

VISIT TEMECULA VALLEY 2018 SALES PLAN



Visit
Temecula Valley
SOUTHERN CALIFORNIA
WINE COUNTRY

VisitTemeculaValley.com

Visit Temecula Valley Sales Plan

January - December 2018

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Temecula Valley Market Overview

In 2016 the Temecula Travel Industry grew for the seventh consecutive year following the 2007-2009 recession. This follows the Travel Industry growth experienced both regionally and statewide during the same period.

California benefitted from more than 268 million total person-trips in 2016, of which 81.7% were leisure. 93.6% of these trips were domestic (U.S.) visitors, while 6.4% were international travelers.

Approximately 71% of California's domestic leisure visitors in 2015 were residents of California. Top states for in-bound leisure travel were:

- Arizona (3.3%)
- Nevada (2.9%)
- Texas (2.5%)
- New York (1.9%)
- Washington (1.7%)
- Oregon (1.5%)
- Illinois (1.4%)

Visitor growth to the Temecula Valley has continued during the first half of 2017, with both hotel occupancy and average rates trending upward.

Weekday/Weekend demand "Opportunity" months.

Temecula hotels have historically experienced the lowest overall occupancy rates during the months of December and January. Fluctuations in hotel demand between weeknights (Sun-Thurs) and weekends (Fri-Sat) in Temecula Valley are substantial. For the past twelve months weekday occupancy lags that of weekends by more than 18%, while revenue per available room (RevPAR) on weekdays averages less than half that of weekends.

Temecula Valley Hotel Occupancy (per STR Global Destination Report – excludes Pechanga Casino Resort)

	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	Jul 2017	Aug 2017	Sep 2017	Oct 2017
Occupancy %	73.7	66.9	67.0	77.9	79.9	77.4	75.7	82.3	84.0	76.8	76.8	77.6

Sources:

- TEMECULA VALLEY TRAVEL IMPACTS, 2000-2016P. Dean Runyan Associates
- State of California Travel Impacts, 2000-2016P. Dean Runyan Associates
- Tourism Economics; US Dept. of Commerce
- STR Inc Temecula Destination Global Lodging Report

Visit Temecula Valley as a DMO and its Stakeholders

Visit Temecula Valley (VTV) is a Destination Marketing Organization (DMO). By definition the focus of a is on marketing and selling strategies for a specific place. Per Destinations International, DMO's are "charged with representing a specific destination and helping the long-term development of communities through a travel and tourism strategy."

The VTV sales team is a cross-functional component of what is primarily a marketing organization. The sales and marketing functions are inexorably linked and aligned in initiatives to generate a competitive advantage over other destinations. Success measured by increased overnight demand and stakeholder revenues during need days and dates.

The purpose of the following Sales Plan is to address the selling strategies employed by Visit Temecula Valley (VTV) upon behalf of its stakeholders. The primary stakeholders of Visit Temecula Valley are our hospitality lodging industry funding partners:

- Temecula Tourism Improvement District (TTID) – comprised of hotels within the City of Temecula
- Wine Country Business Improvement District – comprised of participating Wine Country (Riverside County) hotels and vacation rental properties, and
- Pechanga Resort & Casino

Each of these stakeholder entities have various needs, priorities, and sensitivities.

The Visit Temecula Valley sales team is made up of two full-time employees:

- Peter Brenner, Senior Director of Sales
- Ruben Labin, Director of Sales



Visit Temecula Valley Sales Initiatives

VTV has utilizes a range of sales & marketing programs that provide different benefits to our diverse range of stakeholders.

P = Primary benefit

S = Secondary benefit

Sales Activity

TTID: Embassy
Suites

Temecula Creek
Inn

Temecula TID
Select Service
Hotels

Pechanga Resort

Wine Country
South Coast
Winery Resort

<u>Sales Activity</u>	<u>TTID: Embassy Suites</u> <u>Temecula Creek Inn</u>	<u>Temecula TID Select Service Hotels</u>	<u>Pechanga Resort</u>	<u>Wine Country South Coast Winery Resort</u>
Meetings Trade Shows & Conferences	P	S	P	P
Prospecting	P	S	P	P
In-Market Events	P	S	P	P
Preparing organizing & conducting FAM tours, sales missions/calls and client events	P	S	P	P
Organization & Market Reporting	P	P	P	P
Leisure Sales activities	P	P	P	P
Entertainment Industry	P	P	P	P
Sales Marketing	P	P	P	P
Sales Promotions	P	P	P	P
Visittemeculavalley.com Website	P	P	P	P
Jackrabbit booking referral engine	P	P	P	P



Sales Goal

Visit Temecula Valley will increase Sunday-Thursday overnight visitation to Visit Temecula Valley funding partners.

Key Objectives

Ensuring that applicable group planners and key influencers are engaged by Visit Temecula Valley to increase overnight group visitation on Sunday-Thursday nights and any other identified need periods.

Sales activity and production will meet and exceed stated plan objectives through deliberate and focused outbound sales activity, trade shows, site inspections, sales missions, and client events. Thus developing new customers and improving account penetration.

Researching and implementing interaction directed toward leisure travelers. It is our expectation that this will take the form of enhanced investment in digital marketing toward both leisure travelers and meeting planners.

The VTV sales team utilizes goal driven strategic action plans. These action plans will be continuously updated with a focus on specific actions on a rolling 2-3 month period. VTV is committed to a high performing sales culture that includes ongoing sales training.

Focus on New Group Business

The Visit Temecula Valley sales team is focused on new, rather than repeat, group business. This will take three forms:

1. New business development – Identifying and bringing new group rooms opportunities to the Temecula Valley.
2. New business from current customers – Working on an enterprise level to penetrate different divisions of accounts that currently bring some group business to Temecula, but could produce more.
3. New business from old or “lost” accounts – Identifying customers that previously brought groups to Temecula, but have stopped doing so. Then giving them a reason(s) to return.

	<p>larger annual meetings that have overflow or ICW potential</p> <ul style="list-style-type: none"> ○ Exhibit and limited sponsorship CalSAE Seasonal Spectacular (Sacramento) ○ Association sales mission targeting Association headquarters. (Sacramento) ○ Utilize CRM (including traces) to actively work all accounts identified as having group potential ○ Bi-Monthly e-newsletter 		
<p>SMERF Group (20% of total sales time)</p> <p>Tactics</p>	<p>Targeting segments within the Social, Military, Educational, Religious & Fraternal markets that have the ability to generate weeknight stays</p> <ul style="list-style-type: none"> ○ Direct Sales is the primary tool for this market segment ○ Research to identify opportunities ○ Phone & email outreach ○ Utilize CRM (including traces) to actively work all accounts identified as having the best group potential 	RL / PB	
<p>Tour & Travel (10% of total sales time)</p>	<p>Develop new Tour Group Business opportunities for Temecula Valley hotels</p> <ul style="list-style-type: none"> ○ Pitching to tour operators to include Temecula on their Southern California itineraries (group series & ad hoc) ○ Utilize ABA & NTA membership directories for both email and phone prospecting ○ Sales calls to Southern California based receptive tour operators ○ Participate in National Tour Association (NTA) Exchange 2017 (San Antonio) to educate tour companies about the Temecula and generate overnight stays ○ Utilize CRM (including traces) to actively work all accounts identified as having group potential 	PB / RL	
<p>Individual Leisure Sales (10% of total sales time)</p>	<p>Collaborate with Marketing to develop and support new leisure sales initiatives and deliver the direct sales component of these initiatives</p> <p>Potentially including the following programs:</p> <ul style="list-style-type: none"> ○ "Heroes" ○ Seasonal programs, including "Chilled" etc. ○ Southern California Concierge program 	PB/RL	

	<p>Targeting growing demand from Southern California drive market</p> <ul style="list-style-type: none"> • 5-10% of sales activities will be dedicated to the leisure market focused sales calls in Riverside, San Diego, Orange, & San Bernardino Counties. • Primary target audiences would hotels (concierges), military installations, community centers, etc. <p>NEW OPPORTUNITY FOR INCREMENTAL GROWTH</p>		
Media Production	<p>Targeting the desirable length of stay and midweek stay patterns typical of film, television, and other media productions</p> <ul style="list-style-type: none"> • Join the Association of Film Commissioners International (AFCI) as Film Temecula. Note: There are currently 25 California Film Offices & Film Commissions that belong to this organization • During interim membership, complete full membership requirements (online) of: <ul style="list-style-type: none"> - Film commission Fundamentals - Film Commission Professional • Utilize AFCI web site & communications to sell to the production industry. • Host a Location Scout FAM trip • Implement a TV/Film Crew hotel booking incentive program to help attract productions to the Temecula Valley and give member hotels a competitive advantage over other destinations. 	<p>PB</p> <p>PB</p>	See Appendix A

Lead Management			
		By Whom/ Resource	Implement Date
CRM/Lead Management	Gaining efficiencies & simplifying: Going forward, Leads that are “Turn Down” will not be entered in the CRM for tracking purposes. These RFP’s will be attached to the appropriate accounts and tagged for future reference.	PB / RL	Ongoing
CRM/Lead Reports	There are currently more than 60 Simpleview Meeting/Group sales CRM reports available. These will be evaluated and irrelevant and superfluous reports will be discontinued.	PB	TBD
CRM Lead Sourcing	Leads received via Cvent will not be send to TTID hotels through the Simpleview CRM RFP process. This is to avoid duplication of leads.	PB RL	Ongoing

E-Sales & Marketing – Group Meeting Planners

Objective, Strategies and Tactics by Market

Objective	To reach a new and expanded audience of planners to develop more group business opportunities to the Temecula Valley		
Strategies	<ul style="list-style-type: none"> Precision targeting of group and meeting planners. Increase VTV visibility in groups and meetings market by moving beyond established e-mailing lists. Educate these planners of Temecula's desirability as a meeting destination. 		
Actions	Details	By Whom	When
	<ul style="list-style-type: none"> E-newsletter via MeetingsNet to Western U.S. Corp & Association opt-in planners. Retargeting campaign for meeting planners visiting VTV Meetings & Groups web pages. Utilize membership lists for E-blasts to CalSAE, NTA, ABA, MPI Add compelling imagery to Meetings & Groups web pages E-marketing via LinkedIn specifically targeting group planners. 	PB/RP/MM	Bi-Monthly
Base Strategy	<ul style="list-style-type: none"> Emphasis is on engaging meeting planners to drive business to need periods 		

Collateral Digital & Print

Objective	Create and update collateral to properly communicate the desirability of the Temecula Valley to group planners. Developing the following pieces at a minimum:		
Actions	Details	By Whom	When
Sales Collateral:	1. Meeting & Event Planning Guide (pdf)	PB & RP	Q1 2018
	2. Meeting One Page (pdf)	PB & Design by	
	3. Additional language translations of Sales Collateral	PB / Contractor	Q1 2018
Sales Collateral:	4. Sales Video – Why Choose Temecula & Facilities	RP / MM / PB	Ongoing
	5. Compelling Promotional Items		

Group Promotions

Objectives	<ol style="list-style-type: none"> 1. Engage new prospects 2. Bring new groups to Temecula 3. Assist TTID hotels in closing group business 4. Drive the Temecula Valley brand 		
Strategy & Goals	Utilize booking promotions throughout the year to give Temecula hotels a competitive edge and drive bookings to need periods.		
Actions	Details	By Whom	When
	\$ rebate to group master account based on total paid rooms by group. Peak nights must be between Sun-Thu	PB	Quarterly

Stakeholder Engagement

Objectives	<ol style="list-style-type: none"> 1. Engage TTID hoteliers in an ongoing dialog to determine specific business needs and capitalize on opportunities 2. Utilize stakeholder feedback to improve decision making and performance by the Visit Temecula Valley Sales team 3. Ensure accountability to stakeholders 		
Strategy & Goals	Consistent and ongoing communication with TTID hotels		
Actions	Details	By Whom	When
	Quarterly one-on-one meetings with TTID chairman	PB	Quarterly
	Quarterly one-on-one meetings with all TTID hotel partners – more often as warranted or upon request	PB RL	Quarterly

	Quarterly meetings with all TTID hotel partners as group	PB RL	Quarterly
	Utilize TTID web site for ongoing communications, including activity calendars, trip reports, collateral, resources, etc.	PB	Ongoing

Sales Partnerships & Coops

Objectives	<ol style="list-style-type: none"> 1. Coops & FAMS with Visit California 2. Extend reach and access meeting planners through cooperative sales events with other DMO's 3. Maximize appeal of client events to maximize planner attendance & engagement 			
Category	Details	By Whom	When	Market
Client Event	Coop meeting planner event with other Southern California DMO's. Potentially partner DMO's include: <i>Destination Irvine, Visit Carlsbad, Greater Palm Springs CVB, Visit Oceanside.</i>	PB RL	TBD	Corp Assoc
Client Event	<i>Meeting Planners International(MPI)</i> Sponsorships One event sponsorship annually for each of the three Southern California MPI chapters: <i>San Diego (SDMPI)</i> <i>Orange County (MPIOC)</i> <i>Southern California (MPISCC)</i>	PB RL	Ongoing	Corp Assoc
FAM Trips	<i>Visit California</i> – Continue to request that Temecula is included on all group focused Southern California FAM trip itineraries.	PB RL	Ongoing	Tour & Travel

Appendix A: Growth Market Segment: Media Production (See p. 13-14)

Appendix B: Trade Show/Activities Calendar (See attached)

APPENDIX A

Growth Market Segment: Media Production

The Visit Temecula Valley sales team strongly believes that Media Production in the Temecula Valley is an opportunity for incremental growth in hotel occupancy and revenues.

According to the Riverside County Film Commission, the economic impact from film related production in Riverside County — such as commercials, television, still photography and feature films — more than doubled from \$14.2 million in 2014 to \$30.1 million in 2016. Temecula is not seeing the same robust growth. A survey of Temecula hotels shows a self-reported total of 500-600 paid hotel room nights generated during the past year (Aug 2016-July 2017).

We propose a multi-faceted approach to engage the Media Production industry and directly benefit from the hotel room revenue associated with it.

Status quo: **Film Temecula** is housed at the Visit Temecula Valley offices and is a permit processing entity with limited funding from the City of Temecula.

Proposal: 1) Add legitimacy to Film Temecula by joining a professional association (AFCI).
 2) Selling and promoting the Temecula Valley as a site for on-location filming to producers and location managers.
 3) Selling & promoting other Media Production in the Temecula Valley.

The Association of Film Commissioners International (AFCI) is a non-profit educational association whose members serve as city, county, state, regional, provincial, or national film commissioners in their respective governmental jurisdictions. There are 25 California Film Offices and Film Commissions that are members of AFCI, including the Riverside County Film Commission and the Greater Palm Springs CVB (Film Oasis).

The primary goal of AFCI membership is to attract film and video production to the Temecula Valley with the primary goal of increasing occupancy of Temecula hotel rooms (Sun-Thurs), and the added effect of locally-realized benefits of these production companies utilizing goods and services supplied on location.

While attracting business to the area, these productions also attract visitors. Film and television scenes at a particular location are in themselves "soft-sell" vehicles that also promote the area as a desirable site for future tourism and industry.

The value proposition Film Temecula provides as a member of AFCI is providing services that a producer would be hard-pressed to acquire without our assistance. The investment that Visit Temecula Valley would be making in this endeavor is:

- Personnel/Time: Designate the Senior Director of Sales (SDOS) as having the titular role of Film Commissioner. An estimated 10% of the SDOS' time would be dedicated to this role, serving as a fee-free resource, including:
 - Location scouting assistance
 - Liaison services with Industry facilitates and services,
 - Augmented research, and

- Liaison to and among the community, production companies and government.
- This is in addition to the permit processing activities that are currently provided by Film Temecula and funded by the City of Temecula.
- Direct investment:
 - \$750.00 AFCL Membership fee (annual)
 - \$350.00 Application (one time)
 - \$300.00 Film Commissioner online coursework (annual)

Initiatives: Locations Scout FAM Trip:

- Host a Film Industry Familiarization trip for television and film location scouts
- Budgeted cost of \$3,750.00

Initiatives: Media Production Hotel Booking Incentive:

A number of California Destinations/Film Commissions offer financial incentives to encourage media attention in their respective areas. For example, the Santa Barbara Film Commission offers seasonal incentives of up to \$2,500.00 per production based on a minimum number of hotel room nights.

Closer to home, the Riverside Film Commission waives transient occupancy tax at participating hotels, while Palm Springs offers grants up to \$5,000 based on total spend within the city.

Proposed Incentive

A Media Production booking Incentive of up to 5% of lodging.
2,000 room nights annually @ \$110.00 average daily rate
 $2,000 * \$110 = \$220,000$; $\$220,000 * 5\% = \mathbf{\$11,000}$

In conclusion, Media Production is a market segment that has substantial growth potential for the Temecula Valley. The fixed portion of the proposed direct spend on this market segment is similar to the cost of participation in a typical trade show. The variable portion of the spending is the booking incentive, which is tied to an actual increase in room night production.

