

# VAIL LOCAL MARKETING DISTRICT MEETING

MAY 3, 2022



# Agenda

- Budget Overview Future Considerations
- Strategy and Goals
- Supplemental Tactical Plan & Request
- Request for approval of Supplemental Plan and Budget





## BUDGET OVERVIEW & SUPPLEMENTAL REQUEST



# First Supplemental Request

## Revenues \$4.4M

Total Amended Lodging Tax Revenue of \$4.4M; **\$610K Increase**

- Forecast YTD (through March) with remainder of year flat with 2021

## Expenditures \$4.8M

- Total Amended Budget of \$4.8M; **\$620K increase**

## Fund Balance \$2.3M

- Estimated fund balance at the end of 2022 is \$2.3M; 52% of annual revenues



# Future Considerations for Fund Balance

## Fund Balance Distribution Planning

Potential use of the fund balance over a 3-5 year time frame could include funding to support:

- Vail summer signature events
- Tactical implementation of the Steward Vail, Destination Stewardship Plan
- EGE air alliance contribution toward flight guarantees
- Additional research: on-site visitor behavior ie: trail visitation

A photograph of three mountain bikers riding through a dense forest of birch trees. The trees have characteristic white bark with dark, horizontal lenticels and vertical fissures. The bikers are wearing helmets and colorful gear, riding on a dirt trail. The scene is brightly lit, suggesting a sunny day. A white rectangular box with a thin yellow horizontal line is overlaid on the left side of the image, containing the text '2022 BUDGET SHIFTS'.

## 2022 BUDGET SHIFTS

# Contingency Use

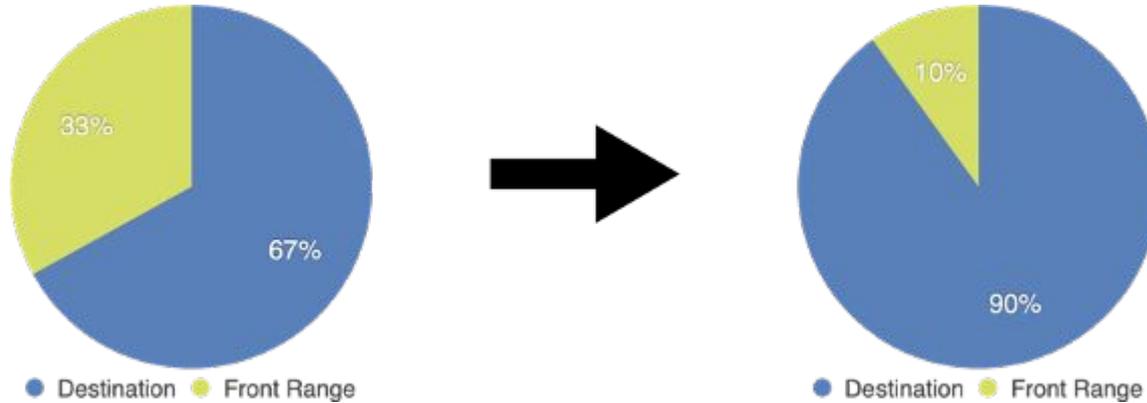
Contingency funds in existing budget have been utilized for:

- Destination Stewardship Research: SMARI Visitor Research study to gather data to inform strategy on value-based marketing.
- Travel Classics Host: In the fall of 2022, the VLMD will sponsor and host the premier travel media conference in the world, connecting top freelance travel writers and editors in North America.
- PR Social Influencer Tool: Allow VLMD ability to effectively select and monitor influencers.

**Budget shifts: -\$98,000**

# Paid Media: Shift to Destination Visitors

Reduced Front Range media by 62% YOY, by reducing overall paid media budget by 22% and shifting to destination



**Budget shifts:** Moved 18% of budget from Front Range to Destination

**KPI's:** Awareness: Impressions Consideration: clicks to website, video completion rate, etc. Engagement: time on site, pages viewed, etc.

A group of five people, including two boys and three adults, are hiking on a grassy mountain trail. They are walking away from the camera towards the right, looking towards the horizon. The scene is set during a golden sunset, with the sun low on the horizon, casting a warm glow over the landscape. The sky is filled with soft, orange and yellow clouds. In the background, there are rolling hills and a line of evergreen trees. The foreground is dominated by tall, green grasses and wildflowers. A semi-transparent white banner is overlaid on the left side of the image, containing the text.

STRATEGY:  
DATA DRIVEN MARKETING OPTIMIZES VISITATION



# 2022 Goals

## Business Goal

Drive responsible revenue growth in Vail by focusing on quality of guest, length of stay and guest spend, while effectively communicating community values. Key Performance Indicators (KPIs) include lodging occupancy and average daily rate and lodging and sales tax revenues with a focus on mid week and lower demand time periods.

### Optimize Visitation

Maximize longer stays and higher spend, gain greater understanding of customer through research.

### Grow Database + Build Relationship

Use Data to understand our guest to enhance engagement & loyalty.

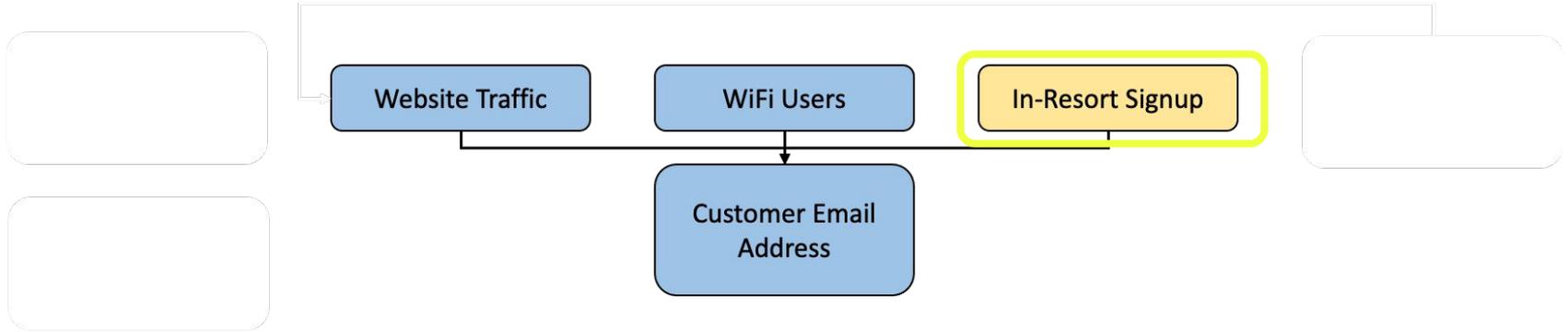
### Destination Stewardship

Protecting and sustaining our natural environment and attractions while elevating the guest and resident experience.

### Brand Positioning

Position Vail as the Premier International Mountain Resort Community and work with community partners to define, support and deliver on the brand.

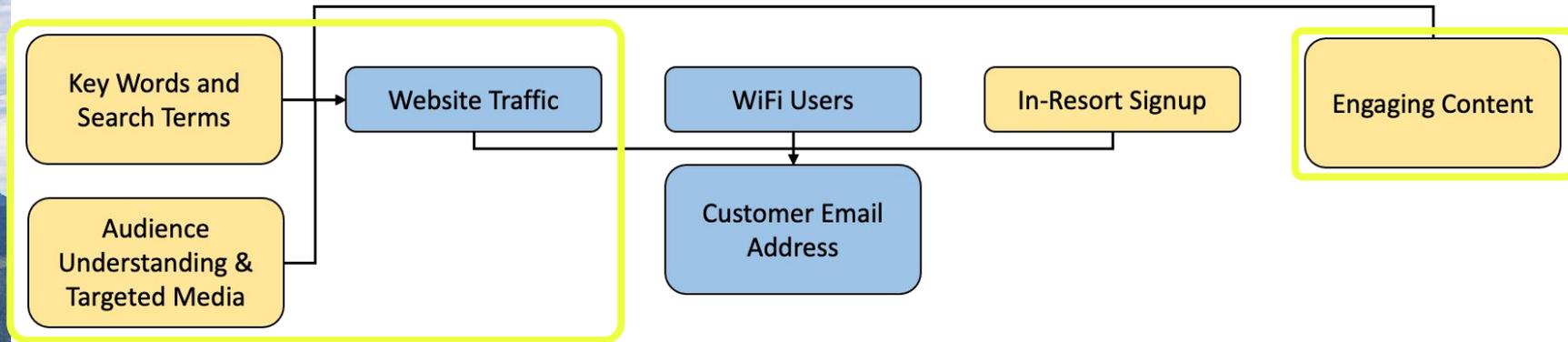
# Data-Driven Marketing Helps Optimize Visitation



## **IN-RESORT:**

Focus on driving more signups in-resort.

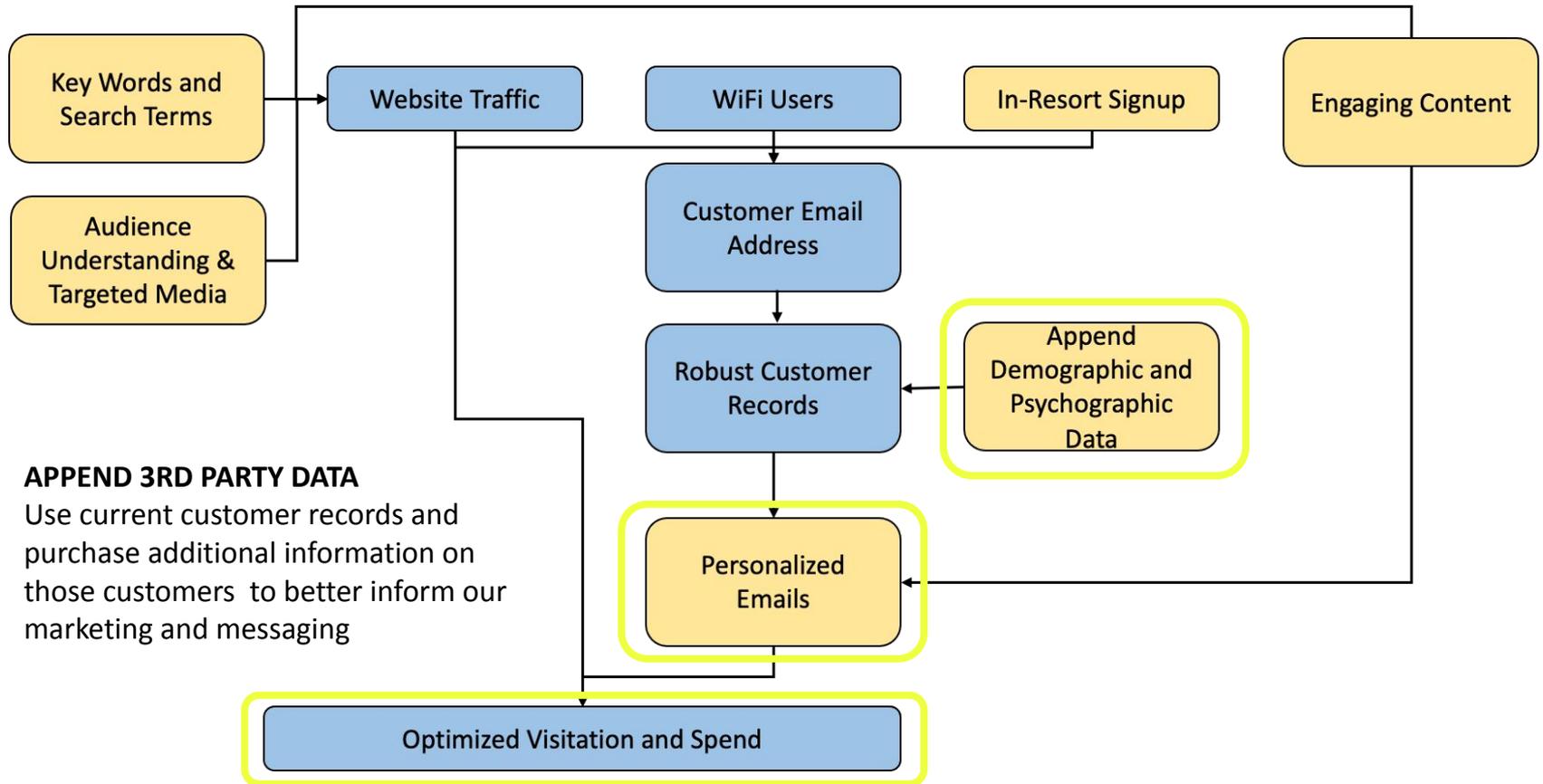
# Data-Driven Marketing Helps Optimize Visitation



## INCREASE QUALIFIED WEBSITE TRAFFIC:

- Improve web search terms
- Media placement is informed by customer data
- Engaging visuals and unique storytelling content

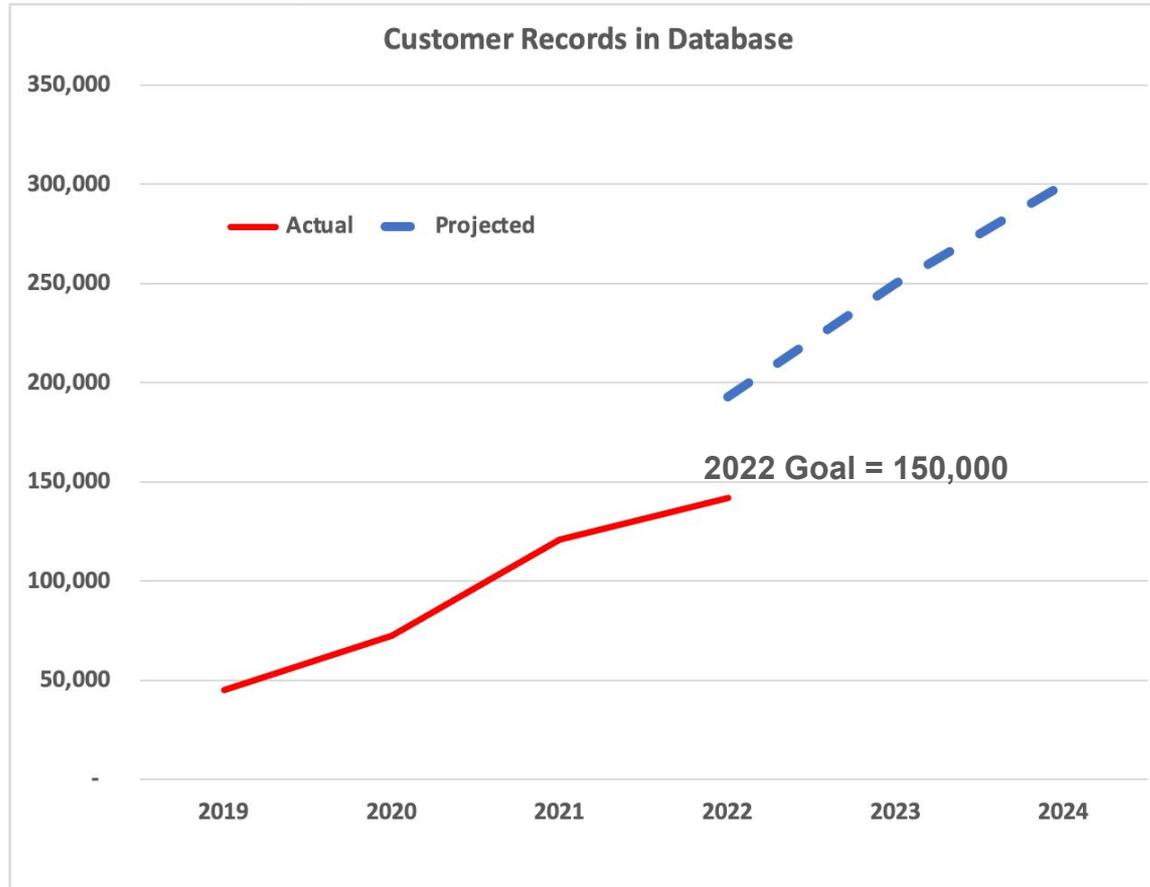
# Data-Driven Marketing Helps Optimize Visitation





## TACTICAL PLAN & SUPPLEMENTAL REQUEST

# Data Systems - Growth Since Strategy Shift



**Customer Data Today**  
No demographic data for 95% of records

**Sample Profile Today:**

- [suzie@gmail.com](mailto:suzie@gmail.com)
- Zip: 60657

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**Future Customer Data**  
Growth in depth with robust insights on each record

**Sample Profile Future:**

- [suzie@gmail.com](mailto:suzie@gmail.com) (Susan Smith)
- Zip: 60657 (2900 N. Burling, 3N)
- 45-year old married mother of 2
- Income = \$350k, NW = \$2.5M
- Enjoys beach and ski vacations
- Hobbies are cooking and gardening
- Reads Wine Aficionado



# Data Acquisition and Data-Driven Media

Investment in appended data primarily to existing customers in our database to enable personalization and better drive conversion.

- **3rd Party Data Append**
- **Data-Driven Media/Measurement Pilot**
- **Email Acquisition**
- **In-resort Data-Capture**

**Budget: \$191,500**

**Business Goal Pillar:** Optimize Visitation, Grow Database + Build Relationship & Destination Stewardship

**Key Performance Indicator (KPI):** Number of appended records, engagement and conversion resulting from more personalized informed targeting and communications



# Content to Enable Data-Driven Marketing

## **Enhance Infrastructure**

- Web search term optimization
- Content Management System and training
- Updated email templates

## **Improve Ongoing Content and Communications**

- Web search terms to own our space completely
- Content creation including frequent long-form blog creation
- Triple the amount of outgoing emails
- Improve website and user experience management
- Enhanced reporting, and better analytics to manage growth and scale

**Budget: \$149,350**

**Business Goal Pillar:** Optimize Visitation, Grow Database + Build Relationship & Destination Stewardship

**KPI:**

- Improved site metrics (data capture, time on site, pages visited, etc.)
- Top position search results in organic search for identified keywords



# Photo/Video Management

Invest in Photo/Video Asset Management Tool, Intelligence Bank, that VLMD controls with strong sorting system, and easy to manage permissions for vendors/media/partners. Space to allow for Town of Vail asset sharing as well.

**Budget: \$18,475**

**Business Goal Pillar:** Brand Positioning

**KPI:** By providing easier access to content to lodging/merchants/community and partners, creative campaign and messaging will be extended and strengthened.



# Research and Data: Mexico

- **In-Market Research**
  - Understand competition within US mountain resorts,
  - Understand where high-end Mexican travelers are going in the U.S., and what they are looking for in their travel experiences.
  - Gauge familiarity with Vail and the level of existing knowledge about the destination.
  
- **Santander Credit Card Promotion** - Partner with Santander, the largest credit card company in Mexico, for a mid-week fall promotion.

**Budget: \$19,000**

**Business Goal Pillar:** Optimize Visitation & Destination Stewardship

**KPI:** Total completed surveys with recommendations for future targeting and marketing. Reach and total impressions of media buy, number of packages purchased



# Social and Fall Media: Mexico

- **Social Campaign** - Use social media to gauge Mexico visitation in market to capture data and better target future marketing.
- **Fall Media Buy w/Retail Offer** - Develop fall retail offer that's promoted via media buy to drive September/October business.

**Budget: \$25,000**

**Business Goal Pillar:** Optimize Visitation, Grow Database + Build Relationship

**KPI:** Newsletter reach, social sharing and database growth, packages purchased



# Influencer Co-Op

Develop a co-op program to offset influencer hosting expenses at hotels. Expenses can include dining, activities, spa treatment and/or lodging costs. In return, influencers would be contracted to include DiscoverVail handles and hashtags in posts.

**Budget: \$20,000**

**Business Goal Pillar:** Brand Positioning

**KPI's:** Property participation and social engagement/growth

# 2021 Reappropriations

Reappropriation for items budgeted in 2021 that were not fully completed rolled forward to 2022.

- Giveaway items with delayed shipping
- Video and digital production for Dream campaign that wasn't completed until January 2022
- Reporting tool subscription renewal in 2021 but is mostly for 2022

**Budget: \$35,639**

# Contingency

Replenish contingency for support as needed with

- Crisis budget: natural disasters, public health challenges, etc.
- Opportunity funds

**Budget: \$200,000**

# Action Requested

Vail Local Marketing District Advisory Council recommends that the Vail Local Marketing District approve the 2022 Supplemental Plan and budget request of \$664,964.



THANK YOU

