Report to Gunnison County Board of County Commissioners as the Local Marketing District

Report provided by
Managing Results, LLC
Gunnison County, CO

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The Charge

The charge to Managing Results, LLC (MR) from the LMD is to develop a set of recommendations for

- A governance structure for the use of LMD funds to market the Valley and achieve the best results,
- Improving accountability for LMD funds,
- Improving collaboration and cooperation,
- Clarify roles and responsibilities between the TA and LMD and between the TA and Chambers,
- Identify preliminary marketing results,
- Strategies for achieving the best tourism results for the Gunnison Valley.

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Process and Timeframe

- April – September
- 1st set of Interviews
- Facilitated Workshop – June 25
- 2nd set of Interviews – 33 individuals interviewed, 47 interviews
- Facilitated Workshop – August 21
- Report – October 14

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Performance Measurement - Examples

- <u>Integrated Seamless Access</u>
  - By 2017, tourism customers will experience an integrated, seamless online valley-wide point of *access available through* multiple technologies that facilitates rich exploration of tourist 'experiences' and provides easy, immediate, and barrier-free travel arrangements, bookings, updates, and related concierge-type services.
- <u>Unified Message</u>
  - By 2015, tourism customers will experience an integrated, valley-wide unified message through all media that communicates our distinguishing characteristics and *is* consistent with our "Brand".
- <u>Experience-Focused Messaging</u>
  - By 20XX, tourism messaging about the Valley will be driven by identified customer expectations and desired experiences

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Performance Measurement - Examples

- Return Visitors
  - By ____, XX% visitors will be returning visitors (rate of return)
  - By ____, XX% surveyed return visitors describe positive experiences as part of their decision-making to return to Gunnison/Crested Butte
- Tourism Income
  - By 2019, $175 million in travel spending will be realized annually in Gunnison County, representing a XX% increase over 20XX
- Competition
  - By 20XX, the Valley will exceed the state-wide Colorado average of tourist locations (or a select sub-group of competitor locations) for visitors and spending by 3% or more when the tourism economy is improving or slowing

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Background

- Board of County Commissioners is the Local Marketing District (LMD)
- Lodging Tax of 1.9% approved by voters in 1990, expanded by voters to 4% in 2002 & extended in 2009.
- Tourism Association is a private, not-for-profit organization and an independent contractor to the LMD
- The IGA creating the TA ceased to be in effect when Mt. CB withdrew. Section 7 of the original IGA reads "The Agreement will be automatically renewed unless terminated in writing as set forth below or in the event any party does not make the necessary annual appropriation."
- The LMD has statutory authority of management, control, and supervision of all the business and affairs of the District and of the operation of District marketing services.

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Gunnison Valley Position

- Occupancy – 2013-14 Gunnison Valley lowest among 18 ski locations
- Ski Days – 550,000 1997-98; 400,000 2013; nationally numbers are steady
- De-planements – 1998 - 60,000; 2013 - 30,000
- Sales Tax – 2010-14 Average 19.5% among CO ski locations, Gunnison 15.4%, Mt CB 19.5%, CB 23.5% (others – Breck 33.1%, Telluride 26.9%, Aspen 25.5%, Snowmass 25.5%, Estes Park 24.2%, Frisco 24.8%, Ouray 24%, Steamboat 15.8%, Durango 15.3, Glenwood Springs 13.2%)

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Models for Success

- Cooperation – Current Model
- Consolidation – One organization
- Integration – Recommended
  - Performance-Based, Systemic Approach, High Degree of Accountability

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Governance Recommendations

- LMD continues to have statutory authority of management, control, and supervision of all the business and affairs of the District and of the operation of District services.
- 100% funding and all marketing decisions made by Team of Experts – Marketing Board of Directors (MBoD)

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Governance Recommendations

- MBoD will be a team of marketing experts; creates a smaller, strategic Board capable of making marketing decisions to achieve the best marketing results for the money available.
- Membership built on expertise:
  - Marketing experience, knowledge, leadership, tourism business experience
  - Understand the Valley is 'one economy', interdependent & interconnected economic system
  - Decision makers
  - Committed to the Community
- Integrated, systemic approach to marketing – in-Valley and out-of-Valley marketing

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One Economy

- *It cannot be emphasized enough that the Valley is one economy with remarkable, unique venues and opportunities operating within that economy. What happens anywhere in the Valley has impacts elsewhere in the Valley in terms of jobs, business, branding impact, tourism revenues and economic prosperity.*

- *We must view prosperity as a goal for everyone.*

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Governance Recommendations
Integrated Marketing System

Question: Where does Marketing begin and end?

- First order of MBoD business is to create, build and strengthen an integrated, systemic, performance-based approach to marketing the Valley
- MBoD Strategic Business Plan includes Results Performance Measures/ROI re how we are doing relative to our target competitors (3% goal), timely marketing plans for summer and winter seasons, strategies to leverage LMD funds, performance contracts and agreements to build an integrated marketing system

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Governance Recommendations

MBoD role:

- Annual MBoD Strategic Business Plan and Performance Budget must be approved by the LMD
- MBoD will make all funding decisions – approved by LMD in Strategic Business Plan
- Decouple Chamber membership from LMD-funded marketing
- Market the 'Experiences' available in the Valley, bring along all businesses involved in the Experiences

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Governance Recommendations

MBoD role:

- Valley's Brand – clarify, solidify, support and use everywhere
- Integrate tourism marketing and economic/prosperity development, leverage both efforts
- Accountability, Strategic Business Plan, Performance Budget, Quarterly Performance Reports, Annual Performance Report to Community
- Performance Based Contracts for contracted marketing services; periodically and routinely competitively bid, avoid entitlement mentality

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Governance Recommendations

MBoD role:

- Authority to contract for services, hire staff
- Information Sharing – strategic approach, included in all contracts and agreements
- Secure Data Base for information sharing
- Coordinated Websites, Apps, Other vendors

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Governance Recommendations

MBoD Role:

- Unified Events Calendar – All Events
- Unified Call-In for the Valley – one not two
- Fulfillment – Downloadable Materials, Timeliness and Cost

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Governance Recommendations

MBoD role:

- Board training
- Staffing – Understand integration, systems, performance based approach
- Transition
  - TA for a period of time
  - Existing Staff w MBoD
  - Retain marketing consultant to oversee transition

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Visitor's Centers

- Essential to in-Valley marketing and a crucial part of integrated marketing system
- Visitor's Centers encouraged to submit Strategic Business Plans to be part of the MBoD's marketing system and in-Valley marketing strategies

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Visitor's Centers

- Visitor's Centers Strategic Business Plan:

  Services (Deliverables); Metrics—Outputs and Results; Strategies for Collaboration; Strategies for Information Gathering & Sharing; Strategies for Marketing Experiences & Events; Strategies for integrating with the Unified Events Calendar; Plan for modernizing the Visitor's Center
- Funding
  - Based on Strategic Business Plan
  - 30% Match
  - Accounting for LMD Funds

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Board/LMD Questions & Comments

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