

# Apple Valley Chamber & Convention & Visitors Bureau

## 2016 Marketing Plan

Preface: The Annual Marketing Plan document is intended as a guideline for tourism promotional efforts during each calendar year. This document has a budget attached for 2016 that was approved by the Convention & Visitors Bureau Board and the Chamber of Commerce Board of Directors. The CVB Board is part of the Apple Valley Chamber of Commerce and follows the Chamber's bylaws and procedures. The City and Chamber both appoint representatives to the CVB Board.

### Executive Summary

- Budget Highlights:
  - The 3% Lodging Tax revenue (as prescribed by state law), has increased revenue, however our lodging tax increased net has greatly increased in 2015. Much of it is savings during our two year transition from having traditionally been print media driven, to now being primarily online and mobile. We enjoyed great efficiencies and advice from our Webmaster Adam Bengtson (who used to be President of Bloomington Chamber for many years) as well as he and Chamber President Ed Kearney in finding newer ways to reach a more targeted audience that makes more immediate decisions.
- Explore MN, the official State Tourism Office's name has not changed the default search settings under "Places to Stay" or "Things to Do" for their new website. As a result, when people enter "Apple Valley" or "MN Zoo", a very long list of results appear and the Apple Valley locations often don't appear for 4 or 5 pages in results.
  - They wanted up to \$12,000 for a metro partnership membership for us to continue being part of the Metro Coalition of CVB's who combine marketing efforts. We have said no due to us being lost in their search.
  - We have found their media results tends to be label-lead based rather than web based and expensive for mailing to thousands when our approach is to become more web-based and tied into tourism apps and websites where most people are searching.
  - In addition Explore MN metro partnership wanted \$7500 for us to be prominent and found on their website.
    - As noted above, Apple Valley hotels do not come up on the state's website until many pages in even when a visitor specifically asks for Apple Valley. It defaults to a 15 mile radius with others all listed first. First up will be Bloomington, Eden Prairie, Edina, Burnsville, Eagan, Lakeville etc. That's not good enough!

- Because the site lumps zoos in with more than a hundred other attractions, when searching on their site for “zoo”, other attractions around the state come up first. MN Zoo didn’t come up until 5<sup>th</sup> page even when we clicked on Zoo’s and Attractions.
- We spoke several times to Explore MN to say when they make their site pull up visitor requests such as Apple Valley or the Zoo or our hotels and restaurants. If visitors looking specifically for Apple Valley have trouble on their site, then visitors not knowing where they are going to stay would be an impossible search to Apple Valley results. We will not spend a dime until then. For over a year, they still have not changed it.
- As we stated in our 2015 Marketing Plan, the CVB has continued to spend less during these three years in order to build reserves to their healthy level of near \$100,000 for to be used for future downturns which are inevitable.
- There are reasons to keep a strong reserve:
  - Tourism shocks may happen, possibly including terrorism threats with Mall of America, gas prices skyrocket by years end, etc.
  - If another severe recession hits this next year with China’s worried status
  - If the mosquito carrying the “Zika” virus, currently sweeping the southern hemisphere, were to end up in Minnesota (where we might note mosquitos thrive), we want to be prepared to do massive promotions at a time when the hotels most need to be promoted.
  - If a new technology comes along, we can get ahead of our competitors for visitors and invest in it early where we can gain the greatest share.
- ***Both Apple Valley Hotels, GrandStay and the new owners of AmericInn have told us their year has gone very very well and that summer promotion in particular is unnecessary.*** This fall we decided to skip our usual \$20,000 direct mail piece to area residents for referrals, an instead create an ALL ONLINE STRATEGY. We hired Adam Bengtson to come up with a new plan which was presented to the board Feb. 4, 2016.
- We are very happy to finally have reserves in line for 6-10 months of operations.
- Last year with great effort and creativity, the Chamber built the CVB its own website **VisitAppleValley.com** which we for the first time have separated from the Chamber website and we will continue to build it up with at least \$2,000-3,000 annually. It has an emotional appeal and is receiving great accolades and traffic.
  - The CVB Board decided to add several thousand in upgrades each year to the VisitAppleValley.com in order to stay ahead of mobile shifting apps and sites.

- We are adding \$10,000 each year to our contingency fund to assist the city in building a Visitor Monument on Cedar & I-35E to total \$35,000 in 2016. We hope to receive legal clarification to allow the state tourism lodging-tax law for us to use it for advertising marketing via signage for more of the 1.3 million MN Zoo visitors knowing where our downtown area is located for meals, shopping and lodging.
- We made a video of all signs mentioning Apple Valley on 35, 35E, Cedar southbound from Mall of America, Hwy 55 from Rochester to Rosemount. There is virtually no signage on these roadways directing visitors to Apple Valley or Minnesota Zoo (the zoo is mentioned on Cedar & 35E once a visitor is in Apple Valley.) This video was sent to Charlie Zelle MNDOT Commissioner. The former Public Works Director Todd Blomstrom had agreed to help us. With his departure, we are looking to work with the new Director Matt Saam for a partnership that gets Apple Valley more visible on Cedar, 42 in Burnsville and on 35E in order to capture those spending dollars for Apple Valley. We do not feel 50,000 people and 650+ businesses should be invisible nor that 1.3 million zoo visitors are not served with the convenience of proper directional signage to our downtown on county roads. We feel that monument signage is marketing, not brick and mortar in the dwelling sense for offices and therefore State law should allow for the City to use these reserve funds to get people here. We can put up a billboard and it is marketing but not a permanent sign. This is not logical to us.

There were many changes last year.

- Both hotels underwent both interior and exterior reconstruction, new beds, tv's, dining areas (and GrandStay complete exterior renovation.)
- Bill Von Bank, longtime Marketing Director at Minnesota Zoo left to work at Explore MN. Both Karin Snortland (GM) and Kathy O'Connell left IMAX. We have worked in partnership with both the new people at the Zoo and at IMAX and look forward to even stronger relationships.
- MN Zoo has named John Frawley as the new MN Zoo Director. 26 years ago, he was a zookeeper at the MN Zoo and comes to us from San Francisco based Bay.org, a not-for-profit to protect San Francisco bay and is a nationally recognized leader within the zoo and aquarium community. The CVB looks forward to working closely with him as we did with Lee Ehmke.
- GrandStay Hotel has added an interior hallway to connect their LaGrand Conference Center to the hotel. They also recently replaced the Panino Bros. Bar with the "quieter for guests" bar/restaurant Celt's. The new Celt's owners are working closely with the Chamber and CVB.

- Valleywood's new event center is already helping us attract weddings, meetings, small conferences, training seminars and sports celebrations, something we used to lose to other surrounding cities. We still need a place however for very large weddings in the future such as the 300-350 range. Clearly a city owned event center doesn't compete with privately owned centers as there is still great demand. If Valleywood Clubhouse were to ever double in size as far as one large dividable banquet room, we see Chamber Galas, large weddings and corporate, sports and non-profit groups booking Valleywood Clubhouse annually. This is an opportunity cost going to other cities from Egan, Lakeville, Mendota Heights and especially to Radisson BLU and other new properties near Mall of America. The Chamber & CVB supports expansion to provide that amenity within the borders of our community. Due to the lack of an appropriately-sized facility in Apple Valley, the Chamber had to take our Chamber Annual Gala for the business community over our border to a member.
  
- Our CVB looks at the new Twin Cities Premium Outlets as a first class Tourism Asset that only helps Apple Valley in the same way where Egan, Lakeville and Burnsville (except for Buck Hill Ski) have not had any major attractions like MN Zoo that we fortunately have. We really play up in our literature and our advertising that Apple Valley's border is less than ten minutes to Mall of America and even closer to the Twin Cities Premium Outlets. It is working!
  
- MN Zoo has gone most of the year without a Director as well as a Deputy Director as Connie Brazier has retired. With replacements in place, this is an opportunity to build new alliances.
  
- The new CVB site (as well as the Chamber's site) both employ a new technology called "Responsive Technology" which allows the site to automatically adjust in size to any device be it PC, tablet, phone or watch without shrinking the size of the letters and photos to real small. It is really easy to read. This technology is sort of like the "spandex" of the web and fits all devices.
  
- CTM Brochure distributes our Apple Valley Tourism brochure at over 500 racks from Des Moines to Duluth. We have added brochure distribution points in Wisconsin in Eau Claire and Rochester down to La Crosse, Wisconsin.
  
- The CVB continues to market toward attendees at many of the local sporting events at the High Schools, bowling alleys and park and recreation fields and facilities. Most of the money is for welcome ads in the event programs with visitor website information. Hockey, bowling & soccer are the most popular events and we always put "Welcome to Apple Valley" ads in each.
  
- The Chamber secured an extra 20,000 city maps for sports/band tournaments which we distributed to schools for their events at no charge to them. The city is on one side and Twin Cities region is on the back. The CVB's walking around maps of restaurants is even more in demand.

- New Twin Cities Premium Outlet Mall is a major tourism draw to our area and opened just over a year ago. Our new brochure includes the Outlet Mall as another reason to stay in Apple Valley as we are so close to MN Zoo, the Outlets and Mall of America. Combined with the new Red Line Transit, this will really help us with visitors and is reflected in our new tourism brochure.
- Our Red-line Transit BRT Line is a real asset to both hotels. Within one block of either hotel, visitors or just part of their family can take the transit to the outlets, Mall of America or to either Minneapolis or St. Paul downtown areas.

### **Continuing CVB Programs**

- We will again have enhanced marketing in Explore Minnesota's Newspaper insert in the Star Tribune to 1/3 million readers statewide (3 times per year) and distributed at Visitor Centers and in fulfillment mailings.
- We have re-printed a new walking around map for the hotels counters in full color tear off sheets. IMAX also uses these in great quantity. The Chamber also bought map racks for our hotels and IMAX which are pocket size folded for visitors. They have been a huge hit.
- We look to continue taking advantage of our larger than life Apple Valley IMAX screen ads promoting our hotels, restaurants and shopping to thousands of IMAX viewers on their screen every movie. Our direct mailings have proven that much of our hotels are filled via resident referrals to relatives, events and company management visits from headquarters.

### **Chamber/CVB Leadership**

- Chamber President Ed Kearney recently served two terms as the Chairman of the Metropolitan Coalition of Chambers of Commerce. This leadership brings great attention to Apple Valley as well as helps with future co-op opportunities with other CVB's and Chambers.
- Ed last year was selected by the US Chamber Board Chairman of their Institute Program at Loyola Marymount College in Los Angeles, California, to be in head of their incoming junior class of Chamber Presidents. This is a 4 year program where Chamber Presidents become certified by US Chamber as IOM or a degree of Institute of Organizational Management. This is a huge honor to be one of only four selected out of thousands of Chamber Presidents in the US.

- Chamber President Ed Kearney had spent nearly a decade representing Apple Valley on the critical Minnesota Zoo's Legislative Board. We have been part instrumental in helping secure \$42 million for the Minnesota Zoo the last three years that paid for their Grizzly Coast and now the "Heart of the Zoo" \$20 million project completed last year. This funding helps expand the Zoo into a world class Zoo, thereby benefitting Apple Valley directly.
- Chamber President Ed Kearney also has top experience in having spent nearly a decade as Director of Tourism for Colorado Springs CVB as well as a year as the head of domestic and international tourism for Mall of America before 9/11 when he started here in at the Chamber.
- Chamber President Ed Kearney serves on many boards but is very proud to have been asked by Superintendent Jane Berenz to be on School Districts Facilities Expansion advisory board. Ed also has served three years on Wings Financial's Minnesota Advisory Board, the YMCA's, DCTC's Entrepreneur Board, two term Chairman of Metro Chamber Presidents and many others.

**Attachment: Apple Valley Convention & Visitor Bureau 2016 Budget**