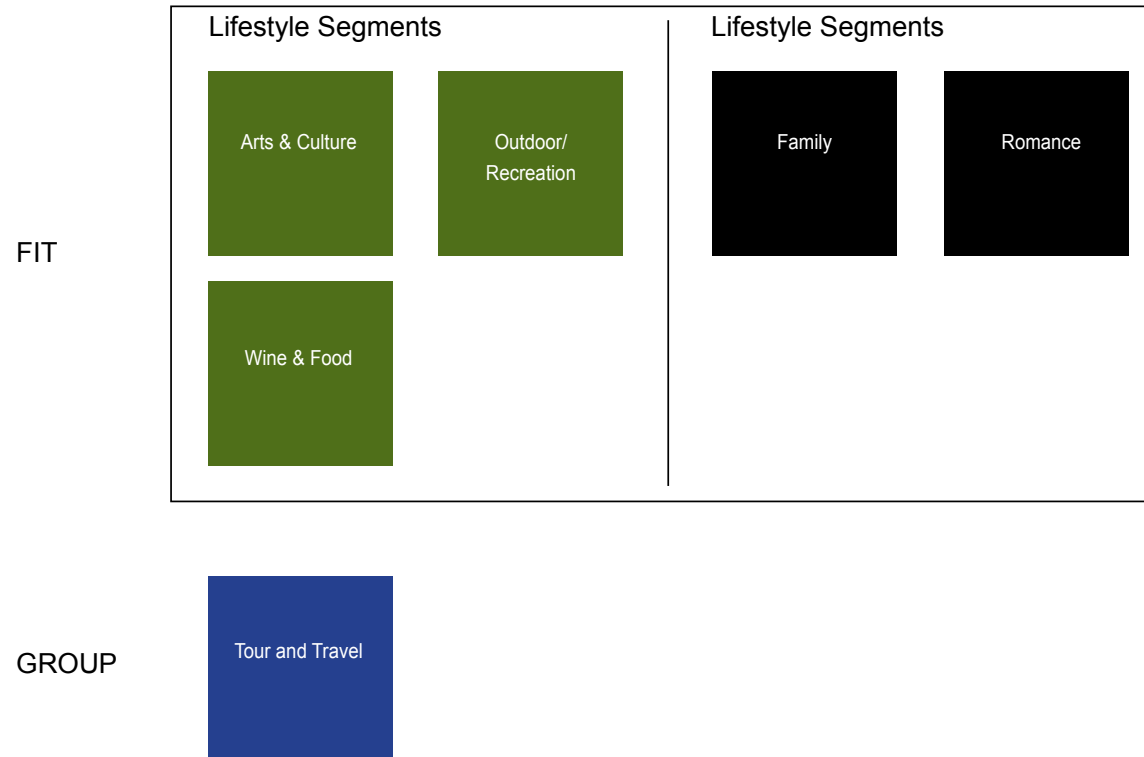
MENDOCINO COUNTY TARGET MARKETS

Visit Mendocino County's target markets follow the below segmentation matrix, which includes behavioral, demographic, geographic markets and seasonal segmentations, along with seasonal, demographic and activity participation segmentation. The following segmentation is based on visitor profile data and input from the lodging industry.

TARGET SEGMENTS



Lifestyle Segmentation



Demographic Segmentation

In terms of target demographic segments, interviews, staff, and research have identified the following core segments:

1. Domestic

- Age:

Primary market: 50+ (core target market)

Secondary market: 40-49 (emerging loyalty development market)

Secondary market: 75+ (growing senior market/intergenerational travel)

- HHI: \$100,000
- Families
- Couples

2. International

- Age: 45-65
- HHI: \$150,000
- Traveling for leisure
- Primary access through San Francisco partnering with the North Coast Tourism Council, San Francisco Travel, and Visit California

Geographic Segmentation — primary target markets include:

Regional/Drive Markets	International Markets
<i>Northern California</i>	<i>Short–Mid Term</i>
Bay Area	United Kingdom
Central Valley	Australia
Southern Oregon	Canada
Other Northern CA rural	
Strategy: <ul style="list-style-type: none">• Increasing overnight visitation and trip frequency• Develop incentives to attract short planning window visitors	Strategy: <ul style="list-style-type: none">• Work through regional and state tourism partners• Emerging market — increase overnight/longer stay/mid-week visitation

Seasonality Segmentation

Priority seasons to focus marketing efforts on are the following, in order of priority:

- Quarter 1 – Fall
- Quarter 2 – Spring
- Quarter 3 – Winter

ADVERTISING/MEDIA

The following is the proposed schedule for media buys during the 2105/16 FY. The approach outlined below represents a strategic direction for advertising outreach but a higher level of energy that directly targets favored segments.

Goals

- Build brand awareness and drive traffic to website through targeted paid online advertising, SEO and viral sharing of editorial pieces.

Flight dates: Annual, flighted heavier during spring and fall months

Target audience:

- Women primarily, HHI > \$100k, no kids or empty nesters, white, ages 45-64; Adventure seekers ages 35-54 skewing women
- Geotarget: Northern California, greater Bay Area, Sacramento, Reno, Southern Oregon
- Interests: Outdoor recreation, wine tasting, romantic getaways, road trips, Highway 101, Redwoods, the arts, Point Arena

Print:

Proposed print budget: \$19,936

Strategy: Run ads in specific content driven publications that are of relevance to Mendocino County tourism

- CA Visitor Guide Annual Publication (1/2 page; 500,000 plus digital edition)

Online:

Proposed online budget: \$94,532

Strategy: Run online and mobile campaigns pushing consumers to the Visit Mendocino County website. Portions of the buy will include some retargeting, behavior and contextual targeting of the demographics in the targeted areas.

- Google Desktop and Keyword Search
- TripAdvisor.com
- Sunset.com
- Sojern – Travel ad network
- Pandora
- Weekend Sherpa

Multimedia:

Proposed budget: \$27,000

Strategy: Create a Curated Content Channel for Mendocino County in partnership with San Francisco Chronicle/SFGate.com that utilizes editorial promotion, digital ads and organic social media promotion.

- SFGate.com sponsored section
- Curated content developed weekly by SFGate.com editors
- Digital display ads on SFGate.com
- Social media promotion
- Sunday SF Chronicle ads (3)

Radio:

Proposed budget: \$25,000

Strategy: Create a well thought out radio campaign/promotion on KMVQ radio targeting Bay Area residents and travelers that drives consumers to the Visit Mendocino County website.

- 2 week DJ Endorsement (Spring and Fall)
- 30 radio spots
- 8 weeks of online streaming
- 4 eblasts to KMVQ listener database
- Added value promotions/trip giveaways

Direct Mailer:

Proposed budget: \$3,000

Strategy: Design and create a follow-up direct mail piece to send to those recipients who took the time to engage with VMC during the Spring Getaway campaign. The number of pieces mailed will depend on the number of people who respond to the April 2015 Direct Mail campaign. This marketing piece will also include a giveaway.

Outdoor:

Proposed budget: \$23,532

Strategy: Secure two outdoor billboard locations within high traffic areas of the San Francisco Bay Area. Messaging will drive consumers to the Visit Mendocino County website.

- Two 8-week digital messages. Locations: Bay Bridge Toll Plaza and Nimitz Freeway I-880

Proposed costs \$263,820; (26% of total budget); direct costs/\$222,000; staff costs/\$41,820 (12% of total personnel budget)

PUBLIC RELATIONS / CONTENT DEVELOPMENT

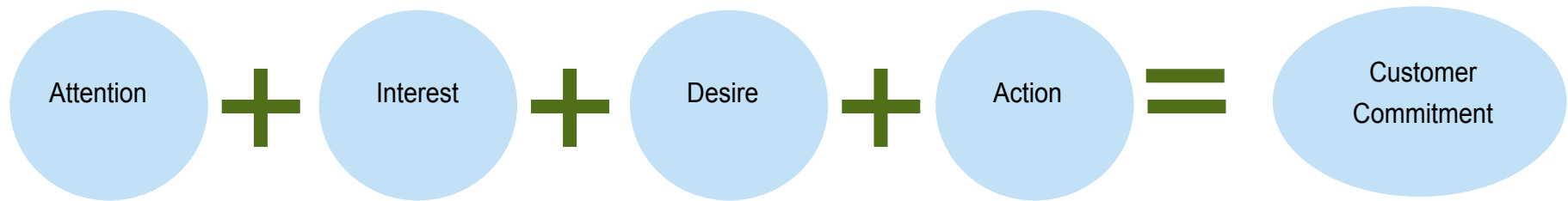
Given its wealth of authentic experiences, fierce beauty, bursting wine scene, diverse mix of lodging and direct access to one of the state's top feeder markets – San Francisco Bay Area - Visit Mendocino County (VMC) is in a prime position to catapult the destination's brand with the right marketing communications program. While Public Relations plays a major role in generating awareness and shifting perception among key audiences, the ROI remains equally dependent upon external (economic) and internal (stakeholders) influences.

Recent publicity efforts, along with a hard-hitting media relations program executed by team Koli/Cinch, have significantly raised the tourism barometer. To ensure this positive wave drills down to long-term visitor ship and bottom-line revenue, VMC needs the support and continued buy-in from tourism industry affiliates, government, residents and tourism stakeholders. The 2015-2016 campaign will set out to galvanize constituents, stimulate demand and further clarify Visit Mendocino County's brand image among diverse target audiences. The keys to the castle rely in maintaining and growing market share in what is projected to be a robust economy.

PROGRAM OBJECTIVES:

Drive overnight visitation throughout Mendocino County via the following Top Tier Objectives:

- Assist VMC in promoting a sustainable, clarified image/brand
- Stimulate demand/increase tourism revenue during critical shoulder seasons
- Initiate awareness among key market niches (soft adventure, food/wine, romance, LGBT, pet-friendly) and travel opinion leaders to buoy off-season revenue
- Cultivate collaborative industry relationships to ensure successful, cost-effective and equitable coverage of Mendocino County stakeholders and stretch VMC's budget



Key to the objectives is generating awareness of Mendocino County's rich line-up of assets – natural and human-made – to promote interest, desire and finally action in the form of market visitation. When VMC delivers on the promise at hand, a long-term commitment is the final payoff.

Strategies:

- Influence the influencers/drive media coverage via creative packaging/promotions/events
- Ignite media interest via proactive print/electronic and social media campaigns
- Leverage and create “news” value as an economic driver for visitation
- Convert customers predisposed to California getaways by differentiating Mendocino County by focusing on distinct benefits/unique assets via editorial pitches/placements
- Strengthen industry partnerships with Visit California, North Coast Tourism Council, San Francisco Travel, BrandUSA, etc., via cooperative programming

KPI (Key Performance Indicators):

- Achieve \$4.6 million in advertising equivalency
- Reach an estimated audience of 110 million
- Realize 170 media placements in key target publications (print/online)
- Secure 26 pre-qualified media for on-site market visits
- Draft/distribute 14 media releases
- Conduct two annual media missions
- Maintain involvement with key tourism organizations including Visit California, San Francisco Travel, Society of American Travel Writers, Bay Area Travel writers, Outdoor Writers of California, etc.

Note: KOLI-CINCH does not utilize x3 industry multiplier; this PR Workplan is based upon a pre-approved 10-month campaign

Demographics:

- Adventure/Active Travelers
- Generation Y/Millennial (25+, tech savvy, entering “luxury years” in 2013)
- Baby Boomers (45-64; moving into retirement, represents 25% growth market)
- LGBT

CORE PROGRAM

Media Relations

Drive awareness/brand messaging with focus on off-season travel via series of timely and newsworthy materials targeted to key market niches.

Activities include:

- Conduct proactive media campaign to targeted markets; service media requests
- Draft/distribute news-driven media releases to key target markets
- Secure photographers for Photo Safari/update visual library
- 14 annual press releases

Promotions (1 annually)

- Generate heads in beds during off season with strategic promotions and/or in-market events uniquely tied to VMC's overall branding.
- Create county-wide opportunity for stakeholder participation; lodging, attraction and outdoor activity tie-in
- Cross promote via social media platforms/package giveaways
- Create/execute media relations campaign to underscore program

Trade Shows (2–3 annually)

Dispatch VMC team members to attend media trade shows and boost visibility in the marketplace; prepare media materials. Consider participating in: Visit California/San Francisco (Fall/2015) ; Visit California/Vancouver (TBD) ; Society of American Travel Writers Media Marketplace – National Chapter (Fall/2015) ; Travel Bloggers Exchange (TBEX) (TBD); IPW (New Orleans/June 2016).

Media Missions (2 annually)

Maximize external communications via editorial missions in key media-rich markets. Pitch/secure 8-10 in-market editorial meetings. Suggested markets include: Vancouver, B.C., Chicago Metro, Phoenix/Scottsdale, Denver Metro.

Digital Footprint

Support in-house social media campaign efforts via more immediate cross-marketing; work with key industry bloggers, influencers deeply embedded media to strengthen the VMC message.

Familiarization Program (26 annually)

Pitch/secure in-market media visits to generate editorial coverage, further brand messaging/positioning.

- Conduct individual media outreach based on agreed-upon communication pillars
- Discuss small group visit around key angles: Pinot & Porcini; Art of Adventure
- Vet and manage all media visit requests
- Work with VMC to create media itineraries

PR Toolkit

- CisionPoint: Media database to research outlets and journalists while building distribution lists
- BurrellesLuce: Media tracking tool to measure print, online media coverage/ad. equivalency
- Constant Contact: Release distribution service

Key Communications Platforms 2015/16 (14 annually)

Motivators for campaign outreach, editorial content, media pitching and market visitation.

- Nature at its Naked Best: Migration Season: the annual fall migration of whales, birds, sealife, moving north or south
- Pinot & Porcinis: pairing the region's top chefs and vintners for a tasting in key markets
- Outback Adventure: bioluminescent tours, llama treks, lost coast air tours, foraging, Eel river rafting
- Plug In and Unplug: New state park electric stations; tie into one key hike while refueling

- Back to Bohemia: Family travel with an outback slant
- Liquid Assets: sparkling wine, hard cider, ales and Alsatian wines
- Spring Fling: Top 10 Reasons to Visit
- Have Wheels, Will Travel: Motorcycle season, key rides & recreational stops
- Inspiration Highway: Update along 101 – focus on AVAs
- Indian Summer/Fall Escapes and Festivals
- Wellness Watch: 2016 Resolutions – Health & Fitness spotlight
- Mendocino Mushroom Month
- Mushroom, Wine & Beer Festival
- Crab, Wine & Beer Festival
- Spring Editorial Hot Sheet
- Winter Editorial Hot Sheet
- Steampunk, Seabiscuit & Solfest: Horsepower, Motive Power, Solar Power
- Seed to Deed, Vision to Vapes: Along the cannabis trail, tours & treks (2016/17)

Proposed costs \$222,850; (21% of total budget); direct costs/\$188,000; staff costs/\$34,850 (10% of total personnel budget)

WEBSITE/SOCIAL MEDIA

VisitMendocino.com is VMC's primary source of disbursing information about Mendocino County online and is the heartbeat of all of VMC's efforts. In 2014/15 the website transitioned from a list-based resource to an editorially rich, emotionally resonant portal to the Mendocino County experience. Our new site is built on contemporary technology, seamlessly integrating mobile- and tablet-based browsing, and offering a full suite of social sharing options.

Goals

- Increase time on site and average pages visited for each user through substantial editorial hooks and interconnectedness on new website.
- Reduce bounce rate across site, providing topical material immediately and an easy-to-use interface to find relevant information with minimal friction.

- Conduct an ongoing SEO campaign to raise awareness of the site.
- Continue to create rich editorial content with engaging imagery
- Continue to grow and engage with VMC social media and database of consumers, inspiring more visits to the region.
- Make use of targeted Facebook advertising to support partner events and promotions.
- Ramp up Instagram and Pinterest presence; research shows these are the favored social media platforms for Millennials

Measured Outcomes

Time on Site: >4:00

Avg. Pages/Visit: >4.00

Average Bounce Rate: <45%

% New Visitors: >80.00

Total Consumer Email Database: 34,000

Average Consumer Email Engagement: 2.2%

Total Facebook Fan Base: 47,500

Average Facebook Reach: 1:1.4

Proposed costs \$53,425 (5% of total budget); direct costs/\$36,000; staff costs/17,4250 (5% of total personnel budget)

SALES

Visit Mendocino County's sales efforts are multi-faceted and can be divided into domestic and international categories. Within each of these there is a group and FIT (individual traveler) component.

The process of building a VMC sales program is primarily an educational endeavor, informing prospective visitors and tourism decision makers about the Mendocino County brand and assets. Education occurs at a variety of venues and events, from consumer travel shows involving thousands of interested prospects, to one-on-one sales calls with travel trade decision makers, and everything in between. It is a multi-year, multiple-contact

undertaking. Return on investment is difficult to measure as it occurs through building relationships and inspiration regarding the destination, and there are confidential and competitive hurdles in determining accurate statistics. Active, constant follow up is an essential and major facet of the program.

Destination branding is a major beneficiary of the sales efforts. While individual sales results may be hard to quantify, the overall increase in occupancy and Transient Occupancy Tax receipts are prime indicators of results. Branding initiatives benefit the entire county's economy, as more hotel stays translate into increased restaurant, tasting room, and retail visits and sales. Branding is a continuous effort and also includes participation at major consumer travel shows such as the Bay Area Travel and Adventure Show, Sunset Celebration Weekend, and niche events such as LGBT, outdoor, pet, and wedding shows.

VMC benefits greatly from its administration of the North Coast Tourism Council (NCTC), one of the eight rural tourism areas designated by Visit California. Most of the international VMC sales efforts are in partnership with the NCTC, as the entire region has many marketing similarities and leveraging enables Mendocino County to spread its message further than it could on its own. VMC also participates in sales and marketing efforts in partnership with San Francisco Travel, Shasta Cascade Wonderland Association, and Visit California, further expanding its reach with the smallest possible expenditure.

Goal: Create opportunities for partner businesses to realize room night sales.

- Attend at least two major consumer events, including the Bay Area Travel Show.
- Attain domestic and international FIT and group business.
- Coordinate efforts with partner organizations including: Shasta Cascade Wonderland Association, Visit California, San Francisco Travel, Sacramento CVB, Southern Oregon Travel, and fellow DMOs in Sonoma, Del Norte, Humboldt, Lake, and Marin Counties.
- Track room night sales by obtaining data from tour operators and partner businesses.

Measured Outcomes

Acquire 7,000 consumer leads.

Sell 1,250 room nights as a result of VMC sales efforts.

Proposed costs \$111,700 (11% of total budget); direct costs/\$42,000; staff costs/\$69,700 (20% of total personnel budget)

VISITOR & PARTNER SERVICES

VMC is devoted to ensuring visitors have top-notch experiences in Mendocino County. Visitor Service programs include event coordination, collateral creation and distribution within the county, information request fulfillment, and maintenance of visitor information centers. In addition, market research encourages VMC to assist visitors by providing improved signage and way-finding materials. In response, VMC created a series of tear-off maps, an award-winning Visitor Guide and installed gateway signs on Highway 101 and Highway 20, the first two of five planned.

Countywide events and festivals are a motivation for visitors to make the County their destination and increase the length of their stay. The Mushroom Wine and Beer Festival in November, the Crab Wine and Beer Festival in January, and the Mendocino County Party for the Planet in April are focal events for the shoulder seasons.

Goal: Increase and lengthen overnight stays.

- Work with businesses to develop new events that highlight the unique aspects of the County.
- Engage other visitor-serving organizations to create cross-promotional alliances.
- Increase visitor attendance for focal events through assistance with direct outreach, media, sales, and public relations efforts.
- Produce and distribute countywide collateral in printed and online form.
- Increase geographical range and type of venues for collateral distribution by use of new, compact county inspiration guide (mini guide).
- Research sponsorship and/or partnership opportunities in continued printing and distribution of popular tear-off maps for North Coast, South Coast, and Willits.
- Continue to distribute new, updated pet-friendly guide.
- Produce and distribute 50,000 comprehensive “Official Mendocino County Visitor Guides.”
- Produce annual wall calendar, shared with media and VIPs.
- Maintain support of Redwood Coast Chamber Visitor Center.
- Conceptualize plans for Confusion Hill visitor-serving facility.
- Add a third gateway sign on Hwy 128 between Cloverdale and Yorkville.

Measured Outcomes

- For all major festivals, maintain quality of events and increase attendance
- Maintain passport participation
- Continue efforts to educate partners and stakeholders by holding periodic seminars and workshops for partners to include topics such as PR, sales, etc.
- Receive improved scores in the updated visitor survey, and conduct in-market surveys of visitors to determine their level of satisfaction.

MARKETPLACE

The Visit Mendocino County Marketplace is a visitor information and retail space, located at 345 N. Franklin Street in downtown Fort Bragg, designed to exclusively promote products made in Mendocino County. Currently, visitors to the marketplace will find a variety of art, soaps and specialty foods, books by local authors, gifts and Mendocino County logoed items. Each month features a local artist with a reception coinciding with First Friday Fort Bragg activities.

Goal: Increase number of visitors served by providing valuable travel/tourism information as well as local wares.

- Collect traveler information for demographic related data
- Continue to add locally-made products and art to Marketplace inventory
- Increase the number of travel related brochures/information offered
- Increase the number of Facebook friends to the Visit Mendocino County Marketplace page
- Promote monthly First Friday events and increase attendance and sales of local artwork

Measured Outcomes

- Attract 5,000 Marketplace visitors.
- Track annual sales of \$10,000 in local products.
- Track FB Likes to Marketplace page.

PARTNERSHIPS

Vital to what we do, partnerships allow for expanded networking opportunities and economies of scale. Partner relationships provide the ability to leverage other organizations' budgets in pursuit of a common goal. It is within these ideal win-win circumstances that partners are able to stretch together toward opportunities previously out of reach when attempted individually.

Goal: Extend the VMC marketing budget through leveraged partnerships.

- Implement a VMC sponsorship program leveraging brand promise and increasing overnight visits to the County.
- Continue to lead NCTC enabling Mendocino County to maintain an international and group sales effort.
- Explore brand alliances with regional and national brands.
- Attend key travel industry conferences to provide access to industry trends and successful example of best practices, furthering internal knowledge and benefiting the VMC program of work. These include Western Association of Convention & Visitor Bureau, Destination Marketing Association International, California Travel Association, Visit California and others.
- Partner with Visit California and San Francisco Travel in order to capitalize on their large marketing budgets (\$100M and \$30M, respectively).
- Continue to partner with organizations such as Visit Ukiah, Mendocino Winegrowers Inc., Anderson Valley Winegrowers Association, Destination Hopland, Fort Bragg Promotions Committee, Chambers of Commerce: Mendocino Coast, Redwood Coast, Greater Ukiah, Anderson Valley, and Willits.
- Explore and research the future promotion of recreational marijuana use throughout the County and region by being a leading entity to capitalize on this new market should it become legalized.

Measured Outcome

Increase the VMC budget by 10% through leveraged partnership opportunities.

Proposed costs \$212,050 (21% of total budget); direct costs/\$107,500; staff costs/\$104,550 (30% of total personnel budget)

OPERATIONS

Operations is the engine that keeps VMC and its sister organizations running. This category covers the day-to-day expenses of maintaining MCLA, MCPA, and VMC as well as the costs of mailings, office space, telephones, newsletters, etc.

Proposed costs \$163,970 (15% of total budget); direct costs/\$76,6700; staff costs/\$76,670 (15% of total personnel budget)

FISCAL YEAR 2014/15 RECAP

The following table indicates achievement of goals YTD (April 15, 2015).

PROJECT		2014-2015 GOAL	YEAR TOTALS	% COMPLETE
PUBLIC RELATIONS	Materials Issued	16	12	75%
	Ad. Equivalency	134 million	892 million	665%
	Placements Secured	200	242	196%
	Fam Program	32	39	122%
	Media Missions	2	2	100%
SALES	Consumer Leads	7,000	5,600	80%
	Room Nights	1,000	933	93.3%
	Trade Shows	2	5	250%
	Partnerships	Coordinate efforts with partner organizations	Created a new one sheet; new website; revised redwood highway map; created mini-guide for visitors	100%
	Contacts with tour operators/receptives and other travel professionals	500	500	100%
WEBSITE/SOCIAL MEDIA	Consumer Database	30,000	31,432	105%
	Email Engagement	3%	2.13%	71%
	FB Fan Base	40,000	41,065	102%
	Agv. FB Reach	1:1.6	1:1.2	1:1.2
ADVERTISING		Drive traffic to new website through targeted paid online advertising, SEO, and viral sharing of editorial pieces	Online Impressions: 7.642.122 Outdoor Impressions: 9,584,895 Investment YTD: \$88,826 Campaign Value: \$169,122/1.9x cash investment	

PROJECT		2014-2015 GOAL	YEAR TOTALS	% COMPLETE
VISITOR SERVICES	Signage/Wayfinding	Tear-off maps Pet friendly guide Visitor Guides Wall calendar Support of Redwood Coast Chamber	Funded Ukiah brochure Distributed Complete Distributed In process-sending check	100% 100% 100% 100% 90%
	Festivals & Events	Build Party for the Planet festival	In process	
	Mushroom, Wine & Beer	Maintain or increase participation 2013 events: 124 2013 passport: 40	2014 events: 123 2014 passport: 33	99% 83%
	Crab, Wine & Beer	Maintain or increase participation 2014 events: 108 2014 passport: 45	2015 events: 88 2015 passport: 35	82% 77%
MARKETPLACE	Visitors	3,500	5,397	154%
	Sales	\$10,000	\$8,449	85%

Performance

VMC has developed a baseline measurement to track the influence its marketing efforts have in generating lodging revenue and total visitor spending.

VMC Lodging Rooms Generated

	Base Year 2014/15 Actual
Unique Website Visitors	98,595
Lodging Revenue Generated:	
Conversion Rate	10.00%
Estimated Bookings	9,860
Length of Stay	2.8
Rooms Generated	27,607
ADR	\$223
Lodging Revenue Generated	\$6,156,271.80
Total County Lodging Revenue	\$74,200,000
VMC as % of Total	8.3%
Total Visitor Spending:	
Per Party Daily Expenses	
Lodging	\$223
Food and Beverage	\$193
Entertainment	\$35
Retail Shopping	\$100
Daily Transportation	\$23
Recreation	\$15
Other	\$123
Total	\$712
Trip Length	3
VMC Generated Visitor Spending	\$19,655,899.20

Source: SMG VMC Influence Conversion Study

VMC Google Analytics; Mendocino County TBID Collections

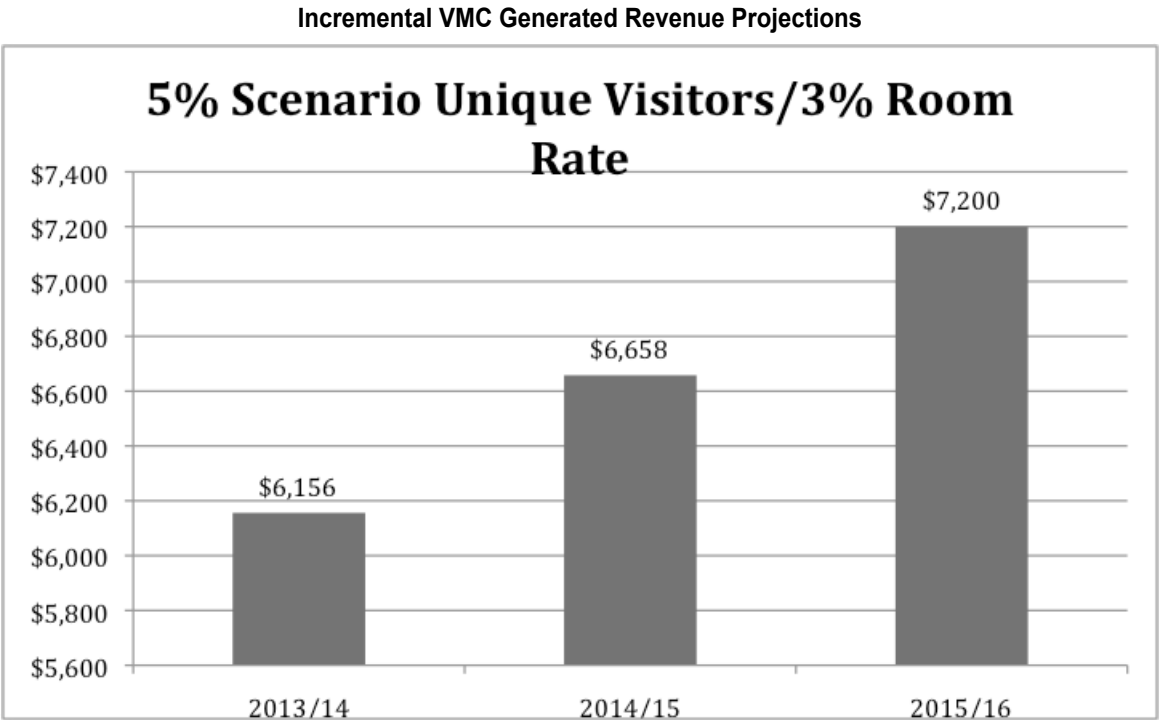
In terms of understanding of what percent of the market increase can be attributed to VMC vs. a rising economy the following below outlines the impact of integrated VMC marketing efforts.

In terms of how VMC has performed the table above illustrates the following;

- In the base year of 2014/15 it is estimated that total lodging revenue generated in the market was \$74 million. Of that VMC generated \$6.1 million in lodging revenue through its marketing efforts (as measured by conversion of consumers using the Visit Mendocino County.com website). **This was equivalent to 8.3% of total lodging revenue generated.**

Projections

The model below includes projections through 2015/16. As can be seen by increasing unique visitors to visit Mendocino County.com by 10% annually lodging revenue is projected to increase to \$11.6M.



Visit Mendocino County Projections

	Base Year 2014/15 Actual	2015/16 Projection	2016/17 Projection
Unique Website Visitors	98,595	103,525	108,701
Lodging Revenue Generated:			
Conversion Rate	10.00%	10.00%	10.00%
Estimated Bookings	9,860	10,352	10,870
Length of Stay	2.8	2.8	2.8
Rooms Generated	27,607	28,987	30,436
ADR	\$223	\$230	\$237
Lodging Revenue Generated	\$6,156,272	\$6,658,008	\$7,200,636

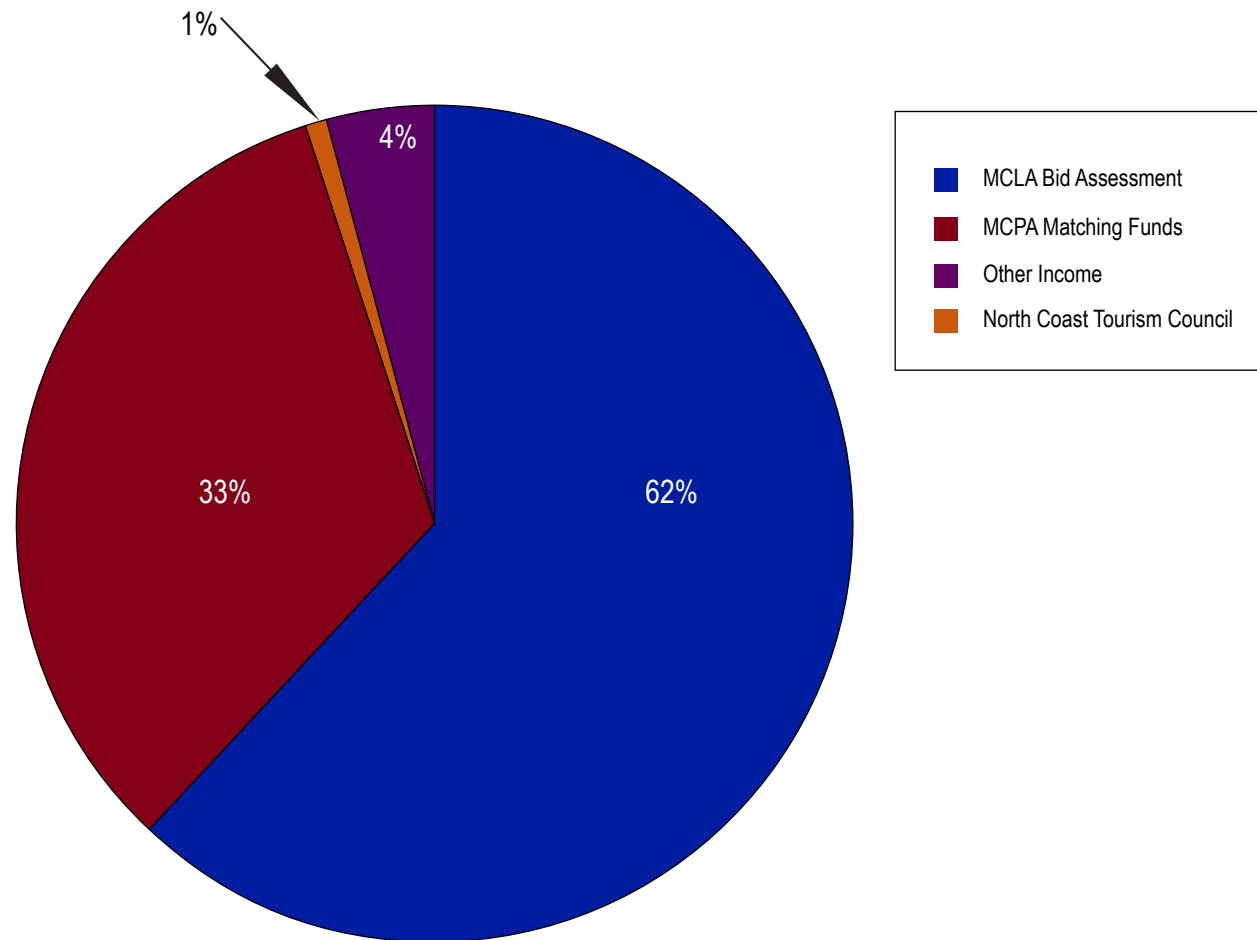
Source: SMG VMC Influence Conversion Study

VMC Google Analytics; Mendocino County TBID Collections

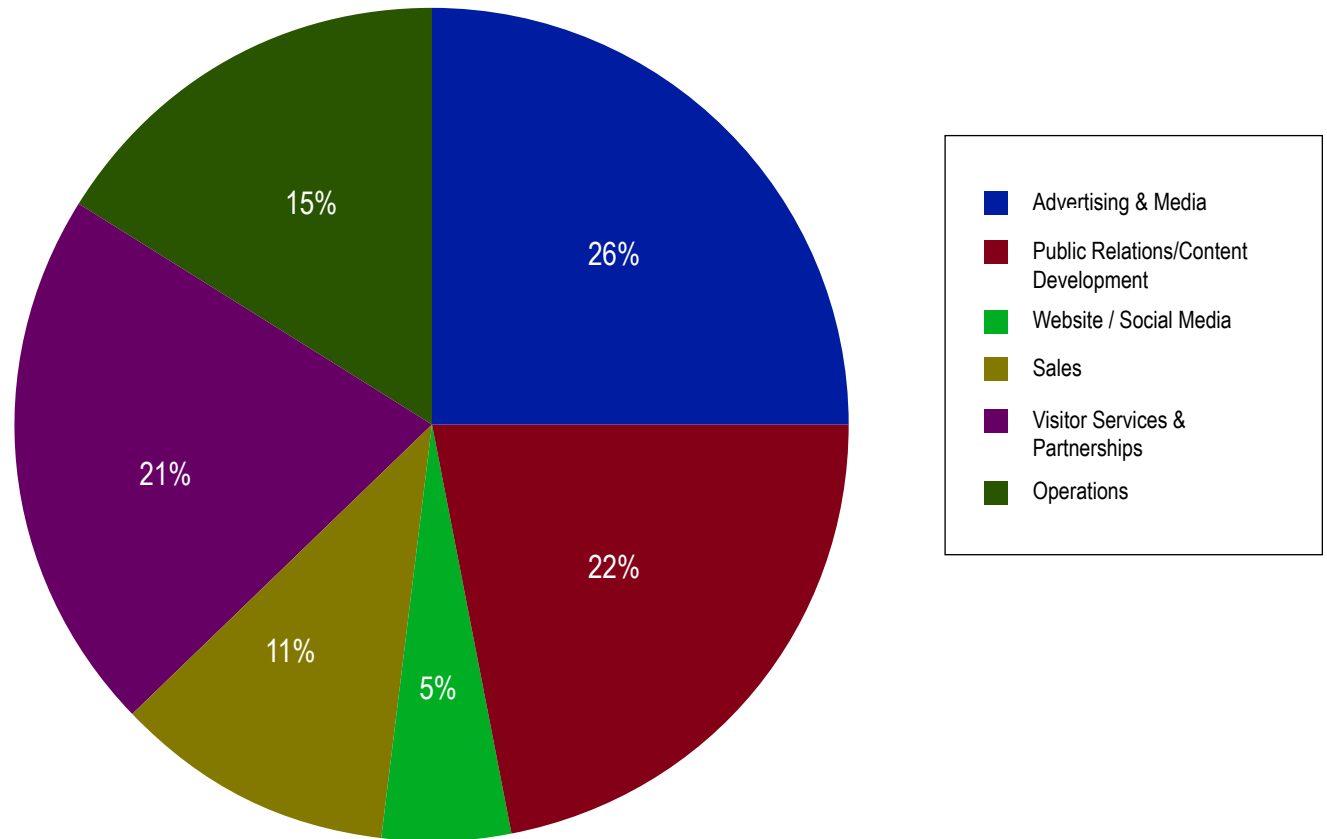


BUDGET

2015 / 2016 INCOME: \$1,033,930

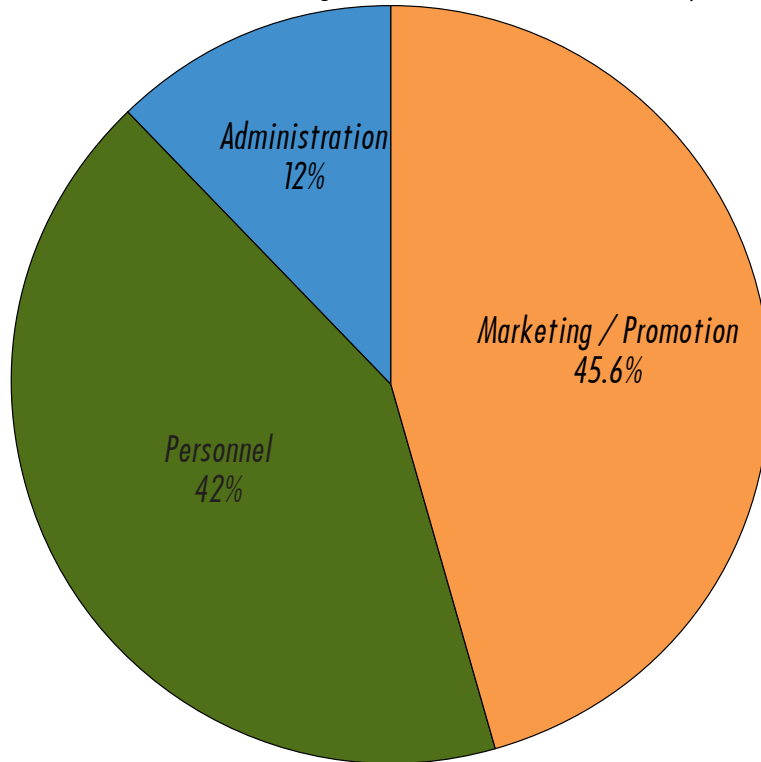


2015 / 2016 PROJECTED EXPENSES: \$1,031,300



DMO INDUSTRY AVERAGE / VMC PROJECTED BUDGET

DMO Industry Average
Represented by a sample of DMOs that participated in
DMAI 2013 DMO Organizational & Financial Profile Study



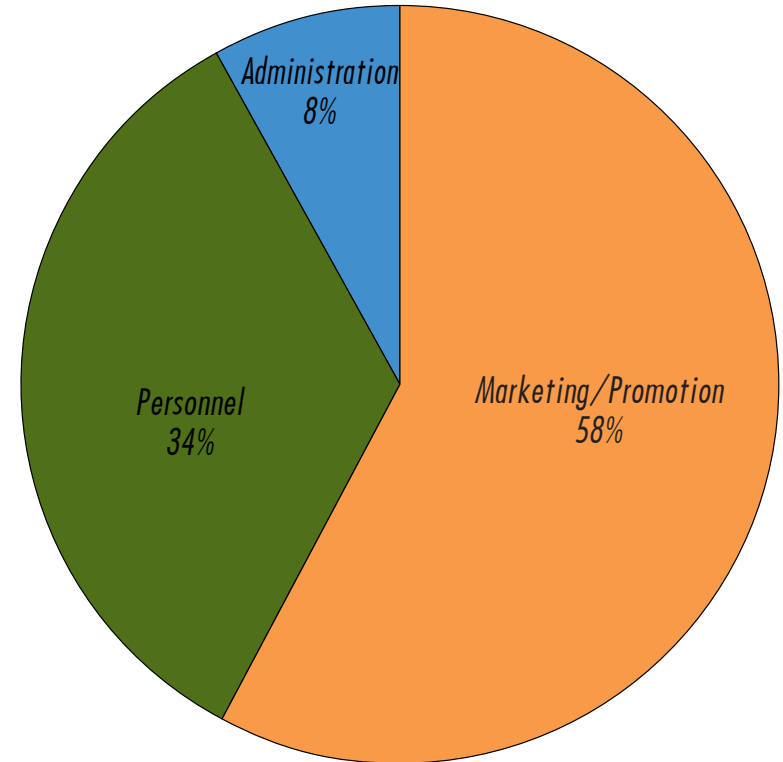
Categories defined as follows:

Administration: office supplies, computer expenses, rent/utilities, interest, etc.

Personnel: salaries & wages, payroll taxes, and employee benefits

Marketing/Promotion: all non-admin and non-personnel expenses

Visit Mendocino County, Inc.
2015-2016 Budget Breakdown



Administration: \$87,300

Personnel: \$348,500

Marketing: \$598,130

Total expenses: \$1,031,300

As a leadership organization in the Mendocino County community of businesses, the Visit Mendocino County organization itself has become a stand-out asset. VMC is served by a dedicated professional staff, who continues to innovate, seeks learning opportunities and provides marketing and educational opportunities to its internal partners.

Goal: Create an environment that inspires the best support, programs and ideas that continue to push the VMC mission forward.

- Attend key travel industry conferences to provide access to industry trends and successful examples of best practices, furthering internal knowledge and benefiting the VMC program of work.
- Maintain accreditation from the Destination Marketing Accreditation Program, offered by Destination Marketing Association International
- Graduate from Certified Destination Marketing Executive training for President/CEO.
- Maintain an environment that encourages an engaged, productive staff with the tools and knowledge to assist in creating success for as well as partner organizations and businesses.

Measured Outcomes

- Destination and executive Destination Marketing Accreditation status.
- Maintain a qualified, engaged and enthusiastic team of staff and contractors to carry out the programs and initiatives of VMC.
- Continue to successfully administer the Mendocino County Lodging Association, Mendocino County Promotional Foundation, Mendocino County Promotional Alliance and the North Coast Tourism Council

VMC STAFF

President & CEO Scott Schneider

Director of Tourism Richard Strom

Operations Manager Erin Placido

Event & Partner Relations Manager Gracia Brown

CONTRACTORS

Communications Coordinator Alison de Grassi

Public Relations Koli/Cinch

Media Buyer Creative Concepts Media

Website Brandhound

VMC BOARD OF DIRECTORS

Chair: Hal Wagenet (Mendocino County Promotional Alliance/Arts Council of Mendocino County)

Vice Chair: John Dixon (Mendocino County Lodging Association)

Secretary: Eric Cogdill (Mendocino County Lodging Association)

Treasurer: John Kuhry (Mendocino County Promotional Alliance/Anderson Valley Chamber of Commerce)

Roger Martin (Mendocino County Lodging Association)

Cally Dym (MCPA; Restaurant Representative)

Marcus Magdaleno (Mendocino County Lodging Association)

Jennifer Seward (Mendocino County Promotional Alliance – At Large)

Kevin Gallagher (Mendocino County Lodging Association)

Tom Rodrigues (Mendocino County Promotional Alliance/Mendocino Winegrowers Inc.)

ORGANIZATION CHART

